

Pleasantdale School District 107

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Each year, school districts throughout the state undertake a budget cycle that is meant to be informative and transparent. Pleasantdale School District is no exception and seeks to partner with its community to provide the best possible education and services to students. The first phase in the budget cycle is to present a tentative budget to the Board of Education and put the tentative budget on public display for 30-days. Following public display, the Board will take final action to approve the budget and the levy process will begin in December.

After careful review of the fiscal year (FY) 16 budget, we found that revenue came in below the budgeted amount by 3.1% and expenditures came in below by 4.2%. Refunds from revenue collections is the main reason for revenue coming in below budget projections. The factors that contributed to expenditures being lower than expected are:

- Supplies, curriculum materials were lower than anticipated
- Capital improvement costs for the buildings were lower than budgeted
- Refunding of bonds saved the District about 7% of Debt Service

Since the tentative budget is a forecast of things to come, the district administration is required to develop financial assumptions. These assumptions are based on market forces and the realities of managing the district. Below are some of the assumptions that informed the process of drafting the tentative budget:

- Revenue
 - From historical data, we continue to budget for refunds approximately 5% of the levied funds
 - The interest rate at 1.0%
 - State funding for special education and transportation remains at FY16 levels
 - General State Aid (GSA) at 92%
 - Additional revenue from Technology Fee and ERate
 - Abatement of Debt Service at \$500,000 (which also affects expenditure)
- Expenditure
 - A 5% increase in services other than contracted services

Mission

Ensure that each student is a passionate learner empowered with the Academic and social skills to responsibly choose and excel in life pursuits.

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In addition to assumptions, there are several known factors that impacted the tentative budget.

These factors include:

- Salary and corresponding benefits increased by 4.0% per contract
- Facilities projects, i.e. Tiling, HVAC, Elementary School parking lot paving, Wi-Fi Refresh
- Board approved debt service abatement of \$500,000
- Illinois Municipal Retirement Fund (IMRF) decreased from 11.5% to 10.83%
- THIS employer paid increased from .80% to .84%
- Federal Funding for TRS increased from 36.06% to 38.54%

A Board approved tentative budget is only the first step in our cycle. At the September Board of Education meeting, the administration will present a finalized budget that reflects Board and community feedback. Pleasantdale School District remains in good financial standing and will continue to operate in a manner that maximizes programing with the lowest possible operating costs.

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