

Lake Villa Community Consolidated School

District #41

2011-2012 Budget at a Glance

J.J. Pleviak Elementary School
B.J. Hooper Elementary School
W.L. Thompson Elementary School
O.C. Martin Elementary School
P.J. Palombi Middle School

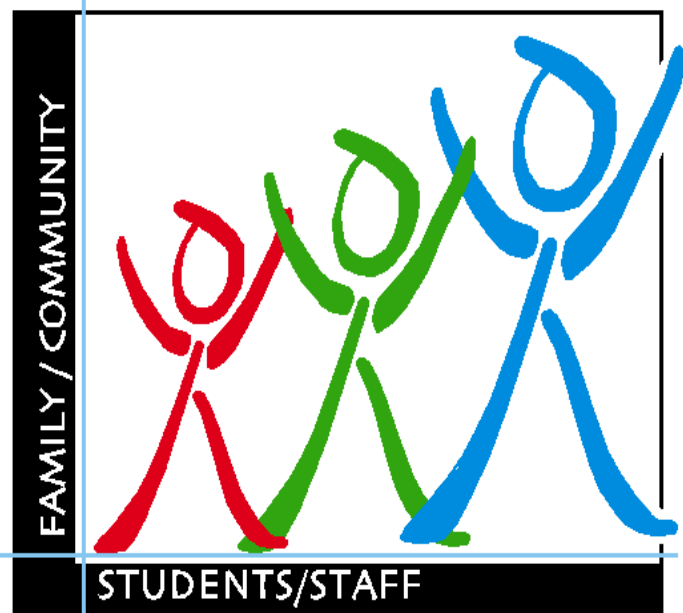
***ACHIEVING
EXCELLENCE
TAKES EVERYONE***

Serving more than 3,100 students in
the communities of

Ingleside
Lake Villa
Lindenhurst
Round Lake Beach
Round Lake Heights
Venetian Village
West Miltmore

www.district41.org

LAKE VILLA DISTRICT 41



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Lake Villa Community Consolidated School District #41

Administrative Offices

131 McKinley Ave., Lake Villa, IL 60046

Phone: 847-356-2385; Fax: 847-356-2670

Web Site: www.district41.org

District Strategic Goals

1. Improve Academic Achievement for ALL Students
2. Provide a Safe, Nurturing and Inviting Learning Environment
3. Enhance and Retain Competent and Caring Staff
4. Actively Engage Our Community in the Life of the District
5. Maintain Fiscal Stability

Our Mission

Our mission is to empower all students to thrive as life-long learners who are confident, socially conscious, and prepared to meet the challenges of a global society.

Our Vision

We envision students, staff, and community who:

- are actively engaged in education [achieving excellence takes everyone]
 - educate the whole child
 - embrace the uniqueness of each child
- maintain ownership for positive student outcomes
 - think, lead, and serve
- utilize district resources to their fullest potential

Our Beliefs

Students and Learning

- Each child is a multifaceted, unique individual.
- All children can learn.
- Children live and learn in a constantly evolving global society.

Faculty, Staff, and Teaching

- Schools provide a safe, nurturing, mutually respectful environment with resources, tools, and technology available for teaching and learning.
- Staff is collaborative, enthusiastic, highly motivated, accountable, and dedicated to teaching the whole child.
- Administration provides a high level of on-going support and professional development for all staff.

School and Community

- Effective and consistent communication between school, home, and community is essential.
- Parents have rights and responsibilities to ensure student learning.
- School, home, and community are active partners in children's education.

August 2011

Board of Education,

The budget is a critical source of data and is a testament to how the District manages its resources. As it is revised and enhanced each year, this document will provide the Board of Education, staff, and community with reliable historical information.

The District has reached several milestones. We have a fully operational District Dashboard with indicators that help monitor and report progress over time on long-range strategic goals. This is an important component of our Comprehensive Accountability Plan. The dashboard has been presented at both state and national conferences.

Our learning team process, which implements the District curriculum, monitors student progress, develops instructional strategies, and designs interventions when students are not meeting expectations, has been presented at a state conference and national conferences. Sharing our successes with colleagues and other practitioners across the country has been a milestone.

The District's overall achievement trends are stronger than they have ever been. District 41 is very close to achieving 90% proficiency in all areas. This is, potentially, another milestone. The District's focus on literacy, district-wide professional development, and time for focused team collaboration has been the key factors in this progress.

Lake Villa School District 41 is a District with high impact leadership, teaching, and learning. Of course, there is always more to do. Ultimately, the linkage between the District learning goals, programs, priorities and budget planning and implementation is what matters most.

As of June 30, 2011, the State of Illinois owed District #41 \$1,161,868. Even so, the District has maintained ISBE Financial Recognition for the past five years. Research shows there is a relationship between sound fiscal management, opportunities for children, and student outcomes (Illinois School Board Journal September/October 2009). This budget document represents one of the most important steps in the process.

Dr. John Van Pelt

Superintendent of Schools



2011-2012 BUDGET HIGHLIGHTS

Revenues:

- Levy revenue projections shows a slight increase from 2010-2011 actual to the 2011-2012 projection by a total percentage increase of 3% over all funds including bonds.
- General State Aid revenue is projected to decrease to approximately \$5,735,000 down from \$5,873,357 in actual receipts the prior year. This reduction in State Aid is due to the District's average daily attendance decreasing (because of falling enrollment) and the foundation level being held at \$6,119 for three years in a row by the state.
- Special Education funding has remained flat from last year to this 2011-2012 year. The projected revenue to be received for Special Education students is \$1,560,000 from state sources and \$275,564 from federal sources.
- The District has been allocated \$64,700 in Bilingual Education Grants for 2011-2012 from the state.
- The Lunch Program is projected to generate \$601,000 in local fees, which is consistent with the prior fiscal year. It is projected that for Free and Reduced Lunch & Breakfast Program the District will be reimbursed by state sources \$12,000 and by federal sources \$315,000.
- The Regular Transportation portion of the State Transportation Reimbursement has been reduced by 3% by the Governor for the 2011-2012 fiscal year. However, there is a push to restore that funding in the fall veto session. The projection that was included in this budget kept the funding rate as the same as 2010-2011.
- In the fall of 2010 the federal government created the Jobs Bill Fund Program via the (ARRA) American Recovery & Reinvestment Act. This Program is to provide assistance to states to save or create education jobs. Lake Villa C.C.S.D. #41 will receive \$531,258 in funding for these purposes. These monies will be distributed over the 2010-2011 and 2011-2012 fiscal years.
- The District has received federal grants for Title III (English Language Acquisition) and Title II (Teacher Quality) for this fiscal year. The amount allocated is \$24,150 and \$67,184, respectively.
- Total revenue received in fiscal year 2010-2011, per June 30th preliminary financial report was \$31,054,934. The total budgeted revenue for fiscal year 2011-2012 is \$34,941,089 (which now includes On-Behalf Payments).

2011-2012 BUDGET HIGHLIGHTS

Expenditures:

- Staffing changes were made to enhance the services to students and optimize costs at the same time. Full time staff went from 312 in 2010-2011 to 314 in 2011-2012. The increased staff is a result of bringing services that are contracted or outsourced back into the District. This a projected cost savings of \$125,000 for this fiscal year.
- The Board of Education and Lake Villa Federation of Teachers reached a three year negotiated settlement in the Summer of 2009, which will take us through the 2011-2012 fiscal year. Negotiations will begin this fiscal year for the 2012-2013 fiscal year and beyond.
- Health insurance benefits were continued with Blue Cross Blue Shield and costs were increased 15% based on anticipated claims for the coming fiscal year.
- Special Education expenditures are expected to increase this fiscal year by approximately \$281,000 for a total fiscal year cost of \$3,002,882.
- The District is currently in the middle of a technology initiative to install projectors and Smart Boards in all classrooms in the district by June 30, 2012. As of this summer, approximately half of the projectors and Smart Boards have been installed.
- Transportation costs are budgeted to remain the same for the 2011-2012 fiscal year. The District is looking at ways to save on transportation costs in the future. We currently have a three year contract with Durham Transportation Services, beginning with 2011-2012.
- Life safety work is budgeted based on the architectural decennial review. The District has scheduled approximately \$229,875 in life safety work this coming fiscal year. Administration will work with the architect in scheduling this work.
- Facilities and maintenance is always striving to bring the buildings into good repair for the students of our District. This year included in the budget for large projects is money for auditorium, carpeting, asphalt, seal coating, concrete leveling, drainage, and capping water line.
- Capital Project funds will be spent on the continued clean up of the 108 S. Milwaukee Avenue site that began in the 2008-2009 fiscal year. Expenditures budgeted for the clean up for the 2011-2012 fiscal year is approximately \$243,500. Planning will begin this year for parking lot improvements at Pleviak.
- Total expenditures for fiscal year 2010-2011, per June 30th preliminary financial report was \$29,610,439. The total budgeted expenditures for fiscal year 2011-2012 is \$36,098,713 (which now included On-Behalf Payments).

2011-2012 BUDGET HIGHLIGHTS

Fund Balance:

- The District currently has numerous funds for different purposes. These funds are defined by the Illinois Program Accounting Manual and managed by Illinois State Board of Education (ISBE).
- ISBE requires that the District segregate the funds by operating and special revenue funds. Operating funds are Education, Operations and Maintenance, Transportation, IMRF & Social Security, Working Cash and Tort Funds. These funds are used to manage the day-to-day operations of the organization.
- Special Revenue funds consist of Debt Service, Capital Projects and Fire, Prevention and Safety Funds. These funds are used only for specific purposes. Debt Service is only used to repay short and long term debt. Capital Projects is only used for construction. Fire, Prevention and Safety is only used to pay for items listed on the architectural decennial review.
- As of June 30, 2011 the fund balance, after early taxes of \$9,407,618.30 is \$13,958,891.70 which represents 47% of fiscal year 2010-2011 actual expenditures.

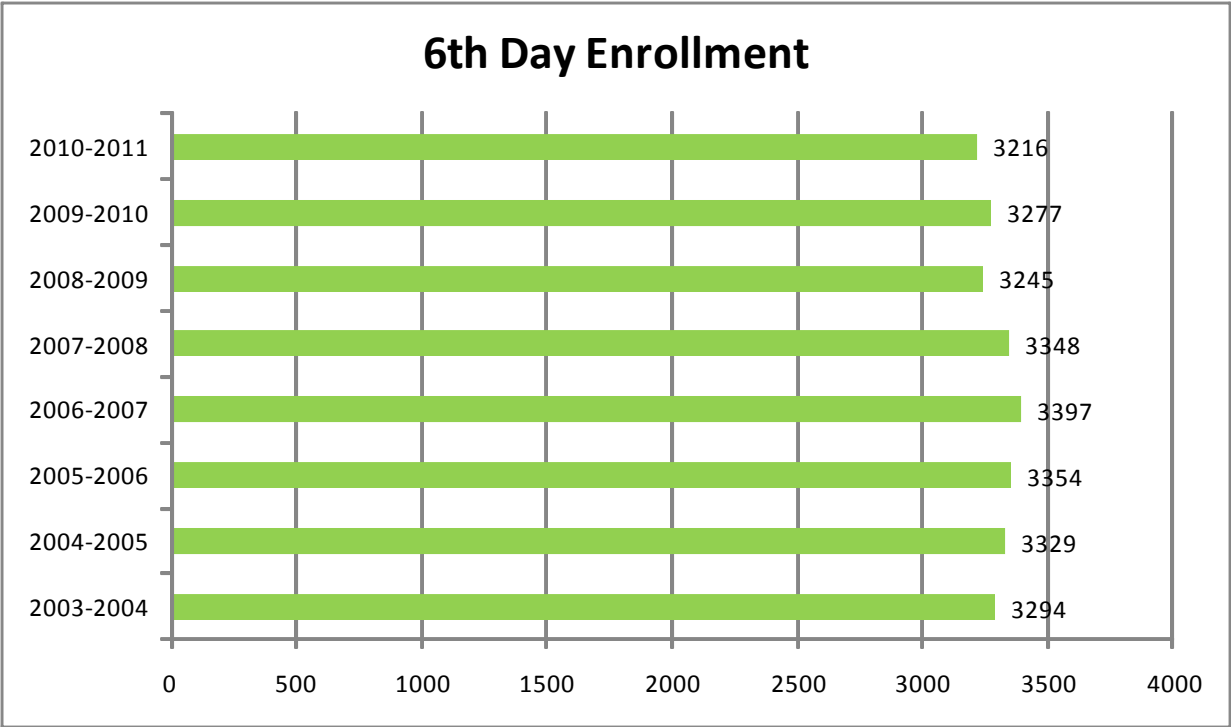
Fiscal Year Excess or Deficit:

- The Operating Funds for fiscal year 2011-2012 is expected to run a deficit of (\$1,044,412) in all operating funds. These funds include Education (\$1,237,073), Operations and Maintenance (\$175,610), Transportation \$104,532, IMRF & Social Security \$18,383, Working Cash \$303,500 and Tort (\$58,144) Funds.
- Special Revenue Funds for fiscal year 2011-2012 is also expected to run a deficit of (\$113,212) in all special revenue funds. These funds include Debt Service \$56,288, Capital Projects (\$169,500) and Fire, Prevention and Safety \$0 Funds.

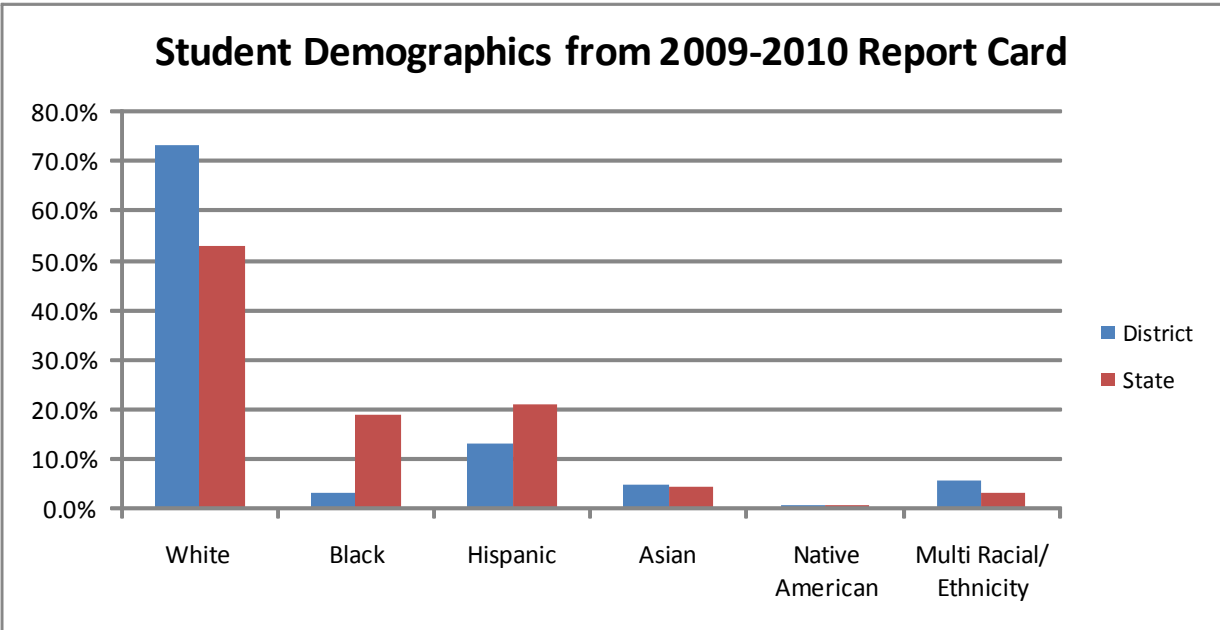
Deficit Reduction:

- Administration for Lake Villa Community Consolidated School District #41 is looking for ways to reduce expenditures without having a significant impact on student learning. Administration is also looking into the possibility of forming a committee to look at more significant cuts that could possibly directly effect student learning. This issue is at the forefront for both the Board of Education and District Administration.

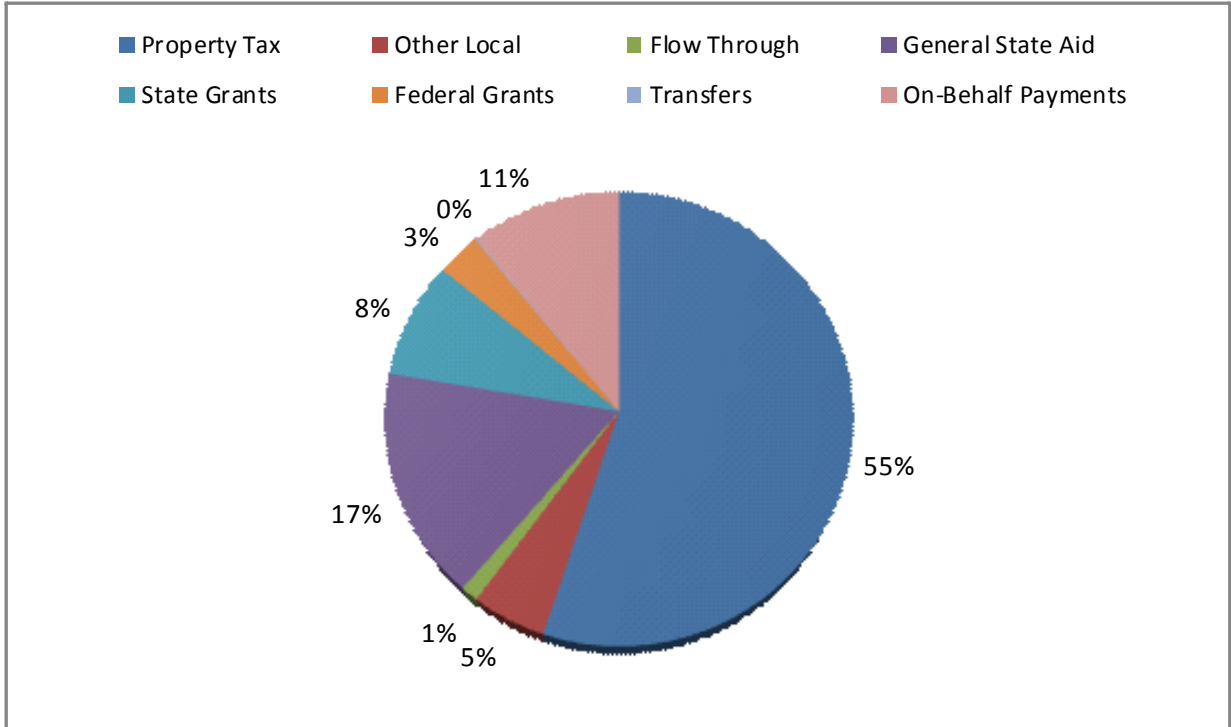
ENROLLMENT AND DEMOGRAPHIC INFORMATION



The district experienced fairly small growth until the 2007-2008 school year when enrollment started to decline. The 2007-2008 decline in enrollment is contributed to the economic conditions and the poor housing market at that time and continues today. The District is down by 181 students from our high in 2007-2008 of 3,397 students enrolled. The Demographics of the District has relatively remained the same since 2007-2008.



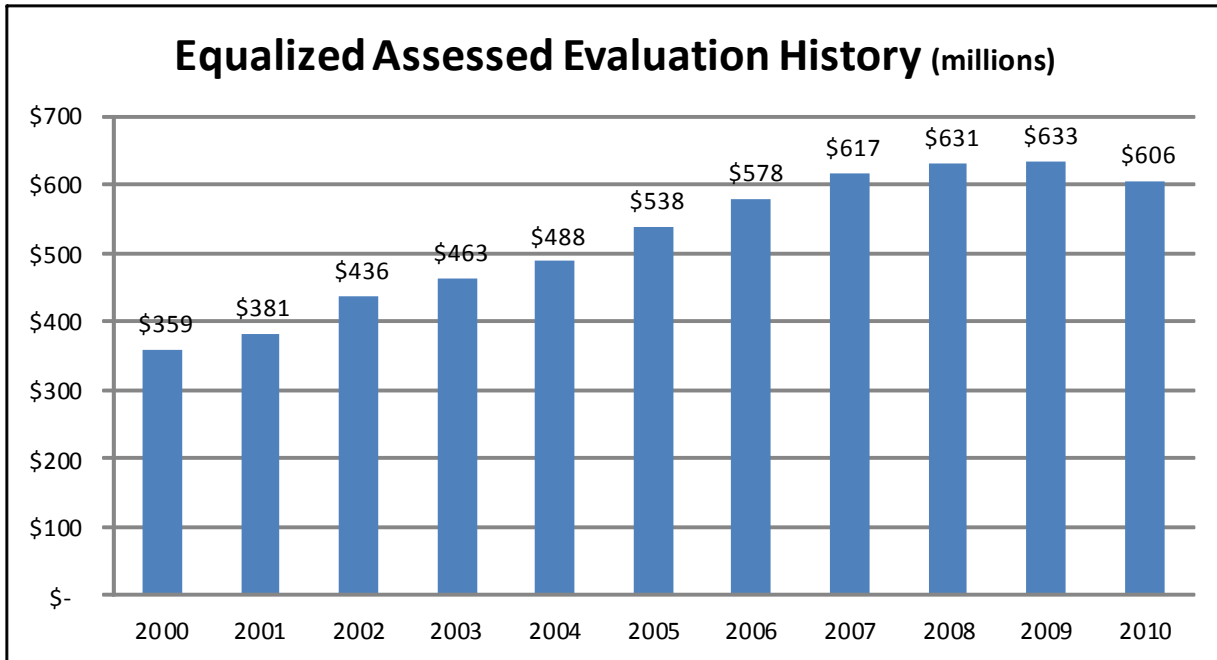
REVENUE BY SOURCE FY 2011-2012



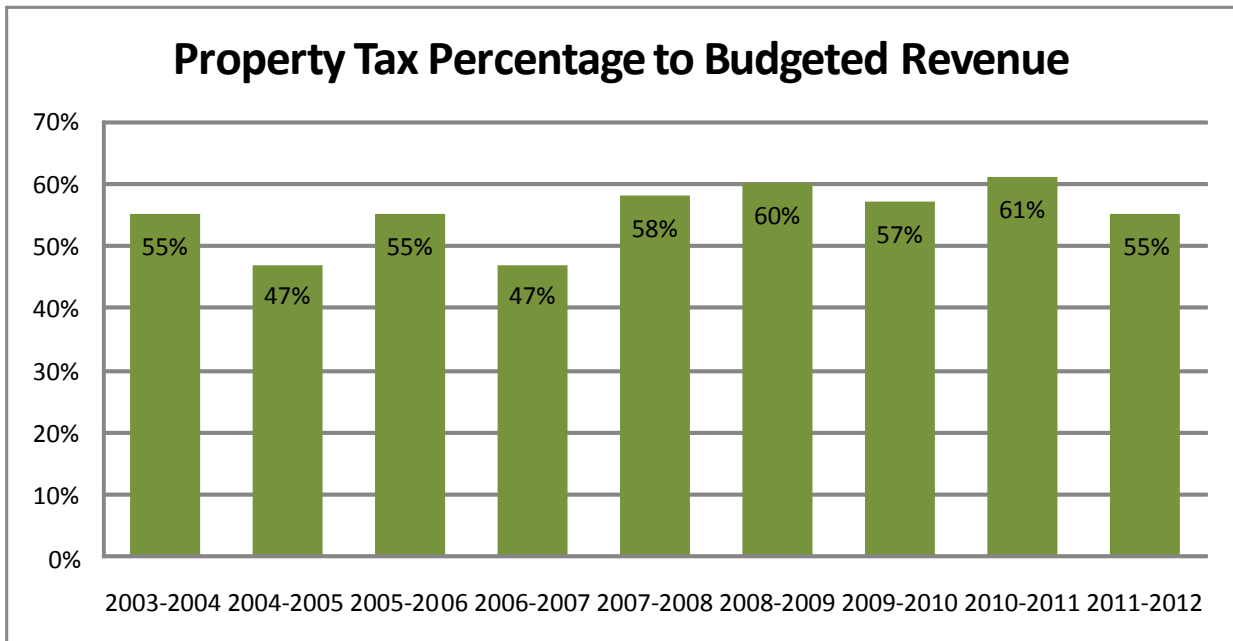
| | |
|---------------------------|---------------------|
| Property Tax | \$19,243,385 |
| Other Local | \$1,753,601 |
| Flow Through | \$410,000 |
| General State Aid | \$5,735,000 |
| State Grants | \$2,911,200 |
| Federal Grants | \$1,098,403 |
| Transfers | \$39,500 |
| On-Behalf Payments | \$3,750,000 |
| Total | \$34,941,089 |

PROPERTY TAXES

Lake Villa C.C.S.D. #41 has the good fortune of having a strong property tax base. The Equalized Assessed Valuation (EAV) for the District has historically shown consistent growth. Due to the economic situation the EAV has begun to decrease beginning with the 2010 levy year. This trend is expected to continue into the foreseeable future.

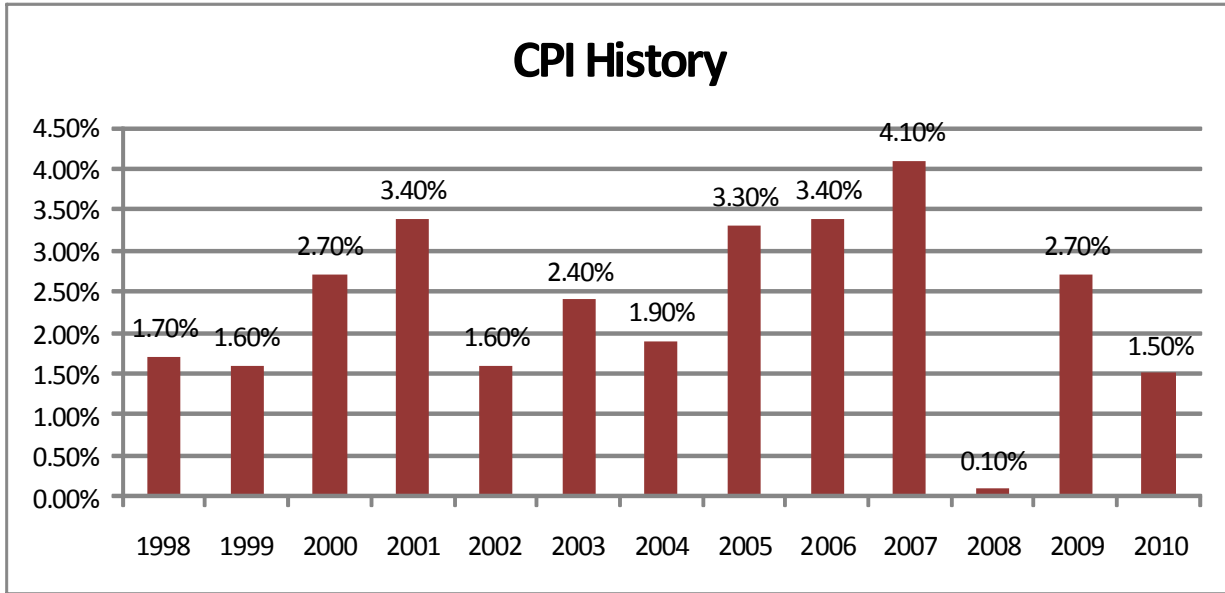


Lake Villa C.C.S.D. #41 currently receives 55% of its revenue through property tax collections.

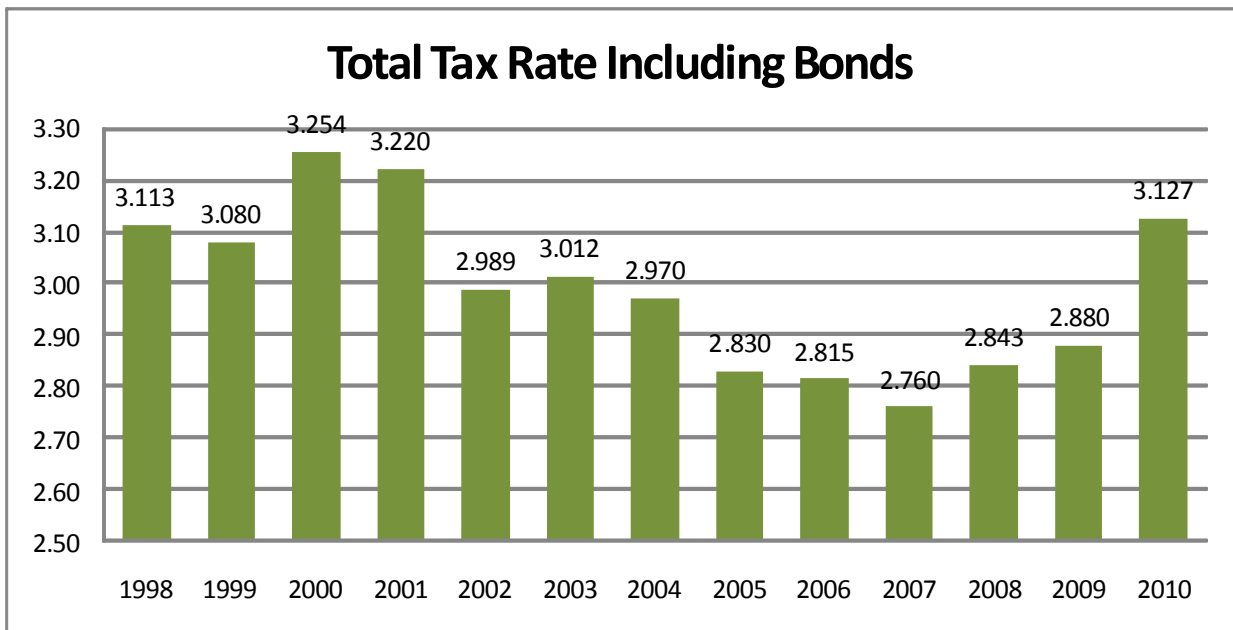


PROPERTY TAXES (Continued)

Many school districts in Illinois are operating at a deficit. One of the biggest factors is the property tax cap (PTELL). The property tax cap (PTELL) significantly limits the property tax extension to the annual change in the Consumer Price Index (CPI) or 5% whichever is less. The following is a chart of the CPI for the past 10 years.

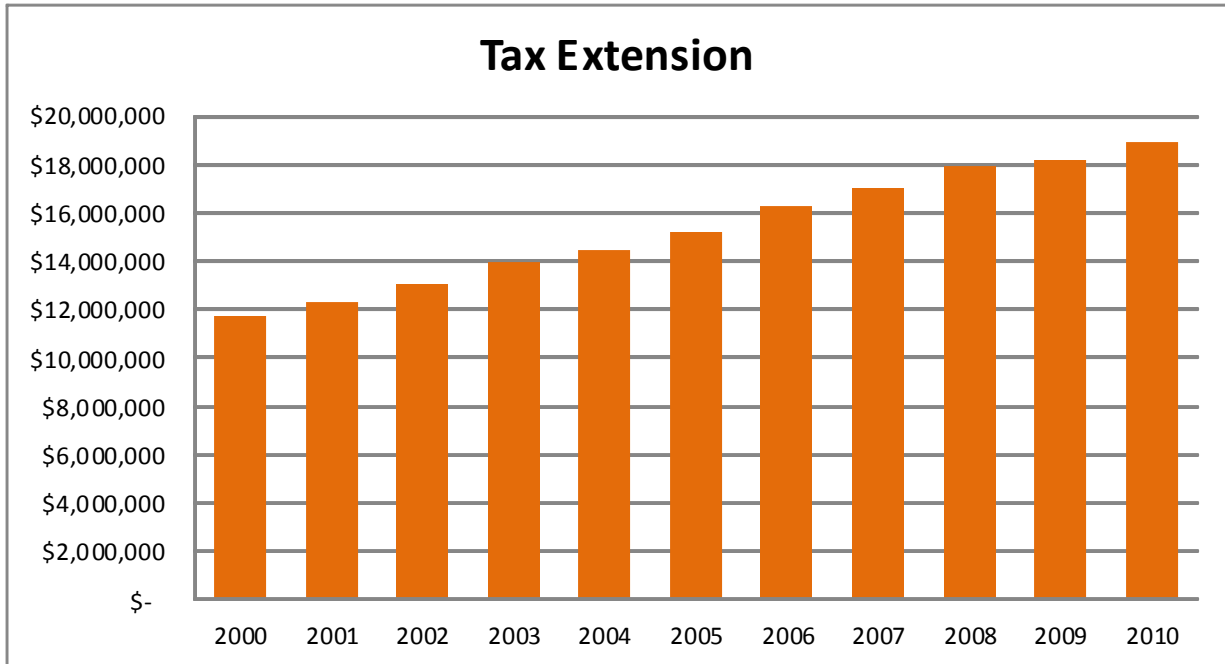


As you can see from the chart above, the CPI has been below the 5% maximum, as a limit on property taxes every year for the past 13 years. The tax rate has been decreasing over the same period because the property tax cap limit (PTELL) suppresses the tax rate. As the EAV begins to decrease the tax rate will increase as this creates less suppression from PTELL constraints.



PROPERTY TAXES (Continued)

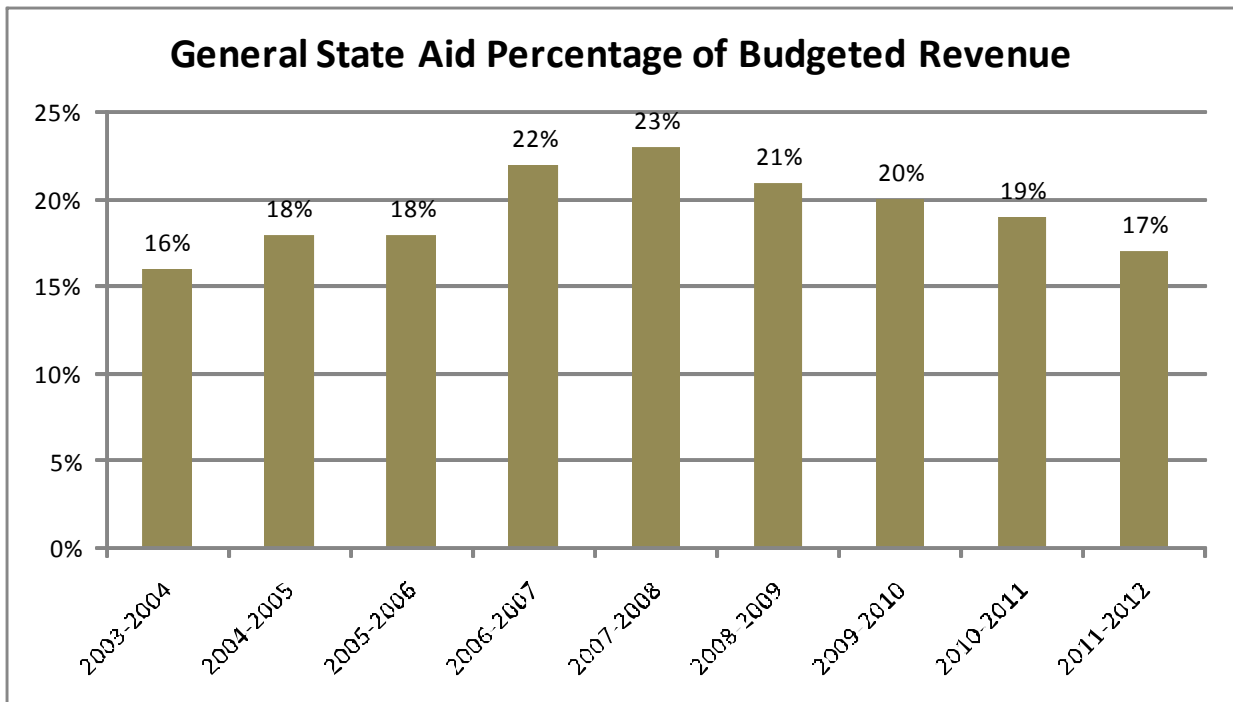
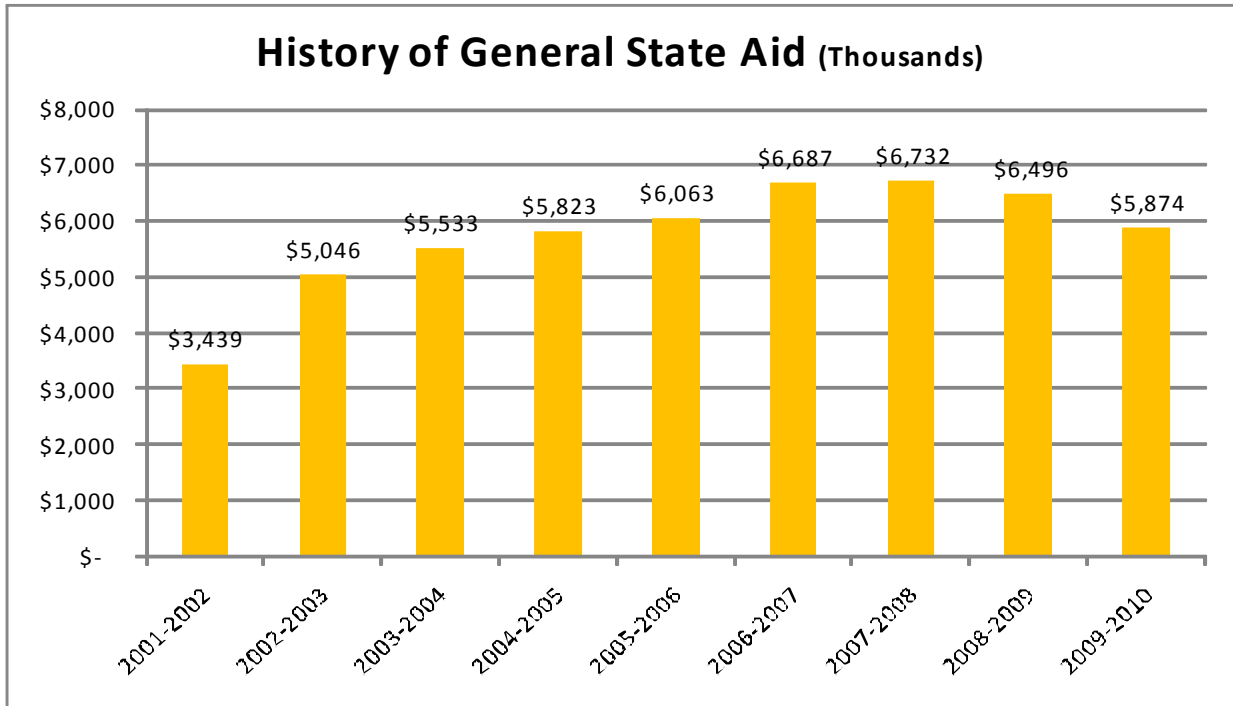
With the current economic situation how does this effect the district ability to levy and collect taxes? As previously shown the district is experiencing decreasing Equalized Assessed Valuation (EAV) and increase tax rates. This something that has not been seen in anyone's recent memory. The Lake County Clerk's Office issue the tax extension for each levy year.



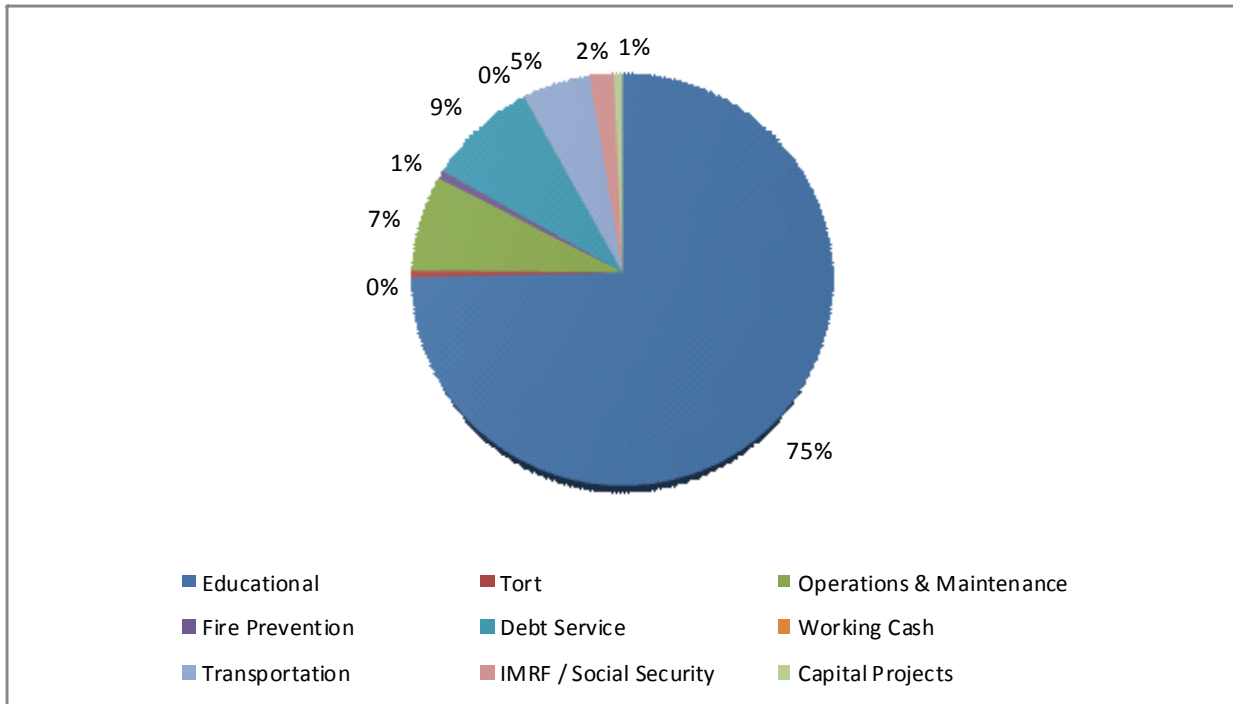
| LEVY | CPI | TAX RATE | CHANGE | EAV | CHANGE | EXTENSION | CHANGE |
|------|-------|----------|---------|---------------|----------------|--------------|-------------|
| 2000 | 1.6% | \$3.254 | | \$359,361,919 | | \$11,693,637 | |
| 2001 | 2.7% | \$3.220 | (0.034) | \$381,322,066 | \$21,960,147 | \$12,278,571 | \$584,934 |
| 2002 | 3.4% | \$2.989 | (0.231) | \$436,255,069 | \$54,933,003 | \$13,039,664 | \$761,093 |
| 2003 | 1.6% | \$3.012 | 0.023 | \$462,929,511 | \$26,674,442 | \$13,943,437 | \$903,773 |
| 2004 | 2.4% | \$2.970 | (0.042) | \$487,720,058 | \$24,790,547 | \$14,485,286 | \$541,849 |
| 2005 | 1.9% | \$2.830 | (0.140) | \$538,253,604 | \$50,533,546 | \$15,232,577 | \$747,291 |
| 2006 | 3.3% | \$2.815 | (0.015) | \$578,352,848 | \$40,099,244 | \$16,280,633 | \$1,048,056 |
| 2007 | 3.4% | \$2.760 | (0.055) | \$617,479,667 | \$39,126,819 | \$17,042,439 | \$761,806 |
| 2008 | 4.1% | \$2.843 | 0.083 | \$630,893,634 | \$13,413,967 | \$17,936,306 | \$893,867 |
| 2009 | 0.10% | \$2.880 | 0.037 | \$632,581,527 | \$1,687,893 | \$18,218,348 | \$282,042 |
| 2010 | 2.7% | \$3.127 | 0.247 | \$605,763,561 | (\$26,817,966) | \$18,942,227 | \$723,879 |

GENERAL STATE AID

The chart below shows the prior eight years history of General State Aid revenue. Other than a decline in 2001-2002, which was due to a correction, the district has seen a steady growth in our General State Aid revenue until the 2007-2008 school year. Beginning in 2008-2009 you can see the decreasing GSA due to enrollment decline and a flat foundation level of \$6,119 from the state.

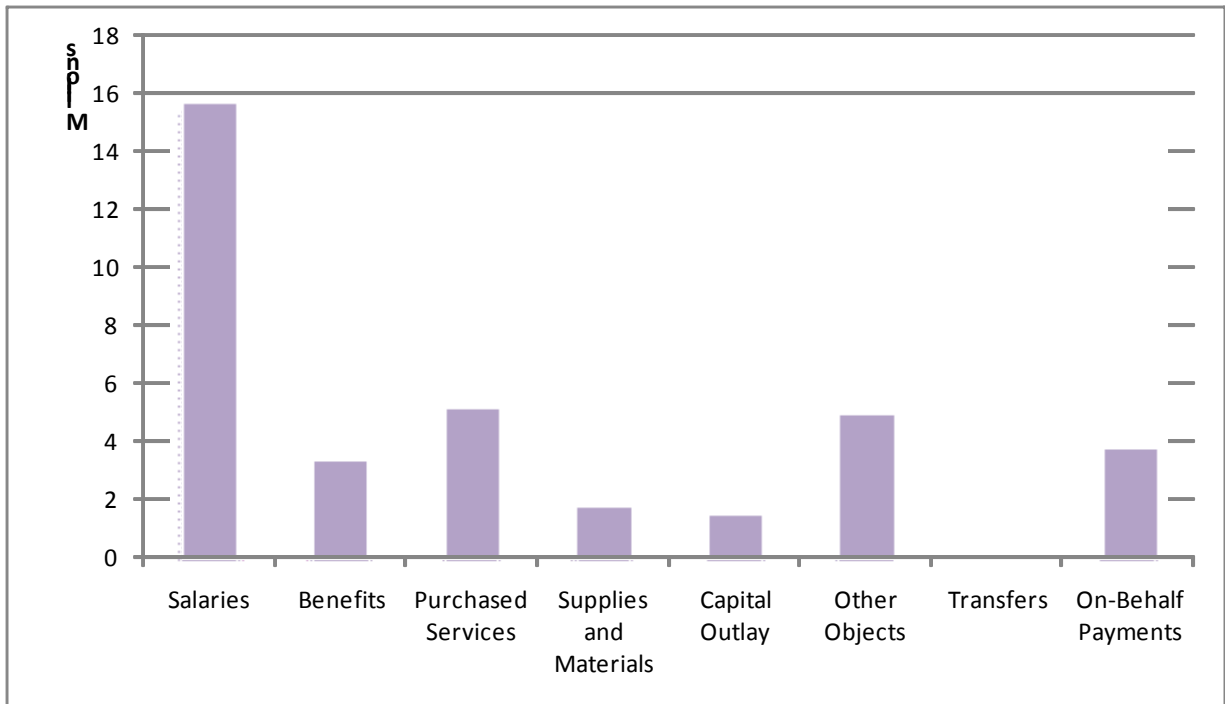


EXPENDITURES BY FUND FY 2011-2012



| | | |
|-------------------------------------|------------|---------------------|
| Educational | 75% | \$26,931,411 |
| Operations & Maintenance | 8% | \$2,730,560 |
| Debt Service | 9% | \$3,138,437 |
| Transportation | 5% | \$1,939,494 |
| IMRF / Social Security | 2% | \$682,742 |
| Capital Projects | 1% | \$250,000 |
| Working Cash | 0% | \$6,000 |
| Fire Prevention | 1% | \$229,875 |
| Tort | 0% | \$190,194 |
| Total | | \$36,098,713 |

EXPENDITURES BY OBJECT FY 2011-2012



| | | |
|-------------------------------|------------|---------------------|
| Salaries | 43% | \$15,662,871 |
| Benefits | 9% | \$3,317,705 |
| Purchased Services | 14% | \$5,160,658 |
| Supplies and Materials | 5% | \$1,769,664 |
| Capital Outlay | 4% | \$1,489,009 |
| Other Objects | 14% | \$4,909,306 |
| Transfers | 0% | \$39,500 |
| On-Behalf Payments | 10% | \$3,750,000 |
| Total | | \$36,098,713 |

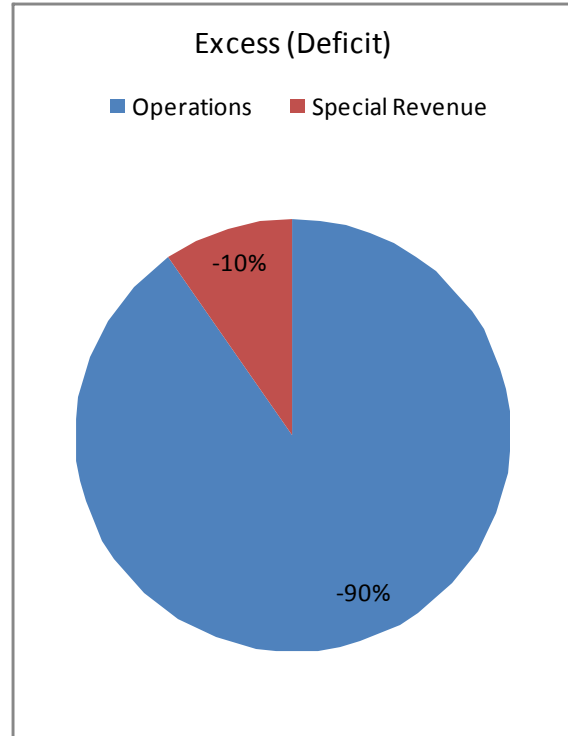
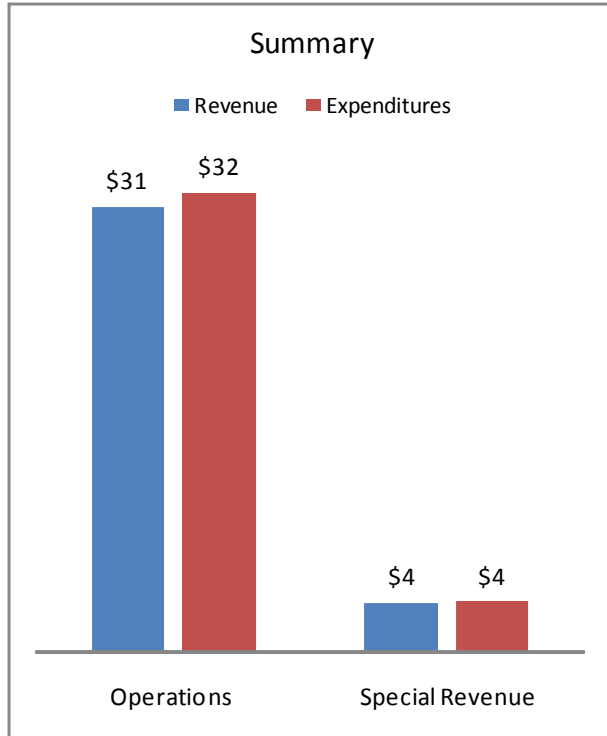
EXPENDITURES BY FUNCTION FY 2011-2012

Instruction Takes Top Priority

2011-2012 Total Expenditure Budget

| <u>Function</u> | <u>Detail Functions</u> | <u>Budget</u> |
|-----------------------|--|---------------------|
| INSTRUCTION | Elementary Instruction Programs | \$8,168,934 |
| | Middle School Instruction Programs | \$2,621,147 |
| | Special Education Programs | \$3,002,882 |
| | Remedial & Supplemental Programs | \$1,044,942 |
| | Interscholastic Programs | \$316,786 |
| | Summer School Programs | \$70,560 |
| | Bilingual Programs | \$388,930 |
| | Alternative & Optional Programs | \$4,588 |
| | Special Education Program - Public Tuition | \$1,300,000 |
| | Special Education Program - Private Tuition | \$455,000 |
| INSTRUCTIONAL SUPPORT | Attendance & Social Work Services | \$319,464 |
| | Health Services | \$502,363 |
| | Psychological Services | \$318,873 |
| | Speech Pathology & Audiology Services | \$690,683 |
| | Other Support Services - Pupils | \$18,400 |
| | Improvement of Instruction Services | \$114,218 |
| | Assessment & Testing | \$35,000 |
| | Community Ed | \$19,524 |
| | Educational Media Services | \$243,055 |
| OPERATIONS | Fiscal Services | \$148,254 |
| | Data Processing Services | \$941,789 |
| | Operation & Maintenance of Plant Services | \$2,842,715 |
| | Pupil Transportation Services | \$1,939,580 |
| | Food Services | \$780,700 |
| LEADERSHIP | Board of Education Services | \$240,247 |
| | Executive Administration Services | \$441,718 |
| | Service Area Administrative Services | \$217,158 |
| | Director of Business Support Services | \$132,114 |
| | Office of the Principal Services | \$1,183,083 |
| OTHER | Debt Service | \$3,136,437 |
| | Tort | \$190,194 |
| | Facilities Acquisition & Construction Services | \$479,875 |
| | Permanent Transfer of Working Cash Fund Interest | \$39,500 |
| | On-Behalf Payments | \$3,750,000 |
| | Total | \$36,098,713 |

BUDGET SUMMARY FY 2011-2012



| <u>Funds</u> | <u>Revenue</u> | <u>Expenditures</u> | <u>Excess (Deficit)</u> |
|-------------------------------------|---------------------|---------------------|-------------------------|
| <u>Operation Funds</u> | | | |
| Education | \$25,694,338 | \$26,931,411 | (\$1,237,073) |
| Operations & Maintenance | \$2,554,950 | \$2,730,560 | (\$175,610) |
| Transportation | \$2,044,026 | \$1,939,494 | \$104,532 |
| IMRF & SS | \$701,125 | \$682,742 | \$18,383 |
| Working Cash | \$309,500 | \$6,000 | \$303,500 |
| Tort | \$132,050 | \$190,194 | (\$58,144) |
| <u>Special Revenue Funds</u> | | | |
| Debt Service | \$3,194,725 | \$3,138,437 | \$56,288 |
| Capital Projects | \$80,500 | \$250,000 | (\$169,500) |
| Fire, Prevention & Safety | \$229,875 | \$229,875 | \$0 |
| Total | \$34,941,089 | \$36,098,713 | (\$1,157,624) |

Points of Pride

All students are to be proficient in the standards aligned by the District with the Illinois State Learning Standards

Reading

NWEA, Fountas and Pinnell and DIBELS data utilized for placement in reading resource program

Common Formative Assessment data utilized to guide instruction

Guided reading conducted in kindergarten through eighth grades

Literature circles conducted in third throughout grade levels

SLANT, Jolly Phonics, Read 180, System 44 and Read Naturally and Levels to Literacy have been implemented as reading interventions

Literacy Coaches provide staff with professional development in literacy

Language Arts

Common Formative Assessment data utilized to guide instruction

Writing ISAT scores have increased 28% in three years

Mathematics

NWEA and Cognitive Abilities Test data is utilized for placement

Accelerated math program in grades 3-8

Mathematics Curriculum Revision was completed in 2009-2010

Encore

Additional encore classes have been implemented at the middle school

Extra Curricular

Intramurals

Leadership

Interscholastic Sports

Leadership

Continuation of Elementary Lead Teachers

Continuation of Assistant Superintendent of Teaching and Learning

Technology

Introduction of interactive white boards in classrooms

1:1 computing piloted with the middle school health curriculum

Hiring of a technology coach to provide support for staff

Staff Development

Learning Team Training

Literacy Training

Mathematics Training

Technology training

