



Community Consolidated School District 15

FY23 Tentative Budget Presentation

Mrs. Diana McCluskey, Chief School Business Official
Mr. Josh Schoot, Director of Fiscal Services

June 8, 2022

Legal Requirements for Budget Adoption

- The Illinois State Board of Education's (ISBE's) *Mechanics of a School District Budget* provides guidance
- The budget is the “roadmap” to follow in order to meet the financial goals of the school board / district. It is a tentative outline or plan for FY23.
 - The tentative FY23 budget is being presented to the board tonight
 - The final FY23 budget will be presented to board at the September 14, 2022 meeting
- School districts must adopt a budget by the end of the first quarter of the fiscal year, which is September 30.
- Prior to adoption and 30 days before the September board meeting, publish a “notice of public hearing” in the newspaper that the tentative budget is on display
- Schedule a public hearing on the proposed budget for the September 14, 2022 board meeting
- Conduct the public budget hearing at the September 14, 2022 board meeting



School Budgets are Based on Fund Accounting

Operating Funds (Support Day-to-Day Operations)

- Educational - Fund 10 (Largest fund)
- Operations and Maintenance - Fund 20
- Transportation - Fund 40
- Municipal Retirement (IMRF) / Social Security Fund - Fund 50
- Working Cash - Fund 70
- Tort - Fund 80

Other Funds

- Debt Service - Fund 30
- Capital Projects - Fund 60
- Life Safety - Fund 90



FY23 Budget Analysis

Finance team:

- Met with leaders of departments and principals
- Adjusted budgets based on need and historical spending
- Zero-based budgets were used for large spends such as curriculum, technology, and software
- Identified revenue sources to fund new initiatives



Revenue Assumptions

LOCAL REVENUES

- **Property Tax Revenue**

- Increase of \$6.6M (+5.0%) - 1.4% CPI for 2021 levy & 5% CPI for 2022 levy
 - Operating funds - \$139.2M vs FY21 \$132.6M
- Includes \$1.3M in one-time recapture funds from prior levies
- Tax levy 2022 will be based on the December 2021 max PTELL CPI of 5.0%

- **CPPRT (Personal Property Replacement Taxes)**

- Kept the same as FY22's budget at \$2,225,000

- **Interest Income - Federal funds rate is 1.0% as of 6/1/22 (Was 0.25% as of 6/1/21)**

- FY23 \$177,550 budgeted (Was \$165,000 in FY22)
 - Actual amount may be higher but we will not know until Cook County lets us know when the fall property tax bills will be issued
- FY22 received \$66,578 as of 4/30/22 - Rates did not recover until late in FY22
- FY21 actual revenue was \$164,571



Revenue Assumptions (Continued)

LOCAL REVENUES (Continued)

- **Preschool and special education tuition, food service fees, student fees, building rental fees and transportation fees resume pre-COVID-19 levels**
 - Fund 10: FY23 \$2.3M vs FY22 \$1.4M to date (through 4/30/22)
 - Includes \$1.2M in TIF surplus distribution revenue in FY23 - That revenue was posted to the capital projects fund (60) in FY22
- **Capital Projects Fund (60)**
 - \$1,000 in interest income
 - \$5,000,000 transfer from the operations and maintenance fund (20)
- **Fire Prevention & Safety Fund (90)**
 - No new bond revenue in FY23 to offset expenditures
 - All FY23 activities are funded by the September 2020 bond sale proceeds still held
- **Transfers**
 - \$4.75M from the transportation fund to the educational fund
 - \$5.0M from the operations and maintenance fund to the capital projects fund
 - \$80,862 from the educational fund to the debt service fund to cover copier lease principal and interest payments



Revenue Assumptions (Continued)

STATE REVENUES

- *Evidence-based funding (EBF)* budgeted at \$17.5M vs 17.2M in FY22

FEDERAL REVENUES

- American Rescue Plan (ARP) ESSER grant - \$8.9M
- ARP IDEA Flow-Through grant - \$639K
- ARP IDEA Preschool grant - \$63K
- ARP McKinney-Vento grant - \$103K
- Individuals with Disabilities Education Act (IDEA) & Title (Title I, Title II, & Title III) grant revenue held flat.

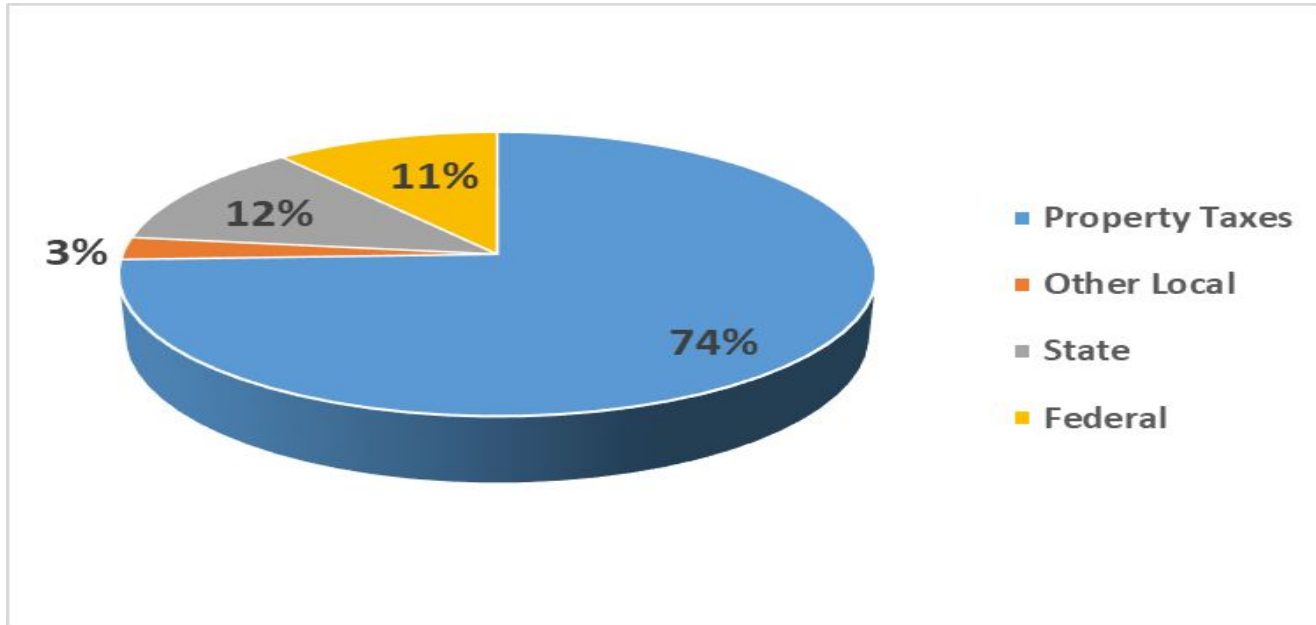


FY23 vs FY22 Budgeted Revenue

FUND	Adopted Revenue Budget FY22	Tentative Revenue Budget FY23	FY23 Increase/(Decrease) To FY22
Educational (10)	148,605,828	158,196,107	9,590,279
Operations & Maintenance (20)	20,253,449	18,376,301	(1,877,148)
Transportation (40)	8,652,596	9,598,279	945,683
IMRF/Social Security (50/51)	5,764,863	5,937,034	172,171
Working Cash (70)	400	400	-
Tort (80)	1,741,298	1,795,216	53,918
OPERATING FUNDS TOTAL	185,018,434	193,903,337	8,884,903
Debt Service (30)	6,078,102	6,052,753	(25,349)
Capital Projects (60)	6,488,000	5,001,000	(1,487,000)
Life Safety (90)	2,000	500	(1,500)
ALL FUNDS TOTAL	197,586,536	204,957,590	7,371,054



FY23 Budgeted Revenue By Source



Expenditure Assumptions

- **Salaries:**

- Teacher Positions: 983 FTE for FY23 vs. 959 FTE for FY22
 - Total Teacher Salaries FY23 \$74,341,253 vs. FY22 \$72,209,371 (\$2.1M increase)
 - Step increases range from 2% to 3%
- Therapists in Education (TIE) salary increase 2%
- Educational Service Personnel Association (ESPA) salary increase 1.85%
- ESPA-Nurses salary increase 1.85%
- Service Employees International Union (SEIU) salary increase 3%
- District 15 Transportation Union (DTU) salary increase 1.75%
- Administrative salary increase 3.0%
- Non-union salary increase 3.0%

- **Teacher Retirements:**

- FY22 14.50 FTE - \$1.91M retiring salaries with \$655K replacement salaries
- FY23 20.00FTE - \$2.77M retiring salaries



Expenditure Assumptions (cont.)

- **Employee benefit insurance premiums increases:**
 - Health: 5.4% premium increase (Pricewaterhouse Coopers-PwC reports medical increases of 6.5% for 2022)
 - Dental: 2.0% premium increase
 - Vision: No change
- **Property & Liability Insurance average increase of 5% despite industry increases averaging 15%**
- **Technology Upgrades:**
 - K-2 Touchscreen Replacements \$350,000
 - 3rd Grade Touchscreen Chromebooks \$700,000
- **Transportation:**
 - No new buses in FY23 due to low miles driven in FY21 & the FY22 Implementation of a 3-Tiered Bussing Model
- **Facility Improvements (Fund 60) \$5.0M:**
 - HVAC replacement at Stuart R Paddock
 - Asphalt, concrete, playgrounds, carpet at various locations
 - LRC improvements carryover to FY23
- **Life Safety Improvements (Fund 90) \$1.0M:**
 - HVAC replacements at Stuart R Paddock



Expenditure Assumptions (cont.)

American Rescue Plan (ARP) ESSER III

- Approximately \$8.9M in grant funds remain to be spent by September 30, 2024
- Salaries & Benefits - \$3.29M continued from ESSER II and ARP
 - 16.0 FTE Academic Interventionists
 - 6.0 FTE Bilingual Academic Interventionists
 - 20.0 FTE Permanent Substitutes
 - 2.0 FTE Coordinators
- Staff Extra Duty & Benefits continued from ARP
 - After School/School Break Teaching & Tutoring Services - \$335K
 - After School Wrap Around Services - \$65K
 - Contact Tracing - \$18K
 - Professional Development - \$192K



Expenditure Assumptions (cont.)

American Rescue Plan (ARP) ESSER III (cont.)

- Classroom Software: Instructionally Focused Computer Technology Apps (2 years), Electronic Bilingual Classroom Materials & Electronic K06 Literacy Materials - \$766K
- Classroom Supplies: Elementary & Junior High Intervention, Extended Day, English & Language Arts Gifted Programs, Curriculum Replacement - \$1.74M
- School Library Updates: Consultation Services, Books, Flexible Seating, Interactive Learning Boards, & Maker Spaces - \$1.51M

American Rescue Plan (ARP) IDEA Consolidated

- Supplies and Services to service the District's Special Education student population - \$702K

American Rescue Plan (ARP) McKinney-Vento Homeless

- Supplies and Services to service the District's Homeless student population \$103K

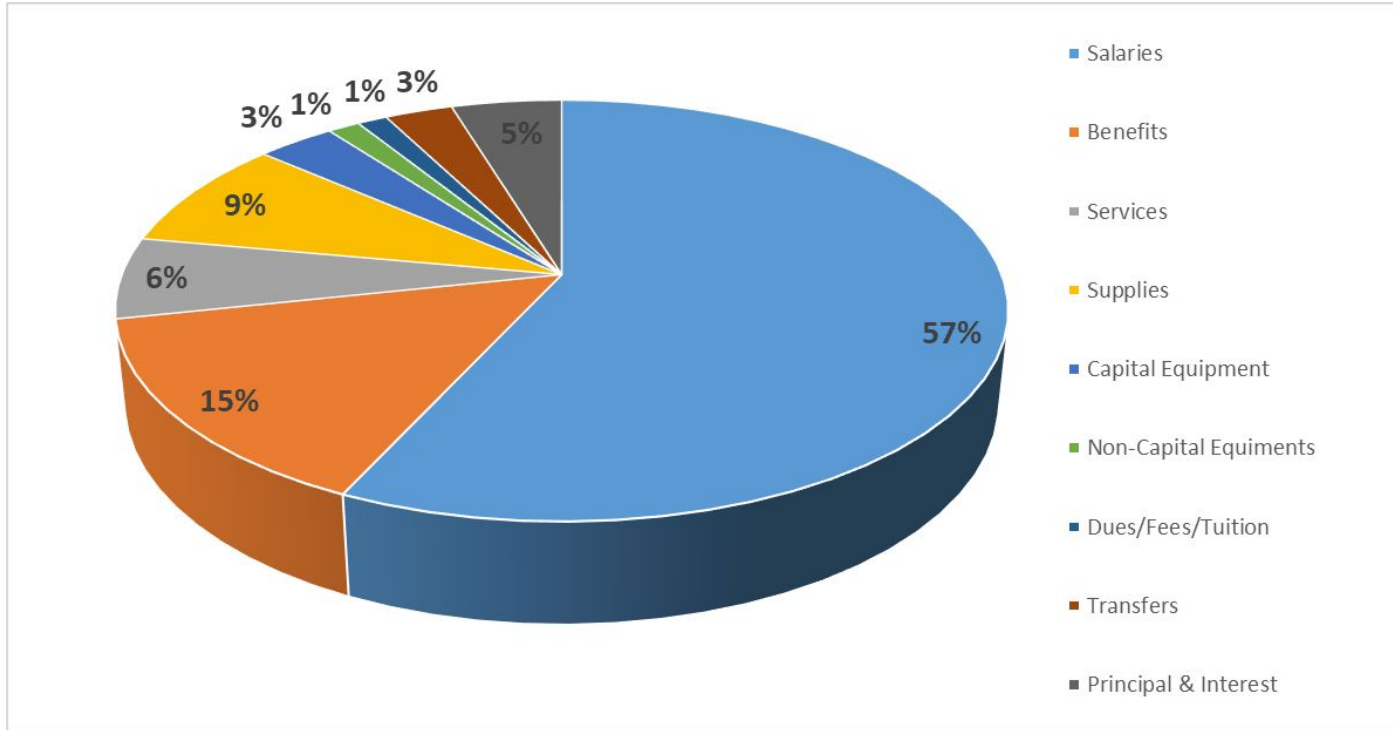


FY23 vs FY22 Budgeted Expenditures

FUND	Adopted Expenditure Budget FY22	Tentative Expenditure Budget FY23	FY23 Increase/(Decrease) To FY22
Educational (10)	147,753,152	157,358,251	9,605,099
Operations & Maintenance (20)	19,362,680	18,261,658	(1,101,022)
Transportation (40)	9,625,828	13,843,100	4,217,272
IMRF/Social Security (50/51)	5,377,278	5,864,169	486,891
Working Cash (70)	-	-	-
Tort (80)	1,444,498	1,519,723	75,225
OPERATING FUNDS TOTAL	183,563,436	196,846,901	13,283,465
Debt Service (30)	5,784,412	6,051,412	267,000
Capital Projects (60)	6,488,000	5,000,000	(1,488,000)
Life Safety (90)	7,398,302	1,000,000	(6,398,302)
ALL FUNDS TOTAL	203,234,150	208,898,313	5,664,163



FY23 Expenditures by Type



FY23 Tentative Budget

FUND	FY23 Revenue Budget	FY23 Expenditure Budget	FY23 Surplus/(Deficit)
Educational (10)	158,196,107.00	157,358,251.00	837,856.00
Operations & Maintenance (20)	18,376,301.00	18,261,658.00	114,643.00
Transportation (40)	9,598,279.00	13,843,100.00	(4,244,821.00)
IMRF/Social Security (50/51)	5,937,034.00	5,864,169.00	72,865.00
Working Cash (70)	400.00	-	400.00
Tort (80)	1,795,216.00	1,519,723.00	275,493.00
OPERATING FUNDS TOTAL	193,903,337.00	196,846,901.00	(2,943,564.00)
Debt Service (30)	6,052,753.00	6,051,412.00	1,341.00
Capital Projects (60)	5,001,000.00	5,000,000.00	1,000.00
Life Safety (90)	500.00	1,000,000.00	(999,500.00)
ALL FUNDS TOTAL	204,957,590.00	208,898,313.00	(3,940,723.00)



FY23 Tentative Budget

What questions
do you have?

