

\*Revised 6/11/2020



# 2020-2021

# Preliminary Budget

June 11, 2020

*The Winnetka Public Schools community empowers every student to flourish in an innovative, experiential environment. We support and challenge all learners to actively engage in their continual growth and achievement to make a meaningful difference in the world.*

# Budget Process: Alignment to Priorities

District Priorities	Translates to Budget
Maintain high-quality programs	Drives budget process by prioritizing student needs by focusing on staffing, programs and strategic goals.
Maintain facilities	Ensures funding is in place to address facility needs to provide for maintenance and upkeep of the learning environment.
Invest in curriculum and instruction	Ensures a budget provides the tools necessary to advance our shared vision and strategic goals for Reaching ALL Learners.
Uphold fiscal responsibility	Prioritizes transparency through the budget process. Minimize contingencies, and ensure budget is meeting the financial guidelines set by the Board, while remaining mindful of the enrollment, strategic goals, and long-term planning.
Manage Operational/Health and Instructional of COVID-19 (NEW)	Addresses necessary materials, supplies, staffing, and training related to the pandemic, prioritizing the District's effort to safely maximize in-school instruction.

# Budget Process: Timeline for FY21 Budget

Timeline	Action
October 2019	Administrative team to review: <ul style="list-style-type: none"><li>• Staffing</li><li>• Special Education</li><li>• Technology</li><li>• Programmatic Analysis</li></ul>
November 2019	Finance Subcommittee reviewed preliminary FY21 staffing Initial levy hearing
December 2019	Final levy approved
January 2020	Presented preliminary staffing plan to School Board Finance Subcommittee Preliminary Budget Discussion (assumption-based)
February 2020	Finalized Staffing Plan prior to March approval Met with department heads and principals <ul style="list-style-type: none"><li>• Aligned budgets with District goals and initiatives</li><li>• Line-by-line budget development</li></ul>

# Budget Process: Timeline for FY21 Budget

Timeline	Action
March 2020	Final Staffing Plan approved
May 2020	Refined budget prior to presentation to Board with new hires and accruals factored in for end-of-year
June-August 2020	Work with Board and Administration to refine budget Analyze budget for alignment with Board policy Prepare Tentative Budget for public hearing in August
August 2020	Tentative Budget Hearing prior to being on display for 30 days
September 2020	Final Budget approval

# Explanation of Funds

## Operating Funds

- *Education Fund*: primary fund accounting for 70% of expenditures
- *Operations and Maintenance Fund*: Buildings & Grounds and related expenditures
- *Transportation Fund*: Costs associated with transportation
- *IMRF/FICA Fund*: Retirement benefits for classified staff; Medicare and FICA
- *Working Cash Fund*: Used to provide interfund loans to other funds
- *Tort Fund*: All items associated with costs related to liability insurance

## Non-Operating Funds

- *Debt Service Fund*: All items related to our outstanding bonds
- *Capital Projects Fund*: Utilized for capital improvements to facilities
- *Life Safety Fund*: Can be utilized for life safety needs only

# COVID-19 Impact on FY20 Estimated Actual Results

In order to better understand FY20 and FY21 impact of COVID-19 it is important to understand the following:

- Unusual circumstances unique to COVID-19 closure have impacted operations
- FY20 Results are conservatively estimated based upon preliminary information through May
- Difficult to forecast billing in May and June that are currently being received
  - Supplies and materials coming in to address fall; anything received prior to June 30th will be included in FY20
  - Billing from outside organizations such as private placement facilities and NSSED are more difficult to estimate due to COVID-19 closure
  - Supplies and materials may be received in June due to limited reopening and orders coming through now that office staff are in buildings
  - Impact of not having students in building will impact electric/gas billing, but not yet fully evaluated
- Tentative Budget will allow for much clearer estimated actual results

# COVID-19 Reduced Costs/Increased Exp. FY20

## Reduced Costs/Increased Expenditures in FY2020

Cabs for Special Ed. Transport	(32,000)
Substitutes	(57,500)
COVID-19 Related Expenditures	132,000
Supplies and Materials	(413,000)
Food Service	(19,500)
Professional Development Related Costs	<u>(9,000)</u>
	<u><b>(399,000)</b></u>

# Highlights of the FY 21 Budget

## Revenue

- All Funds: +.9% from FY20
- Operating Funds: +1.3% from FY20
  - Generally flat other than property tax increase
  - Increasing tax appeals and factoring in lower collection rates

## Expenditures

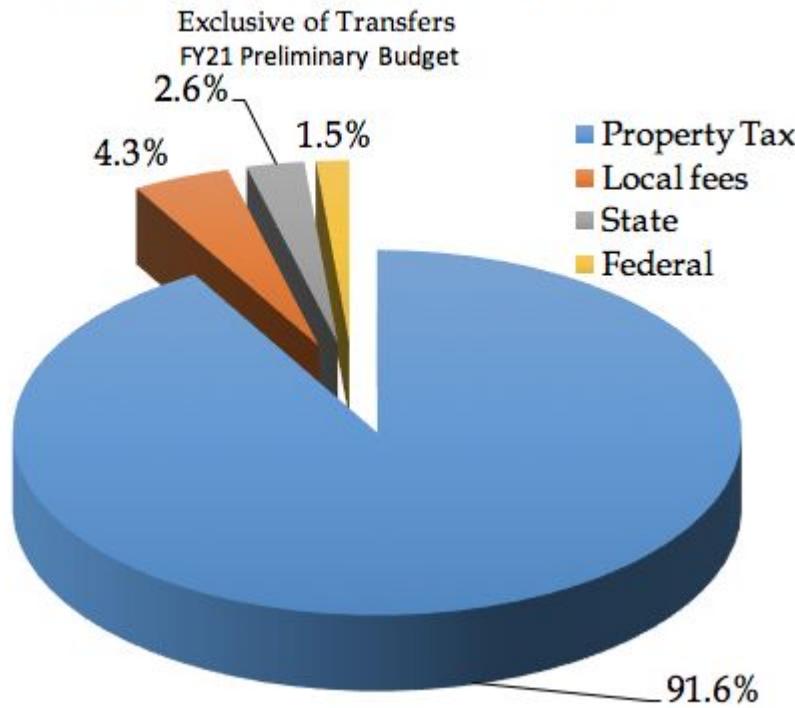
- All Funds: 12.3% increase from FY20
  - Increase of \$3.4M in Capital Projects
- Operating Funds 6.2% increase from FY20
  - Operating Funds: 2.6% increase from FY20 exclusive of Covid-related expenditures/savings

**Fund Balance:** Expected net total fund balance of ~\$1.7M

# FY21 Budget Revenues

# Sources of FY21 Revenue

## Revenues - All Funds



### Assumptions:

- 1% reduction in tax collections (~\$400k)
- Slight reduction in Evidence Based Funding (~\$32k)
- Reduction in revenues for Transportation (~\$85k)

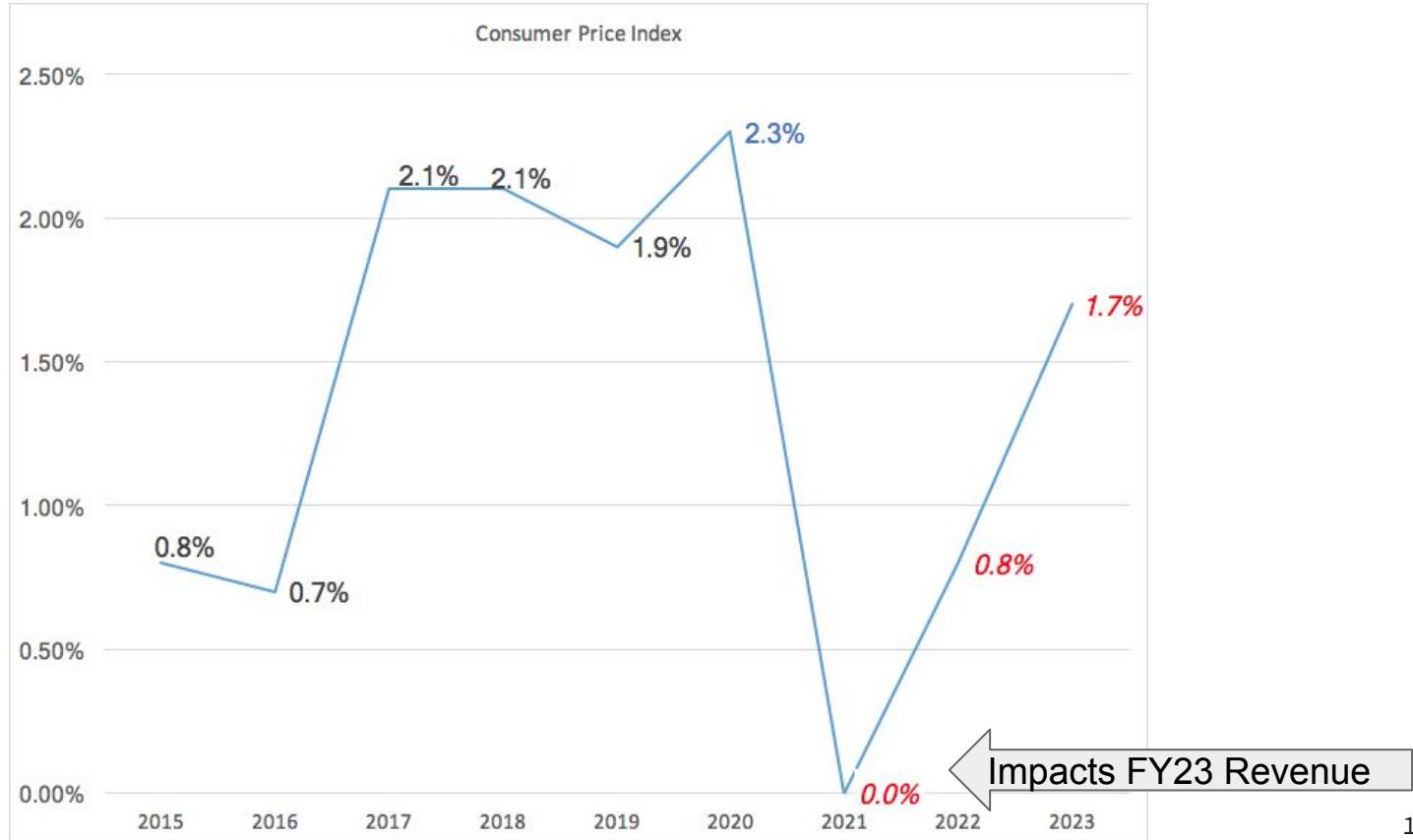
# Property Tax Cycle



This graphic shows the timing of our property tax cycle:

- 2018 CPI impacts FY21 Revenue
- COVID-19 related revenue impact will be felt in FY23

# Financial Factors - CPI



# Revenues by All Funds FY21 vs. FY20 (FY21 Preliminary Budget to FY20 Est. Actual)

	FY20 Est.	Actual	FY21	Variance
Education	\$39,412,339	\$37,668,786	<4.4%>	
Operations & Maintenance	1,931,536	4,320,145	123.7%	
Debt Service	4,738,657	4,618,347	<2.5%>	
Transportation	361,397	1,048,580	190.1%	
FICA/IMRF	1,319,079	1,140,891	<13.5%>	
Capital Project	12,829	600	<95.3%>	
Working Cash	605,719	124,119	<79.5%>	
Tort	<u>213,034</u>	<u>104,098</u>	<u>&lt;51.1%&gt;</u>	
<b>Total Budgeted Revenues</b>	<b>\$48,594,590</b>	<b>\$49,025,566</b>	<b>.9%</b>	

Exclusive of transfers between Education, O&M and Capital Project Funds

Large variances are a result of the levy process and are made to level the balance in each fund

# Revenue Sources: Operating Funds (FY21 Preliminary Budget to FY20 Est. Actual)

## Operating Funds

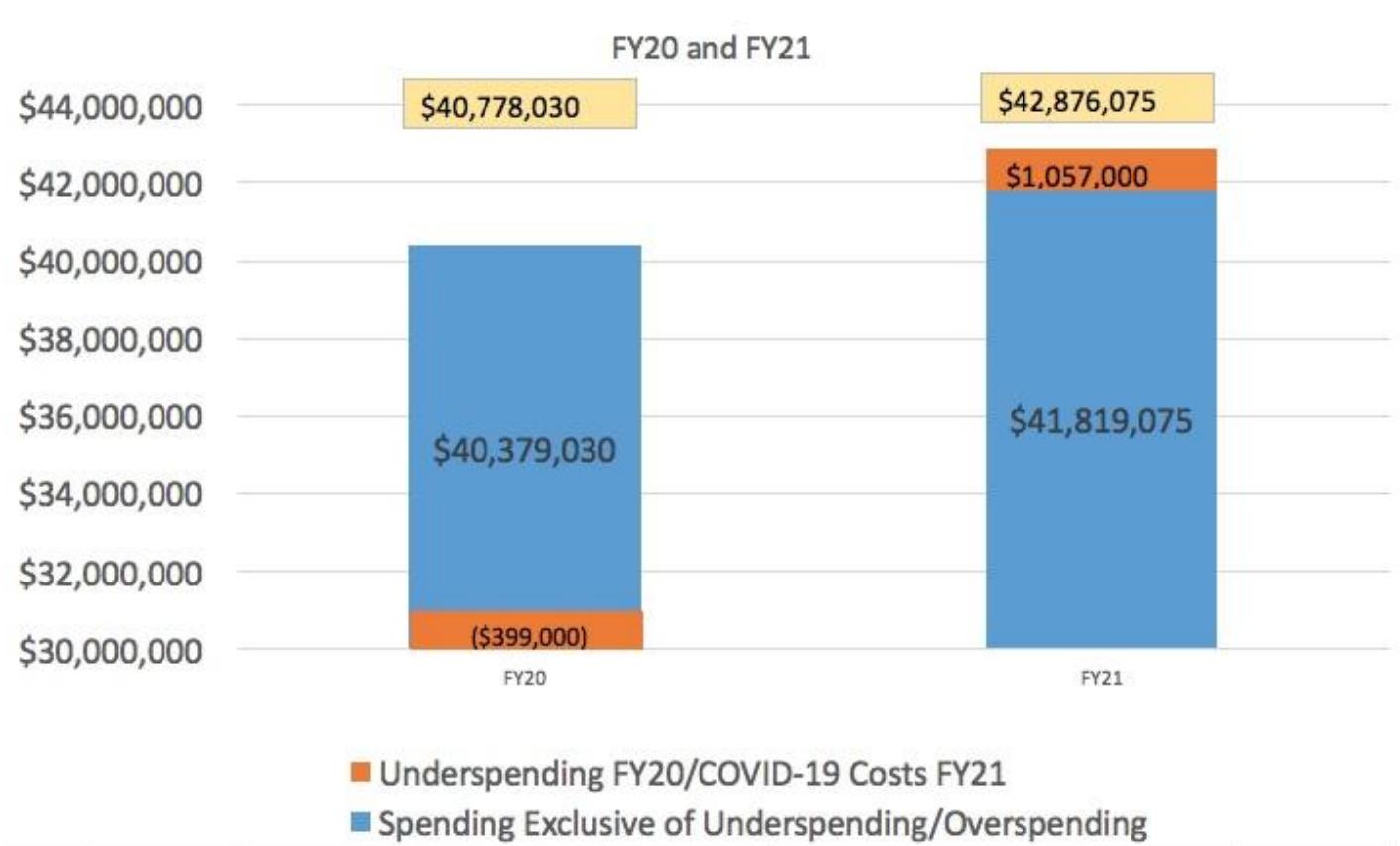
(Ed, O&M, Transportation, FICA/IMRF, Working Cash, Tort)  
(before transfers)

### ESTIMATED OPERATING RESULTS

OBJECT	FY20	FY21
	Estimated Accrual	Preliminary
	Actual	Budget
REVENUE FROM PROPERTY TAXES	39,792,587	40,347,464
REVENUE FROM OTHER LOCAL SOURCES	2,026,475	2,081,970
REVENUE FROM STATE SOURCES	1,262,408	1,257,025
REVENUE FROM FEDERAL SOURCES	761,634	720,160
<b>Total operating fund revenues</b>	<b>43,843,104</b>	<b>44,406,619</b>
		1.3%

# FY21 Budget Expenditures

# Summary of FY20 & FY21 Budget Expenditures



# COVID-19 Related Expenditures (as of 6/2020)

## **COVID -19 Related Costs/Savings in FY2021**

Modified Technology Refresh K-2	115,000
3 Additional Health Related Staff	104,000
2 Additional Custodians	85,000
Special Ed. Evaluations and Compensatory Services	58,000
Summer Curriculum Dev. And Tech. training	262,000
COVID-19 active case cleaning	100,000
Environmentalist Oversight	20,000
Supplies and Materials COVID-19 (PPE, etc.)	100,000
	<hr/>
	<b><u>844,000</u></b>

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Will modify over the summer as planning evolves based on new safety/health guidelines and instructional delivery model. Other items under evaluation and not included are: classroom furniture, outdoor tents, etc.

# FY20 Delayed Expenditures Impacting FY21

## **FY21 Expenditures Budget in FY20**

Curricular Materials (ELA, SS)	82,000
CI New Kindergarten Classrooms	13,000
*STEAM Materials	31,000
2-Way Radios (Safety Plan)	12,000
*Misc. Supplies and Materials	75,000
	<b><u>213,000</u></b>

## **Impact on FY2021 Budget**

**1,057,000**

\*Evaluation of materials & supplies will be made to ensure materials are relevant in COVID guidelines.

# Opportunities for Savings and Offset of Costs

## Absolute Savings

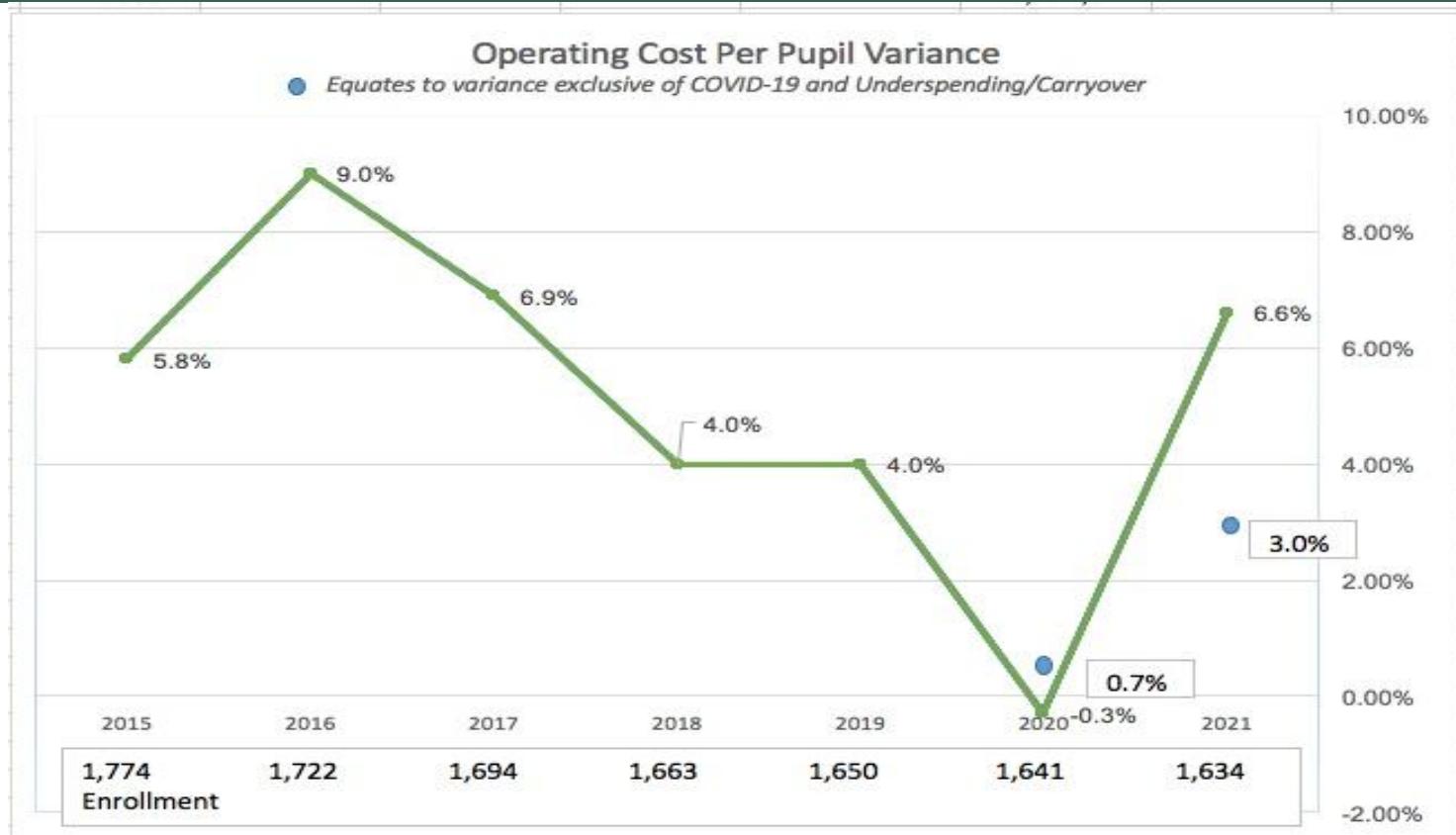
- No costs associated with travel and offsite professional development may be offset by need for additional training for staff in remote learning

## Potential Savings

- Substitute savings dependant upon modified instructional delivery model
- Associate vacancies postponement in hiring
- Energy savings if school is closed for any length of time

**CARES Act Funding:** The District was not eligible for first round; applying for round two funding June 2020.

# Cost Per Pupil



# Cost Per Pupil

		2015	2016	2017	2018	2019	Est.	Actual	Prelim.	Budget
							2020	2021	2021	2021
<b><u>Cost per Student (Average Enrollment)</u></b>										
A	Total ex Building Capital Growth	22,583	24,631	44,134	26,637	27,532	27,364		28,969	5.9%
B	Total ex Building Capital and Debt Service Growth	19,566	21,325	22,802	23,724	24,679	24,606		26,240	6.6%
C	Total ex Building Capital and Debt Service/COVID-19 Costs and Carryover Growth						**Less Cap. Reg. Progams \$1,936,361			
							24,849.50		25,593	
							0.7%		3.0%	

Cost Per Pupil target has been impacted by underspending in FY 2020 and additional needs for COVID-19 in FY 2021

FY21 CPP

# FY21 Capital Projects

## Health/Life Safety and other Facility Repairs

*Completed in May/August 2020*

**Greeley:** fixtures to address domestic water issues

**Hubbard Woods:** fixtures to address domestic water issues

**Crow Island:** ADA upgrades, domestic water piping, Health/Life Safety work

**Carleton Washburne:** fixtures to address domestic water issues, air handling unit replacement

**Skokie:** domestic water piping, windows, roofing, doors and frames, electrical panels, masonry

Allow for use of water fountains that have been turned off and ramps and restrooms for our staff and students that need accessibility

**FY21 Capital Project Total: \$5,460,000**

**Year 1 of 3-year capital project plan**



# 3-Year Prioritized Facilities Plan FY 2021-2023

## 3-Year Facilities Plan

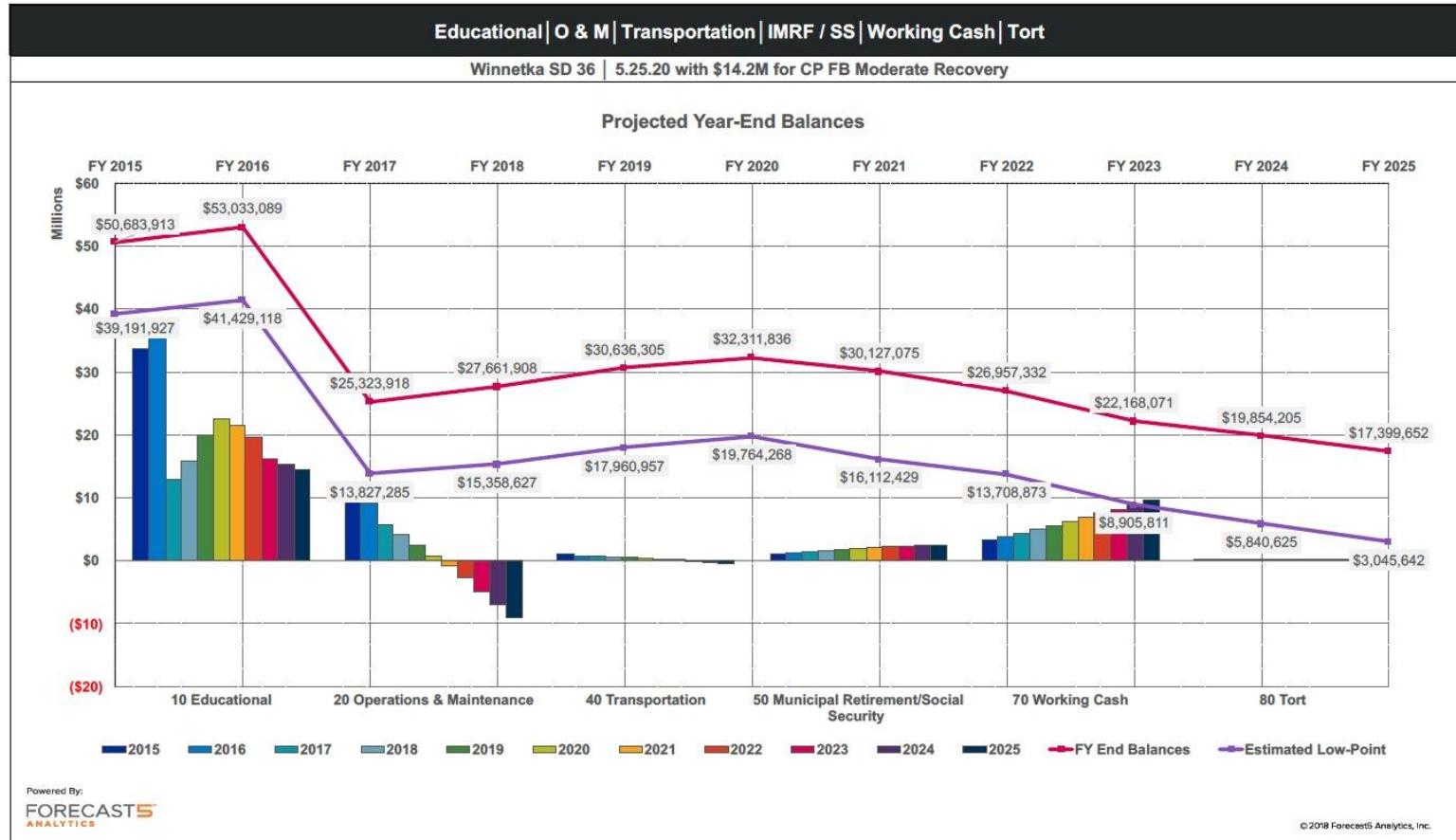
Updated May 2020

With Escalation of 4% per year

Health L/S

Actual	FY 2021	Skokie	Priority A/B	Domestic Water Piping	Maintenance & Facility Needs (C)	Accessibility	Total
		Crow Island	1,160,640	1,085,768	480,496		
		Hubbard Woods	264,526	723,846	422,564	458,060	
		Washburne		85,100			
		Greeley	492,082	170,200			
		Total		85,100			
			<b>1,917,248</b>	<b>2,150,014</b>	<b>903,060</b>	<b>458,060</b>	<b>5,428,382</b>
Updated	FY 2022	FY21 Estimated bid package not fully broken down					
		Hubbard Woods	550,519	825,552	226,104		
		Greeley	912,596	864,864	226,104		
		Skokie	234,000	0	0		
		Total	<b>1,697,114</b>	<b>1,690,416</b>	<b>452,209</b>		<b>3,839,739</b>
Updated	FY 2023	Washburne	2,739,997	1,926,479	220,685		
0		Total	<b>2,739,997</b>	<b>1,926,479</b>	<b>220,685</b>		<b>4,887,161</b>
			<b>6,354,359</b>	<b>5,766,909</b>	<b>1,575,954</b>	<b>458,060</b>	<b>14,155,282</b>

# Facilities Plan FY 2021-2023



# Expenditures by All Funds FY21 vs. FY20 (Est. Act.)

	FY20 Est. Act.	FY21	Variance
Education	\$34,962,235	\$36,896,550	5.53%
Operations & Maintenance	3,558,004	4,061,999	14.17%
Debt Service	4,524,944	4,459,420	<1.45%>
Transportation	635,352	593,732	<6.55%>
FICA/IMRF	1,124,046	1,229,274	9.36%
Capital Projects	2,063,946	5,428,382	163.05%
Working Cash	0	0	0%
Tort	<u>99,393</u>	<u>94,520</u>	<u>&lt;4.9%&gt;</u>
<b>Total Budgeted Expenditures</b>	<b><u>\$46,967,620</u></b>	<b><u>\$52,763,877</u></b>	<b><u>12.34%</u></b>

Variance is 12.3%

Variance is 6.2% exclusive of Debt & Capital Projects

Variance is 2.6% exclusive of underspending in FY20 as well as FY21 COVID-19 costs

# Expenditure by Operating Funds (Est. FY20 Accrual vs. FY21 Budget)

## Operating Funds

(Ed, O&M, Transportation, FICA/IMRF, Working Cash, Tort)

(before transfers)

OBJECT	FY20	FY21
	Est Accrual Actual	Preliminary Budget
SALARIES	26,598,421	28,132,650
BENEFITS	5,242,236	5,553,390
PURCHASED SERVICES	2,961,336	3,434,980
SUPPLIES & MATERIALS	1,452,377	1,735,554
CAPITAL OUTLAY & EQUIPMENT	1,044,044	1,284,576
OTHER	3,080,616	2,734,925
<b>Total operating fund expenditures</b>	<b>40,379,030</b>	<b>42,876,075</b>
		6.2%
<b>COVID-19 RELATED EXPENDITURES</b>		(1,057,000)
<b>UNDERSpending IN FY20 RELATED TO SCHOOL CLOSURE</b>	<b>399,000</b>	
<b>Net operating revenues over &lt;under&gt; expenditures</b>	<b>40,778,030</b>	<b>41,819,075</b>
		2.6%
<b>Net operating revenues over &lt;under&gt; expenditures</b>	<b>3,464,074</b>	<b>1,530,544</b>

# FY21 Fund Balance

# Operating Funds- Fund Balance

## Operating Funds

(Ed, O&M, Transporation, FICA/IMRF, Working Cash, Tort)

RATIO OF FUND BALANCE TO EXPENDITURES	FY20	FY21
	Est Accrual	Preliminary
	Actual	Budget
<b>Beginning Operating Fund Balance</b>	<b>31,208,319</b>	<b>34,672,393</b>
Less: Transfers to Capital Project Funds	-	(5,428,382)
Add: Net operations	3,464,074	1,530,544
<b>Ending Operating Fund Balance</b>	<b>34,672,393</b>	<b>30,774,555</b>
 <b>Operating Fund expenditures</b>	 <b>40,379,030</b>	 <b>42,876,075</b>
	85.9%	71.8%

# Net Change to ALL Fund Balance (Budgeted to Est. Actual)

\*Exclusive of transfers

	FY20 Est. Act.	FY21*
Education	\$4,450,104	\$772,236
Operations & Maintenance	<1,626,468>	258,146
Transportation	<273,955>	454,848
FICA/IMRF	195,033	<88,383>
Working Cash	605,719	124,119
Tort	<u>113,641</u>	<u>9,578</u>
<b>Total Oper. Fund Balance Change</b>	<b><u>\$3,464,074</u></b>	<b><u>\$1,530,544</u></b>
Debt Service	213,713	158,927
Capital Projects	<2,050,817>	600
<b>Total Non-Oper. Fund Balance Change</b>	<b><u>&lt;\$1,837,104&gt;</u></b>	<b><u>\$159,527</u></b>
<b>Total Fund Balance Change</b>	<b><u>\$1,626,970</u></b>	<b><u>\$1,690,071</u></b>

# 2020-2021 Budget Calendar

January 2020	Board Adopts the FY21 Budget Calendar
March 2020	Staffing Plan for 2020-2021
<b>June 11, 2020</b>	<b>Preliminary FY21 Budget Presentation</b>
August 18, 2020	Tentative Budget Presentation & Approval
August 18, 2020	Publication of Notice of Budget Hearing & Public Display of Tentative Budget
September 20, 2020	Budget Hearing & Adoption of FY21 Budget
September 30, 2020	File FY21 Budget with Cook County

Q&A  
2020-2021  
**Preliminary Budget**  
June 11, 2020

