



To: Board of Education  
Dr. Jon Bartelt, Superintendent

From: Ms. Valerie Varhalla Director of Finance

Re: P.A. 102-895 Operational Funds Expenditure  
P.A. 103-0394-Disclosure of Cash Reserve Balances

Date: December 15, 2025

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## Background

The State of Illinois has enacted two pieces of legislation that require public school districts to provide enhanced financial transparency regarding cash reserves and operational expenditures.

- **Public Act 102-895:** This act mandates that all school districts publicly disclose their cash reserve balances by fund.
- **Public Act 103-0394:** This act applies to all districts not receiving federal impact aid. It requires districts to calculate the combined, annual average expenditures of their operational funds (Educational, Operations & Maintenance, and Transportation) over the previous three fiscal years. If a district's combined operational fund cash balance exceeds 2.5 times this three-year average, the school board is required to adopt and file a reduction plan.

## Financial Summary

In compliance with these new requirements, attached for your review are the following documents:

1. **Audited Fund Balance:** A report showing the audited cash reserve balances for all district funds as of June 30, 2025.
2. **Operational Expenditures Report:** A three-year summary of expenditures for the district's operational funds (Educational, Operations & Maintenance, and Transportation). This report also includes the required calculation of the fund balance as a percentage of the annual average expenditures.

## Conclusion

The Administration presents these documents to the Board of Education to demonstrate our compliance with Public Acts 102-895 and 103-0394.

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## P.A. 102-895-Cash Reserve Balances

<b>Fund</b>	<b>FY25 Ending Fund Balance</b>
Educational	14,673,060
Operations & Maintenance	3,615,155
Debt Services	790,188
Transportation	796,856
Municipal Retirement/Social Security	773,909
Capital Projects	29,035,898
Working Cash	3,410,878
Tort	109,714
Fire Prevention & Safety	12,494,431
Total	<u>65,700,089</u>

## P.A. 103-0394-Operational Funds Expenditure Report

School District: Bloomington SD 13  
RCDT: 19022013002

Most Recent AFR Fiscal Year: 2025

### 2.5 Yrs Annual Average Expenditures to Combined Cash Reserve Balance

#### Data from District's Annual Financial Reports

Direct Disbursements / Expenditures	FY2023	FY2024	FY2025	Total Expenditures	Average Annual Expenditures	Cash Reserve Balances FY2025
Educational Fund (10)	15,449,402	16,379,541	17,310,667	49,139,610	16,379,870.00	25,494,057
Operations & Maintenance Fund (20)	1,761,257	1,998,600	2,933,297	6,693,154	2,231,051.33	4,392,871
Transportation Fund (40)	978,802	1,056,617	1,184,026	3,219,445	1,073,148.33	1,301,554
Operational Balance - June 2025	18,189,461	19,434,758	21,427,990	59,052,209	19,684,069.67	31,188,482

Must be < 2.5

Cash Reserve Balance to Expenditures Ratio: **1.584**

Determination:

No action needed

Required by 105 ILCS 5/17-1.10 [Illinois General Assembly - Illinois Compiled Statutes \(ilga.gov\)](https://www.ilga.gov/legislation/ilcs/ilcs5.asp?ActID=10517110)

Sec. 17-1.10. Operational funds expenditure report and reserve reduction plan.

(a) In the 2024-2025 school year and in each subsequent school year, the school board of any school district that does not receive federal impact aid funding shall calculate the combined, annual average expenditures of its operational funds for the previous 3 fiscal years, as reported in the school district's most recently audited annual financial reports. Operational funds shall include the district's educational, transportation, and operations and maintenance funds. The school board shall annually present a written report covering the annual average expenditures of its operational funds for the previous 3 fiscal years at a board meeting.

(b) With respect to a school district to which subsection (a) applies, if the school district's combined cash reserve balance of its operational funds, as most recently reported by the district pursuant to Section 17-1.3 of this Code, exceeds 2.5 times the annual average expenditures of its operational funds for the previous 3 fiscal years, the school board shall adopt and file with the State Board of Education by December 31 a written operational funds reserve reduction plan to reduce, within 3 years, the district's combined cash reserve balance of its operational funds to an amount at or below 2.5 times the annual average expenditures of its operational funds for the previous 3 fiscal years. The State Board shall post any operational funds reserve reduction plans received on the State Board's Internet website.

(Source: P.A. 103-394, eff. 7-28-23.)