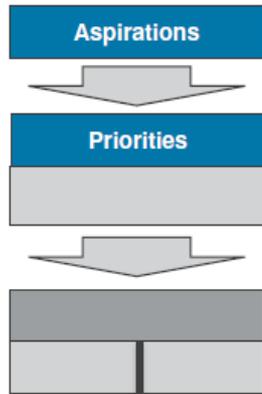




**FY 2017  
Budget Presentation**

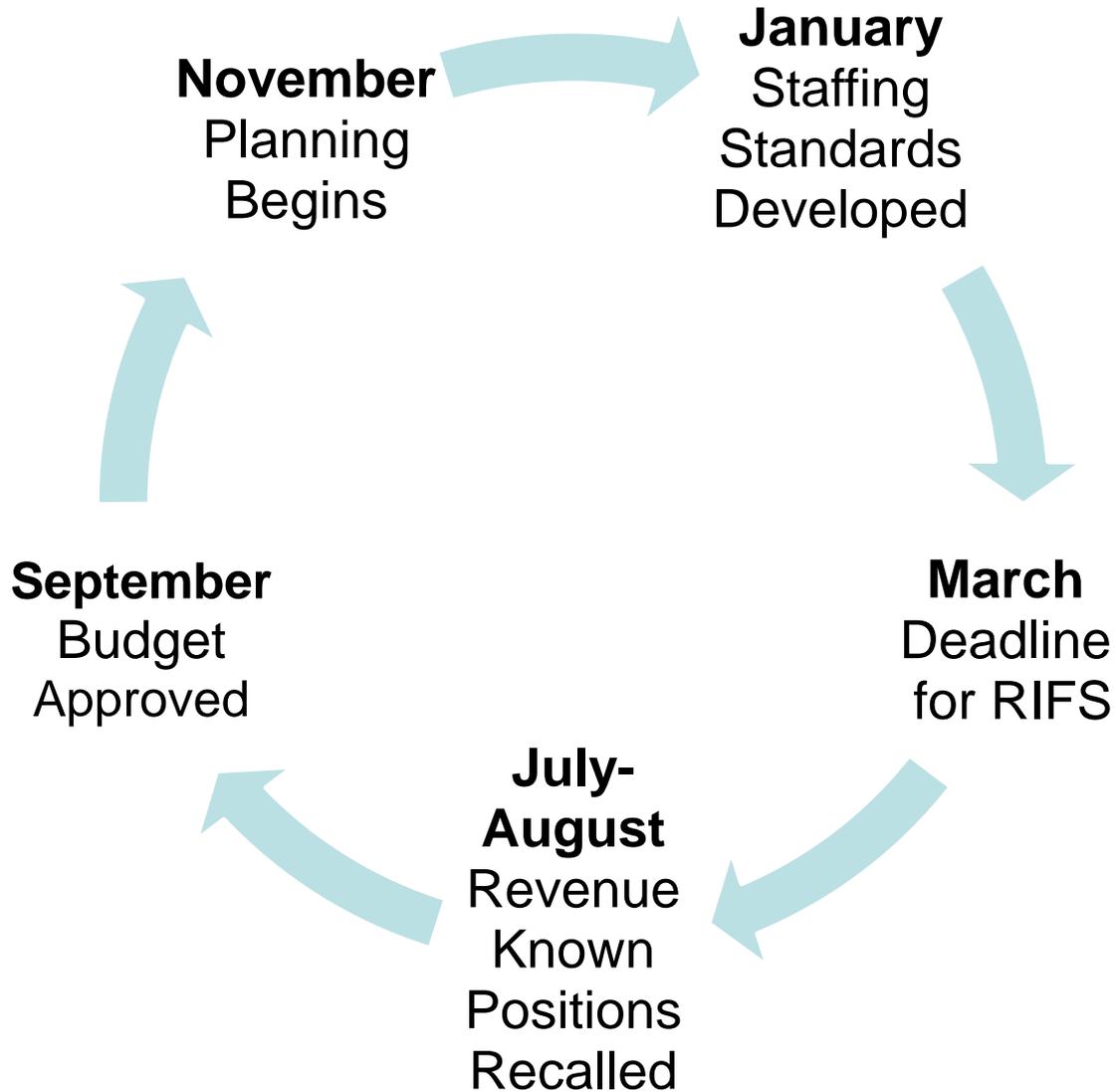
**August 15, 2016**

# Budget Alignment to Strategic Plan



Thematic Category	Aspirations	Priorities
1 Student Achievement	We will educate the whole student by providing an enriched, high quality experience that empowers all graduates to be competitive members of the global society.	<ol style="list-style-type: none"> <li>1. We will implement and support a challenging, standards based curriculum across all content areas.</li> <li>2. We will coordinate our efforts to provide a nurturing and safe learning experience and a flexible approach in meeting the academic, social, and emotional needs of each student.</li> </ol>
2 Effective and Engaged Staff	We will value, develop and recruit a forward-thinking, highly qualified, and diverse workforce.	<ol style="list-style-type: none"> <li>3. We will value our collective differences, and develop and recruit a high quality workforce that honors and reflects the diversity of our students.</li> <li>4. We will encourage collaboration and provide differentiated support to all staff members to grow as professionals throughout their career.</li> </ol>
3 Community Engagement	We will engage in meaningful and effective relationships with all families and the greater community.	<ol style="list-style-type: none"> <li>5. We will partner with families and the greater community to foster shared ownership and aligned support for our priorities.</li> <li>6. We will support and empower schools to be welcoming centers of family and community engagement.</li> </ol>
4 Efficiency, Excellence and Accountability	We will advocate for and utilize systems and resources that promote operational excellence, efficiency and accountability.	<ol style="list-style-type: none"> <li>7. We will allocate resources efficiently, equitably, and transparently to accomplish our priorities.</li> <li>8. We will clearly and effectively communicate our use of resources to the greater community.</li> </ol>

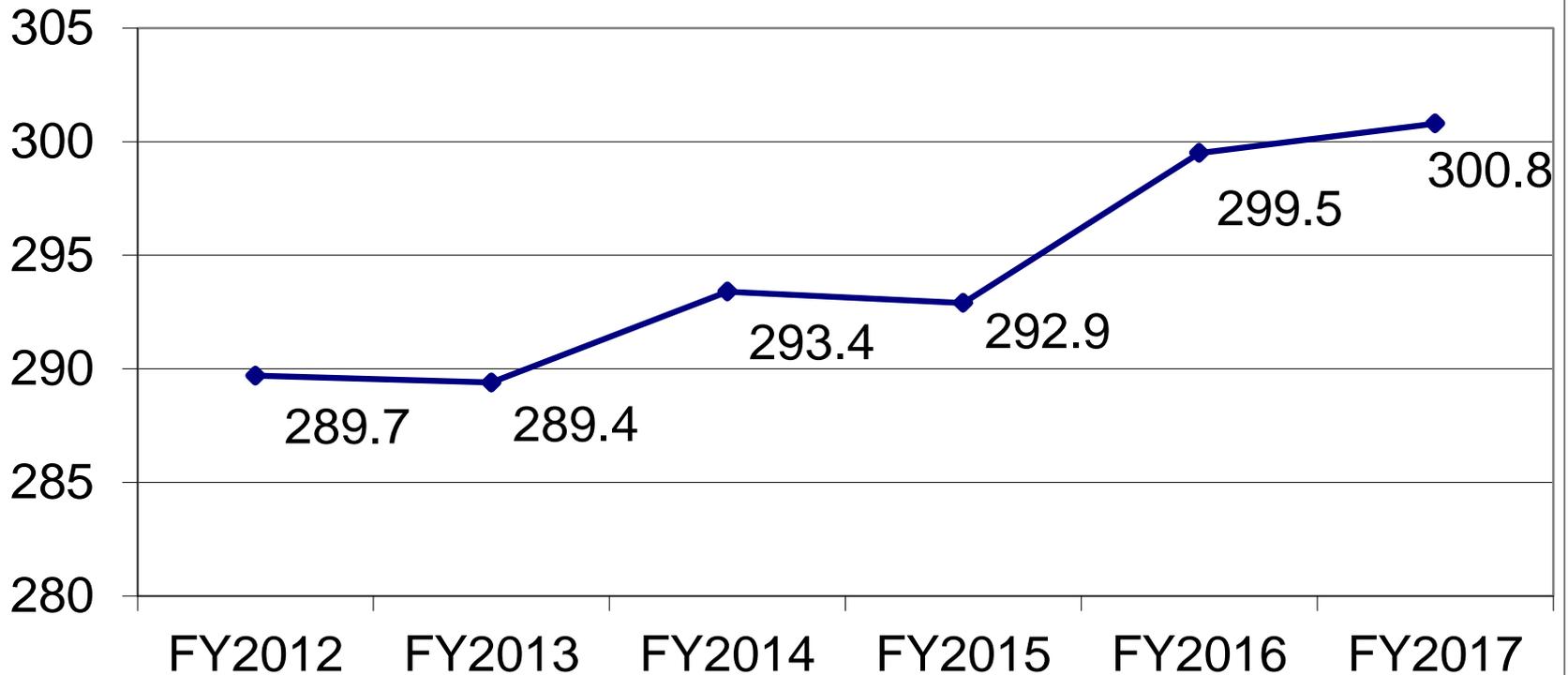
# The Budget Planning Cycle



# Local Revenue Outlook

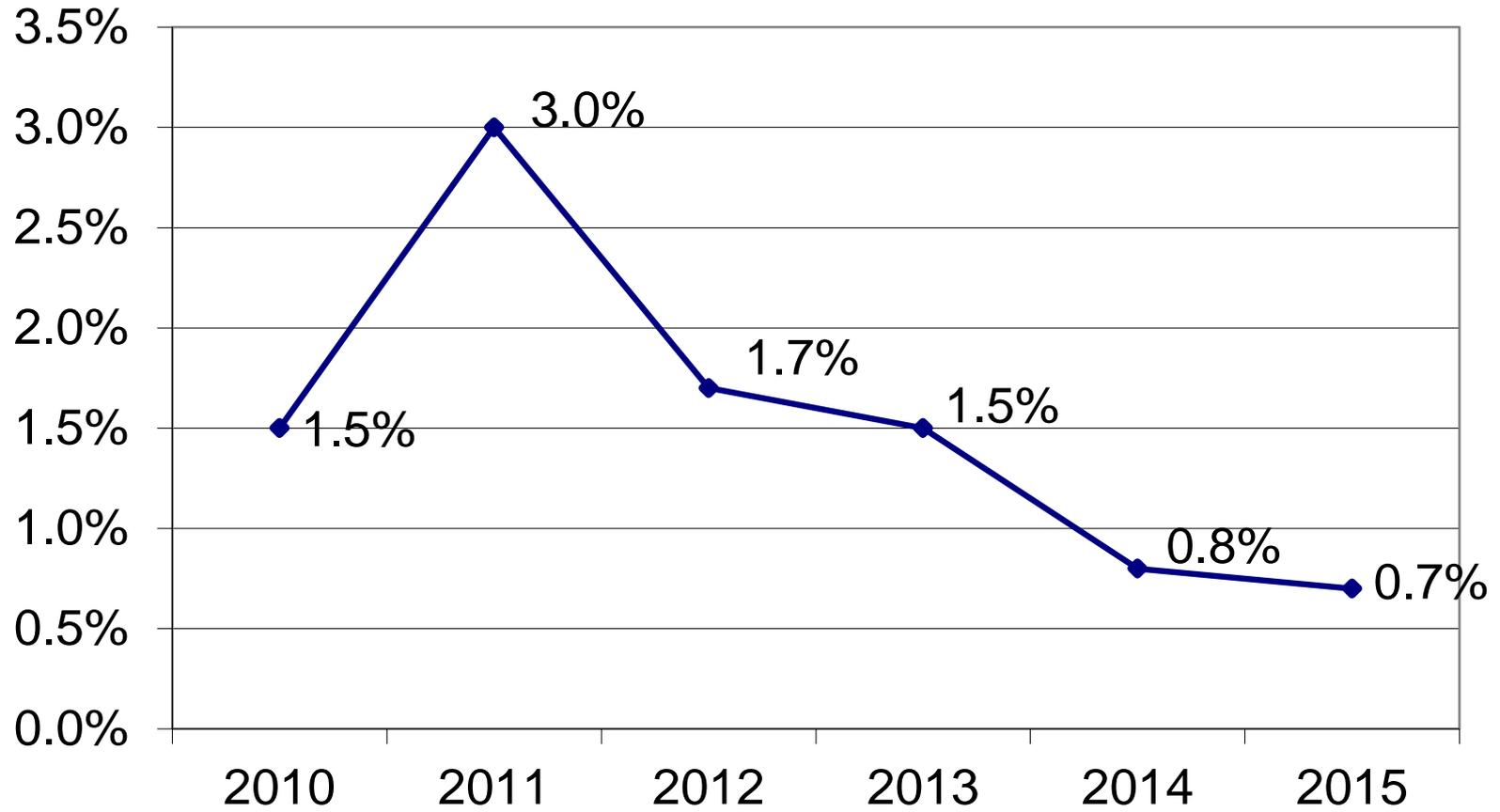
- Property tax revenue can grow at the rate of inflation (CPI) plus revenue from new construction. For FY 2017 property tax revenue is projected to be flat due to the abatement from the tax year 2015 levy. The 2016 levy amount will be determined in December, the budget has no projected increase.
- The Consumer Price Index showed a lower inflation rate for the 5<sup>th</sup> straight calendar year. The CPI for 2015 is 0.7% down from 0.8% in 2014, 1.5% in 2013, 1.7% in 2012 and 3.0% in 2011.

## Property Tax Revenue – FY 2012 to 2017 (in millions)



FY 2012-2015 Actual, FY 2016 & FY 2017 Budget

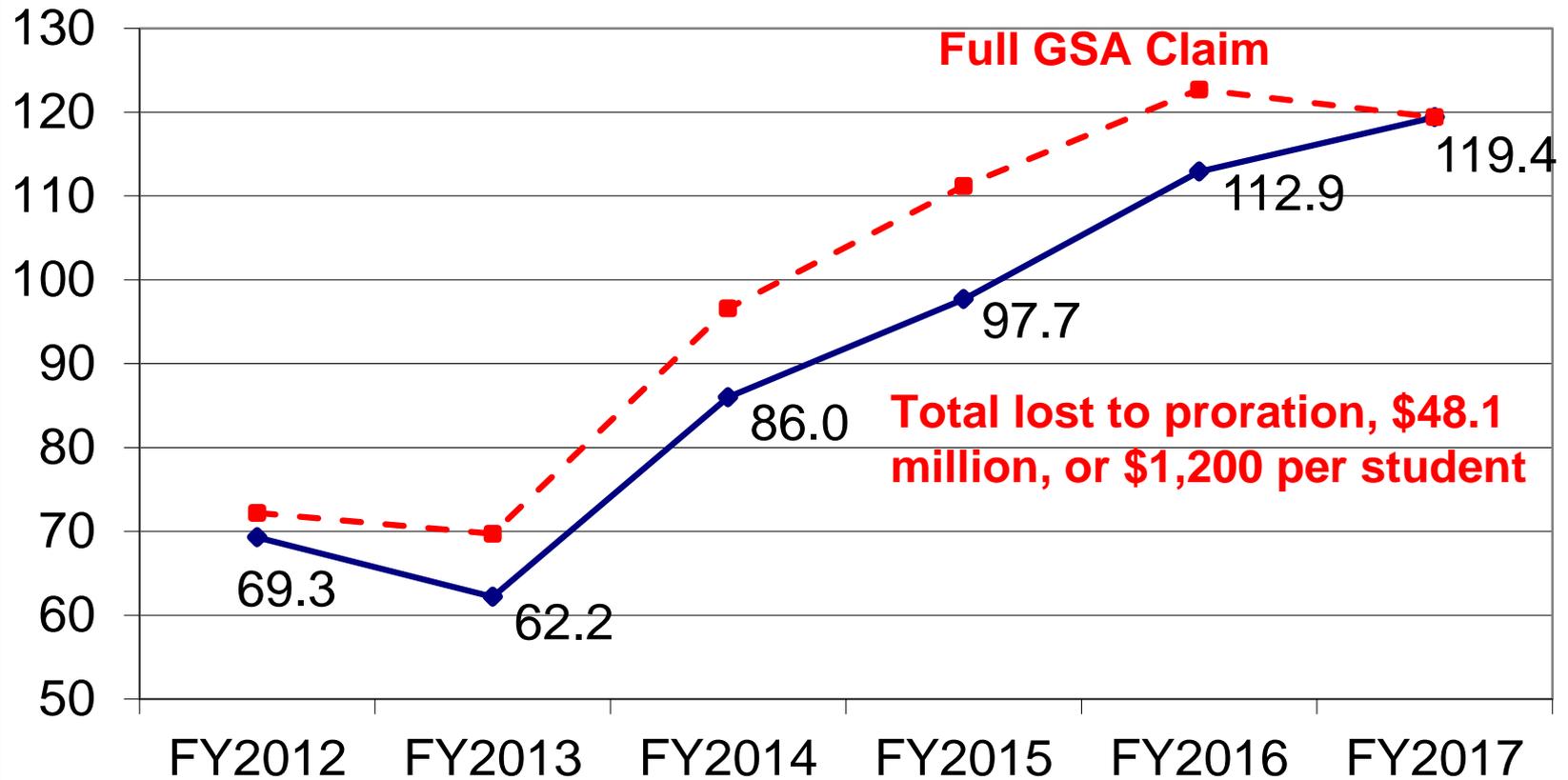
## Consumer Price Index for 2010-2015



# State Revenue Outlook

- General State Aid – SB2047 increases the GSA allocation and funds the GSA formula at 100%. Last year GSA was prorated at 92% costing the District \$9.8 million.
- Categorical funding, we anticipate 4 quarterly payments.

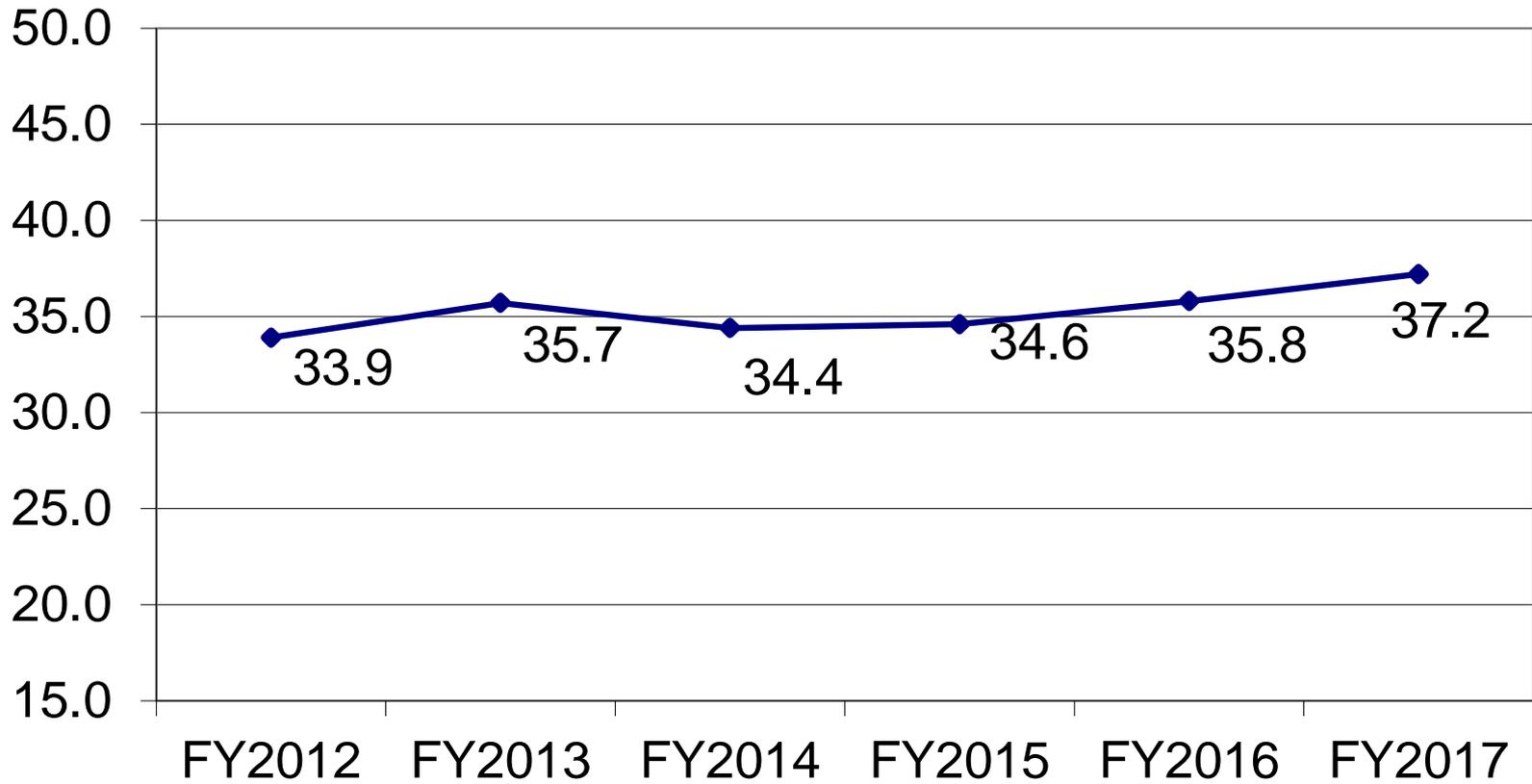
## General State Aid – FY 2012 to 2017 (in millions)



# Federal Revenue Outlook

- Federal grant expenditure reports are reimbursed monthly.
- Funding levels are \$1.4 million higher than FY 2016 mostly due to an increase in Title I funds.

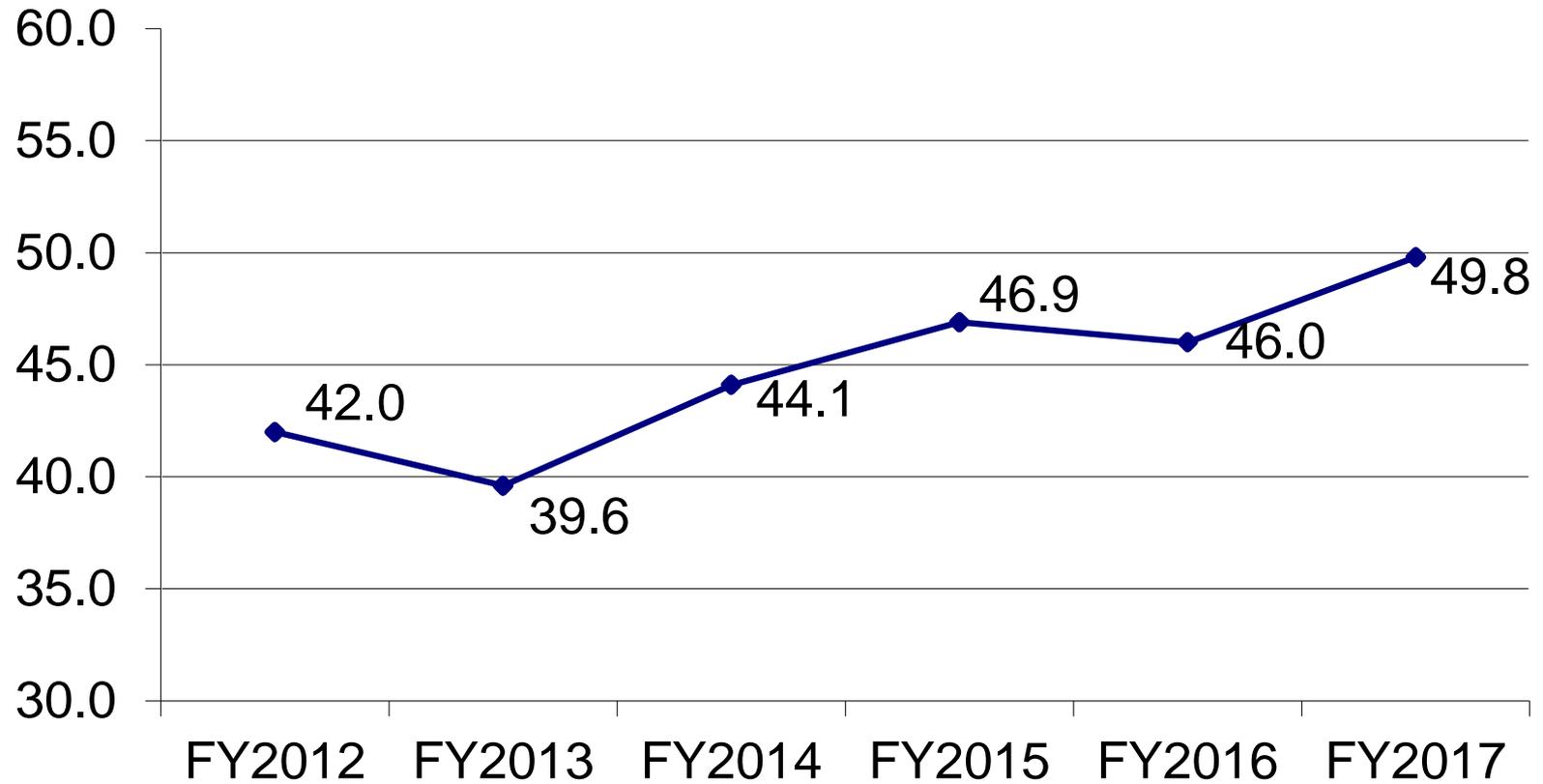
## Federal Funds (in millions)



## FY 2017 Expenditure Outlook

- Salary expenditures – Contractual salary increases for teachers and staff. Additional positions for Full-Day Kindergarten, social workers and administrative support for larger elementary schools.
- Employee benefits – Includes a 5% increase for health insurance.

## Medical Insurance (in millions)



# **FY 2017 Expenditure Outlook**

## **Capital Outlay**

- \$15.9 million for building capital projects
- \$ 2.3 million for new buses
- \$ 5.6 million for computer equipment

## Expenditures by Major Program

<b>Expenditures by Major Program</b>			
	<u>FY 2015 Actual</u>	<u>FY 2016 Budget</u>	<u>FY 2017 Budget</u>
<b>Major Instructional Programs</b>			
Special Education	\$ 65,396,486	\$ 68,021,715	\$ 68,996,909
English Language Learners	32,860,144	34,301,591	36,990,094
Early Childhood	9,188,714	10,901,088	11,353,646
<b>Total Expenditures</b>	<b>107,445,344</b>	<b>113,224,394</b>	<b>117,340,649</b>
<b>General Education Staffing</b>			
Elementary	60,141,593	72,013,292	73,289,148
Middle School	26,408,406	26,544,627	26,566,461
High School	45,592,240	46,529,709	47,620,997
<b>Total Expenditures</b>	<b>132,142,239</b>	<b>145,087,628</b>	<b>147,476,606</b>
<b>Major Operating Departments</b>			
Plant Operations	29,613,229	25,179,942	34,163,566
Transportation	25,040,598	32,787,460	29,371,935
Food Service	15,216,379	15,099,982	15,143,879
<b>Total Expenditures</b>	<b>69,870,206</b>	<b>73,067,384</b>	<b>78,679,381</b>

## Revenue and Expenditures – All Funds

	<u>FY 2015 Actual</u>	<u>FY 2016 Budget</u>	<u>FY 2017 Budget</u>
<b>Revenue</b>			
Taxes	\$ 292,942,263	\$ 299,544,467	\$ 300,843,428
Local Revenue	17,192,650	16,833,500	15,948,500
General State Aid	97,728,628	112,894,149	119,433,083
Categoricals	40,333,527	28,946,581	38,693,373
Federal Aid	34,596,202	35,816,766	37,207,796
Other Revenue	60,305	26,375	0
<b>Total Revenue</b>	<b>482,853,574</b>	<b>494,061,838</b>	<b>512,126,180</b>
<b>Expenditures</b>			
Salaries	\$ 244,954,779	\$ 258,033,673	\$ 264,032,755
Employee Benefits	88,738,770	93,686,428	95,498,141
Purchased Services	36,397,008	33,467,552	34,887,101
Supplies and Materials	24,444,517	28,921,128	26,760,455
Capital Outlay	28,093,543	33,192,252	29,382,903
Other Expenditures	54,117,308	59,273,461	59,911,438
Non-Cap Equip	1,152,175	994,459	878,370
<b>Total Expenditures</b>	<b>477,898,099</b>	<b>507,568,953</b>	<b>511,351,163</b>
<b>Other Financing Sources (Uses)</b>	<b>42,261,380</b>	<b>6,653,797</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>\$47,216,854</b>	<b>(\$6,853,318)</b>	<b>\$775,017</b>

# Summary by Fund

	Revenues	Expenditures	Other Sources (Uses)	Net Increase (Decrease)
<b>Operating Funds:</b>				
<i>Education Fund</i>	\$378,477,025	\$377,440,018	\$0	\$1,037,007
<i>Operations &amp; Maintenance Fund</i>	\$30,253,723	\$34,163,566	\$0	(\$3,909,843)
<i>Transportation Fund</i>	\$32,485,721	\$29,371,935	\$0	\$3,113,785
<b>Total Operating Funds</b>	<b>\$441,216,468</b>	<b>\$440,975,520</b>	<b>\$0</b>	<b>\$240,948</b>
<b>Special Revenue Funds:</b>				
<i>Tort Immunity &amp; Judgment Fund</i>	\$11,302,741	\$5,915,439	\$0	\$5,387,302
<i>IMRF/Social Security Fund</i>	\$15,016,435	\$14,954,175	\$0	\$62,260
<i>Working Cash Fund</i>	\$400,000	\$5,400,000	\$0	(\$5,000,000)
<b>Debt Service Fund:</b>				
<i>Debt Service Fund</i>	\$42,062,497	\$42,001,030	\$0	\$61,467
<b>Total All Funds Except Capital Projects Funds</b>	<b>\$509,998,141</b>	<b>\$509,246,163</b>	<b>\$0</b>	<b>\$751,978</b>
<b>Capital Projects Funds:</b>				
<i>Fire Prevention &amp; Safety Fund</i>	\$1,828,039	\$1,715,000	\$0	\$113,039
<i>Capital Projects Fund</i>	\$0	\$90,000	\$0	(\$90,000)
<i>Developers Fees Fund</i>	\$300,000	\$300,000	\$0	\$0
<b>Total All Funds</b>	<b>\$512,126,180</b>	<b>\$511,351,163</b>	<b>\$0</b>	<b>\$775,017</b>

## Projected Fund Balances

Fund	Fund Balance 6/30/2015	Projected Change FY 2016	Fund Balance 6/30/2016
10 Education	93,377,391	-3,169,965	90,207,426
20 Operations	4,780,055	1,857,537	6,637,592
40 Transportation	-10,225,941	1,563,558	-8,662,383
<b>Total Operating Funds</b>	<b>87,931,505</b>	<b>251,130</b>	<b>88,182,635</b>
Special Revenue Funds:			
80 Tort Immunity and Judgment	-17,900,559	5,619,994	-12,280,565
50 IMRF/Social Security	839,885	26,795	866,680
70 Working Cash	124,550,002	-13,000,000	111,550,002
Debt Service Fund:			
30 Debt Service	23,941,233	270,691	24,211,924
<b>Total All Funds Except Capital</b>	<b>131,430,561</b>	<b>-7,082,520</b>	<b>124,348,041</b>
Capital Projects Funds:			
90 Fire Prevention and Safety	-1,211,399	68,072	-1,143,327
60 Capital Projects	2,895,910	-90,000	2,805,910
66 Developers Fees	1,411,681	0	1,411,681
<b>Total All Funds</b>	<b>222,458,258</b>	<b>-6,853,318</b>	<b>215,604,940</b>

# Financial Operations Strategic Plan Alignment

- Priority 7. We will allocate resources efficiently, equitably, and transparently to accomplish our priorities.
- Priority 8. We will clearly and effectively communicate our use of resources to the greater community.
  - Improved budget document to meet the requirements of the Meritorious Budget Award (MBA).
    - The MBA recognizes excellence in school budget presentation and helps promote the following:
      - Skills in developing and analyzing an effective budget
      - Communication between departments to develop long-term and short-term strategies
      - Clear budget guidelines
      - Building confidence in our community with a reader-friendly budget

# Next Steps

- Public Hearing on the FY 2017 Budget on September 12<sup>th</sup>.
- Receive final certified fund balances for FY 2016.
- Final adoption of the Budget on September 26<sup>th</sup>.