



TO: Board of Education
Julie Brua, Superintendent

FROM: Rebecca J. Allard, Business Manager Consultant / Treasurer

SUBJECT: Facility & Finance Discussion
2019-20 Amended Expenditure Budget

DATE: March 31, 2020

Background

I have reviewed the last several years of annual budgets and in 2015-16; 2016-17; and 2017-18 there were no budget amendments. In 2018-19 a budget amendment was done increasing the total budget by \$916,157 (*Ed Fund-\$146,021; Debt Service Fund-\$360,136 and Capital Projects-\$410,000*).

Current Situation

Exhibit I identifies a total expenditure budget amendment of \$404,563. The amounts vary by fund and the following will provide the rationale for recommending a budget amendment at this time.

ALL FUNDS		
1-Salaries	\$641,704	<p><u>Education</u>- \$603,354 – <i>TRS reporting requires all fiscal year compensation to be posted and reported within the same fiscal year.</i></p> <p><u>Operations & Maint</u> - \$26,350 – <i>Increase in wages to be competitive and increased overtime.</i></p> <p><u>Transportation</u> – \$12,000 – <i>Shortage of drivers in geographic area caused an increase in wages to be competitive</i></p>
2-Benefits	\$259,717	<p><u>Education</u> - \$146,296 – <i>Under salaries- moving of TRS salaries into the 2019-20 fiscal year results in an increase in benefit charges</i></p> <p><u>Operations & Maint</u> - \$5,969 – <i>FTE change of a custodial position from .5 to 1.0 resulted in position being eligible for benefits</i></p> <p><u>Transportation</u> – \$7,022 – <i>One additional driver elected to take benefits.</i></p> <p><u>Retirement</u>- \$100,430 – <i>Under salaries- moving of TRS salaries into the 2019-20 fiscal year results in an increase in benefit charges.</i></p>



3-Purch Scvs	(\$1,160,248)	<p><u>Education</u>- (\$43,810) – Moved special education tuition into the “other object category and moved 1:1 computers charged to a purchased service account to the supply category.</p> <p><u>Operations & Maint</u> - (\$39,245) – Modified budgets to reflect actual anticipated costs</p> <p><u>Transportation</u> – \$114,582 – Special Education contracted transportation costs greater than anticipated</p> <p><u>Capital Projects</u> – (\$1,244,775) – Budget reduced for anticipated actual costs</p> <p><u>Tort Immunity</u> - \$53,000– Increased insurance costs</p>
4-Supplies	\$71,620	<p><u>Education</u>- \$29,852 – 1:1 computers \$109,852; reduced all general supply line items to reflect anticipated actual costs</p> <p><u>Operations & Maint</u> - \$37,768 – Constellation electricity & natural gas budgets adjusted because of prior year unpaid invoices</p> <p><u>Transportation</u> – \$4,000 – Increased the gasoline line item to cover anticipated costs</p>
5-Capital Outlay	\$99,423	<p><u>Operations & Maint</u> - \$99,423 – New vehicles & HVAC unit in South Room 103</p>
6-Other Expense	\$607,347	<p><u>Education</u>- \$597,000 – Spec Ed Tuition \$600,500, not only does it include the \$350,000 for purchased services and \$115,000 from Tuition but an increase for anticipated actual costs...prior year invoices are also a factor.</p> <p><u>Retirement</u>- \$10,347 – Amount the District collects in property taxes for SEDOL</p>
8-Tuition	(\$115,000)	<p>Object category 8 was eliminated by ISBE about 10 years ago</p>
Total	\$404,563	

On April 14, 2020, the revenue budget will be updated to reflect the actual Lake County tax extension in addition to any other changes in budgeted accounts

The materials that will be included for the facility & finance committee at that time are:

- 2019-20 revenue budget change comparison
- 2019-20 expenditure budget change comparison
- 2019-20 ISBE legal school budget form
- Authorization to place budget on 30-day public display and to set public hearing for the adoption of the 2019-20 amended budget.