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Community Consolidated School District 15

Joseph M. Kiszka Educational Service Center
580 N. 1st Bank Drive
Palatine, IL 60067-8110

Michael Adamczyk
Chief School Business Official

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DATE: June 6, 2018
TO: Board of Education
FROM: Michael Adamczyk, CSBO
RE: FY19 Tentative Budget



Attached is the tentative budget for the 2018-19 fiscal year. The budget provides for expenditures in excess of revenues of \$4,799,467. The District is spending \$8.84M in capital projects next year, which includes \$5.8M for the Plum Grove curtain wall and mechanical upgrades, and \$2.8M for the remainder of the Frank C. Whiteley curtain wall replacement. A thorough presentation will be made at the June Board meeting.

Community Consolidated School District 15

Tentative Budget 2018-19

Michael M. Adamczyk
Chief School Business Official
June 6, 2018



Major Assumptions

- Incorporates the budget guidelines approved by the Board of Education at the February 21, 2018 Board meeting.
- All collective bargaining agreements settled with an approximate 2.0% increase.
- Administrator and non-represented employees budgeted with a 2.0% increase.
- Increase of 4.0 FTE in CTC staffing from the current 2017/18 school year for instructional coaches.
- Preliminary IMRF rate of 8.89% effective January 1, 2019.



Major Assumptions

- **The Senate passed a \$38.5 billion budget for 2018-19 on May 30. The budget includes an additional \$300 million in Tier spending and an additional \$50 million for Property Tax Relief.**
- **Transportation funding remains flat.**



Budget Highlights - REVENUE

- **Total Property Tax Revenue of \$121,020,190, excluding Debt.**
- **Accounts for 76.16% of district revenue.**
- **Total State Sources of \$21,984,790 or 13.83%.**
- **Total Federal Sources of \$9,436,259 or 5.93%.**



Budget Highlights - REVENUE

• 2017-18 Base Funding	\$15,281,268
Add'l Tier Funding 2017-18	<u>384,165</u>
Total Net State Contribution	\$15,665,433
SEL Grant	<u>454,988</u>
Total FY18 State Funding	\$16,120,421

- Assume \$16.12M for all future years.
- Additional Tier Funding, 2018-19 and beyond?



Budget Highlights - EXPENDITURES

- **Total Salaries of \$104,919,812 or 64.15%.**
- **Employee Benefits of \$20,554,629 or 12.57%.**
- **Utilities of \$2,496,924 or 1.53%.**
- **Liability Insurance of \$1,236,000 or 0.76%.**
- **Technology expenditures of \$2,377,284 or 1.45%.**
- **Food and supply costs of \$1,878,000 or 1.15%.**
- **Capital Projects Fund expenditures of \$8,841,482 or 5.41%.**
- **Transportation Fund expenditures of \$2,474,443 or 1.51%.**
- **O/M Fund expenditures of \$2,897,005 or 1.77%.**
- **These items are \$147.67 million of \$163.54 million budget, or 90.30%.**



CTC COUNT

- **879.8533 FTE** **\$69,114,980**
Lane Advancement **200,000**
\$69,314,980
- **CTC Negotiations**
@ 880.035 FTE **\$69,365,817**
- **District intends to hire additional 4.0 instructional coaches to be paid for with add'l EBF funding.**



Budget Highlights

Excess Revenue over/(under) Expenditures

(\$4,799,467) – Proposed Budget

8,841,482 – Fund 60

\$4,042,015



Reconciliation

FY 2018/19 – Nov. 14, 2017	(\$5,711,868)
Add'l EBF Funding	839,153
Add'l Interest Income	964,700
Reduced IMRF Expenditures	303,982
Increased Transp. Reimbursement	852,611
Increased Fund 60 Expenditures	(1,328,488)
DOI Rollover	(460,043)
Infinite Campus	<u>(190,000)</u>
	(\$4,729,953)

FY 2018-19, June 6, 2018	(\$4,799,467)
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Revenue Summary

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Educational	123,707,156	122,360,036	127,465,559	
Operations and Maintenance	14,245,290	13,778,705	14,584,817	
Transportation	8,995,133	9,203,771	9,771,770	
IMRF/Social Security	5,476,726	5,507,851	5,284,353	
Working Cash	692	700	1,300	
Tort Immunity	1,144,201	1,294,617	1,290,559	
Capital Projects	486,060	442,000	500,000	
Health & Life Safety	9,360,724	5,000	400	
	163,415,982	152,592,680	158,898,758	4.13%
Debt	5,281,083	5,724,450	5,742,450	
Total All Funds	168,697,065	158,317,130	164,641,208	3.99%



Expenditures Summary

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Expenditures				
Educational	120,739,429	123,952,134	127,486,874	
Operations and Maintenance	11,421,486	11,216,381	11,642,217	
Transportation	8,666,342	9,211,731	9,102,321	
IMRF/Social Security	5,235,225	5,573,025	5,224,895	
Working Cash	-	-	-	
Tort Immunity	1,166,856	1,246,250	1,246,250	
Capital Projects	2,757,375	4,063,434	8,841,482	
Health & Life Safety	14,313,650	6,164,302	-	
	164,300,363	161,427,257	163,544,039	1.31%
Debt	5,754,364	5,840,650	5,995,335	
Total All Funds	170,054,727	167,267,907	169,539,374	1.36%



Fund Balance Summary

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Net change in Fund Balance Excluding Debt Service	(884,379)	(8,834,577)	(4,799,467)	
Beginning Fund Balance	67,837,264	66,798,702	57,964,126	-13.23%
Ending Fund Balance	66,798,702	57,964,126	53,164,660	-8.28%
All Funds % of Expenditures	40.66%	35.91%	32.51%	
Ending Fund Bal including Debt Services:	70,208,099	61,257,323	56,359,158	-8.00%
Ending Fund Bal including Debt Svcs. as % of Expend.	41.29%	36.62%	33%	
Revenues over/(under) Expenditures incl. Debt	(1,357,662)	(8,950,777)	(5,052,352)	



FY19 Tentative Budget

Educational Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 92,981,216	93,426,989	96,683,851	
State	15,926,356	15,794,829	16,701,822	
Federal	10,431,833	9,665,283	9,436,259	
Interest on Investments	277,224	220,000	1,100,000	
CPPR Tax	656,448	556,448	618,142	
Other	3,434,080	2,696,487	2,925,486	
	<u>\$ 123,707,156</u>	<u>\$ 122,360,037</u>	<u>127,465,559</u>	4.17%
Expenditures				
Salaries*	\$ 90,828,158	92,720,697	94,962,018	2.42%
Benefits*	17,919,437	18,812,089	19,430,967	3.29%
Purchased Services	3,333,128	3,361,250	3,679,476	9.47%
Supplies	4,571,654	5,349,130	5,428,755	1.49%
Equipment	2,871,828	2,382,505	2,573,825	8.03%
Tuition/Dues/Fees	1,215,226	1,326,463	1,411,833	6.44%
Other				
	<u>\$ 120,739,428</u>	<u>\$ 123,952,134</u>	<u>127,486,874</u>	2.85%
(Transfers Out) Sources	(154,186)		(4,654,186)	
Net change in Fund Balance	<u>2,813,542</u>	<u>(1,592,097)</u>	<u>(4,675,501)</u>	
Beginning Fund Balance	\$ 44,754,888	\$ 47,568,430	\$ 45,976,333	
Ending Fund Balance	\$ 47,568,430	\$ 45,976,333	\$ 41,300,832	

Salaries*				
Administration		6,830,465	7,101,909	3.97%
Certified Staff		68,931,584	69,474,756	0.79%
OT/PT		687,001	658,728	-4.12%
Program Assistants		5,498,988	5,639,884	2.56%
Secretary/Clerical		3,183,656	3,130,682	-1.66%
Food Service		800,357	809,815	1.18%
Substitute Teachers		1,590,324	1,605,053	0.93%
Miscellaneous		5,198,322	6,541,191	25.83%
		<u>90,828,158</u>	<u>92,720,697</u>	2.42%
Benefits*				
TRS	1,573,384	1,417,720	1,544,380	8.93%
Medical	16,324,020	17,144,369	17,636,587	2.87%
Tuition Reimbursement	22,033	250,000	250,000	0.00%
	<u>17,919,437</u>	<u>18,812,089</u>	<u>19,430,967</u>	3.29%

FY19 Tentative Budget

Operations & Maintenance Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 12,896,188	12,971,727	13,691,426	
CPPR Tax	996,378	556,448	618,142	
Interest on Investments	14,188	10,000	45,000	
Other	338,536	240,530	230,250	
	\$ 14,245,290	13,778,705	14,584,817	5.85%
Expenditures				
Salaries	\$ 5,215,224	5,065,116	5,216,856	
Benefits	976,818	986,775	1,031,432	
Purchased Services	1,486,262	1,397,440	1,341,773	
Supplies	3,129,133	3,285,550	3,353,656	
Equipment	612,874	480,750	697,750	
Other	1,175	750	750	
	\$ 11,421,486	11,216,381	11,642,217	3.80%
Transfer In			4,500,000	
Transfers Out	(1,000,000)	(3,000,000)	(8,250,000)	
Net change in Fund Balance	1,823,802	(437,676)	(807,400)	
Beginning Fund Balance	\$ 1,424,611	\$ 3,248,413	\$ 2,810,737	
Ending Balance	\$ 3,248,413	\$ 2,810,737	\$ 2,003,337	

Debt Service Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 5,250,764	\$ 5,704,450	\$ 5,704,450	
Interest on Investments	23,797	20,000	38,000	
Other	6,522			
	\$ 5,281,083	\$ 5,724,450	\$ 5,742,450	0.31%
Expenditures				
Principal Payment	\$ 4,639,247	4,495,000	4,644,133	
Interest Payment	1,115,117	1,344,650	1,349,702	
Debt Service Other	-	1,000	1,500	
	\$ 5,754,364	\$ 5,840,650	5,995,335	2.65%
Sources from Bond Refunding	-			
Uses from Bond Refunding	-			
Other Sources	629,895		154,186	
Net change in Fund Balance	156,614	(116,200)	(98,699)	
Beginning Fund Balance	\$ 3,252,783	\$ 3,409,397	\$ 3,293,197	
Ending Fund Balance	\$ 3,409,397	\$ 3,293,197	\$ 3,194,498	

FY19 Tentative Budget

Transportation Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 4,314,905	\$ 4,343,584	\$ 4,240,802	
Interest on Investments	35,476	30,000	48,000	
Other Local	341,153	200,000	200,000	
Other State		-		
State Reimbursement	4,303,599	4,630,187	5,282,968	
	<u>\$ 8,995,133</u>	<u>\$ 9,203,771</u>	<u>\$ 9,771,770</u>	6.17%
Expenditures				
Salaries	\$ 4,435,213	\$ 4,793,161	\$ 4,740,938	
Benefits	1,701,949	1,939,432	1,886,610	
Purchased Services	772,954	680,029	698,830	
Supplies	945,090	1,020,151	1,012,743	
Equipment	66,497	29,000	29,000	
Other	744,639	749,958	734,200	
	<u>\$ 8,666,342</u>	<u>\$ 9,211,731</u>	<u>\$ 9,102,321</u>	-1.19%
Transfers In/(Out)				
Net change in Fund Balance	<u>328,791</u>	<u>(7,960)</u>	<u>669,449</u>	
Beginning Fund Balance	\$ 5,596,186	\$ 5,924,977	\$ 5,917,017	
Ending Fund Balance	\$ 5,924,977	\$ 5,917,017	\$ 6,586,466	

IMRF/Social Security Funds

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Taxes	\$ 5,333,346	\$ 5,367,851	\$ 5,116,853	
CPPR Taxes	125,000	125,000	125,000	
Interest on Investments	18,380	15,000	42,500	
	<u>\$ 5,476,726</u>	<u>\$ 5,507,851</u>	<u>\$ 5,284,353</u>	-4.06%
Expenditures				
IMRF	\$ 2,470,255	\$ 2,708,271	\$ 2,280,704	
FICA/Medicare	2,764,968	2,864,754	2,944,191	
	<u>\$ 5,235,223</u>	<u>\$ 5,573,025</u>	<u>\$ 5,224,895</u>	-6.25%
Net change in Fund Balance	<u>241,503</u>	<u>(65,174)</u>	<u>59,458</u>	
Beginning Fund Balance	\$ 2,658,057	\$ 2,899,560	\$ 2,834,386	
Ending Fund Balance	\$ 2,899,560	\$ 2,834,386	\$ 2,893,844	

FY19 Tentative Budget

Capital Projects Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Impact Fees	\$ 198,757	\$ 100,000	\$ 100,000	
Interest on Investments	11,406	2,000	5,000	
Other Local		60,000	60,000	
State Grant				
TIF Revenue	275,897	280,000	335,000	
	<u>\$ 486,060</u>	<u>\$ 442,000</u>	<u>\$ 500,000</u>	13.12%
Expenditures				
Purchased Services	\$ 803,159	\$ 1,035,828	\$ 256,548	
Supplies				
Equipment	1,954,216	3,027,606	8,584,934	
Contingency				
	<u>\$ 2,757,375</u>	<u>\$ 4,063,434</u>	<u>\$ 8,841,482</u>	117.59%
Transfers In/(Out)	1,000,000	3,000,000	8,250,000	
Net change in Fund Balance	<u>(1,271,315)</u>	<u>(621,434)</u>	<u>(91,482)</u>	
Beginning Fund Balance	\$ 1,658,417	\$ 387,102	\$ (234,332)	
Ending Fund Balance	\$ 387,102	\$ (234,332)	\$ (325,814)	

Capital Projects:

PG Asbestos	26,500
KH Playground	100,000
CLA Parking Lot	389,980
PH Carpeting	223,418
PG Curtain Wall Replacement	5,788,000
Frank C. Whiteley	2,057,036
A/E Fees	256,548
	<u>8,841,482</u>

Working Cash Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Interest on Investments	\$ 692	\$ 700	\$ 1,300	
	<u>\$ 692</u>	<u>\$ 700</u>	<u>\$ 1,300</u>	85.71%
Expenditures				
	-	-		
Net change in Fund Balance	<u>\$ 692</u>	<u>\$ 700</u>	<u>\$ 1,300</u>	85.71%
Beginning Fund Balance	\$ 110,987	\$ 111,679	\$ 112,379	
Ending Fund Balance	\$ 111,679	\$ 112,379	\$ 113,679	

FY19 Tentative Budget

Tort Immunity Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Property Tax	\$ 1,140,451	\$ 1,291,617	\$ 1,287,259	
Other	141			
Interest on Investments	3,609	3,000	3,300	
	<u>\$ 1,144,201</u>	<u>\$ 1,294,617</u>	<u>\$ 1,290,559</u>	-0.31%
Expenditures				
Purchased Services	\$ 1,166,854	\$ 1,246,250	\$ 1,246,250	
Other	-			
	<u>\$ 1,166,854</u>	<u>\$ 1,246,250</u>	<u>\$ 1,246,250</u>	0.00%
Transfers In/(Out)	-	-	-	
Net change in Fund Balance	<u>(22,653)</u>	<u>48,367</u>	<u>44,309</u>	
Beginning Fund Balance	\$ 486,362	\$ 463,709	\$ 512,076	
Ending Fund Balance	\$ 463,709	\$ 512,076	\$ 556,385	

Health Life Safety Fund

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Interest on Investments	\$ 56,555	\$ 5,000	\$ 400	
Principal on Bonds Sold	\$ 8,725,000	\$ -	\$ -	
Premium on Bonds Sold	\$ 579,169	\$ -	\$ -	
	<u>\$ 9,360,724</u>	<u>\$ 5,000</u>	<u>\$ 400</u>	-92%
Expenditures				
Purchased Services	\$ 1,071,274	\$ -	\$ -	
Building Improvement	\$ 12,948,207	\$ 6,164,302	\$ -	
Bond Issuance Cost	\$ 294,169	\$ -	\$ -	
	<u>\$ 14,313,650</u>	<u>\$ 6,164,302</u>	<u>\$ -</u>	
Net change in Fund Balance	<u>\$ (4,952,926)</u>	<u>\$ (6,159,302)</u>	<u>\$ 400</u>	-100%
Beginning Fund Balance	\$ 11,147,756	\$ 6,194,830	\$ 35,528	
Ending Fund Balance	\$ 6,194,830	\$ 35,528	\$ 35,928	

Health Life/Safety Projects:

FY19 Tentative Budget

Summary

	Audited Actual 2016-17	Adopted Budget 2017-18	Tentative Budget 2018-19	Increase/(Decrease) Adopted to Tentative
Revenue				
Educational	123,707,156	122,360,036	127,465,559	
Operations and Maintenance	14,245,290	13,778,705	14,584,817	
Transportation	8,995,133	9,203,771	9,771,770	
IMRF/Social Security	5,476,726	5,507,851	5,284,353	
Working Cash	692	700	1,300	
Tort Immunity	1,144,201	1,294,617	1,290,559	
Capital Projects	486,060	442,000	500,000	
Health & Life Safety	9,360,724	5,000	400	
	<u>163,415,982</u>	<u>152,592,680</u>	<u>158,898,758</u>	4.13%
Debt	5,281,083	5,724,450	5,742,450	
Total All Funds	168,697,065	158,317,130	164,641,208	3.99%
Expenditures				
Educational	120,739,429	123,952,134	127,486,874	
Operations and Maintenance	11,421,486	11,216,381	11,642,217	
Transportation	8,666,342	9,211,731	9,102,321	
IMRF/Social Security	5,235,225	5,573,025	5,224,895	
Working Cash	-	-	-	
Tort Immunity	1,166,856	1,246,250	1,246,250	
Capital Projects	2,757,375	4,063,434	8,841,482	
Health & Life Safety	14,313,650	6,164,302	-	
	<u>164,300,363</u>	<u>161,427,257</u>	<u>163,544,039</u>	1.31%
Debt	5,754,364	5,840,650	5,995,335	
Total All Funds	170,054,727	167,267,907	169,539,374	1.36%
Lap Top Lease & Data Refresh	-	-	(154,186)	
Net change in Fund Balance				
Excluding Debt Service	(884,379)	(8,834,577)	(4,799,467)	
Beginning Fund Balance	67,837,264	66,798,702	57,964,126	-13.23%
Ending Fund Balance	66,798,702	57,964,126	53,164,660	-8.28%
All Funds % of Expenditures	40.66%	35.91%	32.51%	
Ending Fund Bal including Debt Services:	70,208,099	61,257,323	56,359,158	-8.00%
Ending Fund Bal including Debt Svcs. as % of Expend.	41.29%	36.62%	33%	
Revenues over/(under) Expenditures incl. Debt	(1,357,662)	(8,950,777)	(5,052,352)	
Check: End Fund Bal w/o Debt	66,798,702	57,964,126	53,164,660	