



Lake Bluff School District 65
Board of Education
Budget Hearing
September 18, 2018
6:45 PM
Village Hall, 40 E. Center
Lake Bluff, IL 60044
AGENDA

Board Members:

Mark Barry, President
Philip Hood, Vice-President
Julie Gottshall, Secretary
Leigh Ann Charlot
Richard Hegg
John Marozsan
Susan Rider

1. DETERMINATION OF QUORUM AND CALL TO ORDER

2. STATEMENT OF PURPOSE OF BUDGET HEARING

The purpose of the meeting is to allow the public to comment on the proposed 2018-2019 school budget. People desiring to speak should be recognized by the President, state their name and address, then make their comment. Written comments may be handed to the President.

3. PRESIDENT ASKS FOR COMMENTS

- A. Comments by the Administration - Director of Finance and Operations/CSBO
- B. Comments from the Public
- C. Comments from Board Members

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4. ADJOURNMENT



**LAKE BLUFF
SCHOOLS**
DISTRICT 65

2018-19 Budget Hearing

Budget and Key Assumptions

September 18, 2018

Jay Kahn, Director of Finance & Operations/CSBO

Agenda

- 2018-19 Tentative Budget
 - Includes LBES rooftop air conditioning replacement and front office redesign
- Historical Results
- Revenue Assumptions
- Expense Assumptions
- Debt Service
- Fund Balance

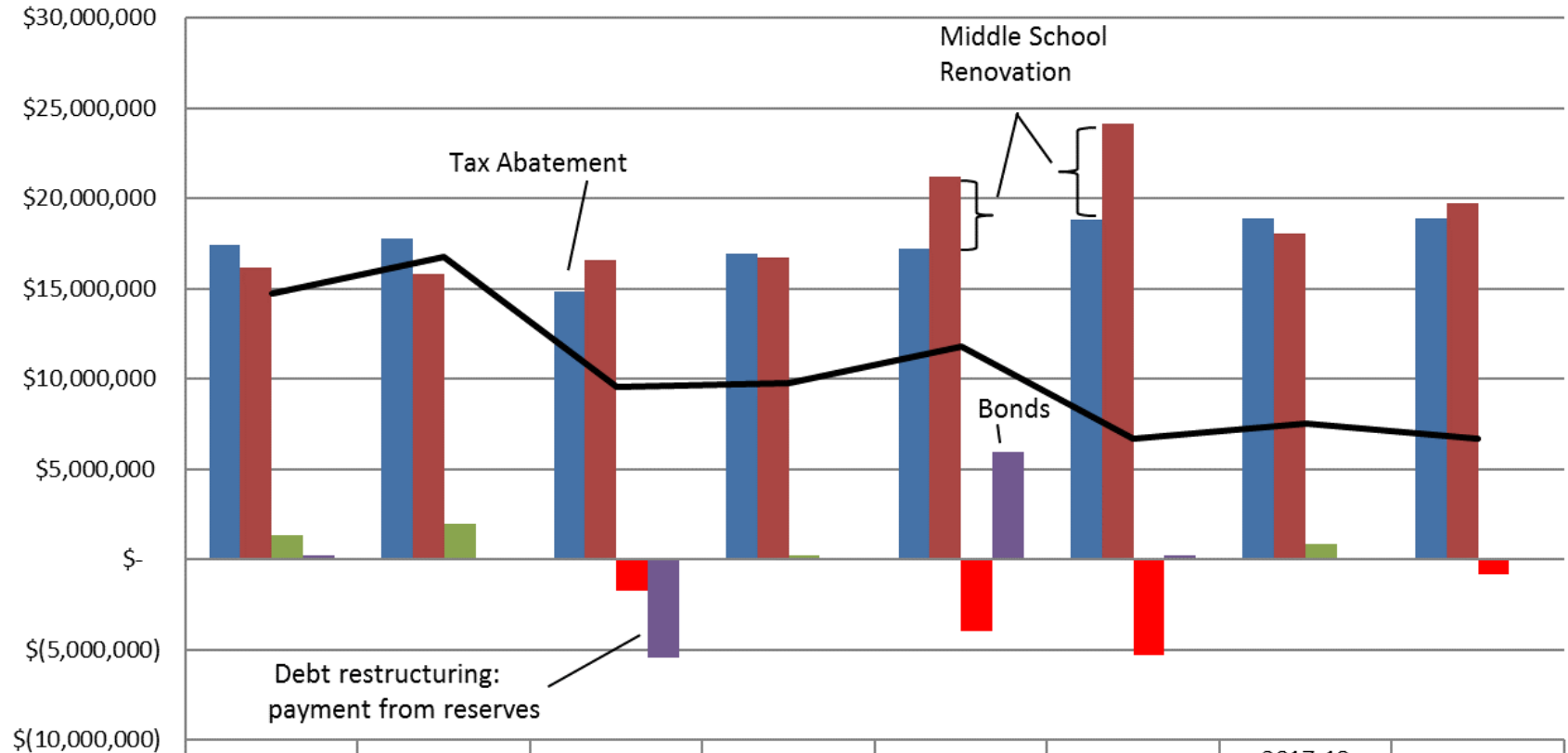
2018-2019 Balanced Budget

	2018-19 Revenue Budget	2018-19 Expenditure Budget	Surplus/ (Deficit)
Education	\$ 13,330,000	\$ 13,842,791	\$ (512,791)
O&M	\$ 2,137,000	\$ 1,509,273	\$ 627,727
Transportation	\$ 821,000	\$ 630,750	\$ 190,250
IMRF/SS	\$ 400,500	\$ 443,498	\$ (42,998)
Working Cash	\$ 33,800	\$ -	\$ 33,800
Operating Funds	\$ 16,722,300	\$ 16,426,312	\$ 295,988
Debt Service	\$ 2,146,000	\$ 2,131,535	\$ 14,465
Capital Projects	\$ 1,000	\$ 1,163,350	\$ (1,162,350)
Total	\$ 18,869,300	\$ 19,721,197	\$ (851,897)

There is an Operating Surplus but a Net Deficit

Historical Revenues vs. Expenditures

Total Governmental Funds



	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 Unaudited Actual	2018-19 Budget
Revenue	\$17,449,941	\$17,752,122	\$14,842,441	\$16,941,464	\$17,222,525	\$18,819,146	\$18,858,861	\$18,869,300
Expenditure	\$16,124,300	\$15,794,813	\$16,571,141	\$16,740,008	\$21,170,273	\$24,127,348	\$18,026,095	\$19,721,197
Excess/(Deficiency)	\$1,325,641	\$1,957,309	\$(1,728,700)	\$201,456	\$(3,947,748)	\$(5,308,202)	\$832,765	\$(851,897)
Other Sources/(Uses)	\$223,485	\$60,566	\$(5,478,116)	\$-	\$5,934,836	\$225,268	\$-	\$-
Change in Fund Balance	\$1,549,126	\$2,017,875	\$(7,206,816)	\$201,456	\$1,987,088	\$(5,082,934)	\$832,765	\$(851,897)
Fund Balance	\$14,759,577	\$16,777,452	\$9,570,636	\$9,772,092	\$11,759,180	\$6,676,246	\$7,509,011	\$6,657,114

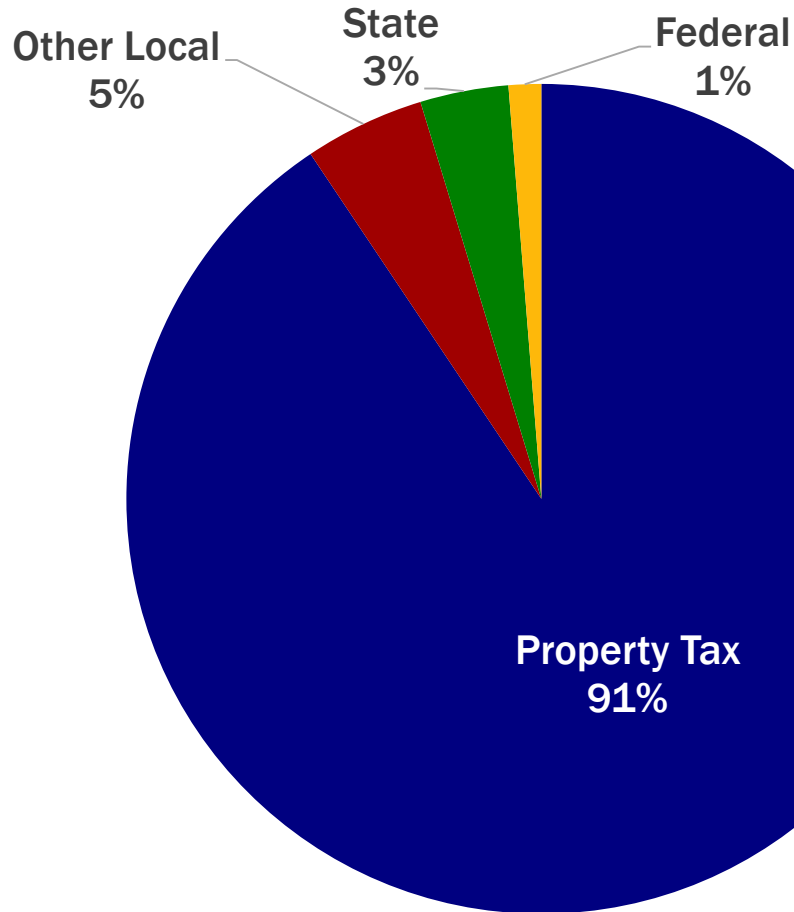
Revenue Assumptions

- 2017 Tax Levy
 - Operating Funds +2.6% (2.1% existing property)
 - Debt Service +1.2%
- State Revenue Assumptions
 - 100% of Evidenced Based Funding (old GSA+Special Ed+English Language Learner) budgeted in O&M
 - Decrease in State revenue (-20%)
- Lose ~\$150k Full Day Kindergarten Tuition
- Decrease in Replacement Taxes
- Additional ~\$50k Transportation Fee Revenue

Revenue

	2018-19 Revenue Budget	2017-18 Unaudited Actual	Incr/(Decr)		
Education	\$ 13,330,000	\$ 13,758,459	\$ (428,459)	-3%	
O&M	\$ 2,137,000	\$ 1,985,164	\$ 151,836	8%	
Transportation	\$ 821,000	\$ 689,305	\$ 131,695	19%	
IMRF/SS	\$ 400,500	\$ 269,956	\$ 130,544	48%	
Working Cash	\$ 33,800	\$ 31,833	\$ 1,967	6%	
Operating Funds	\$ 16,722,300	\$ 16,734,718	\$ (12,418)	0%	
Debt Service	\$ 2,146,000	\$ 2,123,258	\$ 22,742	1%	
Capital Projects	\$ 1,000	\$ 885	\$ 115	13%	
Total	\$ 18,869,300	\$ 18,858,861	\$ 10,325	0%	

2018-2019 Revenue



Expenditure Assumptions

- Salaries
 - LBTC avg increase 3.0%
 - Classified Staff increase 3.25%
 - Admin increases 2.85%
- +0.4 FTE Certified Staff; 1 Retirement; +2.5 FTE Aides; +0.7 Custodian; +0.2 Cafeteria
- Insurance Premium Increases:
 - PPO +7.7%
 - HMO -6.4%
 - Dental +5.2%
- TRS Cost Shift (Excess of Governor's Salary)
- Continue additional 1.0 FTE GCA night custodian
- Increase Special Ed Tuition Spending/outplacements

Expenditure Assumptions

- Capital Spending
 - LBES Air Conditioning 5 RTUs - \$1MM
 - LBES Office redesign
 - Misc LBMS projects – locker painting, 1 Classroom Casework, boiler pump
- Technology
 - New Chromebooks for Grades 2, 5 & 6
 - 8th Grade Macbooks coming off lease
 - LBMS projector replacement
- Transportation
 - \$100k reduction in transportation spending
 - Reduction of 2 routes net of price increase

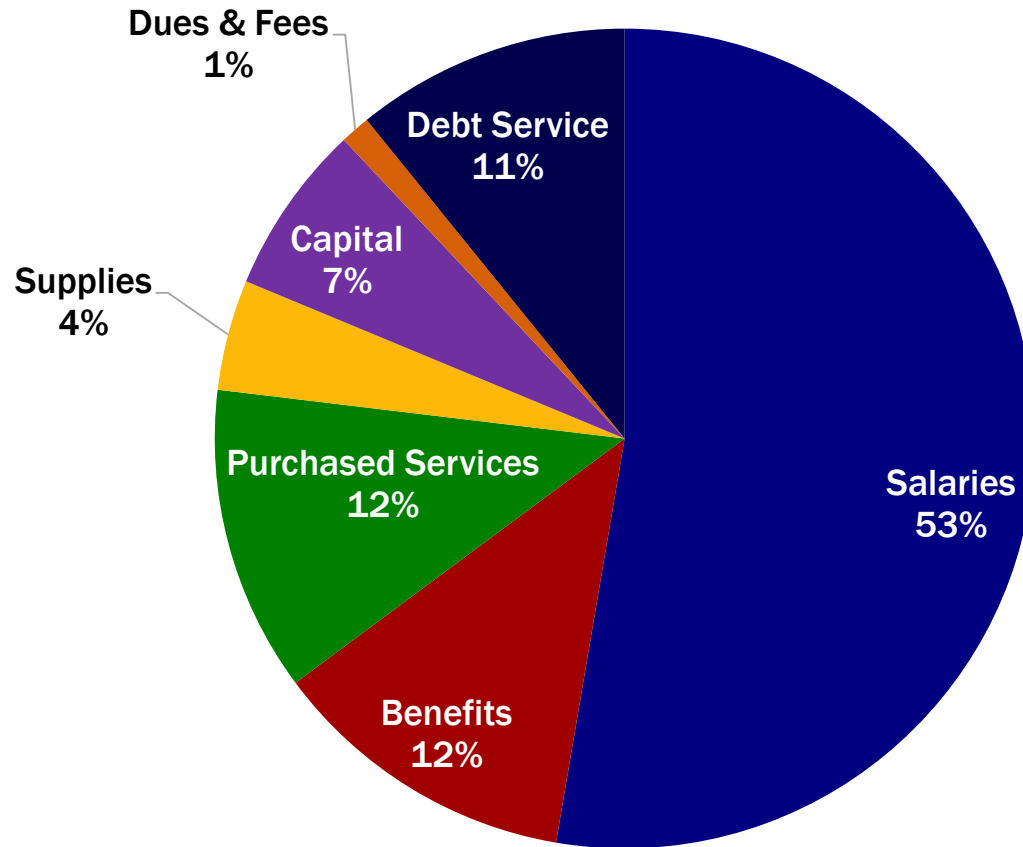
Expenditures

	2018-19 Expenditure Budget	2017-18 Unaudited Actual	Incr/(Decr)	
Education	\$ 13,842,791	\$ 13,191,110	\$ 651,681	5%
O&M	\$ 1,509,273	\$ 1,310,574	\$ 198,699	15%
Transportation	\$ 630,750	\$ 678,390	\$ (47,640)	-7%
IMRF/SS	\$ 443,498	\$ 418,486	\$ 25,012	6%
Working Cash	\$ -	\$ -	\$ -	
Operating Funds	\$ 16,426,312	\$ 15,598,560	\$ 827,752	5%
Debt Service	\$ 2,131,535	\$ 2,186,148	\$ (54,613)	-2%
Capital Projects	\$ 1,163,350	\$ 241,388	\$ 921,962	382%
Total	\$ 19,721,197	\$ 18,026,095	\$ 1,695,102	9%

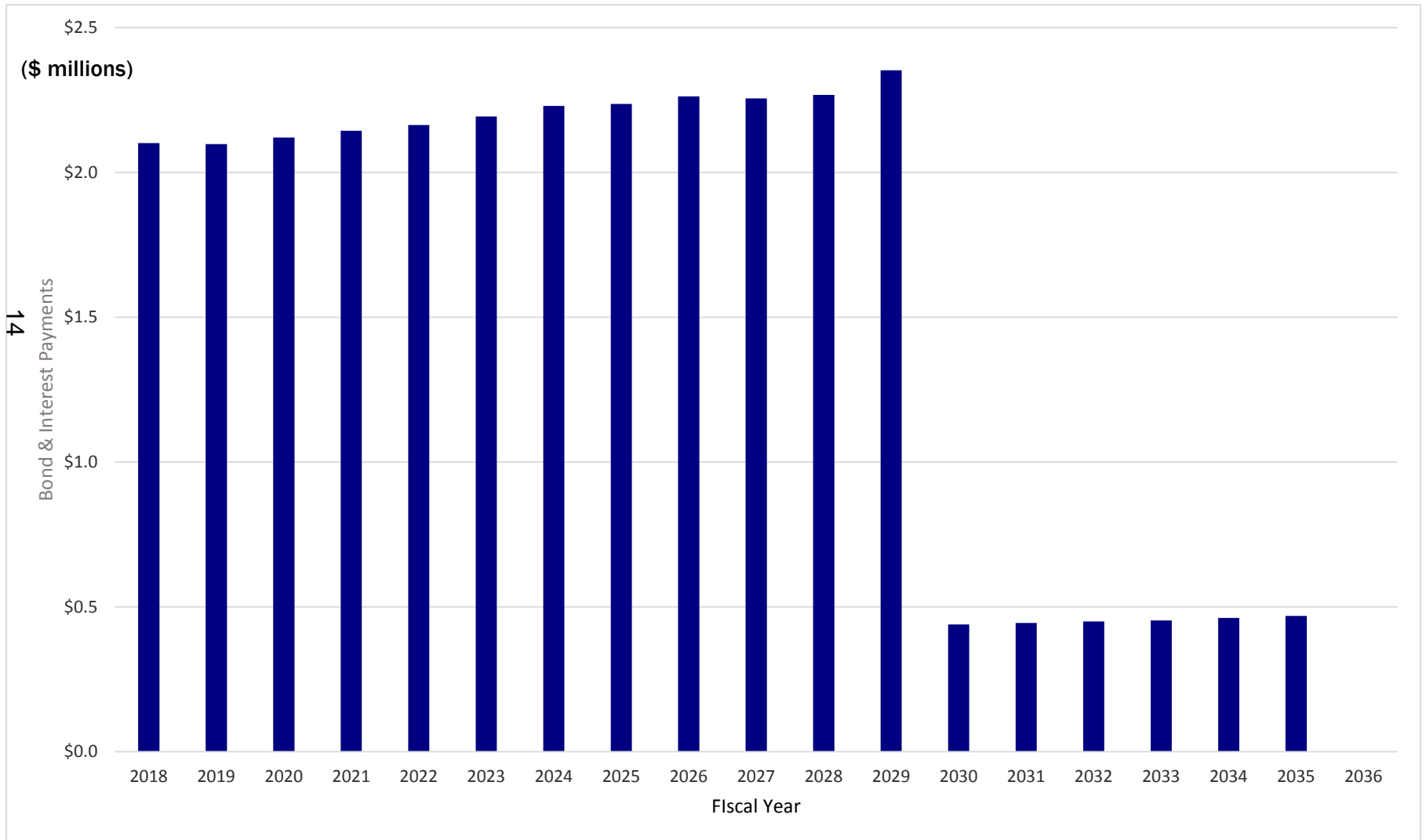
Operating Expenditures

	2018-19	2017-18		
	Operating	Unaudited		
	Expenditures	Actual	Incr/(Decr)	
Salaries	\$ 10,386,992	\$ 9,969,732	\$ 417,260	4%
Benefits	\$ 2,394,160	\$ 2,183,854	\$ 210,306	10%
Purchased Services	\$ 2,393,890	\$ 2,389,568	\$ 4,322	0%
Supplies	\$ 858,755	\$ 800,602	\$ 58,153	7%
Capital	\$ 160,000	\$ 88,189	\$ 71,811	81%
Dues & Fees	\$ 232,515	\$ 166,615	\$ 65,901	40%
Total Expenditures	\$ 16,426,312	\$ 15,598,560	\$ 827,752	5%

2018-19 Expenditures



Debt Service



Fund Balance

	2018-19 Budget Surplus/(Deficit)	2018-19 Sources/(Uses)	Change	2018-19 Projected Ending Fund Balance	% of 2018-19 Budget Expenditures
Education	\$ (512,791)	\$ (29,547)	\$ (542,338)	\$ 4,463,807	32%
O&M	\$ 627,727	\$ (1,100,000)	\$ (472,273)	\$ 730,793	48%
Transportation	\$ 190,250	\$ -	\$ 190,250	\$ 393,035	62%
IMRF/SS	\$ (42,998)	\$ -	\$ (42,998)	\$ 252,731	57%
Working Cash	\$ 33,800	\$ -	\$ 33,800	\$ 757,490	n/a
Operating Funds	\$ 295,988	\$ (1,129,547)	\$ (833,559)	\$ 6,597,856	40%
Capital Projects	\$ (1,162,350)	\$ 1,100,000	\$ (62,350)	\$ (85,249)	
Debt Service	\$ 14,465	\$ 29,547	\$ 44,012	\$ 144,504	
Non-Operating Funds	\$ (1,147,885)	\$ 1,129,547	\$ (18,338)	\$ 59,256	
Total	\$ (851,897)	\$ -	\$ (851,897)	\$ 6,657,112	