

# ANNUAL BUDGET

FISCAL YEAR 2025

PRESENTED BY: LORI NIEMEIER, CSBO, SFO



# What is the foundation for the budget decisions?

## ▶ Vision

- ▶ New Berlin graduates strive to be the best, be engaged, ready to lead and serve future generations of Pretzels.

## ▶ Mission

- ▶ The mission of CUSD #16 is to serve our communities by equipping students with the skills and tools needed to achieve their personal best and demonstrate Pretzel PRIDE--
  - ▶ Perseverance
  - ▶ Respect
  - ▶ Integrity
  - ▶ Discipline
  - ▶ Empathy

## ▶ Believe Statements

- ▶ We believe all students have individual talents.
- ▶ We believe all students have an equitable opportunity to learn and achieve their academic and personal best.
- ▶ We believe in our teachers' passions.
- ▶ We believe learning extends beyond the classroom.
- ▶ We believe our schools serve as a safe and secure environment for all students.
- ▶ We believe in Pretzel Pride.
- ▶ We believe in the value of every person.
- ▶ We believe everyone working together will result in positive and collaborative working relationships that make the community stronger.
- ▶ We believe that character counts.
- ▶ We believe that Pretzels serve others and achieve their dreams.

# What is the overall goal?



**New Berlin CUSD #16**  
**STRATEGIC PLAN**  
**2021-2024**



**GOAL AREA: FINANCE**

**GOAL:** Conduct financial operations in an open and fiscally responsible manner to maintain the financial sustainability of the district that supports programming, services, and the learning environment for students to receive a quality education.

**Why is this goal important to New Berlin CUSD #16?** As the state of Illinois faces yet another financial challenge once the pandemic is over, fiscal responsibility will be more critical to our school district's success. It is the Board of Education's responsibility to respect taxpayer dollars by maximizing every dollar in effort to offer a great education to all New Berlin students.

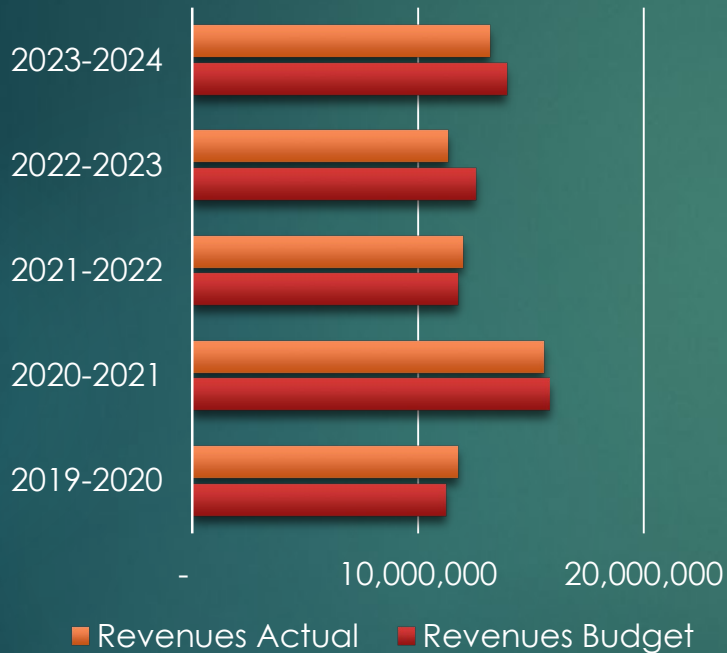
STRATEGIES AND ACTION STEPS	MEASURES OF SUCCESS	PERSON RESPONSIBLE
Develop a 1-Year, 5-Year, and 10-Year Budget Plan	Annual Report to the Board of Education Monthly Board Book	CFO and Superintendent
Stay financially solvent	Annual review of the following: <ul style="list-style-type: none"> <li># of days of cash on hand</li> </ul>	CFO, Superintendent, and Board of Education
Balanced budget with existing and future debit	Annual Review of debt management Monthly Board Book	CFO, Superintendent, and Board of Education
Manage salary competitiveness taking into consideration state mandates	Annual Salary Surveys	CFO, Superintendent, and Board of Education
Maintain transparency in financial matters	Board Book	CFO and Superintendent

# Budget Approach

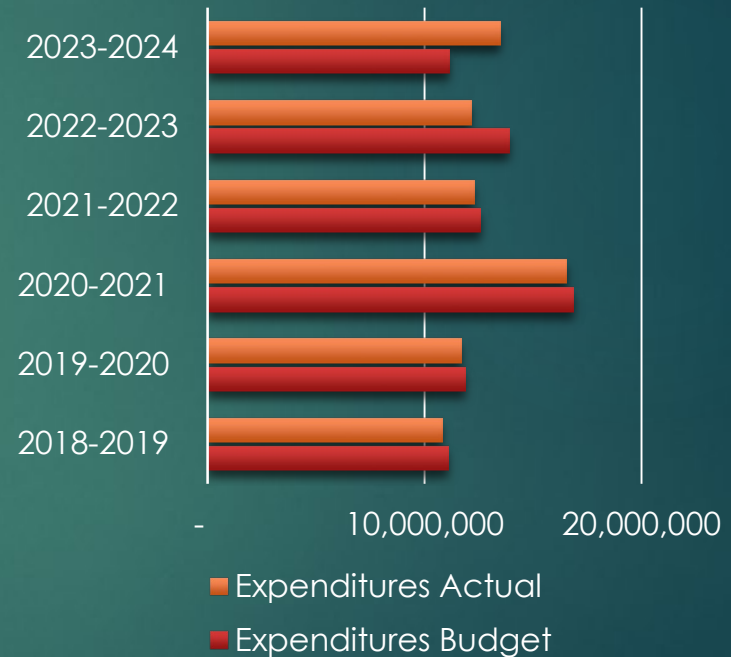
- ▶ District Operates on Cash Basis Accounting Method
  - ▶ Revenues and Expenditures are recognized when received or paid
    - ▶ Alternatively...Accrual Accounting Method
      - ▶ Revenues and Expenditures are recognized when earned
- ▶ Conservative Budget Approach
  - ▶ Expecting the unforeseen...
    - ▶ Revenues are estimated low
    - ▶ Expenditures are estimated high
    - ▶ Expecting that we will strike a balance or a surplus
- ▶ Accepting when it is justified to use reserves but adhering to fund balance policies adopted by the Board of Education
  - ▶ Making adjustments to budgets as necessary and possible without detriment to programs and our students.

# Budget vs. Actual

## Revenues Budget vs. Actual



## Expenditures Budget vs. Actual



# Budget Summary

FUND	FY24 ENDING FUND BALANCE (Unaudited)	FY25 REVENUES (Proposed)	FY25 EXPENDITURES (Proposed)	SURPLUS/ (DEFICIT)	FY25 ENDING FUND BALANCE (Proposed)
EDUCATION *	\$ 1,757,479	10,202,602	11,871,130	(1,668,528)	\$ 88,951
OPERATIONS & MAINTENANCE *	\$ 2,605,157	2,044,560	3,168,375	(1,123,815)	\$ 1,481,342
DEBT SERVICE	\$ 474,531	2,295,645	2,052,215	243,430	\$ 717,961
TRANSPORTATION *	\$ 578,588	969,435	1,257,180	(287,745)	\$ 290,843
IMRF / SOCIAL SECURITY *	\$ 235,367	363,420	420,360	(56,940)	\$ 178,427
CAPITAL PROJECTS	\$ 19,676,000	600,000	20,075,000	(19,475,000)	\$ 201,000
SALES TAX	\$ 2,904,937	1,010,000	930,325	79,675	\$ 2,984,612
WORKING CASH	\$ 2,713,400	225,455	-	225,455	\$ 2,938,855
TORT	\$ (39,156)	380,650	377,440	3,210	\$ (35,946)
FIRE PREVENTION & SAFETY	\$ 918,454	241,450	482,160	(240,710)	\$ 677,744
<b>TOTAL</b>	<b>\$ 31,824,759</b>	<b>\$ 18,333,217</b>	<b>\$ 40,634,185</b>	<b>\$ (22,300,968)</b>	<b>\$ 9,523,791</b>

Operating Funds = Ed, O & M, Transportation, IMRF & WC

➤ Deficit = \$2.85M

# Impacts on Budget

## Revenues

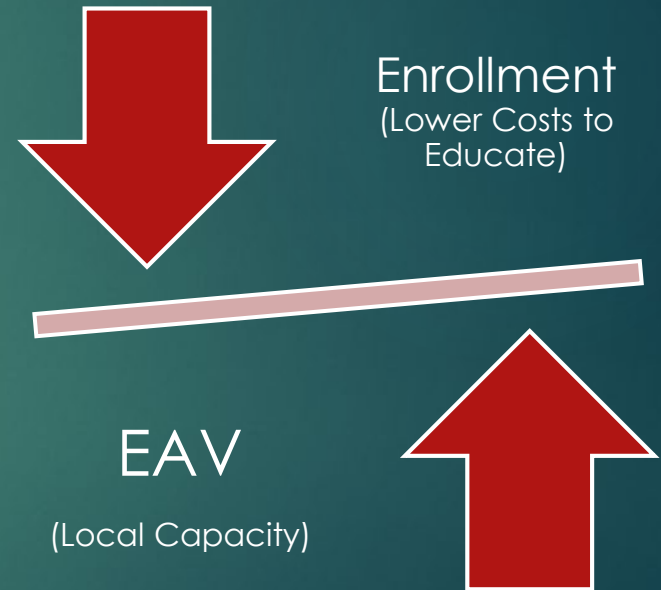
- Increase Evidence Based Funding - \$14,224
- Decrease CPPR Tax Revenue - \$(57,004)
- State/Federal Categorical
  - Special Education Funding (Part of EBF)
  - Early Childhood Funding Remained Level \$0
  - Title I Decreased \$46,165
  - Title II Decreased \$11,226
  - Depletion of ESSER II & III Funds
  - Disbursed as a Reimbursement

- Transfer \$1M from O & M to Education
- Transfer \$206,000 EBF Revenue from Education to Tort

## Transfers

# Impacts on EBF (Evidence Based Funding)

- ▶ Components of EBF
  - ▶ Adequacy Target (Denominator)
    - ▶ The cost of educating all students
  - ▶ Local Capacity (Numerator)
  - ▶ Determines Percent of Adequacy
    - ▶ Adequacy – 100%
- ▶ Impacts for New Berlin
  - ▶ Increased EAV
  - ▶ Decreased Enrollment (FY21=874.71; FY25=778.45)
  - ▶ Percent of Adequacy = 93%
  - ▶ Moved from Tier 2 to Tier 3
    - ▶ Higher the Tier the less State Assistance





# Impacts on Budget

## Expenses

- Salary Increase (8%) - \$602,510
- Benefits Increase (16%) - \$224,601
- Addn'l Paraprofessionals based on need
- Maintain addn'l Special Education Staff
- Maintain Social Workers (2 FTE)
- Increased Premiums for Property Casualty Insurance (10%)
- Increased Premiums on Workers' Comp Insurance (3%)
- Increased Costs for SASSED & CACC
- Contingency

# Impacts on Fund Balances

## ▶ **Operation & Maintenance Fund**

- ▶ Only Restricted Revenue Source is Local Tax \$
- ▶ \$0 of General State Aid from Ed Fund
- ▶ \$0 of CPPR Tax from Ed Fund

## ▶ **Transportation Fund**

- ▶ Revenue Sources are Local Tax \$ and State Reimbursement
- ▶ State Reimbursement
  - ▶ Proration had been increase annually but is now at 81%
  - ▶ Increase due to the new funding model

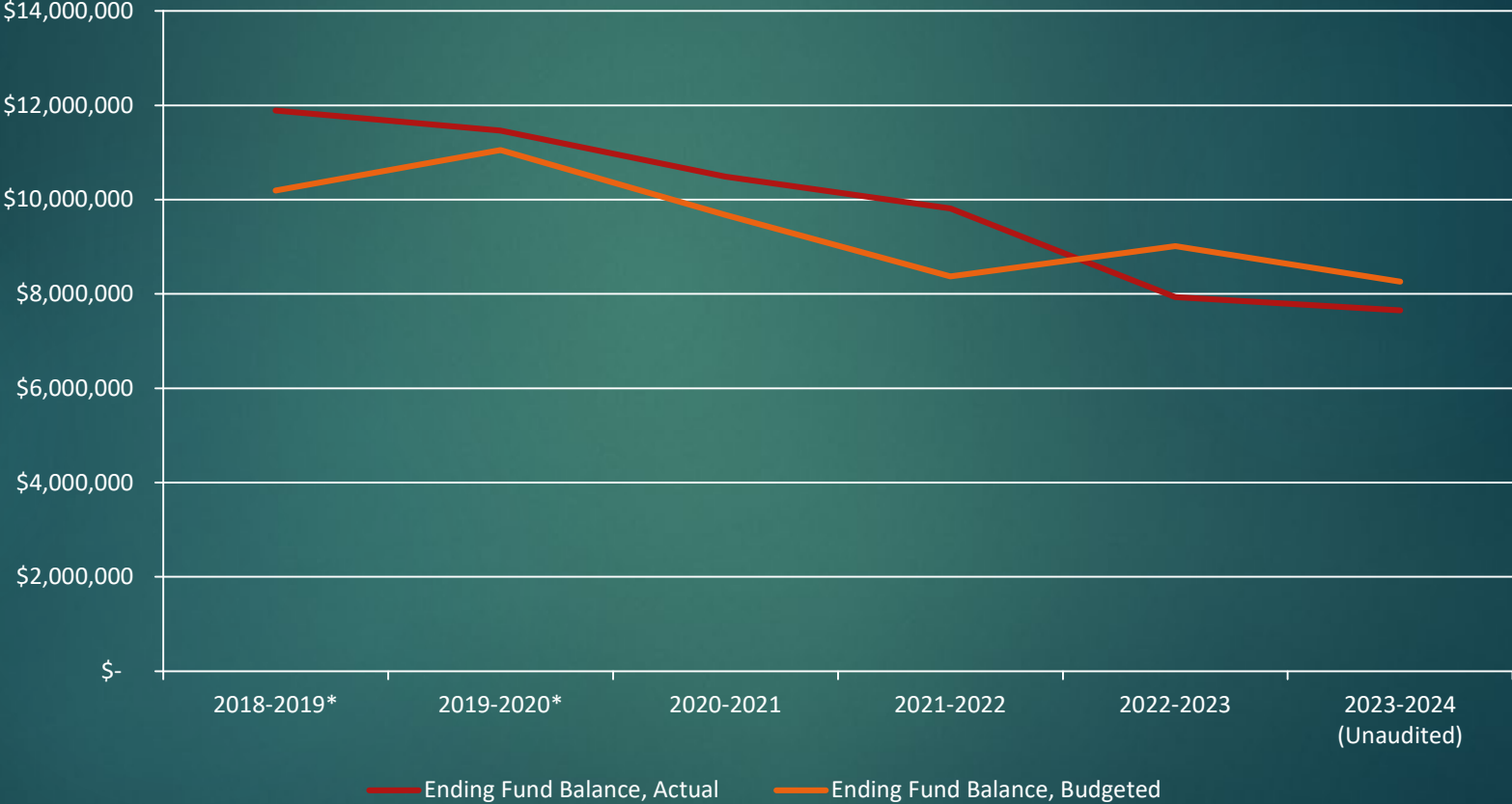
## ▶ **IMRF / SS Fund**

- ▶ Only Restricted Revenue Source is Local Tax \$
- ▶ \$3,500 of CPPR Tax

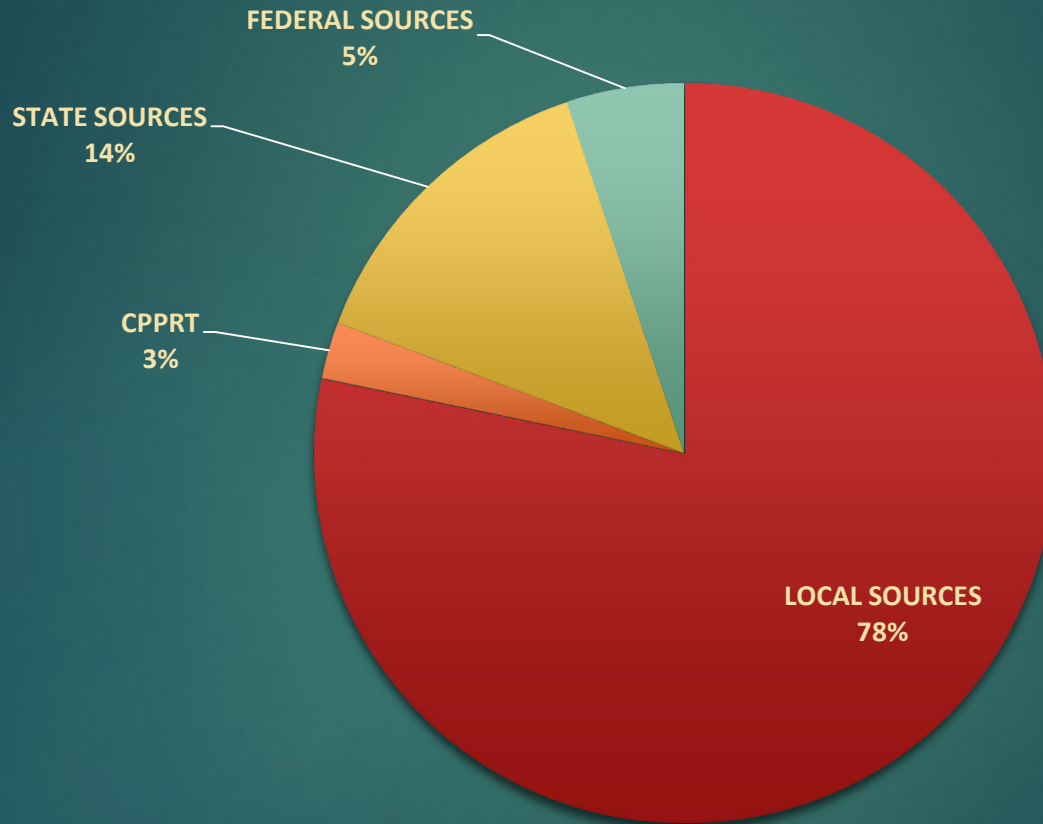
# Operating Funds Balance History

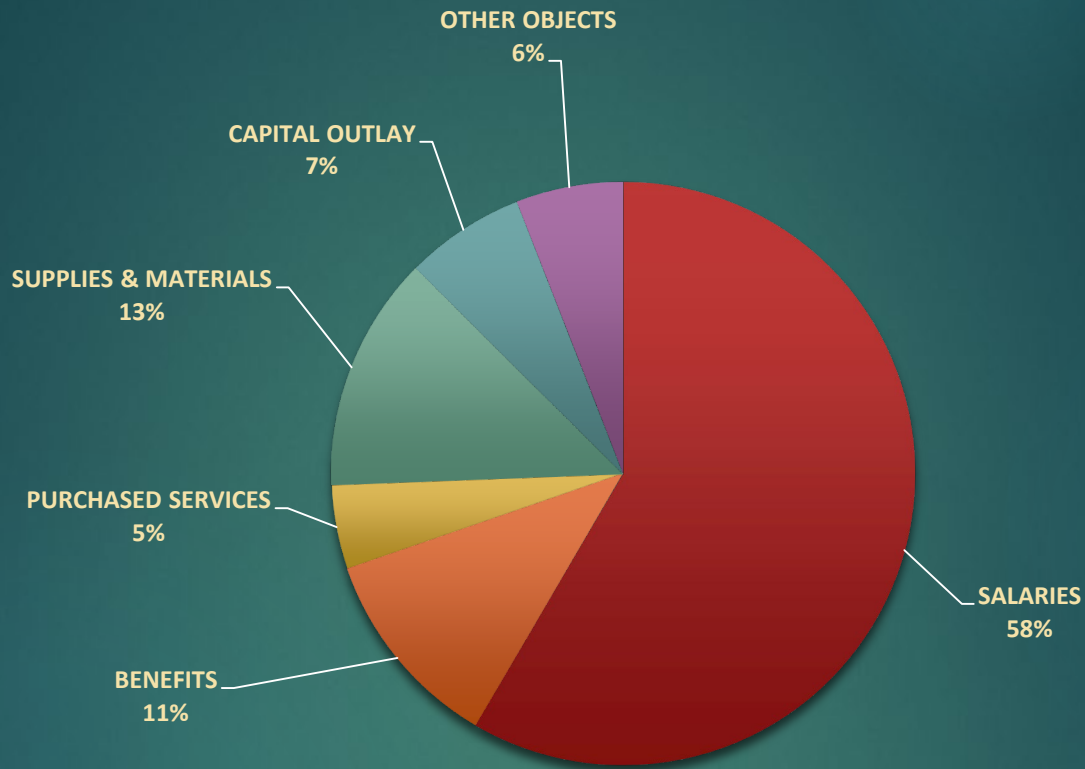


Ending Fund Balance, June 30



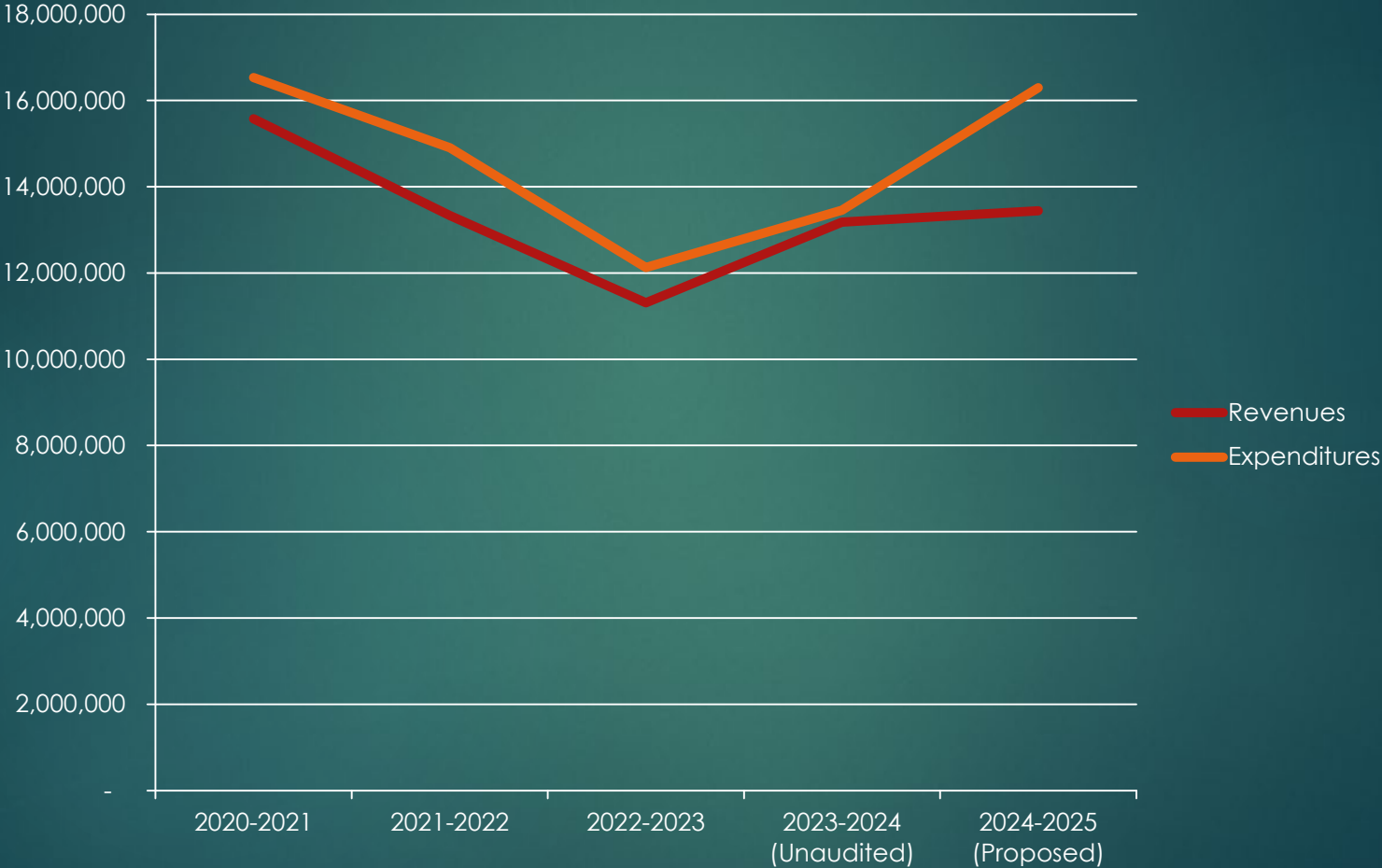
# Revenues by Source – FY25





# Expenditures by Object – FY24

# Revenue to Expense Comparison





# Questions & Answers