

# Valley View School District 365U

## 2014-2015 Final Budget Draft

September 22nd, 2014

## Changes for 2014-2015:

- Overall budget \$249,885,815 (excludes \$35.35 million TRS On-Behalf payment)
  
- Operating funds \$225,551,896 (increase of \$5.02 million or 2.27% from FY14)
  
- Total local resources \$179.99 million
- Total state funding \$ 48.45 million
- Total federal dollars \$ 14.52 million
  
- The major changes to expenditures are:
  1. Increase in salary costs of 2% per labor agreements \$2.4 million
  2. Addition of four Gifted teachers and one College & Career Readiness Director - \$342,000
  3. ERO costs for certified staff - \$673,000
  4. Tuition cost for students attending Lincoln School - \$45,000
  5. Tuition budget for outside placement students reduced by \$1 million
  6. Guest teacher rate increased by \$250,000
  7. Expenses related to administering of PAARC assessment exclusive of the technology hardware costs - \$630,000
  8. Increase of \$1.56 million in our scheduled debt service payment

## **Budget Revisions Since Tentative Budget was Put on Display**


- Addition of one bilingual kindergarten teacher
- Addition of 1:1 classified nurse
- Addition of 1:1 aide
- Added \$10,000 for ADA accommodations
- Added \$1,755,594 to Fund 60 to account for Technology lease proceeds which were received in FY14, but were carried over to FY15
- Transfer of \$1,780,000 from Transportation Fund to Education fund
- Decrease of \$42,812 in State Breakfast/Lunch revenue due to decrease in reimbursement rate change
- Reclassify Bus Lease payment from Capital Outlay to Purchased Services
- Addition of \$432,000 in General State Aid per final computations

# 2014-15 Sources of Revenue

<u>FUND</u>	<u>Local</u>	<u>State*</u>	<u>Federal</u>	<u>TOTALS</u>
Educational	\$ 119,758,620	\$ 76,381,829	\$ 14,525,359	\$ 210,665,808
Operations and Maintenance	\$ 16,094,360	\$ 614,000		\$ 16,708,360
Debt Service	\$ 25,022,470			\$ 25,022,470
Transportation	\$ 7,238,750	\$ 6,806,010		\$ 14,044,760
IMRF	\$ 7,772,221			\$ 7,772,221
Capital Projects	\$ 50,000			\$ 50,000
Working Cash	\$ 532,000			\$ 532,000
Tort	\$ 2,704,986			\$ 2,704,986
Fire Prevention and Safety	\$ 818,550			\$ 818,550
				\$ -
<b>TOTALS</b>	<b>\$ 179,991,957</b>	<b>\$ 83,801,839</b>	<b>\$ 14,525,359</b>	<b>\$ 278,319,155</b>
	<b>65%</b>	<b>30%</b>	<b>5%</b>	<b>100%</b>

\* Includes \$35.35 million in TRS on-behalf payment in book entry only

## Percentages change if On-Behalf is NOT included

 <b>Actual</b>	\$ 179,991,957	\$ 48,451,839	\$ 14,525,359	<b>\$ 242,969,155</b>
	<b>74%</b>	<b>20%</b>	<b>6%</b>	

# General State Aid History

	<u>Year</u>	<u>Amount</u>	<u>Difference</u>	<u>% Change</u>
	<b>2005-06</b>	<b>\$ 23,812,660</b>		
	<b>2006-07</b>	<b>\$ 25,344,320</b>	<b>\$ 1,531,660</b>	<b>6.4%</b>
	<b>2007-08</b>	<b>\$ 27,586,853</b>	<b>\$ 2,242,533</b>	<b>8.8%</b>
	<b>2008-09</b>	<b>\$ 26,850,995</b>	<b>\$ (735,858)</b>	<b>-2.7%</b>
	<b>2009-10</b>	<b>\$ 24,256,950</b>	<b>\$ (2,594,045)</b>	<b>-9.7%</b>
	<b>2010-11</b>	<b>\$ 22,902,219</b>	<b>\$ (1,354,731)</b>	<b>-5.6%</b>
<i>Prorated</i>	<b>2011-12</b>	<b>\$ 20,444,408</b>	<b>\$ (2,457,811)</b>	<b>-10.7%</b>
<i>Prorated</i>	<b>2012-13</b>	<b>\$ 18,741,728</b>	<b>\$ (1,702,680)</b>	<b>-8.3%</b>
<i>Prorated</i>	<b>2013-14</b>	<b>\$ 25,518,329</b>	<b>\$ 6,776,601</b>	<b>36.2%</b>
Formula	<b>2014-15</b>	<b>\$ 34,198,627</b>	<b>\$ 8,680,298</b>	<b>34.0%</b>
<i>Proration</i>	<b>2014-15</b>	<b>\$ 30,497,460</b>	<b>\$ 4,979,131</b>	<b>19.5%</b>

Formula for 2014-15 GSA entitlement generates \$34,198,627

Due to 89% proration, district loss of **\$3,701,167**

# 4 Year GSA Proration Loss

<u>Year</u>		<u>Reimbursements</u>	<u>Loss due to proration</u>
<b>2011-12</b>	Formula	<b>\$ 21,491,892</b>	
<b>95%</b>	Proration	<b>\$ 20,444,398</b>	<b>\$ 1,047,494</b>
<hr/>			
<b>2012-13</b>	Formula	<b>\$ 21,010,906</b>	
<b>89%</b>	Proration	<b>\$ 18,742,204</b>	<b>\$ 2,268,702</b>
<hr/>			
<b>2013-14</b>	Formula	<b>\$ 28,736,204</b>	
<b>89%</b>	Proration	<b>\$ 25,515,902</b>	<b>\$ 3,220,302</b>
<hr/>			
<b>2014-15</b>	Formula	<b>\$ 34,198,627</b>	
<b>89%</b>	Proration	<b>\$ 30,497,460</b>	<b>\$ 3,701,167</b>
<hr/>			
		<b>4 Year Loss Total</b>	<b>\$ 10,237,665</b>

# State Reimbursement for Transportation

*Regular/Vocational Transportation  
reimbursement reduced by 42%  
beginning in FY11*

<u>Year</u>	<u>Amount Lost</u>	<u>Cumulative Impact</u>
2010-11	\$ (1,200,000)	\$ (1,200,000)
2011-12	\$ (1,200,000)	\$ (2,400,000)
2012-13	\$ (1,200,000)	\$ (3,600,000)
2013-14	\$ (1,200,000)	\$ (4,800,000)
2014-15	\$ (1,200,000)	\$ (6,000,000)

# YEAR TO YEAR BUDGET COMPARISON

## EXPENDITURE OBJECT REPORT SUMMARY

	2014-15			2013-14	
<b>ALL FUNDS</b>					
<b><u>Object</u></b>	<b><u>Budget</u></b>	<b><u>Percent</u></b>		<b><u>Actual</u></b>	<b><u>Percent</u></b>
Salaries	\$ 140,330,875	56.2%	2.4%	\$ 137,047,632	57.5%
Benefits	\$ 34,976,217	14.0%	5.5%	\$ 33,146,251	13.9%
Purchased Services	\$ 21,034,463	8.4%	15.0%	\$ 18,291,642	7.7%
Supplies and Materials	\$ 12,258,724	4.9%	6.9%	\$ 11,467,989	4.8%
Capital Outlay	\$ 4,602,017	1.8%	27.8%	\$ 3,599,998	1.5%
Other Objects	\$ 34,371,575	13.8%	2.6%	\$ 33,503,610	14.1%
Non-Capitalized Equip.	\$ 2,076,444	0.8%	143.8%	\$ 851,764	0.4%
Post Employment Benefits	\$ 235,500	0.1%	-51.5%	\$ 485,413	0.2%
<b>Total</b>	<b>\$ 249,885,815</b>	<b>100.0%</b>	<b>4.8%</b>	<b>\$ 238,394,299</b>	<b>100.0%</b>
<b>Education Fund</b>					
<b><u>Object</u></b>	<b><u>Budget</u></b>	<b><u>Percent</u></b>		<b><u>Actual</u></b>	<b><u>Percent</u></b>
Salaries	\$ 128,272,225	70.6%	3.3%	\$ 124,116,926	71.5%
Benefits	\$ 26,161,525	14.4%	9.5%	\$ 23,889,980	13.8%
Purchased Services	\$ 9,639,402	5.3%	14.2%	\$ 8,440,551	4.9%
Supplies and Materials	\$ 7,308,419	4.0%	0.9%	\$ 7,241,478	4.2%
Capital Outlay	\$ 1,193,348	0.7%	140.3%	\$ 496,694	0.3%
Other Objects	\$ 8,538,250	4.7%	-6.1%	\$ 9,092,707	5.2%
Non-Capitalized Equip.	\$ 306,350	0.2%	34.3%	\$ 228,040	0.1%
Post Employment Benefits	\$ 207,500	0.1%	106.7%	\$ 100,380	0.1%
<b>Total</b>	<b>\$ 181,627,019</b>	<b>100%</b>	<b>4.6%</b>	<b>\$ 173,606,755</b>	<b>100%</b>



VALLEY VIEW COMMUNITY UNIT SCHOOL DISTRICT 365U  
 Projected Revenues, Expenditures and Fund Balances  
 For Fiscal Year Ending June 30, 2015

	<u>Beginning Fund Balance</u>	<u>Education</u>	<u>Operations &amp; Maint</u>	<u>Transportation</u>	<u>IMRF/FICA</u>	<u>Tort</u>	<u>Working Cash</u>	<u>Total</u>
1	-	-		-		-		-
	**As of June 30, 2014	\$ 27,251,282	\$ 8,561,168	\$ 4,950,799	\$ 2,087,742	\$ 1,095,362	\$ 17,231,057	\$ 61,177,410
2	Revenues:	\$ 177,095,808	\$ 16,708,360	\$ 14,044,760	\$ 7,772,221	\$ 2,704,986	\$ 532,000	\$218,858,135
3	Expenses:	\$ 182,610,119	\$ 18,319,974	\$ 14,027,611	\$ 7,800,692	\$ 2,793,500	\$ -	\$225,551,896
	<b>Note: excludes TRS On Behalf of \$35.35m</b>							
4	Estimated Ending Balance:	\$ 21,736,971	\$ 6,949,554	\$ 4,967,948	\$ 2,059,271	\$ 1,006,848	\$ 17,763,057	\$ 54,483,649
5	Difference	\$ (5,514,311)	\$ (1,611,614)	\$ 17,149	\$ (28,471)	\$ (88,514)	\$ 532,000	\$ (6,693,761)
	% change in fund balance	-20.24%	-18.82%	0.35%	-1.36%	-8.08%	3.09%	-10.94%
6	# Days cash on hand 6/30/15	43	138	129	96	132		88
	Fund balance divided by (expenses/365)							

\*\* Unaudited

# TEN YEAR FUND BALANCE HISTORY

As of July 1,  
20XX

<u>Fund</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
Education	\$19,977,432	\$ 25,095,504	\$ 35,230,531	\$ 42,390,419	\$ 40,317,264	\$ 48,911,990	\$ 53,334,259	\$ 42,316,596	\$ 36,722,133	\$ 29,496,165
Food Service	\$ 7,273,850	\$ 6,825,818	\$ 6,266,565	\$ 5,504,879	\$ 5,025,988	\$ 4,386,171	\$ 4,052,432	\$ 4,269,458	\$ 3,971,093	\$ 3,442,623
<b>Subtotal</b>	<b>\$27,251,282</b>	<b>\$ 31,921,322</b>	<b>\$ 41,497,096</b>	<b>\$ 47,895,298</b>	<b>\$ 45,343,252</b>	<b>\$ 53,298,161</b>	<b>\$ 57,386,691</b>	<b>\$ 46,586,054</b>	<b>\$ 40,693,227</b>	<b>\$ 32,938,789</b>
Operations and Maintenance	\$ 8,561,168	\$ 9,341,110	\$ 13,364,731	\$ 15,048,381	\$ 14,887,014	\$ 12,877,995	\$ 21,057,080	\$ 24,181,374	\$ 25,252,845	\$ 17,265,571
Transportation	\$ 4,950,799	\$ 4,892,918	\$ 2,147,455	\$ 3,964,287	\$ 6,284,026	\$ 7,577,067	\$ 7,309,653	\$ 6,349,178	\$ 6,213,682	\$ 6,371,305
IMRF/Social Security	\$ 2,087,742	\$ 2,165,106	\$ 2,276,667	\$ 2,595,129	\$ 2,266,037	\$ 1,986,550	\$ 2,227,135	\$ 1,809,921	\$ 2,213,394	\$ 2,239,372
Working Cash	\$17,231,057	\$ 17,173,009	\$ 30,629,656	\$ 31,506,734	\$ 31,455,318	\$ 31,400,289	\$ 31,341,622	\$ 33,883,760	\$ 32,189,854	\$ 30,638,298
Tort	\$ 1,095,362	\$ 953,321	\$ 9,542	\$ 2,704	\$ 2,730	\$ (1,278,493)	\$ -	\$ -	\$ -	\$ -
Life Safety	\$ 406,636	\$ 378,854	\$ 366,404	\$ 360,959	\$ 309,748	\$ 206,673	\$ 133,991	\$ 2,050,040	\$ 2,314,877	\$ 4,018,021
	<b>\$61,584,046</b>	<b>\$ 66,825,640</b>	<b>\$ 90,291,551</b>	<b>\$ 101,373,491</b>	<b>\$ 100,548,125</b>	<b>\$ 106,068,242</b>	<b>\$ 119,456,172</b>	<b>\$ 114,860,326</b>	<b>\$ 108,877,878</b>	<b>\$ 93,471,355</b>

\*unaudited\*

# Senate Bill 16

- Creating a single funding formula that provides an equitable means to distribute education funds to Illinois school districts.
- Prioritizing resources to help districts where there is greater student need.
- Providing greater transparency about how funds are spent at the school level.
- SB 16 passed the Senate in May 2014.
- The bill is currently under review by the House of Representatives.
- The State Board of Education has developed a model of how this legislation would impact local school districts based on the most recent available data (fiscal year 2013). The State Board will be updating this model in the coming months using fiscal year 2014 data.

# What does SB 16 mean for Valley View?

<b><u>Categoricals for FY2013</u></b>	<b>Full Funding</b>	<b>Prorated</b>		<b>SB 16</b>					
GSA	\$ 21,010,906	\$ 18,679,488		\$ 36,738,781					
<i>SPED - Private Facility</i>	\$ 2,335,200	\$ 2,335,200	unsure	\$ 2,335,200	eliminated from formula but will be funded using different criteria				
SPED - Extraordinary	\$ 2,386,055	\$ 2,386,055		\$ -					
SPED - Personnel	\$ 4,262,506	\$ 4,262,506		\$ -					
SPED - Orphans	\$ 481,479	\$ 481,479		\$ -					
SPED - Summer School	\$ 70,585	\$ 68,063		\$ -					
SPED - Summer School Orphans	\$ 5,700	\$ 5,700		\$ -					
Bilingual	\$ 817,240	\$ 662,202		\$ -					
Transportation - Regular	\$ 2,886,044	\$ 1,734,501		\$ -					
<i>Transportation SPED</i>	\$ 4,950,000	\$ 4,950,000		\$ 4,950,000	<b>Remains intact and outside SB16</b>				
<b>TOTALS</b>	<b>\$ 39,205,715</b>	<b>\$ 35,565,194</b>		<b>\$ 44,023,981</b>					
Totals without SPED Trans and SPED Private Facility	\$ 31,920,515	\$ 28,279,994		\$ 36,738,781					
Lost due to proration		\$ (3,640,521)							
Difference				<b>\$ 8,458,787</b>					
<b>BUT:</b>									
Difference if MCATS were not prorated				<b>\$ 4,818,266</b>					
<b>SB16 assumptions based upon prorated GSA and Transportation</b>									