



2015–2016 Final Budget

September 29, 2015

2015 – 2016 Budget Timeline

January 2015	Board Adopts the FY16 Budget Calendar
March 2015	Staffing Plan for 2015-2016 with Benchmark/ Actual Staffing Adjustments
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Budget Philosophy

- Minimize contingencies
- Invest in curriculum
- Maintain appropriate programs
- Maintain facilities

Operational Factors

- Curriculum Initiatives
(Math, Science, Reading & KW/Health Reviews)
- Special Ed Initiative
(SOAR Program)
- Strategic Planning Impacts
(STEAM, Kindergarten)
- Technology Initiatives
(Laptops, Infrastructure Switches; Capital Leases)

Operational Factors

- Facility Improvement Considerations
(Life Safety & Deferred Maintenance; a significant future item)
- Financial & Financing Considerations
(Projection & Cash Flow Investment Tools; Leasing, Bonding)
- Personnel & Enrollment Impacts
(Internal Sections, External Student Placements)
- Regulatory Compliance
(ACA, FMLA and Other Changes)

Financial Factors

- Property Tax Levy Considerations
 - CPI at 0.8%
 - EAV & New Property changes not known
 - Pending Legislation could significantly reduce revenue; \$2mil ?
 - Budget based on normal estimates; distribution on Fund needs
- Federal & State Revenues & Expenditures
 - Revenues based on internal calculations subject to approval and possible further reductions; \$1mil ?
 - Expenditures generally based on internal calculations in coordination with service providers
- Interest Income
 - Based on bank's projection
 - Fund balance based pro-rata distribution to funds

Financial Factors

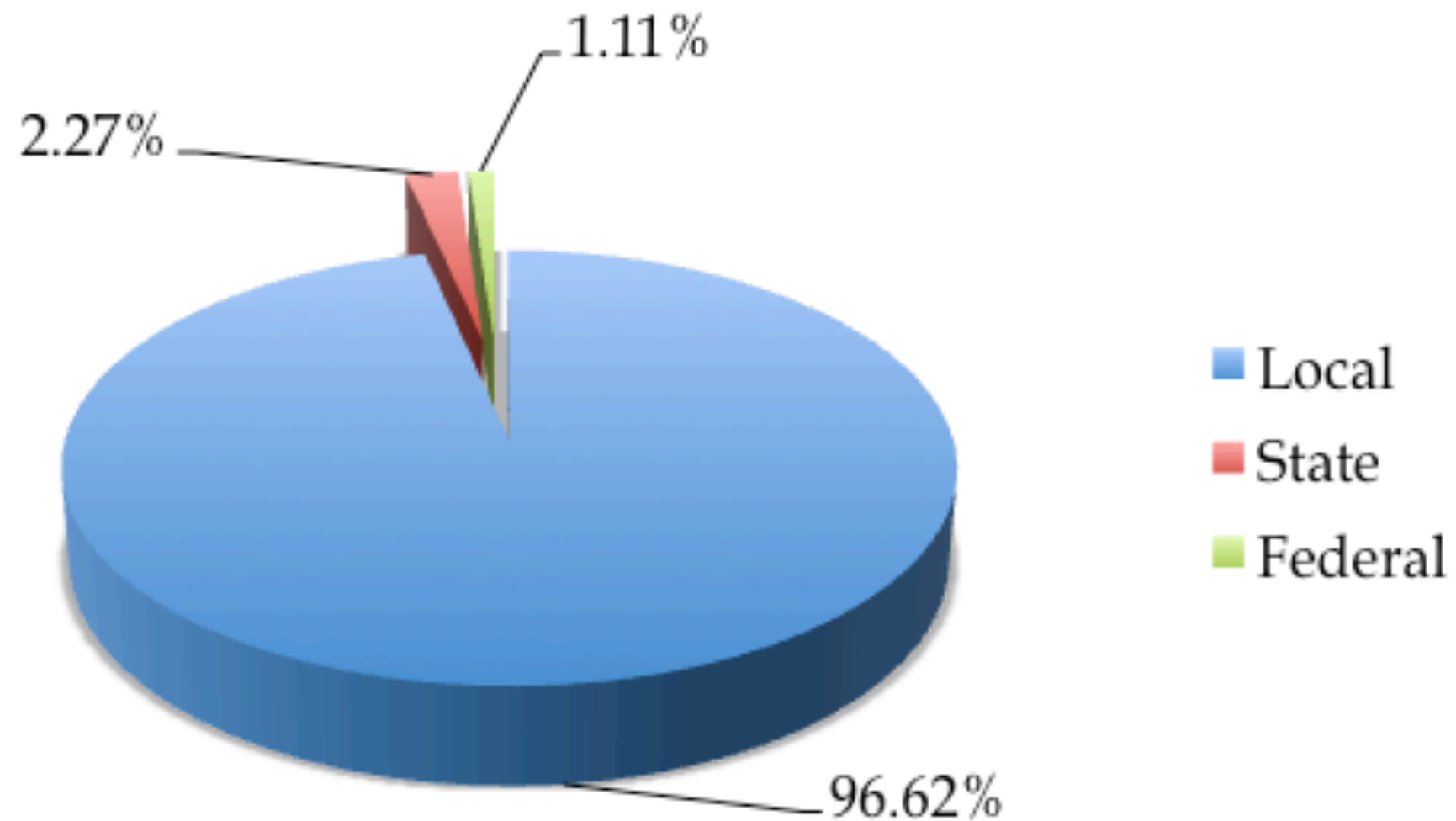
- 3yr Capital Lease Financing
 - Computers; \$417k with Apple finalized
 - Infrastructure Switches; ~\$500K pending
 - Take advantage of low interest rates; reserves for contingencies
 - Financial accounting effect distorts analysis of expenditures
- Future Funding of Facility Needs
 - Preliminary cost estimates; architect refining cost, suggested priority & timing
 - Life Safety for State; ~\$10mil
 - Deferred & Major Maintenance Items; a similar amount

Financial Factors

- Salaries; general increases
 - Certified & Non-Certified bargained; 4% + annual increase
 - Projected offset of retirement savings to achieve overall 3% average
 - Administrators & others; 3% aggregate ceiling
- Benefits; Healthcare
 - Certified & Non-Certified pay 10% of HMO cost
 - Increase for FY16; ~5.5%
 - Trend toward coverage with higher District cost

Typical Sources of Revenues

Revenues - All Funds Tentative FY2016 Budget



Local Revenue Categories

- Real Estate Taxes
- Corporate Replacement Taxes
- Interest
- Student Fees & Tuition
- Food Service
- Facility Rentals

Federal & State Revenue Categories

- General State Aid
- Special Education Aid
- Title 2; Teacher Quality
- Student Milk
- E-Rate
- Library

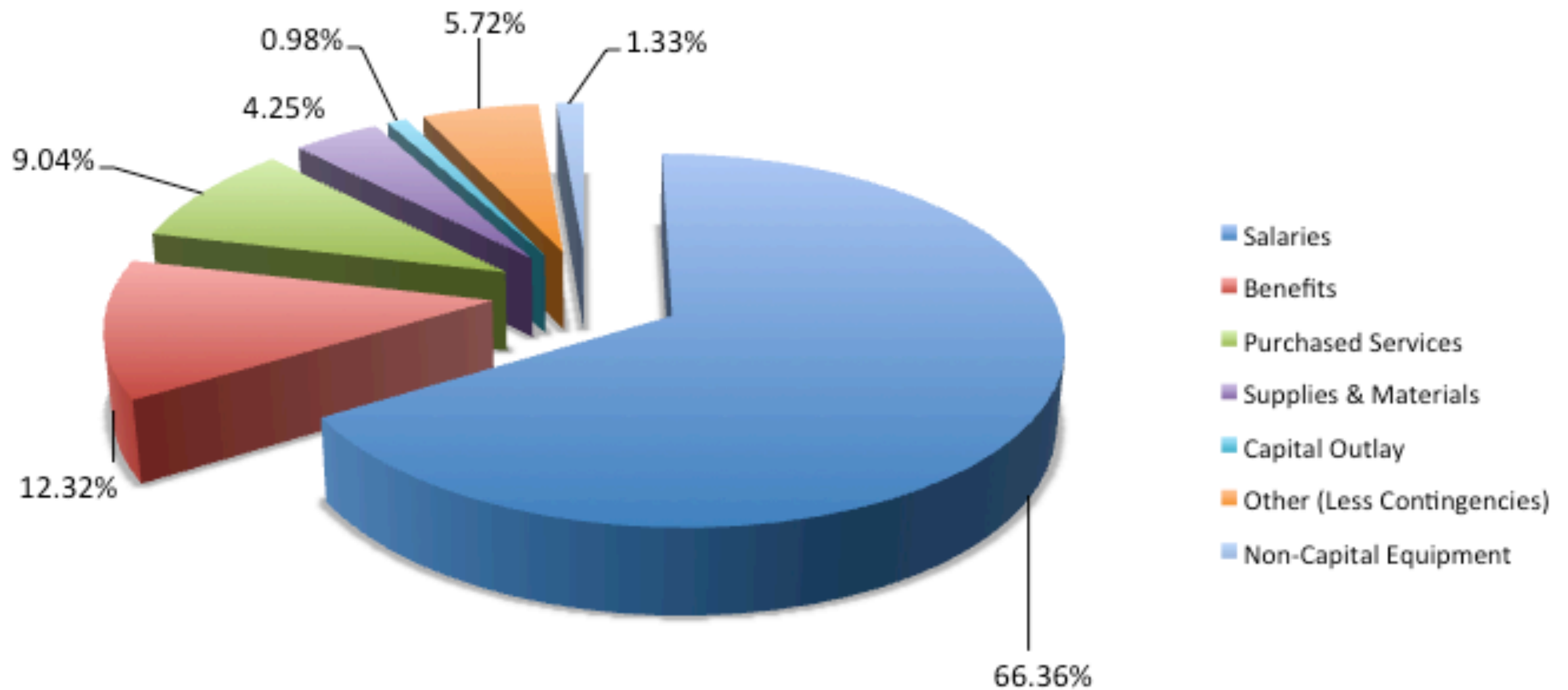
Budgeted Revenues; All Funds

(Including Gross-up of Leases & Fund Transfers; net 0)

• Education	\$34,136,737
• Operations & Maintenance	3,325,407
• Debt Service	5,279,593
• Transportation	461,155
• FICA/IMRF	1,324,971
• Capital Projects	20,000
• Working Cash	334,494
• Tort	152,703
• Life Safety	<u>20,931</u>
Total Budgeted Revenues	<u>\$45,055,991</u>

Typical Categories of Expenditures

Operating Fund Expenses Tentative FY2016



Budgeted Expenditures; All Funds

(Including Gross-up of Leases & Fund Transfers; net 0)

• Education	\$33,077,159
• Operations & Maintenance	3,321,073
• Debt Service	5,291,782
• Transportation	391,612
• FICA/IMRF	1,240,680
• Capital Projects	656,446
• Working Cash	0
• Tort	136,500
• Life Safety	<u>20,100</u>
Total Budgeted Expenditures	<u>\$44,135,352</u>

Budgeted Net Fund Balance Incr (Decr); All Funds

(Including Gross-up of Leases & Fund Transfers; net 0)

• Education	\$1,059,578
• Operations & Maintenance	4,334
• Debt Service	(12,189)
• Transportation	69,543
• FICA/IMRF	84,291
• Capital Projects	(636,446)
• Working Cash	334,494
• Tort	16,203
• Life Safety	<u>831</u>
Total Fund Balance Increase	<u>\$920,639</u>

Major Capital Projects

- Skokie
 - Demolition of chimney
 - Main entrance repairs; concrete, doors
 - Replace concrete service ramp\$383,500
- Hubbard Woods
 - Various concrete repairs
- Crow Island\$100,800
 - Reconfiguration of office spaces
- Washburne; windows\$50,000
- Greeley; fencing\$32,300

Operating Funds

		FY15	FY16
		Cash Basis	Final
	OBJECT	Actual	Budget
	REVENUE FROM LOCAL SOURCES	34,641,327	35,870,824
	REVENUE FROM STATE SOURCES	851,127	1,043,500
	REVENUE FROM FEDERAL SOURCES	625,902	469,069
	TRANSFERS & FINANCE SOURCES	-	917,580
	Total operating fund revenues	36,118,356	38,300,973
		FY15	FY16
		Cash Basis	Final
	OBJECT	Actual	Budget
	SALARIES	23,243,845	24,334,601
	BENEFITS	4,247,566	4,593,732
	PURCHASED SERVICES	2,693,735	2,879,449
	SUPPLIES & MATERIALS	1,242,543	1,422,235
	CAPITAL OUTLAY & EQUIPMENT	1,077,953	1,857,988
	OTHER	1,780,319	1,979,019
	Total operating fund expenditures	34,285,961	37,067,024
	Net operating revenues over <under> expenditures	1,832,395	1,233,949

Education, O&M, Transportation, IMRF/FICA, Tort

Causes of Larger Variances

- FY15 state payments received after YE in Jul/ Aug
- Federal funding reduced based on need
- FTE; Fixed 4% salary increases; lower retirement benefit this year towards 3% target
- Health insurance 5.5% rate increase; coverage shifts
- Equipment includes \$917,580 of theoretical gross-up of non-cash costs related to lease transactions

Causes of Larger Variances

- Professional development and support costs for science, math & reading
- After consideration of costs of capital leases and Program Enhancements (SOAR, STEAM, & new administrator), expenditure increase is 3.5%

Areas of Fluctuation

- Levy Revenues
- Federal & State Aid
- Interest Rates & Investments
- Enrollment & Staffing
- Accomplishing Intended Tasks

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