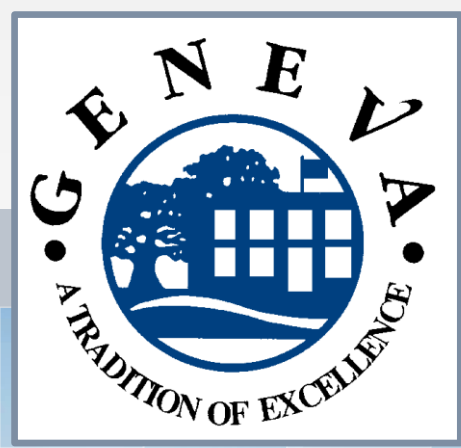


July 20, 20120



# DRAFT BUDGET

2020-2021

# 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

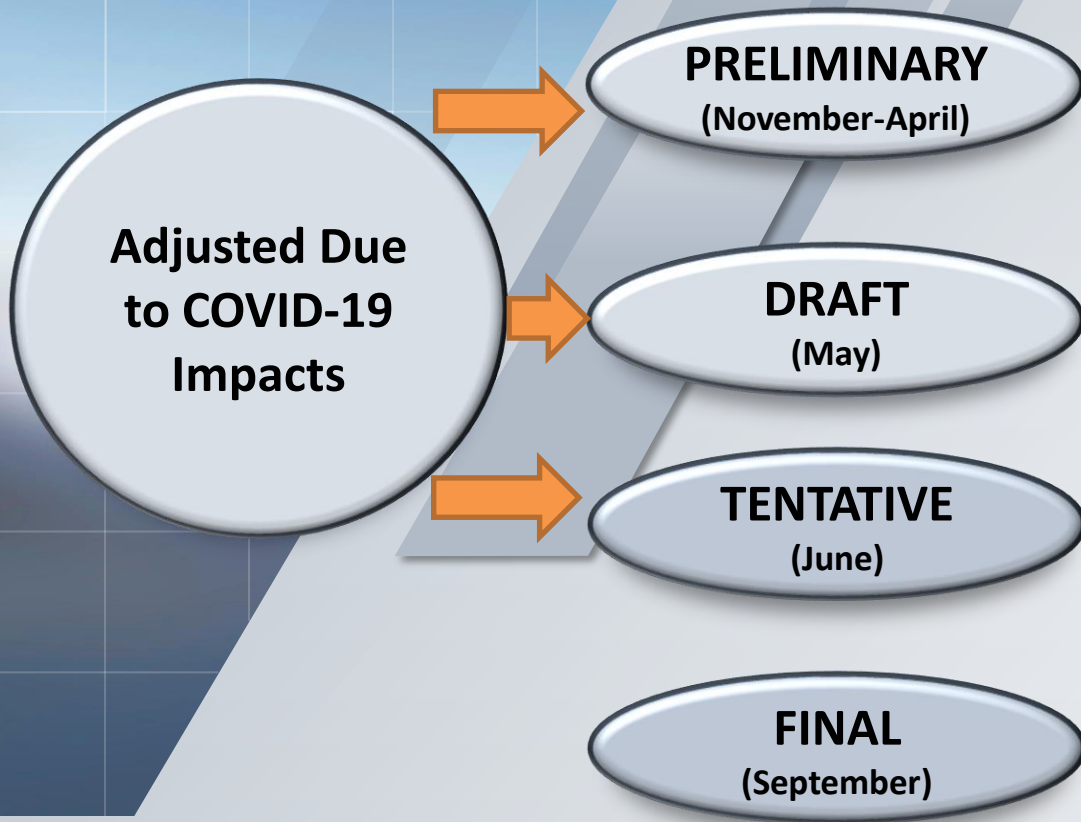
## Annual Development Components



- 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 – June.
- 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 July.
- 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 August.
- 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:
  - CY19: 2.3%      COLLECTION RATE: 99.0%
  - CY20:0.25%
- CY20 New Construction: \$10,000,000
- Evidence Based Funding (State): No Change
- Mandated Categorical Payments: 3 of 4
- Special Education Funding (State/Federal): No Change
- Grant Funding: No Change
- Local revenues (fees): 5% Reduction

# EXPENSE ASSUMPTIONS

- Salary costs projected at current contract increases
- Health benefits projected at:
  - PPO: 5.6% increase & HMO: 9.7% increase
  - Dental: 5.2% increase
- Purchased services projected at 2.0% increase
- Supplies & Materials projected at 2.0% increase
- Technology preliminary budget included
- Pension cost shift not included
- P&C Coverage: 19% inc. / WC coverage: 7% Inc.

# EDUCATION FUND

## Draft Budget

Revenues Education Fund (10)	2020 Current	2021 Projected	Expenses by Object Education Fund (10)	2020 Current	2021 Projected
1000 Local Sources	\$61,792,680	\$62,937,626	000 Transfer	\$338,000	\$254,050
3000 State Sources	\$2,569,020	\$3,093,901	100 Salaries	\$46,867,870	\$47,689,094
4000 Federal Sources	\$1,996,728	\$1,951,728	200 Employee Benefits	\$8,044,447	\$9,032,895
	\$66,358,428	\$67,983,255	300 Purchased Services	\$5,283,494	\$5,367,229
			400 Supplies & Materials	\$1,125,038	\$1,109,233
			500 Capital Outlay	\$482,100	\$504,980
			600 Other Objects	\$4,094,001	\$4,617,605
			700 Non-Capitalized Equipment	\$123,478	\$116,030
				\$66,358,428	\$68,691,116

FY19 ED Fund Balance:

\$24,256,599

(\$)  
Exp - Rev  
**-\$707,861**

Expense  
Increase of  
**3.52%**

# OPERATIONS & MAINTENANCE FUND

## Draft Budget

Revenues O&M Fund (20)	2020 Current	2021 Projected	Expenses by Object O&M Fund (20)	2020 Current	2021 Projected
1000 Local Sources	\$11,626,133	\$11,497,823	000 Transfer	\$1,800,000	\$1,500,000
3000 State Sources	<u>\$2,137,486</u>	<u>\$1,612,605</u>	100 Salaries	\$4,780,611	\$4,931,997
	\$13,763,619	\$13,110,428	200 Employee Benefits	\$913,847	\$992,984
			300 Purchased Services	\$2,087,730	\$1,999,730
			400 Supplies & Materials	\$3,069,500	\$3,069,500
			500 Capital Outlay	\$525,214	\$29,500
			600 Other Objects	\$216,717	\$216,717
			700 Non-Capitalized Equipment	<u>\$370,000</u>	<u>\$370,000</u>
				\$13,763,619	\$13,110,428

(\$) Exp - Rev  
**\$0**

Expense  
Increase of  
**-4.75%**



# TRANSPORTATION FUND

## Draft Budget

Revenues	2020	2021	Expenses by Object	2020	2021
Transportation Fund (40)	Current	Projected	Transportation Fund (40)	Current	Projected
1000 Local Sources	\$2,056,756	\$2,247,250	100 Salaries	\$2,240,106	\$2,296,046
3000 State Sources	\$1,675,000	\$1,930,000	200 Employee Benefits	\$75,638	\$83,112
7000 Other Financing Sources	<u>\$1,700,000</u>	<u>\$1,700,000</u>	300 Purchased Services	\$1,002,350	\$1,022,397
	\$5,431,756	\$5,877,250	400 Supplies & Materials	\$283,000	\$288,660
			500 Capital Outlay	\$2,062,500	\$2,070,000
			600 Other Objects	\$30,000	\$30,000
			700 Non-Capitalized Equipment	<u>\$87,000</u>	<u>\$87,000</u>
				\$5,780,594	\$5,877,215

(**\$**) Exp - Rev  
**\$35**

Expense  
Increase of  
**1.67%**



# WORKING CASH & TORT FUNDS

## Draft Budget

Revenues	2020	2021
Working Cash Fund (70)	Current	Projected
1000 Local Sources	<u>\$105,000</u>	<u>\$31,500</u>
	\$105,000	\$31,500

Expenses by Object	2020	2021
Working Cash Fund (70)	Current	Projected
	<u>\$0</u>	<u>\$0</u>
	\$0	\$0

(\$)  
**Exp - Rev**  
**\$31,500**

Revenues	2020	2021
Tort Fund (80)	Current	Projected
1000 Local Sources	<u>\$300</u>	<u>\$50</u>
	\$300	\$50

Expenses by Object	2020	2021
Tort Fund (80)	Current	Projected
	<u>\$0</u>	<u>\$0</u>
	\$0	\$0

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



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

## Draft Budgets

Revenues	2020	2021
Debt Services Fund (30)	Current	Projected
1000 Local Sources	\$14,923,588	\$14,837,219
7000 Other Financing Sources	<u>\$338,000</u>	<u>\$254,050</u>
	\$15,261,588	\$15,091,269

Expenses by Object	2020	2021
Debt Services Fund (30)	Current	Projected
300 Purchased Services	\$338,000	\$254,050
600 Other Objects	<u>\$14,781,610</u>	<u>\$14,781,610</u>
	\$15,119,610	\$15,035,660

(\$)  
**Exp - Rev**  
**\$55,609**

Revenues	2020	2021
IMRF/SS Fund (70)	Current	Projected
1000 Local Sources	<u>\$2,796,334</u>	<u>\$2,846,727</u>
	\$2,796,334	\$2,846,727

Expenses by Object	2020	2021
IMRF/SS Fund (70)	Current	Projected
200 Employee Benefits	<u>\$2,758,536</u>	<u>\$2,836,136</u>
	\$2,758,536	\$2,836,136

(\$)  
**Exp - Rev**  
**\$10,591**

Revenues	2020	2021
Capital Projects Fund (60)	Current	Projected
1000 Local Sources	<u>\$1,800,000</u>	<u>\$1,500,000</u>
	\$1,800,000	\$1,500,000

Expenses by Object	2020	2021
Capital Projects Fund (60)	Current	Projected
500 Capital Outlay	<u>\$1,499,997</u>	<u>\$1,844,700</u>
	\$1,499,997	\$1,844,700

(\$)  
**Exp - Rev**  
**-\$344,700**

Revenues	2020	2021
Fire Prevention & Safety Fund (90)	Current	Projected
1000 Local Sources	<u>\$102,697</u>	<u>\$250</u>
	\$102,697	\$250

Expenses by Object	2020	2021
Fire Prevention & Safety Fund (90)	Current	Projected
300 Purchased Services	\$50,752	\$0
500 Capital Outlay	<u>\$200,000</u>	<u>\$162,000</u>
	\$250,752	\$162,000

(\$)  
**Exp - Rev**  
**-\$161,750**

# BUDGET DEVELOPMENT

## Next Actions

- Develop 2020-2021 Tentative Budget (August)
  - Review revenue assumptions and levy data
  - Update all grant allocations
  - Adjust line item allocations to improve budget design and accuracy
  - Update all budget line items as new data is available