

**BOARD OF EDUCATION  
GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT 87  
Glen Ellyn, Illinois**

Agenda Item: Discussion Item

Date: August 9, 2010

Subject: 2009/2010 Actual; 2010/2011 Tentative Budget  
Review

Related Page(s): Attached

Presented by: Chris McClain

**BRIEFING**

**TOPIC:** 2009/2010 Fiscal Year Actual (Un-Audited) Review;  
2010/2011 Fiscal Year Tentative Budget Proposal

**BACKGROUND INFORMATION:**

**Review of 2009/2010 Fiscal Year Actuals (Un-audited):**

District 87's books are closed for fiscal year 2009/2010. These results will be audited over the next few months. We are pleased to report that we have **achieved all** Board of Education/Administration established financial goals as follows: 1) Balanced Budget; 2) No short term borrowing to meet cash flow requirements, in other words no Tax Anticipation Warrants (TAWs) were required to be issued; 3) Solvency Position was achieved for the first time in many years. Details are provided in the enclosed reports and will be reviewed with the Board during our meeting.

**2010/2011 Tentative Budget Proposal:**

We have published our 2010/2011 Budget calendar and are on track to review and approve the District 87 Budget consistent with our plan and timeline. We are presenting a **budget that is balanced** for the upcoming school year. Specifically, a Budget Operating Performance (Operating Funds less Debt Service Deficit) that is favorable in the amount of \$1.3M. Some key points to highlight in this summary:

- Property Tax revenue increase yr/yr of 0.6%
- Assumed 4 quarterly payments will be paid/ received from the State of Illinois for Categorical State Aid, specifically December 2009 vouchers; March, September, December 2010 vouchers.
- Health benefits budget increase of 10% yr/yr
- Contingency dollars loaded in the Expenditures Budget, Capital Outlay, Instructional Maintenance and Life Safety (Education and O&M Funds).

More details provided in the enclosed scheduled. Following review, Business Services will prepare Illinois State Budget Form 50-36.

**SUPERINTENDENT'S RECOMMENDATION:**

I recommend that the Board receive this report as information.

## **2010-2011 BUDGET TIMELINE**

### **Tuesday, ~~June 29, 2010~~ July 6, 2010:**

- ✓ Discussion item prepared for Cabinet Meeting

### **Monday, July 12, 2010:**

- ✓ Preliminary budget discussed at Finance meeting

### **Monday, August 9, 2010**

- ✓ Budget discussed at Finance and Board meetings

### **Friday, August 13, 2010:**

- ✓ Legal notice published in the Daily Herald regarding public hearing
- ✓ 2010-2011 Budget (50-36) on display for 30 days

### **Tuesday, September 7, 2010:**

- ✓ Review of Budget Hearing materials at Cabinet

### **Monday, September 13, 2010:**

- ✓ Budget Hearing - Board of Education Meeting

### **Monday, September 27, 2010**

- ✓ Budget Approval – Board of Education Meeting

After approval, original signed copy to County Clerk and ROE  
Submit electronically to ISBE; must be provided by September 30,  
2010.

Revised 6/14/10



# **Glenbard Township High School District 87**

596 Crescent Boulevard, Glen Ellyn, IL 60137 Phone: (630) 469-9100 Fax: (630) 469-9107

## **GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87**

**ACTUAL PERFORMANCE 2009/2010 - RECAP**

**TENTATIVE BUDGET 2010/2011**

**PRESENTED: AUGUST 9, 2010  
BOARD OF EDUCATION MEETING**



# **Glenbard Township High School District 87**

596 Crescent Boulevard Glen Ellyn, IL 60137 Phone: (630) 469-9100 Fax: (630) 469-9107

## **GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87**

### **FINANCIAL OBJECTIVES: (In Order of Priority)**

1. **Balanced Budget**
2. **No Reliance on Short Term Financing; ie. Tax Anticipation Warrants (TAW)**
3. **Solvency Position (Specifically, EOY Fund Balance less Early June Cash Collection is  $\geq$  \$0)**

GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87

2009/2010 Budget to Actual Performance - Unaudited

FUND SUMMARY (Dollars in 000's)

Balanced Budget Achieved

REVENUE VERSUS EXPENDITURE SUMMARY:	ALL FUNDS	LESS: FUND 60 (CAPITAL PROJECTS)	OPERATING PERFORMANCE
<b>BUDGET:</b>			
Revenue	\$ 137,093.7	\$ 1,544.0	\$ 135,549.7
Expenditure	\$ 140,180.7	\$ 4,900.0	\$ 135,280.7
Variance	\$ (3,087.0)	\$ (3,356.0)	\$ 269.0

<b>ACTUAL:</b>			
Revenue	\$ 138,463.7	\$ 870.3	\$ 137,593.4
Expenditure	\$ 137,250.3	\$ 3,839.6	\$ 133,410.7
Variance	\$ 1,213.4	\$ (2,969.3)	\$ 4,182.7



<b>Favorable Operating Variance</b>	\$	\$	\$ 3,913.70
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<b>Favorable Operating Variance - Why?</b>			
June 'Early Taxes' Revenue: 47.5% rec'd vs 46.5%	\$		\$ 1,165.2
State Revenue: Budgeted conservatively	\$		\$ 1,097.1
Federal ARRA Expenditure: Suppliative	\$		\$ 319.0
Retiree Lawsuit Expenditure: Budgeted not incurred	\$		\$ 400.0
Contingency Expenditure: Not required	\$		\$ 500.0
Cost Management/ Control	\$		\$ 432.4
<b>TOTAL</b>	\$		\$ 3,913.7

**GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87**

**2009/2010 Budget to Actual Performance - Unaudited**

**END OF YEAR FUND SUMMARY (Dollars in 000's)**

**Solvency Position Achieved**

<b>SOLVENCY CALCULATION</b>	<b>End of Year \$'s</b>
End of Year Fund Balance - ALL FUNDS	\$ 55,004.5
Less: June 'Early Taxes'	\$ 50,755.0
Less: EOY Capital Project Fund Balance (Reserved for Future Expenditures)	\$ 2,060.4
<b>Solvency Position</b>	<b>\$ 2,189.1</b>



**GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87  
2010 - 2011 TENTATIVE BUDGET  
FUND SUMMARY**

**2010/2011 Operating Performance:**

Operating Funds Surplus less Debt Service Deficit

\$3,455,493 - \$2,156,497 + \$10,000 = **\$1,308,996**

Operating Funds	Beginning Fund Balance July 1, 2010	Revenues	Expenditures	Surplus +/- (-)	Permanent Fund Transfer to Debt Service*	Ending Fund Balance June 30, 2011
Education	\$ 37,448,660	\$ 118,793,769	\$ 118,720,383	\$ 73,386	\$ -	\$ 37,522,046
Operations & Maintenance	\$ 5,620,741	\$ 13,209,873	\$ 11,215,407	\$ 1,994,466	\$ (2,000,000)	\$ 5,615,207
Transportation	\$ 1,130,043	\$ 6,563,353	\$ 5,295,928	\$ 1,267,425	\$ -	\$ 2,397,468
IMRF	\$ 659,357	\$ 2,539,519	\$ 2,419,303	\$ 120,216	\$ -	\$ 779,573
<b>Total Operating Funds</b>	<b>\$ 44,858,801</b>	<b>\$ 141,106,514</b>	<b>\$ 137,651,021</b>	<b>\$ 3,455,493</b>	<b>\$ (2,000,000)</b>	<b>\$ 46,314,294</b>
<b>Restricted Funds</b>						
Debt Service	\$ 1,857,439	\$ 4,130,827	\$ 6,287,324	\$ (2,156,497)	\$ 2,000,000	\$ 1,700,942
Capital Projects	\$ 2,060,382	\$ 2,136,000	\$ 4,125,000	\$ (1,989,000)	\$ -	\$ 71,382
Working Cash	\$ 6,227,889	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ 6,237,889
<b>Total Capital Funds</b>	<b>\$ 10,145,710</b>	<b>\$ 6,276,827</b>	<b>\$ 10,412,324</b>	<b>\$ (4,135,497)</b>	<b>\$ 2,000,000</b>	<b>\$ 8,010,213</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 55,004,511</b>	<b>\$ 147,383,341</b>	<b>\$ 148,063,345</b>	<b>\$ (680,004)</b>	<b>\$ -</b>	<b>\$ 54,324,507</b>

\* Illinois Accounting Procedure Changes Require all District Debt (Referendum & Non-Referendum Debt) to be Paid From Debt Service Fund; (Capital Leases Paid from Debt Service Fund) The Deficit in the Debt Service Fund is Due to Expenditures not Funded by Referendum Debt: (ECM Bond Repayment; Capital Leases); O&M Fund must Levy \$'s to Fund These Costs

GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87  
2010 - 2011 TENTATIVE BUDGET

Year over Year Comparison/ Assumptions

Revenues	2009/2010 Actual	2010/2011 Budget	\$ Variance	% Variance	2010/2011 Budget Assumptions
Tax Levy	\$ 107,280,805	\$ 107,944,355	\$ 663,550	0.6%	52.5% of 2008 Levy received in 2010/2011 Fiscal Year @ 0.1% CPI; 47.5% of 2009 Levy received in Fiscal Year 2010/2011 @ 2.7% CPI (New Construction estimated at \$48M)
Corporate Property Tax	\$ 1,951,288	\$ 1,945,000	\$ (6,288)	-0.3%	Assume flat to 2009/2010 level; Note - Verify number with State @ beginning of August, 2010 when identified dollars are available from State web-site
General State Aid	\$ 4,014,081	\$ 4,169,000	\$ 154,919	3.9%	Foundation Level held @ LY levels; \$6,119 per pupil; GSA calculations per PMA model, alternate grant calculation
Categorical State Aid	\$ 5,737,519	\$ 6,665,156	\$ 927,637	16.2%	Per information received from State all State Grants will be funded to LY levels with exception of: Regular Transportation reduced 23% from LY level & ELL reduced 6%; Assumed receipt of 4 quarterly payments in fiscal year 2010/2011 (December 2009 & March, September & December 2010 vouchers)
Federal Aid	\$ 2,781,180	\$ 2,874,194	\$ 93,014	3.3%	Dollars are based on actual allocation amounts.
School Revenue	\$ 2,124,856	\$ 2,114,216	\$ (10,640)	-0.5%	Detailed schedules were developed that highlight school level income, by site, by revenue category: Flat yr/yr
Tuition Revenue	\$ 530,455	\$ 510,000	\$ (20,455)	-3.9%	Detailed schedules were developed that highlight tuition income: Flat yr/yr
Bookstore & Cafeteria	\$ 2,298,655	\$ 2,345,000	\$ 46,345	2.0%	We expect revenue levels to be basically flat year over year.
Interest Income	\$ 233,128	\$ 161,000	\$ (72,128)	-30.9%	We expect reduction due to ongoing poor investment returns
Miscellaneous & Rentals	\$ 2,511,732	\$ 1,855,420	\$ (656,312)	-26.1%	Detailed schedules were developed that highlight miscellaneous revenue contributions; Dollars down from LY due to one-time Carol Stream Park District receipts received in 2009/2010 of \$675K
Bond Issue	\$ -	\$ 1,800,000	\$ 1,800,000	#DIV/0!	We propose \$1.8M bond issue to fund cash requirements for North & Memorial Field turf projects; Provided previously in reviews
TRS Flow Thru	\$ 9,000,000	\$ 15,000,000	\$ 6,000,000	66.7%	We project 'State on behalf of payments' at \$15M (Note: Same expenditure assumption listed below)
<b>Total Revenues</b>	<b>\$ 138,463,699</b>	<b>\$ 147,383,341</b>	<b>\$ 8,919,642</b>	<b>6.4%</b>	Yr/Yr Revenue % Growth - Operating (Back Out' TRS Flow Thru & Fund 60)
<b>Expenditures</b>					
Salaries	\$ 66,143,181	\$ 68,895,905	\$ 2,752,724	4.2%	Salaries per salary schedule & other contractual agreements: Detailed employee information provided from HR; Certified FTE = 579
Benefits	\$ 16,867,834	\$ 16,308,604	\$ (559,230)	-3.3%	Detailed benefits schedule developed; Medical/ Dental yr/yr increase budgeted at 10%; Retiree lawsuit provision for \$682K
Purchased Services	\$ 18,062,729	\$ 19,164,000	\$ 1,101,271	6.1%	Per contracts structured & review of run rate spending trends
Supplies	\$ 7,016,418	\$ 7,667,095	\$ 650,677	9.3%	Held school supply budgets flat yr/yr; Course fee supplies calculated per class sectioning data for 2010/2011
Capital Outlay	\$ 7,342,287	\$ 8,156,998	\$ 814,711	11.1%	Summer capital projects & turf combine for \$6M of total spend; Other capital based on allocation, run rate trends
Dues/ Fees/ Donations	\$ 338,165	\$ 332,000	\$ (6,165)	-1.8%	Per run rate trends
Tuition	\$ 6,450,086	\$ 6,251,419	\$ (198,667)	-3.1%	Detailed schedules support listing of SPED students served, by site & cost per site/student
Debt Service Payments	\$ 6,029,592	\$ 6,287,324	\$ 257,732	4.3%	Per bond schedules; ECM debt service & other capital leases summary schedules
TRS Flow Thru	\$ 9,000,000	\$ 15,000,000	\$ 6,000,000	66.7%	We project 'State on behalf of payments' at \$15M (Note: Same revenue assumption listed above)
<b>Total Expenditure</b>	<b>\$ 137,250,292</b>	<b>\$ 148,063,345</b>	<b>\$ 10,813,053</b>	<b>7.9%</b>	Yr/Yr Expenditure % Growth - Operating (Back Out' TRS Flow Thru & Fund 60)
<b>Revenue Over (Under) Expenditures - ALL FUNDS</b>	<b>\$ 1,213,407</b>	<b>\$ (680,004)</b>			
<b>Revenue Over (Under) Expenditures: OPERATING PERFORMANCE</b>	<b>\$ 4,182,644</b>	<b>\$ 1,308,996</b>			

GLENBARD TOWNSHIP HIGH SCHOOL DISTRICT #87  
 2010- 2011 TENTATIVE BUDGET

**EOY Fund Balance (Projection): ALL Funds**

Revenues	
(\$'s in 000's)	
<b>Fund Balance</b>	
Fund Balance as of July 1, 2010	\$ 55,004,511
Less: Excess Expenditures over Revenues	\$ (680,004)
Fund Balance as of June 30, 2011	\$ 54,324,507

<b>Cash versus Accrual 'Bridge'</b>	
Cash Fund Balance at June 30, 2011	\$ 54,324,507
Less: Early Taxes for 2011/2012	\$ 52,300,617
Less: EOY Capital Project Fund (Reserved for Future Expenditure)	\$ 71,382
Accrual Fund Balance June 30, 2011 (Less Fund '60')	\$ 1,952,508