

Fiscal Year 2023 Budget Highlights



Approval of the Fiscal Year 22-23 Budget



Presentation Overview

- Introduction
- Assumptions Influencing FY 2023 Budget
- All Funds Historical Summary
- Operating Funds
- FY 2023 Budget Overview & Timeline
- Appendix:
 - Vision, Mission & Objectives
 - Budget/Fund Accounting Overview & Characteristics



Introduction

We value our children's future through education.

We take pride in educating our students through our resources.



- Pertinent Information related to funding
- Fiscal Operations and Financial Planning
- Comprehensive Description of the FY 2023 Budget
- Characteristics of the District



Assumptions Influencing FY 2023 Budget - Revenue

- Local
 - Property tax is budgeted at 99.25% of extended levy.
 - Corporate Personal Property Replacement Tax will increase
 - Interest Earning will increase
 - Registration fees will remain flat

- State
 - Evidence-Based Funding (EBF) is represented at 100% of last year's amount
 - The amount due to D181 is calculated based on our District's ability to raise local resources as well student enrollment of the District.
 - FY22 EBF Base = \$2,252,983
 - (Evidence-Based Funding, English Learners Education, Sp. Ed Personnel, Sp. Ed Funding for Children, Sp. Ed Summer School)
 - 100% Restricted Grants-In-Aid = \$835,507
 - (Sp. Ed Private Tuition, Reg/Voc. Transportation, Sp. Ed Transportation, State Library Grant)

- Federal Categorical Revenue = \$1,387,104
 - (IDEA, IDEA Pre-School, IDEA CEIS, Title I, Title II, Title III, Special Milk Program)



Assumptions Influencing FY 2023 Budget - Expenditures

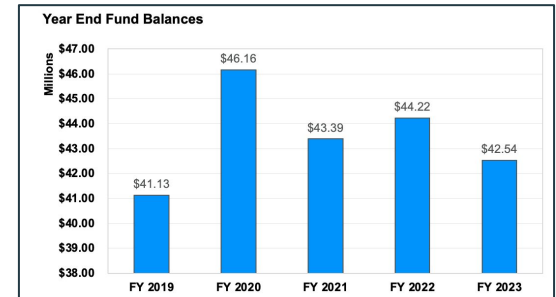
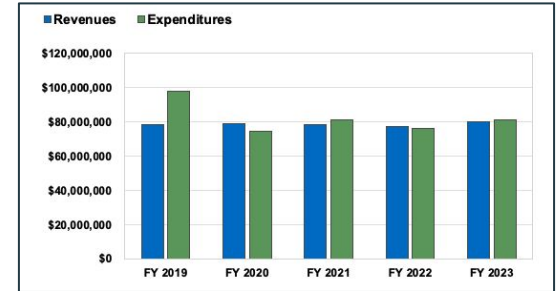
- Salaries
 - Administration and non-union salaries are budgeted to accommodate CPI (PTELL 5%) increase
 - HCHTA salaries are budgeted to accommodate the contract
 - HESS salaries are budgeted to accommodate the contract
 - 1% $\Delta \approx \pm$ \$464,000
- Benefits
 - Benefits are budgeted to reflect a 6% increase due to anticipated health care increases
 - 1% $\Delta \approx \pm$ \$58,000
- Student/Teacher Ratio remains at current levels
 - Contingency includes 2 teachers and 1 instructional assistant
- School Allocations remain flat
- Departments remain at 100% of requested amount to support department initiatives
 - Annual Capital Improvement Plan \approx \$2.7MM w/ \$5.5MM for District Office Building
 - Book Adoption Plan \approx \$600,000
 - Technology Plan \approx \$800,000
 - Rising Stars \approx \$542,000
- Abatement (Fund Balance Strategy w/ final amount set in February) \approx \$5.9MM



FY 2023 TOTAL Fund Summary

Education (10), O&M (20), Debt Service (30), Transportation (40), IMRF/SS (50), Capital Projects (60), Working Cash (70), FP&S (90)

	AFR		AFR		AFR		UNAUDITED FORECAST		PROJECTED	
	FY 2019	% Δ	FY 2020	% Δ	FY 2021	% Δ	FY 2022	% Δ	FY 2023	% Δ
REVENUE										
Local	\$74,792,145	6.99%	\$75,049,238	0.34%	\$73,224,537	-2.43%	\$71,734,312	-2.04%	\$75,531,221	5.29%
State	\$2,928,932	-6.52%	\$2,969,693	1.39%	\$2,800,870	-5.68%	\$2,874,732	2.64%	\$3,088,490	7.44%
Federal	\$1,054,888	16.22%	\$960,174	-8.98%	\$2,314,520	141.05%	\$2,803,815	21.14%	\$1,387,104	-50.53%
Other	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$78,775,965	6.53%	\$78,979,105	0.26%	\$78,339,927	-0.81%	\$77,412,859	-1.18%	\$80,006,815	3.35%
EXPENDITURES										
Salary and Benefit Costs	\$51,603,015	0.91%	\$51,741,873	0.27%	\$51,866,042	0.24%	\$53,603,986	3.35%	\$55,384,934	3.32%
Other	\$46,665,623	3.24%	\$22,636,081	-51.49%	\$29,480,282	30.24%	\$22,971,328	-22.08%	\$26,310,270	14.54%
TOTAL EXPENDITURES	\$98,268,638	2.00%	\$74,377,954	-24.31%	\$81,346,324	9.37%	\$76,575,314	-5.87%	\$81,695,204	6.69%
SURPLUS / DEFICIT	(\$19,492,673)		\$4,601,151		(\$3,006,397)		\$837,545		(\$1,688,390)	
OTHER FINANCING SOURCES / USES										
Other Financing Sources	\$4,323,743		\$7,574,468		\$9,635,768		\$8,684,603		\$14,636,990	*
Other Financing Uses	(\$3,318,922)		(\$7,140,994)		(\$9,402,581)		(\$8,686,424)		(\$14,636,990)	
TOTAL OTHER FIN. SOURCES / USES	\$1,004,821		\$433,474		\$233,187		(\$1,821)		\$0	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$18,487,852)		\$5,034,625		(\$2,773,210)		\$835,724		(\$1,688,390)	
BEGINNING FUND BALANCE	\$59,615,681		\$41,127,829		\$46,162,454		\$43,389,244		\$44,224,968	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0		\$0		\$0		\$0		\$0	
YEAR END BALANCE	\$41,127,829		\$46,162,454		\$43,389,244		\$44,224,968		\$42,536,579	
FUND BALANCE AS % OF EXPENDITURES	41.85%		62.06%		53.34%		57.75%		52.07%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	5.02		7.45		6.40		6.93		6.25	



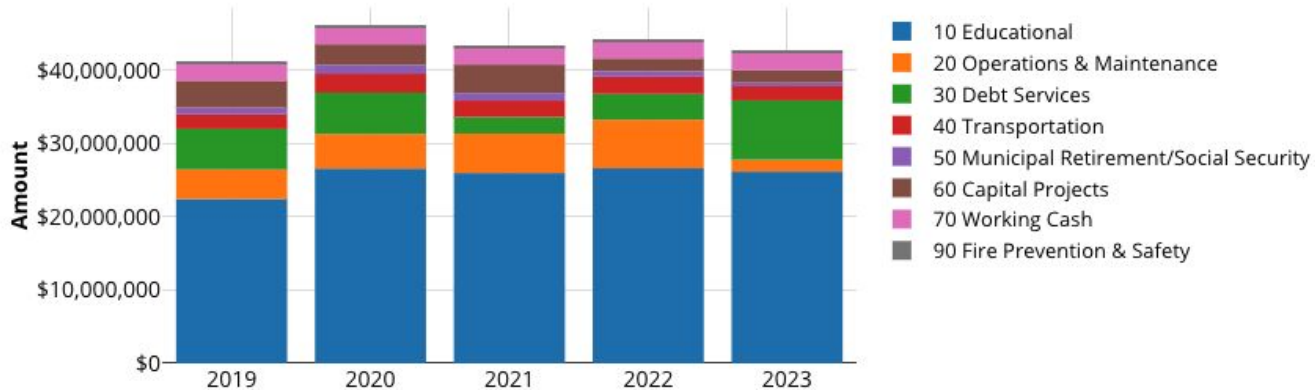
*Other Financing Sources/Uses: Debt Certificates (\$455,125), Abatement (\$5.9MM), Facilities Master Plan (\$2.7MM), & District Office Building (\$5.5MM)



Historical Fund Summary

[Education \(10\)](#), [O&M \(20\)](#), [Debt Service \(30\)](#), [Transportation \(40\)](#), [IMRF/SS \(50\)](#), [Capital Projects \(60\)](#), [Working Cash \(70\)](#), [FP&S \(90\)](#)

Fund	2019	2020	2021	2022 (Unaudited)	2023 (Forecasted)
10 Educational	\$22,463,016	\$26,615,098	\$ 25,997,330	\$ 26,652,798	\$ 26,368,622
20 Operations & Maintenance	\$ 4,035,029	\$ 4,732,431	\$ 5,396,219	\$ 6,632,956	\$ 1,566,188
30 Debt Services	\$ 5,555,826	\$ 5,635,536	\$ 2,261,953	\$ 3,525,627	\$ 8,103,192
40 Transportation	\$ 1,962,396	\$ 2,571,137	\$ 2,242,616	\$ 2,359,193	\$ 2,122,537
50 Municipal Retirement/Social Security	\$ 932,183	\$ 1,222,074	\$ 1,044,908	\$ 760,579	\$ 290,669
60 Capital Projects	\$ 3,667,564	\$ 2,827,221	\$ 3,882,063	\$ 1,726,809	\$ 1,667,674
70 Working Cash	\$ 2,253,050	\$ 2,295,337	\$ 2,300,002	\$ 2,302,592	\$ 2,308,592
90 Fire Prevention & Safety	\$ 258,765	\$ 263,620	\$ 264,153	\$ 264,414	\$ 109,104
TOTAL	\$41,127,829	\$46,162,454	\$ 43,389,244	\$ 44,224,968	\$ 42,536,578

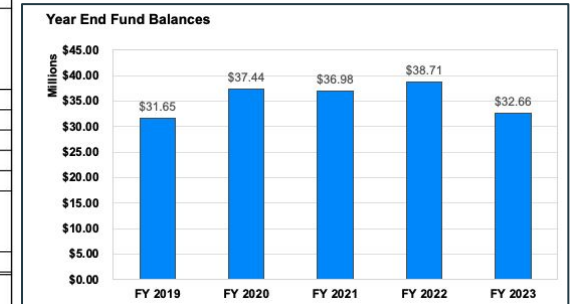
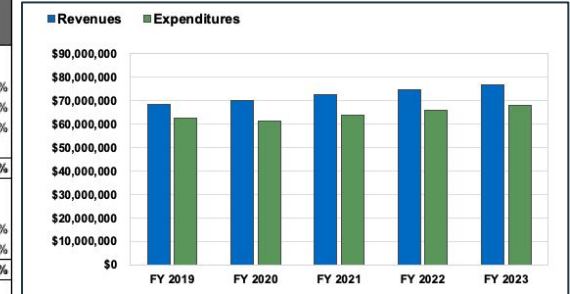




FY 2023 Operating Fund Summary

Education (10), O&M (20), Transportation (40), IMRF/SS (50), Working Cash (70)

	AFR		AFR		AFR		UNAUDITED FORECAST		PROJECTED	
	FY 2019	% Δ	FY 2020	% Δ	FY 2021	% Δ	FY 2022	% Δ	FY 2023	% Δ
REVENUE										
Local	\$65,088,689	6.60%	\$66,439,995	2.08%	\$67,691,136	1.88%	\$68,988,276	1.92%	\$72,280,573	4.77%
State	\$2,478,932	-18.27%	\$2,969,693	19.80%	\$2,800,870	-5.68%	\$2,874,732	2.64%	\$3,088,490	7.44%
Federal	\$1,054,888	16.22%	\$960,174	-8.98%	\$2,314,520	141.05%	\$2,803,815	21.14%	\$1,387,104	-50.53%
Other	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$68,622,509	5.57%	\$70,369,862	2.55%	\$72,806,526	3.46%	\$74,666,823	2.56%	\$76,756,167	2.80%
EXPENDITURES										
Salary and Benefit Costs	\$51,603,015	0.91%	\$51,741,873	0.27%	\$51,866,042	0.24%	\$53,603,986	3.35%	\$55,384,934	3.32%
Other	\$10,980,003	7.58%	\$9,563,033	-12.91%	\$12,226,092	27.85%	\$12,402,854	1.45%	\$12,785,752	3.09%
TOTAL EXPENDITURES	\$62,583,018	2.02%	\$61,304,906	-2.04%	\$64,092,134	4.55%	\$66,006,840	2.99%	\$68,170,686	3.28%
SURPLUS / DEFICIT	\$6,039,491		\$9,064,956		\$8,714,392		\$8,659,983		\$8,585,480	
OTHER FINANCING SOURCES / USES										
Other Financing Sources	\$1,004,821		\$409,524		\$233,187		\$253,484		\$0	
Other Financing Uses	(\$3,318,922)		(\$3,684,077)		(\$9,402,581)		(\$7,186,424)		(\$14,636,990)	*
TOTAL OTHER FIN. SOURCES / USES	(\$2,314,101)		(\$3,274,553)		(\$9,169,394)		(\$6,932,940)		(\$14,636,990)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$3,725,390		\$5,790,403		(\$455,002)		\$1,727,043		(\$6,051,510)	
BEGINNING FUND BALANCE	\$27,920,284		\$31,645,674		\$37,436,077		\$36,981,075		\$38,708,118	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0		\$0		\$0		\$0		\$0	
YEAR END BALANCE	\$31,645,674		\$37,436,077		\$36,981,075		\$38,708,118		\$32,656,609	
FUND BALANCE AS % OF EXPENDITURES	50.57%		61.07%		57.70%		58.64%		47.90%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	6.07		7.33		6.92		7.04		5.75	



*Other Financing Sources/Uses: Debt Certificates (\$455,125), Abatement (\$5.9MM), Facilities Master Plan (\$2.7MM), & District Office Building (\$5.5MM)

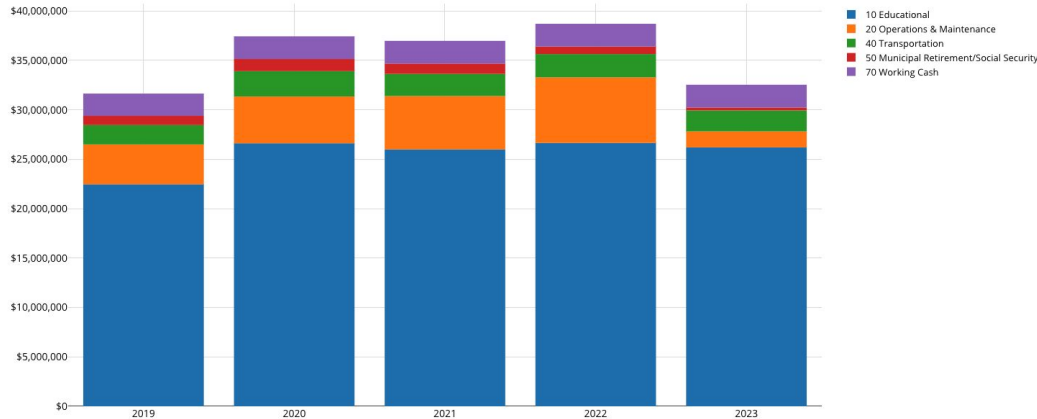


Operating Fund Summary

[Education \(10\)](#), [O&M \(20\)](#), [Transportation \(40\)](#), [IMRF/SS \(50\)](#), [Working Cash \(70\)](#)

Fund	2019	2020	2021	2022 (Unaudited)	2023 (Forecasted)
10 Educational	\$ 22,463,016	\$ 26,615,098	\$ 25,997,330	\$ 26,652,798	\$ 26,368,622
20 Operations & Maintenance	\$ 4,035,029	\$ 4,732,431	\$ 5,396,219	\$ 6,632,956	\$ 1,566,188
40 Transportation	\$ 1,962,396	\$ 2,571,137	\$ 2,242,616	\$ 2,359,193	\$ 2,122,537
50 Municipal Retirement/Social Security	\$ 932,183	\$ 1,222,074	\$ 1,044,908	\$ 760,579	\$ 290,669
70 Working Cash	\$ 2,253,050	\$ 2,295,337	\$ 2,300,002	\$ 2,302,592	\$ 2,308,592
TOTAL	\$ 31,645,674	\$ 37,436,077	\$ 36,981,075	\$ 38,708,118	\$ 32,656,608

Historical Year-End Operating Fund Summary

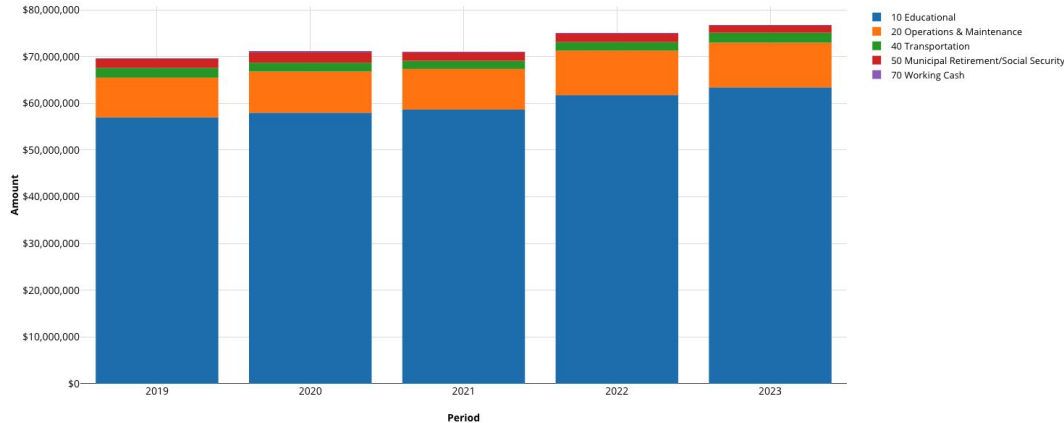


Operating Revenue History

Education (10), O&M (20), Transportation (40), IMRF/SS (50), Working Cash (70)

Fund	2019	2020	2021	2022 (Unaudited)	2023 (Forecasted)
10 Educational	\$ 56,994,263	\$ 57,992,658	\$ 58,670,892	\$ 61,744,178	\$ 63,418,162
20 Operations & Maintenance	\$ 8,498,659	\$ 8,801,292	\$ 8,678,072	\$ 9,517,430	\$ 9,553,184
40 Transportation	\$ 2,106,015	\$ 1,903,228	\$ 1,742,260	\$ 1,836,842	\$ 2,140,721
50 Municipal Retirement/Social Security	\$ 1,985,426	\$ 2,342,011	\$ 1,869,470	\$ 1,819,267	\$ 1,638,100
70 Working Cash	\$ 42,964	\$ 42,288	\$ 4,665	\$ 2,590	\$ 6,000
TOTAL	\$ 69,627,327	\$ 71,081,477	\$ 70,965,359	\$ 74,920,307	\$ 76,756,167

Operating Revenue History

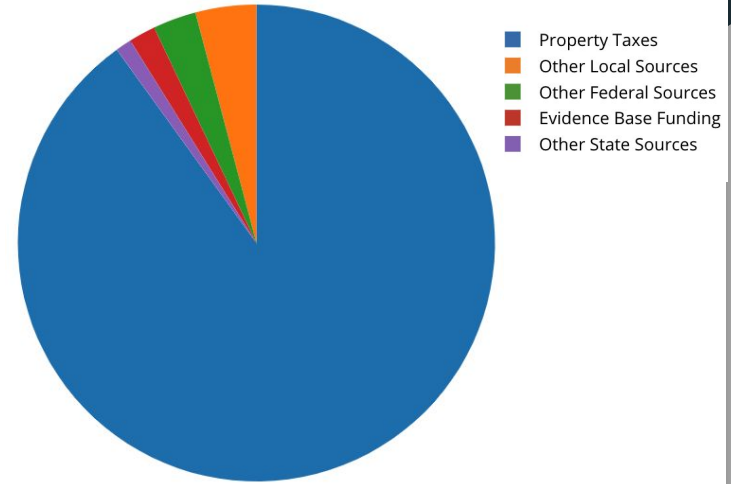




FY 2023 Forecasted - Operating Revenue by Source

Education (10), O&M (20), Transportation (40), IMRF/SS (50), Working Cash (70)

Source	Amount	% of Total
1000 Property Taxes	\$ 69,120,000	90.05%
1000 Other Local Sources	\$ 3,160,573	4.12%
3000 Evidence Base Funding	\$ 2,252,983	2.94%
3000 Other State Sources	\$ 835,507	1.09%
4000 Other Federal Sources	\$ 1,387,104	1.81%
TOTAL	\$ 76,756,167	100.00%

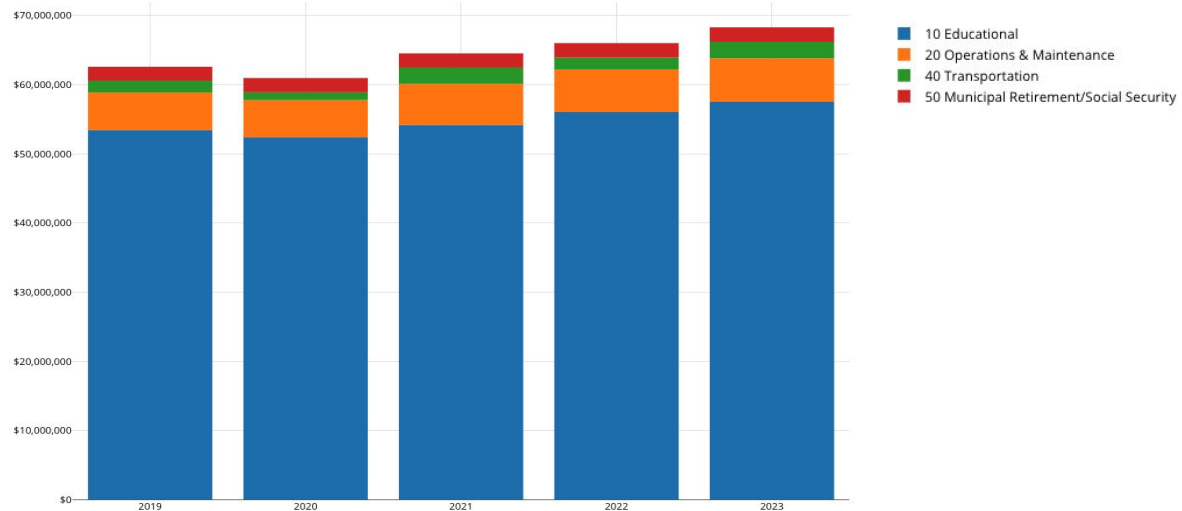




Operating Expenditure History

[Education \(10\)](#), [O&M \(20\)](#), [Transportation \(40\)](#), [IMRF/SS \(50\)](#)

Fund	2019	2020	2021	2022 (Unaudited)	2023 (Forecasted)
10 Educational	\$ 53,444,248	\$ 52,413,392	\$ 54,168,857	\$ 56,035,273	\$ 57,347,212
20 Operations & Maintenance	\$ 5,428,288	\$ 5,360,570	\$ 5,952,018	\$ 6,147,706	\$ 6,338,087
40 Transportation	\$ 1,701,187	\$ 1,132,085	\$ 2,355,385	\$ 1,720,265	\$ 2,377,377
50 Municipal Retirement/Social Security	\$ 2,009,057	\$ 2,051,133	\$ 2,043,375	\$ 2,103,596	\$ 2,108,010
TOTAL	\$ 62,582,780	\$ 60,957,180	\$ 64,519,635	\$ 66,006,840	\$ 68,170,686



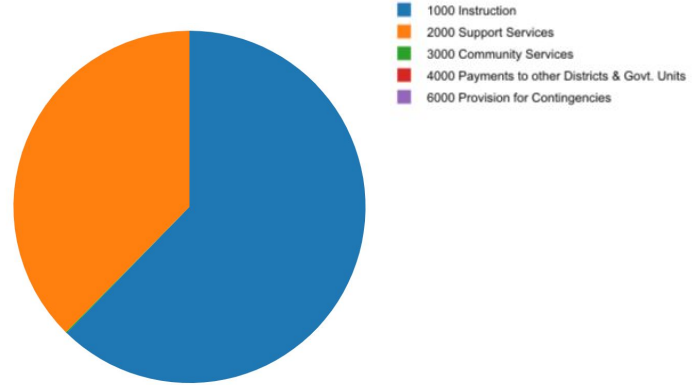
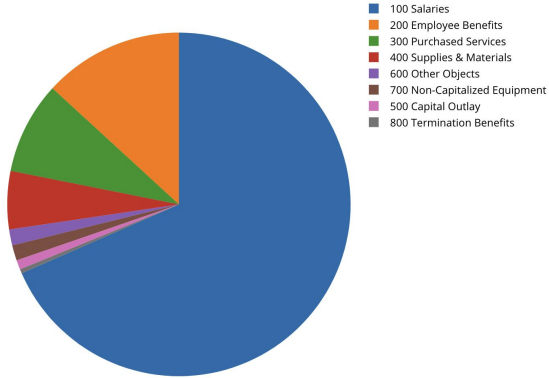


FY 2023 Forecasted - Operating Expenditure by Object/Function

Education (10), O&M (20), Transportation (40), IMRF/SS (50)

Object	Amount	% of Total
100 Salaries	\$ 46,228,564	67.8%
200 Employee Benefits	\$ 9,156,370	13.4%
300 Purchased Services	\$ 6,712,108	9.8%
400 Supplies & Materials	\$ 3,170,388	4.7%
500 Capital Outlay	\$ 585,200	0.9%
600 Other Objects	\$ 984,968	1.4%
700 Non-Capitalized Equipment	\$ 1,146,102	1.7%
800 Termination Benefits	\$ 186,986	0.3%
TOTAL	\$ 68,170,686	100.00%

Function	Amount	% of Total
1000 Instruction	\$ 42,013,427	61.6%
2000 Support Services	\$ 26,106,996	38.3%
3000 Community Services	\$ 50,263	0.1%
4000 Payments to other Districts & Govt. Units	\$ -	0.0%
6000 Provision for Contingencies	\$ -	0.0%
TOTAL	\$ 68,170,686	100.00%





FY 2023 Budget Summary

[Education \(10\)](#), [O&M \(20\)](#), [Debt Service \(30\)](#), [Transportation \(40\)](#), [IMRF/SS \(50\)](#), [Capital Projects \(60\)](#), [Working Cash \(70\)](#), [FP&S \(90\)](#)

FUND	Unaudited Est. Fund Balance as of 6/30/2022	Revenue	Expenditure	Surplus	Transfers *	Unaudited Est. Fund Balance as of 6/30/2023
10 Educational	\$ 26,652,798	\$ 63,418,162	\$ 57,347,213	\$ 6,070,949	\$ (6,355,125)	\$ 26,368,622
20 Operations & Maintenance	\$ 6,632,956	\$ 9,553,184	\$ 6,338,087	\$ 3,215,097	\$ (8,281,865)	\$ 1,566,188
40 Transportation	\$ 2,359,193	\$ 2,140,721	\$ 2,377,377	\$ (236,656)	\$ -	\$ 2,122,537
50 Municipal Retirement/Social Security	\$ 760,579	\$ 1,638,100	\$ 2,108,010	\$ (469,910)	\$ -	\$ 290,669
70 Working Cash	\$ 2,302,592	\$ 6,000	\$ -	\$ 6,000	\$ -	\$ 2,308,592
TOTAL OPERATING FUNDS	\$ 38,708,118	\$ 76,756,167	\$ 68,170,687	\$ 8,585,480	\$ (14,636,990)	\$ 32,656,608
30 Debt Services	\$ 3,525,627	\$ 3,248,598	\$ 5,026,158	\$ (1,777,560)	\$ 6,355,125	\$ 8,103,192
60 Capital Projects	\$ 1,726,809	\$ 1,500	\$ 8,342,500	\$ (8,341,000)	\$ 8,281,865	\$ 1,667,674
90 Fire Prevention & Safety	\$ 264,414	\$ 550	\$ 155,860	\$ (155,310)	\$ -	\$ 109,104
TOTAL ALL FUNDS	\$ 44,224,968	\$ 80,006,815	\$ 81,695,205	\$ (1,688,390)	\$ -	\$ 42,536,578

*Other Financing Sources/Uses: Debt Certificates (\$455,125), Abatement (\$5.9MM), Facilities Master Plan (\$2.7MM), & District Office Building (\$5.5MM)



FY 2023 Budget Timeline

5/16/22 BoE Meeting: Approval to Publish Tentative FY 2023 Budget

5/19/22: Legal Ad (Hinsdalean)

5/17/22 - 6/20/22: FY 2023 Tentative Budget (ISBE Format) on Public Display

6/20/22 BoE Meeting: Public Hearing and Board approval of FY 2023 Budget

FY 2023 Approved Budget filed with the County Clerks of DuPage and Cook Counties and Illinois State Board of Education by 7/21/22

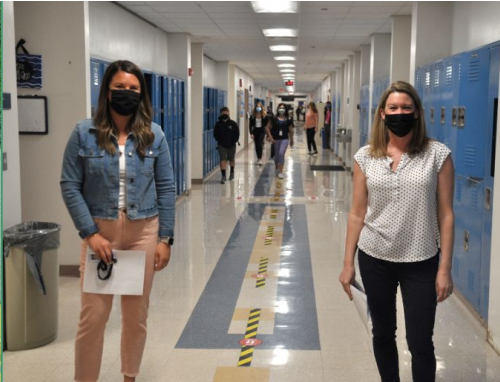
FY 2023 Approved Budget posted on the District's website and notice sent to parents and guardians of students by 7/21/22

Recommendation: Recommend approval at the Board of Education Meeting

District Vision and Mission Statement

Vision: To be a community school district where students develop the skills they need to change the world and the confidence they need to do it.

Mission: To provide a premier educational experience that teaches students to be critical thinkers and enables them to achieve their full potential academically, socially, and emotionally.



Board Financial Objectives

Strategic Goals - Operational Integrity

Ensure fiscal stability and appropriate resources for programming and facilities.

1. Align financial budgets with strategic plan goals
2. Evaluate ROI of programs and expenditures to student outcomes.
3. Balanced & sustainable short and long-term budgets.
4. Quality facilities that support student learning.
5. Stay informed about potential state and federal impacts on funding, represent District needs and community expectations where possible.

Fund Balances

- Adequate financial planning is necessary
- Board should target an audited fund balance of not less than 30% and not more than 50% representing approximately 90-180 days of total expenditures.





Budget/Fund Accounting Overview

- Revenue Classifications
 - Revenues are recorded according to the Illinois School Program Accounting Manual.
 - Fund (Education, O&M, Transportation, Etc.)
 - Source (Local, State, Federal)
 - Three Major Categories of Revenue
 - Local – Property Taxes, Corporate Taxes, Tuition, Interest Income, Food Service, Activity Income, Textbooks, Other Local Revenue
 - State - Evidence-Based Funding (EBF), Categorical Grants, Transportation reimbursement, Special Education
 - Federal – Federal Grants
- Expenditure Classification
 - Expenditures are recorded according to the Illinois School Program Accounting Standards.
 - Fund – (Education, O&M, Transportation, Etc.) established for specific activities or objectives and operates in accordance with designated purposes
 - Function – designates the specific program or purpose for which funds are used
 - Object – describes the type of expense within each function

Budget/Fund Accounting Overview



10 - Education Fund

- Largest fund
- Educational programs, teachers' salaries and benefits, instructional materials, student tech, and SPED



20 - Operations and Maintenance Fund

- Maintaining school buildings and grounds, custodial and maintenance salaries/benefits
- Utility costs, building maintenance/equipment, etc.
- Revenue from local taxes, evidence-based funding, interest income, and rentals

30 - Debt Service Fund

- Payment of principal and interest of debt and capital leases

Budget/Fund Accounting Overview

40 - Transportation Fund

- Student transportation needs: regular, vocational and special education
- Revenues include local taxes, evidence-based funding and state transportation reimbursement.



50 - Municipal Retirement Fund

- Also known as the IMRF/SS Fund: pays District's share of required pension contributions

60 - Capital Improvement Fund

- Major construction and improvement projects
- Revenues from bond issues and fund transfers



Budget/Fund Accounting Overview

70 - Working Cash Fund

- No expenditures can be made from the Working Cash Fund
- Specific taxes levied or working cash bond issues are deposited and used to supplement the revenue for other funds.
- Transfers can be made with BOE approval

80 - Tort Fund

- This fund is responsible for liability
- D181 does not utilize the Tort Fund

90 - Life Safety Fund

- The Life Safety Fund is used for eligible code-required building projects.



District Characteristics

- 7.1 square miles of DuPage & Cook County
 - Hinsdale, Clarendon Hills, Burr Ridge, Oak Brook, and Willowbrook
- Tax Base Composition
 - 95% Residential; 5% Commercial
- 2022 - 2023 Projected Enrollment = 3,695
- 2022 - 2023 Projected Staff = 558 FTE
- 2 Middle Schools & 7 Elementary Schools
- Financial Profile Score 2021 = 3.9 Recognition



Budget Preparation

- [Timeline](#)
- Projections
- [Department Budgets](#)
- Student Projections
- Staffing Projections
- [Scattergram](#)
- Facilities Master Plan
- [Building Budgets](#)
- District Initiatives
- District Contracts
- [Debt Schedule](#)
- [IVEE 5-year History Report](#)
- [Budget Presentation Tables](#)
- Budget Summary Slide for Approval
- Public Notice
- HESS Union Contract
- HCHTA Union Contract
- [Forecast5 Aggregate Report](#)
- [Budget Presentation Tables](#)
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- [Budget Presentation Tables Summary](#)
- [Fiscal Year to Date Fund Balance](#)
- [Student Registration Fees](#)
- Resolution - NEED TO ADD NAMES
- Finance & Facility Committee Memos
- Board Memos