

Community Consolidated School District 15

Review of Five Year Projections 2018-2019 to 2024-2025

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TAX LEVY

- **Assume 1.50% CPI in future years.**
- **CPI increases over the last five years have been 0.70%, 2.10%, 2.10%, 1.90%, and 2.30% respectively.**
- **1.50% for current year may be high due to COVID-19 pandemic.**
- **Federal Reserve has set a target inflation rate of 2.0%. This is consistent with its goal of price stability and maximum employment.**
- **An additional 0.50% increase in the CPI provides for additional revenue of approximately \$650,000 annually compounded.**



TAX LEVY

- Dundee Road TIF expires in the 2019 Levy Year (2020-21 School Year) and the Rand/Dundee TIF expires in the 2021 Levy Year (2022-23 School Year).
- Estimate the Dundee Road TIF will provide an extra \$1,052,000 in property tax revenue, and the Rand/Dundee TIF will provide an additional \$106,000 in property tax revenue.
- Assume no property tax freeze.



EVIDENCE-BASED FUNDING

- **EBF provides a hold-harmless that guarantees no district will receive less in state funding than it did in the previous year.**
- **Goal of EBF is for all districts to be at 100% adequacy within 10 years (2027).**
- **District 15's adequacy level is 77.6%.**
- **ISBE committed to an additional \$350M in 2017-18, \$300M in 2018-19, and \$375M in 2019-20.**
- **D15 received additional \$834K in 2017-18, \$394K in 2018-19, and \$410K in 2019-20.**
- **No increases in 2020-21 due to pandemic.**



REVENUE

2018-19 Base Funding	\$16,515,154
Add'l Funding 2019-20	<u>410,120</u>
Total FY20 State Funding	\$16,925,274
Add'l Funding 2020-21	<u>0</u>
Total Funding 2020-21	\$16,925,274

Assume \$16.925M for all future years.



EXPENDITURES (IMRF)

- **IMRF Rate – Calendar Year:**
 - ❖ 2013 – 12.56%
 - ❖ 2014 – 12.51%
 - ❖ 2015 – 11.73%
 - ❖ 2016 – 11.68%
 - ❖ 2017 – 11.34%
 - ❖ 2018 – 11.40%
 - ❖ 2019 – 8.89%
 - ❖ 2020 - 10.86%
- **PRELIMINARY 2021 – 10.45%**
- **Increase in 2020 due to IMRF's assumed rate of return from 7.50% to 7.25%.**
- **1.0% change equals \$235,000 on \$23.5M of IMRF payroll.**



FORECASTING THE FUTURE

Effect of pandemic on economy and future state budgets.

- State revenues down \$2.7B in FY20 and an additional \$4.6B in FY 21.
- State Funding - Same level in FY21 as FY20, but categorical payments could be reduced in future years as state revenues are severely impacted.
- 2021 Levy (2022-23 FY) will be impacted by potential reduced CPI (negative?). Construction of additions to EAV will also be negatively impacted.
- CPPRT is based on corporate earnings. Amount realized by district may be lower.
- Property tax shift ???



FORECASTING THE FUTURE

- **Student registration fees may be negatively impacted if more families qualify for free/reduced lunch.**
- **Interest rates and interest revenue will continue to be low for the foreseeable future (\$1.0M less annually).**
- **New minimum wage law - \$10.00/hour starting 1/1/2020, increasing by \$1.00 every January 1 until it reaches \$15.00/hour on January 1, 2025.**
- **Will effect D15 beginning 1/1/2022 (ESPA, Nutrition Services).**



Revenues by Fund

	Audited Actuals 2018/19	Budget Forecast 2019/20	Budget Forecast 2020/21	Budget Forecast 2021/22	Budget Forecast 2022/23	Budget Forecast 2023/24	Budget Forecast 2024/25
REVENUES BY FUND							
Educational	130,387,819	130,715,605	134,601,406	135,249,271	136,785,303	138,634,283	140,552,379
Operations & Maintenance	15,616,209	16,306,013	16,591,651	16,693,444	16,922,395	17,197,992	17,483,890
Transportation	9,341,934	9,365,773	10,036,041	10,518,524	10,741,122	10,982,441	11,234,722
IMRF/Social Security	5,166,445	5,090,473	5,246,327	5,363,709	5,440,284	5,532,461	5,628,084
Capital Projects	1,279,784	2,101,000	942,000	1,014,500	1,014,500	1,014,500	1,014,500
Working Cash	2,693	1,300	400	400	400	400	400
Tort Liability	1,368,686	1,455,099	1,509,214	1,543,882	1,566,498	1,593,722	1,621,963
Health & Life Safety	1,995	400	14,592,000	5,000	5,000	5,000	5,000
Total Revenues	163,165,565	165,035,663	183,519,037	170,388,730	172,475,501	174,960,799	177,540,937
Transfers In	12,750,000	17,500,000	9,000,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Revenues/Sources	175,915,565	182,535,663	192,519,037	172,888,730	174,975,501	177,460,799	180,040,937



Expenditures by Fund

	Audited Actuals 2018/19	Budget Forecast 2019/20	Budget Forecast 2020/21	Budget Forecast 2021/22	Budget Forecast 2022/23	Budget Forecast 2023/24	Budget Forecast 2024/25
EXPENDITURES BY FUND							
Educational	127,090,429	133,946,293	133,772,553	136,078,829	138,798,564	138,507,034	140,100,073
Operations & Maintenance	11,555,582	12,270,151	12,233,829	12,344,445	12,552,521	12,765,595	12,983,837
Transportation	9,397,326	10,016,280	10,169,909	10,358,742	10,656,594	10,828,483	10,845,119
IMRF/Social Security	5,083,846	5,392,795	5,354,240	5,564,604	5,624,652	5,676,655	5,729,412
Capital Projects	7,930,303	6,747,828	9,909,422	3,000,000	3,000,000	3,000,000	3,000,000
Working Cash	-	-	-	-	-	-	-
Tort Liability	1,741,355	1,368,240	1,390,000	1,417,800	1,446,156	1,475,079	1,504,581
Health & Life Safety	-	-	5,930,958	8,231,025	-	-	-
Total Fund Expenditures	162,798,841	169,741,587	178,760,911	176,995,445	172,078,487	172,252,846	174,163,021
Transfers Out	12,904,186	17,654,186	9,000,000	2,500,000	2,500,000	2,500,000	2,500,000
Total Expenditures/Uses	175,703,027	187,395,773	187,760,911	179,495,445	174,578,487	174,752,846	176,663,021



Fund Balance

	Audited Actuals 2018/19	Budget Forecast 2019/20	Budget Forecast 2020/21	Budget Forecast 2021/22	Budget Forecast 2022/23	Budget Forecast 2023/24	Budget Forecast 2024/25
Net Change in Fund Balance	212,538	(4,860,110)	4,758,126	(6,606,715)	397,014	2,707,953	3,377,916
Fund Balances - Beginning	59,125,188	59,337,726	54,477,616	59,235,742	52,629,027	53,026,041	55,733,994
Fund Balances - Ending	59,337,726	54,477,616	59,235,742	52,629,027	53,026,041	55,733,994	59,111,909
Fund Bal % of Expenditures	36.45%	32.09%	33.14%	29.73%	30.82%	32.36%	33.94%
Fund Bal % of Expend/Uses	33.77%	29.07%	31.55%	29.32%	30.37%	31.89%	33.46%



QUESTIONS?

