



To: Dr. Mike Riggle
Board of Education

From: Dr. R.J. Gravel
Dr. Kimberly Ptak
Ms. Vicki Tarver

Date: Monday, February 12, 2018

Re: School Operating Budgets for FY2018-19

Recommendation

It is recommended that the Board of Education approve the school operating budgets for the 2018-2019 fiscal year as follows:

- Glenbrook North High School - \$2,594,948;
- Glenbrook South High School - \$3,422,754.

Background

Each spring the Board of Education approves a school operating budget for the upcoming fiscal year for both Glenbrook North and Glenbrook South. The purpose of the school operating budget is to provide for the operational needs of each school which include:

- Department and Program Budgets
- Discretionary Student Activity Stipends
- Substitute Expenses for Professional Development Activities
- Employee Overtime Expenses
- Equipment and Capital Item Purchases
- Small Building Projects
- Building Maintenance Supplies
- Charter Transportation Expenses (Athletics, Field Trips, Student Activities)

The school operating budgets are calculated based on three components: basic allocation, per student allocation, and facilities allocation (based on a per square foot value).

Basic Allocation

The basic allocation is determined by taking the prior year's allocation, and increasing the amount by the value of the Consumer Price Index for All Urban Consumers (CPI-U) indicated on the prior year's tax levy. For the 2018-19 fiscal year, the FY2019 basic allocation was increased by 2.1%.

After the basic allocation has been calculated, the amount is divided equally for Glenbrook North and Glenbrook South.

Per Student Allocation

The per student determined is calculated by taking the prior year's per student allocation, and increasing the amount by the value of CPI-U indicated on the prior year's tax levy. For the 2018-19 fiscal year, the FY2019 basic allocation was increased by 2.1%, or \$13.57 per student.

After the per student allocation has been calculated, the amount is multiplied by the estimated student enrollment for the upcoming school year based on Dr. McKibben's enrollment forecast. For the 2018-2019 school year, Dr. McKibben estimates that Glenbrook North will have a population of 2,053 students, and Glenbrook South will have a population of 3,146 students.

As a result of further efforts to implement a modified, zero-based budgeting approach, the per student allocation was increased by an additional \$10.50 per student. This increase represents the fees that each student pays to provide towel service throughout the year. Previously, expenses related to the towel service were charged to a District-level account. Beginning with the 2018-19 school year towel expenses will be budgeted within each school's chart of accounts.

Facilities Allocation

The facilities allocation is determined by taking the prior year's per square foot value, and increasing the amount by the value of CPI-U indicated on the prior year's tax levy. For the 2018-19 fiscal year, the per square foot value was increased by 2.1%, or \$0.02 per square foot.

After the per square foot value has been calculated, the amount is multiplied by the total amount of facility coverage to calculate each school's facilities allocation. Glenbrook North is comprised of 580,000 sq ft, and Glenbrook South is comprised of 670,000 sq ft.

Total Allocation Adjustments

As documented on the attached school operating budget spreadsheet, individual school budgets may also be reduced due to a budget reduction plan, reclassified budgetary responsibility, or large project contributions.

For FY2018, the only adjustment applied was a reduction instituted in FY2016 to establish a District-wide technology budget. Recognizing the decrease of District technology expenses by \$131,000 between FY2016 and FY2018, and additional decreases anticipated for FY2019, it is recommended that this reduction be eliminated. This change would restore \$190,000 to the school operating budgets for allocation based on needs. As a direct result of this change, each school will be able to significantly reduce course materials fees that have increased in recent years as a result of reduced department and program supply budgets.

School Operating Budgets - FY2018-19 - Recommendation

		<i>Historical</i>					<i>Recommendation</i>	<i>Year-Over-Year % Increase</i>
		FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	
Consumer Price Index for All Urban Consumers (CPI-U)*		3.0%	1.7%	1.5%	0.8%	0.7%	2.1%	
Basic Allocation	Total Budget	\$1,130,423.97	\$1,149,641.18	\$1,166,885.80	\$1,176,220.88	\$1,184,454.43	\$1,209,327.97	2.10%
	Glenbrook North High School	50% \$565,211.99	50% \$574,820.59	50% \$583,442.90	50% \$588,110.44	50% \$592,227.21	50% \$604,663.99	
	Glenbrook South High School	50% \$565,211.99	50% \$574,820.59	50% \$583,442.90	50% \$588,110.44	50% \$592,227.21	50% \$604,663.99	
Per Student Allocation	Per Student Budget	\$652.37	\$663.46	\$635.86	\$641.57	\$646.06	\$670.13	3.73%
	Glenbrook North High School	2,087 \$1,361,504.00	2,038 \$1,352,140.00	2,057 \$1,294,217.00	2,033 \$1,289,007.00	2,023 \$1,306,981.90	2,053 \$1,375,773.87	5.26%
	Glenbrook South High School	2,736 \$1,784,895.00	2,895 \$1,920,729.00	3,002 \$1,922,595.00	3,070 \$1,984,926.00	3,106 \$2,006,666.23	3,146 \$2,108,224.36	5.06%
Facilities Allocation	Per Square Foot (sq ft)	\$0.99	\$1.01	\$1.02	\$1.03	\$1.04	\$1.06	2.10%
	Glenbrook North High School	580,000 \$575,654.00	580,000 \$585,440.00	580,000 \$594,221.00	580,000 \$598,975.00	580,000 \$601,871.03	580,000 \$614,510.32	
	Glenbrook South High School	670,000 \$662,312.00	670,000 \$673,571.00	670,000 \$683,675.00	670,000 \$689,144.00	670,000 \$695,264.81	670,000 \$709,865.37	
Glenbrook North High School	Glenbrook North High School Subtotal	\$2,502,369.99	\$2,512,400.59	\$2,471,880.90	\$2,476,092.44	\$2,501,080.14	\$2,594,948.18	
	Reduction - Field Turf Contribution	\$125,000.00	\$125,000.00					
	Reduction - District Technology Budget			\$91,000.00		\$91,000.00		
	Grand Total	\$2,377,369.99	\$2,387,400.59	\$2,380,880.90	\$2,476,092.44	\$2,410,080.14	\$2,594,948.18	7.67%
Glenbrook South High School	Glenbrook South High School Subtotal	\$3,012,418.99	\$3,169,120.59	\$3,189,712.90	\$3,262,180.44	\$3,294,158.25	\$3,422,753.71	
	Reduction - Field Turf Contribution		\$85,000.00	\$165,000.00				
	Reduction - Parking Lot / Maintenance Bldg.		\$15,000.00	\$235,000.00				
	Reduction - District Technology Budget			\$99,000.00		\$99,000.00		
Grand Total	\$3,012,418.99	\$3,069,120.59	\$2,690,712.90	\$3,262,180.44	\$3,195,158.25	\$3,422,753.71	7.12%	
Total School Operating Budgets		\$5,389,788.97	\$5,456,521.18	\$5,071,593.80	\$5,738,272.88	\$5,605,238.38	\$6,017,701.89	7.36%

* Historically the school operating budget has used the CPI-U level indicated on the prior year's tax levy. For example, the 2018-2019 school operating budget will be calculated based on the CPI-U level indicated on the 2017 Tax Year levy (adopted in December 2017).