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PRESS RELEASE

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Frankfort School District 157-C Approves Stable 2014-2015 Budget and Accesses Reserves

On Monday, August 18, the Frankfort School District 157-C Board of Education held a public hearing regarding its proposed 2014-2015 fiscal year budget. The budget shows minimal growth when compared to the 2013-2014 budget, reflecting relatively flat revenues and continuing along with cost-cutting measures to help ensure that the district remains financially solvent during these challenging economic times. Despite the sluggish economy, cuts in State funding, and lower Equalized Assessed Valuation, District 157-C was proud to be placed in the "Financial Recognition" category by the Illinois State Board of Education and also receive an AAA bond rating again this past year.

The total Operating Funds budgeted revenues of \$30.6 million versus total Operating Funds budgeted expenditures of \$31.1 million will result in a projected reduction of existing fund balance reserves of just over \$500,000 (less than 2% of reserves). However, these reductions to the Operations and Maintenance Fund, the Transportation Fund, and the IMRF Fund are planned and desired to keep reserve balances at reasonable, but not excessive, levels and minimize the current tax levy for existing residents. This minor variance in the Operating Funds will not require a deficit reduction plan and shows that the district is continuing to live within its means and maintain adequate, but not excessive, fund balance reserves. Total estimated fund balance reserves, including early tax collections, as of June 30, 2015 are expected to be about \$27.5 million for the Operating Funds, down from last year's ending balance of about \$28 million. After the public hearing and budget presentation by Mr. Curt Saindon, Assistant Superintendent for Finance and Operations, the Board approved the final budget and all related resolutions and certifications.

The Board of Education and School District Administration are continuing to undertake pro-active cost-cutting measures throughout the district, wherever possible. These include operating over the summer on a four-day work week, going out to bid for gas and electric usage, working with Constellation Energy during designated days to lower electric consumption and earn utility credits, installing energy efficient mechanical systems, enacting staffing reductions, where appropriate, through the elimination of positions at the retirement of long-time staff members or as other staff members resign, completing a thorough examination of the employee insurance programs and vendor service agreements to save on premiums and fees where possible, consolidating computer usage and extending capital rotation cycles, trimming discretionary spending for consumables, materials and supplies, and looking for every opportunity possible to reduce spending without negatively impacting instruction, services to students, or the educational environment.

In addition, this past year the Board approved two new refinancing bond issues of existing debt to lower interest costs and even out bond payments for the next five years, that resulted in limiting the increase in the total overall levy request to the amount of new tax revenues generated by the rate of inflation only, and refunding or abating debt service amounts of \$300,000 from reserves that would cause the levy to exceed this limit. This has allowed the Board to hold the overall tax levy flat for the past three years at about \$29.3 million. The district's continuing goal is to work towards balancing the budget without negatively impacting instruction or the school environment.

Additional information regarding the District 157-C budget for 2014-2015, or the result of operations for 2013-2014, is available at the District Office by contacting the Superintendent, Dr. Maura Zinni, or the Assistant Superintendent, Mr. Curt Saindon, at (815) 469-5922.