

Valley View School District 365U

2015-2016

Final Budget Draft

September 28th, 2015

Changes for 2015-2016

- Overall budget \$256,473,120 (excludes \$53.64 million TRS On-Behalf payment)
- Operating funds \$226,712,820 (increase of \$1.16 million or .5% from FY15 budget)

Revenue

1. Corporate Personal Property Replacement Tax (CPPRT) projected increase - \$304K or 3.0%
2. General State Aid increase of \$3.84 million
3. Property tax levy increase of \$1.0 million, 50% of which applies to FY16
4. Addition of \$896,000 for Pre-K Expansion Grant program

Expenditures

1. Increase in salary costs of 3% per labor agreements equals \$4.1 million
2. Benefits are budgeted for a decrease of 4.5% in claims costs, negotiated plan design changes, and the implementation of working spouse eligibility provision
3. Added \$570,000 as one-time \$1,000 offset for spousal ineligibility per contract
4. ERO costs for certified staff - \$300,000
5. Tuition budget for outside placement students reduced by \$340,000
6. Guest teacher rate increased by \$200,000
7. Post retirement incentives budgeted for \$1,015,000
8. Increase of \$1.594 million in our scheduled debt service payment, or 6.2%

Budget Revisions Since Tentative Budget was Put on Display

- Addition of three teachers and two classroom aides
- Added revenue and expenses of \$896,669 for the Pre-K expansion grant
- Reduced budget transfer from Transportation Fund to Education fund by \$460,000
- Reduced General State Aid by \$262,243 per final computations
- Addition of \$38K and \$283K respectively for IDEA and Special Education Orphanage reimbursements
- Addition of \$14.385M to the TRS On-Behalf payment due to a change in the formula per auditor
- Reclassification of Title I salaries to local funding to allow for Decision Ed software purchase without increasing overall budget

2015-16 Sources of Revenue

| <u>FUND</u> | <u>Local</u> | <u>State*</u> | <u>Federal</u> | <u>TOTALS</u> |
|----------------------------|-----------------------|-----------------------|----------------------|-----------------------|
| Educational | \$ 122,272,389 | \$ 98,865,374 | \$ 16,432,878 | \$ 237,570,641 |
| Operations and Maintenance | \$ 16,884,501 | \$ 50,000 | | \$ 16,934,501 |
| Debt Service | \$ 26,740,531 | | | \$ 26,740,531 |
| Transportation | \$ 7,850,900 | \$ 6,700,000 | | \$ 14,550,900 |
| IMRF | \$ 7,505,741 | | | \$ 7,505,741 |
| Capital Projects | \$ 50,000 | | | \$ 50,000 |
| Working Cash | \$ 1,065,175 | | | \$ 1,065,175 |
| Tort | \$ 2,417,800 | | | \$ 2,417,800 |
| Fire Prevention and Safety | \$ - | | | \$ - |
| TOTALS | \$ 184,787,037 | \$ 105,615,374 | \$ 16,432,878 | \$ 306,835,289 |
| | 60% | 34% | 5% | 100% |

* Includes \$53.64 million in TRS on-behalf payment in book entry only



Percentages change if On-Behalf is NOT included

| | | | | |
|-----------------|----------------|---------------|---------------|-----------------------|
| Actual → | \$ 184,787,037 | \$ 51,975,374 | \$ 16,432,878 | \$ 253,195,289 |
| | 73% | 21% | 6% | |

Source of Funding Five Year Average

| | <u>Local</u> | <u>State*</u> | <u>Federal</u> |
|-----------------------|--------------|---------------|----------------|
| 2011-12 | 76% | 18% | 6% |
| 2012-13 | 78% | 16% | 6% |
| 2013-14 | 76% | 18% | 6% |
| 2014-15 | 74% | 20% | 6% |
| 2015-16 | 73% | 21% | 6% |
| 5 Year Average | 75.4% | 18.6% | 6.0% |

* Does not include TRS On-behalf Payment

General State Aid Proration History

| <u>Year</u> | <u>Entitlement Amount</u> | <u>Proration %</u> | <u>Prorated Amount</u> | <u>Lost due to proration</u> |
|----------------|---------------------------|--------------------|------------------------|------------------------------|
| 2011-12 | \$ 21,511,380 | 95.04% | \$ 20,444,398 | \$ (1,066,982) |
| 2012-13 | \$ 21,010,906 | 89.17% | \$ 18,742,204 | \$ (2,268,702) |
| 2013-14 | \$ 28,736,204 | 88.70% | \$ 25,515,902 | \$ (3,220,302) |
| 2014-15 | \$ 34,198,627 | 87.17% | \$ 30,497,460 | \$ (3,701,167) |
| 2015-16 | \$ 37,280,259 | 92.08% | \$ 34,340,477 | \$ (2,939,782) |
| Totals | \$ 142,737,376 | | \$ 129,540,441 | \$ (13,196,935) |

Proration of State Reimbursement for Regular and Vocational Transportation

*Note: Special Education
Transportation reimbursement
not subject to proration*

| <u>Year</u> | <u>Proration %</u> | <u>Amount Lost</u> | <u>Cumulative Impact</u> |
|------------------------------------|--------------------|---------------------|--------------------------|
| 2010-11 | 26% | \$ 1,140,861 | \$ 1,140,861 |
| 2011-12 | 23% | \$ 887,230 | \$ 2,028,091 |
| 2012-13 | 24% | \$ 1,151,543 | \$ 3,179,634 |
| 2013-14 | 26% | \$ 1,258,608 | \$ 4,438,242 |
| 2014-15 | 29% | \$ 1,117,205 | \$ 5,555,447 |
| **2015-16** | 29% | \$ 1,125,000 | \$ 6,680,447 |
| Annual average of proration | | \$ 1,113,408 | |

Combined State Funding Lost Due to Proration

| | |
|--------------------------------------|-----------------------------|
| General State Aid (since FY12) | \$ 13,196,935 |
| Regular Transportation (since FY11) | \$ 6,680,447 |
| Total | <u>\$ 19,877,382</u> |

Year to Year Budget Comparison Expenditure Object Report Summary

| 2015-16 | | 2014-15 | | | |
|--------------------------|-----------------------|----------------|-------------|-----------------------|----------------|
| ALL FUNDS | | | | | |
| <u>Object</u> | <u>Budget</u> | <u>Percent</u> | - | <u>Actual</u> | <u>Percent</u> |
| Salaries | \$ 142,067,540 | 55.4% | 2.6% | \$ 138,445,905 | 55.7% |
| Benefits | \$ 32,271,918 | 12.6% | -4.4% | \$ 33,753,726 | 13.6% |
| Purchased Services | \$ 23,071,262 | 9.0% | 12.0% | \$ 20,604,682 | 8.3% |
| Supplies and Materials | \$ 11,946,181 | 4.7% | -2.8% | \$ 12,290,076 | 4.9% |
| Capital Outlay | \$ 4,989,130 | 1.9% | -0.2% | \$ 4,999,962 | 2.0% |
| Other Objects | \$ 39,877,400 | 15.5% | 11.8% | \$ 35,680,031 | 14.4% |
| Non-Capitalized Equip. | \$ 2,117,589 | 0.8% | 170.6% | \$ 782,508 | 0.3% |
| Post Employment Benefits | \$ 132,100 | 0.1% | -31.2% | \$ 192,033 | 0.1% |
| Transfers | \$ - | | | \$ 1,780,000 | 0.7% |
| Total | \$ 256,473,120 | 100.0% | 3.2% | \$ 248,528,923 | 100.0% |

| 2015-16 | | 2014-15 | | | |
|--------------------------|-----------------------|----------------|-------------|-----------------------|----------------|
| Education Fund | | | | | |
| <u>Object</u> | <u>Budget</u> | <u>Percent</u> | - | <u>Actual</u> | <u>Percent</u> |
| Salaries | \$ 129,638,950 | 71.1% | 2.6% | \$ 126,397,354 | 70.7% |
| Benefits | \$ 23,377,625 | 12.8% | -7.8% | \$ 25,348,819 | 14.2% |
| Purchased Services | \$ 11,275,929 | 6.2% | 16.4% | \$ 9,688,845 | 5.4% |
| Supplies and Materials | \$ 7,507,576 | 4.1% | 8.1% | \$ 6,948,170 | 3.9% |
| Capital Outlay | \$ 564,130 | 0.3% | 7.9% | \$ 522,879 | 0.3% |
| Other Objects | \$ 9,461,600 | 5.2% | 1.5% | \$ 9,323,469 | 5.2% |
| Non-Capitalized Equip. | \$ 280,089 | 0.2% | -29.0% | \$ 394,503 | 0.2% |
| Post Employment Benefits | \$ 117,000 | 0.1% | -27.4% | \$ 161,178 | 0.1% |
| Total | \$ 182,222,899 | 100% | 1.9% | \$ 178,785,217 | 100% |

Projected Revenues, Expenditures and Fund Balances for Fiscal Year Ending June 30th, 2016

| | <u>Beginning Fund Balance</u> | <u>Education</u> | <u>Operations & Maint</u> | <u>Transportation</u> | <u>IMRF/FICA</u> | <u>Tort</u> | <u>Working Cash</u> | <u>Total</u> |
|---|--------------------------------------------------------------------------|-----------------------|-------------------------------|-----------------------|--------------------|-------------------|-----------------------|-----------------------|
| 1 | - | - | | - | | - | | - |
| | **As of June 30, 2015 | \$ 30,376,908 | \$ 7,643,950 | \$ 4,345,579 | \$ 2,219,185 | \$ 1,816,940 | \$ 17,804,277 | \$ 64,206,839 |
| 2 | Revenues: | \$ 184,815,641 | \$ 17,734,501 | \$ 14,550,900 | \$ 7,505,741 | \$ 2,417,800 | \$ 1,065,175 | \$228,089,758 |
| 3 | Expenses: Note: excludes TRS On Behalf of \$53.6m | \$ 182,221,899 | \$ 20,055,930 | \$ 14,555,782 | \$ 7,466,045 | \$ 2,413,164 | \$ - | \$226,712,820 |
| 4 | Estimated Ending Balance: | \$ 32,970,650 | \$ 5,322,521 | \$ 4,340,697 | \$ 2,258,881 | \$ 1,821,576 | \$ 18,869,452 | \$ 65,583,777 |
| 5 | Difference % change in fund balance | \$ 2,593,742 8.54% | \$ (2,321,429) -30.37% | (4,882) -0.11% | \$ 39,696 1.79% | \$ 4,636 0.26% | \$ 1,065,175 5.98% | \$ 1,376,938 2.14% |
| 6 | # Days cash on hand 6/30/16 Fund balance divided by (expenses/365) | 66 | 97 | 109 | 110 | 276 | | 106 |

** Unaudited

TEN YEAR FUND BALANCE HISTORY

As of July 1,
20XX

| <u>Fund</u> | <u>2015</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> |
|----------------------------------|--------------|--------------|---------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Education | \$22,405,589 | \$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 |
| Food Service | \$ 7,971,318 | \$ 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 |
| Subtotal | \$30,376,907 | \$27,251,282 | \$ 31,921,322 | \$ 41,497,096 | \$ 47,895,298 | \$ 45,343,252 | \$ 53,298,161 | \$ 57,386,691 | \$ 46,586,054 | \$ 40,693,227 |
| Operations and Maintenance | \$ 7,643,950 | \$ 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 |
| Transportation | \$ 4,345,579 | \$ 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 |
| IMRF/Social Security | \$ 2,219,185 | \$ 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 |
| Working Cash | \$17,804,277 | \$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 |
| Tort | \$ 1,816,940 | \$ 1,095,362 | \$ 953,321 | \$ 9,542 | \$ 2,704 | \$ 2,730 | \$ (1,278,493) | \$ - | \$ - | \$ - |
| Life Safety | \$ 412,892 | \$ 406,636 | \$ 378,854 | \$ 366,404 | \$ 360,959 | \$ 309,748 | \$ 206,673 | \$ 133,991 | \$ 2,050,040 | \$ 2,314,877 |
| | \$64,619,730 | \$61,584,046 | \$ 66,825,640 | \$ 90,291,551 | \$ 101,373,491 | \$ 100,548,125 | \$ 106,068,242 | \$ 119,456,172 | \$ 114,860,326 | \$ 108,877,878 |

unaudited