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Community Consolidated School District 15

Joseph M. Kiszka Educational Service Center
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Michael M. Adamczyk
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MEMORANDUM

DATE: June 6, 2015
TO: Board of Education
FROM: Michael Adamczyk
RE: Tentative Budget

Attached is the tentative budget for the 2015-16 fiscal year. The budget provides for expenditures in excess of revenues of \$2,701,392. The five year forecast presented at the April 8, 2015 board meeting had expenditures in excess of revenues of \$2,651,619.

Tentative Budget 2015-16

Educational Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Property Tax	\$ 90,091,667	\$ 90,831,990	92,163,445	
State	14,149,138	14,680,905	15,097,368	
Federal	10,470,577	9,969,233	9,795,658	
Interest on Investments	106,810	125,000	125,000	
CPPR Tax	803,839	802,683	802,683	
Other	3,048,199	2,638,237	2,980,937	
	<u>\$ 118,670,230</u>	<u>\$ 119,048,048</u>	<u>\$ 120,965,091</u>	1.61%
Expenditures				
Salaries*	\$ 89,036,739	\$ 91,407,598	92,218,777	0.89%
Benefits*	15,235,585	15,366,822	17,021,681	10.77%
Purchased Services	3,528,815	3,374,250	3,091,888	-8.37%
Supplies	4,544,570	5,086,549	6,440,757	26.62%
Equipment	1,154,936	1,088,390	2,612,611	140.04%
Tuition/Dues/Fees	1,042,497	1,101,175	1,205,175	9.44%
Other	-	-	-	
	<u>\$ 114,543,142</u>	<u>\$ 117,424,784</u>	<u>\$ 122,590,888</u>	4.40%
Transfers In/Sources	(3,250,000)	(2,000,000)	754,875	
Net change in Fund Balance	<u>877,088</u>	<u>(376,736)</u>	<u>(870,922)</u>	
Beginning Fund Balance	\$ 41,718,704	\$ 42,595,792	\$ 42,219,056	
Ending Fund Balance	\$ 42,595,792	\$ 42,219,056	\$ 41,348,134	

Salaries*				
Administration	6,745,248	6,313,733	6,495,468	2.88%
Certified Staff	65,917,404	68,344,581	68,696,512	0.51%
OT/PT	611,931	596,045	653,024	9.56%
Program Assistants	5,480,925	5,674,535	5,817,687	2.52%
Secretary/Clerical	2,900,382	2,938,103	2,972,665	1.18%
Food Service	736,492	759,463	766,741	0.96%
Substitute Teachers	1,553,466	1,586,670	1,592,519	0.37%
Miscellaneous	5,090,891	5,194,468	5,224,161	0.57%
	<u>89,036,739</u>	<u>91,407,598</u>	<u>92,218,777</u>	0.89%
Benefits*				
TRS	1,457,854	1,857,446	1,753,021	-5.62%
Medical	13,645,364	13,383,816	15,143,100	13.14%
Tuition Reimbursement	132,367	125,560	125,560	0.00%
	<u>15,235,585</u>	<u>15,366,822</u>	<u>17,021,681</u>	10.77%

Tentative Budget 2015-16

Operations & Maintenance Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Property Tax	\$ 10,919,627	\$ 11,892,088	12,433,225	
CPPR Tax	707,329.00	802,683	802,683	
Interest on Investments	12,918	22,500	22,500	
Other	295,802	483,183	326,103	
	\$ 11,935,676	\$ 13,200,454	13,584,511	-2.83%
Expenditures				
Salaries	\$ 5,013,155	\$ 5,133,167	5,070,727	
Benefits	895,830	889,987	918,111	
Purchased Services	1,571,430	1,538,191	1,664,868	
Supplies	3,285,577	3,057,013	3,004,051	
Equipment	332,934	674,899	853,859	
Other	-	-	-	
	\$ 11,098,926	\$ 11,293,257	11,511,616	-1.90%
Transfer In	3,250,000	2,000,000	-	
Transfers Out	(5,650,000)	(4,400,000)	(3,000,000)	
Net change in Fund Balance	(1,563,250)	(492,803)	(927,105)	
Beginning Fund Balance	\$ 5,564,323	\$ 4,001,073	\$ 3,508,270	
Ending Balance	\$ 4,001,073	\$ 3,508,270	\$ 2,581,165	

Debt Service Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Property Tax	\$ 4,919,257	\$ 4,885,850	\$ 4,885,850	
Interest on Investments	10,922	17,000	17,000	
Other	4,700			
	\$ 4,934,879	\$ 4,902,850	\$ 4,902,850	0.00%
Expenditures				
Principal Payment	\$ 4,495,000	\$ 4,625,000	\$ 4,495,000	
Interest Payment	390,850	341,290	299,900	
Debt Service Other	350	90,843	350	
	\$ 4,886,200	\$ 5,057,133	\$ 4,795,250	-5.18%
Sources from Bond Refunding		9,848,627		
Uses from Bond Refunding		(9,758,134)		
Net change in Fund Balance	48,679	(63,790)	107,600	
Beginning Fund Balance	\$ 4,947,325	\$ 4,996,004	\$ 4,932,214	
Ending Fund Balance	\$ 4,996,004	\$ 4,932,214	\$ 5,039,814	

Tentative Budget 2015-16

Transportation Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Property Tax	\$ 3,936,541	\$ 4,163,367	\$ 4,156,816	
Interest on Investments	14,935	17,500	17,500	
Other Local	228,792	200,000	200,000	
Other State	42,815	23,850	-	
State Reimbursement	4,509,589	4,700,045	4,476,638	
	<u>\$ 8,732,672</u>	<u>\$ 9,104,762</u>	<u>\$ 8,850,954</u>	-2.79%
Expenditures				
Salaries	\$ 4,719,049	\$ 4,949,862	\$ 4,883,181	
Benefits	1,727,149	1,782,019	1,837,874	
Purchased Services	744,811	554,237	624,089	
Supplies	1,339,609	1,162,267	1,227,267	
Equipment	869,072	949,979	40,680	
Other	-	-	797,013	
	<u>\$ 9,399,690</u>	<u>\$ 9,398,364</u>	<u>\$ 9,410,104</u>	0.12%
Transfers In/(Out)				
Net change in Fund Balance	<u>(667,018)</u>	<u>(293,602)</u>	<u>(559,150)</u>	
Beginning Fund Balance	\$ 6,895,916	\$ 6,228,898	\$ 5,935,296	
Ending Fund Balance	\$ 6,228,898	\$ 5,935,296	\$ 5,376,146	

IMRF/Social Security Funds

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Property Taxes	\$ 5,215,387	\$ 5,307,643	\$ 5,341,819	
CPPR Taxes	125,000	125,000	125,000	
Interest on Investments	6,715	7,500	7,500	
	<u>\$ 5,347,102</u>	<u>\$ 5,440,143</u>	<u>\$ 5,474,319</u>	0.63%
Expenditures				
IMRF	\$ 2,712,766	\$ 2,701,783	\$ 2,689,240	
FICA/Medicare	2,738,677	2,858,924	2,959,696	
	<u>\$ 5,451,443</u>	<u>\$ 5,560,707</u>	<u>\$ 5,648,936</u>	1.59%
Net change in Fund Balance	<u>(104,341)</u>	<u>(120,564)</u>	<u>(174,617)</u>	
Beginning Fund Balance	\$ 2,530,043	\$ 2,425,702	\$ 2,305,138	
Ending Fund Balance	\$ 2,425,702	\$ 2,305,138	\$ 2,130,521	

Tentative Budget 2015-16

Capital Projects Funds

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Impact Fees	\$ 130,885	\$ 20,000	\$ 75,000	
Interest on Investments	159	100	100	
Other Local	50,000	-		
State Grant	50,000	-		
TIF Revenue	733,096	491,250	325,600	
	<u>\$ 964,140</u>	<u>\$ 511,350</u>	<u>\$ 400,700</u>	-21.64%
Expenditures				
Purchased Services	\$ 4,802,656	\$ 784,472	\$ 3,353,337	
Supplies	87,310	212,535		
Equipment	1,393,982	2,741,078		
Contingency	-	1,000,000		
	<u>\$ 6,283,948</u>	<u>\$ 4,738,085</u>	<u>\$ 3,353,337</u>	-29.23%
Transfers In/(Out)	5,650,000	4,400,000	3,000,000	
Net change in Fund Balance	<u>330,192</u>	<u>173,265</u>	<u>47,363</u>	
Beginning Fund Balance	\$ (377,662)	\$ (47,470)	\$ 125,795	
Ending Fund Balance	\$ (47,470)	\$ 125,795	\$ 173,158	

Capital Projects:

A/E Fees	260,422
Asbestos	90,000
Fire Alarms	600,000
Parking Lots	214,192
Plumbing	2,188,723
Contingency	-
	<u>3,353,337</u>

Working Cash Funds

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Interest on Investments	\$ 235	\$ 250	\$ 250	
	<u>\$ 235</u>	<u>\$ 250</u>	<u>\$ 250</u>	0.00%
Expenditures				
	-	-		
	<u>-</u>	<u>-</u>		
Net change in Fund Balance	<u>\$ 235</u>	<u>\$ 250</u>	<u>\$ 250</u>	0.00%
Beginning Fund Balance	\$ 110,290	\$ 110,525	\$ 110,775	
Ending Fund Balance	\$ 110,525	\$ 110,775	\$ 111,025	

Tentative Budget 2015-16

Tort Immunity Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Amended
Revenue				
Property Tax	\$ 1,373,458	\$ 1,294,896	\$ 1,005,081	
Other	1,485	-		
Interest on Investments	1,620	1,300	1,300	
	<u>\$ 1,376,563</u>	<u>\$ 1,296,196</u>	<u>\$ 1,006,381</u>	-22.36%
Expenditures				
Purchased Services	\$ 1,222,250	\$ 1,172,295	\$ 1,223,641	
Other	-	-		
	<u>\$ 1,222,250</u>	<u>\$ 1,172,295</u>	<u>\$ 1,223,641</u>	4.38%
Transfers In/(Out)	-	-	-	
Net change in Fund Balance	<u>154,313</u>	<u>123,901</u>	<u>(217,260)</u>	
Beginning Fund Balance	\$ 623,798	\$ 778,111	\$ 902,012	
Ending Fund Balance	\$ 778,111	\$ 902,012	\$ 684,752	

Health Life Safety Fund

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Interest on Investments	\$ 40	\$ 50	\$ 50	
	<u>\$ 40</u>	<u>\$ 50</u>	<u>\$ 50</u>	0.00%
Expenditures				
Purchased Services	\$ -	\$ -	\$ -	
Building Improvement	-	-		
	<u>-</u>	<u>-</u>	<u>-</u>	
Net change in Fund Balance	<u>40</u>	<u>50</u>	<u>50</u>	
Beginning Fund Balance	\$ 18,624	\$ 18,664	\$ 18,714	
Ending Fund Balance	\$ 18,664	\$ 18,714	\$ 18,764	

Health Life/Safety Projects:

Tentative Budget 2015-16

Summary

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Revenue				
Educational	\$ 118,670,230	\$ 119,048,048	\$ 120,965,091	
Operations and Maintenance	11,935,676	13,200,454	13,584,511	
Transportation	8,732,672	9,104,762	8,850,954	
IMRF/Social Security	5,347,102	5,440,143	5,474,319	
Working Cash	235	250	250	
Tort Immunity	1,376,563	1,296,196	1,006,381	
Capital Projects	964,140	511,350	400,700	
Health & Life Safety	40	50	50	
	<u>147,026,658</u>	<u>148,601,253</u>	<u>150,282,255</u>	1.13%
Debt	4,934,879	4,902,850	4,902,850	
Total All Funds	\$ 151,961,537	\$ 153,504,103	\$ 155,185,105	1.10%
Expenditures				
Educational	\$ 114,543,142	\$ 117,424,784	\$ 122,590,888	
Operations and Maintenance	11,098,926	11,293,257	11,511,616	
Transportation	9,399,690	9,398,364	9,410,104	
IMRF/Social Security	5,451,443	5,560,707	5,648,936	
Working Cash	-			
Tort Immunity	1,222,250	1,172,295	1,223,641	
Capital Projects	6,283,948	4,738,085	3,353,337	
Health & Life Safety	-			
	<u>147,999,399</u>	<u>149,587,492</u>	<u>153,738,522</u>	2.77%
Debt	4,886,200	5,057,133	4,795,250	
Total All Funds	\$ 152,885,599	\$ 154,644,625	\$ 158,533,772	2.51%
Proceeds - Lap Top Lease	\$ -	\$ -	\$ 754,875	
Net change in Fund Balance				
Excluding Debt Service	(972,741)	(986,239)	(2,701,392)	
Beginning Fund Balance	\$ 57,084,036	\$ 56,111,296	\$ 55,125,056	-1.76%
Ending Fund Balance	\$ 56,111,296	\$ 55,125,056	\$ 52,423,665	-4.90%
All Funds % of Expenditures	37.91%	36.85%	34.10%	
Ending Fund Bal including Debt Services:				
	\$ 61,107,300	\$ 60,057,270	\$ 57,463,479	
Ending Fund Bal including Debt Svcs. as % of Expend.				
	39.97%	38.84%	36.25%	
Revenues over/(under) Expenditures incl. Debt				
	\$ (924,062)	\$ (1,140,522)	\$ (2,593,792)	

Community Consolidated School District 15

Tentative Budget 2015-16

Michael M. Adamczyk
Chief School Business Official
June 17, 2015



Major Assumptions – Revenue

- **Incorporates the budget guidelines approved by the Board of Education at the February 11, 2015 board meeting.**
- **Stalemate in Springfield:**
 - **Governor Rauner will not discuss a FY16 budget until an agreement is reached on his turnaround agenda, including property tax freeze**
 - **Democrats have introduced two appropriation bills that would maintain categorical funding at current levels and increase the GSA appropriation from 89% to 92%**
 - **Bills spend \$3.0 – \$4.0 billion more than available revenues**
 - **Legislators are expected to work over the summer**



Major Assumptions — Revenue

- **District 15 assumes the same funding levels in FY16- no increase or decrease**
- **Property tax budget by fund based on estimated 2014 levy tax rates.**



Major Assumptions - Expenditures

- **Budget assumes \$1,795,000 of one time only expenditures:**
 - \$1,500,000- Math Adoption
 - \$225,000- ESC HVAC System
 - \$70,000- Relocation of Plum Grove STEM Lab
- **Capital Projects funding of \$3,353,337**
- **Increase of 4.0 CTC Positions per staffing report**



Major Assumptions — Expenditures

- **Open enrollment for health benefit plan changes ended May 30, 2015. Effect of any changes will not be known until September.**
- **Program Assistants based on FY 15 staffing levels. District has until October 15 to notify CTC with number of students who qualify for reading intervention and corresponding program assistants.**
- **Approximately 19 teaching positions remain unfilled. Will not know the final certified staff count and budget until September.**



Revenue Summary

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Educational	\$ 118,670,230	\$ 119,048,048	\$ 120,965,091	
Operations and Maintenance	11,935,676	13,200,454	13,584,511	
Transportation	8,732,672	9,104,762	8,850,954	
IMRF/Social Security	5,347,102	5,440,143	5,474,319	
Working Cash	235	250	250	
Tort Immunity	1,376,563	1,296,196	1,006,381	
Capital Projects	964,140	511,350	400,700	
Health & Life Safety	40	50	50	
	147,026,658	148,601,253	150,282,255	1.13%
Debt	4,934,879	4,902,850	4,902,850	
Total All Funds	\$ 151,961,537	\$ 153,504,103	\$ 155,185,105	1.10%



Expenditure Summary

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Educational	\$ 114,543,142	\$ 117,424,784	\$ 122,590,888	
Operations and Maintenance	11,098,926	11,293,257	11,511,616	
Transportation	9,399,690	9,398,364	9,410,104	
IMRF/Social Security	5,451,443	5,560,707	5,648,936	
Working Cash	-	-	-	
Tort Immunity	1,222,250	1,172,295	1,223,641	
Capital Projects	6,283,948	4,738,085	3,353,337	
Health & Life Safety	-	-	-	
	147,999,399	149,587,492	153,738,522	2.77%
Debt	4,886,200	5,057,133	4,795,250	
Total All Funds	\$ 152,885,599	\$ 154,644,625	\$ 158,533,772	2.51%



Fund Balance Summary

	Audited Actual 2013-14	Amended Budget 2014-15	Tentative Budget 2015-16	Increase/(Decrease) Budget to Tentative
Proceeds - Apple Lease	\$ -	\$ -	754,875	
Net change in Fund Balance Excluding Debt Service	(972,741)	(986,239)	(2,701,392)	
Beginning Fund Balance	\$ 57,084,036	\$ 56,111,296	\$ 55,125,056	-1.76%
Ending Fund Balance	\$ 56,111,296	\$ 55,125,056	\$ 52,423,665	-4.90%
All Funds % of Expenditures	37.91%	36.85%	34.10%	
Ending Fund Bal including Debt Services:	\$ 61,107,300	\$ 60,057,270	\$ 57,463,479	
Ending Fund Bal including Debt Svcs. as % of Expend.	39.97%	38.84%	36.25%	
Revenues over/(under) Expenditures incl. Debt	\$ (924,062)	\$ (1,140,522)	\$ (2,593,792)	

