



Final Budget Fiscal Year Ending June 30, 2025

Tonight's Presenters

SEPTEMBER 2024

Sheila Johnson

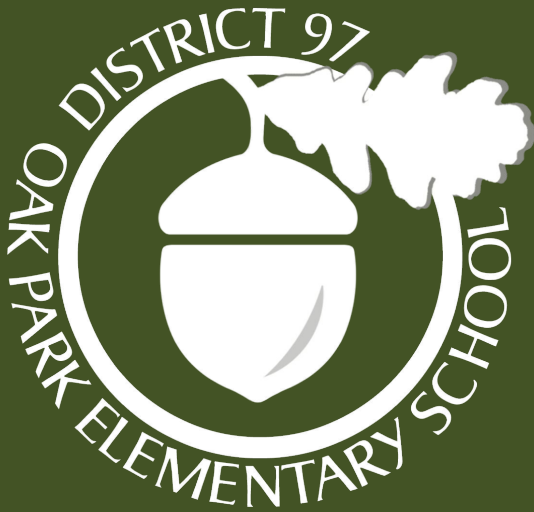
Assistant Superintendent of Finance & Operations

Rob Grossi

Financial Consultant

Budget Presentation Agenda

- Budget Timetable
- Policy Parameters for Budget Development
- Fiscal Responsibility
- Preliminary FY 2024 Results
- Final Budget FY 2025



BUDGET TIMETABLE

FY 2025

Budget Timetable

May – July 2024

Met with staff and administrators to discuss FY 25 budget needs and reviewed FY 24 preliminary results.

August 7, 2024

Shared FY 2025 budget with FORC.

August 13, 2024

Board of Education reviews tentative budget and calls for a September 24, 2024 public hearing.

August 16, 2024

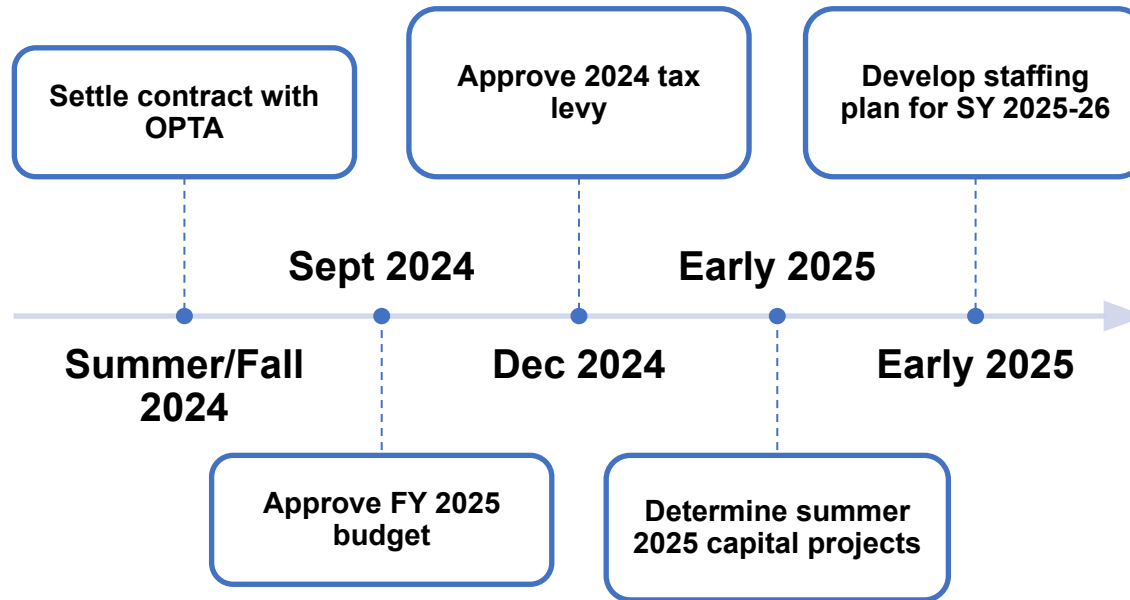
Tentative budget goes on display in District office and notice of the public hearing is placed in newspaper.

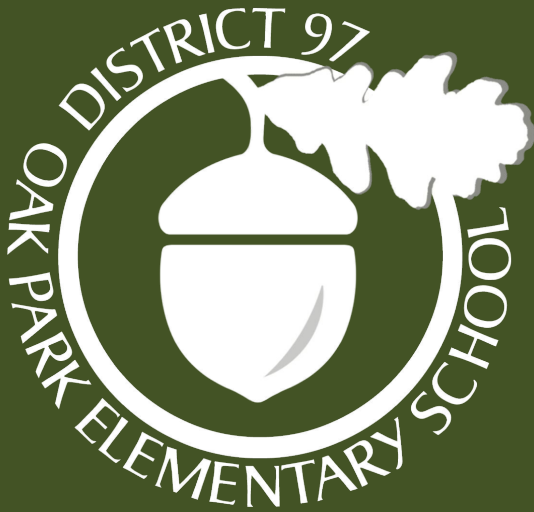
September 24, 2024

District holds public hearing on the budget and the Board of Education approves the final budget. Budget is filed with the Illinois State Board of Education prior to the end of the month.

Major Financial Decisions - Timeline

July 2024 through June 2025





POLICY PARAMETERS FOR BUDGET DEVELOPMENT

FY 2025



Fund Balance Reserves

Section B. Standards and Measures of Board Policy 4:12

1. The Board will strive to adopt a balanced annual operating budget. To the extent that the Board determines that a balanced operating budget would result in expenditure reductions that would injure the educational program of the District, the District may adopt a budget wherein anticipated expenditures exceed anticipated revenues with the deficit being supported by fund balances unless the current financial status of the District violates the financial boundary conditions outlined in Section C of this policy. If a balanced budget is not adopted, the District must submit for Board approval a plan to achieve a balanced operating budget within three fiscal years.
1. The District will target an overall fund balance between 25% and 50% of operating cash flows.



POLICY PARAMETERS FOR BUDGET DEVELOPMENT

- Sustain fund balance between 25% and 50% of operating cash flows with the goal of perpetually maintaining quality educational programs and facilities for students to maximize learning opportunities (Board policy 4:12)
- Continue to generate balanced operating budgets.

Fiscal Responsibility



Taking Long-term View

The budget may be an annual process, but we must take a long-term view to see what is ahead so we are planning in terms of investments in sustainable infrastructure now for future cost-saving, health and environmental benefits

Automating for Efficiency

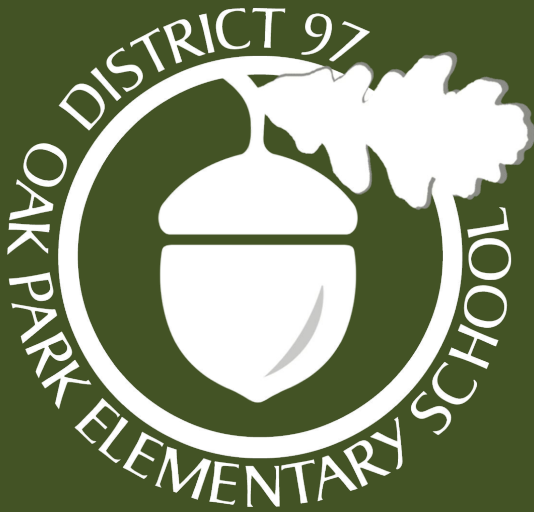
Using technology such as electronic timekeeping system and procurement card automation, will minimize labor costs (reduces employee time to review and approve timesheets)

Seeking Grants

Applying for grants to support sustainability (solar, food service, and transportation)

Purchasing Smarts

Purchase supplies and materials in bulk or with cooperatives to take advantage of discounts.



PRELIMINARY FY 2024 RESULTS

Preliminary Fiscal Results – FY 2024

Cash Basis

Fund	Beginning Balance	Revenues	Expenses	Transfers	Ending Balance
Education	\$22,168,000	\$ 95,140,000	\$ 90,878,000	-	\$26,430,000
Building	7,140,000	14,144,000	8,246,000	(4,000,000)	9,038,000
Bond & Int.	4,391,000	4,282,000	4,772,000	-	3,901,000
Transportation	2,855,000	5,929,000	6,340,000	-	2,444,000
IMRF/SS	531,000	2,825,000	2,935,000	-	421,000
Capital Projects	2,783,000	1,000	6,687,000	4,000,000	97,000
Working Cash	1,435,000	46,000	-	-	1,481,000
Tort	99,000	3,000	-	-	102,000
Life Safety	122,000	-	-	-	122,000
Total	\$41,524,000	\$122,370,000	\$119,858,000	-	\$44,036,000

District 97 had a balanced budget last year while still investing in the capital infrastructure of the district.

Comparison of FY24 Budget to Actual

Major Revenue Sources - **Cash Basis**

Timing of the receipt of funds was a key variable in the budget vs actual.

Source	FY24 Actual	FY24 Budget	Actual vs. Budget	Primary Cause of Variance
Real Estate Taxes	94,827,000	96,294,000	(1,467,000)	Fall collections 2% below expectations. Likely due to refunds
Other Local Sources	6,613,000	5,677,000	936,000	Actual interest earnings outperformed budgeted figures
Evidenced-Based Funding	11,995,000	11,595,000	400,000	Prior year adjustment funds received in FY24
Other State Sources	5,723,000	4,287,000	1,436,000	Unanticipated increased in special ed and other state grants
Federal Grant	3,212,000	7,327,000	(4,115,000)	Grants budgeted in FY24 to be received in FY25
Total Revenues	122,370,000	125,180,000	(2,810,000)	

Comparison of FY24 Budget to Actual

Major Expense Types - **Cash Basis**

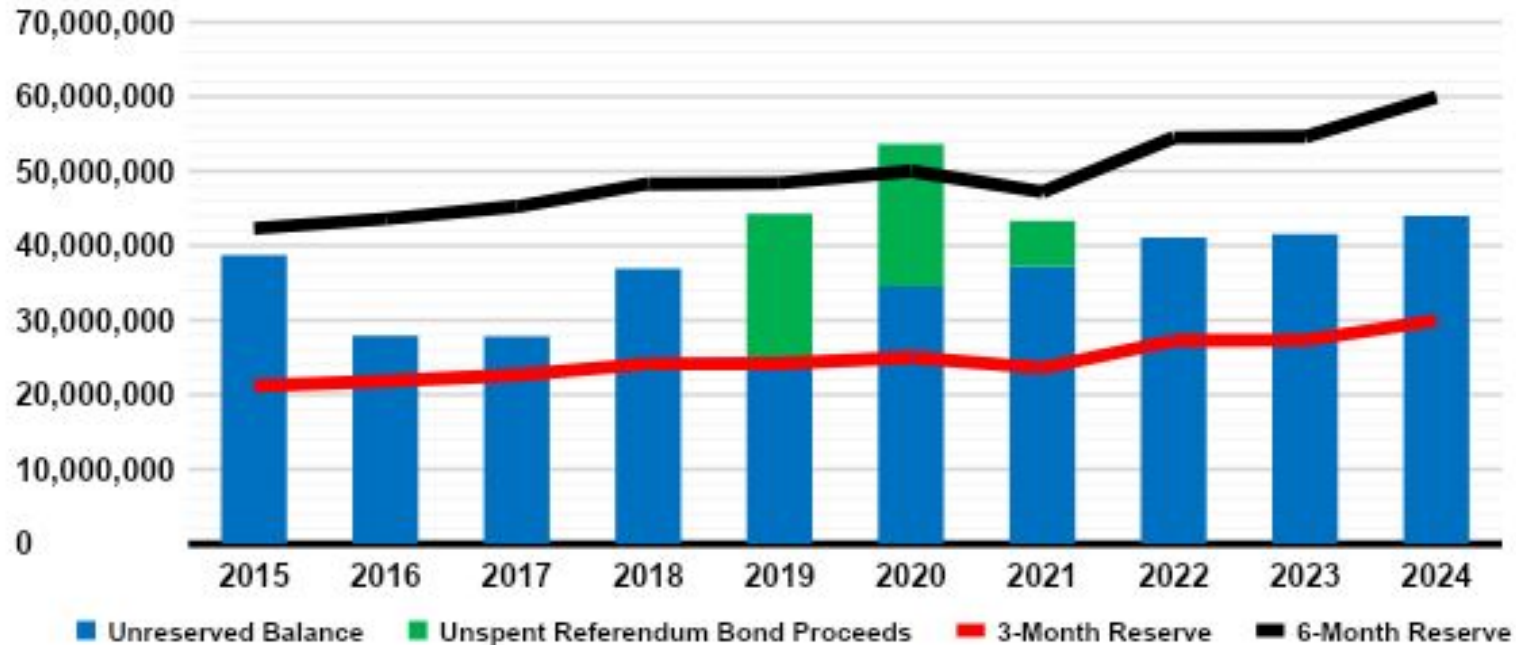
Total expenditures were 1% under budget.

Source	FY24 Actual	FY24 Budget	Actual vs. Budget	Primary Cause of Variance
Salaries	71,513,000	73,066,000	(1,553,000)	
Employee Benefits	14,917,000	15,335,000	(418,000)	
Purchased Services	14,118,000	13,239,000	879,000	Transportation, Food Service, SpEd, Buildings & Grounds
Supplies and Materials	4,107,000	5,123,000	(1,016,000)	
Capital Outlay	7,220,000	6,036,000	1,184,000	Timing of projects/payments
Tuition and Other	7,761,000	7,120,000	641,000	Special ed tuition and debt payments under budget
Non-Cap Equipment	222,000	912,000	(690,000)	
Total Expenditures	119,858,000	120,831,000	(973,000)	

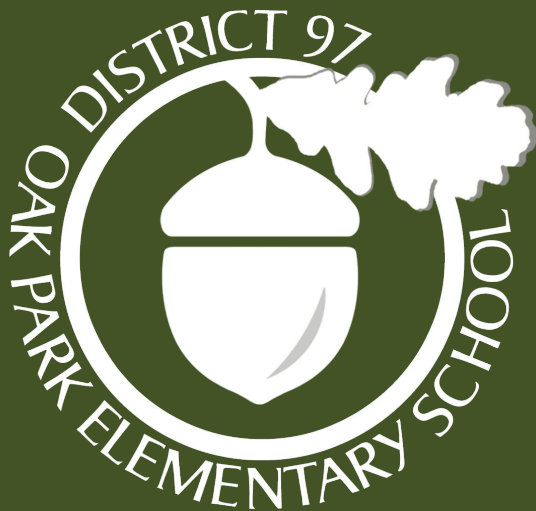
Historical Fund Balances – All Funds

Accrual Basis (2014-2023) - Cash Basis Unaudited (2024)

Post referendum, the district continues to improve its financial condition within its targeted fund balance.



The District has a fund balance policy with targeted fund balances between 25% and 50% of operating cash flows. D97 currently has approximately 4.5 months worth of reserves.

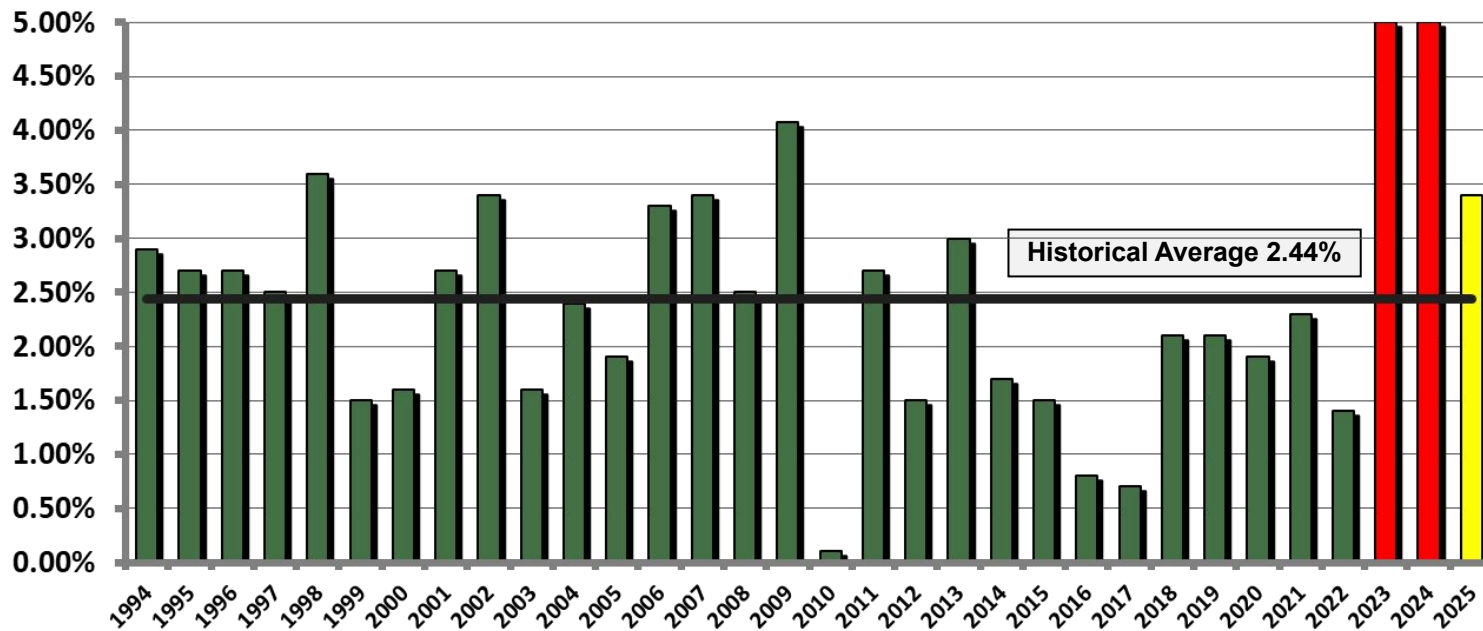


FINAL BUDGET

FISCAL YEAR ENDING JUNE 30, 2025

Inflation Levels Cap Levy Decisions

Historical CPI Levels



Calendar Year Taxes Paid

Major Drivers of FY25 Budgeted Revenue Changes



**Inflation
impacting real
estate tax
revenue**

**New taxable
property in the
District**

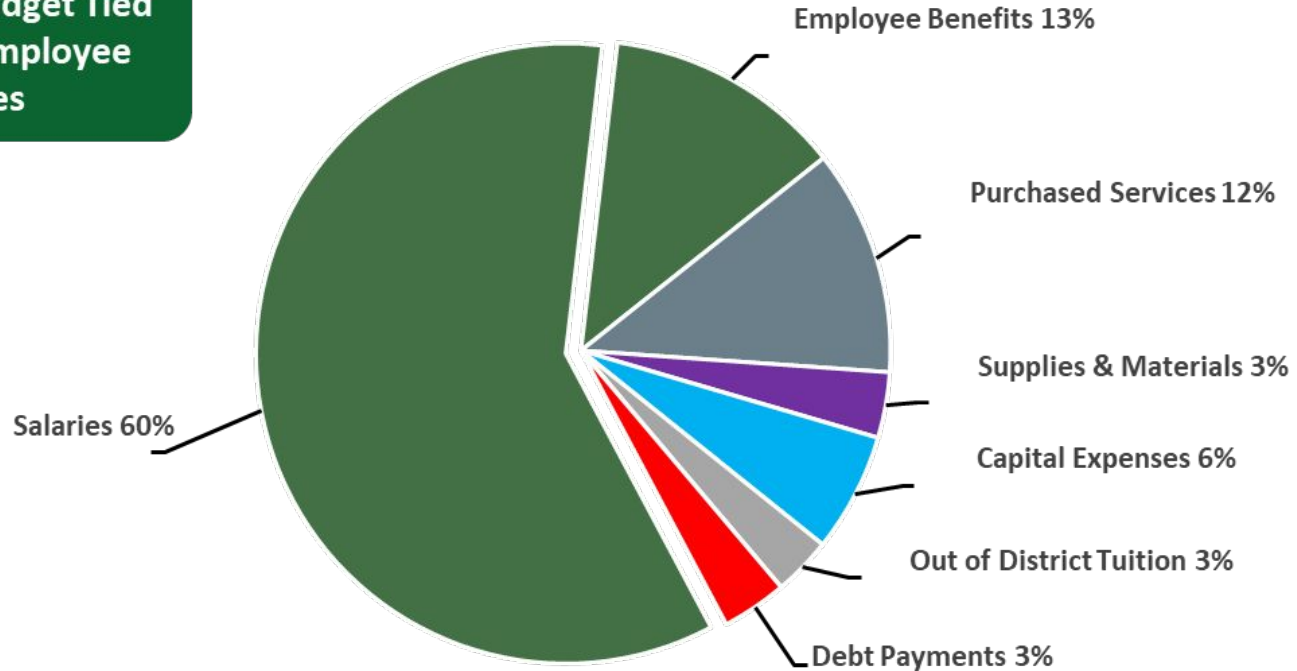
**Investment
rates**

**Corporate
Personal Property
Replacement Tax
adjustment**

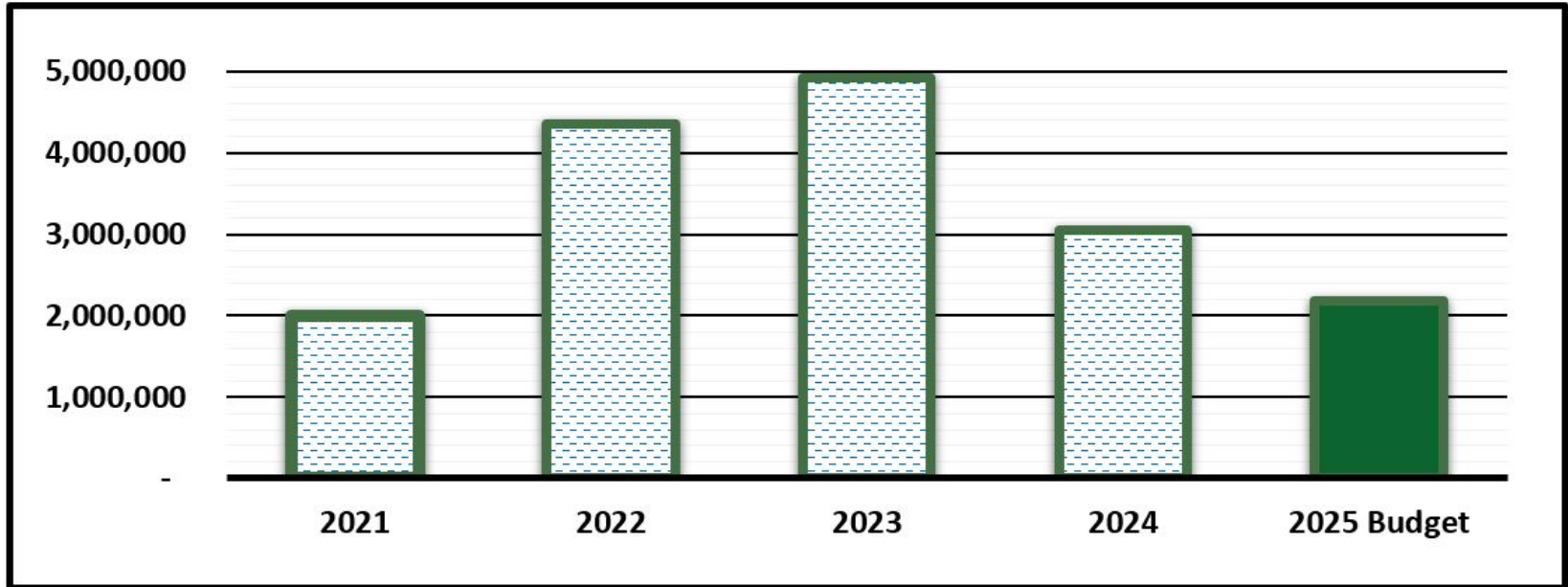


Breakdown of Expense by Type – FY 2025

73% of Total Budget Tied to Salary and Employee Benefit Expenses



Corporate Personal Property Replacement Tax Receipts Expected to Further Decline



The Illinois Department of Revenue has acknowledged a miscalculation in CPPRT distributions in 2022 and 2023. A correcting adjustment resulted in a dramatic decrease in CPPRT revenues in FY 24. The IDOR released the allocations for FY 25 and we are anticipating an additional 33% decrease in CPPRT compared to FY 24.

Evidenced-Based Funding Distributions Will Remain Flat

D97 Receives a Very Small Percentage of New EBF Dollars

As a Tier 4 district,
District 97 receives a
very small percentage
of new EBF dollars.

School Year	New EBF Dollars – Statewide	New EBF Dollars – D97
2017-18	\$367,000,000	\$231,000
2018-19	\$300,000,000	\$167,000
2019-20	\$312,000,000	\$214,000
2020-21	\$0	\$0
2021-22	\$300,000,000	\$147,000
2022-23	\$300,000,000	\$119,000
2023-24	\$300,000,000	\$5,000
2024-25 (est.)	\$300,000,000	\$5,000

Major Drivers of FY25 Budgeted Expenditure Changes



**Collective
Bargaining**

**Capital
Projects**

**Expenses Most
Impacted by
Inflationary
Pressures**



FY25 Final Budget

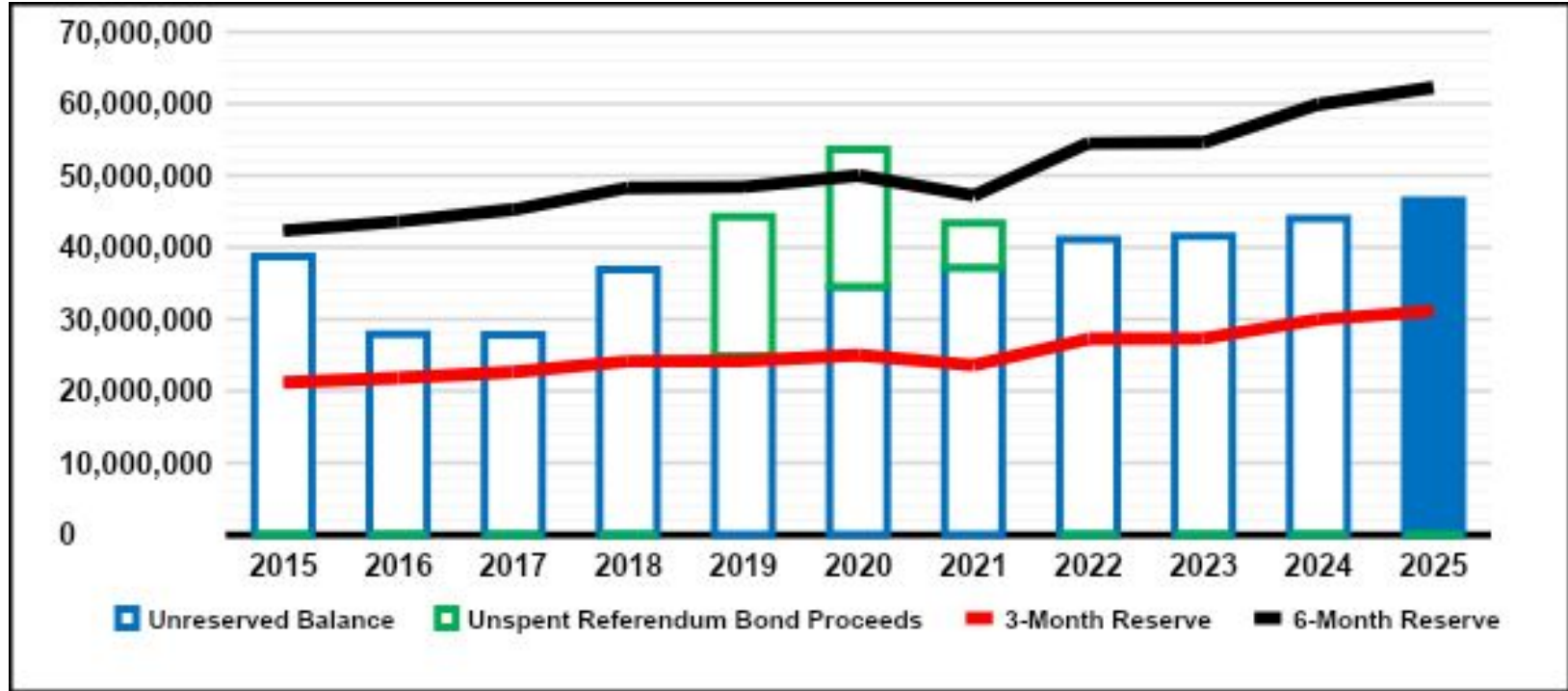
Cash Basis

Fund	Beginning Balance	Revenues	Expenses	Transfers	Ending Balance
Education	\$26,590,000	\$ 99,934,000	\$ 98,555,000	-	\$27,969,000
Building	9,038,000	10,960,000	9,578,000	(4,500,000)	5,920,000
Bond & Int.	3,901,000	4,289,000	4,176,000	-	4,014,000
Transportation	2,444,000	6,722,000	6,523,000	-	2,643,000
IMRF/SS	420,000	4,077,000	3,053,000	-	1,444,000
Capital Projects	97,000	500	4,307,296	4,500,000	290,204
Working Cash	1,480,000	512,000	-	-	1,992,000
Tort	100,000	500	-	-	100,500
Life Safety	122,000	500	-	-	122,500
Total	\$44,192,000	\$126,496,000	\$126,193,000	-	\$44,495,204



Historical and Budgeted Fund Balances

Accrual Basis (2014-2023) - Cash Basis Unaudited (2024)



The District is projected to end FY25 with 4.5 months worth of fund balance reserves. This falls in the middle of its stated fund balance target



Thank you!