



THOMAS | GREENBRIER | IVY HILL | OLIVE | PATTON
SOUTH | DRYDEN | WESTGATE | WINDSOR

2022-23 TENTATIVE BUDGET

Presented
August 9, 2022

By
Stacey Mallek, Asst. Supt. For Business/CSBO



2022-23 Budget Assumptions

- Revenues

- Property Taxes

- CPI = 1.4% for 2021 and 5.0% for 2022
 - Taxes for referendum bonds not included at this time
 - 99% collection rate
 - Reallocating between funds

- Interest income = 1.5% (up from 0.4%)

- Local food service revenues return

- No outside districts

- State Funds

- EBF increase \$117,578

- Federal Funds

- ARP Funds - ESSER III, IDEA
 - Pre-pandemic NSLP/Summer Food Service Revenues

Arlington Heights School District #25
Summary of Revenues 2021-22 and 2022-23

	Budget 2021-22	Unaudited Actual* 2021-22	Difference 2021-22	Budget 2022-23	% Change over 2021-22 Budget
<i>Operating Funds</i>					
Education	\$ 67,506,713	\$ 66,147,688	\$ (1,359,025)	\$ 69,591,514	3.09%
Operations & Maintenance	\$ 8,869,687	\$ 10,298,213	\$ 1,428,526	\$ 7,084,837	-20.12%
Transportation	\$ 2,865,430	\$ 2,914,921	\$ 49,491	\$ 3,452,503	20.49%
IMRF/FICA	\$ 2,469,063	\$ 2,504,505	\$ 35,442	\$ 2,301,293	-6.79%
Working Cash	\$ 30,700	\$ 20,586	\$ (10,114)	\$ 60,115,800	
Tort Fund	\$ 735,760	\$ 604,289	\$ (131,471)	\$ 980,339	33.24%
Life Safety	\$ 31,271	\$ 35,658	\$ 4,387	\$ 21,245	-32.06%
Sub-Total	\$ 82,508,624	\$ 82,525,860	\$ 17,236	\$143,547,530	73.98%
Capital Projects Fund	\$ 15,461	\$ 15,461	\$ -	\$ 16,495	
Bond & Interest	\$ 4,481,754	\$ 4,424,678	\$ (57,076)	\$ 4,465,981	
Total All Funds	\$ 87,005,839	\$ 86,965,999	\$ (39,840)	\$148,030,006	70.14%
Without Bonds	\$ 87,005,839	\$ 86,965,999	\$ 39,840	\$ 88,030,006	1.177%

Total Revenue Budget Increase

\$1,024,167 + \$60M in bonds

Changes in Revenue Budget

REVENUES				
(excludes \$60 million in bond proceeds in 2022-23)				
	2021-22	2021-22	2022-23	% Chg Budget
	<u>Budget</u>	<u>Est Actual</u>	<u>Budget</u>	<u>to Budget</u>
Property Taxes	\$71,352,459	\$70,528,053	\$73,065,587	2.4%
CPPRT	1,506,241	2,872,622	1,506,241	0.0%
Interest	226,000	192,306	885,000	291.6%
Food Service	277,000	241,615	1,345,900	385.9%
Textbooks	275,400	287,117	274,800	-0.2%
Tuition	116,000	189,355	161,100	38.9%
Rentals	929,300	1,005,024	1,022,700	10.1%
Other Local	359,081	411,729	387,575	7.9%
State	5,612,897	5,917,886	6,232,760	11.0%
Federal	6,351,461	5,320,292	3,148,343	-50.4%
	\$87,005,839	\$86,965,999	\$88,030,006	1.2%

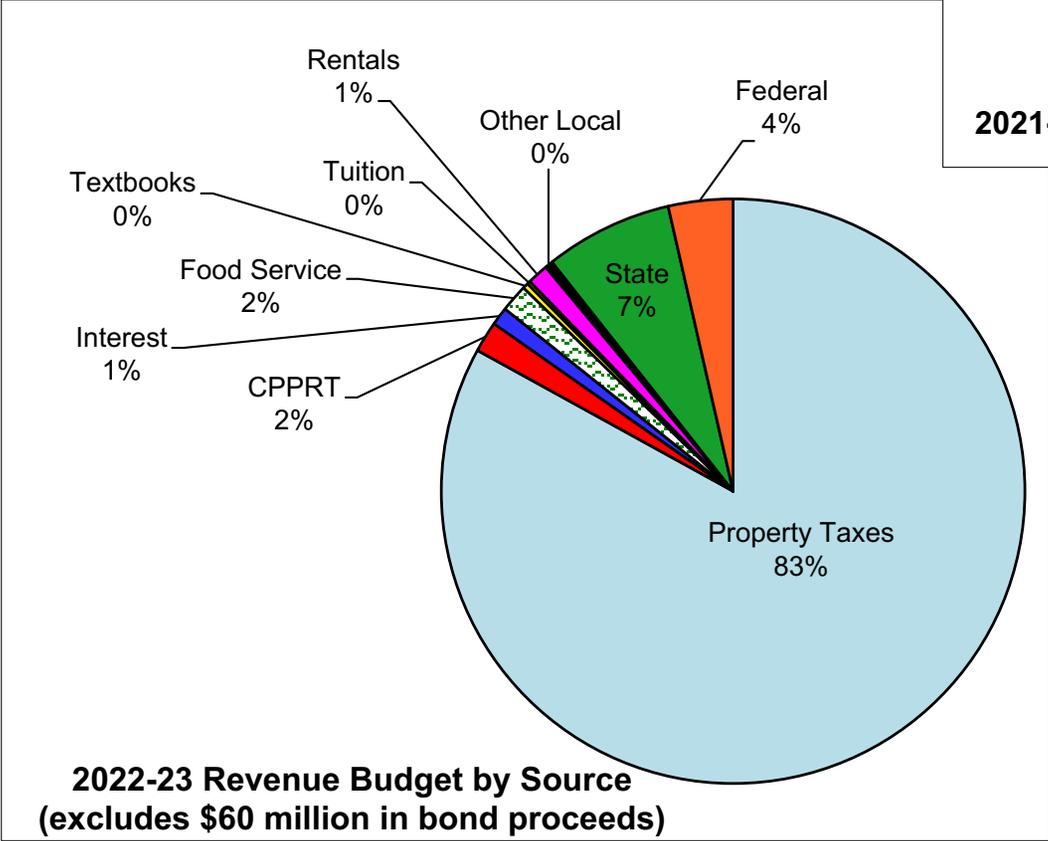
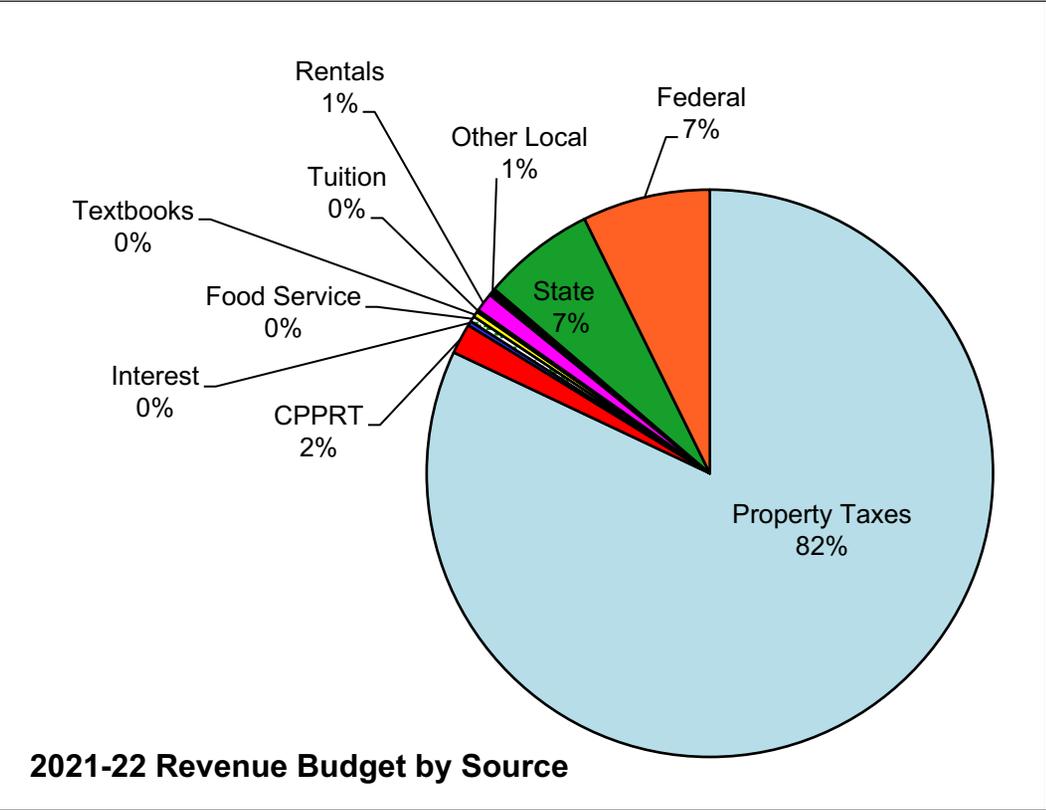
Total Revenue Budget Increase

\$1,024,167 (excl \$60M in bonds)

Major Changes in Revenue Budget from 2021-22

Property Taxes	\$ 1,713,128
Food Service Sales	\$ 1,068,900
Federal School Lunch	\$ (2,387,776)
Interest Income	\$ 659,000
Bond Proceeds	\$ 60,000,000
Tuition (summer/EC)	\$ 45,100
Facilities Rentals	\$ 93,400
State Transportation Reimb	\$ 735,808
SPED Orphanage	\$ (76,445)
SPED Private Facility	\$ (40,219)
Medicaid	\$ 20,000
Title I Grant	\$ (26,064)
Title II Grant	\$ 44,802
Title III Grant	\$ 43,030
ESSER I Funds	\$ (15,076)
ESSER II Funds	\$ (562,970)
ESSER III Funds	\$ (190,638)
ESSER III Setaside Funds	\$ (97,162)
IDEA Grants	\$ (114,275)
IDEA ARP Grants	\$ 285,075
FEMA Funds	\$ (200,802)
Total	\$ 60,996,816

Total Revenue Budget Increase \$61,024,167



2022-23 Budget Assumptions

- Expenditures
 - 2022-23 Personnel Plan approved in spring
 - Personnel Costs
 - Salaries based on negotiated agreements or tied to CPI
 - Health Insurance costs increase by 6%
 - No pension shift incorporated at this time
 - Decrease in IMRF employer pension rate in Jan 2023
 - Cost neutral to the extent possible (inflation)
 - New math curriculum adoption \$1M
 - Technology Plan budget of \$1.6M
 - Limited budget for COVID
 - Decrease in food service food/supplies
 - Bus and Taxi transportation increases

2022-23 Budget Assumptions

- Expenditures

- Continue District vehicle replacement (carryover from 2021/22)
- Insurance Premiums increase
- Capital Projects
 - Summer Projects of \$5.3 million plus FDK (\$3.9)
 - Cafeteria table replacement out of federal food service funds
- Debt service on existing bond issues
 - Nothing for referendum bonds
- Contingency Funds
 - 5 certified staff
 - 6 non-certified staff
 - \$100,000 non-staff in Ed Fund
 - \$50,000 in Capital Projects Fund

Arlington Heights School District #25
Summary of Expenditures 2021-22 and 2022-23

	Budget 2021-22	Unaudited Actual* 2021-22	Difference 2021-22	Budget 2022-23	% Change over 2021-22 Budget
<i>Operating Funds</i>					
Education	\$ 70,563,220	\$ 66,360,577	\$ 4,202,643	\$ 71,839,490	1.81%
Operations & Maintenance	\$ 5,250,925	\$ 5,024,229	\$ 226,696	\$ 5,539,900	5.50%
Transportation	\$ 3,021,074	\$ 2,900,947	\$ 120,127	\$ 3,307,840	9.49%
IMRF/FICA	\$ 2,533,898	\$ 2,348,774	\$ 185,124	\$ 2,436,817	-3.83%
Working Cash			\$ -		
Tort Fund	\$ 819,200	\$ 738,774	\$ 80,426	\$ 854,000	4.25%
Life Safety	\$ 60,000	\$ 59,489	\$ 511	\$ 60,000	0.00%
Sub-Total	\$ 82,248,317	\$ 77,432,789	\$ 4,815,528	\$ 84,038,047	2.18%
Capital Projects Fund	\$ 3,941,933	\$ 2,703,756	\$ 1,238,177	\$ 9,262,950	134.98%
Bond & Interest	\$ 4,407,389	\$ 4,408,715	\$ (1,326)	\$ 4,424,365	
Total All Funds	\$ 90,597,639	\$ 84,545,260	\$ 6,052,379	\$ 97,725,362	7.87%

Total Expenditure Budget Increase \$7,127,723

Changes in Expenditure Budget

EXPENDITURES				
	2021-22	2021-22	2022-23	% Chg Budget
	<u>Budget</u>	<u>Est Actual</u>	<u>Budget</u>	<u>to Budget</u>
Salaries	\$53,360,645	\$51,237,560	\$53,900,894	1.0%
Employee Benefits	11,424,101	11,066,044	11,662,259	2.1%
Purchased Svcs	6,546,799	6,181,446	6,964,008	6.4%
Supplies	6,227,353	5,334,250	6,401,707	2.8%
Capital Outlay	958,437	496,194	1,385,097	44.5%
Construction	3,941,933	2,703,756	9,262,950	135.0%
Other	270,302	177,901	271,428	0.4%
Special Ed Tuition	3,440,557	2,921,108	3,434,282	-0.2%
Debt	4,367,512	4,367,512	4,382,737	0.3%
Life Safety	60,000	59,489	60,000	0.0%
	\$90,597,639	\$84,545,260	\$97,725,362	7.9%

Total Expenditure Budget Increase

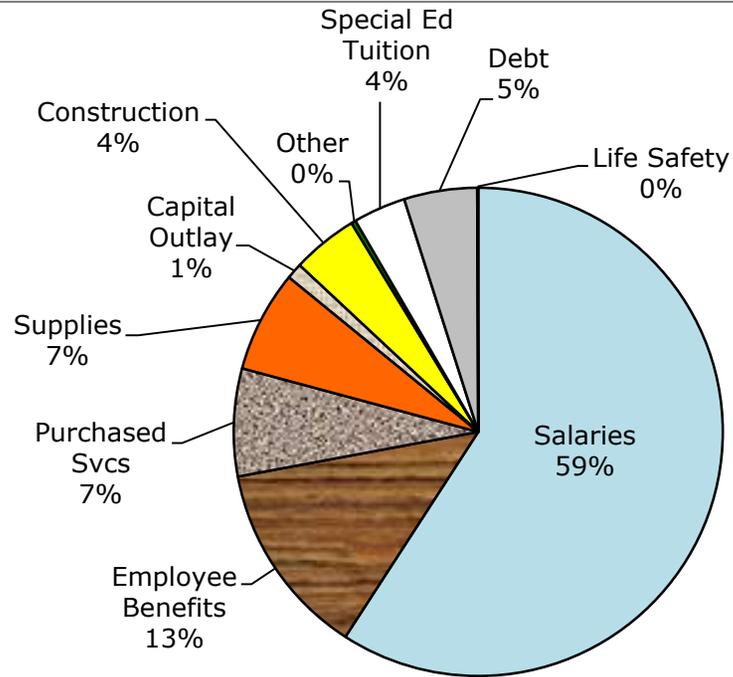
\$7,127,723

Major Changes in Expenditure Budget from 2021-22

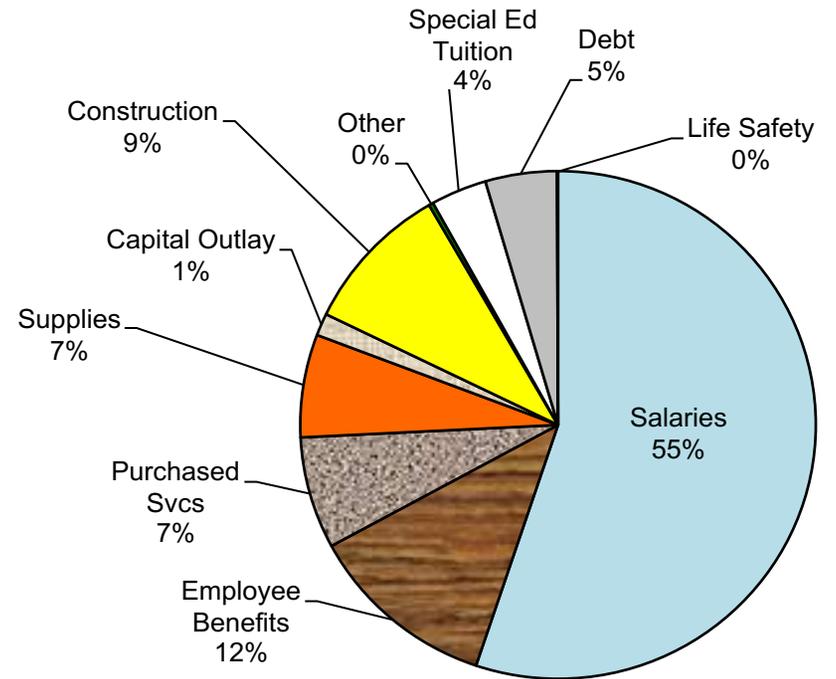
Salaries (excl ESSER)	\$ 1,362,360
Employee Benefits (excl ESSER)	\$ 280,433
IDEA ARP	\$ (62,076)
ESSER II	\$ (530,832)
ESSER III	\$ (144,134)
ESSER III Setaside	\$ (136,027)
SIP Fund Allocation	\$ (52,770)
Curriculum Audit	\$ (68,400)
Technology Budget	\$ 297,189
Board Room tech upgrades	\$ (48,625)
Curriculum Budget (MIF 6 Yrs)	\$ 1,013,144
Food Service Supplies	\$ (388,700)
Food Service Vans/Equipment	\$ 190,000
Facilities Budget (\$40K carryover)	\$ 118,690
Insurance Premiums (Prop/Liab & Wrkrs Comp)	\$ 34,800
Telephone/Fiber	\$ (15,000)
Transportation	\$ 150,966
SPED Transportation	\$ 50,000
Gasoline	\$ 60,000
Construction (capital projects)	\$ 5,321,017
COVID expenses	\$ (70,000)
STEM/DAD/CMA tech upgrades	\$ (171,540)
Total	\$ 7,190,495

Total Expenditure Budget Increase

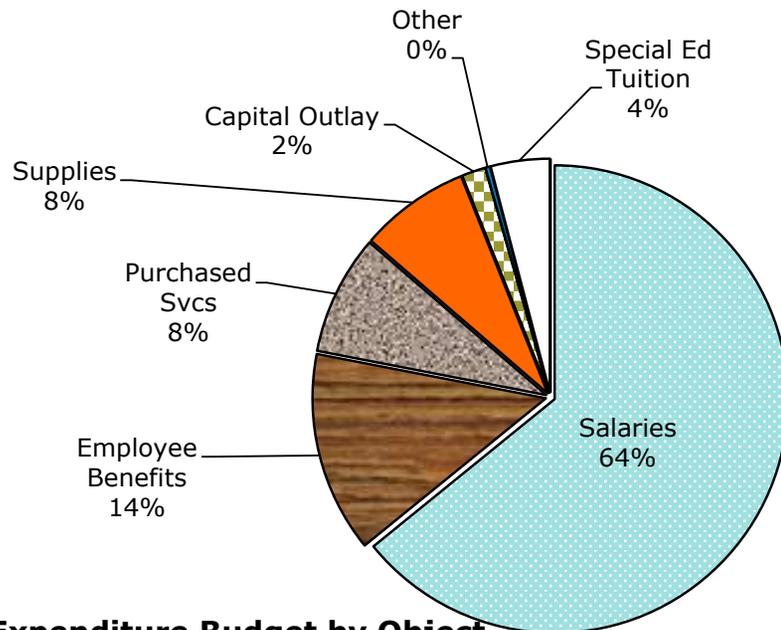
\$7,127,723



2021-22 Expenditure Budget by Object



2022-23 Expenditure Budget by Object



2022-23 Expenditure Budget by Object (excluding debt and construction)

Personnel Costs = 78% of Budget (Excluding Debt & Construction)

Arlington Heights School District #25
Summary of Fund Balance 2022-23 Tentative Budget

	Unaudited Fund Balance 6/30/22	Revenue Projection	Transfers In	Expenditure Projection	Transfers Out	Projected Fund Balance 6/30/23	Surplus (Deficit)
<i>Operating Funds</i>							
Education:	40,298,322	\$ 69,591,514		\$ 71,839,490	\$ 39,878	\$ 38,010,468	\$ (2,287,854)
Operations & Maintenance	\$ 6,063,504	\$ 7,084,837	\$ 4,746,455	\$ 5,539,900	\$ 9,246,455	\$ 3,108,441	\$ (2,955,063)
Transportation	\$ 2,039,460	\$ 3,452,503		\$ 3,307,840		\$ 2,184,123	\$ 144,663
Working Cash	\$ 7,716,455	\$ 60,115,800		\$ -	\$ 4,746,455	\$ 63,085,800	\$ 55,369,345
IMRF/FICA	\$ 1,610,245	\$ 2,301,293		\$ 2,436,817		\$ 1,474,721	\$ (135,524)
Tort Fund	\$ 175,899	\$ 980,339		\$ 854,000		\$ 302,237	\$ 126,339
Life Safety	\$ 101,495	\$ 21,245		\$ 60,000		\$ 62,740	\$ (38,755)
Sub-total	\$ 58,005,380	\$ 143,547,530	\$ 4,746,455	\$ 84,038,047	\$ 14,032,788	\$ 108,228,530	\$ 50,223,150
Capital Projects Fund	\$ -	\$ 16,495	\$ 9,246,455	\$ 9,262,950		\$ -	\$ -
Bond & Interest	\$ 1,093,119	\$ 4,465,981	\$ 39,878	\$ 4,424,365		\$ 1,174,612	\$ 81,494
Total All Funds	\$ 59,098,499	\$ 148,030,006	\$ 14,032,788	\$ 97,725,362	\$ 14,032,788	\$ 109,403,143	\$ 50,304,644

\$60.0M bonds sold

\$4.75M transfer from bond proceeds

\$55.25M incr in fund balance due to bonds

2022-23 Budget Impact

Bond revenue	★	\$60.00 million
Bond transfer for Capital Projects		<u>\$ 4.75 million</u>
Surplus from bonds		\$55.25 million
Total Budget Surplus	★	<u>\$50.30 million</u>
Budget Deficit (excl bonds)		\$ 4.95 million

2021-22 Budgeted Deficit	-	\$ 3.6 million
2021-22 Est Actual Surplus	★	+ <u>\$ 2.4 million</u>
Fund Balance Impact 2021-22	+	\$ 6.0 million

	Est Actual 2021/22	Budget 2022/23
Revenues		
Property Taxes	\$ 70,528,053	\$ 73,065,587
CPPRT	\$ 2,872,621	\$ 1,506,241
Interest	\$ 192,306	\$ 885,000
Food Service	\$ 241,615	\$ 1,345,900
Rentals	\$ 1,005,024	\$ 1,022,700
Other Local (tuition,fees, etc.)	888,201	823,475
Bonds	-	★ 60,000,000
State	5,917,886	6,232,760
Federal	5,320,292	3,148,343
Total Revenues	\$ 86,965,999	\$ 148,030,006
Expenditures		
Salaries	51,237,560	53,900,894
Employee Benefits	11,066,044	11,662,259
Purchased Svcs	6,181,446	6,964,008
Supplies	5,334,250	6,401,707
Capital Outlay	496,194	1,385,097
Other	138,024	231,550
Tuition	2,921,108	3,434,282
Debt	4,407,389	4,422,615
Sub-Total Expenditures	\$ 81,782,015	\$ 88,402,412
Sub-Total Surplus/(Deficit)	★ \$ 5,183,984	★ 59,627,594
Ending Fund Balance (excludes capital projects)	<u>61,861,748</u>	<u>121,489,341</u>
<i>% of next yr's budget (excludes capital projects)</i>	70.0%	136.6%
Capital Projects	★ 2,763,245	★ 9,322,950
Ending Fund Balance	<u>59,098,503</u>	<u>109,403,146</u>
<i>% of next yr's budget</i>	60.5%	85.0%

Budget Timeline

Dec 9, 2021	Adopt tax levy
Jan-Mar 2022	Build budget assumptions
Feb - Jul 2022	Build budget (building allocations, departments, staffing, enrollment)
Jun 9, 2022	Personnel Plan approved by Board
Aug 9, 2022	Presentation of Tentative Budget
Aug-Sep 2022	Continue budget updating for changes
Sept 27, 2022	Public Hearing and Final budget adoption