

OCUSD 308

Tentative Budget

2021-22 / FY22

Presented by: Dr. John Petzke, Chief Financial Officer/CSBO
Prepared with Support from Debbie Smith and Carrie Szambelan

Date: August 23, 2021



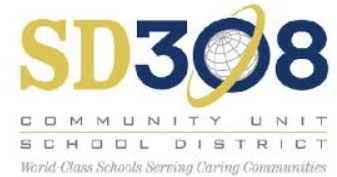
Purpose of the Budget

- Required by Illinois School Code 102 ILCS 5/17-1
- Provides expending and taxing authority
- Serves as the financial plan for our departments, buildings, and the District
- Used as a management and communication tool

Budget Requirements

- **#1 Final Budget**
 - Adopted by the Board of Education by the end of the 1st Quarter of the District's Fiscal Year – September 30th
- **#2 Public Display**
 - The budget must be placed on public display for 30 days after publication of a notice in a newspaper circulated in the District (August 24th Beacon News)
- **#3 Budget Filing**
 - The budget must be filed with the County Clerk within 30 days of adoption;
 - The budget must be electronically submitted on the official ISBE form within 30 days of being adopted by the Board of Education
 - Post the budget on the District Website
 - Send a copy of the final budget to the Regional Office of Education

OCUSD 308 FY22 Budget Calendar



- **August 16th**

- Board Finance & Facility Advisory Committee was presented with (1) Education Finance Basics 101 and (2) Review of FY22 Revenues and Expenditures

- **August 23rd**

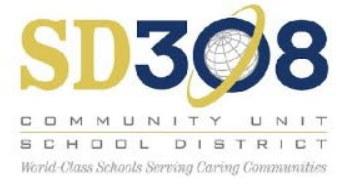
- Resolution Calling a Public Hearing on the FY 22 Tentative Budget
- Board of Education review of the FY22 Tentative Budget
- Place on Public Display and Website for 30 Days for community review/comments

- **September 27th (34 Days)**

- Public Hearing on 2021-22 Tentative Budget
- Ask the Board of Education to Adopt the Final FY22 Budget

OCUSD 308 FY22

Revenue Highlights



- **Local Revenues**

- Property Tax Extension: 2020 CPI (@1.4%) and 2021 Tax Levy (December 2020)
- CPPRT: Corporate Personal Property Replacement Tax
- Interest Earnings
- Registration, Tuition, Course & Athletic Fees
- Facility Rentals & Erate

- **State Revenue**

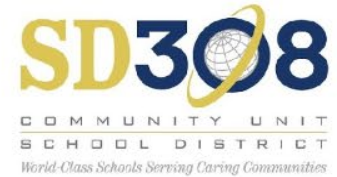
- Evidence Based Funding (EBF)
- Categorical (MCAT) – Transportation reimbursement, Early Childhood Block Grant, Special Education reimbursement, Tuition reimbursement, Driver Education reimbursement

- **Federal Revenue**

- NSLP: National School Lunch Program
- Title I, II, III, IV
- IDEA Special Education
- Medicaid
- ESSER II/ESSER III

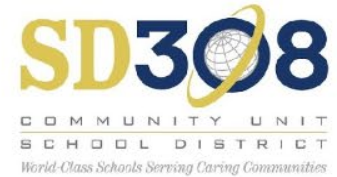
OCUSD 308 FY22

Expenditure Highlights



- Salaries
- Benefits
 - TRS/IMRF
 - Medical, Dental, Vision
- Purchased Services
- Supplies
- Capital Outlay
- Tuition/Other
 - Transportation
 - Food Service
 - Private Placement
- O&M Utilities – Electricity, Natural Gas, Sanitation, Phone & Water
- Lease Payments
- Capital Projects

Balance between Revenue & Expenditures



- EBF will take years to be fully funded – OCUSD308 only receives 62% of their adequacy target from EBF
- Heavy reliance on residential property taxes – 71% of our EAV is residential
- Tax Capped District – translates to our revenue being “capped” at CPI or 5%
- Rising Costs
 - Annual increases in collective bargaining agreements
 - Increase in special education population
 - Unfunded mandates
 - Vendor contracts – ie. Transportation and food services
 - Equipment and technology needs
 - Facility maintenance and repairs

“Operational” Budget

- There are nine (9) total funds in School District budgets.
- Five (5) of these funds are referred to as “operating” funds as they see the most transactions in the highest dollar figures.

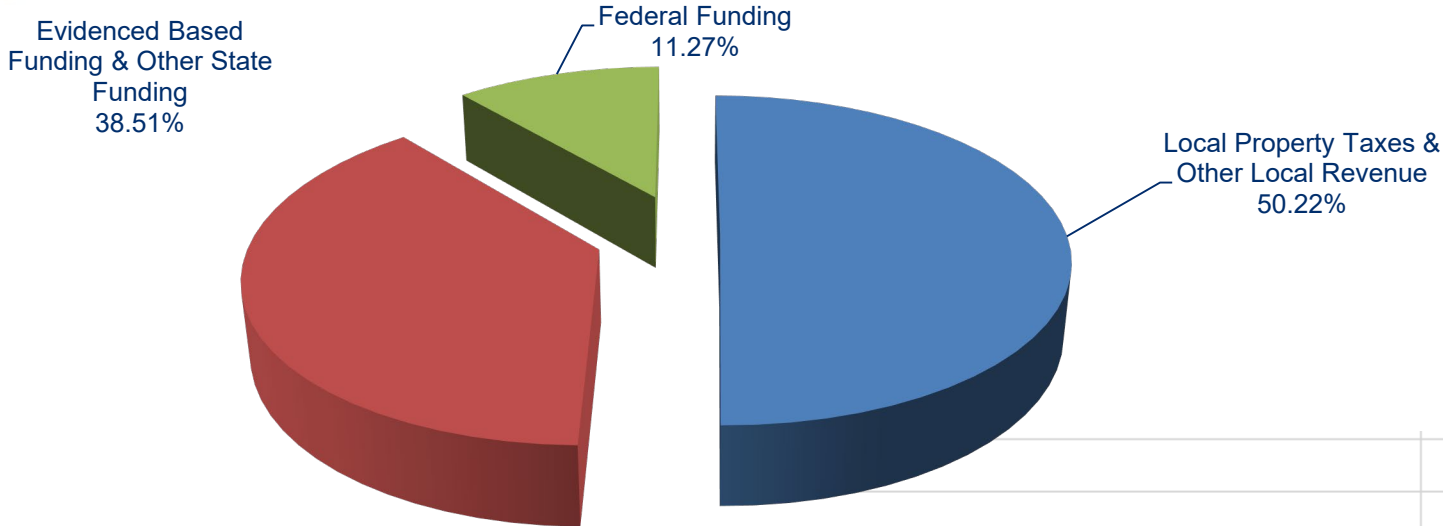
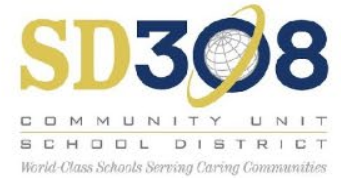
OPERATING FUNDS

- 10 Education
- 20 Operations & Maintenance
- 40 Transportation
- 50 IMRF/Social Security
- 70 Working Cash

The OTHER FUNDS

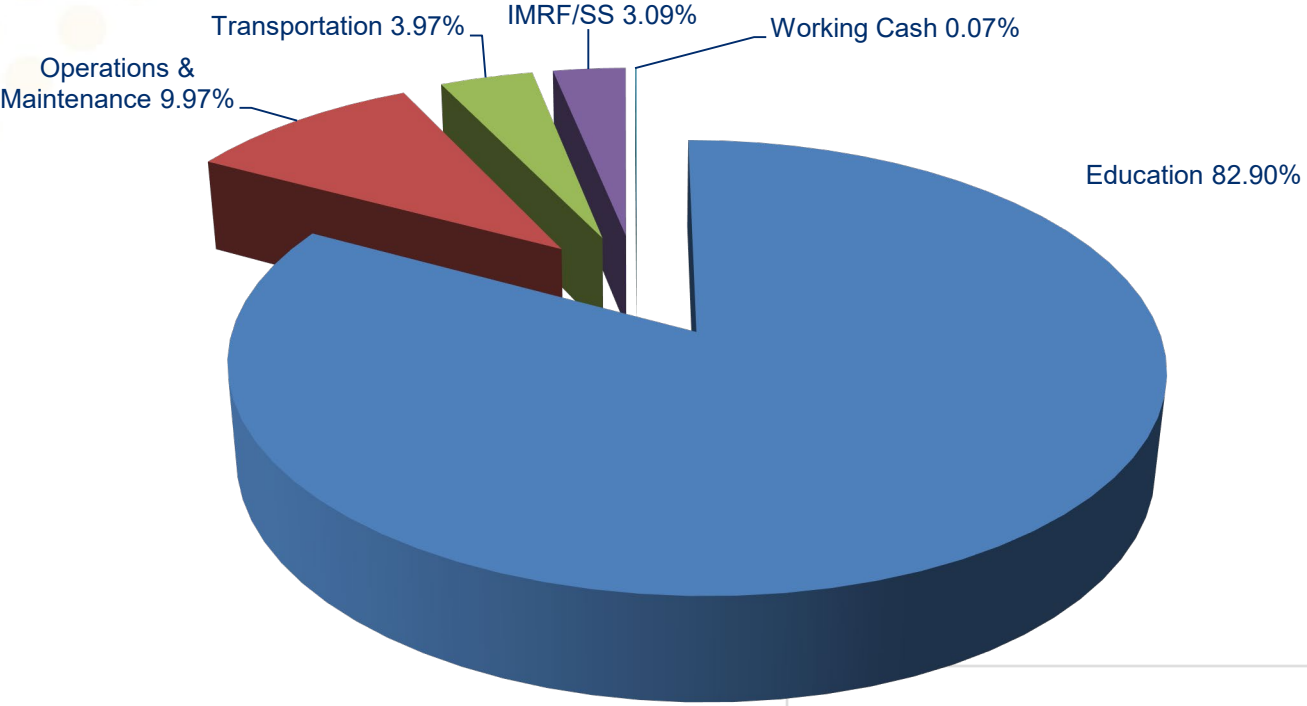
- 30 Debt Service
- 60 Capital Projects
- 80 Tort
- 90 Health, Life, & Safety (HLS)

FY22 Revenue by Source - Operating



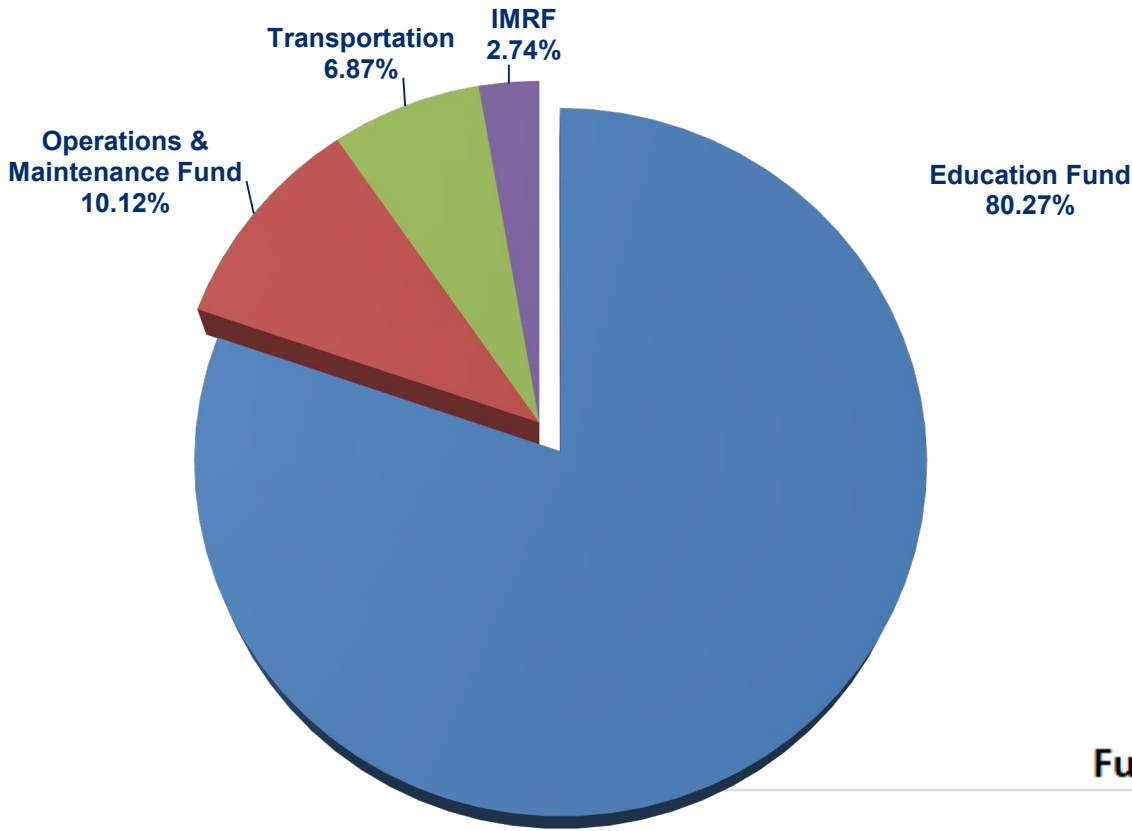
	FY 2022 Estimated
Local Property Taxes & Other Local Revenue	\$ 118,822,063
Evidenced Based Funding & Other State Funding	\$ 91,115,467
Federal Funding	\$ 26,653,480
	\$236,591,010

Estimated FY22 Revenue by Fund - Operating



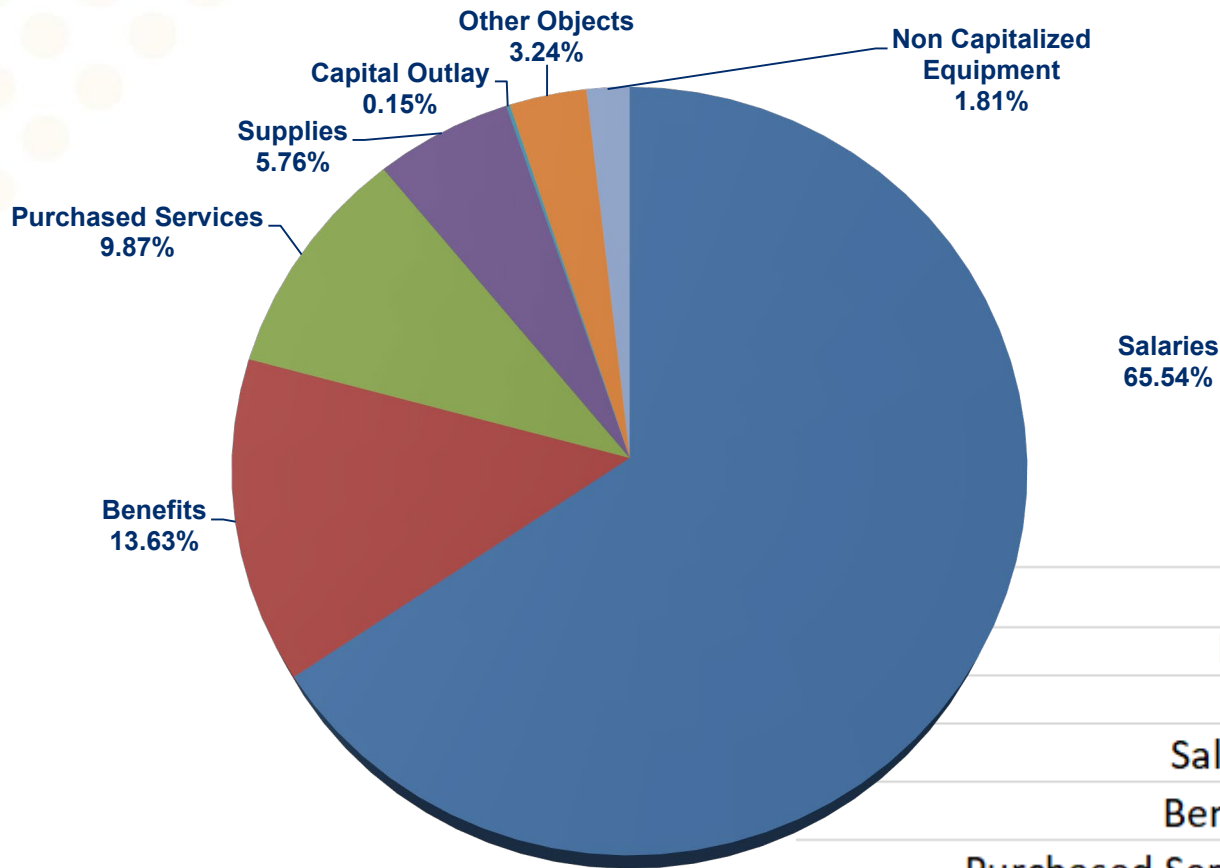
Fund	Estimated FY22 Revenue
Education	\$196,127,957
Operations & Maintenance	\$23,598,339
Transportation	\$9,389,639
IMRF/SS	\$7,306,380
Working Cash	\$168,695
	\$236,591,010

Estimated FY22 Expenditures by Fund - Operating



Fund	Estimated FY 2022 Expenditures
Education Fund	\$186,546,825
Operations & Maintenance Fund	\$23,525,665
Transportation	\$15,957,780
IMRF	\$6,371,588
	\$232,401,858

Estimated FY22 Expenditures by Object - Operating



Fund	Estimated FY 2022 Expenditures
Salaries	\$152,321,317
Benefits	\$31,687,543
Purchased Services	\$22,939,819
Supplies	\$13,378,990
Capital Outlay	\$342,508
Other Objects	\$7,528,265
Non Capitalized Equipment	\$4,203,416
	\$232,401,858

ISBE Tentative Budget Form – 30 pages: Summary for FY22



<i>Begin entering data on EstRev 5-10 and EstExp 11-17 tabs.</i>										
Description: Enter Whole Numbers Only	Acct #	(10) Educational	(20) Operations & Maintenance	(30) Debt Service	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety
Total ESTIMATED BEGINNING FUND BALANCE July 1, 2021 (All Sources Including Student Activity Funds)		7,939,730	4,861,090	18,516,657	6,971,763	2,600,746	4,241,093	14,195,436	0	386
RECEIPTS/REVENUES (All Sources with Student Activity Funds)										
LOCAL SOURCES	1000	94,994,467	13,928,546	34,449,302	2,435,727	7,294,628	600,000	168,695	0	0
FLOW-THROUGH RECEIPTS/REVENUES FROM ONE DISTRICT TO ANOTHER DISTRICT	2000	0	0		0	0				
STATE SOURCES	3000	78,670,942	5,500,000	0	6,944,525	0	0	0	0	0
FEDERAL SOURCES	4000	22,462,548	4,169,793	0	9,387	11,752	0	0	0	0
Total Direct Receipts/Revenues *		196,127,957	23,598,339	34,449,302	9,389,639	7,306,380	600,000	168,695	0	0
Receipts/Revenues for "On Behalf" Payments ²	3998	48,000,000	0	0	0	0	0		0	0
Total Receipts/Revenues		244,127,957	23,598,339	34,449,302	9,389,639	7,306,380	600,000	168,695	0	0
DISBURSEMENTS/EXPENDITURES (All Sources with Student Activity Funds)										
INSTRUCTION	1000	130,273,356				3,350,190			0	
SUPPORT SERVICES	2000	55,564,620	23,525,665		15,957,780	3,009,122	103,000		0	0
COMMUNITY SERVICES	3000	467,649	0		0	12,276			0	
PAYMENTS TO OTHER DISTRICTS & GOVT UNITS	4000	1,200	0	0	0	0	0		0	0
DEBT SERVICES	5000	240,000	0	33,762,011	0	0			0	0
PROVISION FOR CONTINGENCIES	6000	0	0	0	0	0	0		0	0
Total Direct Disbursements/Expenditures ⁹		186,546,825	23,525,665	33,762,011	15,957,780	6,371,588	103,000		0	0
Disbursements/Expenditures for "On Behalf" Payments ²	4180	48,000,000	0	0	0	0	0		0	0
Total Disbursements/Expenditures		234,546,825	23,525,665	33,762,011	15,957,780	6,371,588	103,000		0	0
Excess of Direct Receipts/Revenues Over (Under) Direct Disbursements/Expenditures		9,581,132	72,674	687,291	(6,568,141)	934,792	497,000	168,695	0	0
OTHER SOURCES/USES OF FUNDS										
OTHER SOURCES OF FUNDS (7000)										
Total Other Sources of Funds ⁸		0	0	0	0	0	0	0	0	0
OTHER USES OF FUNDS (8000)										
Total Other Uses of Funds ⁹		0	0	0	0	0	0	0	0	0
Total Other Sources/Uses of Fund		0	0	0	0	0	0	0	0	0
ESTIMATED ENDING FUND BALANCE June 30, 2022 (All Sources With student Activity Funds)		17,520,862	4,933,764	19,203,948	403,622	3,535,538	4,738,093	14,364,131	0	386

ISBE Tentative Budget Form: Deficit Budget Summary for FY22



DEFICIT BUDGET SUMMARY INFORMATION - Operating Funds Only (School Districts Only)

Description	EDUCATIONAL FUND (10)	OPERATIONS & MAINTENANCE FUND	TRANSPORTATION FUND (40)	WORKING CASH FUND (70)	TOTAL
Direct Revenues	196,127,957	23,598,339	9,389,639	168,695	229,284,630
Direct Expenditures	186,546,825	23,525,665	15,957,780		226,030,270
Difference	9,581,132	72,674	(6,568,141)	168,695	3,254,360
Estimated Fund Balance - June 30, 2022	15,640,270	4,933,764	403,622	14,364,131	35,341,787

Balanced budget, no deficit reduction plan is required.

A deficit reduction plan is required if the local board of education adopts (or amends) the 2021-22 school district budget in which the “operating funds” listed above result in direct revenues (line 9) being less than direct expenditures (line 19) by an amount equal to or greater than one-third (1/3) of the ending fund balance (line 81).

Note: The balance is determined using only the four funds listed above. That is, if the estimated ending fund balance is less than three times the deficit spending, the district must adopt and file with ISBE a deficit reduction plan to balance the shortfall within three years.

The School Code, Section 17-1 (105 ILCS 5/17-1) - If the 2020-2021 Annual Financial Report (AFR) reflects a deficit as defined above (page 36), then the school district shall adopt and submit a deficit reduction plan (found here on page 23-27) to ISBE within 30 days after acceptance of the AFR.

The deficit reduction plan, if required, is developed using ISBE guidelines and format.