

Hinckley-Big Rock CUSD #429
Fiscal Year 2020 Tentative Budget Overview
July 17, 2019



Purpose of this overview:

1. Explain the process used in creating the tentative 2019-2020 (FY20) budget
2. Provide a comparison between the 2018-2019 (FY19) budget and the tentative 2019-2020 (FY20) budget and the associated contributing factors
3. Provide the budgeting results for the FY20 budget
4. Provide the adoption timeline for the FY20 budget

Explanation of the process:

The budgeting process for expenditures began in April of 2019. The year to date expenditures were analyzed compared to the FY19 budget. The budgeting process continued with a budgeting based on need approach. Individual meetings were held with each building Principal, the Director of Student Services, the Athletic Director, the Head Custodian, the Transportation Mechanic, the Technology Integration Specialist, and the Technology Support Technician to determine specific areas of need. The next review of the line items began when the year to date expenditures were updated in June. Costs related to health insurance, HSA contributions, and tuition reimbursement were held constant from FY19 to FY20. These costs will change in the final budget. Changes were made according to known needs with discussions about being prudent with purchases in the FY20 year.

The budgeting process for revenue began in May of 2019. The revenue from the 2018 levy, submitted in December of 2018, was finalized by the Circuit Clerks of DeKalb, Kane, and Kendall counties. This revenue was used in the budgeting process. Additional revenue sources, including projected 2019 levy funds with a CPI of 1.9%, have been estimated looking at historical trends in our revenue stream. At the time of presenting the first draft of the FY20 tentative budget, FY20 revenue from the State of Illinois has not been finalized. Different scenarios of revenue from the state have been investigated with the determination of maintaining state revenue levels for our Evidence Based Funding and keeping our Mandated Categoricals flat from FY19 as the best estimate for the FY20 tentative budget. This may change in our final budget as we learn more about the State of Illinois' plans to fund public schools and other projected revenue sources concerning grants and local revenue

streams. The projected revenue in the FY20 budget paints as clear of a picture as possible of the expected revenue as of July 11, 2019.

Revenue:

FY19 Budgeted Revenue - \$11,892,534
 FY20 Budgeted Revenue - \$12,335,669

The breakdown of revenue by fund is listed below:

Fund	FY19 Budgeted Revenue	FY20 Budgeted Revenue	% Increase/Decrease
Education Fund (10)	\$ 7,561,613.00	\$ 7,568,073.00	0.09%
Oper, Build, & Maint Fund (20)	\$ 1,166,090.00	\$ 1,438,415.00	23.35%
Debt Service Fund (30)	\$ 1,822,810.00	\$ 2,009,610.00	10.25%
Transportation Fund (40)	\$ 861,260.00	\$ 822,300.00	-4.52%
I.M.R.F./Soc. Sec. Fund (50)	\$ 357,790.00	\$ 378,485.00	5.78%
Capital Projects Fund (60)	\$ -	\$ -	0.00%
Working Cash Fund (70)	\$ 1,500.00	\$ 6,000.00	300.00%
Tort Immunity and Judgment Fund (80)	\$ 120,310.00	\$ 111,615.00	-7.23%
Fire Prevention & Safety Fund (90)	\$ 1,161.00	\$ 1,171.00	0.86%
Total	\$ 11,892,534.00	\$ 12,335,669.00	3.73%

Contributing factors:

- Consumer price index was 2.1% for December 2017. Since Hinckley-Big Rock is a tax capped district, the allotted revenue from the increase in levy funds in levy year 2018 were capped at a 2.1% increase for levy year 2018. Historically, 47% of this levy will be received in FY20.
- Consumer price index was 1.9% for December 2018. Since Hinckley-Big Rock is a tax capped district, the allotted revenue from the increase in levy funds in levy year 2019 will be capped at a 1.9% increase for levy year 2019. Historically, 53% of this levy will be received in FY20.
- State revenue projection for Evidence Based Funding (EBF) was held flat for FY20 using the FY19 received revenue of \$705,200. The revenue is conservatively budgeted at \$605,200 in Fund 10 and \$100,000 in Fund 20 for a total of \$705,200.
- State revenue projection for Mandated Categorical payments were kept flat from FY19 projections to FY20 projections.
- Total of \$72,000 in donated funds to Fund 20 (\$50,000 donation from FFA Alumni Association for a new Agriculture Barn; \$22,000 from government and non-for-profit entities in Hinckley to support sign work with Harvesting our Future)

Expenditures:

FY19 Budgeted Expenditure - \$11,719,602
 FY20 Budgeted Expenditure - \$11,931,675

The breakdown of expenditure by fund is listed below:

Fund	FY19 Budgeted Expense	FY20 Budgeted Expense	% Increase/Decrease
Education Fund (10)	\$ 7,474,467.00	\$ 7,416,227.00	-0.78%
Oper, Build, & Maint Fund (20)	\$ 1,144,767.00	\$ 1,422,383.00	24.25%
Debt Service Fund (30)	\$ 1,810,600.00	\$ 1,843,270.00	1.80%
Transportation Fund (40)	\$ 796,620.00	\$ 752,305.00	-5.56%
I.M.R.F./Soc. Sec. Fund (50)	\$ 367,848.00	\$ 346,767.00	-5.73%
Capital Projects Fund (60)	\$ -	\$ -	0.00%
Working Cash Fund (70)	\$ -	\$ -	0.00%
Tort Immunity and Judgment Fund (80)	\$ 125,300.00	\$ 150,723.00	20.29%
Fire Prevention & Safety Fund (90)	\$ -	\$ -	0.00%
Total	\$ 11,719,602.00	\$ 11,931,675.00	1.81%

Contributing factors:

- Fund 10
 - o The purchase of Hapara to monitor Chromebook use in all buildings with a total cost of \$4,300.
 - o \$24,000 is built into the budget to purchase Chromebooks in line with our Chromebook replacement schedule.
 - o 21 desktop tower replacements for staff at HBRES with a total cost of \$9,932.
 - o Flexible seating purchases in all buildings utilizing local and Title IV funds with a total cost of \$10,450.
 - o Matching PTO grant for playground up to \$15,000.
 - o Upgrade of our career software (Xello) with a total cost of \$3,225.
 - o Continuation of Dreambox at HBRES with a total cost of \$4,600.
 - o Science chemical disposal at HBRHS with a total cost of \$6,550.
- Fund 20
 - o Salary and benefits for new Outside Building and Grounds position is included in budget.
 - o Known expenses related to fund 20 which are budgeted include \$10,500 (Scissor lift for District use), \$11,501 (Painting of certain areas in all three buildings), \$38,000 (Move LED sign at HBRHS to HBRES and install of sign at HBRHS - Harvesting our Future work with government and non-for-profit entities (\$22,000) with District contribution (\$16,000)), \$6,405 (Cost to refinish the gym floors in all three buildings), \$10,000 (LED lighting replacements at HBRES), \$5,700 (LED lighting replacements at HBRMS), \$9,000 (3 bleacher aisle systems installed - 1 at HBRMS and 2 at HBRHS), \$7,100 (Inside gym wall repair at HBRHS), \$440,000 (New baseball field construction at HBRHS), \$50,000 (New Agriculture Building at HBRHS - Funds donated by FFA Alumni Association).
 - o Contingency funds of \$5,000 are budgeted into fund 20 for unforeseen expenses related to operations, building, and maintenance.

- Fund 40
 - o Purchase of a used 71-passenger bus at a total cost of \$44,655.
 - o Contingency funds of \$15,000 are budgeted into fund 40 for unforeseen expenses related to transportation.
- Fund 80
 - o 10 year health life safety survey cost of \$15,000.
 - o Additional \$10,000 added to attorney costs with negotiations occurring in the Spring of 2020.

Budgeting Results:

The prepared tentative budget, as of July 11, 2019, shows an overall surplus of \$403,994. This surplus also has \$20,000 in expenditures for contingencies. The FY20 tentative budget has been created with fiscal responsibility taking current and long term needs into consideration.

The breakdown of balance by fund is listed below:

Fund	FY20 Budgeted Expense	FY20 Budgeted Revenue	Balance
Education Fund (10)	\$ 7,416,227.00	\$ 7,568,073.00	\$ 151,846.00
Oper, Build, & Maint Fund (20)	\$ 1,422,383.00	\$ 1,438,415.00	\$ 16,032.00
Debt Service Fund (30)	\$ 1,843,270.00	\$ 2,009,610.00	\$ 166,340.00
Transportation Fund (40)	\$ 752,305.00	\$ 822,300.00	\$ 69,995.00
I.M.R.F./Soc. Sec. Fund (50)	\$ 346,767.00	\$ 378,485.00	\$ 31,718.00
Capital Projects Fund (60)	\$ -	\$ -	\$ -
Working Cash Fund (70)	\$ -	\$ 6,000.00	\$ 6,000.00
Tort Immunity and Judgment Fund (80)	\$ 150,723.00	\$ 111,615.00	\$ (39,108.00)
Fire Prevention & Safety Fund (90)	\$ -	\$ 1,171.00	\$ 1,171.00
Total	\$ 11,931,675.00	\$ 12,335,669.00	\$ 403,994.00

Timeline for budget adoption:

This tentative budget will be placed on display after our July 17, 2019, Board meeting. A budget hearing will be held on September 18th at 6:15 p.m. in the Hinckley-Big Rock High School Library. The budget will be formally adopted at the September 18th Board meeting at 6:30 p.m. in the Hinckley-Big Rock High School Library.

	Function	Account_Description	FY18 Budgeted Revenue	FY19 Budgeted Revenue	% Increase/Decrease from FY19
Fund	1100	Local Tax Revenue	\$ 5,848,490.00	\$ 5,943,600.00	1.63%
	1200	CPPR Tax	\$ 125,000.00	\$ 125,000.00	0.00%
	1300	Tuition	\$ -	\$ 16,700.00	N/A
	1500	Interest on Investments	\$ 39,000.00	\$ 66,050.00	69.36%
	1600-1900	Other Local Revenue	\$ 223,050.00	\$ 206,225.00	-7.54%
	3000	General State Aid	\$ 630,000.00	\$ 605,200.00	-3.94%
	3100-3800	Other State Revenues	\$ 145,573.00	\$ 133,200.00	-8.50%
	4000	Federal Revenue	\$ 550,500.00	\$ 472,098.00	-14.24%
	10	Education Fund	\$ 7,561,613.00	\$ 7,568,073.00	0.09%
	Fund	1100	Local Tax Revenue	\$ 1,003,090.00	\$ 1,232,400.00
1500		Interest on Investments	\$ 18,000.00	\$ 23,015.00	27.86%
1900		Other Local Revenue	\$ 70,000.00	\$ 83,000.00	18.57%
3000		General State Aid	\$ 75,000.00	\$ 100,000.00	33.33%
3900		Other State Revenues	\$ -	\$ -	0.00%
7900		Other Sources of Funds	\$ -	\$ -	0.00%
20		Oper, Build, & Maint Fund	\$ 1,166,090.00	\$ 1,438,415.00	23.35%
Fund	1100	Local Tax Revenue	\$ 1,814,100.00	\$ 1,994,600.00	9.95%
	1500	Interest on Investments	\$ 8,710.00	\$ 15,010.00	72.33%
	30	Debt Service Fund	\$ 1,822,810.00	\$ 2,009,610.00	10.25%
Fund	1100	Local Tax Revenue	\$ 428,960.00	\$ 376,500.00	-12.23%
	1400	Field Trip Fees	\$ 2,600.00	\$ 1,000.00	-61.54%
	1500	Interest on Investments	\$ 7,500.00	\$ 9,000.00	20.00%
	1900	Other Local Revenue	\$ 1,000.00	\$ 800.00	-20.00%
	3500	State Reimbursements	\$ 421,200.00	\$ 435,000.00	3.28%
	40	Transportation Fund	\$ 861,260.00	\$ 822,300.00	-4.52%
	Fund	1100	Local Tax Revenue	\$ 347,100.00	\$ 367,170.00
1200		CPPR Tax	\$ 10,000.00	\$ 10,000.00	0.00%
1500		Interest on Investments	\$ 690.00	\$ 1,315.00	90.58%
3500		General State Aid	\$ -	\$ -	0.00%
50		I.M.R.F./Soc. Sec. Fund	\$ 357,790.00	\$ 378,485.00	5.78%
60		Capital Projects Fund	\$ -	\$ -	0.00%
	1500	Interest on Investments	\$ 1,500.00	\$ 6,000.00	300.00%

	Function	Account_Description	FY18 Budgeted Revenue	FY19 Budgeted Revenue	% Increase/Decrease from FY19
Fund	70	Working Cash Fund	\$ 1,500.00	\$ 6,000.00	300.00%
	1100	Local Tax Revenue	\$ 118,705.00	\$ 110,010.00	-7.32%
	1500	Interest on Investments	\$ 1,605.00	\$ 1,605.00	0.00%
Fund	80	Tort Immunity and Judgment Fund	\$ 120,310.00	\$ 111,615.00	-7.23%
	1100	Local Tax Revenue	\$ 961.00	\$ 971.00	1.04%
	1500	Interest on Investments	\$ 200.00	\$ 200.00	0.00%
Fund	90	Fire Prevention & Safety Fund	\$ 1,161.00	\$ 1,171.00	0.86%
Report		Total	\$ 11,892,534.00	\$ 12,335,669.00	3.73%

	Object	Account_Description	FY19 Budgeted Expenses	FY20 Budgeted Expenses	% Inc/Dec from FY19
Fund	1000	Salary	\$ 4,943,690.00	\$ 4,979,850.00	0.73%
	2000	Employee Benefits	\$ 1,144,801.00	\$ 1,200,049.00	4.83%
	3000	Purchased Services	\$ 690,275.00	\$ 594,056.00	-13.94%
	4000	Supplies and Materials	\$ 262,621.00	\$ 223,447.00	-14.92%
	5000	Capital Outlay (>\$2,500)	\$ 42,290.00	\$ 20,000.00	-52.71%
	6000	Other objects	\$ 385,730.00	\$ 382,525.00	-0.83%
	7000	Non-capitalized Equipment (>\$500)	\$ 5,060.00	\$ 16,300.00	222.13%
	10	Education Fund	\$ 7,474,467.00	\$ 7,416,227.00	-0.78%
	1000	Salary	\$ 365,500.00	\$ 388,400.00	6.27%
	2000	Employee Benefits	\$ 55,980.00	\$ 64,327.00	14.91%
3000	Purchased Services	\$ 279,280.00	\$ 173,206.00	-37.98%	
4000	Supplies and Materials	\$ 238,715.00	\$ 248,760.00	4.21%	
5000	Capital Outlay (>\$2,500)	\$ 64,665.00	\$ 538,500.00	732.75%	
6000	Other objects	\$ 123,327.00	\$ 7,400.00	-94.00%	
7000	Non-capitalized Equipment (>\$500)	\$ 17,300.00	\$ 1,790.00	-89.65%	
Fund 20	Oper, Build, & Maint Fund	\$ 1,144,767.00	\$ 1,422,383.00	24.25%	
6000	Other objects	\$ 1,810,600.00	\$ 1,843,270.00	1.80%	
Fund 30	Debt Service Fund	\$ 1,810,600.00	\$ 1,843,270.00	1.80%	
1000	Salary	\$ 445,170.00	\$ 457,500.00	2.77%	
2000	Employee Benefits	\$ 5,550.00	\$ 5,550.00	0.00%	
3000	Purchased Services	\$ 182,850.00	\$ 172,600.00	-5.61%	
4000	Supplies and Materials	\$ 55,500.00	\$ 55,500.00	0.00%	
5000	Capital Outlay (>\$2,500)	\$ 91,050.00	\$ 44,655.00	-50.96%	
6000	Other objects	\$ 15,000.00	\$ 15,000.00	0.00%	
7000	Non-capitalized Equipment (>\$500)	\$ 1,500.00	\$ 1,500.00	0.00%	
Fund 40	Transportation Fund	\$ 796,620.00	\$ 752,305.00	-5.56%	
2000	Employee Benefits	\$ 367,848.00	\$ 346,767.00	-5.73%	
Fund 50	I.M.R.F./Soc. Sec. Fund	\$ 367,848.00	\$ 346,767.00	-5.73%	
Fund 60	Capital Projects Fund	\$ -	\$ -	0.00%	
Fund 70	Working Cash Fund	\$ -	\$ -	0.00%	

	Object	Account_Description	FY19 Budgeted Expenses	FY20 Budgeted Expenses	% Inc/Dec from FY19
	1000	Salary	\$ 7,500.00	\$ 10,650.00	42.00%
	3000	Purchased Services	\$ 113,800.00	\$ 136,073.00	19.57%
	4000	Supplies and Materials	\$ 4,000.00	\$ 4,000.00	0.00%
	5000	Capital Outlay (>\$2,500)	\$ -	\$ -	0.00%
Fund	80	Tort Immunity and Judgment Fund	\$ 125,300.00	\$ 150,723.00	20.29%
Fund	90	Fire Prevention & Safety Fund	\$ -	\$ -	0.00%
Report	Total		\$ 11,719,602.00	\$ 11,931,675.00	1.81%