

# 2014-2015 State of the District and Budget Presentation



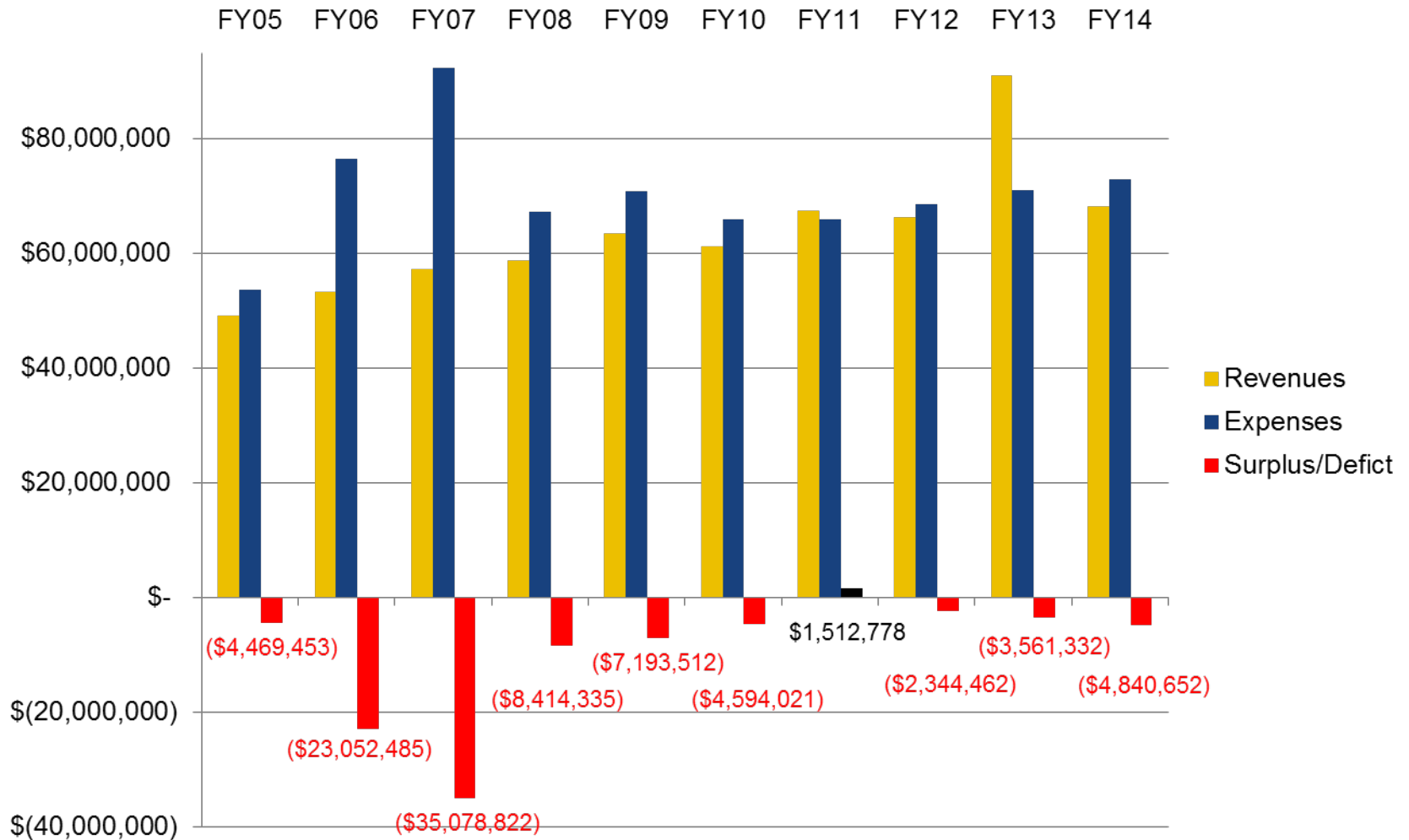
Nathaniel Cunningham Jr., Superintendent of Schools  
Ann Williams Ed.D., SFO, CSBO, Asst. Superintendent of Business



# State of the District

	FY10	FY11	FY12	FY13	FY14
					<b>*unaudited</b>
<b>BEGINNING FUND BALANCE</b>	<b>\$11,160,968</b>	<b>\$16,759,048</b>	<b>\$23,309,745</b>	<b>\$20,965,283</b>	<b>\$41,031,746</b>
<b>REVENUES:</b>					
Real Estate taxes	\$38,757,392	\$42,635,794	\$ 44,204,337	\$ 44,869,430	\$ 46,092,003
Other Local revenues	\$ 802,631	\$ 1,116,116	\$ 2,279,566	\$ 2,254,944	\$ 2,513,573
General State Aid	\$ 7,165,938	\$ 9,243,621	\$ 8,604,977	\$ 7,247,750	\$ 8,603,506
Restricted State Grants	\$ 6,302,964	\$ 7,096,967	\$ 6,478,522	\$ 7,856,685	\$ 6,655,684
Restricted Federal Grants	\$ 6,344,045	\$ 5,731,430	\$ 4,374,149	\$ 4,830,781	\$ 4,313,967
Investment income/Other	\$ 1,934,230	\$ 1,648,212	\$ 294,486	\$ 424,337	\$ 5,525,000
CDB grant				\$ 23,627,795	
<b>Total Revenues</b>	<b>\$61,307,200</b>	<b>\$67,472,140</b>	<b>\$ 66,236,037</b>	<b>\$ 91,111,722</b>	<b>\$ 68,178,733</b>
<b>EXPENSES:</b>					
Instruction	\$28,130,722	\$26,369,587	\$28,417,035	\$28,490,792	\$ 29,739,390
Support Services	\$28,041,230	\$26,891,395	\$26,400,906	\$28,350,195	\$ 29,389,019
Community Services	\$43,077	\$20,347	\$40,206	\$24,099	\$ 50,251
Payments to other governments	\$2,378,586	\$2,322,331	\$1,894,051	\$2,305,382	\$ 2,322,539
Debt Service	\$6,668,634	\$9,606,416	\$10,124,437	\$10,542,527	\$ 11,031,047
Capital Outlay	\$638,972	\$749,286	\$1,703,864	\$1,332,264	\$ 487,140
Interfund transfers/Other				\$ 525,000	\$ 5,525,000
<b>Total Expenses</b>	<b>\$65,901,221</b>	<b>\$65,959,362</b>	<b>\$68,580,499</b>	<b>\$71,045,259</b>	<b>\$ 73,019,386</b>
<b>REVENUES VS. EXPENSES</b>	<b>(\$4,594,021)</b>	<b>\$1,512,778</b>	<b>(\$2,344,462)</b>	<b>(\$3,561,332)</b>	<b>(\$4,840,652)</b>
Other financing sources	\$10,192,101	\$5,037,919			
<b>ENDING FUND BALANCE</b>	<b>\$16,759,048</b>	<b>\$23,309,745</b>	<b>\$20,965,283</b>	<b>\$41,031,746</b>	<b>\$36,191,094</b>

# State of the District



## Permanent Loss of Funds due to State's Fiscal Crisis

### General State Aid

School Year	Proration	Amount Lost
FY12	95%	\$ 455,831
FY13	89%	\$ 885,653
FY14	89%	\$1,100,460

### Regular Education Transportation

FY12	78%	\$485,675
FY13	75%	\$349,369
FY14	74%	\$342,631

### Special Education Transportation

FY13	99.7%	\$ 3,764
FY14	97.2%	\$ 43,673
		<u>\$3,667,056</u>

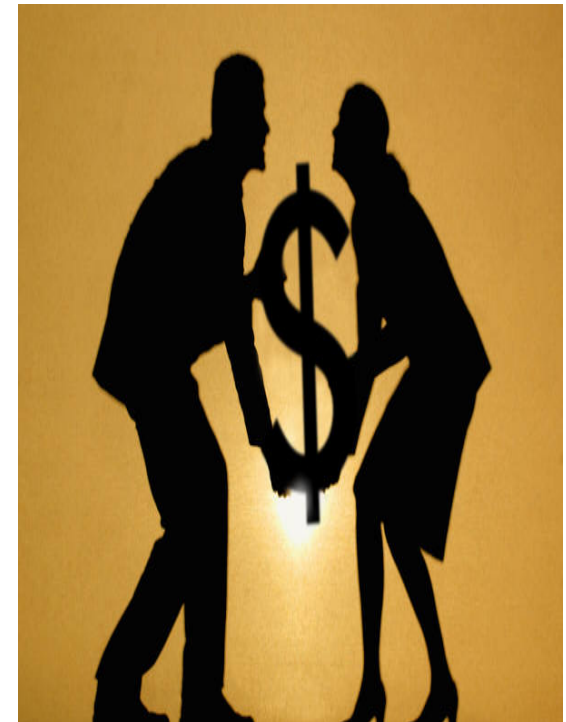




## Delayed Receipt of Funds due to the State's Fiscal Crisis

As of June 30, 2014, the Illinois State Board of Education owed the students of Crete-Monee District 201-U the following funds:

Special Ed Orphanage	\$746,254
Bilingual Ed	\$ 2,702
State Breakfast and Lunch	\$ 3,545
National Breakfast and Lunch	\$ 60,691
Special Milk	\$ 115
School Breakfast	\$ 8,701
Fresh Fruits/Vegetables	\$ 4,698
Title I	\$335,847
Title IV	\$ 55,398
Title III	\$ 46,541
Total Owed	\$1,264,808



# State of the District



The Financial  
"CRISIS"



1. Structural Deficit
2. State's Fiscal Crisis

# 2014-2015 Proposed Budget



*"A budget tells us what we can't afford, but it doesn't keep us from buying it."*

Robert Fulghum



# Budget Parameters

The Board of Education recognizes that it has the responsibility to the taxpayers of Crete-Monee School District 201-U to operate the school system in a fiscally sound manner.

The Board also recognizes that it is impossible to meet an infinite array of educational needs with finite resources.

Therefore, the primary objective of this budget is to provide **the greatest educational opportunities** for our students **within the constraints of available resources**.

This Administration formulated the budget to comply with this objective in mind.





# Budget Highlights

- General State Aid will increase \$1.6 million
- Transportation expenses will increase 7.5%
  - Regular Education increase = \$1.1 million
  - Special Education (out of district) decrease = **(\$0.6 million)**
- Capital projects expenses total \$1.2 million
  - Paving
  - Secure entrances
  - Electrical work
  - Remedial work
- \$2 million will be transferred from the Working Cash Fund to various operating funds

# Projected FY15 Budget Summary-Revenue

Local - \$49,786,631 (70%)

- Property taxes account for 67% of the district's anticipated revenue
- Local revenue also includes Corporate Personal Property Replacement Tax(CPPRT), nutrition sales, registration fees, etc.

State – \$16,803,186 (24%)

- State revenue includes restricted and unrestricted grants. Examples include; General State Aid, Special Ed reimbursements, Driver's Education, etc.

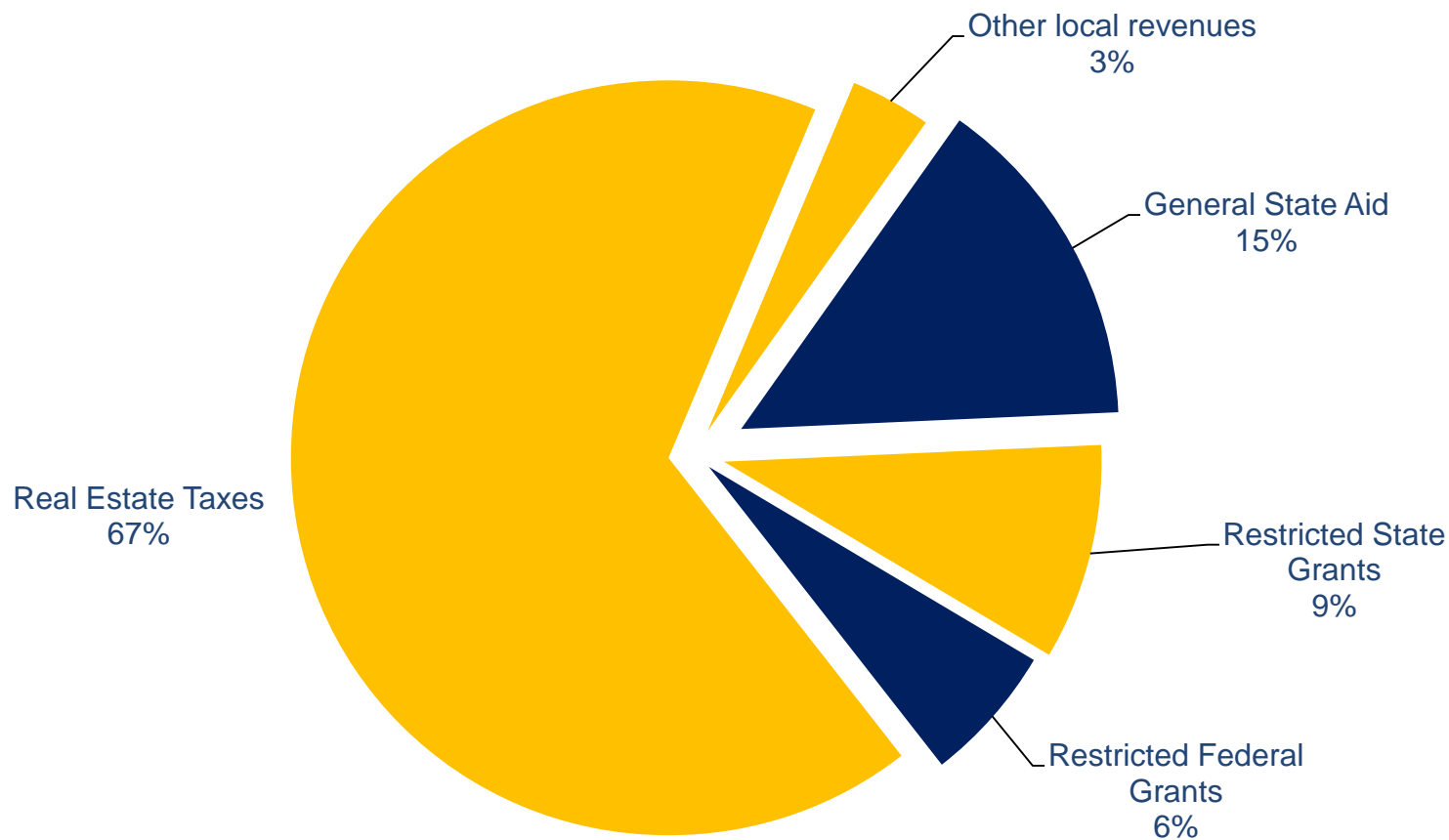
Federal – \$4,184,013 (6%)

- Federal revenue includes restricted grants only. Examples include; Titles I and II, IDEA, Medicaid Matching and National School Lunch.

**Total Anticipated Revenue = \$70,773,830**



# Projected FY15 Budget Summary-Revenue



**Total Anticipated Revenue = \$70,773,830**

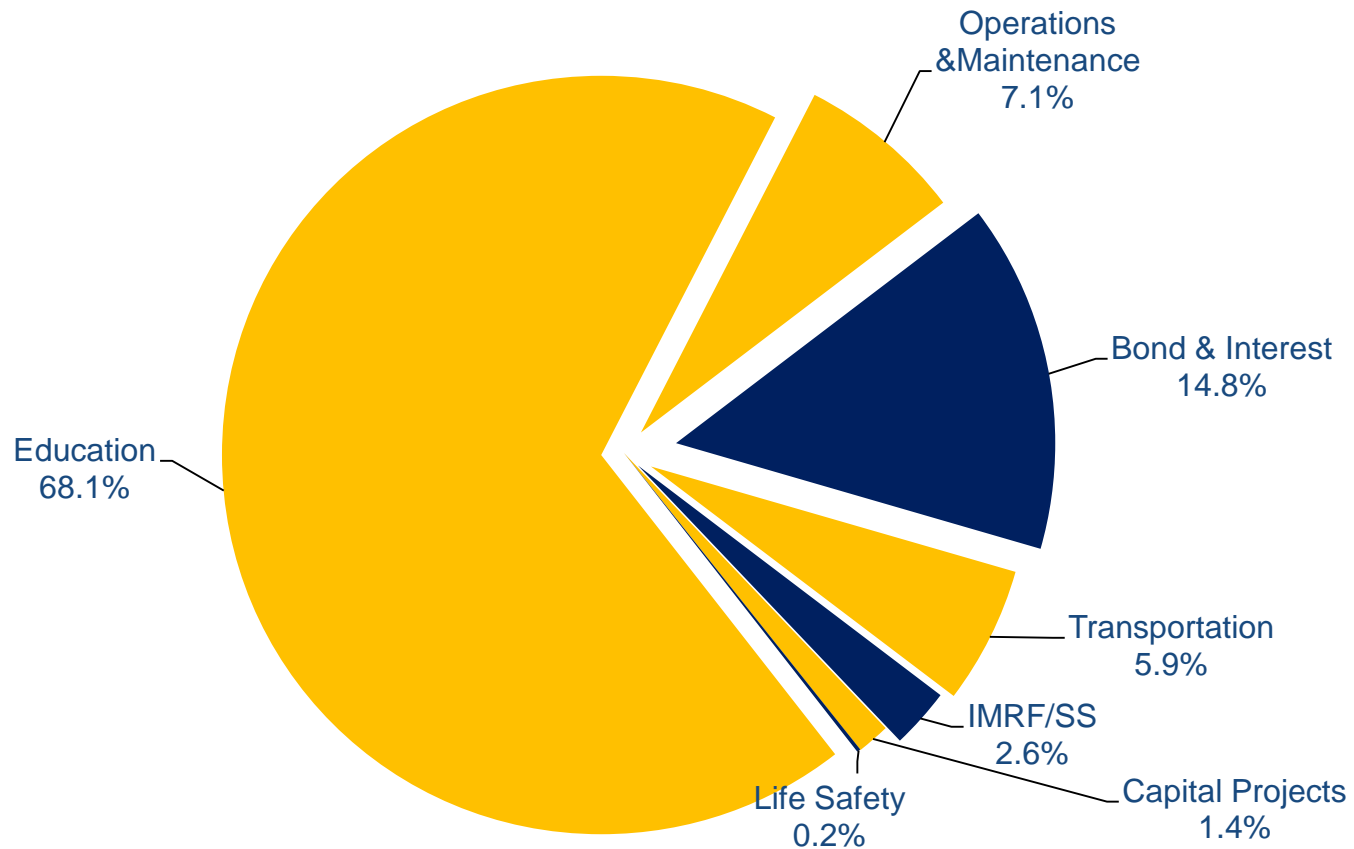


# Projected FY15 Budget Summary-Expenses

Education Fund	\$52,075,063	
Operations & Maintenance Fund	\$5,416,684	
Bond & Interest Fund	\$11,333,531	
Transportation Fund	\$4,476,074	
IL Municipal Retirement/Soc. Sec. Fund	\$1,963,037	
Capital Projects	\$1,059,345	
Working Cash*	\$2,000,000	
Life Safety	\$118,868	
<b>Total Anticipated Expenditures</b>		<b>\$76,442,602</b>

\*Working cash is actually a transfer between funds thus it does not impact actual revenues or expenditures.

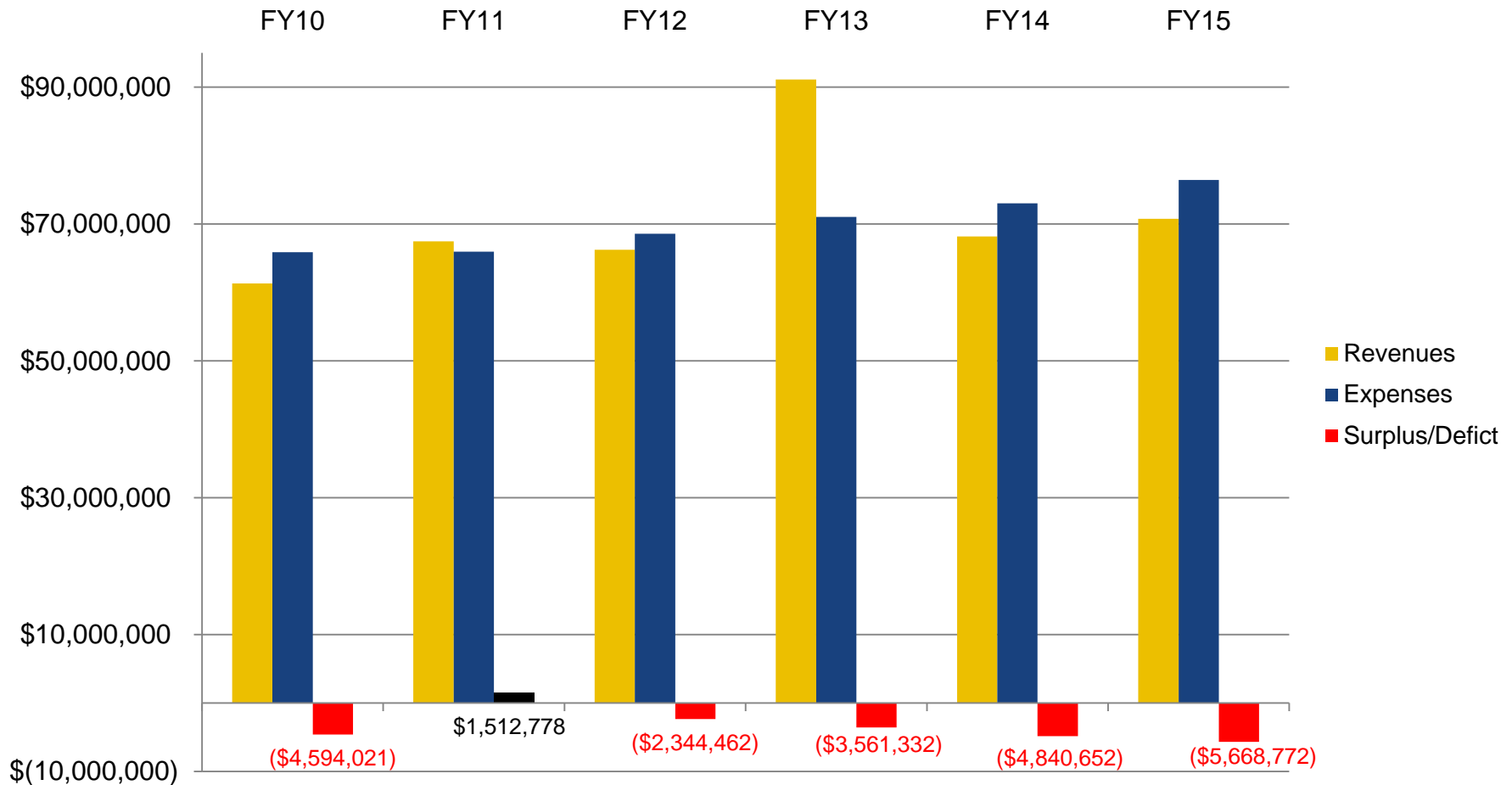
# FY15 Expense Summary-By Fund



**Total Anticipated Expenditures = \$76,442,602**



# FY10-FY15 Budget Summary



# *In Summary...*

FY15 Estimated Beginning Fund Balance \$36,191,094

Revenues (+) \$70,773,830

Expenditures (-) \$76,442,602

**Deficit** **(\$5,668,772)**



FY15 Estimated Ending Fund Balance \$30,522,322

FY15 Estimated Ending Fund Balance (excluding CDB Funds) \$ 9,522,322

# ***CM201-U's Financial Future***

**CM201-U must strategically manage financial uncertainty in several areas:**

- ✓ ***State of Illinois' financial crisis***
- ✓ ***Pension reform***
- ✓ ***Affordable Health Care Act***
- ✓ ***Unfunded mandates (online testing, ELL, Special Education), etc.)***
- ✓ ***Pending negotiations***
- ✓ ***Our existing structural deficit***



## **Recommendations Moving Forward:**

- ✓ ***Minimize expenses where possible (overtime, supplies, etc.)***
- ✓ ***Consider zero based budgeting for the future***
- ✓ ***Create facility maintenance plan***
- ✓ ***Reduce non-instructional costs to bring back art, music and physical education at the grade schools***
- ✓ ***Finalize long-term District facility plan and identify funding sources for all projects***



# Questions?

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