

Butler School District 53

**Budget Hearing Presentation
Board of Education Meeting**

September 12, 2016



Presentation Overview

- I. Legal Requirements for Budget Adoption & Budget Development Process
- II. Overview of Revenues and Expenditures
- III. Budget Highlights
- IV. Budget Summary

Section I

Legal Requirements for Budget Adoption



Legal Requirements for Budget Adoption

- School Districts must adopt a Budget by the end of the first quarter of the fiscal year
- Prior to adoption, a School Board must:
 1. Place the Tentative Budget on Public Display for at least 30 days
 2. Schedule a date and time for a Public Hearing on the Proposed Budget
 3. Publish a “Notice of Public Hearing” in a newspaper of general circulation within the District
 4. Conduct a Public Hearing on the date and at the time specified in the “Notice of Public Hearing”

Budget Development Process

- Reflects Board of Education & District Goals
- Utilizes a Zero-based Budgeting Model
- Incorporates Longitudinal Data & Projections
- Maintains Strong Educational Services
- Supports Instruction, Technology & Professional Development
- Supports Special Education Services
- Maintains our S & P AAA Bond Rating
- Goal: A “balanced” budget
- Allocates resources for capital improvements

Section II

Overview of Revenues and Expenditures



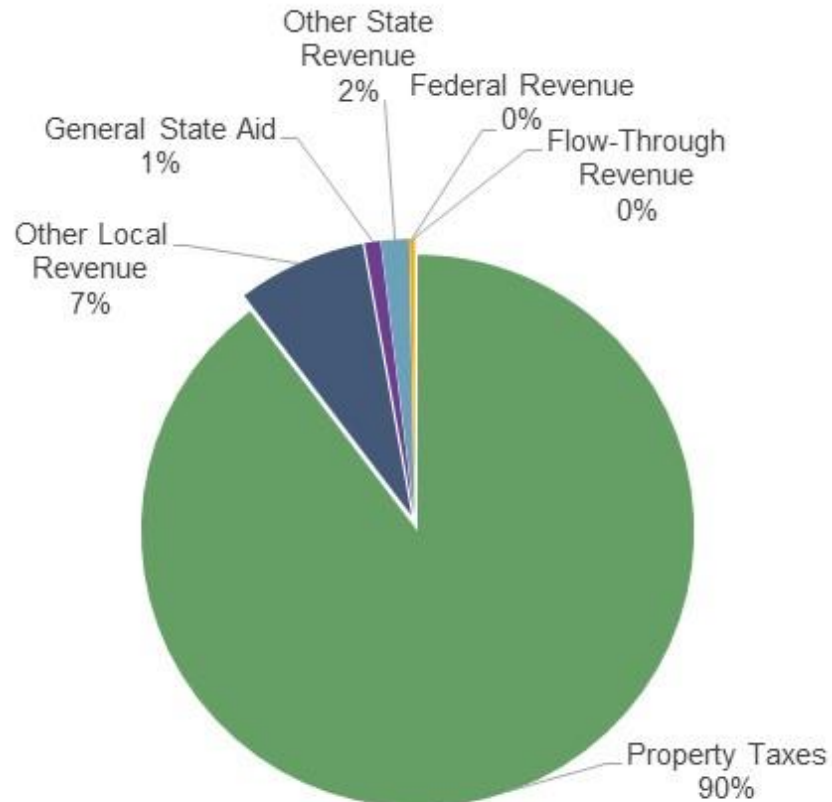
Overview of Revenues

- Revenues allocated to District Funds based on Accounting Standards
- Revenues are derived from four sources:
 - **Local**
 - Taxes, Payments in Lieu of Taxes (CPPRT), Tuition, Fees, Earnings on Investments, Food Service, Activities, Textbooks, Other
 - **Flow Through**
 - State or Federal
 - **State**
 - General State Aid (Unrestricted) or Categorical Aid (Restricted)
 - **Federal**
 - Unrestricted or Restricted

Major Revenue Sources

□ Operating Funds – Ed, O&M, Trans, IMRF, WC

2017 Budgeted Revenue Allocation by Source

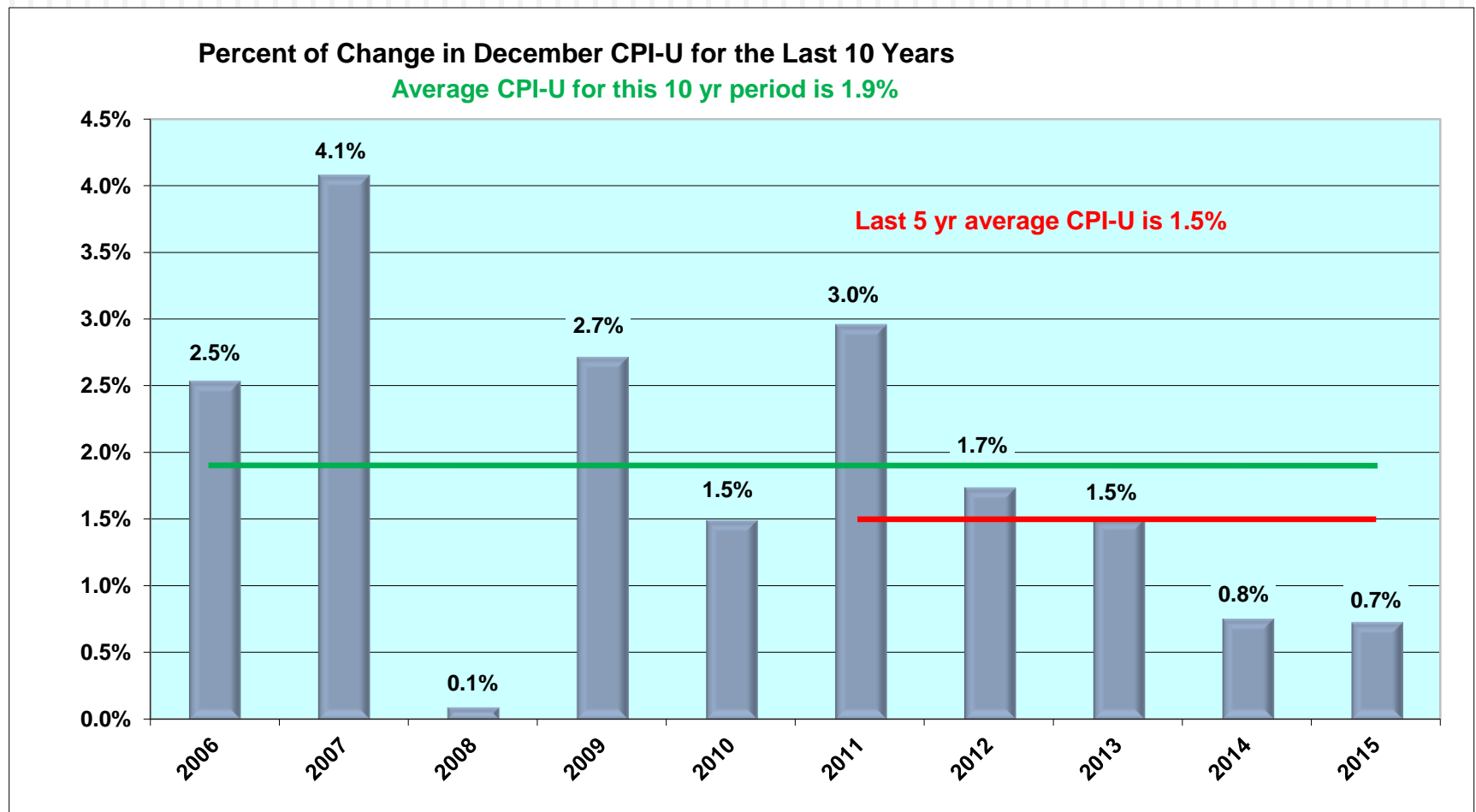


Local Property Taxes--CPI

Year CPI Determined	CPI Rate
2015	0.7%
2014	0.8%
2013	1.5%
2012	1.7%
2011	3.0%
2010	1.5%
2009	2.7%
2008	0.1%
2007	4.1%
2006	2.5%

← Years
Used to
Generate
FY17
Property Taxes

Historical Perspective

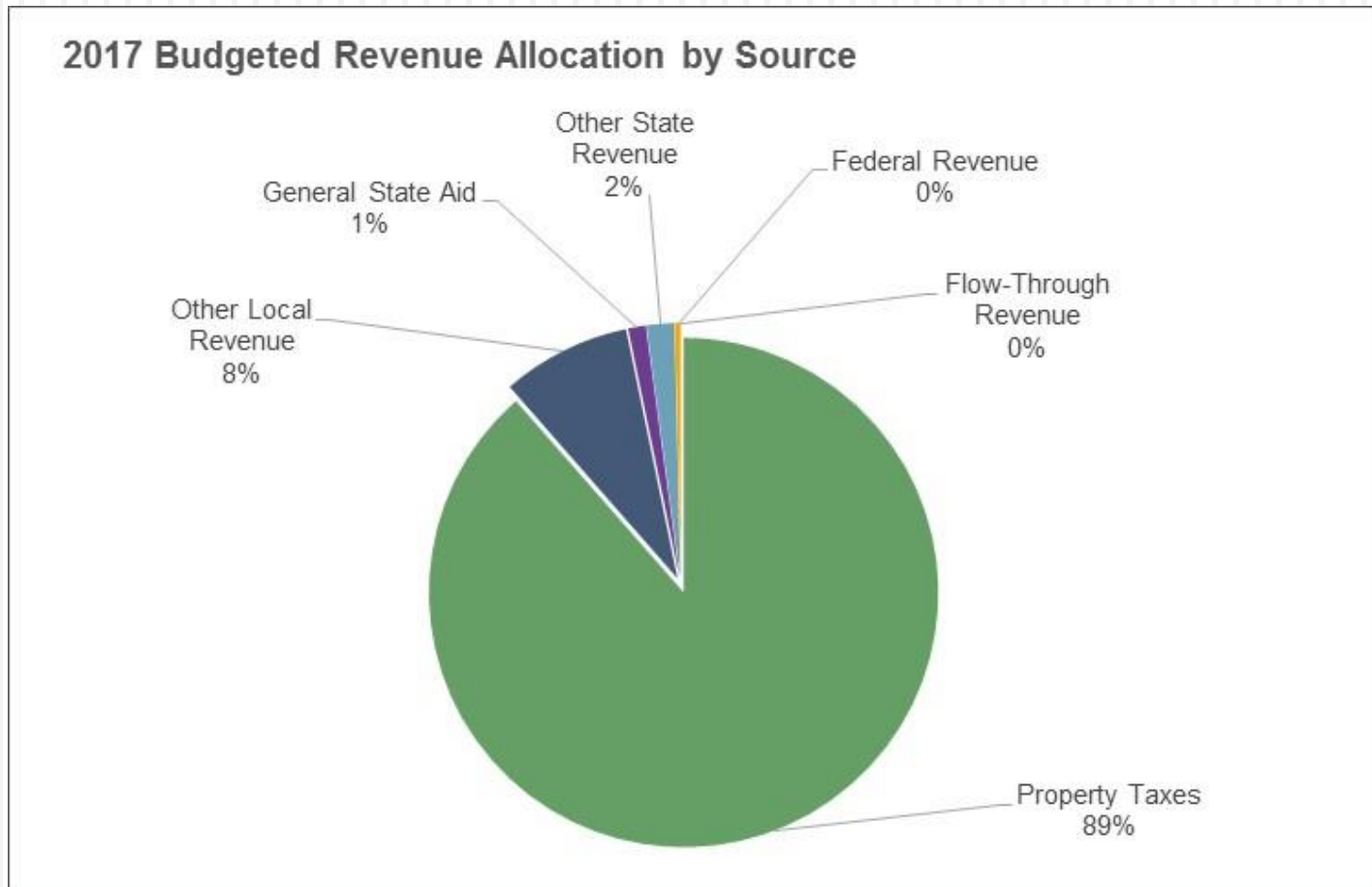


Other Revenue Details

- 90% from Property Taxes
- Limited \$s from State Grants: Transportation, Special Education
- Flat Grant GSA Formula (\$218 per student)
- Funds from Federal Grants remain flat—Title I & Title II
- Interest Income—Consistently low @ FY16 Level
- Estimated Corporate PPRT in Ed Fund
- Contributions from Newsletter Sponsors
- Revenue Student Registration, Tech & Kindergarten
- PTO Revenue for Technology + Repair Fees
- Collected Tuition for Non-Resident Students
- Transferred \$2,700,000 from the Education Fund to Operations & Maintenance, and then to the Capital Projects Fund (legal requirement)

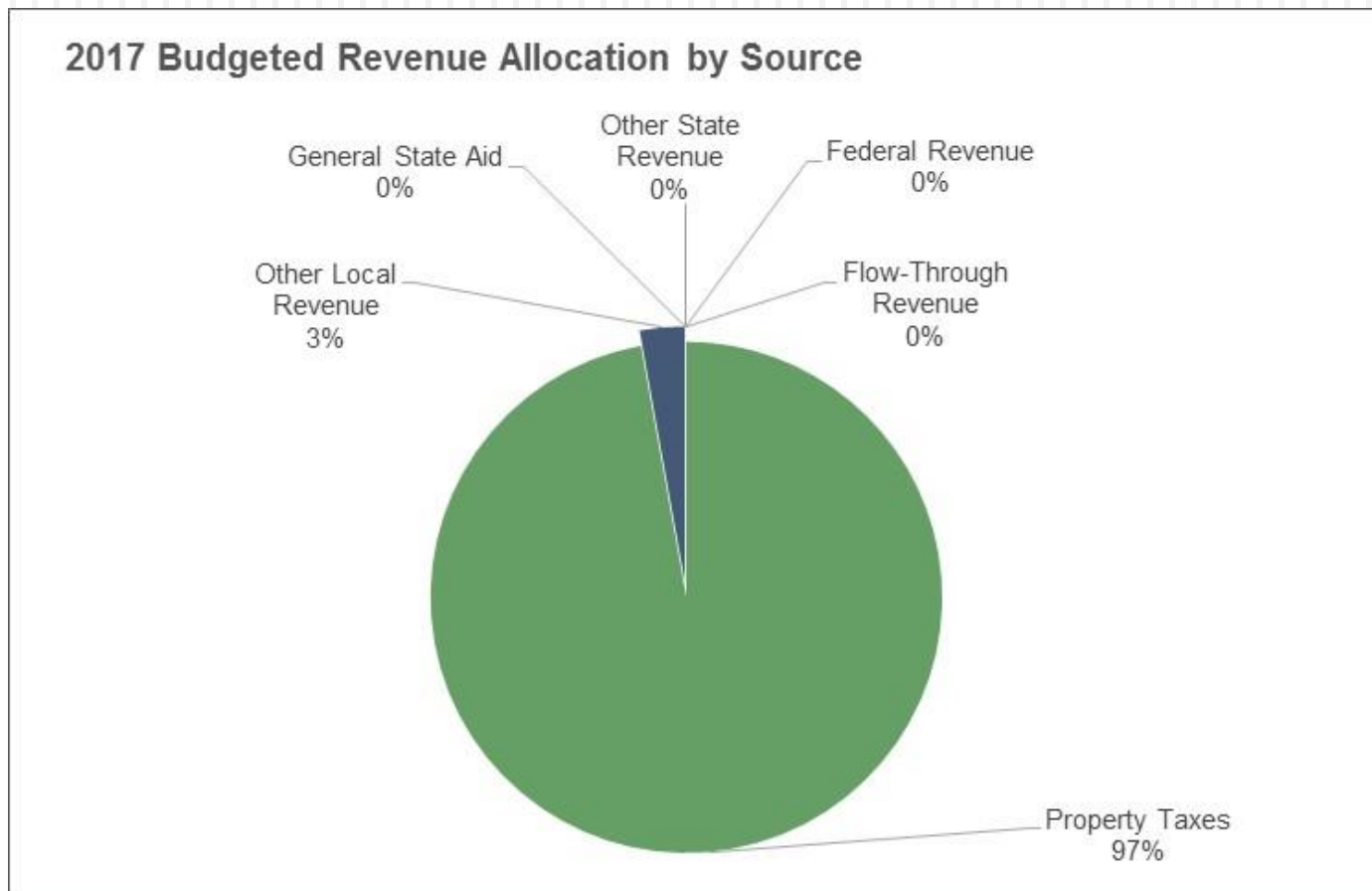
Revenue by Fund

□ Education Fund



Revenue by Fund

□ Operations & Maintenance Fund

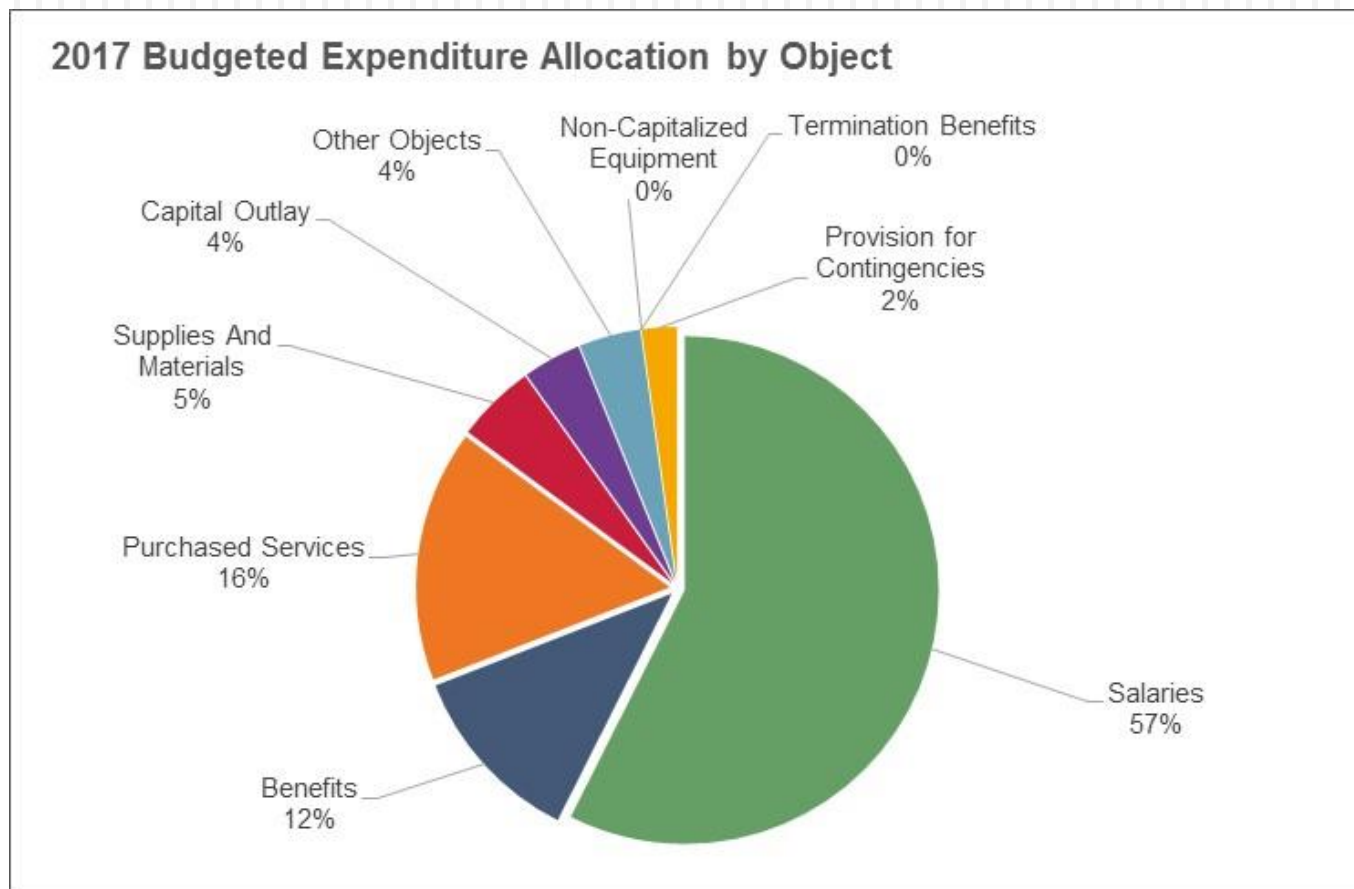


Overview of Expenditures

- Expenditures allocated to District Funds based on Accounting Standards
- Expenditures are classified by one of 8 objects:
 - Salaries
 - Benefits
 - Purchased Services
 - Supplies
 - Capital Outlay
 - Other Objects (Including Debt and Tuition Payments)
 - Non-Capitalized Equipment
 - Termination Benefits

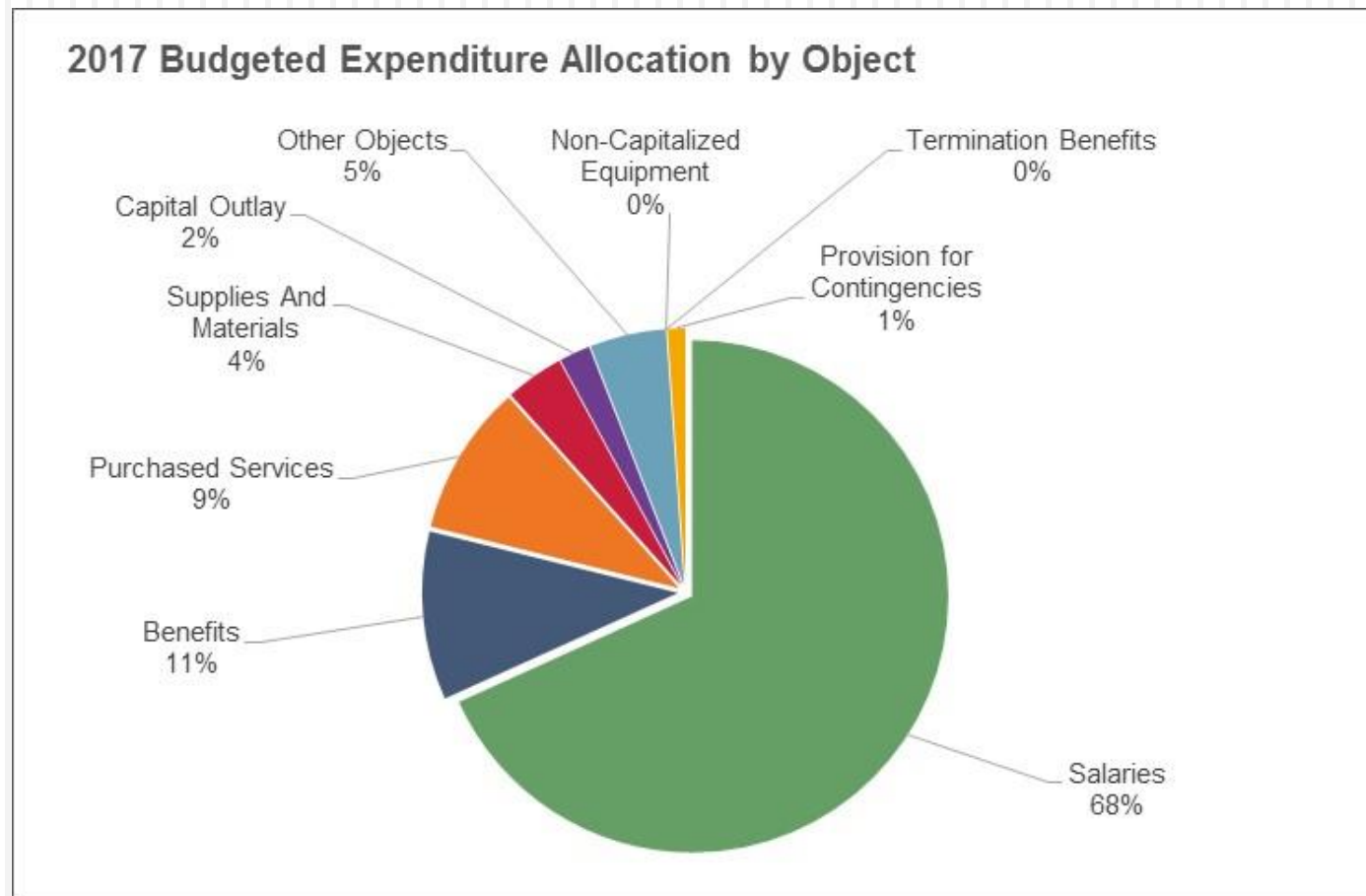
Major Expenditures

□ Operating Funds – Ed, O&M, Trans, IMRF, WC



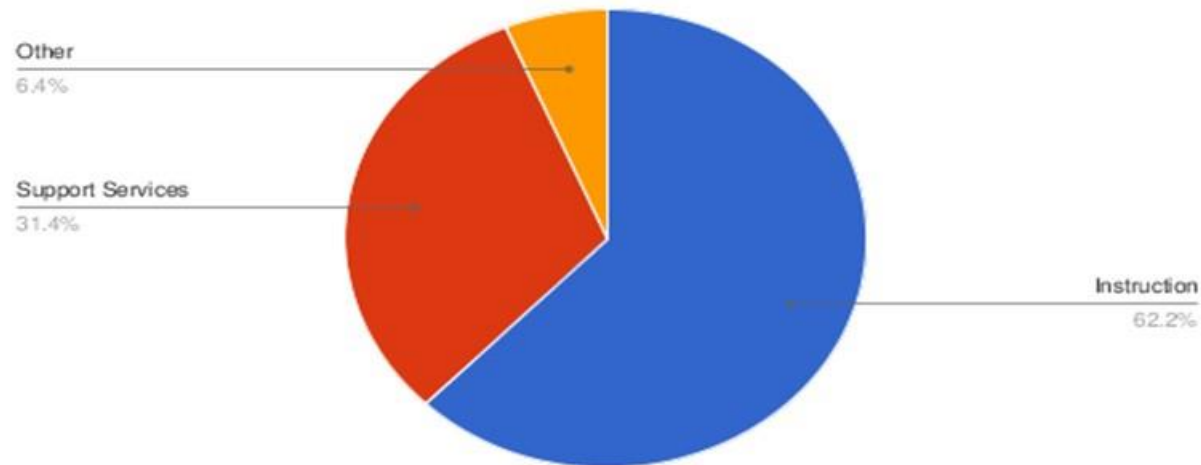
Expenditure by Fund

□ Education Fund – Expenses by Object



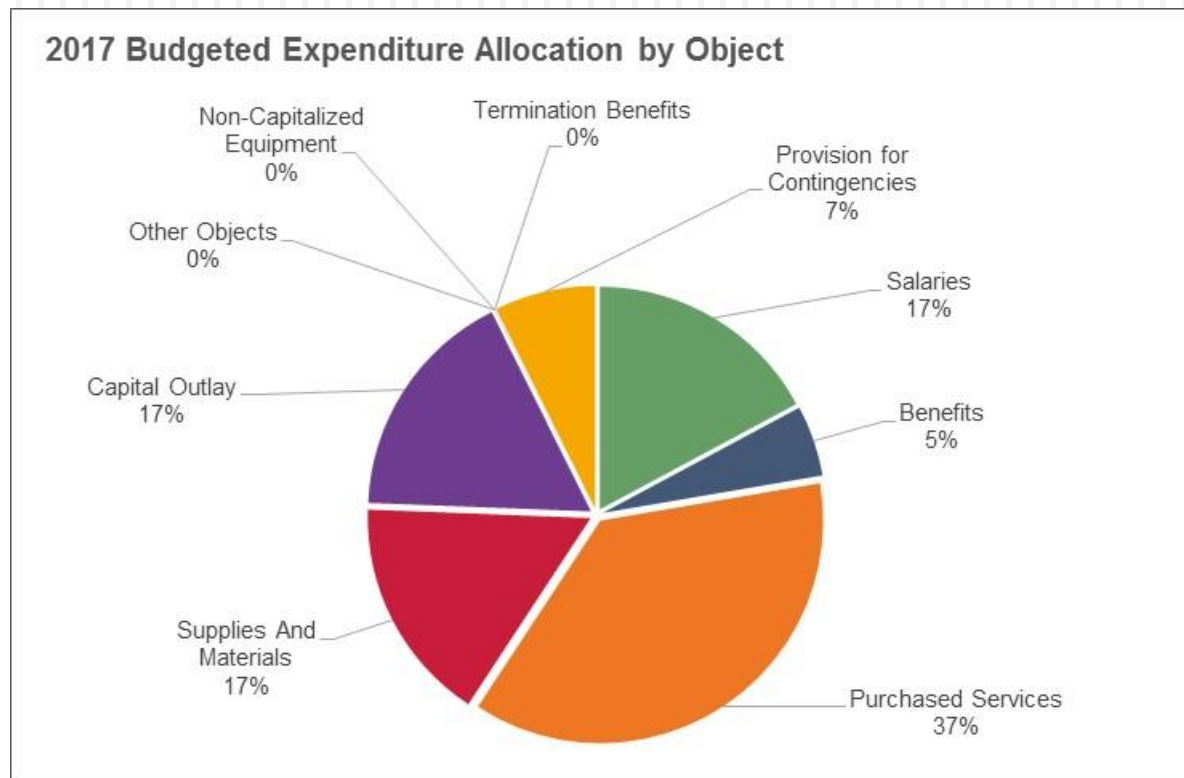
Expenditure by Fund

□ Education – Expenses by Function



Expenditure by Fund

□ Operation & Maintenance



Section III

Budget Highlights



Ed Fund Expenditures Highlights

Salary Changes & Stipends		Cost
Salary Increases for Faculty		\$152,929
Instructional Coach Stipends		\$16,000
Teacher on Special Assignment		\$10,000
Two Permanent Substitutes		\$50,000
Increased Salaries for ESPs		\$50,000
Summer Curriculum Work		\$30,000
FTEs		
	FY17	51.53
	FY16	51.19
	FY15	50.57
	FY14	47.1
	FY13	44.0

Ed Fund Expenditure Highlights

- Technology Lease Retired
- Commitment to:
 - ▣ Professional Development \$80,000
 - ▣ Commitment to Special Education—13% increase
 - ▣ Instructional Technology
 - Site Licenses
 - Ink
 - Network Room
 - J-Touch Technology & Projectors
 - Chromebooks
- Legal Fees \$150,000
- Health Insurance Premiums—11.01% increase with 1/1/18 renewal

O&M Fund Expenditure Highlights

- Architect Fees \$200,000
- Parking Lot Reseal/Stripe \$28,000
- Renovation Account \$200,000
 - Brook Forest Interior Painting
 - BJH LED Exit Sign Lighting
 - Teachers' Lounge Remodel
 - Tak Panels
 - Shades for BJH Gym Windows
 - Additional Engineering Work for Summer 2017
 - Start Up Costs for Summer 2017 Construction
- Debt Certificates Now Retired—Last Payment FY16

Transportation Fund Expenditures

- Increase of 4.5%
- Additional Two Bus Routes \$82,000
- Will Rebid in Spring of 2017



Capital Project Fund

- Abbey Paving—Balance Due from Summer 2015m \$379,224
- New Security System \$281,089
- Brook Forest Furniture \$281,055
- The Lombard Company \$2,324,000
 - BJH Gym Lobby Addition
 - Secure District Office Vestibule
 - New Drives & Parking
 - Selected Life Safety Work
 - Signage
 - Landscaping

Section IV

Budget Summary



Budget Overview

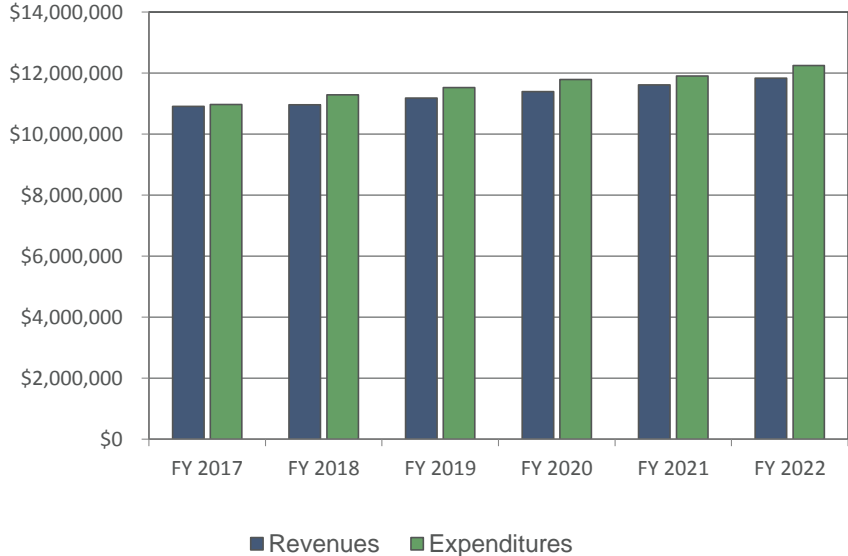
Funds	Revenue	Expenditures	Difference
Education	\$8,915,552	(\$11,592,755)	(\$2,677,203)
O&M	\$4,109,578	(\$4,064,372)	\$45,206
Bond & Interest	\$175,045	(\$176,608)	(\$1,563)
Transportation	\$366,289	(\$448,000)	(\$81,711)
IMRF	\$218,684	(\$268,700)	(\$50,016)
Capital Projects	\$2,700,000	(3,300,000)	(\$600,000)
Working Cash	\$2,270	---	\$2,270
Life Safety	\$10	---	\$10
TOTALS	\$16,487,428	\$19,850,435	(\$3,363,007)

Contingencies

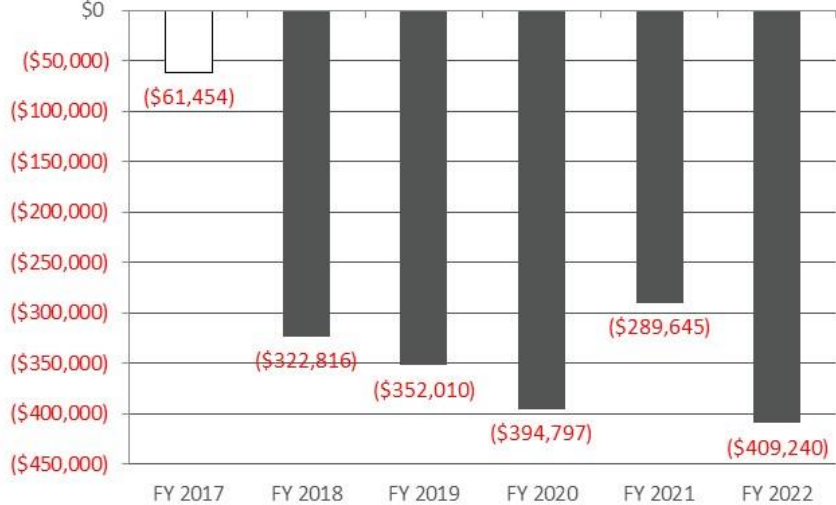
Account	Amount
Special Education	\$75,000
Faculty Salaries	\$20,000
Education Fund	\$100,000
O&M Fund	\$100,000
Transportation Fund	\$40,000
IMRF/FICA	\$5,000
TOTAL	\$380,000

Budget Summary Excluding Transfers

Revenues vs. Expenditures

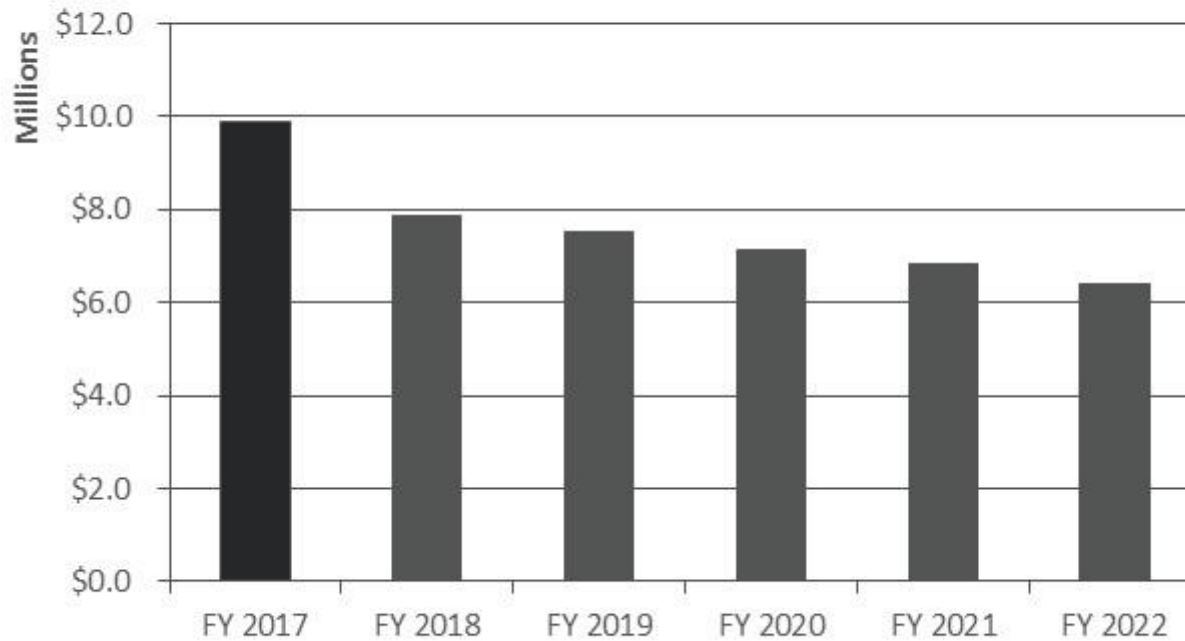


Fiscal Year Surplus / Deficit



Budget Summary Including Transfers

Year End Fund Balances



Budget Goals & Summary

- Monitor Ed Fund Expenditures & Revenues
 - Continue to Evaluate Educational Needs Each Year
 - Evaluate Program Offerings, Instructional Staff in Light of Enrollment
 - Monitor Investments

- Monitor Plan for Building Infrastructure Improvements
 - Continue Preventative Maintenance
 - Use of “in house” Staff for Repairs/Renovations
 - Plan for the Future with Flexibility
 - Monitor Capital Improvement Plan—\$1.7M in FY18

- Continue to Align Expenditures to Revenue

The Administration recommends that the FY17 Budget be approved as presented.

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