

# J. Sterling Morton HSD 201

## FY 19 Budget

## 2018-2019

### Board of Education Meeting

### September 12<sup>th</sup>, 2018



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CFO/TREASURER

# FY19 Tentative Budget Factors

## Revenues

- Evidence Based Funding
- CPPRT (Corporate Personal Property Replacement Tax) Repayment
- Grant Allocations
- FY17 Qualified School Construction Bonds



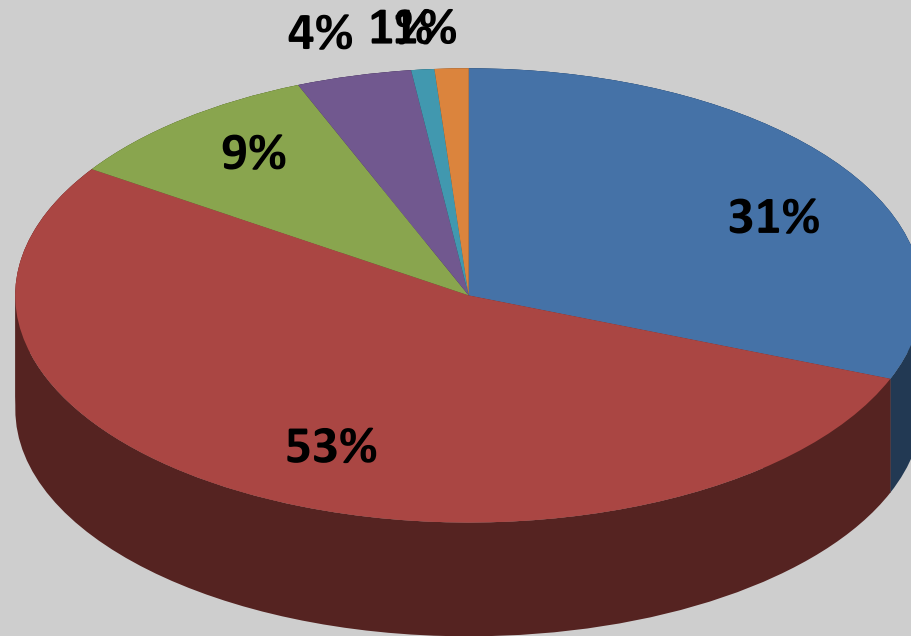
# FY19 Tentative Budget Factors

## Expenditures

- Evidence Based Funding Intentions
- Health insurance renewals
- Final grants expenditures
- Qualified School Construction Bond expenditures



# Typical Sources of Revenues



PROPERTY TAXES STATE FEDERAL CPPRT INTEREST OTHER LOCAL

FY19

31%

53%

10%

4%

1%

1%

NOTE - EXCLUDES: DEBT SERVICE FUND

# Financial Factors

## State aid:

- Evidence Based Funding      \$ 61,610,668
  - Note: This is fully funded per the State budget
- Other State Aid                      \$3,302,169
  - Grants, Transportation are included



# Financial Factors

- CPI Increase
  - Will be used for the FY19 Budget** 2.1%
  - Average for 4 Years 1.425%
  - Average since Tax Cap Legislation 1993- 2017 2.27%
- Evidence Based Funding is fully funded per current state budget
  - How long will this last?
- Decrease in CPPRT Funding has occurred



# Budgeted Revenues – Operating

- Education \$83,812,609
- Operations & Maintenance \$28,400,983
- Transportation \$5,038,389
- Working Cash \$80,000
  
- Total Operating **\$117,331,981**

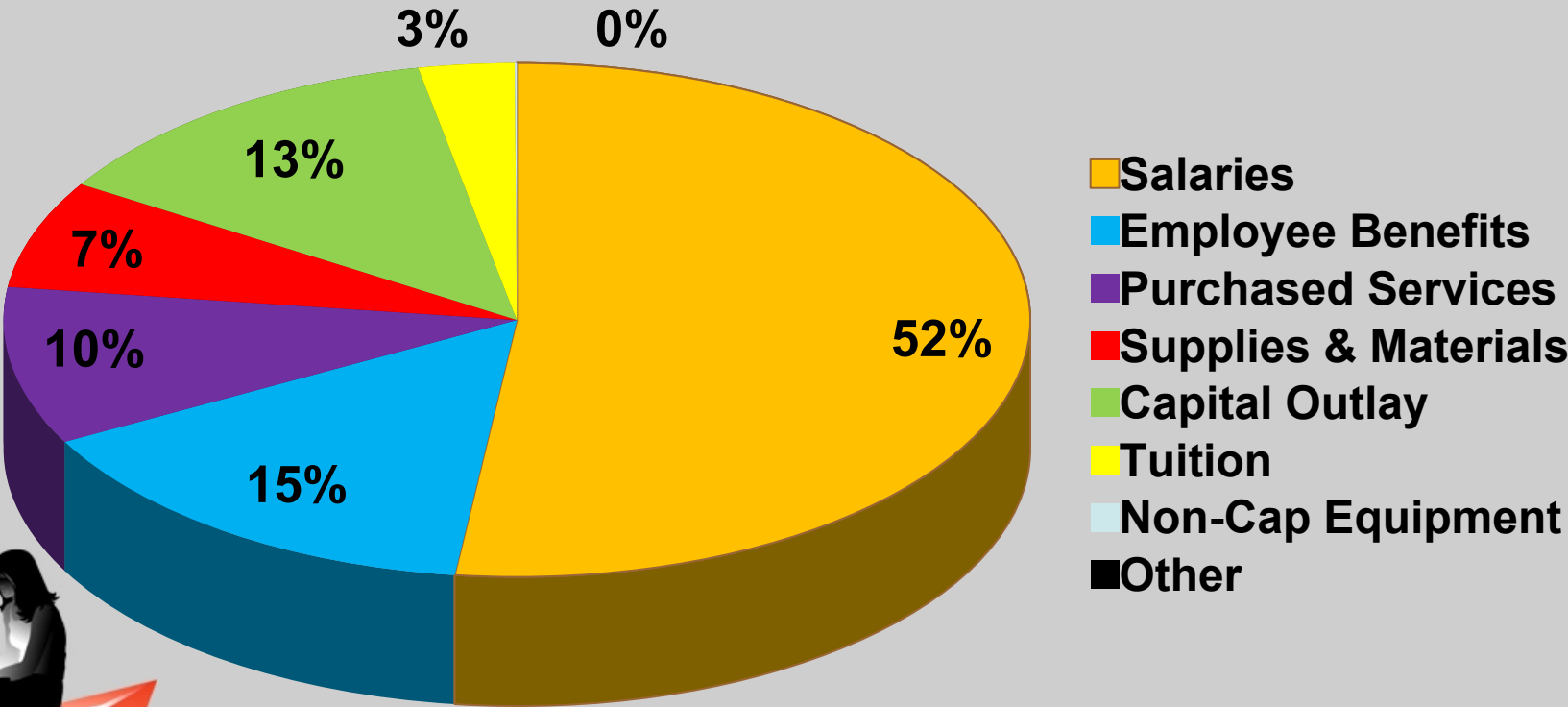


# Budgeted Revenues – Non-Operating





# FY19 Types of Expenditures



- Salaries
- Employee Benefits
- Purchased Services
- Supplies & Materials
- Capital Outlay
- Tuition
- Non-Cap Equipment
- Other

NOTE - EXCLUDES: TRANSFERS AND ON-BEHALF PAYMENT TO TRS

NOTE - EXCLUDES: DEBT SERVICE FUND, BOND MONEY



# Summary of Major Expenditures/Factors

- No Shift of Pension Obligation yet to the local Board of Education from the State of Illinois
- Pension Rate for Employer to stay at 0.58%
- THIS (TRS Health) Employer Rate 0.92% (0.4% increase)
- TRS Federal Grant pension rate 9.85% (0.25% decrease)
- Health Insurance is still to be determined (typically 7% per year)



# What does Evidence Based Funding Bring to Morton?

Position	Notes
Math and Reading Lab	4 FTE
Writing Lab	3 FTE
Career Lab Counselor/Testing Coordinator	2 FTE
Nurse	2 FTE
Dean	1 FTE
IT Staff	3 FTE
Assistant AD	Stipend
EL Support/Certified Staff	3 FTE
Social Worker	3 FTE
Lab Technician	3 FTE
Assistant LSS Secretary	1 FTE
Athletic Coaches	20 FTE
Morton East Enhancements	Media Center, Classroom Upgrades
Morton West Enhancements	Media Center, Freshman Center

# Factors Affecting Expenditures

- Salaries and benefits account for close to 67% of budget (not including Bond expenditures)
- Remaining 33% is spent on supplies and maintenance and improvements to our schools
- Unpredictable funding stability in Illinois in the next 1-2 years
- Repair and Maintenance of Facilities
- Board commitment to increase enhanced learning opportunities for students.



# Budgeted Expenditures - Operating

• Education	\$82,923,178
• Operations & Maintenance	\$24,596,624
• Transportation	\$3,933,230
Total Operating	<b><u>\$111,453,032</u></b>



# Budgeted Expenditures – Non-Operating

• Capital Projects	\$36,477,921
• Health Life Safety	\$11,566,518
• Bond & Interest	\$11,756,206
• SS/IMRF	\$3,495,495
Total Non-Operating	<b><u>\$63,296,140</u></b>



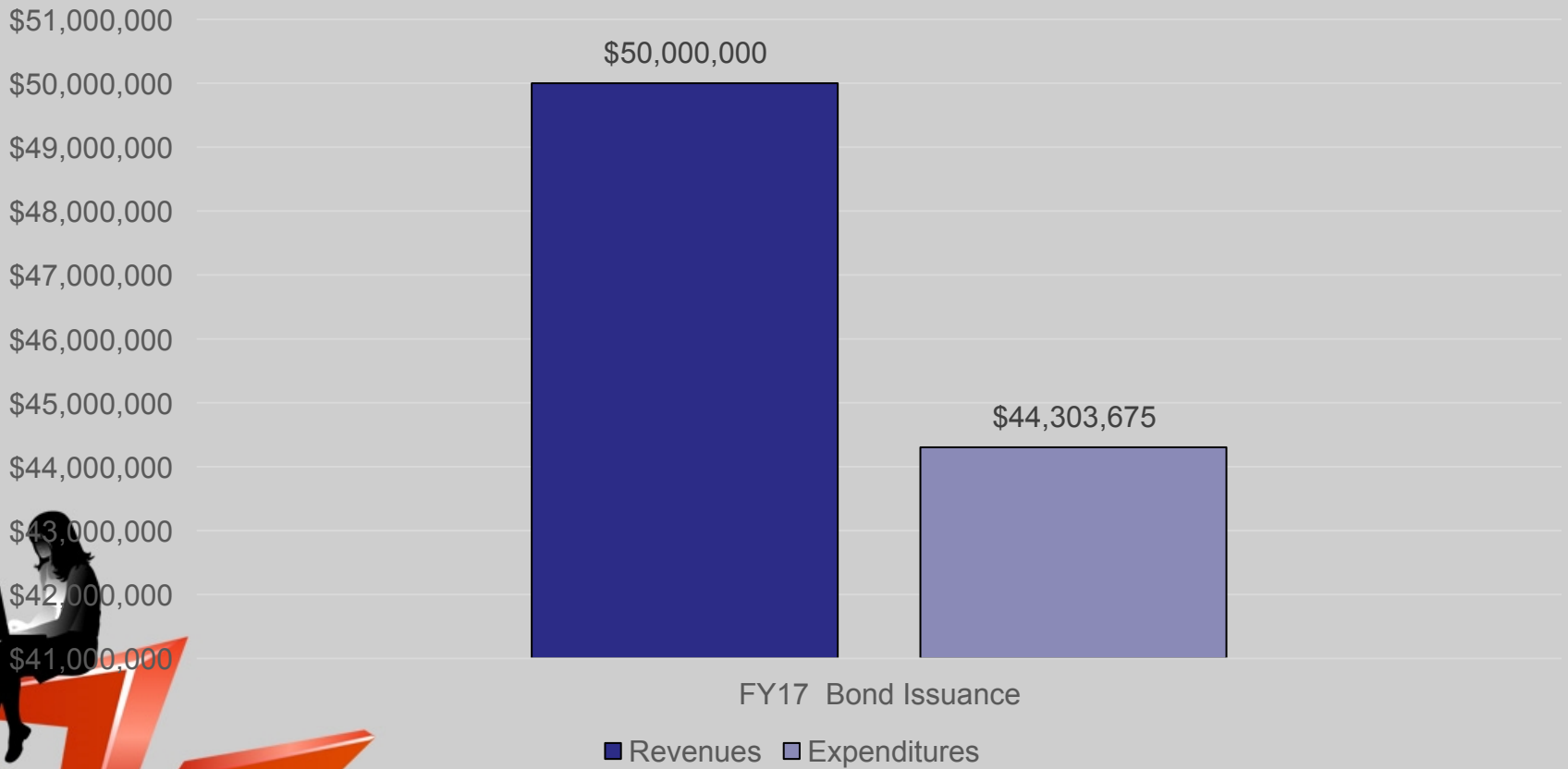
# FY19 BUDGET ALL FUNDS – SNAPSHOT

	REVENUES	EXPENDITURES
Education	\$83,812,609	\$82,923,178
Operations & Maintenance	\$28,400,983	\$24,596,624
Transportation	\$5,038,389	\$3,933,230
Working Cash	\$80,000	\$0
<b>Total Operating</b>	<b>\$117,331,981</b>	<b>\$111,453,032</b>
SS/IMRF	\$4,312,612	\$3,495,495
Debt Service	\$12,760,388	\$11,756,206
Health Life Safety	0	\$11,566,518
Capital Projects	0	\$36,477,921
<b>Total Non-Operating</b>	<b>\$17,073,000</b>	<b>\$63,296,140</b>
<b>Total – All funds</b>	<b>\$134,404,981</b>	<b>\$174,749,172</b>



# Qualified School Construction Bond Issuance

Draw Down Schedule, FY 19





# Financial Challenges

## Revenues

- Most Inequitable District in the State
- What is NORMAL for the state budget?
- Rising insurance costs
- CPPRT
- Pension Reforms

## Facilities Needs

- Repair, Maintenance



# Balanced Budget

The District continues to be fiscally responsible even in these uncertain times at the state and federal level. In order to provide the highest quality to our students, we must continue to spend for student success. Our operational costs are balanced.



# Major Initiatives in FY 19

- Morton West Freshman Academy
- Boiler replacement and improvements at Morton East
- Facility study, project maintenance



**QUESTIONS?**

