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PRESS RELEASE

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### **District 157-C Approves Balanced 2015-16 Budget and Accesses Minimal Reserves**

On Wednesday, August 12, the Frankfort School District 157-C Board of Education held a public hearing regarding its proposed 2015-2016 fiscal year budget. The budget shows very minimal growth overall when compared to the 2014-2015 budget, reflecting 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 local economy, uncertain State funding, and flat 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 \$29.9 million versus total Operating Funds budgeted expenditures of \$29.3 million will result in a small projected surplus of just over \$600,000 (about 2% of reserves). This small surplus will be offset by a \$500,000 abatement of debt service obligations from Education Fund and Operations Fund reserves, as well as various inter-fund transfers, if needed. The District's goal is to keep fund balance reserves at reasonable, but not excessive, levels while minimizing the current tax levy for our existing residents. As the budget is balanced no deficit reduction plan is required by the State, and this shows that the district is continuing to live within its means and maintain adequate fund balance reserves. Total estimated fund balance reserves, including increased early tax collections, as of June 30, 2016 are expected to be about \$30.4 million for the Operating Funds, slightly up from last year's ending balance of about \$30.3 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 "heat emergency" days to lower electric consumption and earn utility credits, installing energy efficient mechanical systems in all schools, enacting staffing reductions, where appropriate, through the elimination of positions at the retirement 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 and equipment rotation cycles, trimming discretionary spending for consumables, materials and supplies, and looking for every opportunity possible to streamline operations and reduce spending without negatively impacting instruction, services to students, or the educational environment.

In addition, this past year the District has engaged in an active cash management and investment program to maximize interest income wherever possible, while also abating debt service funds with existing reserves to help keep the overall tax levy essentially flat at just under \$30 million and minimize property tax increases the residents would bear. The District and the Board's ongoing goal is to work towards maintaining a balanced budget year after year that also allows for supplemental debt service fund abatements and inter-fund transfers from reserves that can help the residents and taxpayers without negatively impacting instruction or the school environment.

Additional information regarding the District 157-C budget for 2015-2016, or the results of operations for 2014-2015, is available at the District Office by contacting the Superintendent, Dr. Maura Zinni, or the Assistant Superintendent, Mr. Curt Saindon, at (815) 469-5922.