

Preliminary FY 2024 Budget Presentation

May 16, 2023



Budget Calendar



- May 2023: Discuss preliminary budget figures with Finance Committee and full Board
- June & July: Close FY 23 budget, review up-to-date data for revenues and expenditures, update Board as necessary
- August: Present tentative FY 24 budget to Finance Committee and full Board; display budget for 30 days prior to budget hearing
- September: Board holds budget hearing and votes on approval of FY 24 budget

Budget at a Glance



	% of Budget	Total Operating	Operating Funds						Non-Operating Funds	
			Educational	Operations & Maintenance	Transportation	IMRF	Working Cash	Total	Debt Service	Capital Projects
Beginning Fund Balances		\$7,621,661	\$3,261,053	\$795,818	\$345,812	\$197,480	\$3,021,498	\$0	\$150,062	\$117,600
REVENUES										
Property Tax	84%	\$10,411,138	\$8,920,853	\$909,227	\$391,391	\$29,982	\$159,685	\$0	\$729,989	\$0
PPRT	3%	\$400,000	\$380,000	\$0	\$0	\$20,000	\$0	\$0	\$0	\$0
Interest	1%	\$148,500	\$77,000	\$22,500	\$4,700	\$3,300	\$41,000	\$0	\$4,000	\$100,000
Other Local Revenue	2%	\$250,000	\$225,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0
State Programs	6%	\$796,785	\$676,735	\$0	\$120,050	\$0	\$0	\$0	\$0	\$0
Federal Programs	3%	\$417,129	\$416,500	\$0	\$0	\$629	\$0	\$0	\$0	\$0
Total	100%	\$12,423,552	\$10,696,088	\$956,727	\$516,141	\$53,911	\$200,685	\$0	\$733,989	\$100,000
EXPENDITURES										
Salaries	55%	\$6,464,227	\$6,461,177	\$0	\$3,050	\$0	\$0	\$0	\$0	\$0
Benefits	12%	\$1,383,269	\$1,252,949	\$0	\$187	\$130,133	\$0	\$0	\$0	\$0
Purchased Services	16%	\$1,934,044	\$878,694	\$484,850	\$570,500	\$0	\$0	\$0	\$2,800	\$0
Supplies & Materials	4%	\$509,670	\$364,670	\$145,000	\$0	\$0	\$0	\$0	\$0	\$0
Capital/Non-Capital	2%	\$245,600	\$85,600	\$160,000	\$0	\$0	\$0	\$0	\$0	\$0
Fees & Other	11%	\$1,248,094	\$1,248,094	\$0	\$0	\$0	\$0	\$0	\$1,364,533	\$0
Retirement Incentives	0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	100%	\$11,784,904	\$10,291,184	\$789,850	\$573,737	\$130,133	\$0	\$0	\$1,367,333	\$0
Surplus/(Deficit)		\$ 638,648.00	\$ 404,903.65	\$ 166,877.00	\$ (57,595.85)	\$ (76,221.80)	\$ 200,685.00	\$ -	\$ (633,344.00)	\$ 100.00
Transfer (Uses)				\$ (638,288.00)						
Transfer Sources									\$638,288	
Ending Fund Balances	65%	\$7,622,021	\$3,665,957	\$324,407	\$288,216	\$121,258	\$3,222,183	\$0	\$155,006	\$117,700

Talking Points



- This conservatively calculated budget is balanced
- What has yet to impact this budget?
 - Staffing
 - Open enrollment
 - Contract renewals with vendors
 - Firmer revenue data from state related to CPPRT and mandated categorical payments
- ComEd rebates, renewable energy credits (RECs), and revenue from the Inflation Reduction Act will not impact the operational balance of the budget

Revenue Assumptions



POSITIVES

- Increases to local property taxes based on 105% multiplier and new property figures from 2022 levy
- Investment revenue will likely be strong for the remainder of the calendar year
- Modest increases to federal grants (IDEA and ESEA) will allow District to keep funding important programs

NEGATIVES

- Initial data from state indicates a small reduction in Corporate Personal Property Tax (CPPRT)
- The arrival of a recession will lead to the Fed slashing interest rates, which will dampen investment revenue
- State revenue is flat
 - Tier 4 districts receive inconsequential amount of new money from EBF
 - Transportation down, private facility tuition up
- Significant decrease in federal funds (ESSER III, ARP IDEA)

Expenditures Assumptions



- Salaries
 - Collective bargaining agreement calls for 6% raise for REA members
 - Classified staff raises at 6% or more
- Benefits
 - PPO 9.4% (with spousal surcharge added with new CBA)
 - HMO 2.5%
 - Both plans with new model for premium cost-sharing
- Costs of services and supplies impacted by record inflation
- Planned capital projects include sealcoating of all asphalt, SHS basketball court, and door replacements
- Special ed costs impacted by additional enrollees at NDSEC, fewer students in private placement facilities

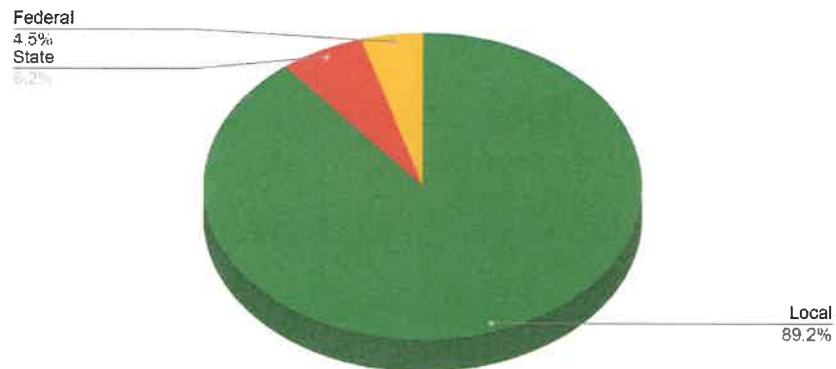
Revenues by Source



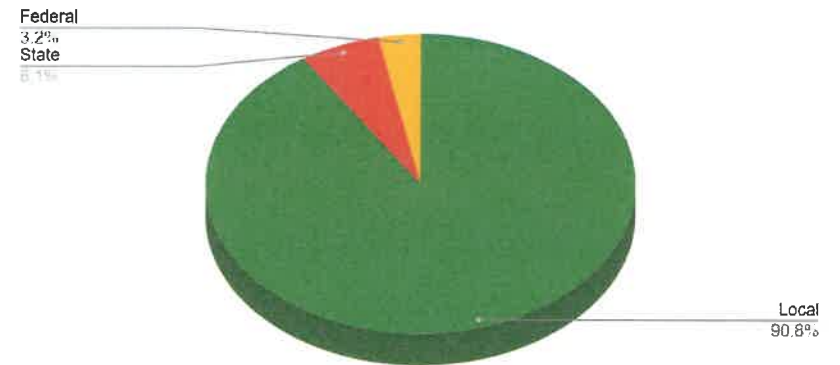
FY 2023

FY 2024

Revenues by Source



Revenues by Source

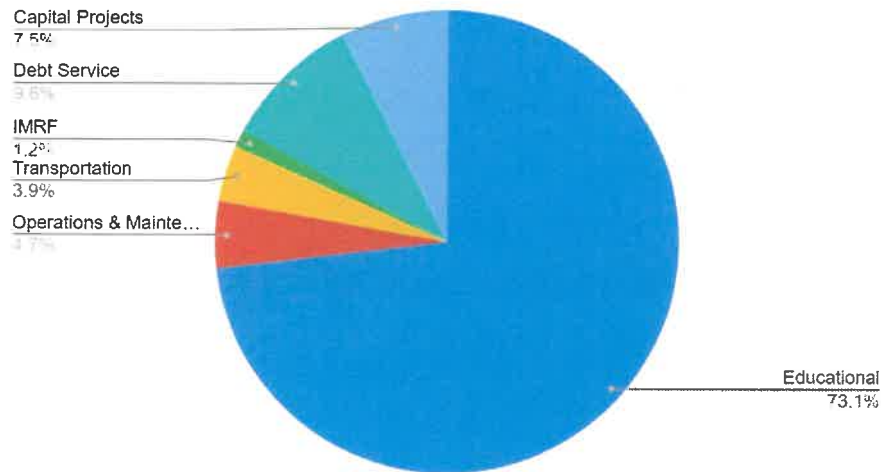


Expenditures by Object (All Funds)



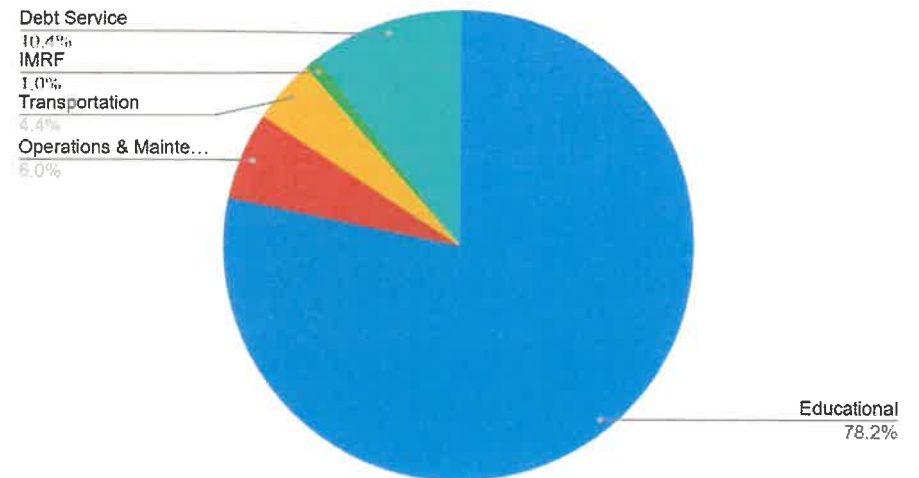
FY 2023

Expenditures by Fund



FY 2024

Expenditures by Fund



Next Steps

- Analyze revenue and expenditure forecasts while monitoring political and economic landscape
- Review budgets with administrative team and refine expectations for purchasing
- Complete processes that impact budgeted (hiring, open enrollment, contract negotiations with vendors) and determine impacts on budget
- Prepare to be agile and flexible
- Sharpen pencils and bring tentative budget to Finance Committee and BoE in August

