

June 21, 2020

DRAFT BUDGET

2021-2022

DRAFT BUDGET

OVERVIEW

The “Draft Budget” is the initial design for the new school year’s annual budget. At this point in the budget development process, the Board of Education Finance Committee has participated in financial assumptions development and reviewed the preliminary budgets for Operations & Maintenance, Technology, Transportation and the Education Fund as a whole. Building upon this data, the “Draft Budget” incorporates all District Funds and includes Revenues and Expenses for each of the funds below:

OPERATING FUNDS:

- 10 - Education Fund
- 20 - Operations & Maintenance Fund
- 40 - Transportation
- 70 - Working Cash
- 80 - Tort

OTHER FUNDS:

- 30 - Debt Services
- 50 - IMRF/Social Security
- 60 - Capital Projects
- 90 - Life Safety

BUDGET DEVELOPMENT

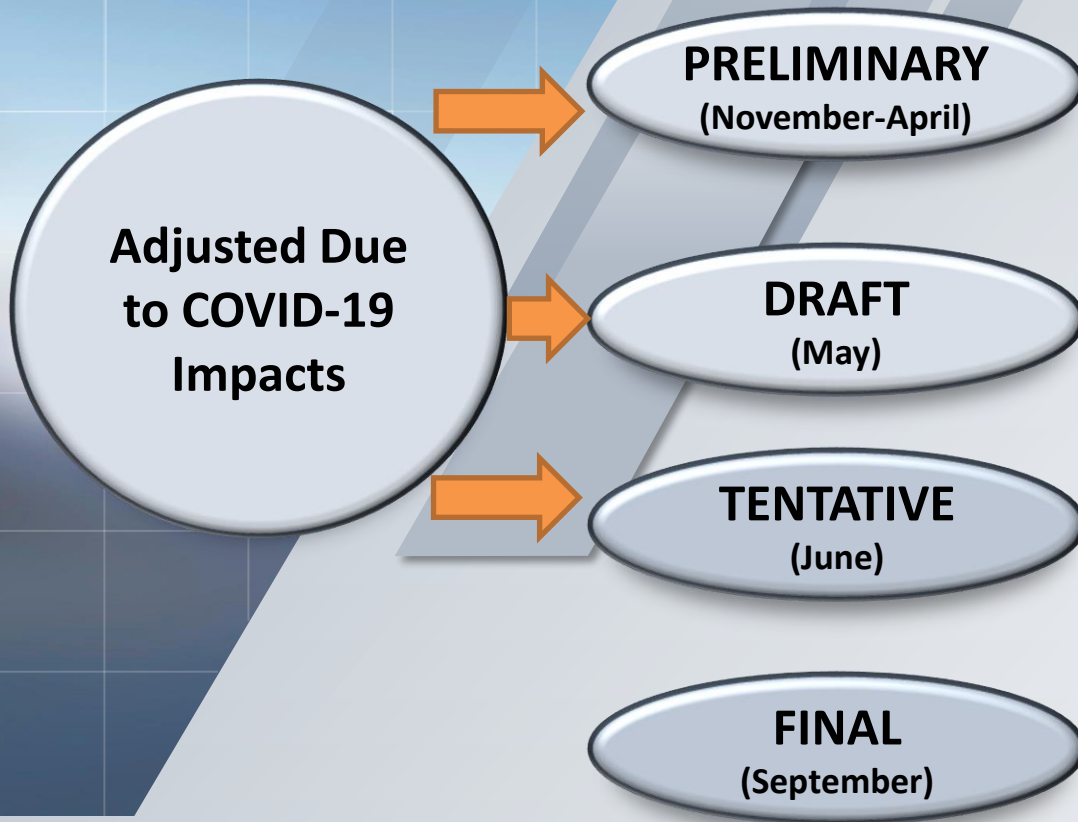
Annual Development Components



- Estimates are developed for the coming school year based on current enrollment by building, past trends, and housing data.
- Staffing levels are determined for each building using class size targets, program needs, and service level expectations.
- Estimates are generated pertaining to the tax levy, federal and state funding and general receipts.
- Estimated expenditure needs are developed for salaries, benefits, purchased services, supplies and materials, capital outlay and other objects using both known data and assumptions.
- All financial estimates are combined and preliminary, draft, and tentative budgets are developed.
- A final proposed budget is created in accordance with Board of Education policy in support of the Strategic Plan and then approved by the Board of Education.

BUDGET PHASES

Annual Development Components



- A “Preliminary” budget is developed for the Technology, Operations & Maintenance, Transportation and Education Fund components of the budget. These budgetary considerations are used as initial assumptions prior to a complete view of the overall budget is completed. – Timeline adjusted to November – **May**.
- A “Draft” budget combines all assumptions across all components of the proposed budget and represents the first look at an all encompassing District Budget. – Timeline adjusted to **June**.
- A “Tentative” budget is required by statute and is made available to interested parties as part of the approval process of a final District budget. This version of the budget builds on the “Draft” budget taking into account newly incorporated data or other improvements made to the previous version. – Timeline adjusted to **July**.
- The “Final” budget is required to be adopted by the Board of Education no later than the month of September within the fiscal year (June-July) it represents. This “Final” budget further improves upon the “Tentative” budget incorporating the most current data available and final enhancements from the previous version.

REVENUE ASSUMPTIONS

- CPI:
 - CY20: 2.3%
 - CY21: 1.4%
- COLLECTION RATE: **99.6%**
- CY20 New Const.: \$9,431,432 / CY21: \$12,000,000
- Evidence Based Funding (State): No Change
- Mandated Categorical Payments: 4 of 4
- Sp. Ed./Grant Funding (State/Federal): No Change
- Local revenues (fees): 5% Reduction
- Trans Reimbursement: Notable Reduction
- Bus Buy Back Values Est.: 39% down from 85%

EXPENSE ASSUMPTIONS

- Salary costs projected at current contract increases
- Health benefits projected at:
 - PPO: 2.6% increase & HMO: -0.6% increase
 - Dental: 0.2% increase
- Purchased services projected at 2.0% increase
- Supplies & Materials projected at 2.0% increase
- Technology preliminary budget included – Capital Increase of \$470,000 year to year change
- P&C Coverage: 19% inc. / WC coverage: 19% inc.

EDUCATION FUND

Draft Budget

Revenues Education Fund (10)	2021 Current	2022 Projected	Expenses by Object Education Fund (10)	2021 Current	2022 Projected
1000 Local Sources	\$62,943,376	\$64,281,994	000 Transfer	\$254,050	\$385,550
3000 State Sources	\$3,175,171	\$3,298,605	100 Salaries	\$48,452,414	\$49,457,562
4000 Federal Sources	\$2,502,842	\$4,343,624	200 Employee Benefits	\$9,286,631	\$10,061,905
	\$68,621,389	\$71,924,223	300 Purchased Services	\$5,447,462	\$5,192,198
			400 Supplies & Materials	\$1,281,103	\$1,192,222
			500 Capital Outlay	\$511,980	\$557,078
			600 Other Objects	\$4,617,205	\$4,951,237
			700 Non-Capitalized Equipment	\$124,830	\$125,782
				\$69,975,674	\$71,923,535
<u>FY20 ED Fund Balance:</u>					
\$26,796,349					

(**\$**) Rev - Exp
\$689

Expense
Increase of
2.8%

OPERATIONS & MAINTENANCE FUND

Draft Budget

Revenues O&M Fund (20)	2021 Current	2022 Projected	Expenses by Object O&M Fund (20)	2021 Current	2022 Projected
1000 Local Sources	\$11,716,323	\$11,977,604	000 Transfer	\$1,500,000	\$1,500,000
3000 State Sources	<u>\$1,531,335</u>	<u>\$1,591,586</u>	100 Salaries	\$5,139,551	\$5,043,252
	\$13,247,658	\$13,569,190	200 Employee Benefits	\$1,066,535	\$987,007
			300 Purchased Services	\$2,023,730	\$2,003,430
			400 Supplies & Materials	\$3,069,500	\$3,089,500
			500 Capital Outlay	\$29,500	\$500,000
			600 Other Objects	\$216,717	\$76,000
			700 Non-Capitalized Equipment	<u>\$370,000</u>	<u>\$370,000</u>
				\$13,415,533	\$13,569,190

(\$ Rev - Exp
\$0

Expense
Increase of
1.1%

TRANSPORTATION FUND

Draft Budget

Revenues	2021	2022	Expenses by Object	2021	2022
Transportation Fund (40)	Current	Projected	Transportation Fund (40)	Current	Projected
1000 Local Sources	\$2,247,250	\$2,295,698	100 Salaries	\$2,296,698	\$2,664,491
3000 State Sources	\$1,935,615	\$1,402,000	200 Employee Benefits	\$85,802	\$64,789
7000 Other Financing Sources	<u>\$1,700,000</u>	<u>\$1,292,500</u>	300 Purchased Services	\$1,022,397	\$310,164
	\$5,882,865	\$4,990,198	400 Supplies & Materials	\$290,968	\$318,871
			500 Capital Outlay	\$2,070,000	\$2,115,000
			600 Other Objects	\$30,000	\$31,700
			700 Non-Capitalized Equipment	<u>\$87,000</u>	<u>\$88,740</u>
				\$5,882,865	\$5,593,756

(\$ Rev - Exp
-\$603,558

Expense
Decrease of
4.9%

WORKING CASH & TORT FUNDS

Draft Budget

Revenues	2021	2022
Working Cash Fund (70)	Current	Projected
1000 Local Sources	<u>\$31,500</u>	<u>\$31,658</u>
	\$31,500	\$31,658

Expenses by Object	2021	2022
Working Cash Fund (70)	Current	Projected
	<u>\$0</u>	<u>\$0</u>
	\$0	\$0

(**\$**) Rev - Exp
\$31,658

Revenues	2021	2022
Tort Fund (80)	Current	Projected
1000 Local Sources	<u>\$50</u>	<u>\$50</u>
	\$50	\$50

Expenses by Object	2021	2022
Tort Fund (80)	Current	Projected
	<u>\$0</u>	<u>\$0</u>
	\$0	\$0

(**\$**) Rev - Exp
\$50



DEBT SERVICES, IMRF/SS, CAPITAL PROJECTS & LIFE SAFETY FUNDS

Draft Budgets

Revenues	2021	2022
Debt Services Fund (30)	Current	Projected
1000 Local Sources	\$14,837,219	\$14,785,410
7000 Other Financing Sources	<u>\$254,050</u>	<u>\$385,550</u>
	\$15,091,269	\$15,170,960

Expenses by Object	2021	2022
Debt Services Fund (30)	Current	Projected
300 Purchased Services	\$254,050	\$385,550
600 Other Objects	<u>\$14,781,610</u>	<u>\$14,781,610</u>
	\$15,035,660	\$15,167,160

(\$) Rev - Exp
\$3,800

Revenues	2021	2022
IMRF/SS Fund (70)	Current	Projected
1000 Local Sources	<u>\$2,846,727</u>	<u>\$2,931,983</u>
	\$2,846,727	\$2,931,983

Expenses by Object	2021	2022
IMRF/SS Fund (70)	Current	Projected
200 Employee Benefits	<u>\$2,906,186</u>	<u>\$3,143,531</u>
	\$2,906,186	\$3,143,531

(\$) Rev - Exp
-\$211,548

Revenues	2021	2022
Capital Projects Fund (60)	Current	Projected
1000 Local Sources	<u>\$1,500,000</u>	<u>\$1,500,000</u>
	\$1,500,000	\$1,500,000

Expenses by Object	2021	2022
Capital Projects Fund (60)	Current	Projected
500 Capital Outlay	<u>\$1,918,700</u>	<u>\$2,683,153</u>
	\$1,918,700	\$2,683,153

(\$) Rev - Exp
-\$1,183,153

Revenues	2021	2022
Fire Prevention & Safety Fund (90)	Current	Projected
1000 Local Sources	<u>\$250</u>	<u>\$251</u>
	\$250	\$251

Expenses by Object	2021	2022
Fire Prevention & Safety Fund (90)	Current	Projected
300 Purchased Services	\$0	\$0
500 Capital Outlay	<u>\$162,000</u>	<u>\$0</u>
	\$162,000	\$0

(\$) Rev - Exp
\$251

BUDGET DEVELOPMENT

Next Actions

- Develop 2021-2022 Tentative Budget (July)
 - Update all grant allocations
 - Update all FEMA, ESSER 1, ESSER 2 grant allocations
 - Add estimated ESSER 3 grant allocations
 - Confirm Food Service estimates (SFSP eligibility)
 - Adjust line-item allocations to improve budget accuracy
 - Update all budget line items as new data is available
 - Adjust Capital Projects Fund Expenditures to match available funds based on fall interfund transfer

Multi-Year Projections

Educational | O & M | Transportation | IMRF / SS | Working Cash | Tort

Geneva CUSD 304 | FY22 Draft Budget Projection Scenario v49 (BOE)

	PROJECTED		PROJECTED		PROJECTED	
	FY 2022	% Δ	FY 2023	% Δ	FY 2024	% Δ
REVENUE						
Local	\$81,518,986	4.27%	\$83,382,809	2.29%	\$85,621,294	2.68%
State	\$6,292,191	-3.26%	\$6,890,191	9.50%	\$6,890,191	0.00%
Federal	\$4,343,624	27.32%	\$3,029,140	-30.26%	\$3,029,140	0.00%
Other	\$0		\$0		\$0	
TOTAL REVENUE	\$92,154,802	4.60%	\$93,302,140	1.25%	\$95,540,626	2.40%
EXPENDITURES						
Salary and Benefit Costs	\$71,422,538	3.00%	\$73,954,900	3.55%	\$76,336,159	3.22%
Other	\$20,921,923	5.03%	\$21,281,508	1.72%	\$21,648,284	1.72%
TOTAL EXPENDITURES	\$92,344,461	3.45%	\$95,236,408	3.13%	\$97,984,443	2.89%
SURPLUS / DEFICIT	(\$189,659)		(\$1,934,268)		(\$2,443,817)	
OTHER FINANCING SOURCES / USES						
Other Financing Sources	\$1,292,500		\$1,292,500		\$1,565,100	
Other Financing Uses	(\$1,885,550)		(\$1,885,550)		(\$1,885,550)	
TOTAL OTHER FIN. SOURCES / USES	(\$593,050)		(\$593,050)		(\$320,450)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$782,709)		(\$2,527,318)		(\$2,764,267)	
BEGINNING FUND BALANCE	\$53,904,930		\$53,122,221		\$50,594,903	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0		\$0		\$0	
PROJECTED YEAR END BALANCE	\$53,122,221		\$50,594,903		\$47,830,636	
FUND BALANCE AS % OF EXPENDITURES	57.53%		53.13%		48.81%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	6.00		6.28		5.86	

NOTE:

Projection modeling does not include any ESSER 3 funding or expenses. ESSER 3 Funding is estimated to provide for approximately \$2.6M in resources that can be expended through 2024