

October 9, 2013

Community Consolidated School District 15



Serving all or part of:
 Palatine • Rolling Meadows • Inverness
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Joseph M. Kiszka Educational Service Center
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**MEMORANDUM**

DATE: October 3, 2013
TO: Board of Education
FROM: Michael Adamczyk
RE: Five Year Forecast

Attached is the five year forecast through the 2017/18 school year. The forecast contains preliminary audited financial results for the 2012/13 school year. The board adopted budget surplus of \$424,233 for the 2012/13 fiscal year. The preliminary results show excess revenue of \$1,585,792 for a positive variance of \$1,161,559. Some of major variances include:

	<u>Revenue</u>	<u>Expenditures</u>	
Educational Fund	(840,073)	1,185,229	
Operations & Maintenance Fund	90,410	(287,230)	
Transportation Fund	17,804	(133,237)	
Capital Project Fund	(229,990)	(198,307)	
Tort Fund	-	74,838	
Property Taxes (All Funds)	1,400,120	-	
CPPRT Taxes (All Funds)	34,420	-	
Misc Other	47,575	-	
	<u>520,266</u>	<u>641,293</u>	1,161,559

Also included is a brief power point presentation that I will be using to help explain the five year forecast at Wednesday's board meeting.

Community Consolidated School District 15

Agenda Item No. 13-1005

October 9, 2013

Review of the Five Year Projections 2013-14 to 2017-18

Assistant Superintendent for Business and Auxiliary Services

Michael M. Adamczyk

October 9, 2013



Assumptions—Revenue

- **CPI growth of 2.50% per year**
- **General State Aid pro-ration remains at current 89% level**
- **No further reductions to Transportation Reimbursement formula**
 - **Previous versions had reductions through 2015-16**



Assumptions—Revenue

- **\$10M in new growth beginning with the 2013 levy**
- **\$140,000 in tuition for out-of-district students attending Little City**
 - **Received \$62,000 in 2008-09 and \$957,000 in 2010-11**



Assumptions—Expenditures

- **Slight enrollment decline to 12,012 students in 2017-18 from current level of 12,192**
- **2% salary increases for all employees upon expiration of current negotiated agreements, except for CTC**



Assumptions—Expenditures

- **Current regressive salary grid provides for a 2.00% step increase**
 - **Average step increase is 3.67% Tier I and 2.75% Tier II**
- **7% annual increase in health benefit costs**



Assumptions—Expenditures

- **An increase of 24.59 CTC positions from 2012-13**
 - The number of CTC positions remain static through 2017-18
- **Capital Projects spending remains constant at \$3M annually**



Revenue by Fund

	Audited Actual 2011/12	Budget Forecast 2012/13	Unaudited Actual 2012/13	Budget Forecast 2013/14
<u>REVENUES BY FUND</u>				
Educational	112,804,089	115,812,289	116,073,437	117,537,259
Operations & Maintenance	11,377,462	11,538,586	11,756,358	15,108,090
Transportation	9,179,686	9,159,377	9,230,285	8,794,662
IMRF/Social Security	5,000,996	5,156,115	5,239,284	5,298,195
Capital Projects	1,569,992	3,342,036	3,146,864	6,453,220
Working Cash	161	123	296	250
Tort Liability	1,180,560	1,441,839	1,476,413	1,475,019
Health & Life Safety	446	560	50	50
Total Revenues	141,113,392	146,450,925	146,922,987	154,666,744



Revenue by Fund

	Budget Forecast 2014/15	Budget Forecast 2015/16	Budget Forecast 2016/17	Budget Forecast 2017/18
<u>REVENUES BY FUND</u>				
Educational	119,251,027	122,535,213	125,171,795	127,801,194
Operations & Maintenance	12,008,371	12,355,516	12,665,145	12,980,107
Transportation	9,103,421	9,202,402	9,418,954	9,754,445
IMRF/Social Security	5,370,709	5,538,213	5,687,616	5,839,591
Capital Projects	2,911,350	3,014,100	3,016,490	3,018,880
Working Cash	250	250	250	250
Tort Liability	1,495,706	1,543,493	1,586,116	1,629,473
Health & Life Safety	50	50	50	50
Total Revenues	150,140,884	154,189,238	157,546,416	161,023,991



Expenditures by Fund

	Audited Actual 2011/12	Budget Forecast 2012/13	Unaudited Actual 2012/13	Budget Forecast 2013/14
<u>EXPENDITURES BY FUND</u>				
Educational	111,638,843	114,735,651	113,472,444	119,730,217
Operations & Maintenance	11,716,951	12,352,252	12,639,482	16,312,469
Transportation	8,680,876	9,014,714	9,147,951	9,337,336
IMRF/Social Security	5,211,441	5,308,205	5,337,977	5,541,423
Capital Projects	2,273,362	3,409,947	3,608,254	5,930,590
Working Cash	-	-	-	-
Tort Liability	1,127,957	1,205,923	1,131,085	1,233,028
Health & Life Safety	-	-	-	-
Total Fund Expenditures	140,649,431	146,026,692	145,337,195	158,085,063
Budget Reductions		-		-



Expenditures by Fund

	Budget Forecast 2014/15	Budget Forecast 2015/16	Budget Forecast 2016/17	Budget Forecast 2017/18
<u>EXPENDITURES BY FUND</u>				
Educational Operations & Maintenance	118,502,449	120,605,485	122,193,822	125,726,663
Transportation	13,321,924	13,689,782	13,966,435	14,251,839
IMRF/Social Security	9,530,632	9,898,250	10,205,614	10,526,326
Capital Projects	5,607,077	5,635,760	5,654,420	5,701,695
Working Cash	3,000,000	3,000,000	3,000,000	3,000,000
Tort Liability	-	-	-	-
Health & Life Safety	1,257,689	1,282,842	1,308,499	1,334,669
	-	-	-	-
Total Fund Expenditures	151,219,771	154,112,119	156,328,791	160,541,193
Budget Reductions	-	-	-	-
Total Expenditures	151,219,771	154,112,119	156,328,791	160,541,193



Fund Balance

	Audited	Budget	Unaudited	Budget
	Actual	Forecast	Actual	Forecast
	2011/12	2012/13	2012/13	2013/14
Excess of Revenue Over/ (Under) Expenditures	463,961	424,233	1,585,792	(3,418,320)
Fund Balances - Beginning	55,034,286	55,498,247	55,498,247	57,084,039
Fund Balances - Ending	55,498,247	55,922,480	57,084,039	53,665,720
Fund Bal % of Expenditures	39.46%	38.30%	39.28%	33.95%



Fund Balance

	Budget Forecast 2014/15	Budget Forecast 2015/16	Budget Forecast 2016/17	Budget Forecast 2017/18
Excess of Revenue Over/ (Under) Expenditures	(1,078,887)	77,119	1,217,625	482,798
 Fund Balances - Beginning	53,665,720	52,586,832	52,663,951	53,881,576
 Fund Balances - Ending	52,586,832	52,663,951	53,881,576	54,364,375
 Fund Bal % of Expenditures	34.78%	34.17%	34.47%	33.86%

