

Bloomington Public Schools



**2016 TENTATIVE BUDGET
AUGUST, 2015**

Agenda



- Budget and Levy Calendar
- Budget Principles
- Assumptions
- Detail – Education Fund
- Overview – All Funds

Budget and Levy Schedule



- July /August 15 Develop & Present 2016 Tentative Budget & Calendars
- September 15 Public Hearing & Approve Legal Budget
- October 15 2015 Levy Report for 2017 Budget
- December 15 Levy Hearing & Approve 2015 Levy for 2017 Budget
- January / May 16 Develop 2017 Budget Principles & Outlook
- March / May 16 Review Status 2016 Budget & 2017 RIF
- May /June 16 Amend 2016 Budget

Budget Principles



- Maintain the **fiscal health of the District.**
- Maintain a **multi-year view.**
- Target resources to maximize academic **achievement.**
 - Prioritize **direct instructional services** to students.
 - Target grant funds to teacher **salaries.**
- Equitably fund the **entire K-12** academic program.
- Assure the **safety** of students and staff at all school

All Funds Revenue



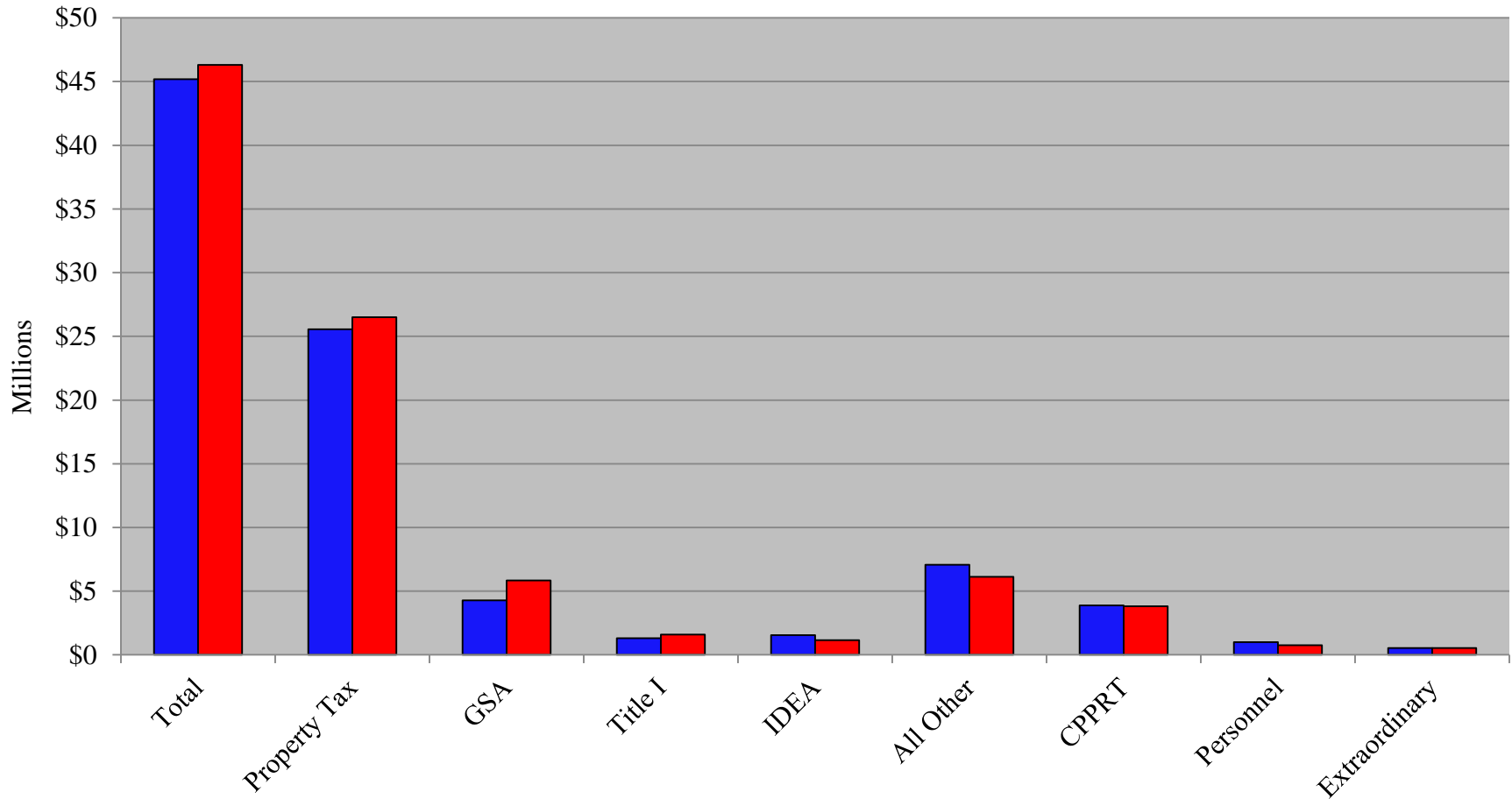
	2002 Report Card			2014 Report Card	
	<u>District 87</u>	<u>Illinois</u>		<u>District 87</u>	<u>Illinois</u>
Local	78.1%	61.9%		73.4%	66.0%
State	15.6%	30.6%		19.0%	26.1%
Federal	6.3%	7.4%		7.5%	7.9%

All Fund Expenditures

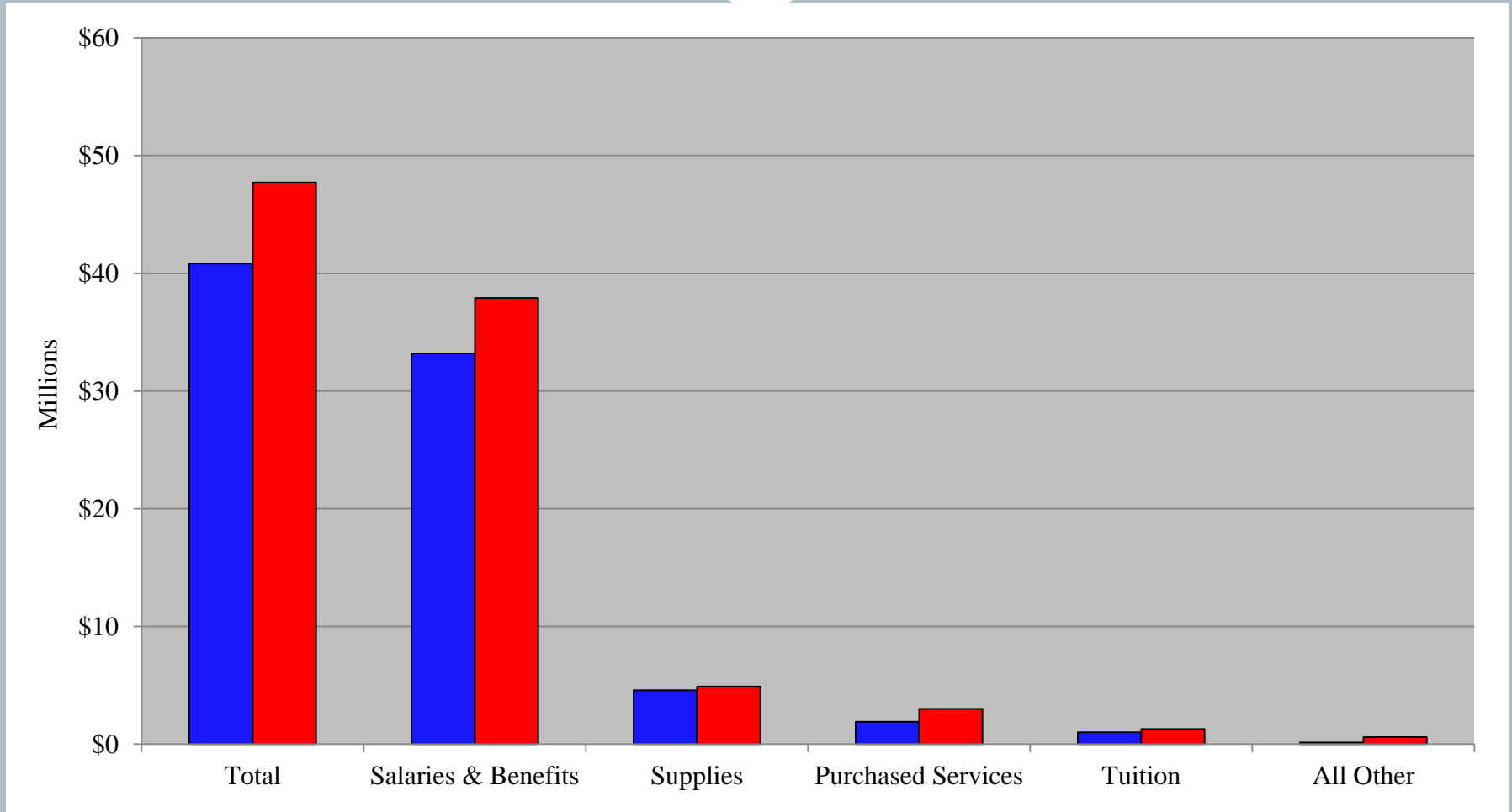


	2002 Report Card			2014 Report Card	
	<u>District 87</u>	<u>Illinois</u>		<u>District 87</u>	<u>Illinois</u>
Instruction	52.5%	45.8%		46.2%	48.5%
Administration	2.0%	2.4%		2.7%	3.3%
Support	35.2%	32.3%		38.7%	30.1%
Other	10.3%	19.5%		12.4%	18.1%

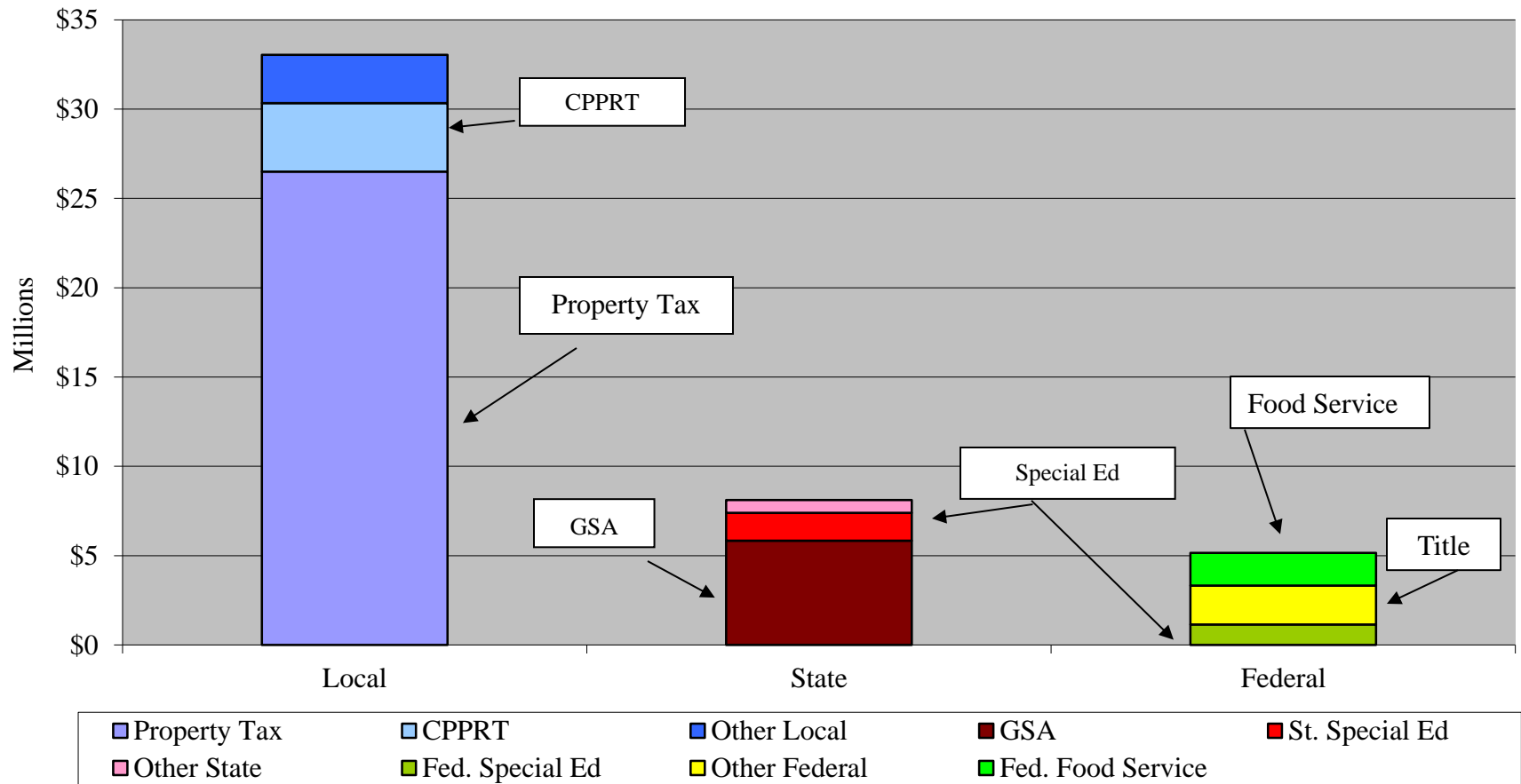
Education Fund Revenue 2007-2016



Education Fund Expenditures 2007-2016

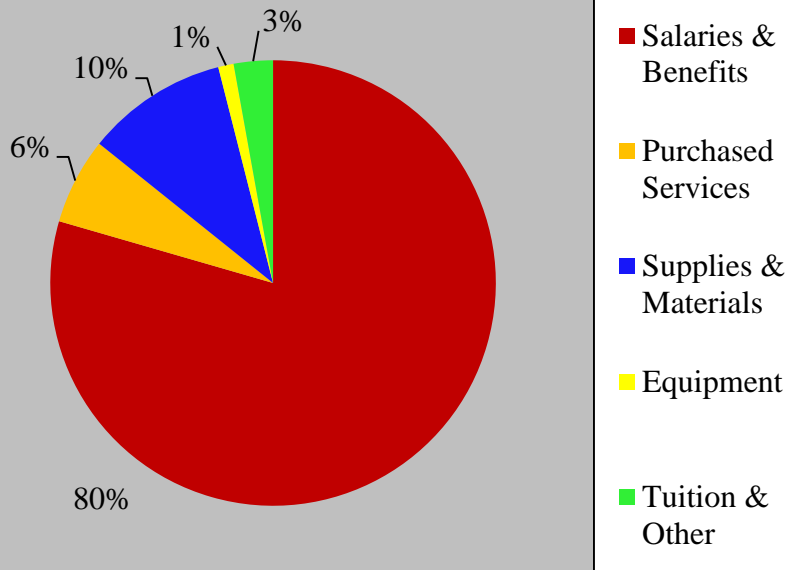


Education Fund Revenue – 2016

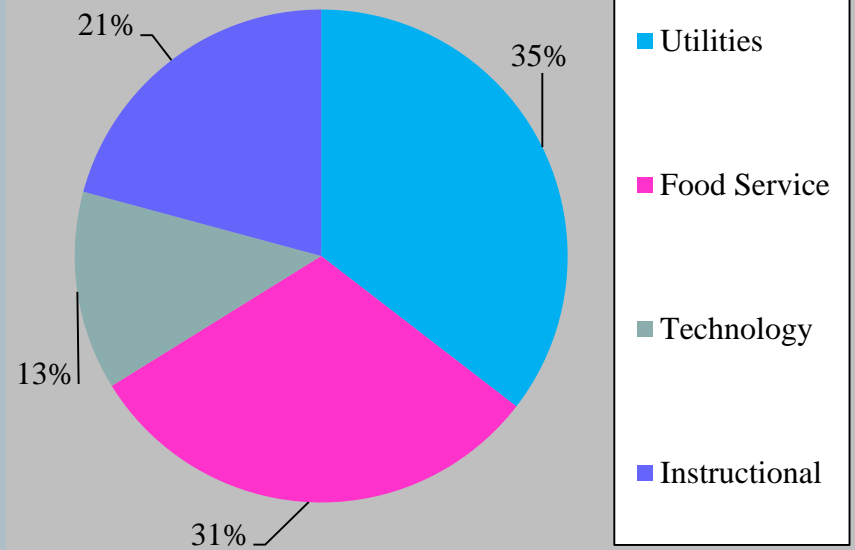


Education Fund Expenditures – 2016

All Expenditures



Supplies



Education Fund 2015 Budget to Actual



	2015 Budget	2015 Actual	Difference
Local	33,171,441	33,445,860	274,419
State	7,744,494	7,724,180	(20,314)
<u>Federal</u>	<u>4,529,591</u>	<u>5,333,414</u>	<u>803,823</u>
Total Revenue	46,445,526	46,503,454	1,057,928
Salaries	31,838,015	31,712,468	(125,547)
Benefits	5,803,654	5,450,949	(352,705)
All Other	<u>9,857,884</u>	<u>9,691,316</u>	<u>(166,568)</u>
Total Expenditures	47,499,553	46,854,733	(644,820)
Surplus(Deficit)	(2,054,027)	(351,279)	

Why are we in Deficit - Context



- In FY10 we began to see a structural deficit developing where base revenue growth did not support on-going operations. Ended the year with approximately a \$1 M deficit.
- In FY11 & 12 we avoided deficits with an influx of federal ARRA and JOBS stimulus funds at the state and local level.
- Since FY12, revenue dropped over \$4.7 M and we anticipate another small drop of \$200 K in FY16.
- In response, we developed a Deficit Reduction Plan to cut Staff and Operations and raise new revenue (Fees, ACC, WC Transfer).

- In the last three years:
 - Total Education Fund Revenue Down over \$4.9 M / 9.5%.
 - Total Education Fund Expenditures Down over \$2.9 M / 5.8%.

Context Continued



- All major revenues are flat or down:
 - Property Tax (Down \$1.3 M / 4.7%, EAV)
 - GSA (Down \$1.7 M / 22.9%, Map and Pro-ration)
 - State Special Ed and Other (Down \$1.2 M / 34%)
 - Federal (Down \$2.3 M / 31%)
 - CPPRT is the main bright spot (Up \$1 M / 37%)
- Cuts to staff have occurred at all levels and we cut other operations costs, but we likely can't balance with cuts alone.
- Salaries for all levels have been frozen for at least one year.

Education Fund 2016 Assumptions



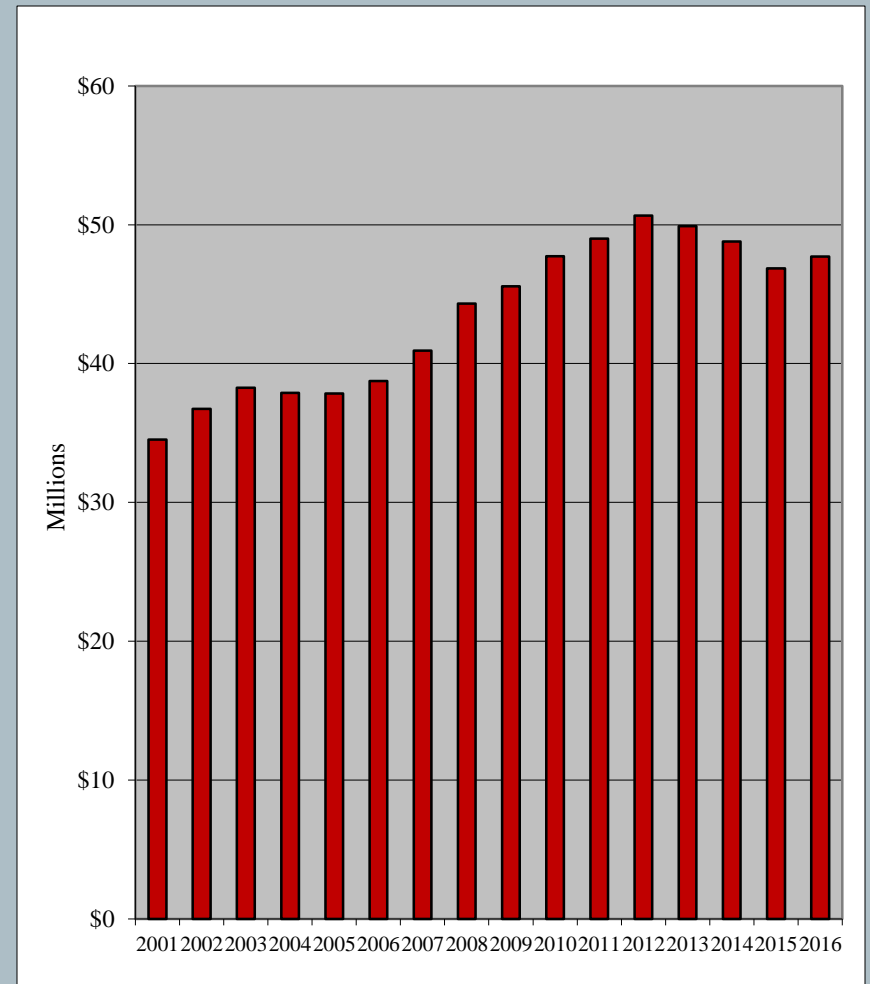
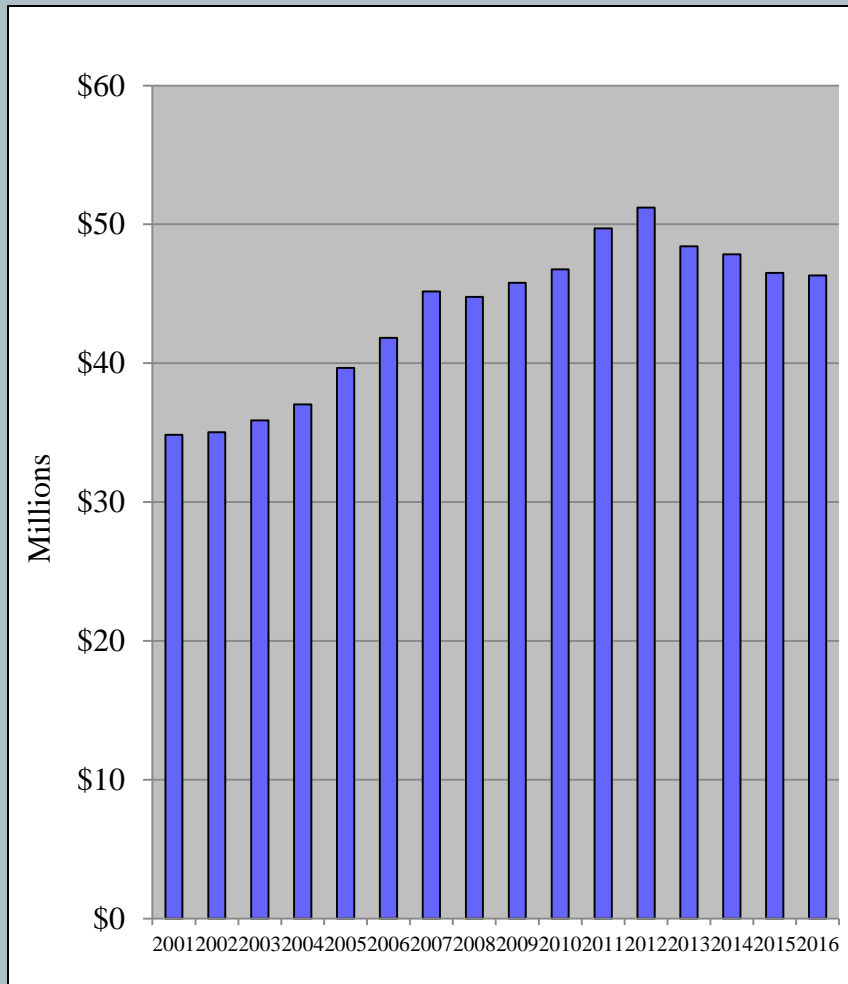
- Revenues Essentially flat, down only **(\$188 K / 0.4%)**
- Expenditures Up \$859 K / 1.8%
- Deficit **(\$1.4 M)**
- Property Tax EAV up 0.5% & 99.2% Collection
- CPPRT Flat, pending DOR estimate
- GSA Up \$538 K (No Map Issue & 92% Proration)
- Special Ed 3 Quarterly Payments
- Federal Down **(\$174 K / 3.3%)**
- Salaries Up STEP (2.9 %) & Ed Movement
Down Turn-Over
- Health Insurance 5.5% Rate Increase

Education Fund 2015 Actual to 2016 Budget

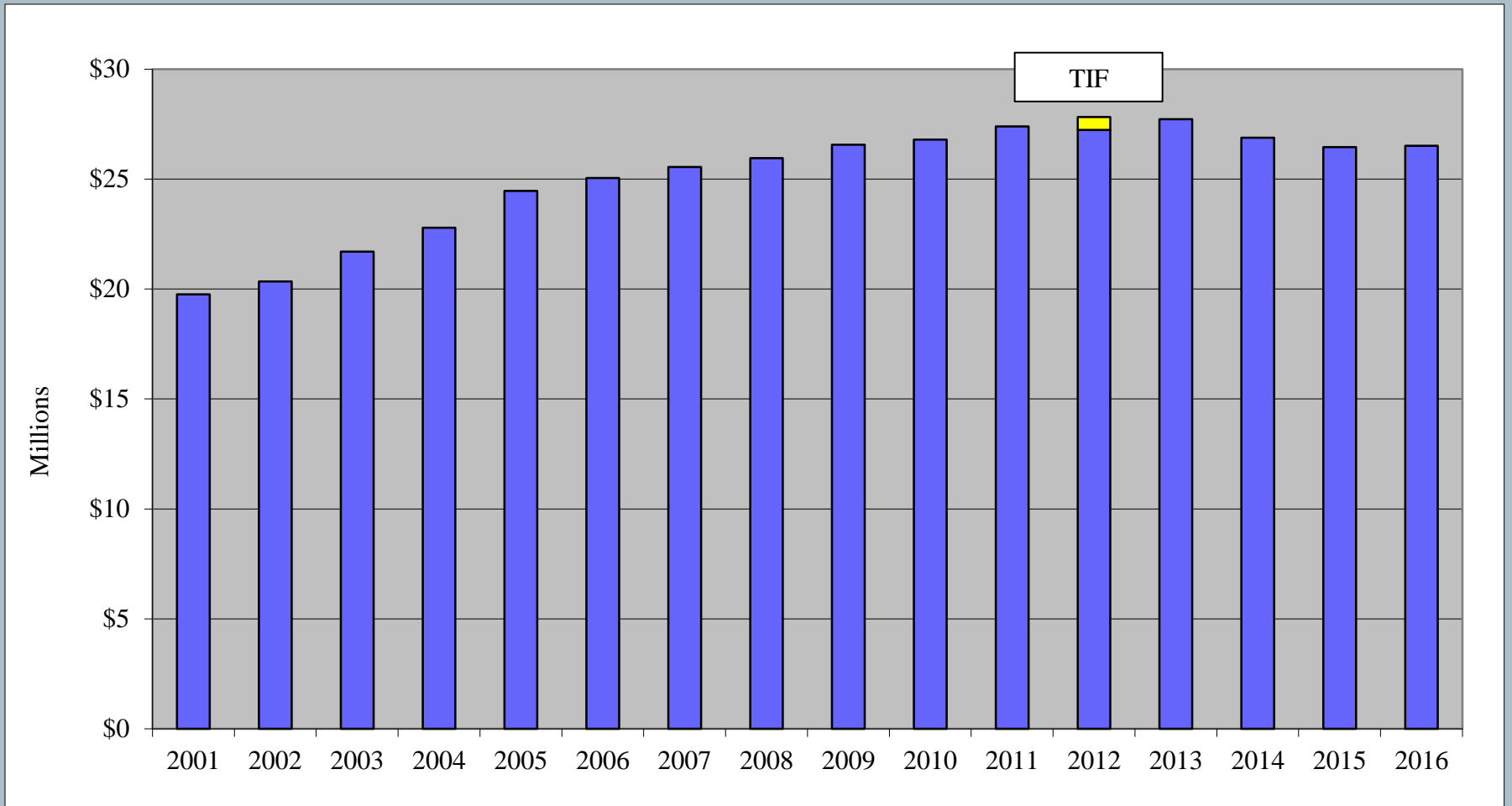


	2015 Actual	2016 Budget	Difference
Local	33,445,860	33,042,225	(403,635)
State	7,724,180	8,113,495	389,315
<u>Federal</u>	<u>5,333,414</u>	<u>5,159,724</u>	<u>(173,690)</u>
Total Revenue	46,503,454	46,315,444	(188,010)
Salaries	31,712,468	32,052,264	339,796
Benefits	5,450,949	5,866,993	416,044
<u>All Other</u>	<u>9,691,316</u>	<u>9,794,051</u>	<u>102,735</u>
Total Expenditures	46,854,733	47,713,309	858,576
Surplus(Deficit)	(351,279)	(1,397,865)	

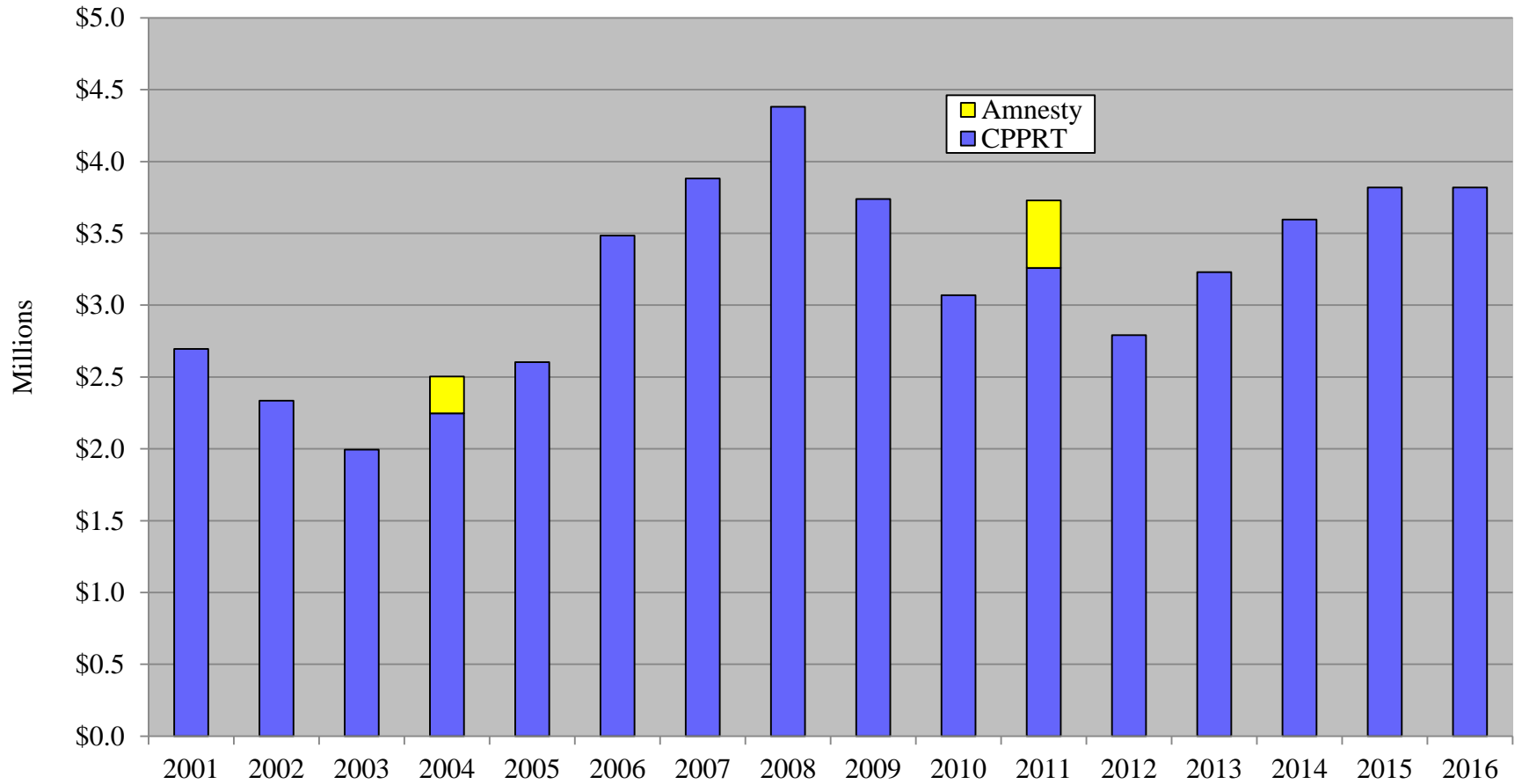
Revenue and Expenditure Trends



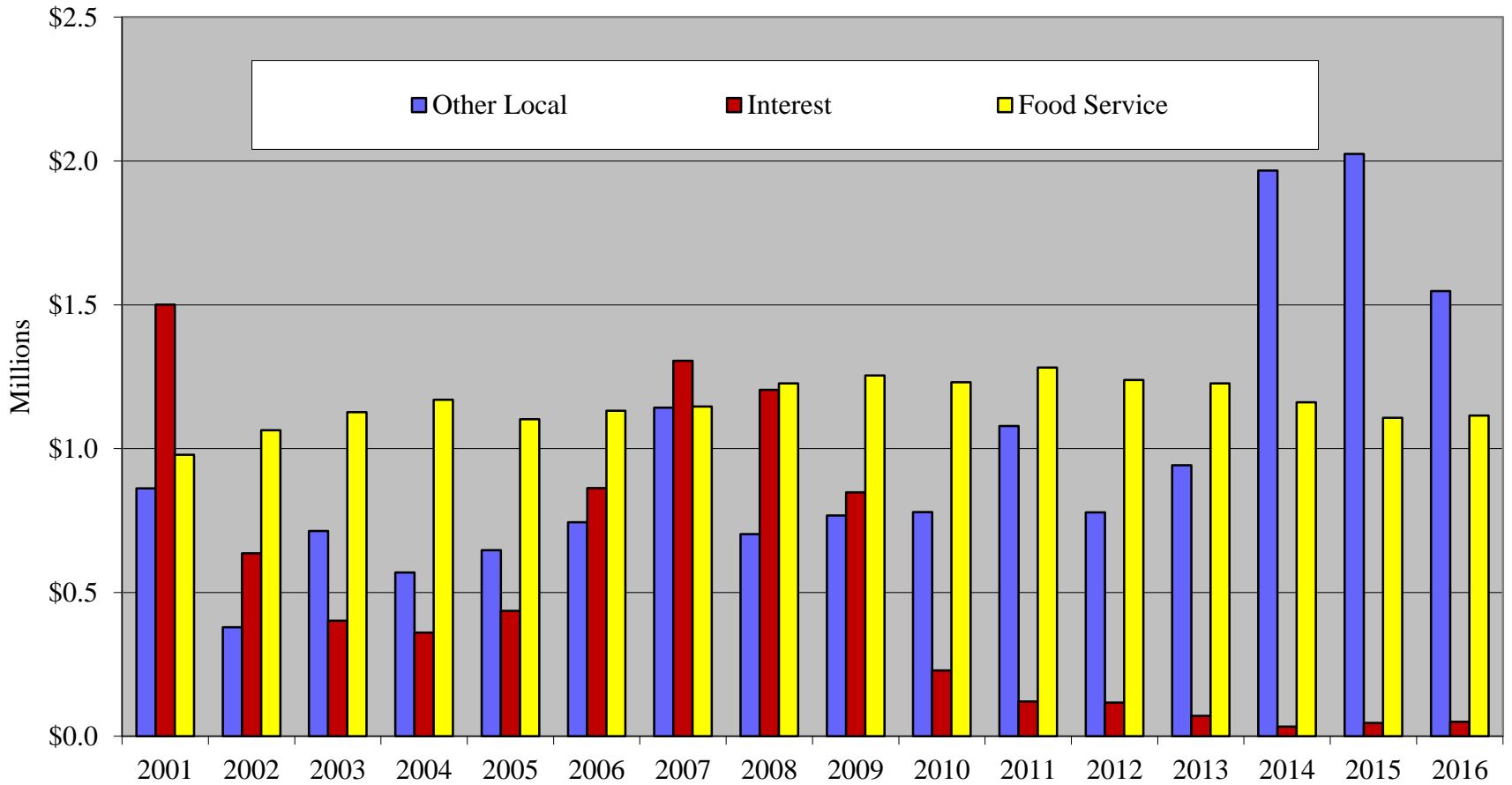
Property Tax



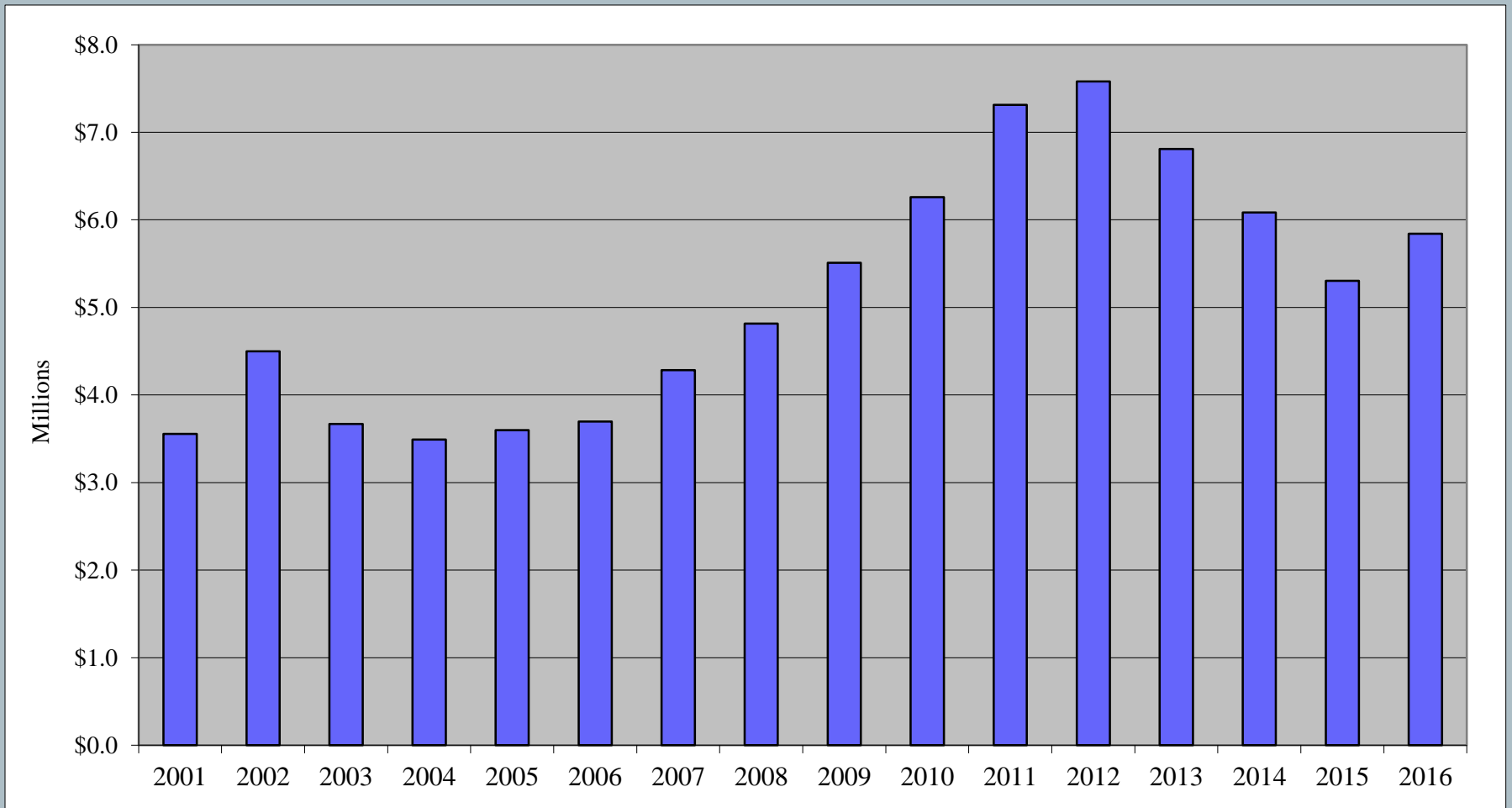
CPPRT



Other Local



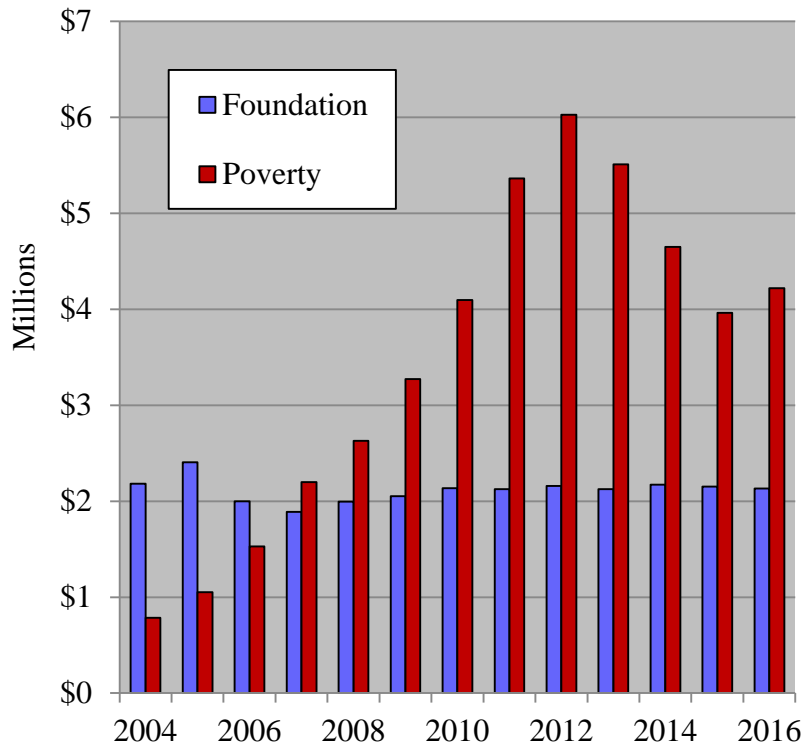
General State Aid



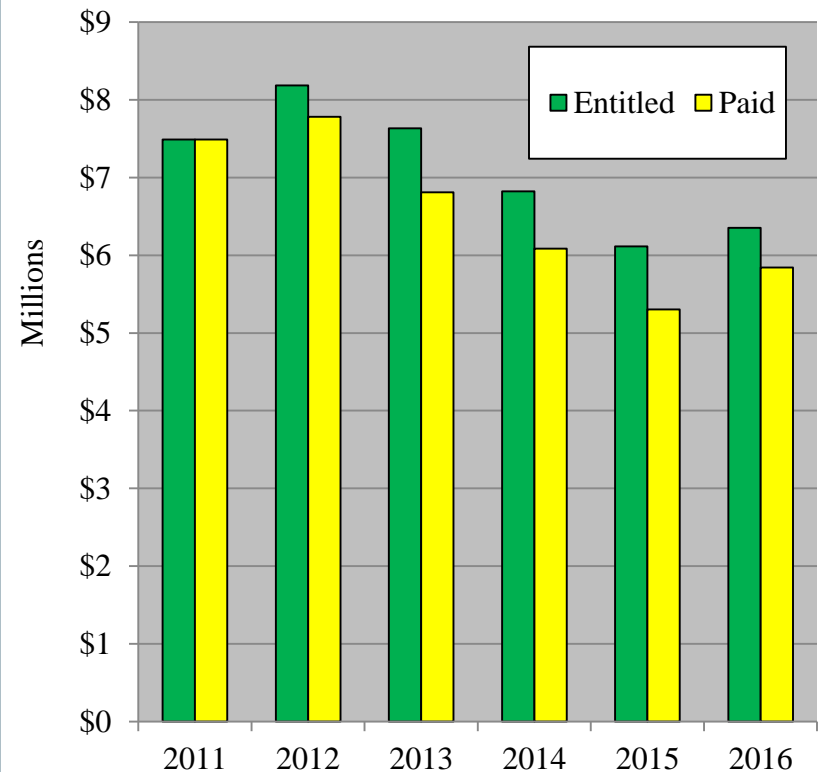
GSA – Components & Pro-Ration



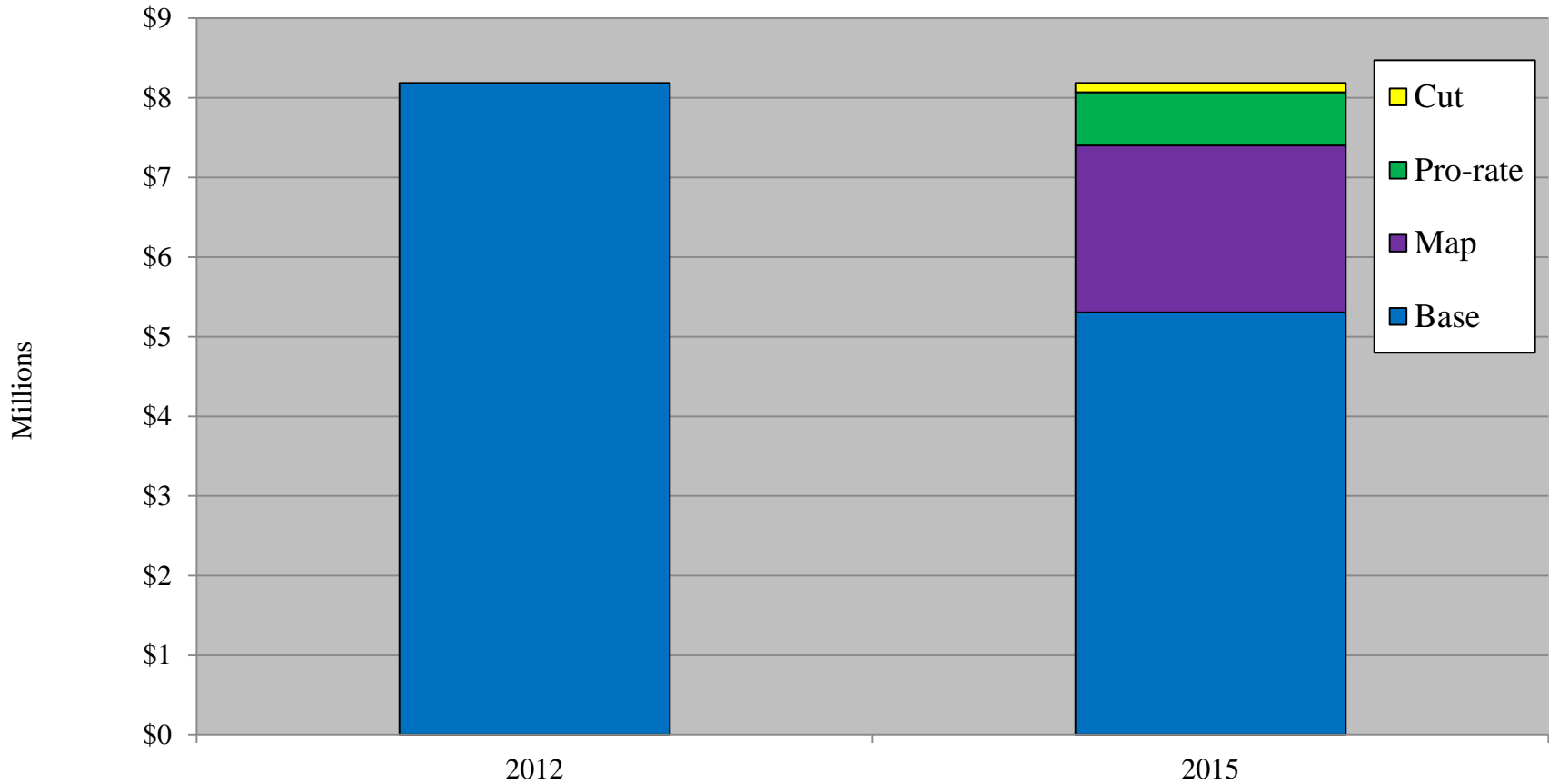
Formula Components



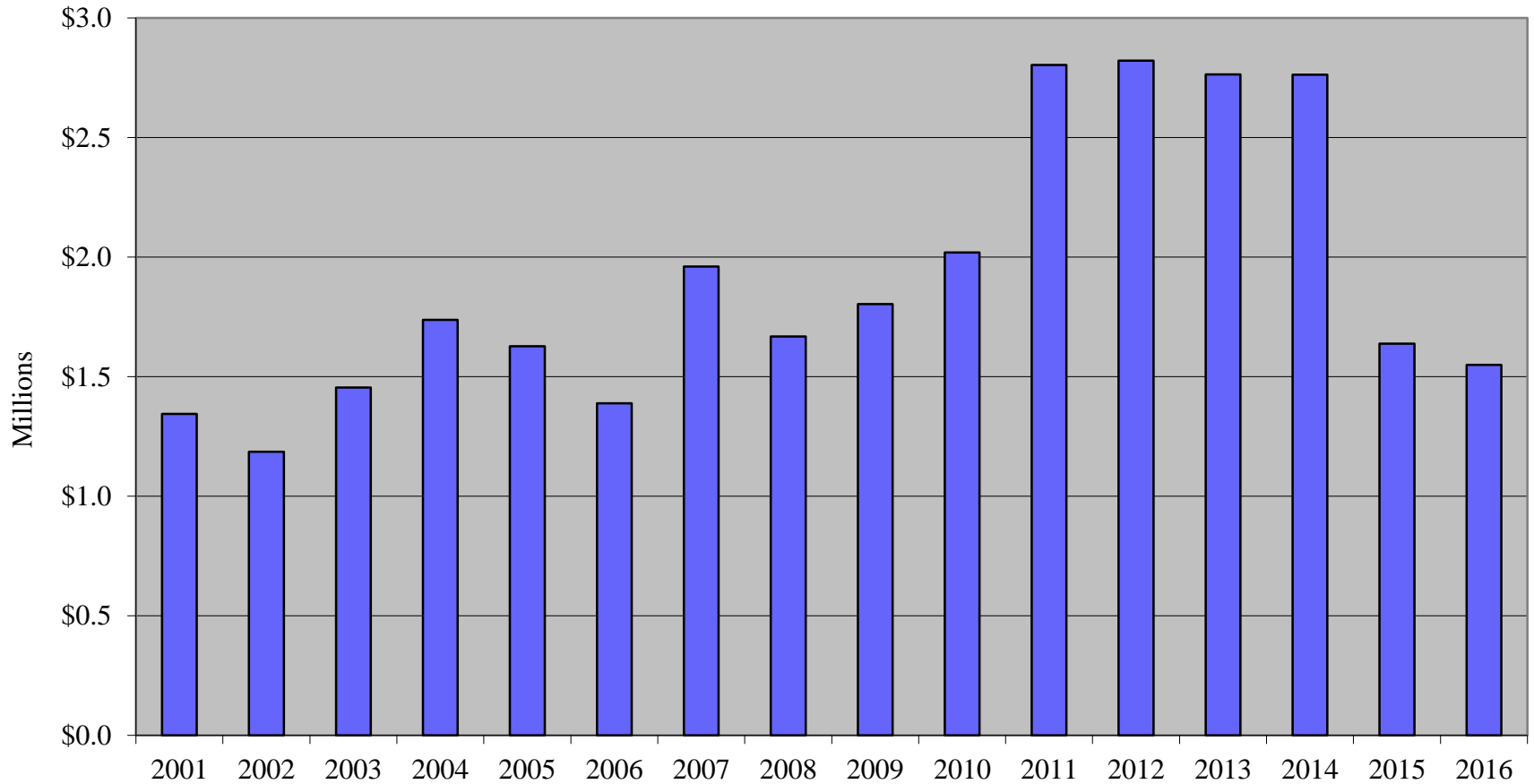
Entitled vs. Paid



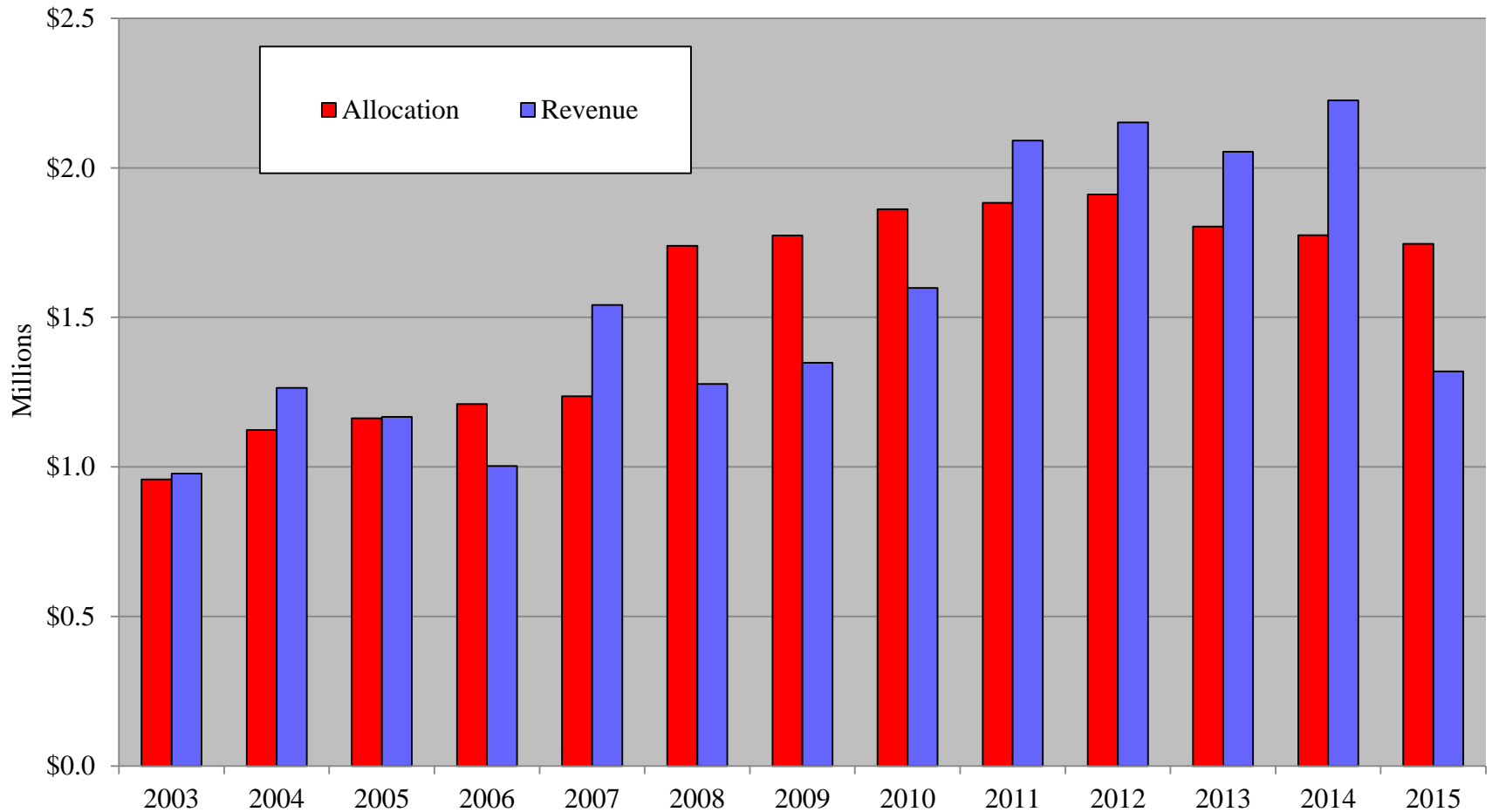
Recent Cuts to GSA



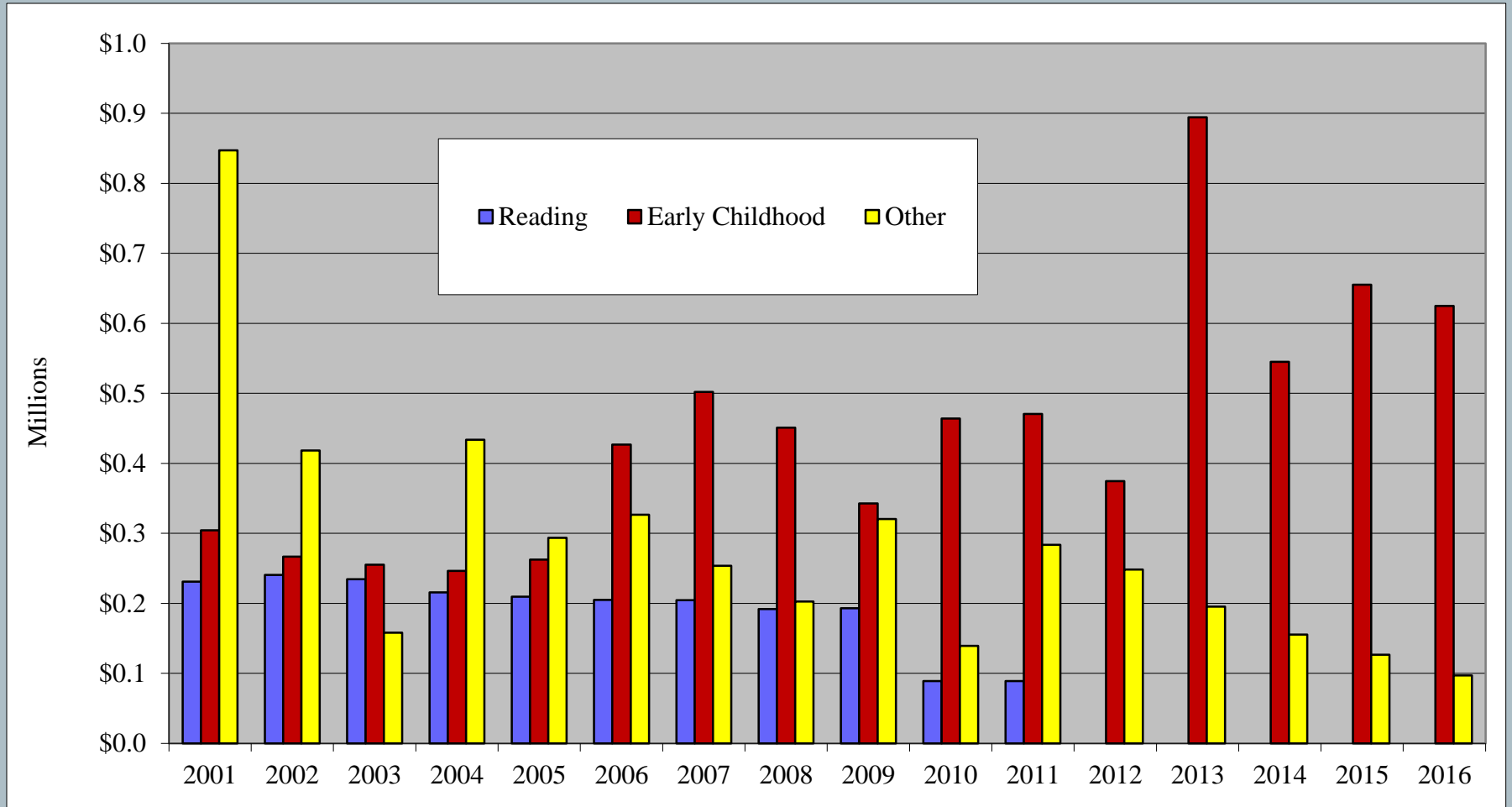
State Special Education



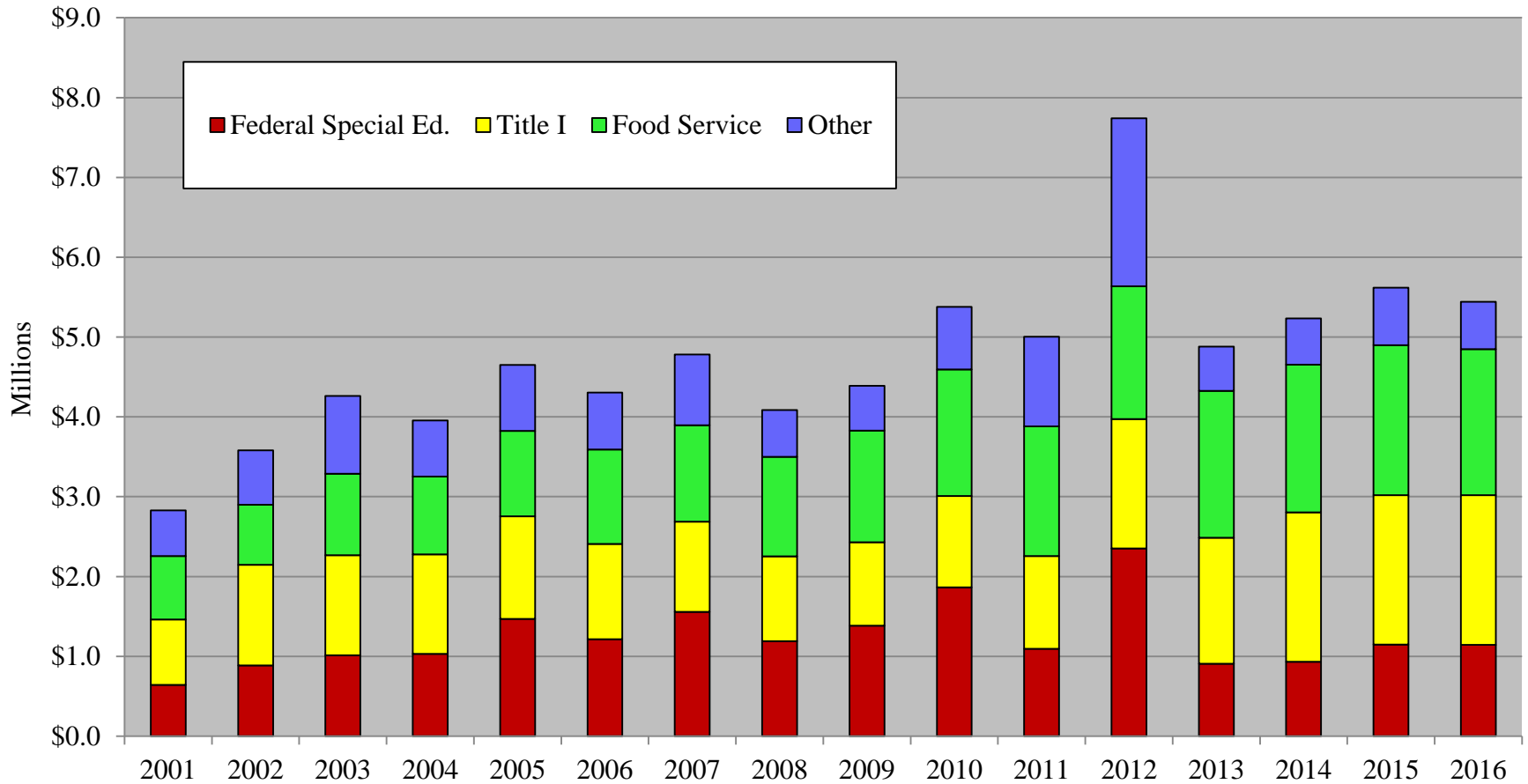
State Special Education — Personnel & Extraordinary



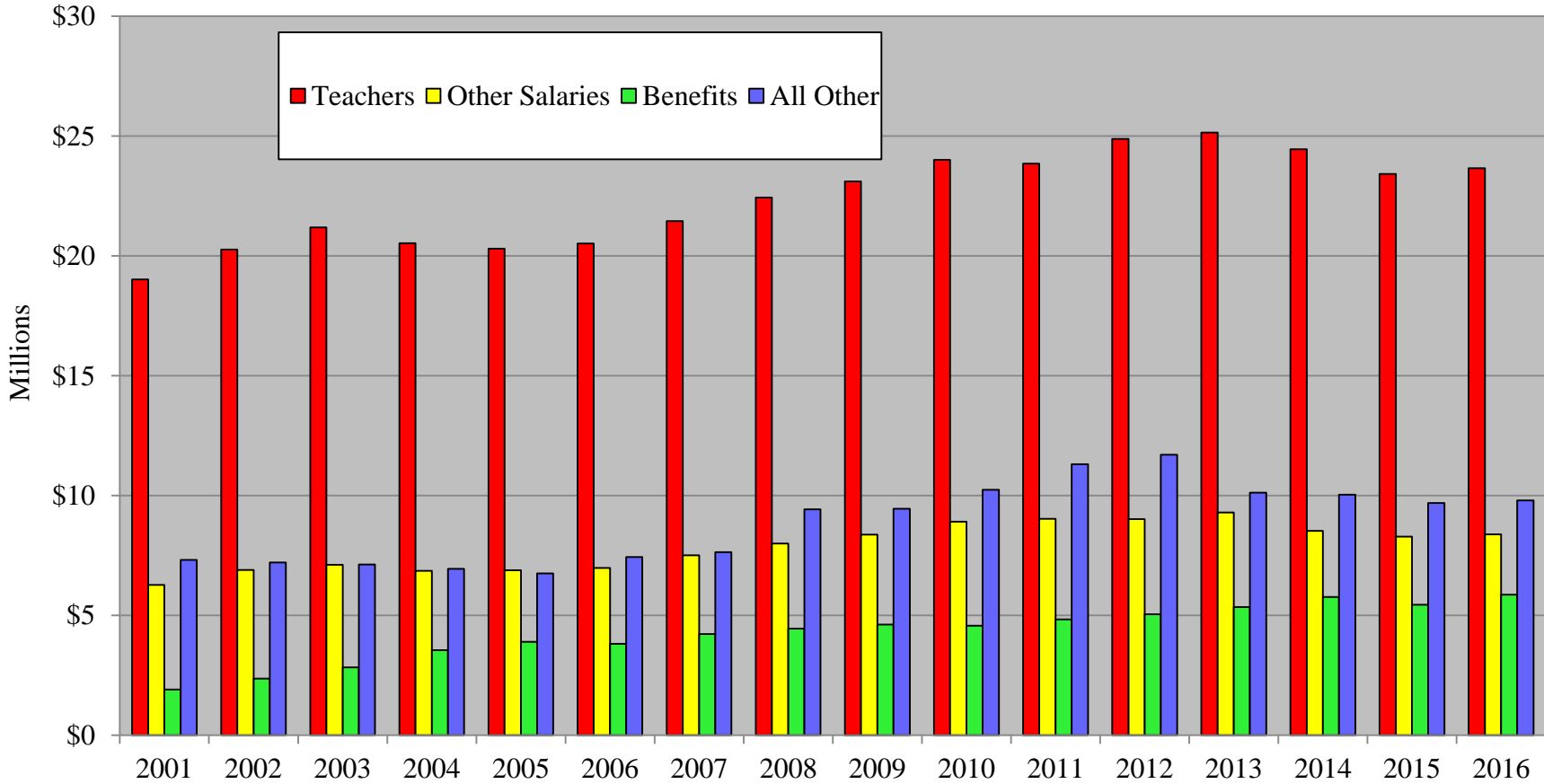
Other State



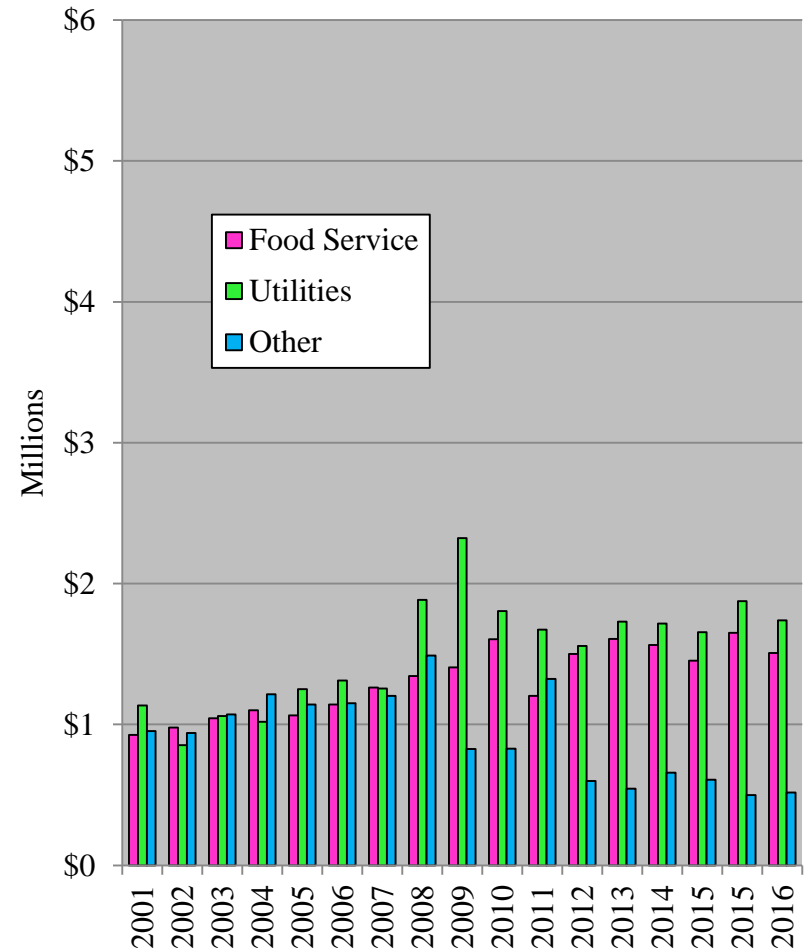
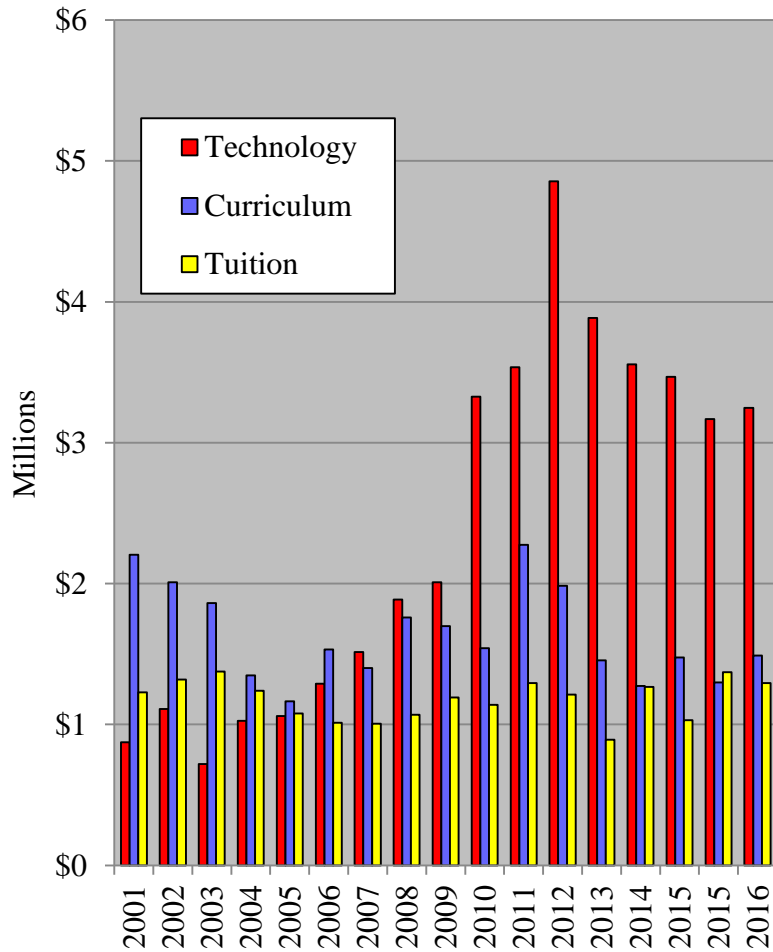
Federal Revenue



Education Fund Expenditures



Expenditure Details



Operations Funds



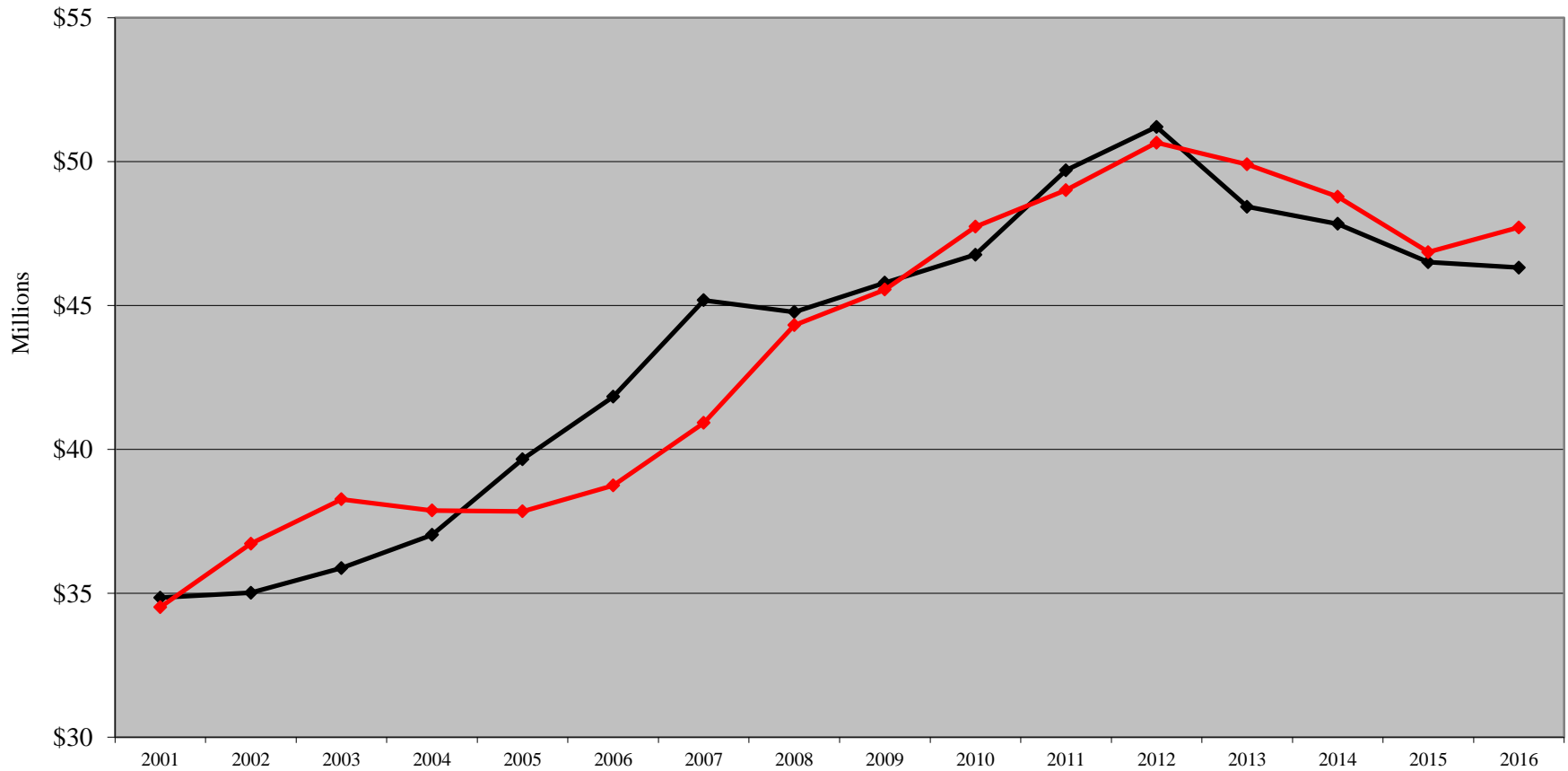
Surplus(Deficit)	2010	2011	2012	2013	2014	2015	2016
Education	(970,591)	692,017	544,198	(1,476,226)	(943,508)	(351,279)	(1,397,865)
O&M	(250,726)	(7,124)	300,046	16,610	(298,951)	(25,025)	(198,095)
Transportation	(39,568)	468,724	451,038	292,357	278,254	(242,683)	(320,123)
IMRF	214,527	210,251	179,644	86,558	(59,976)	(302,151)	(199,406)
Tort	245,077	(119,604)	9,925	(31,962)	(391,682)	111,411	21,680

All Funds – 2016



Fund	Revenue	Expenditure	Surplus(Deficit)	Ending Balance
Education	46,315,444	47,713,309		
<u>TRS State “On Behalf”</u>	<u>12,500,000</u>	<u>12,500,000</u>		
<i>Total Education</i>	<i>58,815,444</i>	<i>60,213,309</i>	<i>(1,397,865)</i>	<i>8,720,599</i>
O & M	4,738,699	4,936,794	(198,095)	1,514,571
Transportation	2,281,686	2,601,809	(320,123)	1,878,248
<u>Working Cash</u>	<u>424,920</u>	<u>420,000</u>	<u>4,920</u>	<u>7,737,781</u>
<i>Total Operations</i>	<i>66,260,749</i>	<i>68,171,911</i>	<i>(1,911,162)</i>	<i>19,851,200</i>
Tort	2,283,630	2,261,950	21,680	809,812
IMRF & SS	1,761,049	1,960,455	(199,406)	1,829,287
Fire Prevention & Safety	1,500	4,000,000	(3,998,500)	7,534,869
Capital Projects	20	134,953	(134,933)	0
<u>Debt Service</u>	<u>4,702,206</u>	<u>4,930,582</u>	<u>(228,376)</u>	<u>1,035,294</u>
<i>All Funds Total</i>	<i>75,009,154</i>	<i>81,459,851</i>	<i>(6,450,697)</i>	<i>31,060,461</i>

Revenues to Expenditures



Future Issues on Horizon



- GSA Funding Formula (\$1.0 M)
- GSA Pro-Ration (\$0.8 M)
- Pension Shift (\$2.5 M)
- CPPRT Task Force (\$3.8 M)

- On-going Expenditure Pressures:
 - **Salaries** STEP, Average 2.86%
 - **Benefits** Health Insurance, Current Year 5.5%
 - **Utilities** Trending up after several years of down/flat
 - **Insurance** Trending up
 - **Technology** Replacement Cycles and 1:1