

# Thornton Township High School District 205 Board of Education Meeting

August 8, 2012

Serving All or Portions of the Following Communities:

Blue Island \* Burnham \* Calumet City \* Dixmoor \* Dolton \* East Hazel Crest \* Harvey \* Hazel  
Crest \* Lansing \* Markham \* Phoenix \* Posen \* Riverdale \* South Holland  
\* Thornton



# Open Session



# Roll Call



# Pledge of Allegiance





*In Memoriam*  
*Mr. Ron Kokesch*



*1955 – 2012*

*Thornridge Educator, Star Teacher 2010*

*In Memoriam*  
*Mr. Ron Kokesch*



*Funeral Arrangements*

*Visitation*

August 9<sup>th</sup>: 4pm – 8pm

*Lincoln Ridge Funeral Home and Cremation*

7607 W. Lincoln Hwy, Crown Point, IN 46307

219-322-6616

# Committee of the Whole



- ◆ Report from Curriculum Committee
- ◆ Report from Finance Committee
- ◆ Report from Policy Committee
- ◆ Report from Discipline Committee

# Consent Agenda



- ◆ **Approval of Minutes:** Regular Meeting and Executive Session of July 11, 2012
- ◆ **Approval of District 205 Bills dated:** July 11, July 18, July 25 and August 2, 2012
- ◆ **Personnel:** Approval of Resignations, Leave of Absence and Employment



# Public Participation



We now open the Public Participation section of our agenda. At this time, members of the community are invited to address the Board. We ask that you state your name and town, limit your total time to two minutes, and talk only about items on the current Board Agenda.

In addition, if your comments are of a crucial nature about specific people, the Board requests that you present your comments during the personnel portion of the “executive session.”

Your name will not be called if you do not sign in and list a topic or the topic is not on the current Board agenda or if public participation has begun.

# FOIA



💧 Mr. Thomas

# Unfinished Business



- ◆ Recommended Approval of Paraprofessional Contract  
(*Policy Section 5*) –  
**Mr. Thomas** (*Approval Needed*)

# Unfinished Business



- ◆ Recommended Approval of HVAC Phase 3 Installation Bid  
(*Policy Section 4:60*) –  
**Mr. Thomas** (*Approval Needed*)

# Unfinished Business



- ◆ Recommended Approval of HVAC Phase 3 Control Bid  
(*Policy Section 4:60*) –  
**Mr. Thomas** (*Approval Needed*)



# New Business



- ◆ Presentation of 2012-2013 Tentative Budget (*Policy Section 4:10*) 30-day review –  
**Mr. Rob Grossi**

# **Thornton Township High School District 205**

## **Presentation of 2012-13 Tentative Budget**

**Preparing Today for the Challenges of Tomorrow**

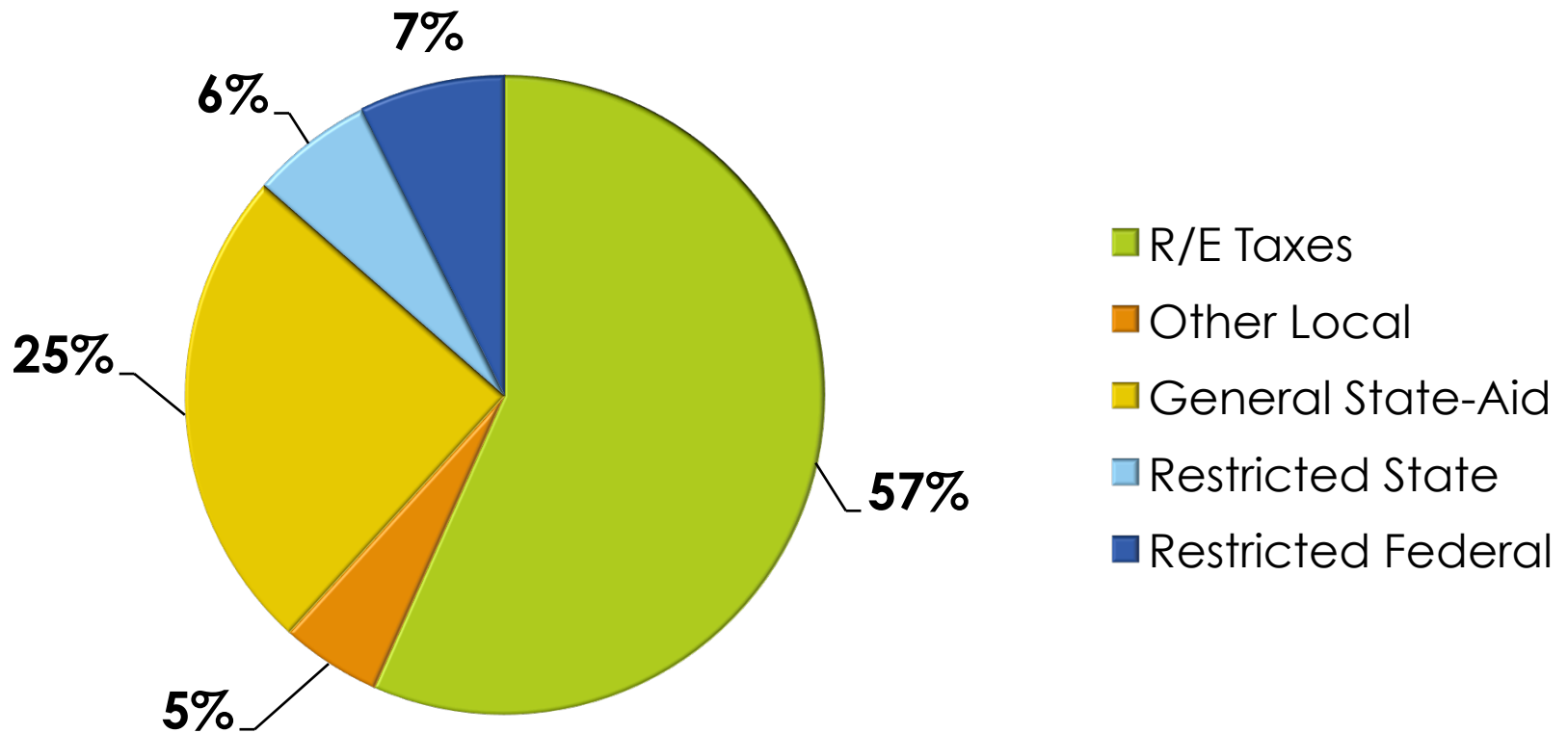
**August 8, 2012**

# Budgeted Revenues:

Comparison of Budget Verses Prior Years

Source	FY 2011	FY 2012	BUDGET FY 2013
Real Estate Taxes	\$ 59,358,000	\$ 62,178,000	\$ 61,891,000
Other Local Revenues	8,050,000	6,384,000	5,562,000
General State-Aid	29,573,000	31,121,000	27,000,000
Other State Grants	10,148,000	7,232,000	6,800,000
Federal Grants	7,176,000	5,330,000	6,300,000
Non-Reoccurring Federal Grants	<u>4,505,000</u>	<u>3,615,000</u>	<u>1,700,000</u>
<b>Total Revenues</b>	<b>\$118,810,000</b>	<b>\$115,860,000</b>	<b>\$109,253,000</b>

## Breakdown of Budgeted Revenues by Source



# Major Changes to Budgeted Revenues:

## FY 2013 Budgeted Revenues Verses FY 2011 Revenues

- Average daily student attendance used in General-State Aid (“GSA”) projected to decrease by 768 students.
  - **Loss of revenues = \$4.6 million**
- State funded GSA at 100% in FY 2011, 95% in FY 2012 and is projected to fund GSA at 89% in FY 2013.
  - **Loss of revenues = \$3.3 million**
- Non-reoccurring Federal grants are projected to decreased from \$4.5 million in FY 2011 to \$1.7 million in FY 2013.
  - **Loss of revenues = \$2.8 million**



# Budgeted Expenses:

Comparison of Budget Verses Prior Years – Excluding Construction

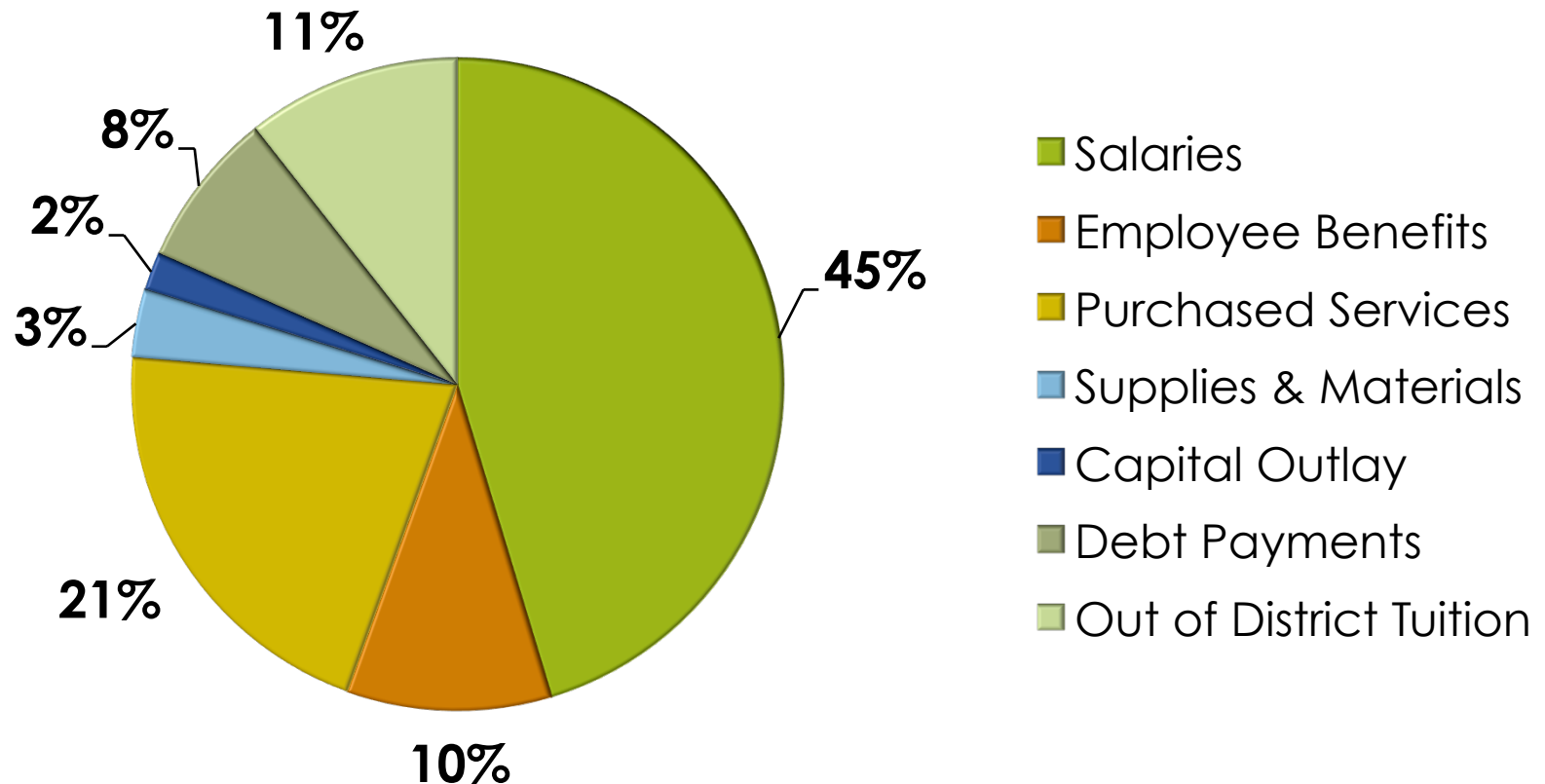
Expense Type	FY 2011	FY 2012	Budget FY 2013
Salaries	\$ 50,483,000	\$ 47,745,000	<b>\$ 47,820,000</b>
Employee Benefits	11,434,000	10,521,000	<b>10,500,000</b>
Purchased Services	24,723,000	20,039,000	<b>22,000,000</b>
Supplies and Materials	4,288,000	3,594,000	<b>3,553,000</b>
Capital Outlay	2,848,000	1,361,000	<b>2,000,000</b>
Out of District Tuition & Other	11,418,000	11,285,000	<b>11,400,000</b>
Debt Service	<u>8,623,000</u>	<u>8,328,000</u>	<b><u>8,400,000</u></b>
<b>Total Expenses</b>	<b>\$113,817,000</b>	<b>\$102,873,000</b>	<b>\$105,673,000</b>

# Major Changes to Budgeted Expenditures:

## FY 2013 Budgeted Revenues Verses FY 2011 Revenues

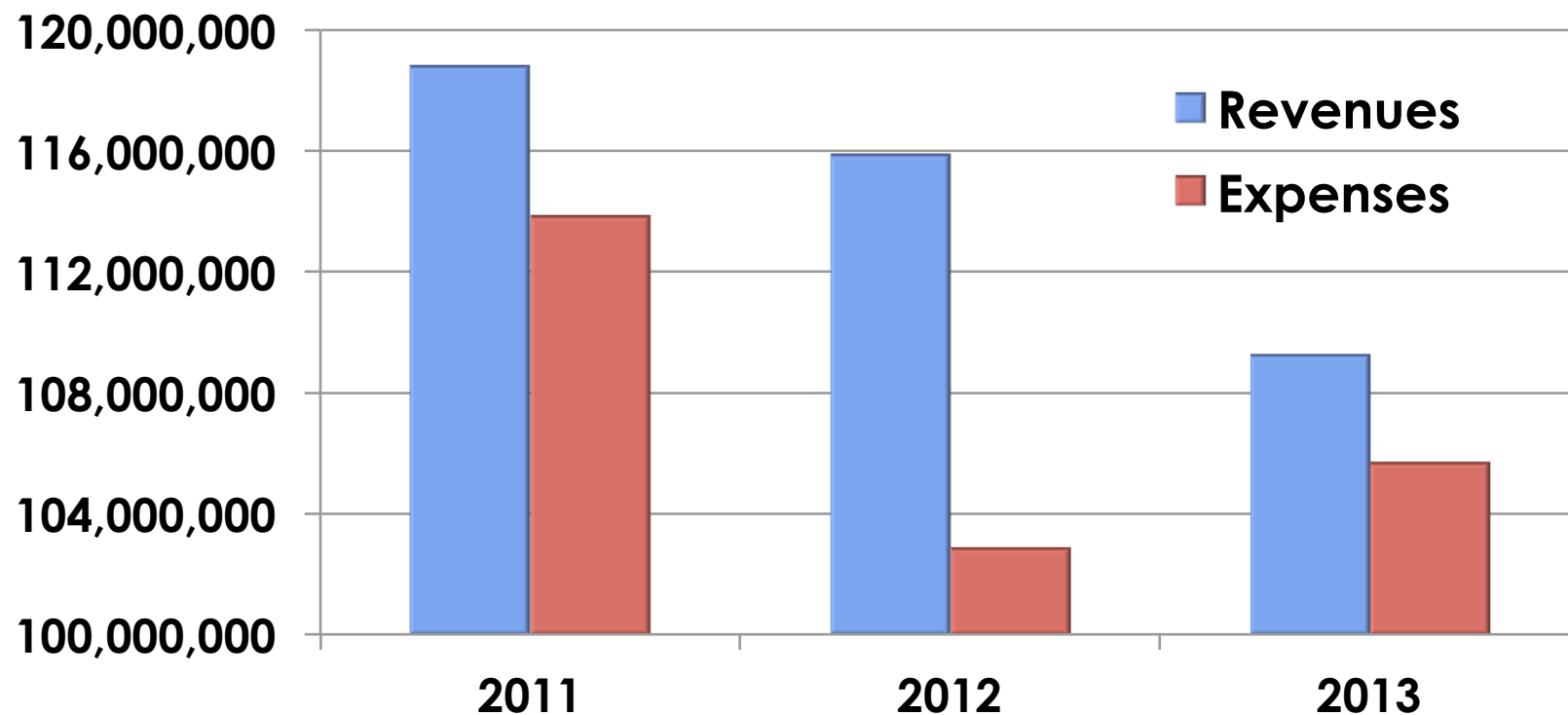
- Staff size has decreased significantly over the past two years to better align with decreasing student attendance levels.
- The District and the Faculty Association agreed to a contract through FY 2014 in an effort to help stabilize the long-term financial condition of the District during these difficult times.
- The District will continue to monitor costs related to services and supplies and materials in order to keep expenditure levels below FY 2011 figures.

# Breakdown of Expenses by Type



# Revenues vs. Expenses

Excluding Major Construction Expenses



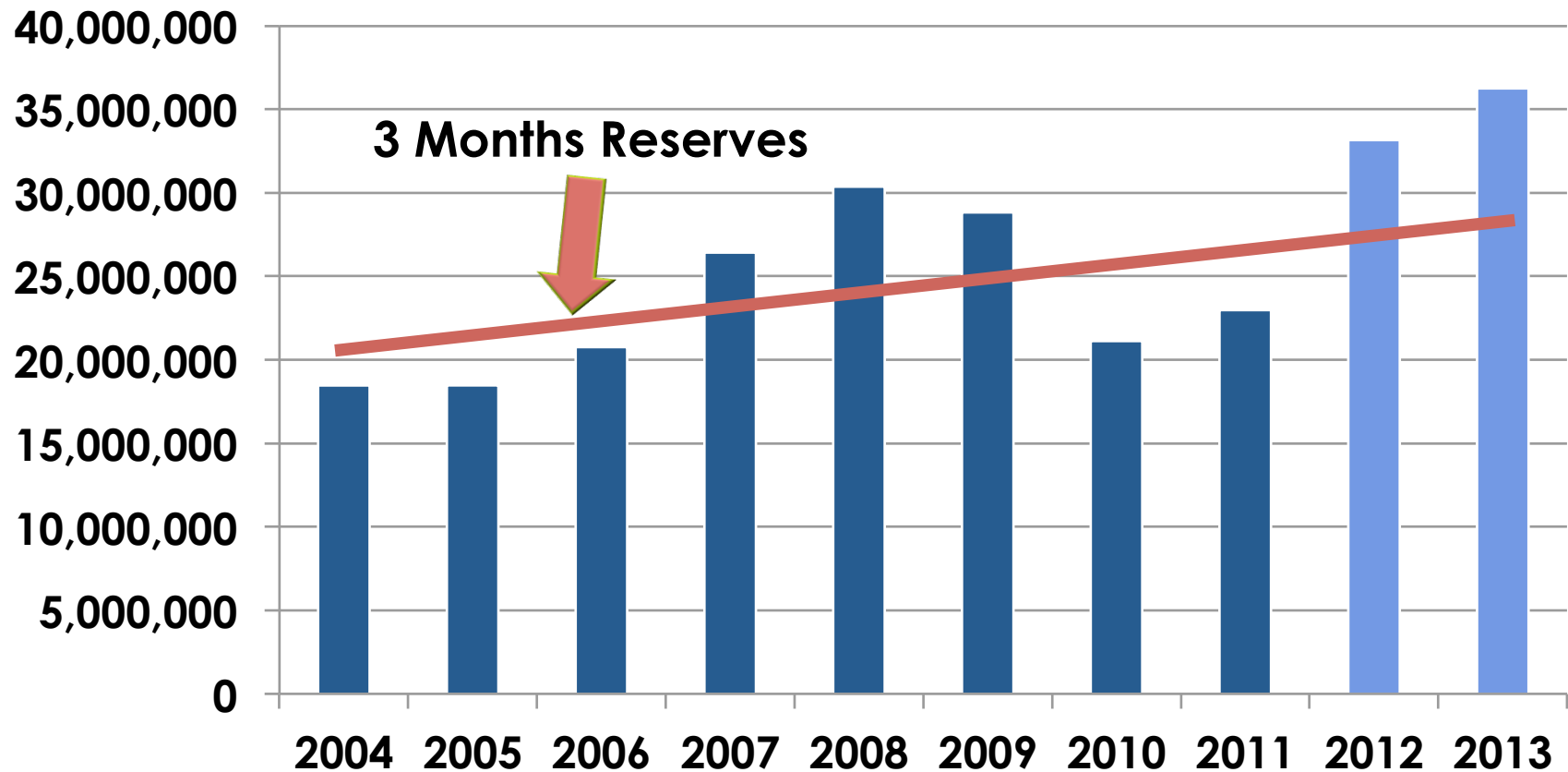
# Breakdown of Budget by Fund

	Beginning Balance	Revenues	Expenses	Transfers	Ending Balance
<b>Education</b>	\$ 2,345,000	\$81,000,000	\$82,053,000		\$ 1,292,000
<b>Building</b>	10,775,000	6,210,000	4,660,000		12,325,000
<b>Bond &amp; Int.</b>	5,912,000	8,380,000	8,400,000		5,892,000
<b>Transportation</b>	7,724,000	11,090,000	8,260,000		10,554,000
<b>IMRF/SS</b>	890,000	1,252,000	1,700,000		442,000
<b>Capital Projects</b>	7,207,000	70,000	15,000,000	8,000,000	277,000
<b>Working Cash</b>	20,391,000	660,000	0	(8,030,000)	13,021,000
<b>Tort</b>	1,347,000	590,000	600,000		1,337,000
<b>Life Safety</b>	(30,000)	1,000	0	30,000	1,000
<b>Total</b>	<b>\$ 56,561,000</b>	<b>\$109,253,000</b>	<b>\$120,673,000</b>	<b>\$ 0</b>	<b>\$ 45,141,000</b>



# Historical and Budgeted Fund Balance

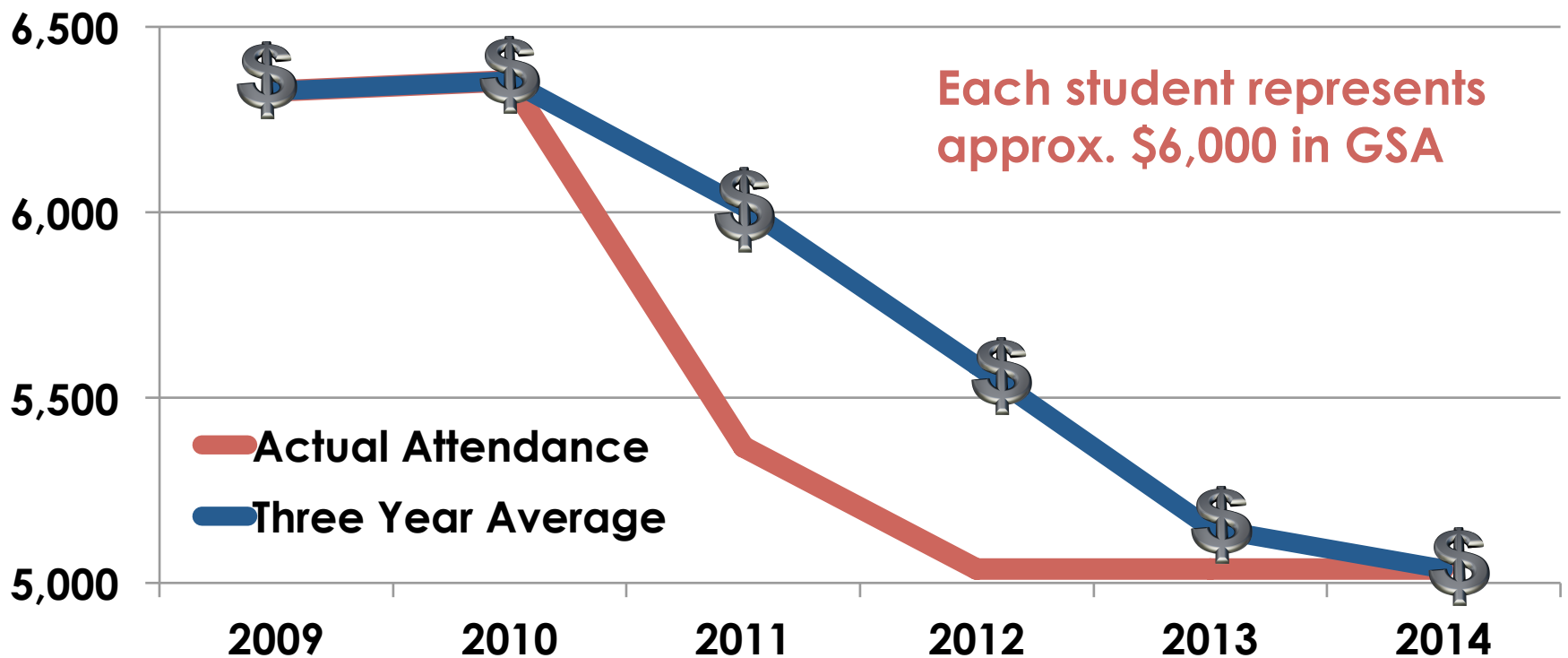
Excluding Bond Fund and Capital Reserve Fund



# Major Financial Challenges

- District must adjust operations to be better aligned with decreasing student enrollment.
- Poor economy impacting funding at every level (Local, State and Federal).

# Average Daily Attendance



Represents number of students State uses in GSA calculation (Three Year Average)

# Future Anticipated Revenue Declines:

**2014**

- District will lose \$2.7 million in GSA due to declining 3-year average attendance

**2014**

- District will lose \$1.7 Million Small Community Grant

**2015**

- District will lose \$700,000 in GSA due to declining 3-year average attendance

# Other Financial Threats Not Considered

- ▣ Shifting of teacher pension costs from State to District.
  - ▣ **Estimated Impact: \$1.7 million per year**
- ▣ Legislation limiting real estate tax growth to 0% when property values decline.
  - ▣ **Estimated Impact: \$1.8 million per year**
- ▣ District forced to repay school improvement grant.
  - ▣ **Estimated Impact: \$1.6 million (one-time)**
- ▣ State changing transportation reimbursement formula.
  - ▣ **Estimated Impact: \$1.1 million**



# End of Presentation

▣ Questions and Comments

# New Business



- ◆ Recommended Approval of 2012–2013 SCOPE Annual Dues (*Policy Section 2:120*) –  
**Mr. Thomas** (*Approval Needed*)

# New Business



- ◆ Recommended Approval of Auditing Firm Agreement  
(*Policy Section 4:80*) –  
**Mr. Thomas** (*Approval needed*)

# New Business



- ◆ Recommended Approval of Illinois Principal Evaluation Model (*Policy Section 3:60*) –  
**Mr. Thomas** (*Approval needed*)

# New Business



- ◆ Recommended Approval of Food Service Bid (*Policy Section 4:60*) –  
**Mr. Doss** (*Approval needed*)

# Food Service Bid



- ◆ Pre-bid meeting held on July 16, 2012
- ◆ Subsequent Bid Opening held on August 2, 2012

Company Name	Bid Amount
Chartwells	\$1,938,246.63
A'Viands	\$1,973,448.68
Arbor	\$1,863,852.77
<b>Sodexo</b>	<b>\$1,799,450.42</b>
American	\$1,803,452.00
Revolution Foods	<b>DECLINED TO BID</b>

The lowest responsible bidder for food service is Sodexo - \$1,799,450.42. The Board of Education must approve a vendor for food service at the August 8, 2012 regular Board of Education meeting to have a vendor available for the start of school.

# Superintendent's Report



# Executive Session





# Reconvene Open Session



# Adjournment

