



COMMUNITY CONSOLIDATED SCHOOL DISTRICT 15

580 N 1st Bank Drive • Palatine IL 60067 | 847.963.3000 | www.ccsd15.net
Michael Adamczyk, SFO, Chief School Business Official • Business & Auxiliary Services

DATE: June 12, 2019

TO: Board of Education

FROM: Michael Adamczyk, CSBO
Corey Bultemeier, Director of Fiscal Services

RE: FY20 Tentative Budget

Attached is the tentative budget for the 2019-20 fiscal year. The budget provides for expenditures in excess of revenues of \$6,458,871. The District is budgeting \$7.23M in Capital Projects spending next year. The major projects include secure entrances at five (5) schools; carpeting at Central Road and Virginia Lake; full or partial roof replacements at Central Road and WR Sundling; HVAC replacement at Central Road; and univent replacements at Lincoln School. Bid awards for all of these projects were previously approved by the Board.

Community Consolidated School District 15

2019-20 Tentative Budget

Michael M. Adamczyk, Chief School Business Official
Corey Bultemeier, Director of Fiscal Services

June 12, 2019



Major Assumptions

- Incorporates the budget guidelines approved by the Board of Education at the February 13, 2019 Board meeting.
- Collective bargaining agreements settled with an approximate 2.0% increase. DTU increases as noted in January 2019 CBA.
- Administrator and non-represented employees budgeted with a 2.0% increase.
- Increase of 9 FTE in CTC staffing from the November 2018 five-year forecast to meet enrollment demands.
- Preliminary IMRF rate of 10.86% effective January 1, 2020.



Major Assumptions

- **The Senate passed a \$40.6 billion budget for 2019-20 on June 2. The budget includes an additional \$375 million in Tier spending.**
- **The Transportation funding line item is budgeted for statewide increase of \$26.3 million.**



Budget Highlights - REVENUE

- **Total Property Tax Revenue of \$124,325,749, excluding Debt.**
- **Accounts for 76.39% of district revenue.**
- **Total State Sources of \$22,313,222 or 13.71%.**
- **Total Federal Sources of \$9,835,038 or 6.04%.**



Budget Highlights - REVENUE

• 2018-19 Base Funding	\$16,120,517
Add'l Tier Funding 2018-19	<u>394,637</u>
Total FY 19 State Funding	\$16,515,154
Add'l Tier Funding 2019-20	<u>375,000</u>
Total FY 20 State Funding	\$16,890,154

- Assume \$16.89M for all future years.
- Additional Tier Funding, 2019-20 and beyond?



Budget Highlights - EXPENDITURES

- **Total Salaries of \$107,916,014 or 63.91%.**
- **Employee Benefits of \$28,896,125 or 17.11%.**
- **Utilities of \$2,325,820 or 1.38%.**
- **Liability Insurance of \$1,365,000 or 0.81%.**
- **Technology expenditures of \$2,067,189 or 1.22%.**
- **Food and supply costs of \$1,987,650 or 1.18%.**
- **Capital Projects Fund expenditures of \$7,232,723 or 4.28%.**
- **Transportation Fund expenditures of \$2,988,896 or 1.77%.**
- **O/M Fund expenditures of \$3,249,030 or 1.92%.**
- **These items are \$158.03 million of \$168.86 million budget, or 93.58%.**



CTC COUNT

• 888.260 FTE	\$70,231,890
(8.225 FTE)	- <u>328,540</u>
880.035 FTE	\$69,903,350
• CTC Negotiations @ 880.035 FTE	\$70,204,816
• Under projections	\$301,466
• Variance	0.429%



Budget Highlights

Excess Revenue over/(under) Expenditures

(\$6,458,871) – Proposed Budget

7,232,723 – Capital Projects Fund

\$773,852



Reconciliation

FY 2019/20 – Nov. 14, 2018	(\$2,184,813)
Add'l EBF Funding	375,000
Add'l Replacement Taxes	250,000
Increased IMRF Expenditures	(361,000)
Increased O&M Expenditures	(295,000)
Increased Taxi Services	(240,000)
Add'l Coord & Admin Positions	(948,000)
Increased Bus Drivers Salaries	(277,000)
Increased CP Fund Expenditures	(1,290,000)
DOI Textbooks & Supplies	(1,175,000)
Add'l CTC Positions	<u>(359,496)</u>
	(\$6,505,309)
FY 2019-20, June 12, 2019	(\$6,458,871)



Revenue Summary

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Educational	124,582,427	128,008,353	130,477,927	
Operations and Maintenance	14,420,027	14,584,818	16,175,161	
Transportation	9,633,996	9,328,922	9,094,158	
IMRF/Social Security	5,348,094	5,284,353	5,090,473	
Working Cash	1,312	1,300	1,300	
Tort Immunity	1,296,158	1,290,559	1,455,099	
Capital Projects	648,308	500,000	436,000	
Health & Life Safety	18,088	400	400	
	155,948,410	158,998,703	162,730,520	2.35%
Debt	5,643,285	5,845,650	5,845,650	
Total All Funds	161,591,695	164,844,353	168,576,170	2.26%



Expenditures Summary

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Expenditures				
Educational	121,784,112	128,043,151	132,940,905	
Operations and Maintenance	11,542,249	11,742,217	12,120,151	
Transportation	8,866,041	9,046,262	9,983,630	
IMRF/Social Security	5,202,740	5,224,895	5,392,795	
Working Cash	-	-	-	
Tort Immunity	1,398,857	1,295,000	1,365,000	
Capital Projects	8,632,009	7,389,987	7,232,723	
Health & Life Safety	6,195,918	-	-	
	<u>163,621,925</u>	<u>162,741,512</u>	<u>169,035,204</u>	3.87%
Debt	<u>5,995,261</u>	<u>5,995,335</u>	<u>5,995,336</u>	
Total All Funds	<u>169,617,186</u>	<u>168,736,847</u>	<u>175,030,540</u>	3.73%
Lap Top Lease & Data Refresh	(154,186)	(154,186)	(154,186)	



Fund Balance Summary

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Net change in Fund Balance Excluding Debt Service	(7,827,702)	(3,896,995)	(6,458,871)	
Beginning Fund Balance	66,952,890	59,125,188	55,228,193	-6.59%
Ending Fund Balance	59,125,188	55,228,193	48,769,322	-11.69%
All Funds % of Expenditures	36.14%	33.94%	28.85%	
Ending Fund Bal including				
Debt Services:	62,336,795	58,341,101	51,886,730	-11.06%
Ending Fund Bal including				
Debt Svcs. as % of Expend.	36.75%	34.58%	30%	
Revenues over/(under)				
Expenditures incl. Debt	(8,179,677)	(4,046,680)	(6,608,556)	



QUESTIONS?



FY20 Tentative Budget

Educational Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 93,984,375	96,683,851	98,700,397	
State	16,831,661	17,105,305	17,509,647	
Federal	9,836,214	9,725,569	9,835,038	
Interest on Investments	700,093	1,100,000	1,100,000	
CPPR Tax	556,448	618,142	743,142	
Other	2,673,636	2,775,486	2,589,704	
	<u>\$ 124,582,427</u>	<u>\$ 128,008,354</u>	<u>130,477,927</u>	1.93%
Expenditures				
Salaries*	\$ 92,209,145	94,925,848	97,626,429	2.84%
Benefits*	18,244,828	19,430,966	20,372,779	4.85%
Purchased Services	3,848,943	3,767,745	4,118,961	9.32%
Supplies	4,423,118	5,651,146	7,386,229	30.70%
Equipment	1,398,873	2,855,613	1,909,644	-33.13%
Tuition/Dues/Fees	1,659,205	1,411,833	1,526,863	8.15%
Other				
	<u>\$ 121,784,112</u>	<u>\$ 128,043,151</u>	<u>132,940,905</u>	3.83%
(Transfers Out) Sources	(154,186)	(4,654,186)	(7,654,186)	
Net change in Fund Balance	<u>2,644,129</u>	<u>(4,688,985)</u>	<u>(10,117,163)</u>	
Beginning Fund Balance	\$ 47,722,617	\$ 50,366,746	\$ 45,677,761	
Ending Fund Balance	\$ 50,366,746	\$ 45,677,761	\$ 35,560,598	

Salaries*					
Administration		6,981,385	7,596,373	8.81%	
Certified Staff		69,209,290	70,231,890	1.48%	
OT/PT		658,728	734,772	11.54%	
Program Assistants		5,714,800	5,950,784	4.13%	
Secretary/Clerical		3,084,017	3,259,564	5.69%	
Food Service		810,815	909,683	12.19%	
Substitute Teachers		1,630,053	1,682,267	3.20%	
Miscellaneous		6,836,760	7,261,096	6.21%	
		<u>92,209,145</u>	<u>94,925,848</u>	<u>97,626,429</u>	2.84%
Benefits*					
TRS	1,407,269	1,544,379	1,516,928	-1.78%	
Medical	16,610,279	17,636,587	18,605,851	5.50%	
Tuition Reimbursement	227,280	250,000	250,000	0.00%	
	<u>18,244,828</u>	<u>19,430,966</u>	<u>20,372,779</u>	4.85%	

FY20 Tentative Budget

Operations & Maintenance Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 13,629,076	13,691,426	15,222,020	
CPPR Tax	625,342	618,142	743,142	
Interest on Investments	46,742	45,000	40,000	
Other	118,867	230,250	170,000	
	<u>\$ 14,420,027</u>	<u>14,584,818</u>	<u>16,175,161</u>	10.90%
Expenditures				
Salaries	\$ 5,128,448	5,316,856	5,460,395	
Benefits	1,006,135	1,031,432	1,084,906	
Purchased Services	1,472,966	1,341,773	1,538,895	
Supplies	3,225,637	3,353,656	3,181,205	
Equipment	707,193	697,750	854,000	
Other	1,870	750	750	
	<u>\$ 11,542,249</u>	<u>11,742,217</u>	<u>12,120,151</u>	3.22%
Transfer In		4,500,000	7,500,000	
Transfers Out	(3,500,000)	(8,250,000)	(10,000,000)	
Net change in Fund Balance	(622,222)	(907,399)	1,555,011	
Beginning Fund Balance	\$ 3,248,413	\$ 2,626,191	\$ 1,718,792	
Ending Balance	\$ 2,626,191	\$ 1,718,792	\$ 3,273,803	

Debt Service Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 5,604,520	\$ 5,704,450	\$ 5,807,650	
Interest on Investments	38,765	38,000	38,000	
Other				
	<u>\$ 5,643,285</u>	<u>\$ 5,742,450</u>	<u>\$ 5,845,650</u>	1.80%
Expenditures				
Principal Payment	\$ 4,495,000	4,644,133	4,646,639	
Interest Payment	1,344,650	1,349,702	1,347,197	
Debt Service Other	155,611	1,500	1,500	
	<u>\$ 5,995,261</u>	<u>\$ 5,995,335</u>	<u>5,995,336</u>	0.00%
Sources from Bond Refunding	-			
Uses from Bond Refunding	-			
Other Sources	154,186	154,186	154,186	
Net change in Fund Balance	<u>(197,790)</u>	<u>(98,699)</u>	<u>4,500</u>	
Beginning Fund Balance	\$ 3,409,397	\$ 3,211,607	\$ 3,112,908	
Ending Fund Balance	\$ 3,211,607	\$ 3,112,908	\$ 3,117,408	

FY20 Tentative Budget

Transportation Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 4,243,195	\$ 4,240,802	\$ 4,027,583	
Interest on Investments	53,504	48,000	58,000	
Other Local	222,819	200,000	205,000	
Other State				
State Reimbursement	5,114,479	4,840,120	4,803,575	
	<u>\$ 9,633,996</u>	<u>\$ 9,328,922</u>	<u>\$ 9,094,158</u>	-2.52%
Expenditures				
Salaries	\$ 4,362,797	\$ 4,684,879	\$ 5,006,937	
Benefits	1,635,513	1,886,610	1,987,797	
Purchased Services	982,117	698,830	902,389	
Supplies	1,127,279	1,012,743	1,118,315	
Equipment	8,376	29,000	28,000	
Other	749,958	734,200	940,192	
	<u>\$ 8,866,041</u>	<u>\$ 9,046,262</u>	<u>\$ 9,983,630</u>	10.36%
Transfers In/(Out)				
Net change in Fund Balance	<u>767,955</u>	<u>282,660</u>	<u>(889,472)</u>	
Beginning Fund Balance	\$ 5,924,977	\$ 6,692,932	\$ 6,975,592	
Ending Fund Balance	\$ 6,692,932	\$ 6,975,592	\$ 6,086,120	

IMRF/Social Security Funds

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Taxes	\$ 5,180,766	\$ 5,116,853	\$ 4,922,973	
CPPR Taxes	125,000	125,000	125,000	
Interest on Investments	42,328	42,500	42,500	
	<u>\$ 5,348,094</u>	<u>\$ 5,284,353</u>	<u>\$ 5,090,473</u>	-3.67%
Expenditures				
IMRF	\$ 2,428,803	\$ 2,280,704	\$ 2,382,933	
FICA/Medicare	2,773,938	2,944,191	3,009,862	
	<u>\$ 5,202,740</u>	<u>\$ 5,224,895</u>	<u>\$ 5,392,795</u>	3.21%
Net change in Fund Balance	<u>145,354</u>	<u>59,458</u>	<u>(302,322)</u>	
Beginning Fund Balance	\$ 2,899,560	\$ 3,044,914	\$ 3,104,372	
Ending Fund Balance	\$ 3,044,914	\$ 3,104,372	\$ 2,802,050	

FY20 Tentative Budget

Capital Projects Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Impact Fees	\$ 148,843	\$ 100,000	\$ 100,000	
Interest on Investments	5,574	5,000	1,000	
Other Local	60,000	60,000		
State Grant				
TIF Revenue	433,891	335,000	335,000	
	<u>\$ 648,308</u>	<u>\$ 500,000</u>	<u>\$ 436,000</u>	-12.80%
Expenditures				
Purchased Services	\$ 1,649,751	\$ 662,647	\$ 1,586,817	
Supplies				
Equipment	6,982,258	6,727,340	5,645,906	
Contingency				
	<u>\$ 8,632,009</u>	<u>\$ 7,389,987</u>	<u>\$ 7,232,723</u>	-2.13%
Transfers In/(Out)	3,500,000	8,250,000	10,000,000	
Net change in Fund Balance	<u>(4,483,701)</u>	<u>1,360,013</u>	<u>3,203,277</u>	
Beginning Fund Balance	\$ 387,102	\$ (4,096,599)	\$ (2,736,586)	
Ending Fund Balance	\$ (4,096,599)	\$ (2,736,586)	\$ 466,691	

Capital Projects:

A/E Fees & Contingency	1,586,817
FCW Parking Lot	225,000
Warehouse HVAC	115,000
Stage Curtains	100,000
CR Roof Replacement	621,872
CR HVAC Replacement	932,808
CR Carpet	187,670
Secure Entrances	426,200
VL Carpet	232,229
LS Univents	1,069,620
WRS Roof Replacement	1,242,545
JA Playground	122,456
MJ Playground	163,506
PG Sanitary Sewer	50,000
VL Asbestos Removal	157,000
	<u>7,232,723</u>

Working Cash Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Interest on Investments	\$ 1,312	\$ 1,300	\$ 1,300	
	<u>\$ 1,312</u>	<u>\$ 1,300</u>	<u>\$ 1,300</u>	0.00%
Expenditures				
	-	-		
	-	-		
Net change in Fund Balance	<u>\$ 1,312</u>	<u>\$ 1,300</u>	<u>\$ 1,300</u>	0.00%
Beginning Fund Balance	\$ 111,678	\$ 112,990	\$ 114,290	
Ending Fund Balance	\$ 112,990	\$ 114,290	\$ 115,591	

FY20 Tentative Budget

Tort Immunity Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 1,281,060	\$ 1,287,259	\$ 1,452,799	
Other	11,473			
Interest on Investments	3,623	3,300	2,300	
	<u>\$ 1,296,158</u>	<u>\$ 1,290,559</u>	<u>\$ 1,455,099</u>	12.75%
Expenditures				
Purchased Services	\$ 1,398,857	\$ 1,295,000	\$ 1,365,000	
Other	-			
	<u>\$ 1,398,857</u>	<u>\$ 1,295,000</u>	<u>\$ 1,365,000</u>	5.41%
Transfers In/(Out)	-	-	-	
Net change in Fund Balance	<u>(102,699)</u>	<u>(4,441)</u>	<u>90,099</u>	
Beginning Fund Balance	\$ 463,709	\$ 361,010	\$ 356,569	
Ending Fund Balance	\$ 361,010	\$ 356,569	\$ 446,668	

Health Life Safety Fund

	Audited Actual 2017-18	Adopted Budget 2018-19	Tentative Budget 2019-20	Increase/(Decrease) Adopted to Tentative
Revenue				
Interest on Investments	\$ 18,088	\$ 400	\$ 400	
Principal on Bonds Sold	-	-	-	
Premium on Bonds Sold	-	-	-	
	<u>\$ 18,088</u>	<u>\$ 400</u>	<u>\$ 400</u>	0%
Expenditures				
Purchased Services		\$ -	\$ -	
Building Improvement	\$ 6,195,918	\$ -	\$ -	
Bond Issuance Cost		\$ -	\$ -	
	<u>\$ 6,195,918</u>	<u>\$ -</u>	<u>\$ -</u>	
Net change in Fund Balance	<u>\$ (6,177,830)</u>	<u>\$ 400</u>	<u>\$ 400</u>	0%
Beginning Fund Balance	\$ 6,194,830	\$ 17,000	\$ 17,400	
Ending Fund Balance	\$ 17,000	\$ 17,400	\$ 17,800	

Health Life/Safety Projects:

FY20 Tentative Budget

Summary

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Revenue				
Educational	124,582,427	128,008,353	130,477,927	
Operations and Maintenance	14,420,027	14,584,818	16,175,161	
Transportation	9,633,996	9,328,922	9,094,158	
IMRF/Social Security	5,348,094	5,284,353	5,090,473	
Working Cash	1,312	1,300	1,300	
Tort Immunity	1,296,158	1,290,559	1,455,099	
Capital Projects	648,308	500,000	436,000	
Health & Life Safety	18,088	400	400	
	<u>155,948,410</u>	<u>158,998,703</u>	<u>162,730,520</u>	2.35%
Debt	5,643,285	5,845,650	5,845,650	
Total All Funds	<u>161,591,695</u>	<u>164,844,353</u>	<u>168,576,170</u>	2.26%
Expenditures				
Educational	121,784,112	128,043,151	132,940,905	
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Transportation	8,866,041	9,046,262	9,983,630	
IMRF/Social Security	5,202,740	5,224,895	5,392,795	
Working Cash	-	-	-	
Tort Immunity	1,398,857	1,295,000	1,365,000	
Capital Projects	8,632,009	7,389,987	7,232,723	
Health & Life Safety	6,195,918	-	-	
	<u>163,621,925</u>	<u>162,741,512</u>	<u>169,035,204</u>	3.87%
Debt	5,995,261	5,995,335	5,995,336	
Total All Funds	<u>169,617,186</u>	<u>168,736,847</u>	<u>175,030,540</u>	3.73%
Lap Top Lease & Data Refresh	(154,186)	(154,186)	(154,186)	
Net change in Fund Balance				
Excluding Debt Service	(7,827,702)	(3,896,995)	(6,458,871)	
Beginning Fund Balance	66,952,890	59,125,188	55,228,193	-6.59%
Ending Fund Balance	59,125,188	55,228,193	48,769,322	-11.69%
All Funds % of Expenditures	36.14%	33.94%	28.85%	
Ending Fund Bal including Debt Services:	62,336,795	58,341,101	51,886,730	-11.06%
Ending Fund Bal including Debt Svcs. as % of Expend.	36.75%	34.58%	30%	
Revenues over/(under) Expenditures incl. Debt	(8,179,677)	(4,046,680)	(6,608,556)	
Check: End Fund Bal w/o Debt	59,125,188	55,228,193	48,769,322	