



NEW LENOX SCHOOL DISTRICT 122
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YOU ASKED.....WE ANSWERED

WHY IS THE DISTRICT SPENDING \$1.6M MORE THAN LAST YEAR? (Spending has been relatively flat for the last few years---why the increase now?)

Over the last decade the District has made reductions near \$11M due to State funding decreases. Our most recent reductions were approximately \$2.3M in the 2014-2015 school year. At that time, we promised our parents that we would annually review some of the reductions and do our best to restore some of the items we cut. For instance, we reduced library services in each building a few years ago. This year, in an attempt to restore some of those services, we moved a teacher into an LRC teaching position and added a library aide. In addition, we added 3 teachers to reduce class size at some grade levels.

As we noted at the beginning of the year, the District has a \$30M overall fund balance and a \$3M surplus this year. Although we are utilizing much of the surplus for renovations to our buildings, we felt it was very important to increase the number of staff to meet the needs of our students.

Finally, it is important to know that our annual goal is to only spend or spend less than the revenue received each year. Thus, in future years we may once again need to make reductions based on school funding.

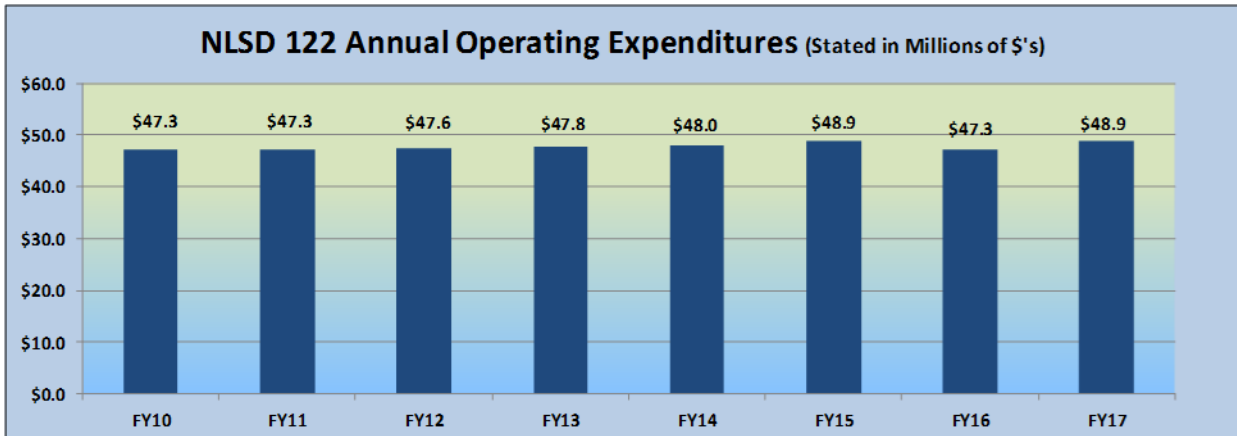
Operating Expenditures increased 3.4% for the 2016-2017 school year (+\$1.6M).

- Non-Personnel costs decreased 1.50% (\$180,000).
- Personnel costs increased 5.05% (\$1,780,000)
 - Hired 3 new Regular Education Teachers to reduce class sizes and 1 Special Education Teacher due to student needs (\$247,000)
 - Hired 2 new Special Education Teacher Aides due to student needs (\$50,000)
 - Hired 1 new Social Worker due to student needs (\$60,000)
 - Hired 1 new Library Aide (\$30,000)
 - 2016-2017 School year annual employee raises (average = 2.96%) (\$721,929)
 - Every Special Education Teacher Aide received an additional \$1 / hour raise (\$112,000)
 - Retirement Incentive raises (6%) for 21 different employees (\$113,000)-Note: The District is still realizing annual savings due to the relief of veteran higher salaries.
 - Additional Teacher raises for increased education (lane changes) (\$40,000)
 - Health Insurance rates not to exceed an increase of 8% on January 1st (\$265,000)
 - Contingency funds budgeted in case of need (\$140,000)

ANOTHER INTERESTING POINT.....Notice that our projected FY17 expenditures (\$4.9M) are actually equivalent to our FY15 expenditures (\$4.9M). Again, we are working hard to have stable spending practices. See the chart on the next page.

High Quality Education at an Efficient Cost

Fiscal Year	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17
Annual Operating Expenditures	\$ 47.3	\$ 47.3	\$ 47.6	\$ 47.8	\$ 48.0	\$ 48.9	\$ 47.3	\$ 48.9
Percentage Increase		0.0%	0.6%	0.4%	0.4%	1.8%	-3.2%	3.4%



Data Source: Final Audited Annual Financial Reports Posted on ISBE's website (FY16 audit due Oct 15, 2016) (FY17 = Tentative Budget)

SO, WHY DIDN'T THE DISTRICT BRING BACK 2-TIER TRANSPORTATION WITH THE SURPLUS?

When we reviewed the option of 3-Tier versus 2-Tier transportation, we determined that the cost would still be an additional \$1M+. Furthermore, the State is only reimbursing up to 53% of our total costs. However, we will continue to evaluate the feasibility of 2-Tier busing on an annual basis.