

**INFORMATION ITEM**

**Date:** March 19, 2018

**To:** Raymond E. Lechner, Ph.D.  
Superintendent

**From:** Gail F. Buscemi  
Business Manager

**Subject:** Fiscal Year 2019 Non-Operating Funds Tentative Budget:  
Debt Service, Capital Projects and Life Safety Funds

**Debt Service Fund (Fund 30)**

The Debt Service Fund for FY19 has budgeted expenditures of \$2,251,239. The budgeted revenue of \$2,186,510 includes a transfer from the Operations and Maintenance Fund of \$799,543. A fund balance of \$1,448,853 will be sufficient for maintaining this fund (Exhibit A).

Debt Service Fund revenues are levied by the county on behalf of the district due to long-term debt obligations approved by the Board of Education. Revenues will increase by 12.68% while expenditures will decrease by 4.77% due to debt repayments. The transfers from the Education and Operations and Maintenance Funds to the Debt Service Fund for the payment of debt certificates will cover the related expenditures in FY19.

**Capital Projects Fund (Fund 60)**

The Capital Projects Fund for FY19 has budgeted expenditures of \$4,593,630. The budgeted revenue of \$4,593,630 includes a transfer from the Operations and Maintenance Fund for that same amount. The Capital Projects Fund is used for payment of costs related to approved construction and improvements at Highcrest Middle School. Approved projects will be completed during FY19 (Exhibit B).

ISBE Regulation Section 100.50(d)(2) provides that when revenues or other sources of funds are pledged to pay for a capital project, the moneys shall be transferred for accounting purposes into the Capital Projects Fund and expended from that Fund. Accounting transfers of funds from the Operations and Maintenance Fund to the Capital Projects Fund will be made after each Board approval of payment of such construction and improvement costs and shall be reflected in District financial reports in accordance with ISBE regulations.

**Fire Prevention and Safety Fund (Fund 90)**

The Life Safety Fund has no budgeted expenditures and no anticipated revenues for FY19. (Exhibit C).

The Life Safety Fund is used to account for the receipt of proceeds from a tax levy or bonds designated for expenditures of approved life safety projects. There will be a projected fund balance of \$159 carried over to FY19. In FY18 the District conducted its ten-year life-safety study in which a list of projects that qualify as Life Safety were identified. These identified projects have been approved by ISBE and will be paid for with operating funds in FY19.

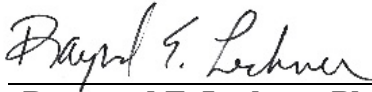
### **Non-Operating Funds Budget Combined**

The combined projected revenues for the non-operating funds are \$1,386,968 or an increase of 12.68% over last year. Expenditures are estimated at \$6,844,869 or an increase of 5.08% due to planned construction projects to be completed this year. With a permanent transfer of \$5,393,173 from the Operations and Maintenance Fund, along with a planned tax abatement of \$200,000 in the Debt Service Fund, there will be a planned FY19 deficit of \$64,728. This leaves an estimated ending fund balance on June 30, 2019 of \$1,449,013 (Exhibit D).

During the regularly scheduled board meeting in May, the non-operating funds budget will be combined with the operating fund budget in tentative form. Any revisions to the non-operating funds budget will be incorporated as additional information becomes available.

### **Attachments**

**Recommended for presentation  
to the Board of Education**



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**Raymond E. Lechner, Ph.D.**  
**Superintendent**

Wilmette Public School District 39  
Statement of Revenues and Expenditures  
NON-OPERATING FUNDS  
TENTATIVE BUDGET FY 2018-19

EXHIBIT A

**Debt Service Fund**

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Tentative Budget</u>	<u>Percent + or -</u>
<b>Revenue:</b>				
Real Estate Taxes	\$1,190,471	\$1,219,691	\$1,375,615	12.78%
Replacement Taxes	0	0	0	
Interest	9,900	11,200	11,352	1.36%
<b>TOTAL</b>	<b>\$1,200,371</b>	<b>\$1,230,891</b>	<b>\$1,386,967</b>	<b>12.68%</b>
<b>Expenditures:</b>				
Salaries	0	0	0	0.00%
Debt Retirement	2,366,602	2,364,083	2,251,239	-4.77%
<b>TOTAL</b>	<b>\$2,366,602</b>	<b>\$2,364,083</b>	<b>\$2,251,239</b>	<b>-4.77%</b>
<b>Revenue over Expenditures or (Expenditures over Revenues)</b>	<b>(\$1,166,231)</b>	<b>(\$1,133,192)</b>	<b>(\$864,272)</b>	<b>-23.73%</b>
<b>Other Financial Sources/(Uses):</b>				
Principal on bonds sold				
Premium on bonds sold				
Accrued interest on bonds sold				
Other uses				
Transfer from O & M	\$797,218	\$762,743	\$799,543	4.82%
Transfer from Education Fund	\$195,710	\$195,710	\$0	0.00%
Transfer of Interest	\$0	\$0	\$0	0.00%
<b>Total Other Financing Sources/(Uses)</b>	<b>\$992,928</b>	<b>\$958,453</b>	<b>\$799,543</b>	<b>-16.58%</b>
<b>Net Change in Fund Balance</b>	<b>(\$173,303)</b>	<b>(\$174,739)</b>	<b>(\$64,729)</b>	<b>-62.96%</b>
<b>Fund Balance</b>				
Beginning of Year	\$1,861,624	\$1,688,321	\$1,513,582	-10.35%
<b>End of Year-(Projected)</b>	<b>\$1,688,321</b>	<b>\$1,513,582</b>	<b>\$1,448,853</b>	<b>-4.28%</b>

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Statement of Revenues and Expenditures  
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EXHIBIT B

**Capital Projects Fund**

	<u>2016-17</u> <u>Actual</u>	<u>2017-18</u> <u>Budget</u>	<u>2018-19</u> <u>Projection</u>	<u>Percent +or -</u>
<b>Revenue:</b>				
Real Estate Taxes	\$0	\$0	\$0	
Replacement Taxes				
	0			
Federal Aid				
Interest	\$0	\$0	\$0	
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Expenditures:</b>				
Purchased Services	\$0	\$0	\$0	
Supplies				
Capital Outlay	(\$1,501,822)	(\$4,150,000)	(\$4,593,630)	10.69%
Other	\$0	\$0	\$0	
<b>TOTAL</b>	<b>(\$1,501,822)</b>	<b>(\$4,150,000)</b>	<b>(\$4,593,630)</b>	<b>10.69%</b>
<b>Excess (deficit) of Revenue over Expenditures</b>	<b>\$1,501,822</b>	<b>\$4,150,000</b>	<b>\$4,593,630</b>	<b>10.69%</b>
<b>Other Financial Sources/(Uses):</b>				
Principal on bonds sold				
Premium on bonds sold				
Accrued interest on bonds sold				
Transfer from Operation & Maintenance	\$1,501,822	\$4,150,000	\$4,593,630	10.69%
<b>Total Other Financing Sources/(Uses)</b>	<b>\$1,501,822</b>	<b>\$4,150,000</b>	<b>\$4,593,630</b>	<b>10.69%</b>
<b>Net Change in Fund Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Fund Balance</b>				
Beginning of Year	\$0	\$0	\$0	0.00%
<b>End of Year-(Projected)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>

Wilmette Public School District 39  
Statement of Revenues and Expenditures  
NON-OPERATING FUNDS  
TENTATIVE BUDGET FY 2018-19

EXHIBIT C

**Fire Prevention/Life  
Safety Fund**

	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	
	<u>Actual</u>	<u>Budget</u>	<u>Tentative Budget</u>	<u>Percent + or -</u>
<b>Revenue:</b>				
Real Estate Taxes	\$0	\$0	\$0	
Replacement Taxes				
State Aid				
Federal Aid				
Interest	1	1	1	0.00%
<b>TOTAL</b>	<b>\$1</b>	<b>\$1</b>	<b>\$1</b>	<b>0.00%</b>
<b>Expenditures:</b>				
Purchased Services	\$0	\$0	\$0	
Supplies				
Capital Outlay	\$0	\$0	\$0	
Other	\$0	\$0	\$0	
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Excess (deficit) of Revenue over Expenditures</b>	<b>\$1</b>	<b>\$1</b>	<b>\$1</b>	<b>0.00%</b>
<b>Other Financial Sources/(Uses):</b>				
Transfer to Debt Service	\$0	\$0	\$0	
Principal on bonds sold				
Premium on bonds sold				
Accrued interest on bonds sold	\$0	\$0	\$0	
Transfer from Operation & Maintenance	\$0	\$0	\$0	
<b>Total Other Financing Sources/(Uses)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>Net Change in Fund Balance</b>	<b>\$1</b>	<b>\$1</b>	<b>\$1</b>	<b>0.00%</b>
<b>Fund Balance</b>				
Beginning of Year	\$157	\$158	\$159	0.63%
<b>End of Year-(Projected)</b>	<b>\$158</b>	<b>\$159</b>	<b>\$160</b>	<b>0.63%</b>

Wilmette Public School District 39  
Statement of Revenues and Expenditures  
NON-OPERATING FUNDS  
TENTATIVE BUDGET FY 2018-19

EXHIBIT D

**Non-Operating Funds**

	<u>2016-17</u> <u>Actual</u>	<u>2017-18</u> <u>Budget</u>	<u>2018-19</u> <u>Tentative Budget</u>	<u>Percent + or -</u>
<b>Revenue:</b>				
Debt Service	\$1,200,371	\$1,230,891	\$1,386,967	12.68%
Capital Projects	\$0	\$0	\$0	0.00%
Life Safety	\$1	\$1	\$1	0.00%
<b>TOTAL</b>	<b>\$1,200,372</b>	<b>\$1,230,892</b>	<b>\$1,386,968</b>	<b>12.68%</b>
<b>Expenditures:</b>				
Debt Service	\$2,366,602	\$2,364,083	\$2,251,239	-4.77%
Capital Projects	\$1,501,822	\$4,150,000	\$4,593,630	10.69%
Life Safety	\$0	\$0	\$0	0.00%
<b>TOTAL</b>	<b>\$3,868,424</b>	<b>\$6,514,083</b>	<b>\$6,844,869</b>	<b>5.08%</b>
Excess (deficit) of Revenue over Expendi	(\$2,668,052)	(\$5,283,191)	(\$5,457,901)	3.31%
<b>Other Financial Sources/(Uses):</b>				
Net Other Financial Sources/(Uses)	\$2,494,750	\$5,108,453	\$5,393,173	5.57%
Net Change in Fund Balance	(\$173,302)	(\$174,738)	(\$64,728)	-62.96%
<b>Fund Balance</b>				
Beginning of Year	\$1,861,781	\$1,688,479	\$1,513,741	-10.35%
End of Year-(Projected)	\$1,688,479	\$1,513,741	\$1,449,013	-4.28%