

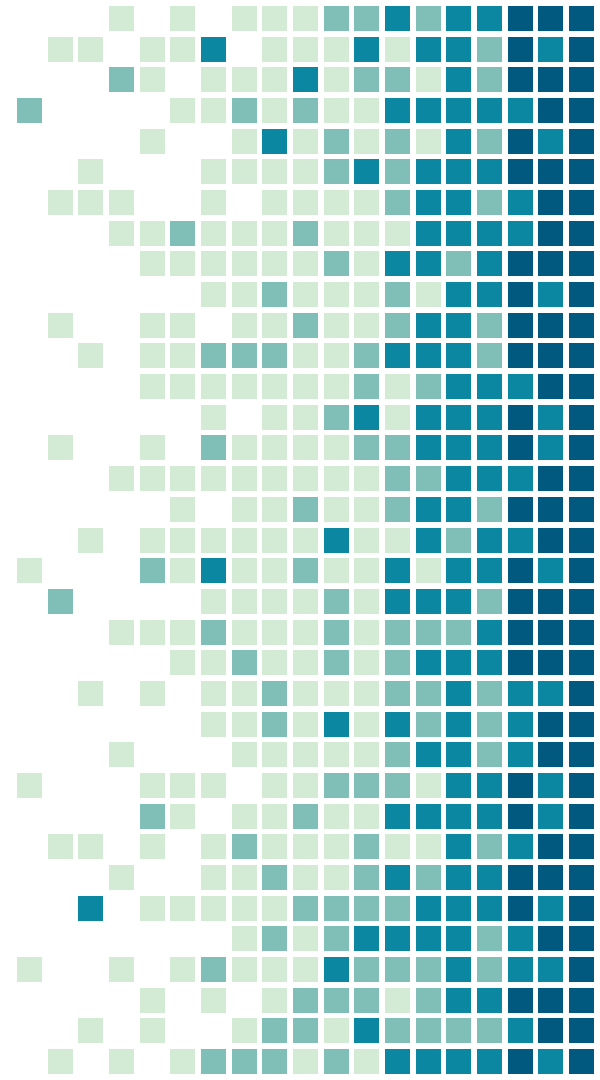
A large, abstract graphic composed of several overlapping, curved teal lines that form a roughly oval shape, framing the text.

# **MICHENRY D15**

*Today's Learners... Tomorrow's Leaders*

# Proposed Budget 2021-2022

Jeffrey Schubert, Chief School Business Official



# Purpose for Budget

- The FY22 Budget is intended to assist the Board and the public in understanding the District's overall projected finances for FY22.
- The FY22 Budget is the proposed financial plan for the new fiscal year, which runs from July 1st through June 30th.
- The FY22 Budget provides a tool for:
  - Providing Estimated Expenditures and Revenues for Fiscal Year
  - Implementation of District Goals/Needs
  - Financial Forecasting



# Uncertainties

The FY22 Budget is subject to many complex economic, social, and political risks and uncertainties, many of which are outside the ability for the District to control.

- COVID-19 & Return to In-Person Learning
- State of Illinois Economic Situation
- Changes in State Legislation
- Additional Staffing Caused by Enrollment Changes
- Unexpected Capital Needs



# Revenue Assumptions

In developing the District's FY22 Budget revenues, the following assumptions were implemented:

- Levy Collection Rate: 99.7%
- CPI:
  - 2.3% for Levy Year 2020 (53% of the levy budget)
  - 1.4% for Levy Year 2021 (47% of the levy budget)
- Evidence Based Funding: Replaced General State Aid and some State Mandated Reimbursements
  - Hold Harmless Provision
  - Tier II Supplemental Funding



# Revenue Summary

The following is the Revenue summary for all funds in the District's FY22 Budget:

- 8.5% Increase from FY21 Budget

<b><u>Revenue by Source</u></b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>Δ \$</b>	<b>Δ %</b>
Local Property Tax	51,674,614	53,642,215	1,967,601	4%
Other Local	7,845,133	7,550,365	(294,767)	-4%
Evidence Based Funding	5,788,000	6,445,220	657,220	11%
Other State	2,314,937	2,157,333	(157,603)	-7%
Federal	3,706,000	7,596,117	3,890,117	105%
<b>Total Budgeted Revenue</b>	<b>71,328,683</b>	<b>77,391,251</b>	<b>6,062,568</b>	<b>8.5%</b>

# Expenditure Assumptions

- Salaries:
  - Salary Increases based on collective bargaining and BOE approved increases to Administration and Educational Support Staff.
- Benefits:
  - Insurance Costs Based Upon a Combination of Historical Insurance Enrollment and FY22 Quoted Rates.
  - TRS & IMRF



# Purchase Service Assumptions

- Increases based upon a combination of Enrollment Projections, CPI, and prior year actuals
- Contractual Agreements used for services such as Worker's Compensation, District Liability Insurance and District School Bus Lease
- Special Education Services are estimated to remain flat based upon IEPs and projected placements
- Contingency for unexpected Special Education Out-of-District placement





# Supplies Assumptions

- Allocation based upon a combination of Enrollment Projections, CPI, and prior year actuals
- Utilities have been adjusted to reflect projected market increases
- Additional PPE and Cleaning Supplies due to COVID-19



# Capital Outlay Assumptions

- Address items listed on Capital Improvement List
- 2021 Summer Projects = \$1,300,000
  - Parking Lots - Riverwood, Landmark, Parkland, & McHenry Middle
  - Playground Improvements – Riverwood, Landmark, & Hilltop
- Next Summer Projects = \$3,700,000
  - Chiller & Boiler Replacement at McHenry Middle (ESSER III Funds)
  - Chiller & Boiler Replacement at Duker (ESSER III Funds)
  - Duker Kitchen Renovation
  - Transportation Parking Lot Replacement

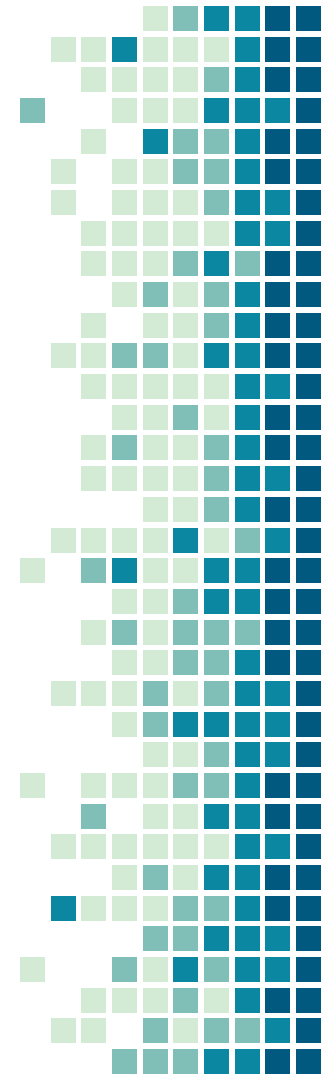


# Expenditure Summary

The following is the expenditure summary for all funds in the District's FY22 Budget:

- 4.7% Increase from FY21 Budget

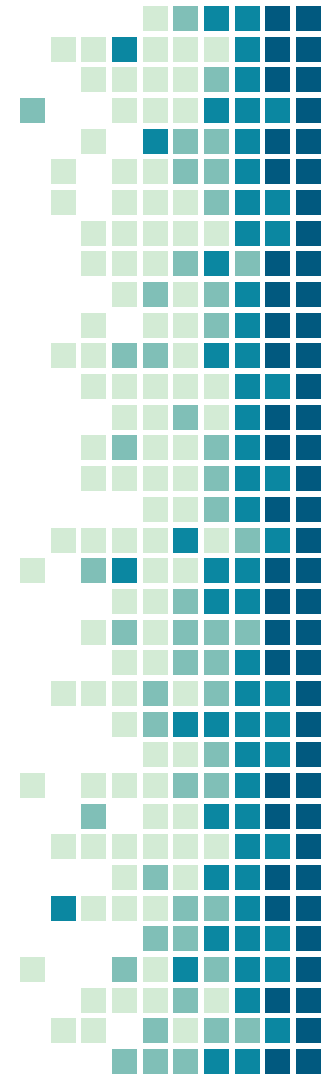
<b>Expenditure By Object</b>	<b>2021 Budget</b>	<b>2022 Budget</b>	<b>Δ \$</b>	<b>Δ %</b>
Salaries	43,401,800	44,557,000	1,155,200	2.7%
Employee Benefits	7,780,500	8,197,300	416,800	5.4%
Purchased Services	4,288,900	4,643,100	354,200	8.3%
Supplies & Materials	3,864,300	4,000,300	136,000	3.5%
Capital Outlay	6,562,500	9,206,700	2,644,200	40.3%
Other Objects	4,381,000	3,018,100	(1,362,900)	-31.1%
Non-Capitalized Equipment	471,500	466,900	(4,600)	-1.0%
<b>Total Expenditure by Object</b>	<b>70,750,500</b>	<b>74,089,400</b>	<b>3,338,900</b>	<b>4.7%</b>



# Budget Summary

The following is the operating results projected in the District's FY22 Tentative Budget:

	<b>2021 Budget</b>	<b>2022 Budget</b>
Beginning Fund Balance	60,736,556	61,314,739
Total Revenues	71,328,683	77,391,251
Total Expenditure	70,750,500	74,089,400
Operating Results (Rev-Exp)	578,183	3,301,851
<b>Fund Balance</b>	<b>61,314,739</b>	<b>64,616,590</b>
<b>% Fund Balance</b>	<b>87%</b>	<b>87%</b>



# Budget Timeline

- ✓ 7/14/2021 Board of Education Meeting – Present FY22 Tentative Budget
- ✓ 7/15/2021 Publish legal notice indicating availability for public inspection of Tentative Budget and date, time, and location of public hearing (105 ILSC 5/17-1)
- ✓ 7/15/2021 Budget made available for public inspection
- 8/17/2021 Board of Education Meeting - Hold Public Hearing on the Budget
- 8/17/2021 Board of Education Meeting – Board of Education Resolution adopting Final Budget (must adopt annual budget by the end of the first quarter of the fiscal year and file with the County Clerk and ISBE within 30 days of adoption)



Questions?

