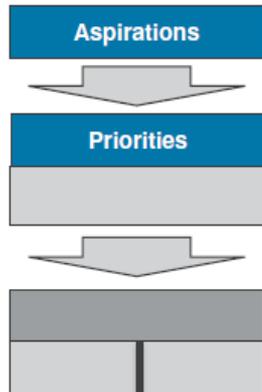




**FY 2018
Budget Presentation**

August 14, 2017

Budget Alignment to Strategic Plan



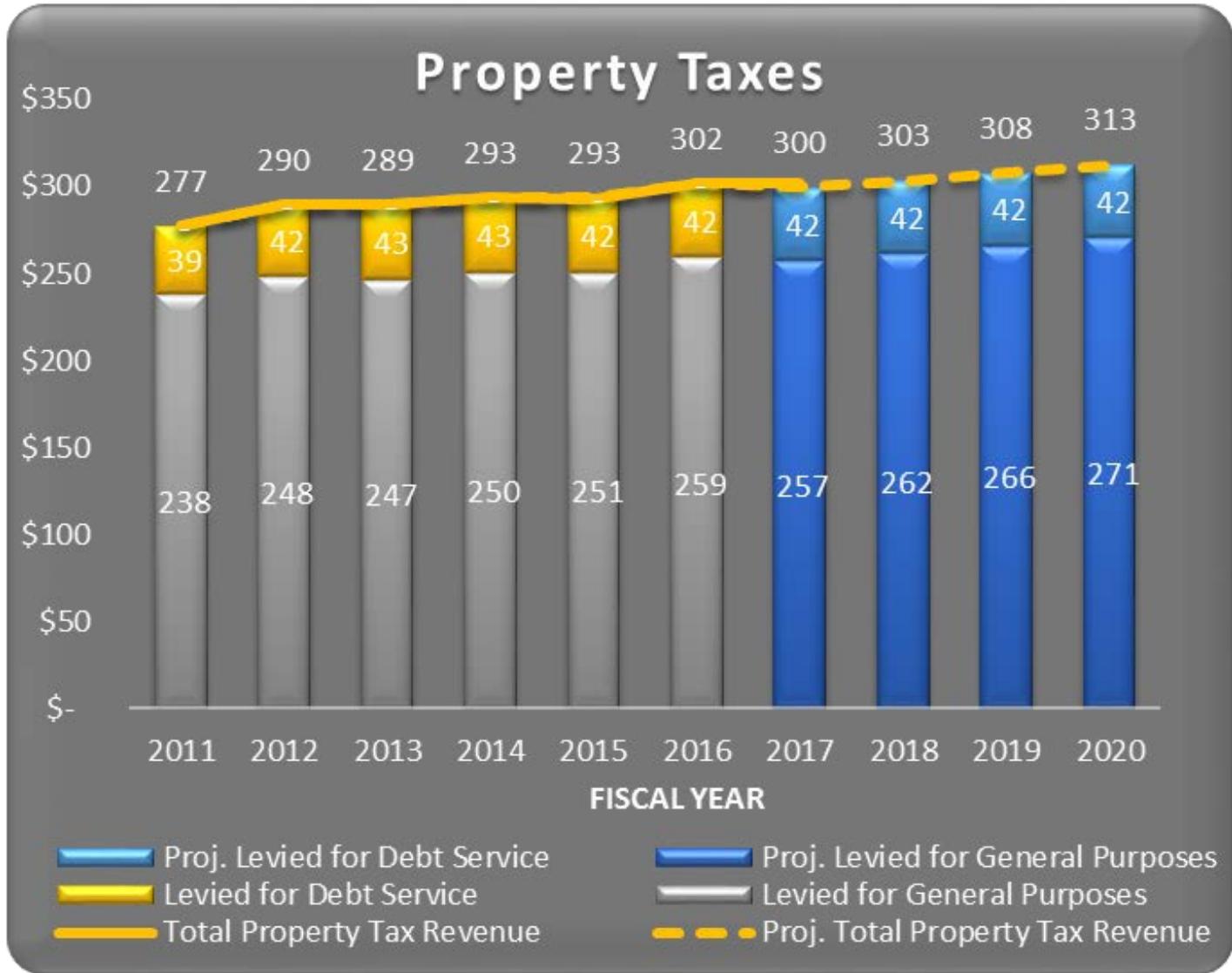
Thematic Category	Aspirations	Priorities
1 Student Achievement	We will educate the whole student by providing an enriched, high quality experience that empowers all graduates to be competitive members of the global society.	<ol style="list-style-type: none"> 1. We will implement and support a challenging, standards based curriculum across all content areas. 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.
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"> 3. We will value our collective differences, and develop and recruit a high quality workforce that honors and reflects the diversity of our students. 4. We will encourage collaboration and provide differentiated support to all staff members to grow as professionals throughout their career.
3 Community Engagement	We will engage in meaningful and effective relationships with all families and the greater community.	<ol style="list-style-type: none"> 5. We will partner with families and the greater community to foster shared ownership and aligned support for our priorities. 6. We will support and empower schools to be welcoming centers of family and community engagement.
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"> 7. We will allocate resources efficiently, equitably, and transparently to accomplish our priorities. 8. We will clearly and effectively communicate our use of resources to the greater community.

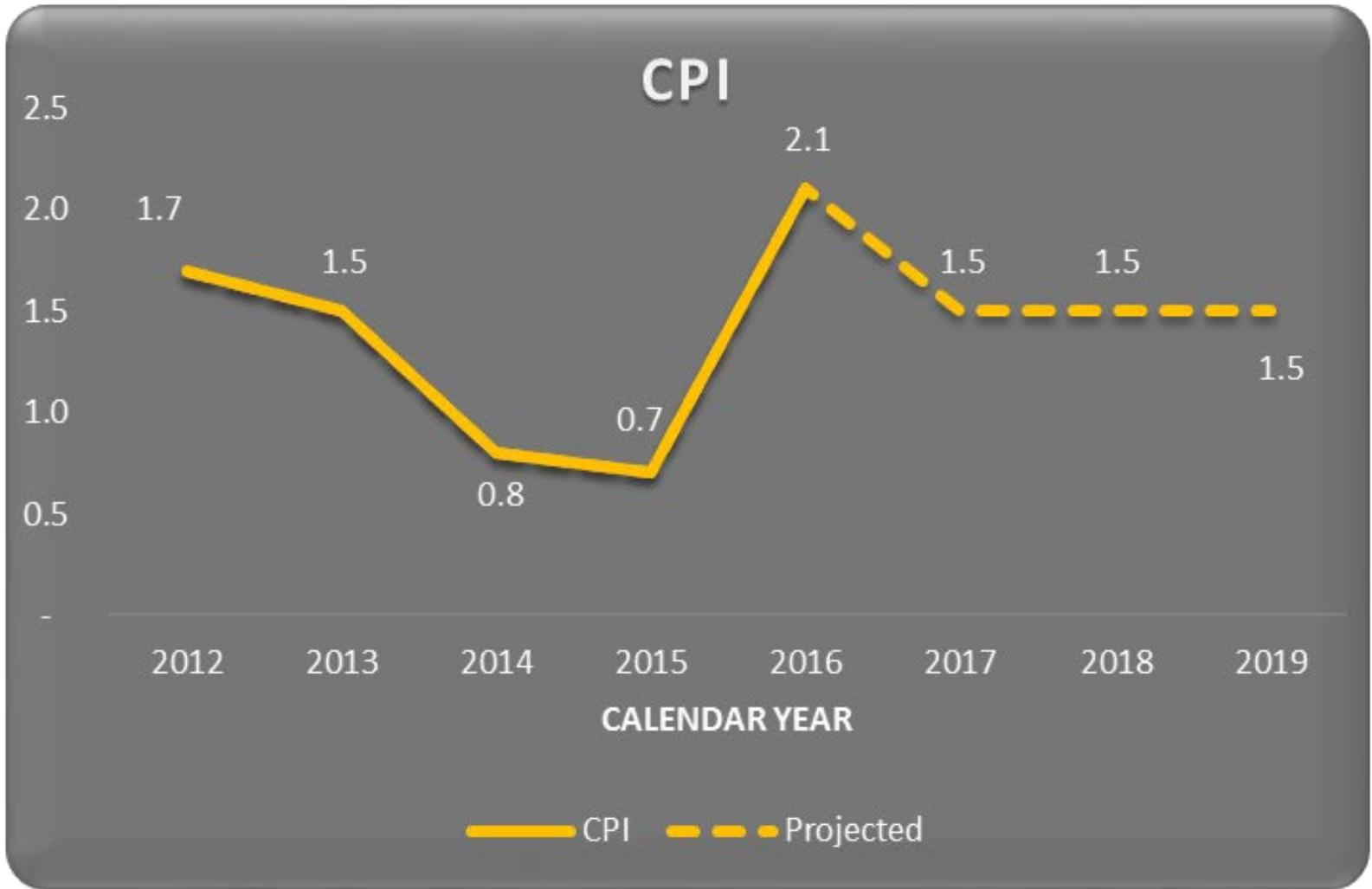
Financial Operations Strategic Plan Alignment

- 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

Local Revenue Outlook

- Property tax revenue can grow at the rate of inflation (CPI) plus revenue from new construction. For FY 2018 property tax revenue is projected to increase 1.0%. The budget includes a tax levy increase for the 2016 tax year, but maintains the abatement amount of \$3.9 million from last year. The 2017 levy amount will be determined in December.
- The Consumer Price Index increased by more than 2% for the first time in 5 years, to 2.1% for 2016. The CPI for 2015 was 0.7%.

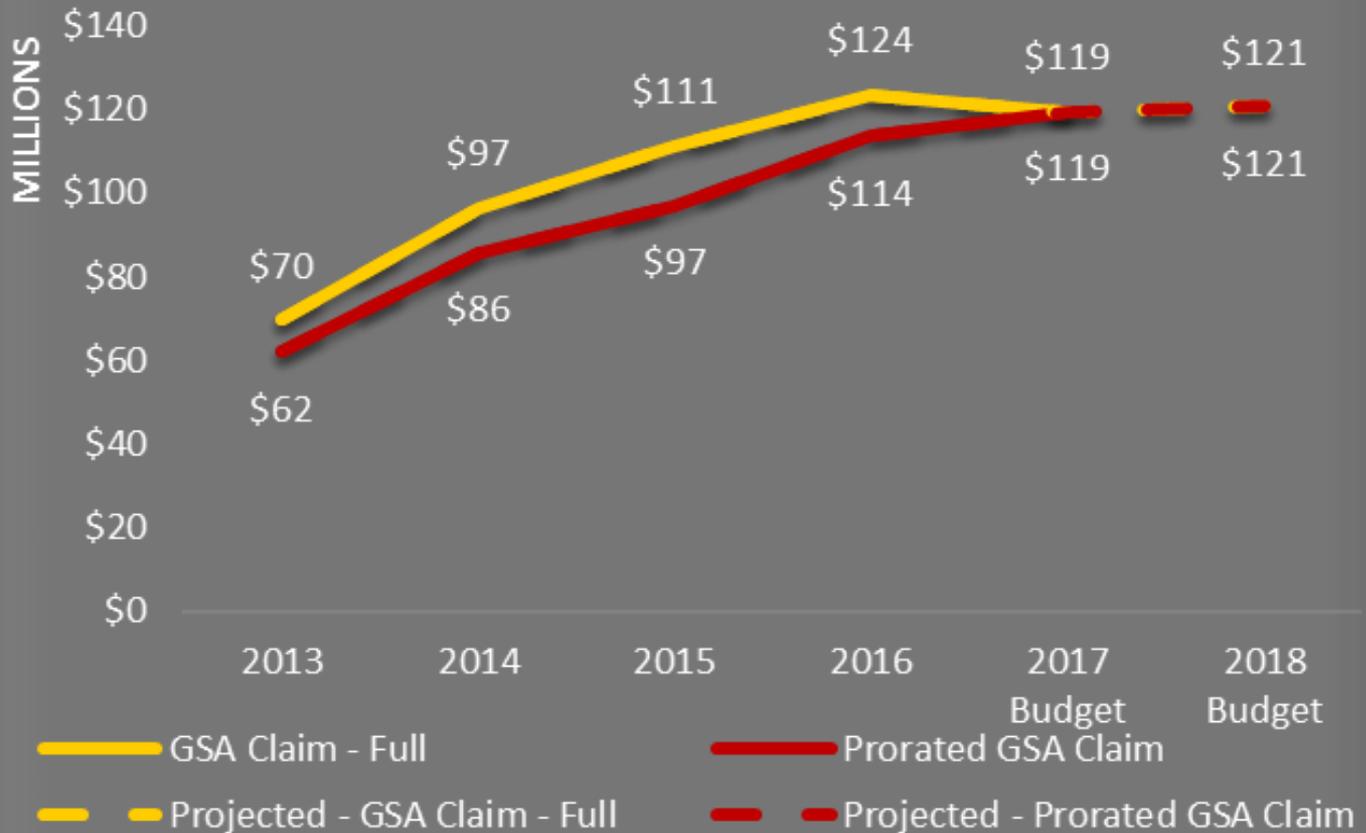




State Revenue Outlook

- General State Aid – Evidence based funding model is unresolved. Using the prior year formula the budget reflects an increase of \$1.3 million.
- Categorical funding - we anticipate 3 quarterly payments.

GSA Claim



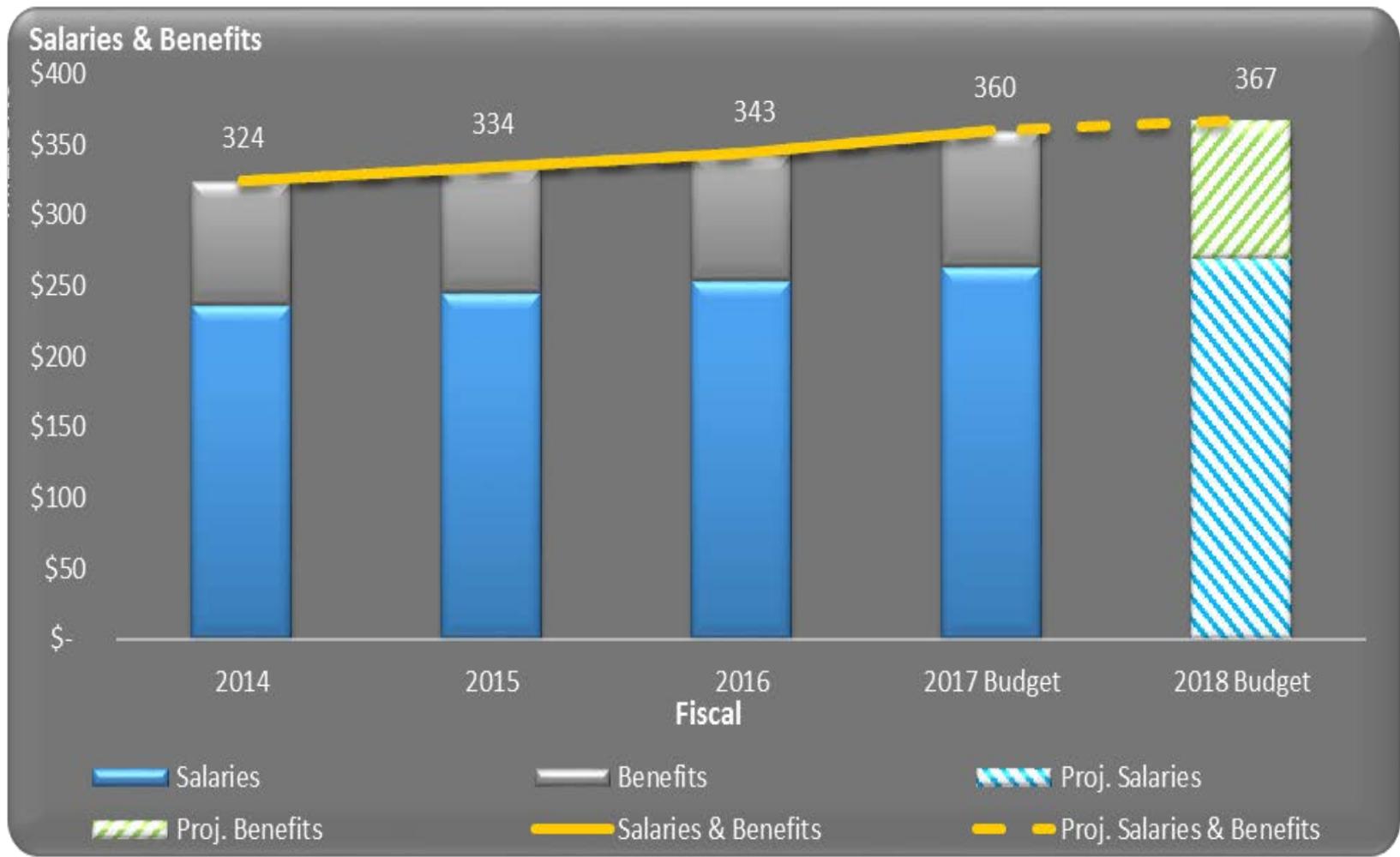
Note: GSA shown on a fiscal year and for the year received, e.g. 2015-16 claim

Federal Revenue Outlook

- Federal grant expenditures are reimbursed monthly.
- Funding levels are similar to last year at \$38.2 million.

FY 2018 Expenditure Outlook

- Salary expenditures – 1.9% increase over last year for contractual increases for teachers and staff.
- Employee benefits – Includes a 5% increase for health insurance.



FY 2018 Expenditure Outlook

- \$ 8.3 million for textbooks, including Science adoption
- \$14.7 million for building capital projects
- \$ 5.3 million for computer equipment
- No purchase of new buses

Revenue and Expenditures – All Funds

	<u>FY 2016 Actual</u>	<u>FY 2017 Budget</u>	<u>FY 2018 Budget</u>
Revenue			
Taxes	\$ 301,575,251	\$ 300,843,428	\$ 303,392,177
Local Revenue	16,357,506	15,948,500	17,656,410
General State Aid	115,242,487	119,433,083	120,713,168
Categoricals	31,068,432	38,693,373	29,020,029
Federal Aid	39,907,564	37,207,796	38,240,793
Other Revenue	725,793	0	30,000
Total Revenue	504,877,032	512,126,180	509,052,577
Expenditures			
Salaries	\$ 253,556,045	\$ 264,032,755	\$ 269,694,946
Employee Benefits	89,909,002	95,498,141	97,715,291
Purchased Services	34,218,594	34,887,101	35,691,576
Supplies and Materials	31,095,717	26,760,455	32,011,602
Capital Outlay	33,158,825	29,382,903	23,948,029
Other Expenditures	54,832,599	59,911,438	57,866,952
Non-Cap Equip	1,088,341	878,370	987,575
Total Expenditures	497,859,124	511,351,163	517,915,971
Other Financing Sources (Uses)	6,653,797	0	0
Net Change in Fund Balance	\$13,671,705	\$775,017	(\$8,863,394)

Revenue and Expenditures – All Funds

	Revenues	Expenditures	Other Sources (Uses)	Net Increase (Decrease)
Operating Funds:				
<i>Educational Fund</i>	\$381,521,179	\$389,633,822	\$0	(\$8,112,643)
<i>Operations & Maintenance Fund</i>	\$32,218,806	\$27,896,827	\$0	\$4,321,979
<i>Transportation Fund</i>	\$29,468,513	\$25,372,549	\$0	\$4,095,964
Total Operating Funds	\$443,208,498	\$442,903,198	\$0	\$305,300
Special Revenue Funds:				
<i>Tort Immunity & Judgment Fund</i>	\$8,466,019	\$6,145,122	\$0	\$2,320,897
<i>IMRF/Social Security Fund</i>	\$15,790,414	\$15,787,947	\$0	\$2,467
<i>Working Cash Fund</i>	\$1,200,000	\$13,200,000	\$0	(\$12,000,000)
Debt Service Fund:				
<i>Debt Service Fund</i>	\$38,126,169	\$38,082,704	\$0	\$43,465
Total All Funds Except Capital Projects Funds	\$506,791,100	\$516,118,971	\$0	(\$9,327,871)
Capital Projects Funds:				
<i>Fire Prevention & Safety Fund</i>	\$1,961,477	\$1,497,000	\$0	\$464,477
<i>Capital Projects Fund</i>	\$0	\$0	\$0	\$0
<i>Developers Fees Fund</i>	\$300,000	\$300,000	\$0	\$0
Total All Funds	\$509,052,577	\$517,915,971	\$0	(\$8,863,394)

Projected Fund Balances

Fund	Fund Balance 6/30/2016	Projected change FY 2017	Fund Balance 6/30/2017
10 Educational	103,107,909	1,037,007	104,144,916
20 Operations	6,139,931	-3,909,843	2,230,088
40 Transportation	-6,536,369	3,113,785	-3,422,584
Total Operating Funds	102,711,471	240,949	102,952,420
Special Revenue Funds:			
80 Tort Immunity and Judgment	-9,366,196	5,387,302	-3,978,894
50 IMRF/Social Security	964,682	62,260	1,026,942
70 Working Cash	114,393,858	-5,000,000	109,393,858
Debt Service Fund:			
30 Debt Service	26,112,980	61,467	26,174,447
Total All Funds Except Capital	132,105,324	511,029	132,616,353
Capital Projects Funds:			
90 Fire Prevention and Safety	-1,489,136	113,039	-1,376,097
60 Capital Projects	1,117,960	-90,000	1,027,960
66 Developers Fees	1,684,344	0	1,684,344
Total All funds	236,129,963	775,017	236,904,980

Next Steps

- Public Hearing on the FY 2018 Budget on September 11
- Receive final certified fund balances for FY 2017
- Final adoption of the Budget on September 25
- Budget amendment likely after passage of school funding