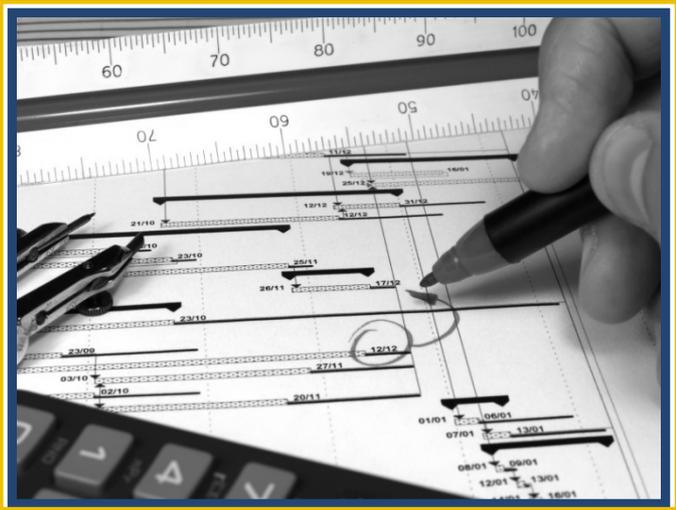


# 2016-2017 Amended Budget Presentation



Ann Williams Ed.D., SFO, CSBO  
Assistant Superintendent of Business



# State of the State

## September 2016

*The stopgap budget agreement wasn't a balanced spending plan, but a "temporary way to get through the general election"*

Governor Rauner

- Illinois' unpaid bill backlog predicted to exceed \$14 Billion by summer 2017
- A recent Teacher's Retirement System decision also had an impact
- Stopgap budget exacerbated the issue
- Illinois credit rating the worst in the nation...and it just went lower

## June 2017

*This is not a false alarm. The magic tricks run out after a while, and that's where we're at."*

Comptroller Susana Mendoza

- Illinois' unpaid bill backlog as of 6/16/17 is...**\$15.1 Billion**
- More than **\$800 Million** spent on late fees
- Illinois owes school districts more than **\$1.1 Billion** in categorical grants
- Recent court order mandating Medicaid payments pushes schools further down the list of outstanding bills to pay



## Impact of the State's Fiscal Crisis

On September 13, 2016, the Illinois State Board of Education owed CM201U \$1.3 Million.

As of June 20, 2017, the **Illinois State Board of Education owed Crete-Monee District 201-U more than \$4 MILLION DOLLARS.**

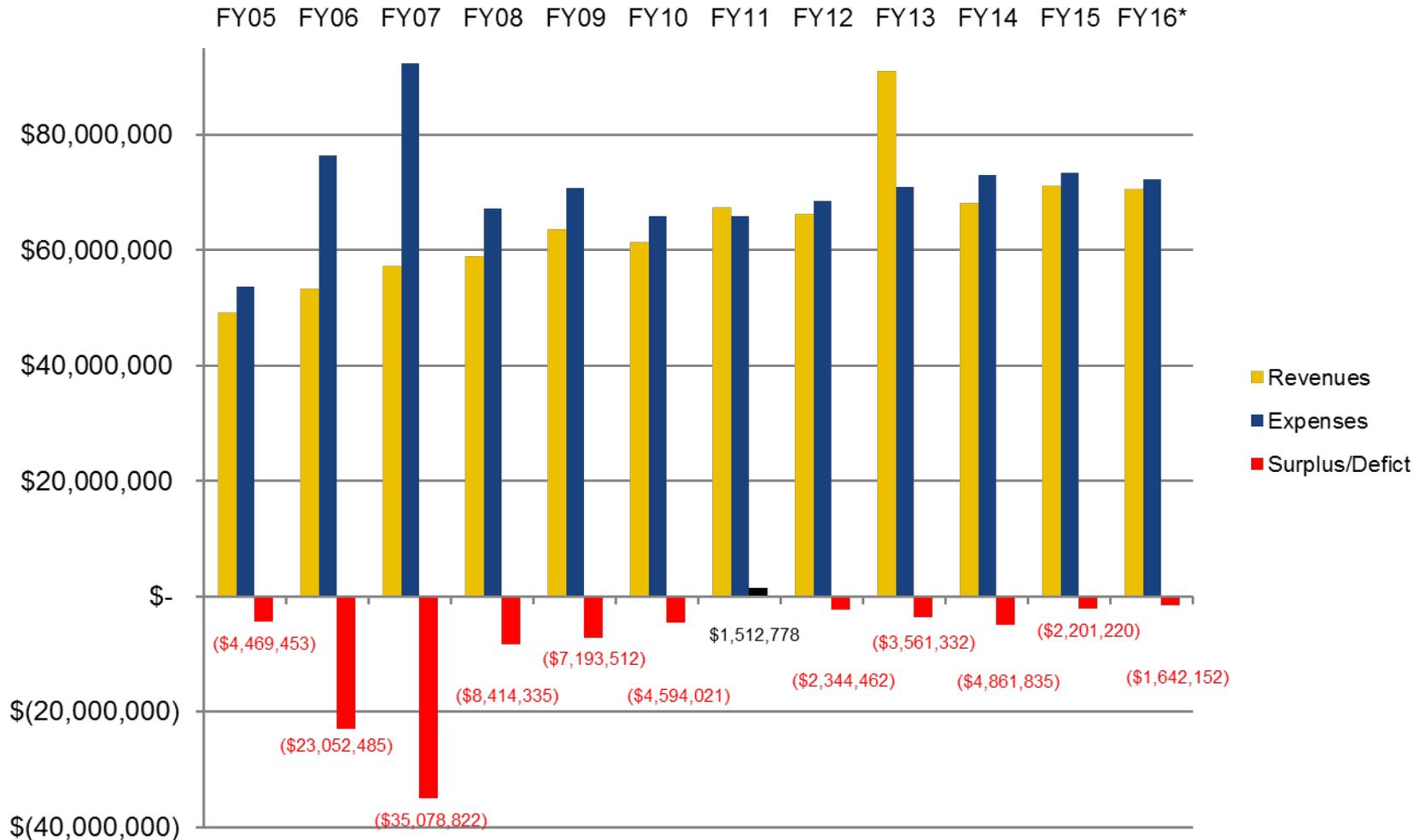
SE Private Facility Tuition	\$419,978
Funding for SE	\$491,977
SE Personnel	\$943,883
SE Orphanage*	\$234,518
Bilingual Ed*	\$ 7,508
State Breakfast and Lunch	\$13,694
Driver's Ed	\$12,369
RE & VE Transportation	\$1,217,187
SE Transportation	\$1,214,427
<b>Total Owed (as of June 20, 2017)</b>	<b>\$4,555,541</b>



The Financial  
"CRISIS"



# State of the District



\*Deficit does not include Capital Project expenditures)

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

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

- ✓ *State of Illinois' financial crisis*
- ✓ *Unfunded mandates (online testing, ELL, Special Education, etc.)*
- ✓ *Contractual salary obligations*
- ✓ *Existing structural deficit*
- ✓ *Possibility of pension reform*
- ✓ *Proposed tax freeze*

**Recommendations Moving Forward:**

- ✓ *Continue zero-based budgeting methodology*
- ✓ *Consider ways to become more efficient*
- ✓ *Create and implement preventative maintenance for facilities*
- ✓ *Revisit the budget parameters established by Administration*



# 2016-2017 Amended 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 limited 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.

# Amended Budget Assumptions

## – Revenues

- ✓ The state of Illinois **WILL NOT** meet its financial obligations to schools...
  - » General State Aid will increase....for now.
  - » Other state revenue sources will continue to be prorated
  - » State payments will be delayed 6-12 months

## – Expenditures

- Salaries were increased across the board
  - CMEA
  - ACME
  - Non union staff





# Amended Budget Highlights

- Local tax revenue will increase **.75%** over the prior year (excluding new property)
- General State Aid increased \$332k and was not prorated (resulted in a \$1.3 million increase)
- Tuition paid to other educational facilities will increase 32%
  - Partnership with Prairie State College
  - Partnership with Kankakee Area Career Center
  - Inflationary increases for out of district Special Education placements
- Expenditures totaling roughly \$9.5M will be paid towards capital projects

# Amended FY17 Budget Summary-Revenues

Local - \$49,698,770 (72%)

- Property taxes account for 69% of the district's total anticipated revenue
- Other local revenues include Corporate Personal Property Replacement Tax (CPPRT), lunch/breakfast sales, registration fees, etc.

State – \$15,739,888 (23%)

- General State Aid accounts for 19% of the district's total anticipated revenue
- Other state revenues are restricted including; Special Ed reimbursements, Driver's Education, etc. Actual receipts are expected to decrease \$1.9M compared to the prior year

Federal – \$3,600,125 (5%)

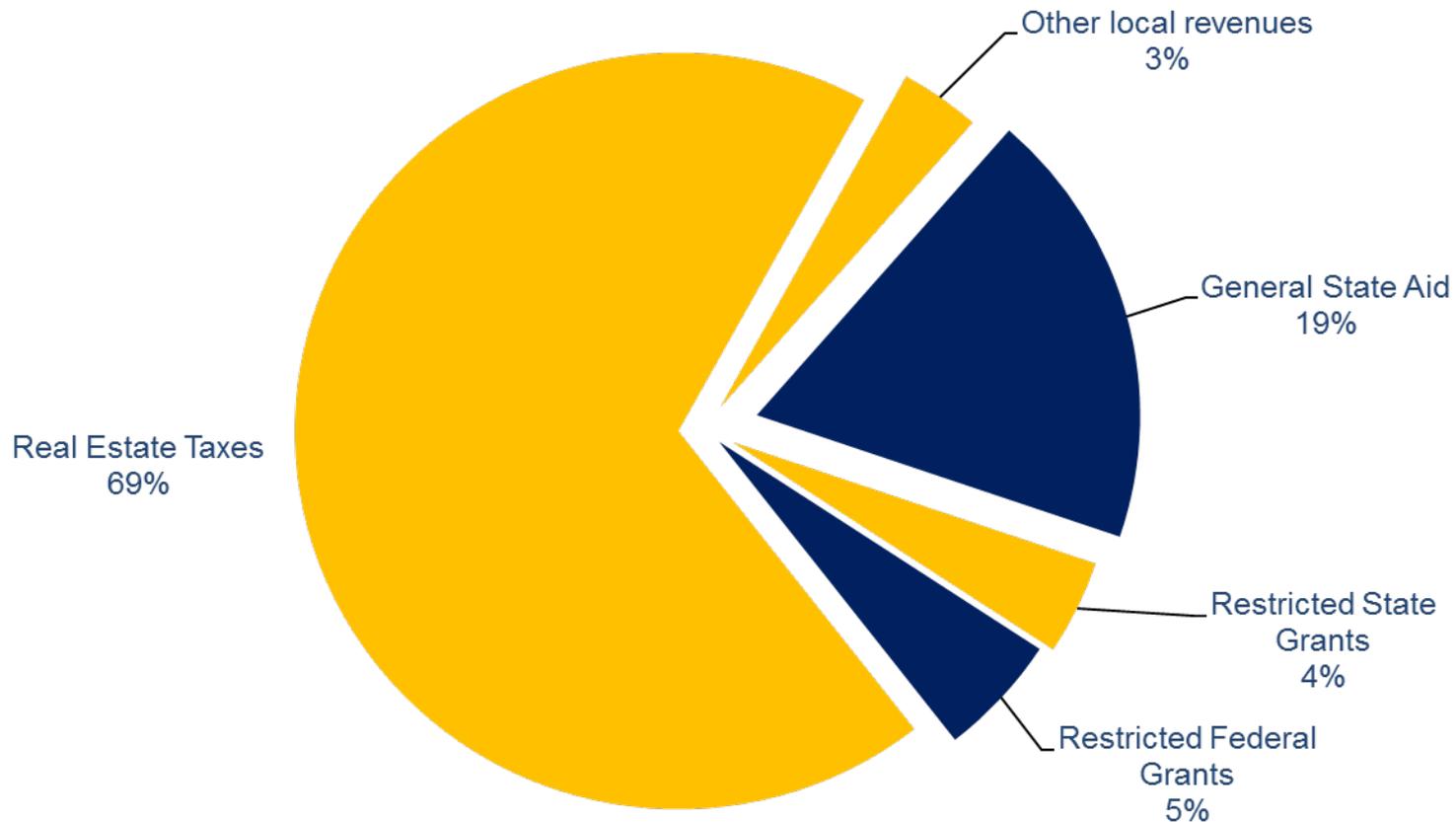
- Federal revenues consist of restricted grants. Examples include; Titles I and II, IDEA, Medicaid Matching and National School Lunch.

**Total Amended Budget Revenue = \$69,038,783**

**Total Original Budget Revenue = \$72,496,315**



# Amended FY17 Budget Summary-Revenues



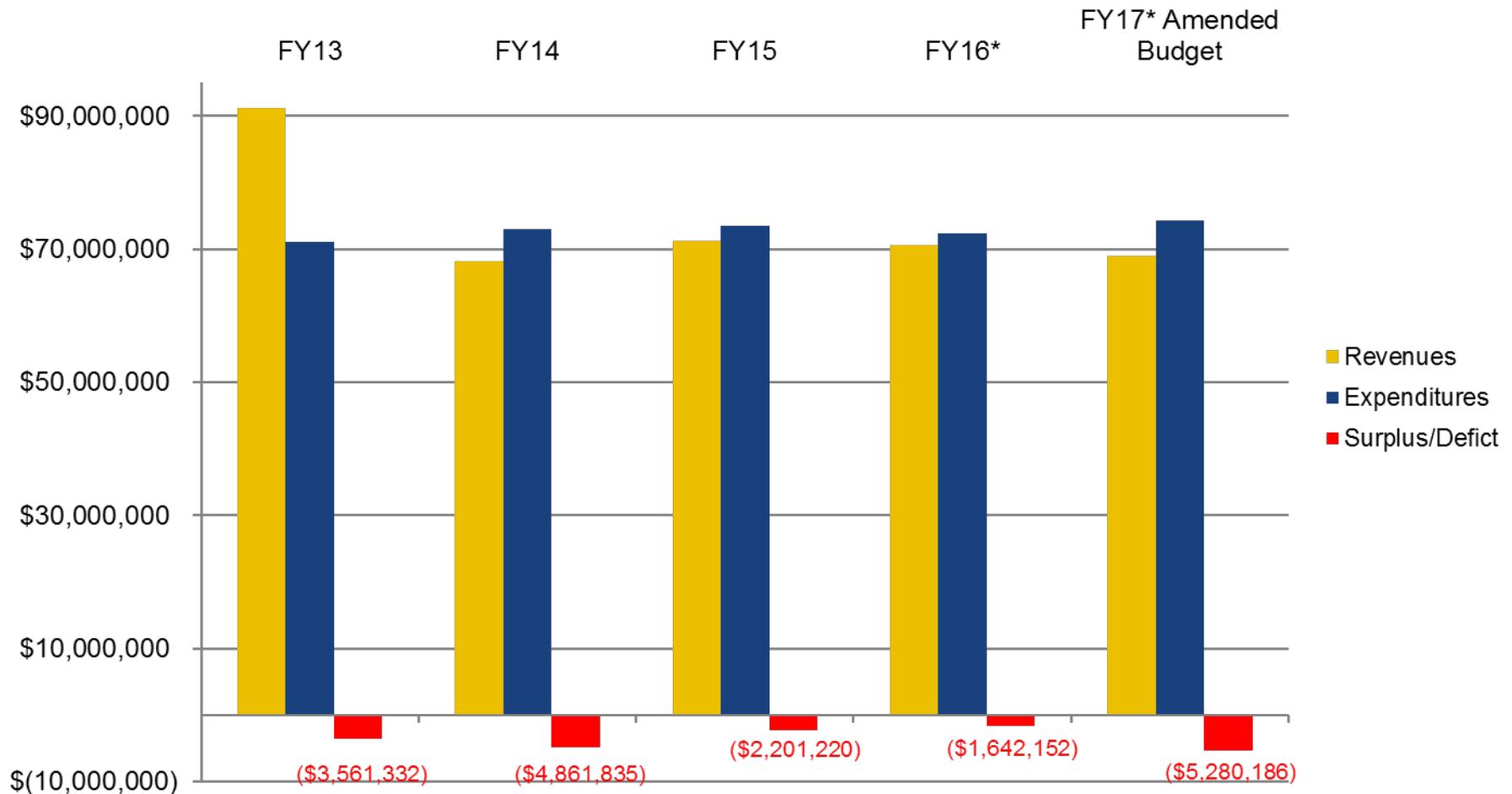


# Amended FY17 Budget Summary-Expenditures

Education Fund	\$51,869,712	
Operations & Maintenance Fund	\$ 4,193,077	
Bond & Interest Fund	\$10,369,550	
Transportation Fund	\$ 6,240,185	
IL Municipal Retirement/Soc. Sec. Fund	\$ 1,646,445	
Capital Projects	\$ 9,575,000	
<b>Total Amended Budget Expenditures</b>		<b>\$83,893,969</b>
Total Original Budget Expenditures		\$81,405,236



# CM201-U Five Years at a Glance\*\*



\*FY16 and FY17 amounts do not include capital projects

## *In Summary...*

FY17 Beginning Fund Balance \$41,427,361

Revenues (+) \$69,038,783

Expenditures (-) \$83,893,969



FY17 Estimated Ending Fund Balance \$26,569,175

Deficit excluding Capital Projects (\$5,280,186)

Deficit including Capital Projects (\$14,855,186)

# Questions?

Dr. Ann Williams, Assistant Superintendent of Business

[williamsa@cm201u.org](mailto:williamsa@cm201u.org)

708.367.8320

