



# SCHOOL DISTRICT U-46

Kane, Cook and DuPage  
Counties, Illinois

## Fiscal Year 2019 ANNUAL BUDGET

Presented to the  
Board of Education  
September 24, 2018



355 E. Chicago Street  
Elgin, IL 60120  
[www.u-46.org](http://www.u-46.org)



# **SCHOOL DISTRICT U-46**

**Kane, Cook and DuPage Counties,  
Illinois**

## **Fiscal Year 2019 ANNUAL BUDGET**

**MISSION:** U-46 will be a great place for all students to learn, all teachers to teach, and all employees to work. All means all.



**School District U-46**

355 E Chicago Street | Elgin, Illinois 60120 | P: (847) 888-5000

For more information, visit the District website at: [www.u-46.org](http://www.u-46.org)



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# EXECUTIVE SUMMARY







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Tony Sanders, Chief Executive Officer

**School District U-46**

Educational Services Center  
355 E. Chicago Street, Elgin, IL 60120-6543  
Tel: 847.888.5000 x5007  
Fax: 847.608.4173

**U-46.org**

August 20, 2018

Donna Smith, President  
Members of the Board of Education  
And Community Residents of  
School District U-46  
Elgin, Illinois 60120

We are pleased to present a balanced fiscal year 2019 Operating Budget for School District U-46, which resides in the counties of Cook, DuPage, and Kane. The fiscal year 2019 budget begins July 1, 2018 and ends June 30, 2019, thus spanning the 2018-19 school year. The budget was prepared using the modified accrual basis, which mirrors the basis of accounting used in the governmental fund audited financial statements.

This budget is aligned to our Strategic Plan which will continue to drive our efforts for promoting and achieving academic success for all students. Specifically, we want to eliminate student achievement gaps and ensure all our students are prepared to succeed in college and the workplace.

We are projecting that our total revenue for fiscal year 2019 will increase 10.2 percent or \$52 million over the prior year's budget. The majority of the increase comes from state funding (\$49.6 million) and the Evidence-Based Funding for Student Success Act (Public Act 100-0465) (EBF) that became law on August 31, 2017. The funding for the new law was effective for the FY18 school year providing the District with additional revenue based upon our adequacy target (cost to educate students within the District) calculated by the Illinois State Board of Education. The EBF funding increase transpired in the FY18 school year subsequent to the District budget being passed. In addition to the increase in EBF funding, this year's budget shifts back to four categorical payments from the state, one of which is the fourth payment from the FY18 school year contributing to the increase in state funding. The District is budgeted for a \$0.4 million increase in local taxes and \$2 million in local revenue. Federal funding will remain flat.

Expenditures are projected to increase over the prior year's budget by \$40 million. Salaries and benefits are budgeted to increase \$21.9 million, or 55 percent of that increase. The majority of the salary and benefit increase is attributed to new staff being hired in relation to the new EBF funds to be received. Benefits such as Medicare and Social Security are projected to increase by about 2.5 percent over estimated fiscal year 2018 actual while health and dental insurance costs are planned to increase roughly five percent from the estimated fiscal year 2018 actual base.

Added to the FY19 budget from the prior year is \$5.7 million in school bus purchases which includes a "catch up" purchase that aligns with the District bus replacement plan. There were no bus purchases in the prior fiscal year due to the state financial challenges. The contingency for unforeseen expenditures has been reduced \$2.5 million to \$0 million in the current year's budget. However, a \$6 million contingency was retained as a placeholder for future educational investments with EBF funds. District administration and the Board are reviewing future short- and long-term options. A \$0.8 million increase in miscellaneous purchased service and supply purchases is spread over several line items throughout funds.



The fiscal 2019 budget projects \$561 million of revenues and \$558 million of expenditures, for a net increase in total fund balance of \$3 million with \$1.8 million of those funds residing in the operating funds.

There are no new planned capital leases or debt issuances in fiscal year 2019 which leaves other financing sources at zero. The last issuance of debt and capital lease was completed in fiscal year 2015 and 2016, respectively.

School District U-46 will continue to invest cautiously as property tax freezes and state pension reform remains the looming unknowns in our future. This fiscal year 2019 budget assumes that our pension costs will remain unchanged for the current school year but that decision continues to be debated at the state level. We may still see a cost shift that would require all school districts to contribute more in order to decrease the state's pension burden. Currently, we cannot predict the impact any cost shift would have in fiscal year 2019.

In compiling the annual budget for the 2018-'19 school year, our focus remains centered on improving the educational outcomes of our more than 39,000 pre-K-12 students. The District continues to implement rigorous curricula to better prepare students for college, careers, and life in the 21st Century. The District offers in-depth K-12 English Language Arts and math instruction as well as a revised science curriculum. Instruction emphasizes deep understanding of concepts, challenging students to not only master course content but apply their newly-acquired knowledge, test it, and discuss it for optimum success.

School District U-46 supports teaching and learning for all students, from our most at-risk students with highly specialized needs, to those who desire more rigorous courses such as Advanced Placement, Honors, or our Gifted Education (AIM and Ignite) programs. We also work to support those students in the "academic middle" through various programs offered through Multi-tiered Systems of Support (MTSS) and Advancement Via Individual Determination, or AVID.

For the first time in nearly a decade, the District will provide guidance counselors in all middle schools in the 2018-19 school year. These counselors will support students' daily needs and help them prepare for high school and beyond. The District also continues to research and plan for a middle and high school experience that will better prepare students for college and careers, building on the success of our current high school academies.

The District will distribute more than 13,000 Chromebooks to our middle and high schools in August. This Board-approved technology purchase will bring our high schools to 1:1 as each ninth through twelfth grader will be issued a dedicated Chromebook to use throughout the school year. In addition, all middle school students enrolled in an Algebra 1, Algebra 2, or Geometry course will be issued a Chromebook to support their learning as we update our math curriculum resource to an online platform in fall 2018.

Additionally, the District will expand its award-winning Dual Language Program to the high school setting this school year, beginning with the freshman class.

We remain committed to engaging our parents in family, school and District educational activities and issues with a variety of tools and services, from a weekly bilingual parent e-newsletter to parent training programs. These programs range from our 90-minute U46Engage program for kindergarten families to the two-year-long parent institutes.

The District will continue to use Let's Talk!, our online customer service tool, to gather feedback and better respond to the needs of our students, employees and the approximately 28,000 families who make up this diverse District.



Finally, the District supports our valued employees with a high quality Teacher Mentor Program and other forms of professional development and training for both certified and non-certified staff.

With continued investment in human and capital resources, the District aims to strengthen and expand the quality of education for all students. The opportunities for student and staff growth, assistance and guidance are numerous and will continue to support the District's mission Strategic Plan, particularly our goal to "advocate for and utilize systems and resources that promote operational excellence, efficiency, and accountability."

The District has been recognized for the second consecutive year by the Association of School Business Officials International (ASBO) with the Meritorious Budget Award (MBA) for the FY18 annual budget document. This award reflects the District's commitment to sound fiscal management and budgetary policies. This recognition represents the District's significant achievement and a continuing example of how we are aligning the District to clearly and effectively communicate our use of resources to the greater community as outlined in the Strategic Plan.

This budget, stemming from federal, state and local dollars, represents our financial investment in the education of more than 39,000 students in School District U-46. These resources are critical but we all know that there's more to a school district, a family or a person than money alone. We need your continued support, collaboration and active involvement. Thank you for all you have done in the past year and I look forward to working alongside even more of you in 2018-19.

Sincerely,

A handwritten signature in black ink, appearing to read "Tony Sanders", with a stylized flourish at the end.

Tony Sanders  
Chief Executive Officer



**Board of Education, Chief Executive Officer and Executive Staff**  
**School District U-46**

**ADOPTED BUDGET**

**July 1, 2018 – June 30, 2019**

**Board of Education**

Donna Smith, President  
Susan Kerr, Vice President  
Veronica Noland, Secretary Pro-Tempore  
Phil Costello, Member  
John Devereux, Member  
Melissa Owens, Member  
Jeanette Ward, Member  
Jackson Teetor, Student Advisor

**Chief Executive Officer and Executive Staff**

Tony Sanders, Chief Executive Officer  
Miguel Rodriguez, Chief Legal Officer  
Dr. Suzanne Johnson, Deputy Superintendent, Instruction  
Dr. Josh Carpenter, Assistant Superintendent, Teaching and Learning  
Dr. Ushma Shah, Assistant Superintendent, Elementary Education  
Steve Burger, Assistant Superintendent, Elementary Education  
Lela Majstorovic, Assistant Superintendent, Secondary Education  
Ron Raglin, Assistant Superintendent, Support Programs and Alignment  
Dr. Jeffrey King, Deputy Superintendent of Operations/Chief School Business Official  
Melanie Meidel, Assistant Superintendent, Human Resources

**Officials Issuing Report**

Dr. Jeffrey King, Deputy Superintendent of Operations/Chief School Business Official  
Dale Burnidge, Director of Financial Operations  
Robyn Cornelissen, Financial Controller

**Division Issuing Report**

Sarah McGregor, Accounts Payable Manager  
Diane Belton, Payroll Coordinator  
Ray Shifrin, Pension Specialist  
Kathy Fitzpatrick, Grants Manager  
Aleli Go, Grants Accounting Specialist  
Judy Freeman, General Accountant  
Paz Pamatmat, Financial Analyst  
Rosita Mania, Senior Accountant  
Kyle Eleosida, Accounting Assistant



### MAJOR GOALS AND OBJECTIVES

The Board of Education believes that education should be shaped by purposes rather than by forces. Therefore, the education system of School District U-46, will maintain flexibility and adapt to an ever-changing society. It is dedicated to the total personal development of each student to the limits of his or her abilities and interests. This is to be accomplished in a sequentially coordinated curriculum which allows for individual differences.

To this end, staff members will aid in each student's intellectual, physical, moral, emotional, aesthetic, and social growth so he or she may become a useful and responsible member of home, community and society while leading a personally rewarding life.

U-46 has paved the way for student success and prepares our students to be citizens of the world. With a diverse community, our children receive specialized attention and numerous programs available to fit their needs. Some of our special offerings include an academy program at the high schools, honors and gifted programs, Dual Language program, English Language Learners program, special education for those students in need, and various sports, clubs and activities to match a wide range of student interests.

The District's strategic plan reflects the vision and values of employees, parents, students and community members who participated in its development. The District will continue to share our progress as together we work to turn this plan into reality for our community, our staff and, most importantly, our nearly 39,000 kindergarten through twelfth grade students and their families.





## EXECUTIVE SUMMARY

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Several goals have been created within the framework of the District's Strategic Plan. Below are the objectives and goals outlined to date. Additional information can be found in the Organizational Section under the Mission and Major Goals heading.

- **Goal 1:** Annual increase of students who are proficient in meeting kindergarten readiness of 6 percent with an overall target of 75 percent.
- **Goal 2:** Increase unique high school students enrolled in AP courses by 2 percent annually or attain 30 percent enrollment overall.
- **Goal 3:** Increase high school students receiving industry credentials by 5 percent annually or attain 25 percent overall.
- **Goal 4:** Increase students graduating within five years by 3 percent annually or obtain 99 percent overall.
- **Goal 5:** Increase the 5Essentials score related to safety by four scale points annually.
- **Goal 6:** Increase annual retention rate for employees who rate proficient or higher as measured on their employee evaluations.
- **Goal 7:** Increase the number of teachers who feel their instructional leader communicates a clear vision for their school by four scale points.
- **Goal 8:** Increase annually by four scale points the rating by teachers agreeing on multiple questions on the 5Essentials survey that their professional development is focused on student learning.
- **Goal 9:** Increase annually the rating of the appraisal process as improving professional practice as measured by the responses on the questions related to the Framework for Teacher domains 1, 2, and 3 on the annual Teacher Appraisal Plan survey.
- **Goal 10:** Develop and promote three additional opportunities each year for community members to meet with Board members and provide feedback on District initiatives and issues as measured by School and Community Relations.
- **Goal 11:** Increase five percent annually the family and community member participation and volunteerism in school and District sponsored activities and events as measured by the responses to questions in the Parent Survey within the 5Essentials Survey asking, "parent assessment of involvement in school as always and usually."
- **Goal 12:** Increase three percent annually parents' satisfaction on how welcome and respected they feel within the district as measured by the question in the Parent Survey within the 5Essentials Survey asking, "parent connectedness to a great extent."



## EXECUTIVE SUMMARY

### **BUDGET PROCESS**

Annual budgets are adopted for all governmental fund types and are adopted on the modified accrual basis of accounting at the fund level which is a basis consistent with GAAP. The District maintains a system to measure the uncommitted budget amount available for expenditures at any time during the year. Appropriations lapse at June 30 and outstanding encumbrances are canceled at that date.

The appropriated budget is prepared by fund and by function. The Board of Education may make transfers between functions within a fund not exceeding the aggregate of 10% of

the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

On or before July 1 of each year, the Superintendent/CEO is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds at least one public hearing, and a final budget must be prepared and adopted no later than September 30. Budgeting for capital expenditures is included in this process. There have been no significant changes in the process during the current budget cycle.

### **Budget Planning Cycle**





## BUDGET TIMELINE

### 2018

Present <i>Resolution Directing the Superintendent/CEO to Prepare the Tentative FY 2019 Budget</i> (Work Session)	February 26
Tentative FY 2019 Budget Timeline - Information Item	February 26
Adopt <i>Resolution Directing the Superintendent/CEO to Prepare the Tentative FY 2019 Budget</i>	March 5
Cabinet establishes budget priorities	April 24
Discussion of Board Priorities for FY 2019 Budget	April 24
Board Finance Committee Meeting	May 21
Tentative Budget is presented to the Board of Education	June 18
Present the <i>Resolution for Display of and Public Hearing on Budget</i>	June 18
Adopt the <i>Resolution for Display of and Public Hearing on Budget</i>	July 23
Newspaper notice published for display of budget to begin <u>Aug. 21</u> and Public Hearing to be held <u>September 10</u> (must be published at least 30 days prior to public hearing)	August 3
Board Finance Committee review of proposed budget changes from June 18 Budget Presentation	August 6
Tentative Budget is presented to the Board of Education	August 20
Begin 30-Day Display of Tentative Budget (must be displayed at least 30 days prior to adoption)	August 21
Public Hearing of Board of Education held for Budget and Present <i>Resolution for Approval of Budget - ISBE form</i> (Work Session)	September 10
Adoption of Final Budget (must be adopted by September 30)	
- Resolution/ISBE form, Certification of Budget, and Certification Estimate of Revenues are signed	September 24
- Budget is posted on U-46 website immediately after approval	
Certified Adopted Budget filed with County Clerks Certified Adopted Budget filed with ROE Adopted Budget submitted electronically to ISBE including Report of Vendors Contracts of \$1,000 or More (must be filed/submitted within 30 days of adoption)	October 24

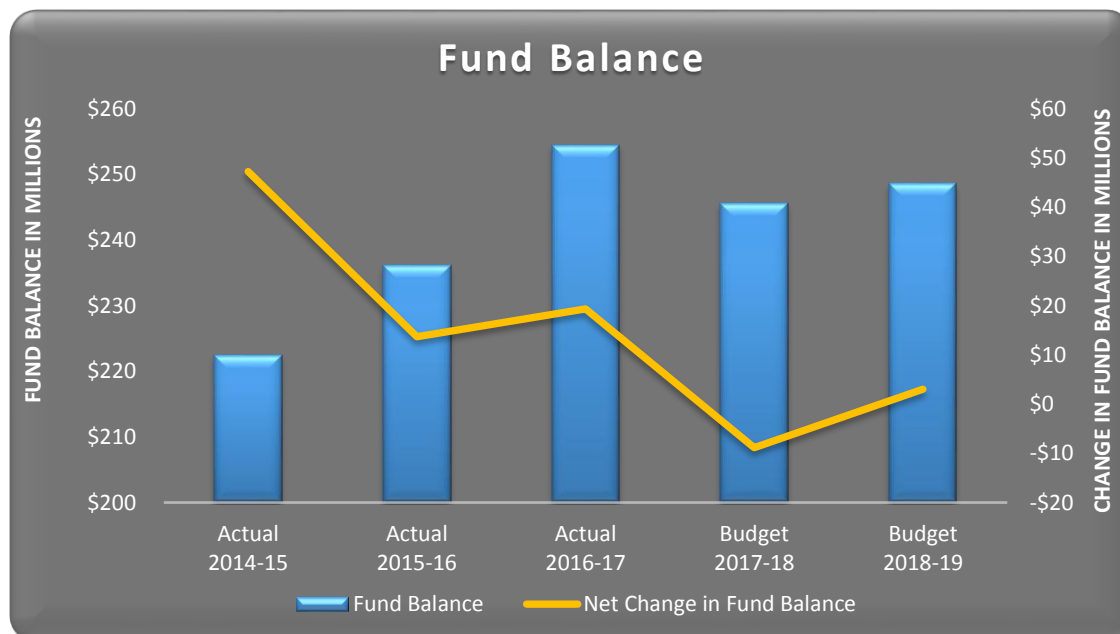


## All Funds

### Revenues, Expenditures and Changes in Fund Balance

#### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Revenue</b>					
Local Sources	\$ 310,195,265	\$ 317,993,641	\$ 322,670,429	\$ 321,078,587	\$ 323,593,809
State Sources	138,062,156	146,310,919	157,372,474	149,733,197	199,370,990
Federal Sources	34,596,302	39,907,564	38,327,984	38,240,793	38,102,075
<b>Total Revenue by Source</b>	<b>\$ 482,853,723</b>	<b>\$ 504,212,124</b>	<b>\$ 518,370,887</b>	<b>\$ 509,052,577</b>	<b>\$ 561,066,874</b>
<b>Expenditures</b>					
Salaries	\$ 244,954,777	\$ 253,555,938	\$ 263,230,411	\$ 269,694,946	\$ 287,884,320
Employee Benefits	88,738,790	89,909,002	94,367,687	97,715,291	101,387,493
Purchased Services	36,397,009	34,218,594	32,677,861	35,691,576	36,863,908
Supplies and Materials	24,444,515	31,095,717	26,859,659	32,011,602	31,673,974
Capital Outlay	28,093,542	33,158,825	26,089,043	23,948,029	38,404,392
Other Objects	54,117,436	54,832,599	54,980,134	57,866,952	61,139,612
Non-Capitalized Equipment	1,081,872	1,011,734	752,208	912,575	633,078
Termination Benefits	70,304	76,607	86,056	75,000	75,000
<b>Total Expenditures by Object</b>	<b>\$ 477,898,245</b>	<b>\$ 497,859,017</b>	<b>\$ 499,043,060</b>	<b>\$ 517,915,971</b>	<b>\$ 558,061,777</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures</b>	<b>4,955,478</b>	<b>6,353,108</b>	<b>19,327,827</b>	<b>(8,863,394)</b>	<b>3,005,097</b>
<b>Other Financing Sources</b>	<b>\$ 42,261,379</b>	<b>\$ 7,318,597</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Change in Fund Balance</b>	<b>47,216,857</b>	<b>13,671,705</b>	<b>19,327,827</b>	<b>(8,863,394)</b>	<b>3,005,097</b>
<b>Fund Balance at Beg. of Year</b>	<b>175,241,402</b>	<b>222,458,259</b>	<b>235,159,946</b>	<b>254,487,773</b>	<b>245,624,379</b>
<b>Fund Balance at End of Year</b>	<b>\$ 222,458,259</b>	<b>\$ 236,129,964</b>	<b>\$ 254,487,773</b>	<b>\$ 245,624,379</b>	<b>\$ 248,629,476</b>



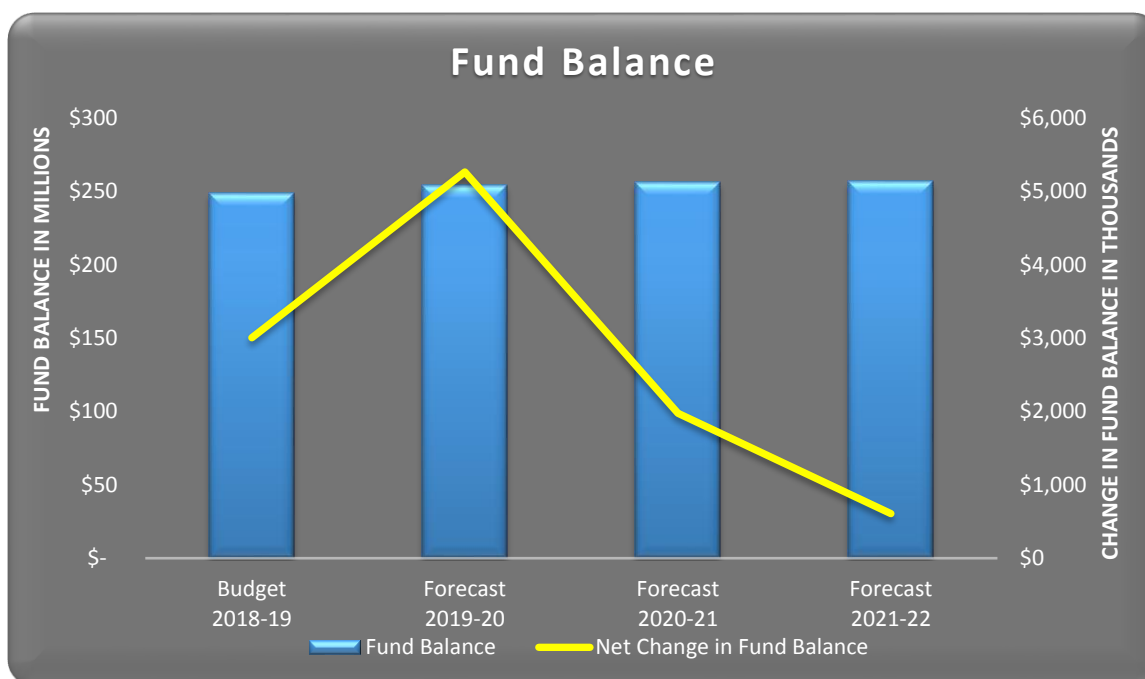


## All Funds

### Budget and Three-Year Forecast

#### Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 323,593,809	\$ 330,142,294	\$ 336,827,232	\$ 343,650,963
State Sources	199,370,990	195,708,410	199,622,578	203,615,030
Federal Sources	38,102,075	38,483,096	38,867,927	39,256,606
Total Revenue by Source	\$ 561,066,874	\$ 564,333,800	\$ 575,317,737	\$ 586,522,598
Expenditures				
Salaries	\$ 287,884,320	\$ 296,520,849	\$ 305,416,475	\$ 314,578,969
Employee Benefits	101,387,493	105,550,897	109,895,291	114,428,910
Purchased Services	36,863,908	37,232,547	37,604,873	37,885,437
Supplies and Materials	31,673,974	27,620,714	27,896,921	28,175,890
Capital Outlay	38,404,392	36,273,158	36,545,658	35,948,158
Other Objects	61,139,612	55,155,752	55,262,227	54,168,151
Non-Capitalized Equipment	633,078	639,409	645,803	652,261
Termination Benefits	75,000	75,750	76,508	77,273
Total Expenditures by Object	\$ 558,061,777	\$ 559,069,076	\$ 573,343,755	\$ 585,915,048
Excess of Revenues Over Expenditures	3,005,097	5,264,724	1,973,982	607,550
Other Financing Sources	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance	3,005,097	5,264,724	1,973,982	607,550
Fund Balance at Beginning of Year	245,624,379	248,629,476	253,894,200	255,868,182
Fund Balance at End of Year	\$ 248,629,476	\$ 253,894,200	\$ 255,868,182	\$ 256,475,732



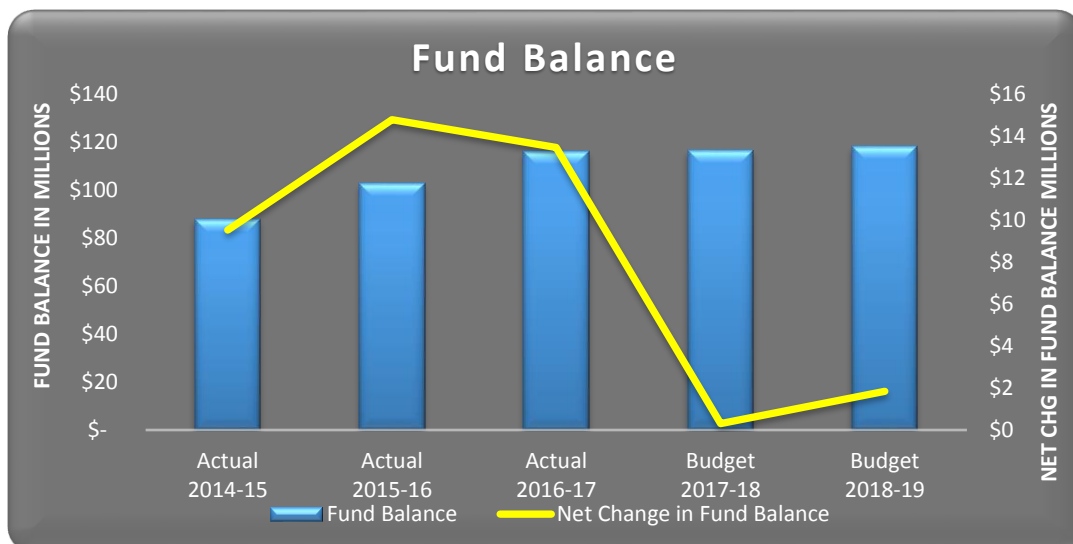


## All Operating Funds

### Revenues, Expenditures and Changes in Fund Balance

#### Revenue by Source Expenditures by Object

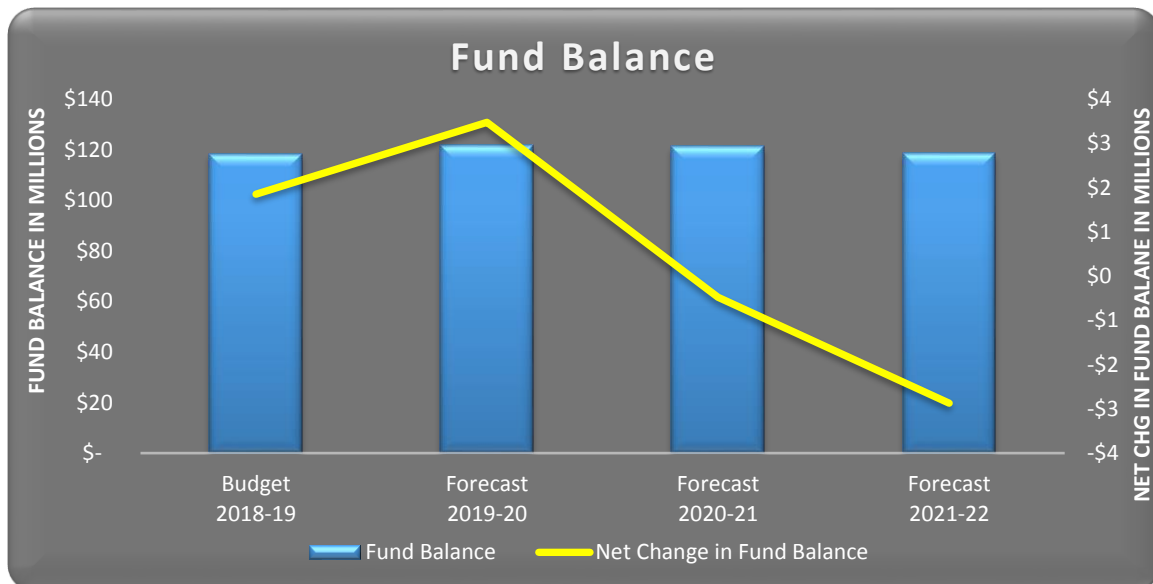
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Revenue</b>					
Local Sources	\$ 239,809,995	\$ 246,029,053	\$ 251,984,908	\$ 255,234,508	\$ 259,498,328
State Sources	136,586,987	144,808,263	157,372,474	149,733,197	199,370,990
Federal Sources	34,596,302	39,907,564	38,327,984	38,240,793	38,102,075
<b>Total Revenue by Source</b>	<b>\$ 410,993,284</b>	<b>\$ 430,744,880</b>	<b>\$ 447,685,366</b>	<b>\$ 443,208,498</b>	<b>\$ 496,971,393</b>
<b>Expenditures</b>					
Salaries	\$ 244,587,634	\$ 253,174,098	\$ 262,842,368	\$ 269,296,580	\$ 287,466,495
Employee Benefits	74,585,529	75,115,145	78,987,303	81,897,651	85,286,228
Purchased Services	26,879,273	28,804,479	27,587,854	29,731,013	30,915,250
Supplies and Materials	24,444,515	31,095,608	26,859,659	32,011,602	31,673,974
Capital Outlay	25,769,766	29,669,541	25,386,148	22,394,529	34,604,392
Other Objects	10,590,681	11,780,282	12,337,292	15,241,357	18,432,364
Non-Capitalized Equipment	1,081,872	1,011,734	752,208	912,575	633,078
Termination Benefits	70,304	76,607	86,056	75,000	75,000
<b>Total Expenditures by Object</b>	<b>\$ 408,009,574</b>	<b>\$ 430,727,495</b>	<b>\$ 434,838,888</b>	<b>\$ 451,560,307</b>	<b>\$ 489,086,781</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,983,710</b>	<b>17,384</b>	<b>12,846,478</b>	<b>(8,351,809)</b>	<b>7,884,612</b>
<b>Other Financing Sources</b>	<b>\$ 6,541,930</b>	<b>\$ 14,762,582</b>	<b>\$ 614,072</b>	<b>\$ 8,657,109</b>	<b>\$ (6,035,995)</b>
<b>Net Change in Fund Balance</b>	<b>9,525,640</b>	<b>14,779,967</b>	<b>13,460,550</b>	<b>305,300</b>	<b>1,848,617</b>
<b>Fund Balance at Beg. of Year</b>	<b>78,405,865</b>	<b>87,931,505</b>	<b>102,711,471</b>	<b>116,172,021</b>	<b>116,477,321</b>
<b>Fund Balance at End of Year</b>	<b>\$ 87,931,505</b>	<b>\$ 102,711,471</b>	<b>\$ 116,172,021</b>	<b>\$ 116,477,321</b>	<b>\$ 118,325,938</b>





## All Operating Funds Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

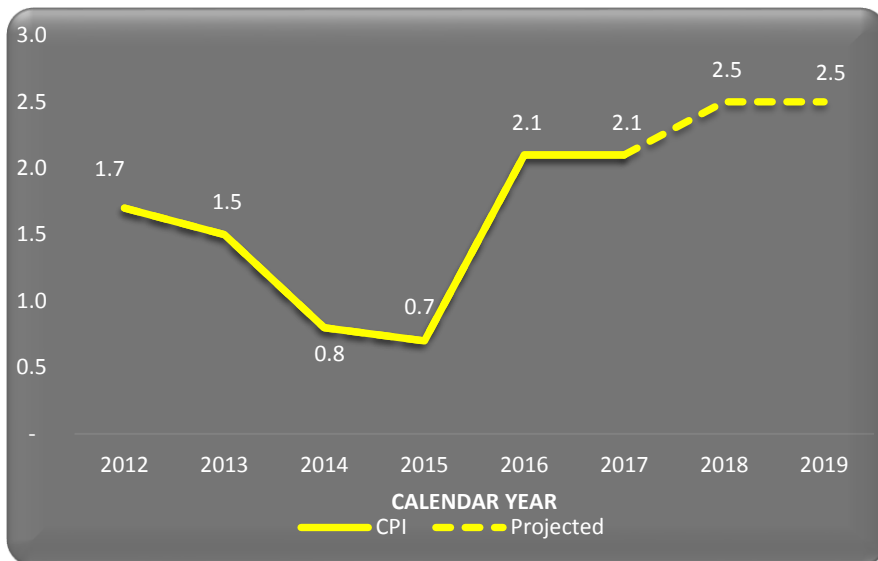
	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 259,498,328	\$ 264,832,893	\$ 270,278,320	\$ 275,336,927
State Sources	199,370,990	195,708,410	199,622,578	203,615,030
Federal Sources	38,102,075	38,483,096	38,867,927	39,256,606
Total Revenue by Source	\$ 496,971,393	\$ 499,024,398	\$ 508,768,825	\$ 518,208,563
Expenditures				
Salaries	\$ 287,466,495	\$ 296,090,490	\$ 304,973,204	\$ 314,122,400
Employee Benefits	85,286,228	88,966,594	92,813,459	96,834,623
Purchased Services	30,915,250	31,224,402	31,536,647	31,756,529
Supplies and Materials	31,673,974	27,620,714	27,896,921	28,175,890
Capital Outlay	34,604,392	32,448,158	32,710,658	32,098,158
Other Objects	18,432,364	12,542,753	12,654,449	11,394,016
Non-Capitalized Equipment	633,078	639,409	645,803	652,261
Termination Benefits	75,000	75,750	76,508	77,273
Total Expenditures by Object	\$ 489,086,781	\$ 489,608,269	\$ 503,307,648	\$ 515,111,149
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	7,884,612	9,416,129	5,461,177	3,097,413
Other Financing Sources/(Uses)	\$ (6,035,995)	\$ (5,941,591)	\$ (5,940,291)	\$ (5,968,990)
Net Change in Fund Balance	1,848,617	3,474,538	(479,114)	(2,871,577)
Fund Balance at Beginning of Year	116,477,321	118,325,938	121,800,476	121,321,361
Fund Balance at End of Year	\$ 118,325,938	\$ 121,800,476	\$ 121,321,361	\$ 118,449,785





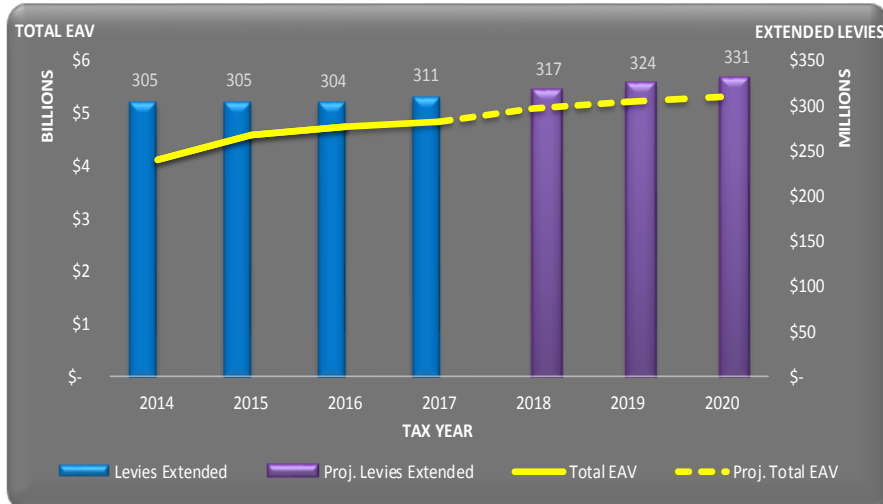
## SIGNIFICANT REVENUE TRENDS

**Property taxes** are the District's largest revenue source and accounts for a large majority of the local revenue and over half of all revenue received by the District. Property tax revenue can grow at the rate of inflation plus revenue due to new construction and other properties coming onto the tax rolls (such as expiring Tax Increment Financing (TIF) districts). Inflation is measured by the



consumer price index (CPI) and is used by district management to assist in budgeting property tax revenue.

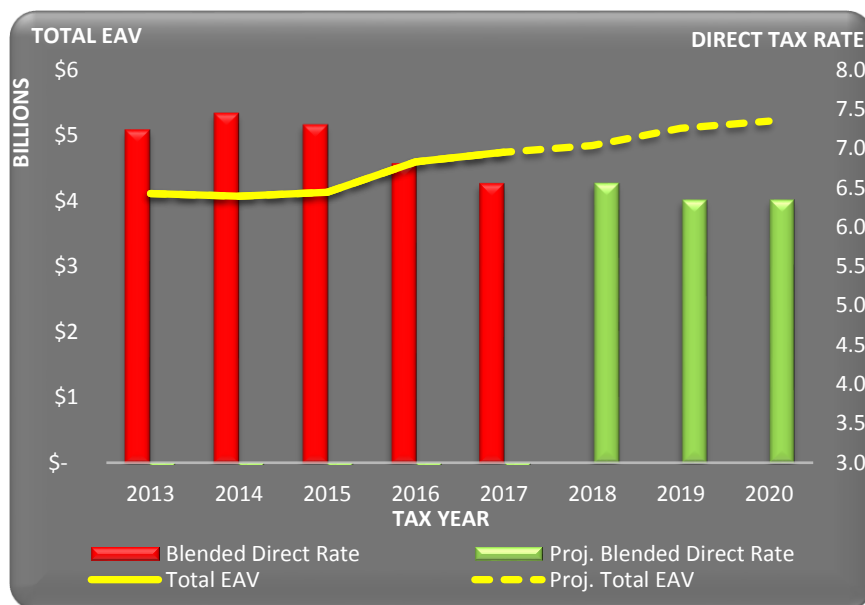
The economy is showing signs that growth and inflation is reverting to its historical mean. Although the CPI raised as much as 2.7 percent in February and dipped as low as 1.6 percent in June, the 2017 year ended right where it was in December of 2016 at 2.1. The declining trend in EAV has appeared to stop and is reversing as shown in the last three years. Management has planned for this upward trend to continue and projects EAV growth from two to five percent annually over the next five years. CPI is anticipated to show relative strength and continue at a rate above two percent and then track at a rate of around 2.5 percent into the next decade.



The direct tax rate has an inverse correlation to the EAV, meaning as the EAV grows the direct tax rate is reduced and vice versa. This can be seen on the graph displaying EAV and direct tax rates. As you see the yellow line that tracks the EAV move up the red and green bars that track the direct tax rates move down. The direct tax rate does not affect the amount of taxes owed for any given property but rather is a result of two factors, 1) the property's EAV and 2) the property's share of taxes levied. A property's share of taxes levied is determined by taking the property's EAV into the aggregate EAV for the taxed area. There are various exemptions and other factors that may factor into this calculation but this is explained at a high level for the purpose of adding context to the graphs displayed.



## EXECUTIVE SUMMARY

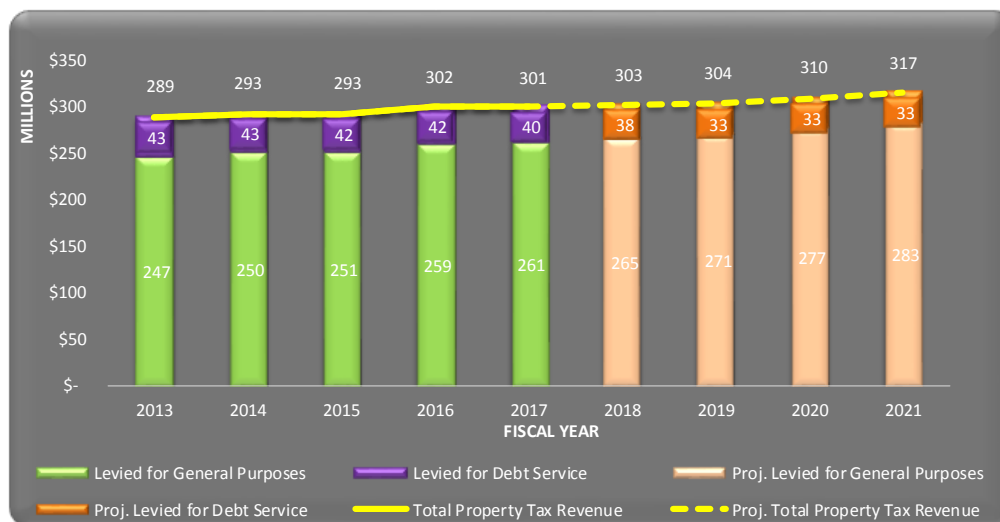


Property taxes are levied each year on the value of all taxable real property in the District on or before the last Tuesday in December. The 2017 tax levy was passed by the Board of Education on December 4, 2017, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and August 2018 in Cook County and in June and September 2018 in DuPage and Kane counties, and are collected by the County Collector, who in turn

returns to the District its respective share. Typically the District receives the remittances from the County Treasurer within one month after collection.

The District has recognized as revenue 50 percent of the 2017 tax extension and 50 percent of the 2016 tax extension in fiscal year 2018 based on estimated collections, as this is the period for which the taxes have been levied (intended to finance). Property taxes are recorded net of estimated allowance for uncollectible accounts. The allowance for uncollectible accounts is based on collection

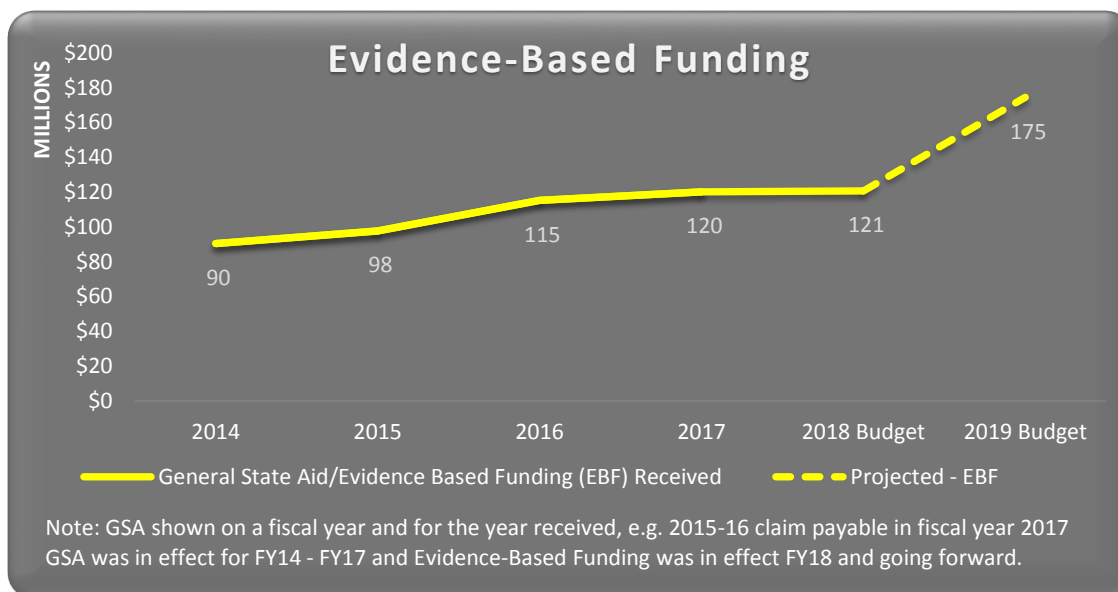
history and is estimated at 1.3 percent of the total levy. The changes in the property tax revenue shown on the graph coincide with the levy extension changes after accounting for the smoothing of each levy over two fiscal years and applying the allowance factor.



The District has recorded a receivable for the uncollected portion of the 2017 taxes extended. The District has recorded a deferred inflow of resources net of any allowance, which approximates 50 percent of the 2017 tax extension which will be recognized as revenue in fiscal year 2019, the period for which those taxes were levied. Since each tax year's extended levies are recognized as revenue by the District over two fiscal years, recognized property tax revenue in a fiscal year may not reflect a tax levy for any given year. The graph above represents the past and projected property tax revenue by fiscal year.



**Evidence-Based Funding for Student Success Act (EBF)** became law on August 31, 2017 and was effective for the 2017-2018 school year. EBF replaced the traditional General State Aid that was formerly the equalization formula grant provided by the state. Five previous grant programs are combined into this single grant program and is now known as evidence based funding. EBF combines General State Aid and the following state categorical programs: Special Education – Personnel, Special Education – Funding for Children Requiring Special Education Services, Special Education – Summer School and English Learner Education. The District will continue to utilize the EBF funding to support the Special Education and English Learner Education programs. EBF prioritizes distribution of funding to the students with the most need and the most poorly funded school districts ensuring equitable funding to help all students succeed. In April 2018, additional funding was approved and regular payments were released to the District providing approximately \$22 million additional EBF funding for FY18. The State has approved additional EBF funds for FY19, however the District has not received notification as of yet of the District FY19 EBF budget.



**Mandated Categorical Reimbursements (MCATs)** and the funds appropriated for it are earmarked and mandated by Illinois statute for a particular purpose or population and may be used for that purpose or population only. As of the end of FY18, the District is owed more than \$5.7 million in categorical payments from the State (compared to \$18 million at the end of FY17). The District is anticipating four categorical payments for FY19; the last categorical payment for FY18 and three payments for FY19. With four of our categorical payments being combined with EBF, the District is receiving state funding on a timelier basis than in past years.

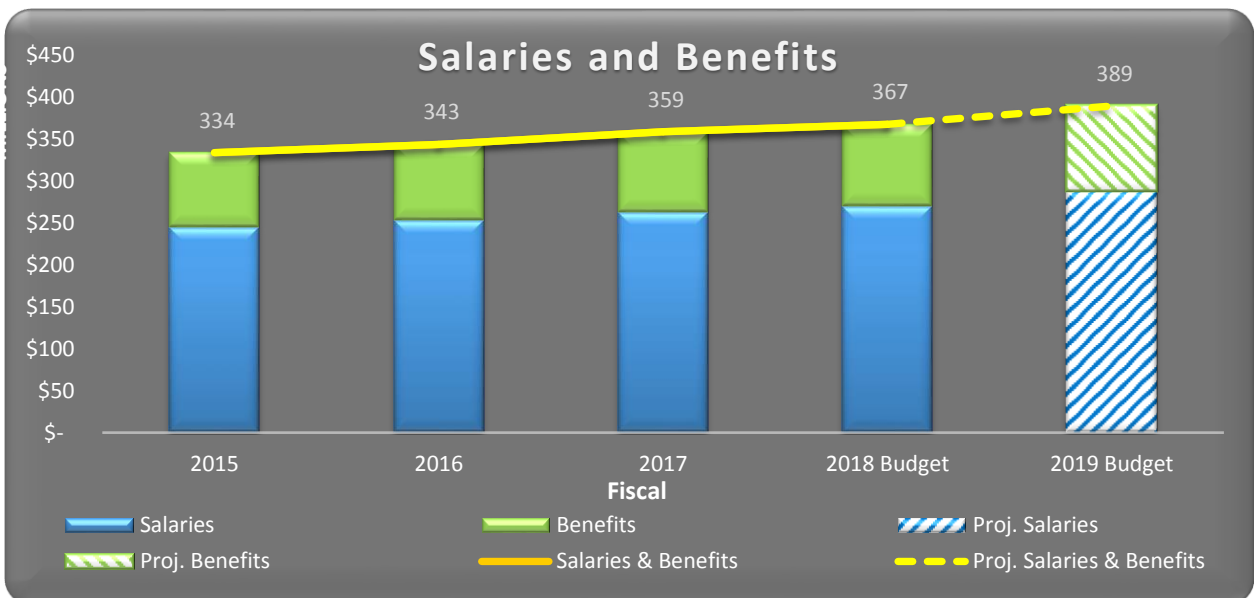
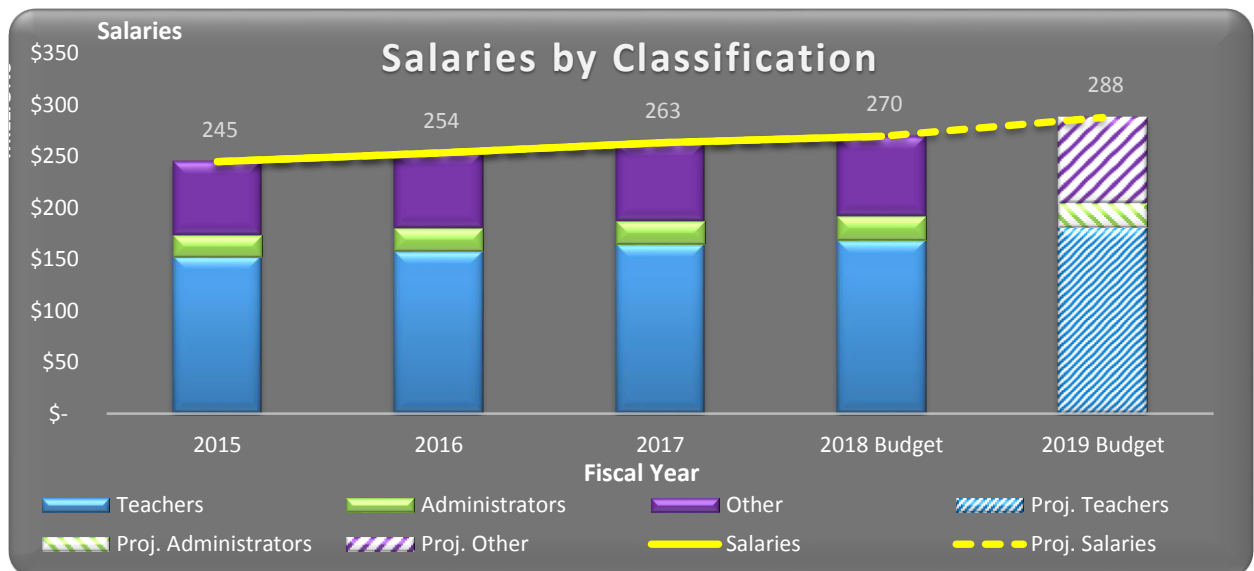
MCATs include programs such as Transportation, state Lunch and Breakfast, and Orphanage. In addition, when referring to state categorical programs, District management includes all state programs including Early Childhood Education, Career and Technical Education and Drivers Education.



## SIGNIFICANT EXPENDITURE TRENDS

### Employee Salaries and Benefits

For fiscal year 2019, District management has planned to add an additional 54 full-time equivalent (FTE) positions to include middle school counselors, assistant principals in larger elementary schools, administrative support positions at two large middle schools, AIM specialists, Coordinator of Student Discipline, instructional coaches, and additional behavior specialists. In addition, salaries will increase based on contractual agreements. Medical Insurance is expected to increase five percent. The following two charts show salary and benefit information for the past three fiscal years and the fiscal 2018 and 2019 budgeted figures. Several factors may impact salary and benefit projections in any given year, these include annual raises, increases and decreases in employee count, and the seniority status of the employees compared to the prior year.



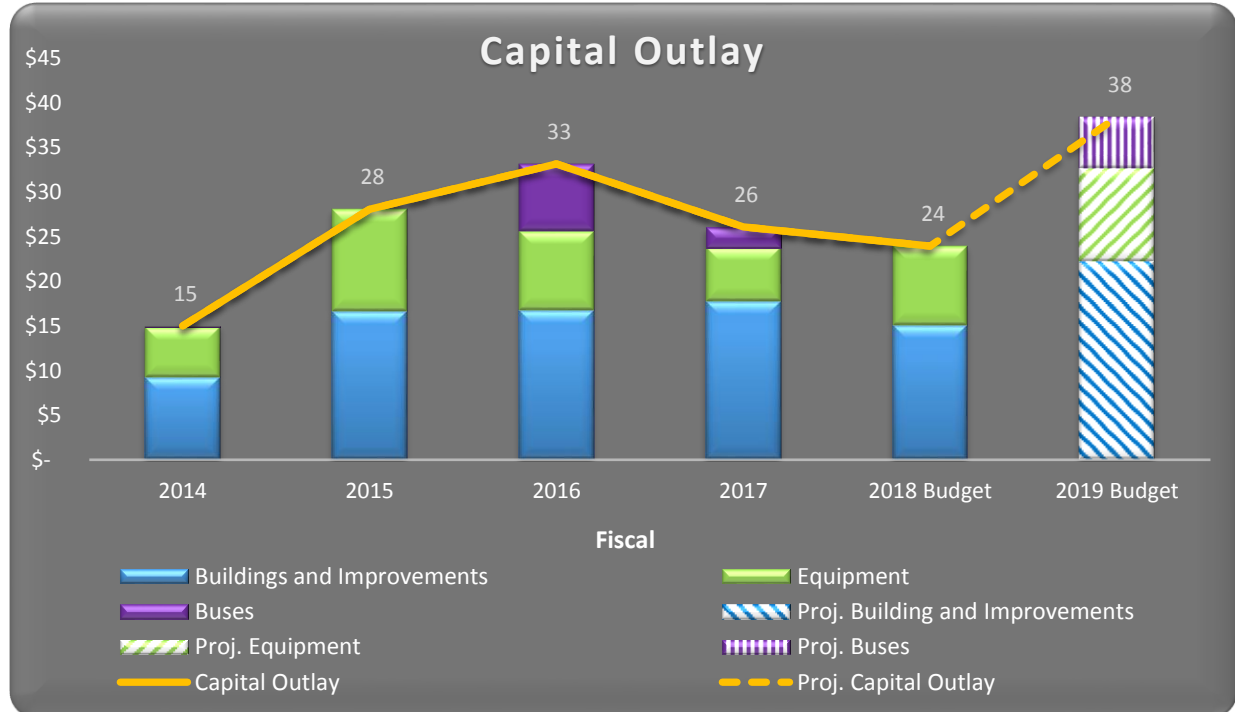


## Allocation of Human and Financial Resources

The 2019 budget includes an increase of 54 FTE throughout various staffing categories. This is due to additional funds awarded through evidence-based funding to allow for more resources to address the needs of our students. This includes middle school counselors, assistant principals, administrative support, AIM specialists, student discipline coordinator, behavior specialists, and instructional coaches. The allocation of these financial resources will assist in achieving several goals that relate to student achievement and readiness for kindergarten students as well as college and career readiness for high school students to include advanced placement courses, industry credential preparation, and graduating within five years. Specific financial resource information for goals are outlined in the Organizational Section.

## Capital Outlay

The majority of the District's capital outlay is spent on buildings and non-building improvements. These construction projects usually span several months at a time and are typically targeted for the summer months while the schools are staffed to a minimum. Due to the nature of these construction projects and the timing of the fiscal year end, June 30, many of these capital projects are internally planned by calendar year rather than fiscal year. District management assesses the projects and their planned timing and then splits them among the appropriate fiscal year budgets. The Capital Projects Summary table included in the Financial Section under All Funds shows the upcoming planned projects and costs included in the current budget. The District typically has more projects than can be funded so management prioritizes the projects throughout the year to stay within budget.





## EXECUTIVE SUMMARY

In order to maintain efficiency, safety and to operate buses which are mechanically and structurally sound, the District utilizes a bus replacement plan. Due to the uncertainty of the state funding for FY18, there were no bus purchases during that fiscal year and FY19 will allow the District to get back on track with our replacement plan. The District has budgeted to replace seventy-four (74) large and small buses during the upcoming fiscal year totaling approximately \$5.7 million. On the schedule the timing of the bus purchases is planned for the summer months, however, based on the nature of these transactions and order lag, the timing of the purchases and trade-ins may fluctuate throughout any given year. A new bus price ranges from approximately \$81,000 to \$94,000.

All large and small buses are now diesel powered allowing the District to extend the replacement cycle for all buses from seven years to a maximum of eleven years (with less than 150,000 miles). While the District will be operating some older buses than recommended, all buses on the road will be mechanically and structurally sound. This element will be achieved by carefully reviewing maintenance records. Only the “best” of the buses scheduled for replacement will be retained annually.

The summary of the bus replacement plan and the current bus fleet is outlined on the following schedule.

### Modified Summary of the Bus Replacement Plan / A & O Plan

Calendar Year	No. of Large Buses		No. of Small Buses		Total No. of Buses	
	Buy	Trade	Buy	Trade	Buy	Trade
2018	37	(37)	37	(37)	74	(74)
2019	20	(20)	21	(21)	41	(41)
2020	24	(24)	20	(20)	44	(44)
2021	15	(15)	22	(22)	37	(37)
2022	15	(15)	11	(11)	26	(26)
2023	16	(16)	11	(11)	27	(27)
2024	18	(18)	10	(10)	28	(28)
2025	18	(18)	15	(15)	33	(33)
2026	18	(18)	15	(15)	33	(33)

### Summary of Current Fleet

Fiscal Year	No. of Large Buses	No. of Small Buses	Total No. of Buses
2016	190	164	354
2017	185	169	354
2018	184	167	351
2019	184	167	351

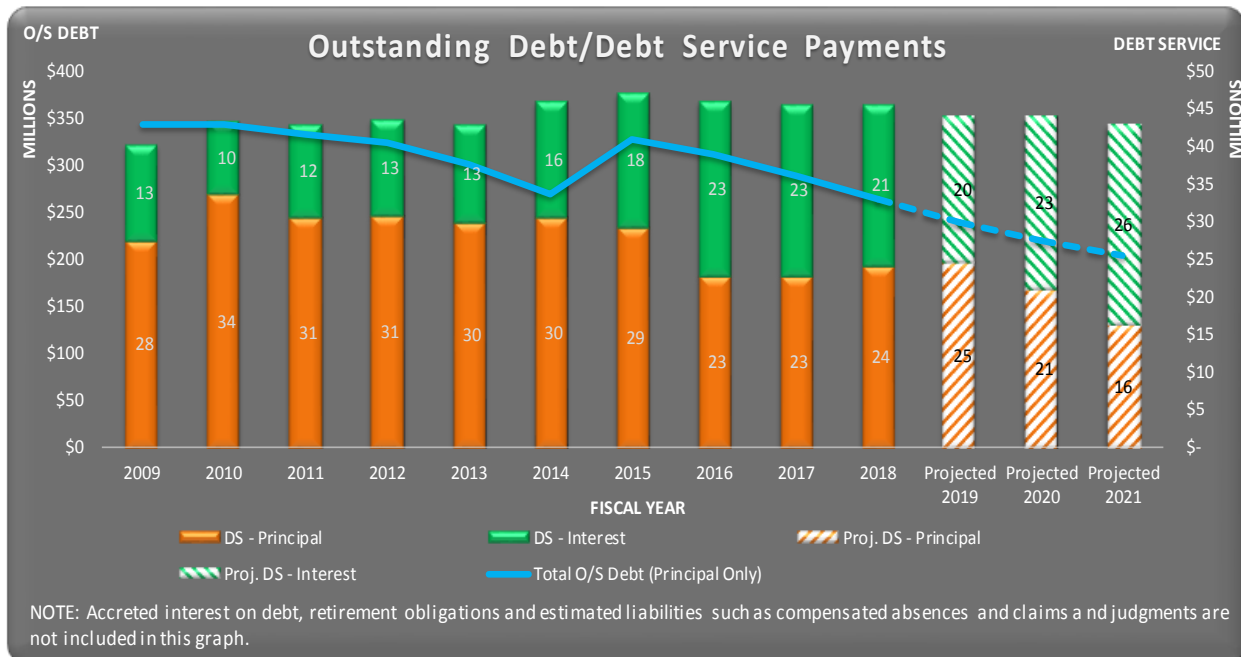


## DEBT MANAGEMENT

The majority of debt issued by U-46 is intended to fund capital projects, maintaining and renovating buildings, purchasing of new buses and the like. District management assesses the District's future needs, projects revenues and expenditures and recommends the issuance of debt only when it is believed to be in the District's overall best interest.

In the early 2000's when the District's population was rapidly growing U-46 issued multiple Capital Appreciation Bond series (CABs) to fund the construction of eight new schools; six elementary, one middle and one high school. These bond issuances totaled \$178.5 million and 75 percent of the principal balance was not scheduled to be paid until 2015 and after. In addition to the principal coming due, interest on capital appreciation bonds is not paid each year but rather accumulates and is paid in large sums closer to maturity; this interest liability is called accreted interest. With the debt service costs for these bonds escalating, the District issued refunding bonds in 2015 in order to smooth these debt service payments over the next six to seven years. The resulting consistent debt service payments going forward will allow for more manageable planning and budgeting.

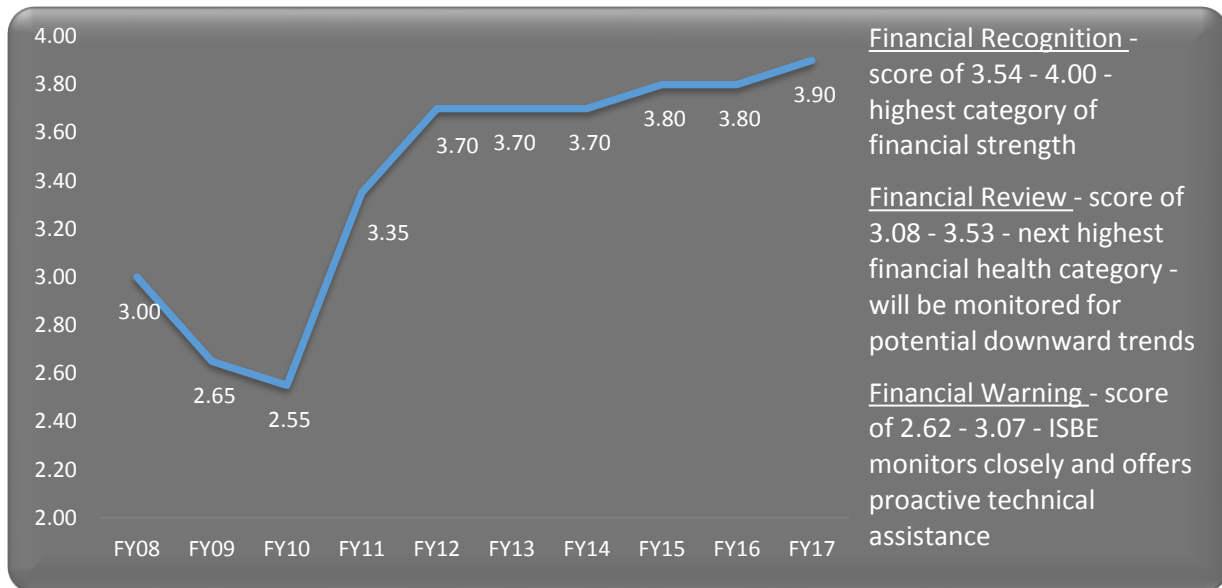
Currently, with no plans for new building construction, District management anticipates the outstanding debt to decline over the next few years. The blue line on the chart below shows the past ten years of the District's outstanding debt balance and an additional three years of projected outstanding debt. The bars represent the principal and interest portions of the debt service payments each year.





### **DISTRICT FINANCIAL SCORE**

In March 2018 (based on FY17 Annual Financial Report), the District received Financial Recognition status with an Illinois State Board Financial Profile score of 3.90. The District has received the Recognition status each year since fiscal year 2012 and anticipates maintaining the highest status. This financial strength benchmark measures five indicators, 1) fund balance to revenue ratio; 2) expenditure to revenue ratio; 3) days cash on hand; 4) percent of short-term borrowing maximum remaining and 5) percent of long-term debt margin remaining. According to the Illinois State Board of Education (ISBE) of the 852 Illinois districts reporting to ISBE for fiscal year 2017, 640 or 75 percent of districts received the “Recognition” status; 147 or 17 percent received “Review” status; 43 or 5 percent received “Early Warning” status and; 22 or 3 percent received “Watch” status. The following is a graph of the District’s financial status score over the past 10 years:





## Assessed Values of Taxable Property, Property Tax Rates and Extended Levies

Fiscal Year Tax Levy Year	Budget		
	2019		
	2018		
	Kane	Cook	DuPage
Equalized Assessed Value (EAV)	1,753,463,733	1,974,322,054	1,092,398,313
Direct Tax Rate (U46 Portion)	6.3696	6.9318	6.1638
Est. Actual Taxable Value	5,260,396,459	6,422,003,159	3,213,599,119
Extended Levy	111,688,193	136,857,021	67,234,445
<u>Residential Property Data</u>			
No. of Parcels	28,058	24,499	13,920
Assessed Value w/o Exemptions	1,547,150,378	538,825,485	1,030,432,167
Total Property Market Value	4,641,455,776	5,388,254,846	3,091,299,592
Avg. Property Market Value	165,424	219,938	222,076
Avg. Assessed Value w/Exemptions	1,353,155,933	1,334,399,552	943,646,499
Property AV w/Exemptions	48,227	54,468	67,791
Equalized			
Factor	1.0000	2.9627	1.0000
Avg. Tax Burden owed to U46	3,072	3,776	4,255

Notes:

- Tax rates per \$100 of Equalized Assessed Valuation
- Cook County assesses property differently than Kane and DuPage, when comparing the property values between counties use EAV and market value



## Student Enrollment Three-Year History, Budget and Three-Year Forecast

School Year	Pre- Kindergarten	Elementary		Middle		High		Self-Cont. Spec. Ed	Other (B)		Total	
	Actual/Proj.	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Actual/Proj.	Capacity	Actual/Proj.	Capacity
Actual Enrollment (A)												
2015-2016	1,179	20,036	27,273	5,652	8,568	11,780	13,944	726	318	1,030	39,691	50,815
2016-2017	1,129	19,781	30,990	5,848	9,264	11,678	14,940	777	250	1,030	39,463	56,224
2017-2018	1,185	19,019	30,990	5,916	9,264	11,508	14,940	893	354	1,030	38,875	56,224
Enrollment Budget (C)												
2018-2019	1,159	18,334	30,990	5,735	9,264	11,640	14,940	893	374	1,030	38,135	55,194
Enrollment Forecast (C)												
2019-2020	1,163	17,674	30,990	5,631	9,264	11,522	14,940	893	360	1,030	37,243	55,194
2020-2021	1,117	17,111	30,990	5,473	9,264	11,444	14,940	893	367	1,030	36,405	55,194
2021-2022	1,132	16,611	30,990	5,278	9,264	11,069	14,940	893	362	1,030	35,345	55,194

(A) Actual enrollment for each school year as of the last school day in September, for the years listed through 2015-2017

(B) Includes Alternative Education except for Pre-K.

(C) Kindergarten numbers are based upon live births from five years prior from area hospitals for forecast years.



# District Personnel Resource FTE Allocations Three-Year History and Budget by Employee Group

Staff	Actual 2015	Actual 2016	Actual 2017	Est. Current 2018	Budget 2019
Teachers	2,421	2,399	2,484	2,521	2,567
Building substitutes	5	-	-	-	-
Noon hour supervisors (part-time)	80	78	90	84	84
Educational assistants/paraprofessionals	452	440	488	533	533
Secretary/clerical	229	222	232	218	220
Transportation	403	414	391	434	434
Custodial/maintenance	139	136	136	144	144
Technical/other	194	197	215	236	236
Food service	153	150	144	148	148
School administration	99	98	101	108	113
Supervisors/directors/coordinators	40	42	41	27	28
Central administration	29	31	34	42	42
Divisionals	17	17	17	15	15
Superintendent/executive staff	10	10	10	10	10
Total staff by FTEs	4,271	4,234	4,383	4,520	4,574

Source: District Financial Services





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

This Meritorious Budget Award is presented to

## SCHOOL DISTRICT U-46

for excellence in the preparation and issuance of its budget  
for the Fiscal Year 2017-2018.

The budget adheres to the principles and standards  
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Anthony N. Dragona'.

**Anthony N. Dragona, Ed.D., RSBA**  
President

A handwritten signature in black ink, reading 'John D. Musso'.

**John D. Musso, CAE, RSBA**  
Executive Director



# ORGANIZATIONAL SECTION







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### DISTRICT PROFILE

#### ***Legal Autonomy and Fiscal Independence***

**S**chool District U-46 is organized under the School Code of the State of Illinois, as amended. The District exists as a legal entity deriving its just powers from the General Assembly of the State of Illinois through the State Board of Education for the purpose of providing a system of free public education. The District is classified as a unit school district and operates as a public school system governed by an elected seven-member Board of Education. The District constitutes a body politic and corporate with all powers as prescribed by laws including but not limited to the power to sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized or implied by law. It has the statutory authority to adopt its own budget, levy taxes and issue bonded debt without the approval of another government and it is not considered a component unit of any other entity. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose budgets should be considered and presented with this budget.

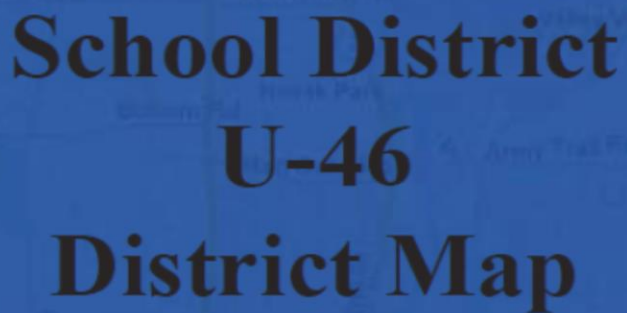
The legal authority of the Board of Education is transmitted through the superintendent or designee along specific paths from person to person as shown in the Board-approved organization chart of the District. The lines of authority on the chart represent direction of authority and responsibility. The Board of Education expects the superintendent/designee to keep the administrative structure up-to-date with the need for supervision and accountability throughout the school district.

#### ***Size and Scope***

School District U-46 is the second-largest school district in Illinois. Covering 90 square miles, the District is located approximately 45 minutes northwest of Chicago. The District serves nearly 39,000 children in grades PreK-12 at our 56 school buildings throughout the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne, and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.









# SD U-46

355 E CHICAGO ST ELGIN, IL 60120 6543 (847) 888-5000

Grades P-12

Superintendent: Mr. Tony Sanders

## FAST FACTS

30.1%  
proficiency

State Avg.

86%  
graduation  
rate

State Avg.

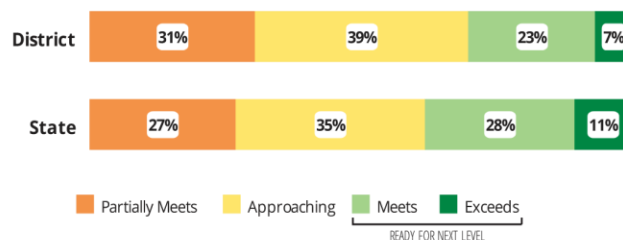
85%  
teacher  
retention

State Avg.

39,377  
students

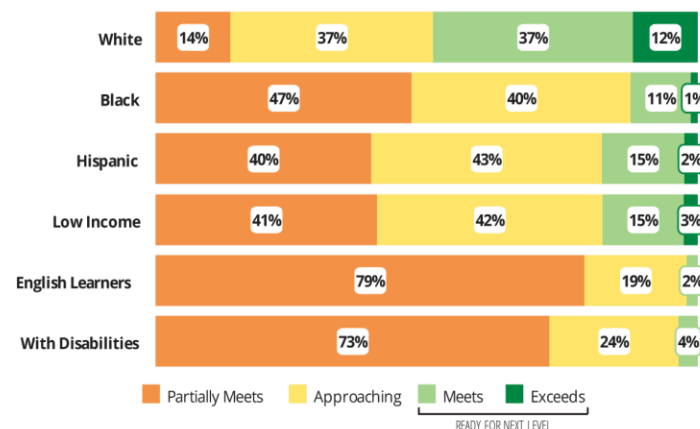
## Academic Success

High school students take the SAT in Math and English Language Arts. The display shows SAT results in four performance levels.



## Success by Student Group

This display shows SAT performance levels for each student group. No data is shown for groups with fewer than 10 students.



## Student Characteristics

White	28%	Low Income	61%
Black	6%	English Learners	29%
Hispanic	53%	With Disabilities	13%
Asian	8%	Homeless	2%
American Indian	1%		
Two or More Races	4%		
Pacific Islander	0%		

## District Finance

**Instructional Spending per Pupil** includes only the activities directly dealing with the teaching of students or the interaction between teachers and students.

	2014	2015	2016	
District	\$6,095	\$6,355	<b>\$6,813</b>	\$8.0k
State	\$7,419	\$7,712	<b>\$7,853</b>	\$7.0k
				\$6.0k

**Operational Spending per Pupil** includes all costs for overall operations in this district, including Instructional Spending, but excluding summer school, adult education, capital expenditures, and long-term debt payments.

	2014	2015	2016	
District	\$10,672	\$11,404	<b>\$12,095</b>	\$13.5k
State	\$12,521	\$12,821	<b>\$12,973</b>	\$12.5k
				\$11.5k
				\$10.5k

## College Readiness

### Ready for College Coursework

Students who meet or exceed ACT college readiness benchmarks



### Postsecondary Enrollment

Students who enroll at colleges and universities



### Postsecondary Remediation (lower is better)

Students enrolled in Illinois community colleges who require remedial coursework







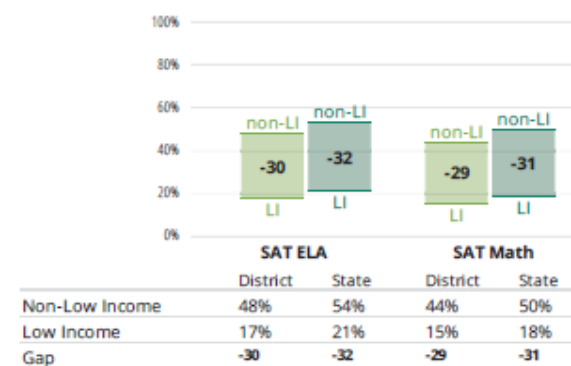
## SD U-46

## Schools in District

School Name	Grades	% Ready for Next Level	School Name	Grades	% Ready for Next Level
BARTLETT HIGH SCHOOL	9-12	-	HIGHLAND ELEM SCHOOL	K-6	11.7%
ELGIN HIGH SCHOOL	9-12	-	HILLCREST ELEM SCHOOL	K-6	13.7%
LARKIN HIGH SCHOOL	9-12	-	HILLTOP ELEMENTARY SCHOOL	K-6	31%
SOUTH ELGIN HIGH SCHOOL	9-12	-	HORIZON ELEM SCHOOL	P-6	42.6%
STREAMWOOD HIGH SCHOOL	9-12	-	HUFF ELEM SCHOOL	P-6	10.2%
ABBOTT MIDDLE SCHOOL	7-8	18.5%	LAUREL HILL ELEM SCHOOL	K-6	17.8%
CANTON MIDDLE SCHOOL	7-8	26.8%	LIBERTY ELEM SCHOOL	P-6	40.1%
EASTVIEW MIDDLE SCHOOL	7-8	51.8%	LINCOLN ELEMENTARY SCHOOL	K-6	28.9%
ELLIS MIDDLE SCHOOL	7-8	17.4%	LORDS PARK ELEM SCHOOL	K-6	14.2%
KENYON WOODS MIDDLE SCHOOL	7-8	42.8%	LOWRIE ELEM SCHOOL	K-6	9.8%
KIMBALL MIDDLE SCHOOL	7-8	17.6%	MCKINLEY ELEM SCHOOL	K-6	8.2%
LARSEN MIDDLE SCHOOL	7-8	20.2%	NATURE RIDGE ELEM SCHOOL	K-6	34.5%
TEFFT MIDDLE SCHOOL	7-8	29.3%	OAKHILL ELEM SCHOOL	K-6	18.7%
BARTLETT ELEM SCHOOL	K-6	40.6%	ONTARIOVILLE ELEM SCHOOL	K-6	16.2%
CENTENNIAL SCHOOL	K-6	57.6%	OTTER CREEK ELEM SCHOOL	K-6	21.1%
CENTURY OAKS ELEM SCHOOL	K-6	15.6%	PARKWOOD ELEM SCHOOL	K-6	12.1%
CHANNING MEMORIAL ELEM SCHOOL	K-6	10.6%	PRAIRIEVIEW ELEMENTARY SCHOOL	K-6	46.3%
CLINTON ELEM SCHOOL	K-6	48.3%	RIDGE CIRCLE ELEM SCHOOL	K-6	32.2%
COLEMAN ELEM SCHOOL	K-6	13.9%	RONALD D O NEAL	K-6	20.4%
CREEKSIDE ELEM	K-6	21.2%	SPRING TRAIL ELEMENTARY SCHOOL	K-6	45.5%
FOX MEADOW ELEMENTARY SCHOOL	K-6	37.3%	SUNNYDALE ELEM SCHOOL	K-6	43%
GARFIELD ELEM SCHOOL	K-6	6.7%	SYCAMORE TRAILS ELEMENTARY SCHOOL	P-6	58.2%
GLENBROOK ELEM SCHOOL	K-6	49.1%	TIMBER TRAILS ELEMENTARY SCHOOL	K-6	32.1%
HANOVER COUNTRYSIDE ELEM SCHOOL	K-6	30.8%	WASHINGTON ELEM SCHOOL	K-6	15.8%
HARRIET GIFFORD ELEM SCHOOL	K-6	9.8%	WAYNE ELEM SCHOOL	K-6	54.6%
HAWK HOLLOW ELEM SCHOOL	K-6	33.2%	WILLARD ELEM SCHOOL	K-6	24.2%
HERITAGE ELEM SCHOOL	K-6	13.2%			

## Achievement Gap

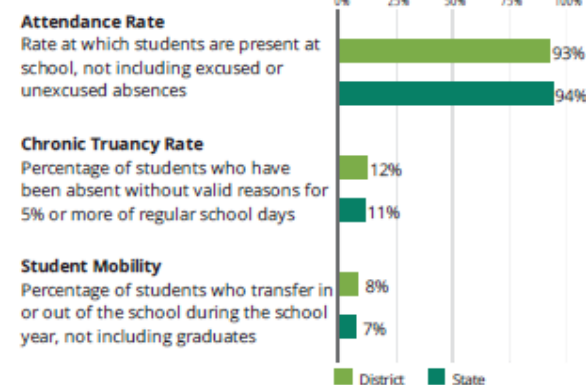
Achievement gaps display the differences in academic performance between student groups. The display below shows the gap in readiness for the next level between low income (LI) students and non-low income (non-LI) students on the SAT for both English Language Arts (ELA) and Math.



## Educator Measures

This district has had an average of **2 principal(s)** at the same school over the past 6 years. District wide in the last three years, an average of **85% of teachers** return to the same school each year.

## Student Attendance and Mobility



## FOR MORE INFORMATION

Visit [IllinoisReportCard.com](http://IllinoisReportCard.com) to see additional details about each item of information for this school. There you will find charts spanning multiple years, detailed explanations, resources, more of the school's programs and activities, and powerful tools that let you dig deeper into data.

Most of this data has been collected by ISBE from school districts through data systems. Some information, such as the School Highlights, is entered directly by principals and can be updated throughout the year.



## ORGANIZATIONAL SECTION

### **DISTRICT LEADERSHIP**

#### **BOARD OF EDUCATION**

<u>Member</u>	<u>Position/Term Expires</u>
Donna Smith .....	President 2021
Susan Kerr .....	Vice President 2019
Veronica Noland.....	Secretary Pro-Tempore 2021
Phil Costello .....	Member 2019
John Devereux .....	Member 2019
Melissa Owens.....	Member 2021
Jeanette Ward.....	Member 2019
Jackson Teetor.....	Student Advisor 2019

#### **CHIEF EXECUTIVE OFFICER AND EXECUTIVE STAFF**

Tony Sanders .....	Chief Executive Officer
Miguel Rodriguez .....	Chief Legal Officer
Dr. Suzanne Johnson.....	Deputy Superintendent, Instruction
Dr. Ushma Shah.....	Assistant Superintendent, Elementary Schools
Steve Burger .....	Assistant Superintendent, Elementary Schools
Lela Majstorovic .....	Assistant Superintendent, Secondary Schools
Dr. Josh Carpenter .....	Assistant Superintendent, Teaching and Learning
Ron Raglin .....	Assistant Superintendent, Support Programs and Alignment
Dr. Jeffrey King .....	Deputy Superintendent of Operations/Chief School Business Official
Melanie Meidel .....	Assistant Superintendent, Human Resources



## ORGANIZATIONAL SECTION

### *Board of Education*

State law holds school boards responsible for policies in these areas: approval of course of study and textbooks, adoption of an annual budget, construction, furnishing and maintenance of facilities, and employment and evaluation of the superintendent/chief executive officer.

Elected members serve four-year terms and are not paid for their services. To be eligible to serve, a school board member must meet the following requirements on the date of the election: 1) is a citizen of the United States, 2) at least 18 years of age, 3) a registered voter, 4) a resident of the State of Illinois, and 5) a resident of School District U-46 for at least one year immediately preceding the election.

Two U-46 administrators and one student join the Board at the table during meetings. Chief Executive Officer Tony Sanders, Chief Legal Officer Miguel A. Rodriguez, who serves as Board Secretary, and Jackson Teetor, Student Advisor to the Board, are resource persons but do not vote.

Board meetings are generally held twice each month, usually on the first and third Monday, at 7:00 p.m., unless the school schedule dictates otherwise. The meetings are open to the public and comments are heard from community members during the Comments from the Audience section of the agenda. The meeting schedule and official board minutes are posted on the District website.

The Board Members are as follows:



**Donna Smith, President**, a resident of Hanover Park, has been a member of the school board since 2001. She has served as chairperson of the Citizens' Advisory Council and as an active member in the Partnership for Excellence in Learning, Comprehensive High School Committee, P.A.S.S. Committee and several parent teacher organizations. Mrs. Smith works at DuPage County Public Works as the billing and collection specialist. Mrs. Smith's term expires in 2021.

**Susan Kerr, Vice President**, a resident of Bartlett, was elected to the Board of Education in 2015. She has been a member of the Citizens' Advisory Council where she has co-chaired a number of committees. Ms. Kerr worked as a computer programmer analyst at the University of Chicago Library. Ms. Kerr's term expires in 2019.



**Veronica Noland, Secretary Pro Tempore**, an Elgin resident, is active with the Channing Elementary School Parent Teacher Organization, having previously served as Vice-President. She also has been a member of both the U-46 Hispanic Parent Leadership Institute and the Citizens' Advisory Council. Ms. Noland's term expires in 2021.



## ORGANIZATIONAL SECTION



**Phil Costello**, a nine-year resident of Bartlett and life-long resident of Illinois was elected to the Board of Education in 2015. Mr. Costello is a CPA with a Masters of Business Administration. He is employed at the Oak Lawn Park District as a Superintendent of Finance and Personnel. Mr. Costello also serves as the Vice Chairman on the Homes for Children Foundation and Audit Committee Chair for ChildServ, two nonprofit organizations that provide child welfare support services in; Cook, Kane and DuPage counties. Mr. Costello's term expires in 2019.

**John Devereux**, A Bartlett resident, was appointed to the Board in June 2018. He is the chief actuary for a Chicago-based firm and a parent of two children who have attended U-46 schools. Mr. Devereux has served in leadership roles with the Bartlett High School Band Parent Organization and has volunteered as a coach for the Bartlett Park District. Mr. Devereux is completing a term which will expire in the spring of 2019.



**Melissa Owens**, a resident of Bartlett, was elected to the Board of Education in 2017. Ms. Owens served on the Citizens' Advisory Council for seven years, chairing the Special Education Committee and the General Council. She also served on the Operating Board of the Elgin Alignment Collaborative for Education for one year. Ms. Owens is the Volunteer Program Coordinator for the Community Crisis Center in Elgin. Her term expires in 2021.

**Jeanette Ward**, a West Chicago resident, was elected to the Board of Education in 2015. A parent volunteer in the district, Mrs. Ward is also the Regulatory Affairs Manager at an international chemical company. Mrs. Ward's term expires in 2019.



**Jackson Teetor**, a senior at Larkin High School in the Visual and Performing Arts Academy. Jackson is a member of the National Honor Society, Mathletes, and speech team. While on the speech team, Jackson demonstrated the ability to problem solve as a Fox Valley finalist in speech and debate, and he is looking to pursue a career as an attorney. He will serve as the 2018-2019 Student Advisor to the U-46 Board of Education.



### *Chief Executive Officer*



Chief Executive Officer Tony Sanders runs the day-to-day operations of School District U-46, a place he has called home since 2007. Mr. Sanders oversees the implementation of all board and district policies and procedures as well as alignment of resources to all districtwide initiatives and improvement plans for the state's second-largest school district. He works in close collaboration with an administrative staff that manages a balanced district budget of over \$500 million, and he has lobbied relentlessly in Springfield for more equitable state education funding.

Mr. Sanders is working with staff and community members to set specific measurable goals for the district's newly-developed Strategic Plan which calls for ensuring all students gain the experiences they need to graduate from School District U-46 prepared to compete in a global society. He's proud of the district's many achievements, from high schools ranked among the best in the country, to a thriving dual-language program and expanding early childhood educational opportunities.

Mr. Sanders serves as the Vice Chair of the Large Countywide and Suburban Consortium, a network of some of the nation's most successful district leaders. Under Mr. Sanders' tenure as CEO, U-46 has implemented universal full-day kindergarten, expanded Dual Language and Gifted programming, provided additions to three elementary schools and implemented several new comprehensive curriculum resources. The District has also implemented a trauma-informed care approach to responding to behavioral issues and supporting students. Next year, the District will expand its award-winning Dual Language program to the high school level.

Prior to becoming CEO, Mr. Sanders served as the Chief of Staff for former Superintendent Dr. José M. Torres. Mr. Sanders joined the district as Chief Communications Officer after holding the same title in St. Louis Public Schools. He brings two decades of leadership experience to his current post, having served as Acting Director for Governmental Relations and Public Information for the Illinois State Board of Education and other top posts at the Department of Professional Regulation and the Illinois Department of Public Health.

Mr. Sanders earned his Master of Business Administration degree from New York Institute of Technology – Ellis College, and his undergraduate degree from the University of Illinois at Springfield.

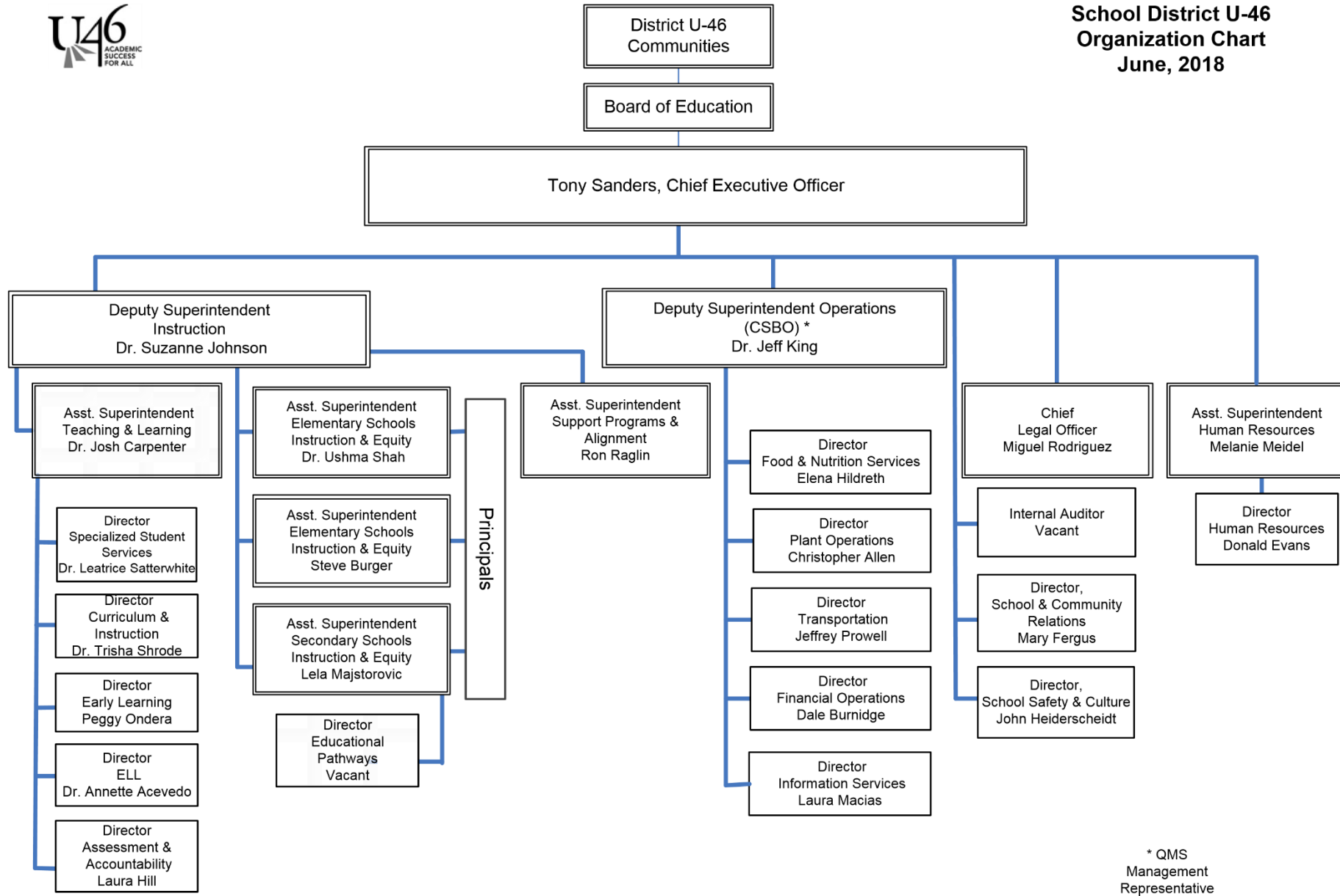
Mr. Sanders and his wife, Schelli, live in Elgin with their two children, Jack and Lexie. Jack recently graduated from U-46 and Lexie is currently a student at U-46.



# ORGANIZATIONAL SECTION



## School District U-46 Organization Chart June, 2018





### DEPARTMENTS AND PROGRAMS

School District U-46 provides a comprehensive curriculum to children in grades preschool through twelfth grade. At every step of a child's educational journey, we're committed to ensuring that our students are equipped with the skills to become college and work place ready. Just as students come in all shapes and sizes, activities to support student learning are designed to meet the needs of every student.

A range of support services and departments are in place to assist in fulfilling the needs of the programs and departments within the District.

The Chief Executive Officer and the Cabinet members, oversee all departments, program directors and curriculum coordinators in the District. The departments and programs listed below provide specific services to students, staff, families and the community.

#### STUDENT LEARNING

##### *Assessment and Accountability*

Assessment is an integral part of the educational process. It allows teachers to determine what and how students are learning. It provides information used to make decisions about teaching individual students as well as broad determinations on the effectiveness of the instructional program in a school and the overall school system.

##### *AVID (Advanced Via Individual Determination.)*

AVID is a college readiness elective program for students and the District currently offers these courses in grades seven through twelve. All middle and high schools have an AVID Site Coordinator and an active AVID Site Team. The District also has an AVID District Director that oversees the AVID College Readiness System. U-46 had its first AVID Senior graduating class during the 2012-2013 school year, which marked the end of the fourth year of AVID implementation.

##### *Career and Technical Education Program*

Coordination of Career and Technical Education classes; responsible for curriculum development, evaluation, staff development, and improvement. Direction of the Northern Kane County Career and Technology Education System, for School Districts: 300, 301, 303 and U-46.

##### *Common Core*

The Common Core State Standards (CCSS) are the culmination of an extended, broad-based effort to fulfill the charge issued by the state to create the next generation of K-12 standards in order to help ensure that all students are college and career ready when they graduate high school. This one of the most important changes in education in the United States in the last fifty years and stands to positively affect students, parents, teachers, communities, and the work force as we take a firm grasp of what 21<sup>st</sup> century learning truly means.

##### *Curriculum and Instruction*

The Curriculum and Instruction Department oversees the implementation of standards-based and specialized curriculum.





## ORGANIZATIONAL SECTION

### *Dual Language*

The Dual Language program is a form of bilingual education in which students are taught literacy and academic content in two languages. It offers a unique opportunity for students to excel academically and learn a second language.



### *Early Learners*

The Early Learners program is a partnership of family, school and community working collaboratively to provide comprehensive services to young children. Services are provided by highly-trained early childhood professionals. Curriculum and practices that are appropriate for the child's development level are used to meet the diverse needs of young children in a culturally sensitive environment. These learning opportunities are offered to children from birth to kindergarten.

### *English Languages Learners*

Programs for students who are Limited English Proficient (LEP), including ELL/bilingual classes, English as a Second Language (ESL), and Dual Language.

### *Fine Arts*

Provides opportunities to students from elementary through high school including chorus, music, orchestra, band and the visual arts. The department fosters creativity by providing opportunities for self-expression through innovative thinking, communication and artistic appreciation.

### *Gifted Programs*

The gifted programs provide a variety of programs to ensure that every high-achieving student has an opportunity to excel. Talent Development programs are offered to students in grades one to six as well as core gifted curriculum, dual language and enrichment clusters in math language arts. High school students can select from up to 25 advanced placement (AP) course offerings.

### *High School Academies*

Unique to Chicagoland's Fox Valley, U-46 academy programs are designed to take high school students to new levels of creative, interdisciplinary learning and give them a head start on a higher education. The high school academies include the Broadcast Education and Communication Networks Academy, Gifted and Talented Academy, Science, Engineering & High Technology Academy, Visual and Performing Arts Academy and World Languages & International Studies Academy.

### *Instructional Technology*

U-46 strives to inspire individuals to be digitally literate citizens by authentically using technology to engage in 21<sup>st</sup> century skills. By supporting teachers and employees to integrate technology, the hope is to provide experiences that will allow students to become responsible digital citizens.

### *Literacy*

The Literacy program provides language arts instruction for students from kindergarten through high school. The libraries in the District also provide information about the learning goals by grade level, curriculum details and resources for teachers.

### *Mathematics*

The Mathematics program strives to give students the skills and knowledge they need to think and reason mathematically and to use what they have learned to solve problems.



## ORGANIZATIONAL SECTION

### *MTSS (PBIS & RTI)*

Multi-Tiered System of Supports (MTSS) is a Response to Intervention (RTI) model that utilizes a three tiered system designed to help schools provide students with high-quality instruction and interventions through academic and behavioral supports. Positive Behavioral Interventions and Supports (PBIS) is a proactive systems approach for creating and maintaining safe and effective learning environments in schools, ensuring that all students have the social/emotional skills needed to achieve their success at school and beyond.



### *Observatory/Planetarium*

The Observatory/Planetarium provides students with astronomy lessons under the stars.

### *P.E. & Health Education*

U-46 Physical Education promotes lifelong learning recognizing the value of personal development in the physical, affective and cognitive domains.

### *Science*

The Science Department oversees all aspects of science education for kindergarten through twelfth grade students.

### *Social Studies*

The Social Studies curriculum prepares students to be informed, knowledgeable, and active citizens throughout their lives.

### *Special Education*

Special Education provides a full continuum of instructional and resource programs for students with special needs.

### *Specialized Student Services*

Staff coordinates and provides a comprehensive program of services for students with all types of special education needs and disabilities. Includes programs in schools and early childhood centers and other sites such as Center House, SWEP and Central Schools Program at the Educational Services Center (ESC).

### *Teaching & Learning*

The Teaching and Learning Department oversees Assessment & Accountability, Curriculum & Instruction, Early Learners, ELL, and Special Education.

### SUPPORT SERVICES

#### *Business Services*

Business Services handles purchasing, warehousing, mail distribution and risk management for the District.

#### *District Records*

District Records is responsible for critical functions such as state aid claims, attendance tracking, federal and state reports, student transfer records, high school transcripts and medical records, immigration forms and Freedom of Information Requests.

#### *Family Welcome Center*

Family Welcome Center provides assistance for newly arrived families and elementary students, including those who speak little or no English, for enrolling in school and accessing information about the community.

#### *Financial Operations*

Financial Operations is responsible for budgets, audits, monthly financial statements, itemized bills, high dollar vendor contracts, salary information for teachers and administrators.



## ORGANIZATIONAL SECTION

### *Food and Nutrition Services*

The Food and Nutrition Services Department provides nutritious meals to promote student growth and development.



### *Health Services*

The Health Services Department provides certified nurses to students and staff.

### *Human Resources*

Human Resources strives to develop and maintain a highly-functioning, diverse workforce through effective communication and strategic human resource systems.

### *Information Services*

Information Services provides the personnel, services, hardware and software to support the instructional and operational work of the District.

### *Payroll*

The Payroll Department is responsible for complete and accurate payroll processing, time and attendance and related federal and state reporting.

### *Plant Operations and Maintenance*

Plant Operations maintains 64 District buildings over 870 acres, manages utility usage, administers the District's facility rental program and processes 30,000 work orders annually.

### *Project Access*

Project Access provides equal access to education and programs to homeless children.

### *S.A.F.E. Program*

S.A.F.E. is a self-sustaining program designed to provide quality before and after school care to children in U-46, currently enrolled in kindergarten to sixth grades, while their parents work or further their own education.

### *School and Community Relations*

The School and Community Relations Department supports the release of clear information to all stakeholders and promotes parent and community engagement.

### *School Safety*

The School Safety department is committed to the safety and security of students, staff, and visitors within U-46 facilities.

### *Teacher Effectiveness Initiatives*

The Teacher Effectiveness Initiatives supports the District's commitment to effective teaching and learning in all classrooms by providing engaging learning opportunities, and practical support and assistance through continuous professional growth designed to positively impact student learning.

### *Teacher Mentor Program*

The U-46/ETA Teacher Mentor Program is a nationally recognized, award winning ISBE approved employee support and assistance initiative for educators new to U-46.

### *Transportation*

Transportation provides bus transportation for students living 1.5 miles or more from the school (as calculated by the U-46 Transportation Department). Transports nearly 27,000 students daily to 56 school buildings within the District's 90-square mile boundaries.

For more information about the District's departments and programs visit the Departments & Programs link on the District's website [www.u-46.org](http://www.u-46.org).



### STRATEGIC PLAN

The Board of Education believes that education should be shaped by purposes rather than by forces. Therefore, the education system of School District U-46, will maintain flexibility and adapt to an ever-changing society. It is dedicated to the total personal development of each student to the limits of his or her abilities and interests. This is to be accomplished in a sequentially coordinated curriculum which allows for individual differences.

To this end, staff members will aid in each student's intellectual, physical, moral, emotional, aesthetic, and social growth so he or she may become a useful and responsible member of home, community and society while leading a personally rewarding life.

U-46 has paved the way for student success and prepares our students to be citizens of the world. With a diverse community, our children receive specialized attention and numerous programs available to fit their needs. Some of our special offerings include an academy program at the high schools, honors and gifted programs, Dual Language program, English Language Learners program, special education for those students in need, and various sports, clubs and activities to match a wide range of student interests.

The District's strategic plan reflects the vision and values of employees, parents, students and community members who participated in its development. The District will continue to share our progress as together we work to turn this plan into reality for our community, our staff and, most importantly, our nearly 39,000 kindergarten through twelfth grade students and their families.





### MISSION AND MAJOR GOALS

#### MISSION

U-46 will be a great place  
for all students to learn,  
all teachers to teach,  
and all employees to work.  
All means all.



#### VISION

U-46 will inspire individuals  
to convert their  
dreams into realities.

#### VALUES

Equity	Leadership & Accountability
Innovation	Professional Development
Respect	Safe & Secure Environment
High Expectations	Stakeholder Involvement





## ORGANIZATIONAL SECTION

There are many factors that help identify areas of success and strengths throughout the District as well as elements that need additional attention. Some factors are more measureable than others and several factors should be considered before concluding a goal has been reached or not. The following metrics listed under each priority have been chosen to assist in measuring the progress of the goals identified. Any one metric alone does not necessarily provide the whole picture as to the actual progress but should be used in conjunction with other quantitative and qualitative measures when possible. The metrics and benchmarks are continually reassessed so the most relevant measurements can be tracked.





## Student Achievement



### PRIORITY 1

*We will implement and support a challenging, standards based curriculum across all content areas.*

**Objective 1:** Increase the percentage of students who are prepared for kindergarten.

**Kindergarten Readiness** The District monitors students who are proficient in meeting the kindergarten readiness benchmark for those enrolled in the district-provided pre-K program. The readiness will be measured by letter identification tracked by the District internally.

**Goal 1:** Annual increase of students who are proficient in meeting kindergarten readiness of 6 percent with an overall target of 75 percent.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	63%	66%	69%
Earned	60%	48%	47%

**Objective 2:** Increase the percentage of students who are college and career ready.

**College and Career Readiness** The District monitors three separate indicators to measure college and career readiness of its students. These indicators include enrollments in AP courses, percent of high school students receiving industry credentials, and the percentage of high school students graduating within five years.

**Goal 2:** Increase unique high school students enrolled in AP courses by 2 percent annually or attain 30 percent enrollment overall.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	23%	25%	27%
Earned	23%	25%	TBD





## ORGANIZATIONAL SECTION

**Goal 3:** Increase high school students receiving industry credentials by 5 percent annually or attain 25 percent overall.

**Progress:** As of the publication of this annual budget book the measurements and targets have not yet been established.

**Goal 4:** Increase students graduating within five years by 3 percent annually or obtain 99 percent overall.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	90%	92%	94%
Earned	88%	90%	TBD

**Priority 1 Costs:** The costs outlined below are not all inclusive but rather costs that can be separated and attributable to the objectives and goals discussed. The costs shown are only those costs that were included in the fiscal year 2019 budget.

- Assessments (MAP, PSAT, AP and other) \$779,911
- AVID/Gifted/Academies/AP
  - Tutors \$318,000
  - Site Development and Teams 130,000
  - Instructional Professional Services 70,000
  - Training and Professional Development 90,000
  - College and Career Readiness Platform 200,000
  - Dues and Fees 85,000
  - Supplies and Supplemental Classroom Materials 203,000
  - Pupil Transportation 6,000
  - AP Registrations 55,000
  - Postage and Printing 8,000
  - Other 20,000
- Career and Technical Education
  - Equipment Repair and Maintenance \$56,975
  - Equipment 40,000
  - Supplies and Materials 25,000
  - Pupil Transportation 38,460
  - Instructional Professional Services 8,000



## ORGANIZATIONAL SECTION

### PRIORITY 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.*



**Objective 3:** Increase the percentage of students who feel safe at school.

**Safe at School** The District monitors how safe students feel when they are at school. This is measured by a 5Essentials score on a point scale. The point scale is a result of how students answer multiple survey questions.

**Goal 5:** Increase the 5Essentials score related to safety by four scale points annually.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	41	45	49
Earned	43	44	41

**Priority 2 Costs:** The costs outlined below are not all inclusive but rather costs that can be separated and attributable to the objectives and goals discussed. The costs shown are only those costs that were included in the fiscal year 2018 budget.

- Lockdown Locks (Phase 3 & 4) \$1,500,000
- School Resource Officers and Security 1,082,658
- Safety and Communications Supplies 102,300
- Visitor Management System 42,000
- Professional Training 68,000



## Effective & Engaged Staff

### PRIORITY 3

*We will value our collective differences, and develop and recruit a high quality workforce that honors and reflects the diversity of our students.*

**Objective 4:** Increase retention rate for employees who rate proficient or higher on their employee evaluations.

High Performing Employee Retention The District monitors employee evaluations who rate as proficient or higher on an annual basis. The evaluations are tracked by the District internally.

**Goal 6:** Increase annual retention rate for employees who rate proficient or higher as measured on their employee evaluations. Note: due to Human Resources re-definition of how this is calculated, retention figures represent all employees (not just those rated proficient or higher). The target goals are in the process of being redefined.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	98%	99%	99%
Earned	89%	88.2%	85.3%

**Objective 5:** Increase the percentage of staff who rate principals as highly effective in creating a strong school culture

Highly Effective Principals The District monitors the 5Essentials survey, specifically the answers received from teachers on multiple questions asking whether they feel the “instructional leader communicates a clear vision for our school.” This is measured by a 5Essentials score on a point scale. This data is tracked and provided by 5Essentials.

**Goal 7:** Increase the number of teachers who feel their instructional leader communicates a clear vision for their school by four scale points.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	50	54	58
Earned	35	37	37

**Priority 3 Costs:** See Priority 3 and 4 Costs under Priority 4.



## ORGANIZATIONAL SECTION

### PRIORITY 4

*We will encourage collaboration and provide differentiated support to all staff members to grow as professional throughout their career.*

**Objective 6:** Increase the percentage of teachers who agree that their professional development is rigorous and focused on student learning.

Professional Development The District monitors if teachers agree that their professional development is rigorous and focused on student learning. This is measured by a 5Essentials score on a point scale. The point scale is a result of how teachers answer multiple survey questions.

**Goal 8:** Increase annually by four scale points the rating by teachers agreeing on multiple questions on the 5Essentials survey that their professional development is focused on student learning.

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	50	54	58
Earned	54	54	50

**Objective 7:** Increase the percentage of teachers and school leaders who perceive the evaluation process as improving their professional practice.

Effective Evaluation Process The District monitors the annual Teacher Appraisal Plan (TPA) survey, specifically the answers received from teachers on multiple questions related to the Framework for Teaching domains asking whether they feel the process is improving their professional practice. This data is tracked by the District internally.

**Goal 9:** Increase annually the rating of the appraisal process as improving professional practice as measured by the responses on the questions related to the Framework for Teacher domains 1, 2, and 3 on the annual Teacher Appraisal Plan survey.

**Progress:**

School Year	2015-16	2016-17	2017-18
Earned	81%	81%	78%

**Priority 3 and 4 Costs:** The costs outlined below are not all inclusive but rather costs that can be separated and attributable to the objectives and goals discussed. The costs shown are only those costs that were included in the fiscal year 2018 budget.

- Direct Collaboration Days (DCD)/  
Professional Practice Development Days (PDD) \$3,600,000
- Professional Development 1,822,574
- Recognition 42,500





## PRIORITY 5

*We will partner with families and the greater community to foster shared ownership and aligned support for our priorities.*



**Objective 8:** Develop and promote three additional opportunities each year for community members to meet with Board members and provide feedback on district initiatives and issues.

**School & Community Relations** Each year the District tracks the opportunities community members have to meet with Board members and provide feedback on district initiatives and issues. These opportunities are tracked and promoted by the District internally.

**Goal 10:** Develop and promote three additional opportunities each year for community members to meet with Board members and provide feedback on District initiatives and issues as measured by School and Community Relations.

**Progress:** As of the publication of this annual budget book the measurements and targets have not yet been established.

**Objective 9:** Increase family and community member participation and volunteerism in school and district sponsored activities and events.

**Family and Community Participation** The District monitors family and community member participation and volunteerism in school and District sponsored activities and events as measured by responses to the 5Essential Survey. This data is tracked and provided by 5Essentials.

**Goal 11:** Increase five percent annually the family and community member participation and volunteerism in school and District sponsored activities and events as measured by the responses to questions in the Parent Survey within the 5Essentials Survey asking, “parent assessment of involvement in school as always and usually, occasionally.”

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target		69%	74%
Earned	64%	57%	60%

**Priority 5 Costs:** See Priority 5 and 6 Costs under Priority 6.



## ORGANIZATIONAL SECTION

### PRIORITY 6

*We will support and empower schools  
to be welcoming centers of family and  
community engagement.*

**Objective 10:** Increase parents' satisfaction rates on how welcome and respected they feel within the District.

**Welcome and Respected** Each year the District tracks parents' satisfaction on how welcome and respected they feel within the district as measured by responses on the 5Essentials Survey. This data is tracked and provided by 5Essentials.

**Goal 12:** Increase three percent annually parents' satisfaction on how welcome and respected they feel within the district as measured by the question in the Parent Survey within the 5Essentials Survey asking, "parent connectedness to a great extent."

**Progress:**

School Year	2015-16	2016-17	2017-18
Annual Target	40%	43%	46%
Earned	40%	43%	49%

**Priority 5 and 6 Costs:** The costs outlined below are not all inclusive but rather costs that can be separated and attributable to the objectives and goals discussed. The costs shown are only those costs that were included in the fiscal year 2019 budget.

• Technical and Professional Service	\$55,000
• Community Participation Platform	80,000
• Printing	25,000
• Supplies and Materials	15,000
• Other	10,000





### PRIORITY 7

*We will advocate for and utilize systems and resources that promote operational excellence, efficiency and accountability.*



**Objective 11:** Increase the number of programs analyzed for instructional cost-effectiveness (ROI).

The non-profit lender and public policy group IFF named School District U-46 a 'Bright Spot for Future Investment,' in a report released in September 2017 stating:

*"SD U-46, which was nearly keeping pace with the state academically despite a funding gap and a high-need student body, had high return on investment. It also had one of the lowest ratios between overhead and instructional spending in the state: for every dollar spent in the classroom, SD U-46 spent only thirty-one cents on overhead. Overall, K-12 operational expenditure in this high-poverty, low-wealth school district had a high impact on reading and math outcomes. It seems likely to put additional funds to good use, but the district appeared to be tapping out its local resources in 2013-14 and would need additional state support in order to provide students, teachers, and school leaders with more resources."*

**Objective 12:** Increase the percentage of budget dedicated to instruction.

As of the publication of this annual budget book the goals and targets have not yet been established.

**Progress:**

School Year	2016-17	2017-18	2018-19
Annual Target	TBD	TBD	TBD
Earned	65.1%	64.5%	63.9%



## ORGANIZATIONAL SECTION

### PRIORITY 8

*We will advocate for and utilize systems and resources that promote operational excellence, efficiency and accountability.*

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**Objective 13:** Increase participation in collaborative efforts to improve the school funding system in Illinois.

CEO Tony Sanders helped lead a successful grass-roots campaign of over 400 school districts in Illinois to push for a state budget and evidence-based funding (EBF) model for K-12. Effective August 31, 2017, EBF became law to allocate resources to districts that are underfunded. As a result, this law will comprehensively change the way that school districts receive the bulk of state funds. EBF will ensure that all schools have the resources needed to provide a safe, rigorous, and well-rounded learning environment for all students. EBF demonstrates new mindsets for understanding the relationship between equity, adequacy, and student outcomes. This new funding model was effective for the 2017-2018 school year and although not released by the State of Illinois at the time of publication, will provide an increase of state funding for the 2018-2019 school year.

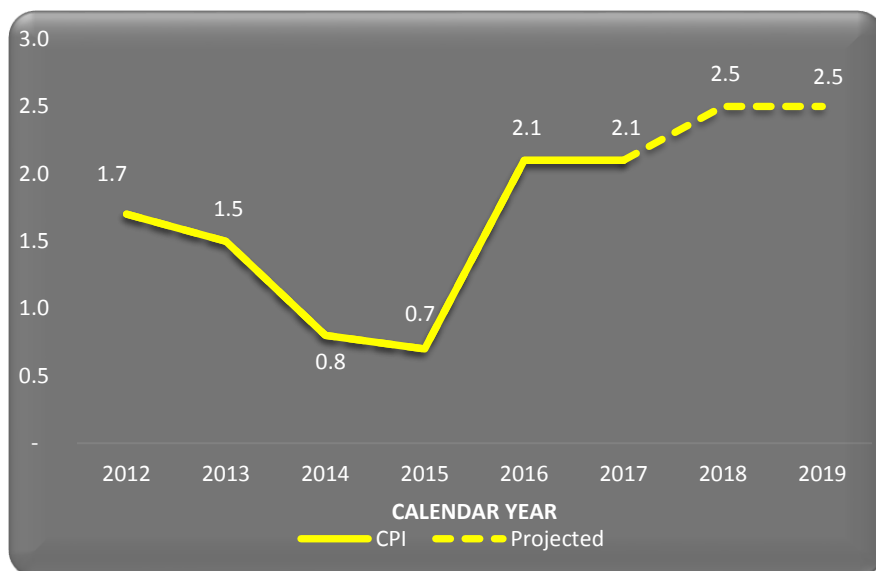




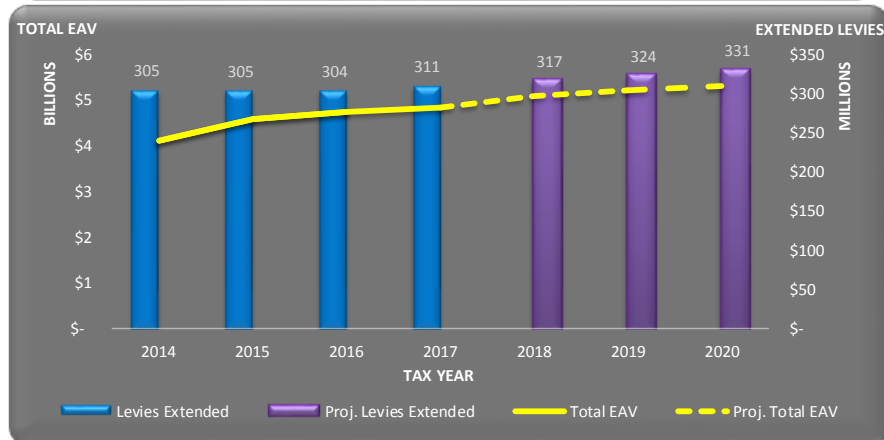
## KEY FACTORS AFFECTING DEVELOPMENT OF THE BUDGET

### KEY REVENUES

**Property taxes** are the District's largest revenue source and accounts for a large majority of the local revenue and over half of all revenue received by the District. Property tax revenue can grow at the rate of inflation plus revenue due to new construction and other properties coming onto the tax rolls (such as expiring Tax Increment Financing (TIF) districts). Inflation is measured by the consumer price index and is used by district management to assist in budgeting property tax revenue.



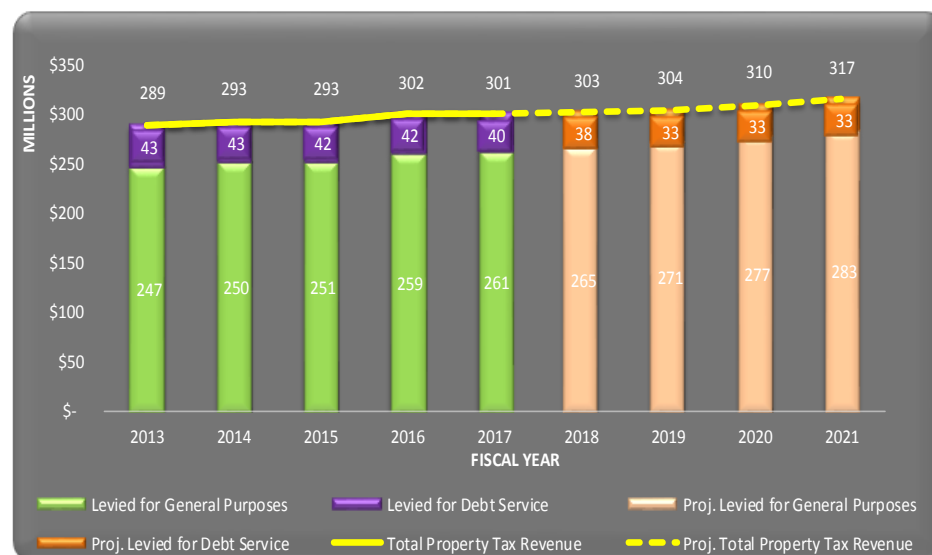
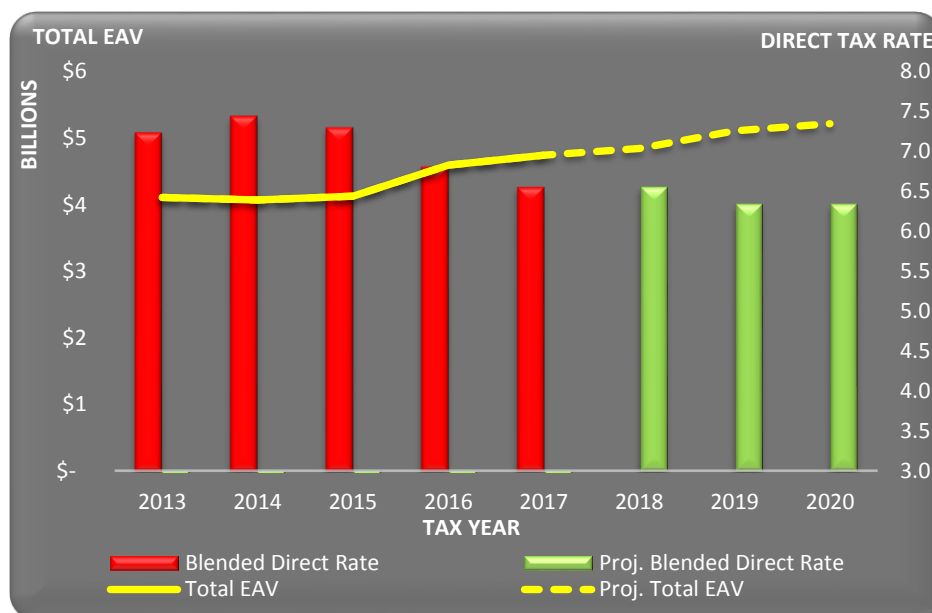
The economy is showing signs that growth and inflation is reverting to its historical mean. Although the CPI raised as much as 2.7 percent in February and dipped as low as 1.6 percent in June, the 2017 year ended right where it was in December of 2016 at 2.1. The declining trend in EAV has appeared to stop and is reversing as shown in the last three years. Management has planned for this upward trend to continue and projects EAV growth from two to five percent annually over the next five years. CPI is anticipated to show relative strength and continue at a rate above two percent and then track at a rate of around 2.5 percent into the next decade.



The direct tax rate has an inverse correlation to the EAV, meaning as the EAV grows the direct tax rate is reduced and vice versa. This can be seen on the graph displaying EAV and direct tax rates (on the following page). As you see the yellow line that tracks the EAV move up the red and green bars that track the direct tax rates move down. The direct tax rate does not affect the amount of taxes owed for any given property but rather is a result of two factors, 1) the property's EAV and 2) the property's share of taxes levied. A property's share of taxes levied is determined by taking the property's EAV into the aggregate EAV for the taxed area. There are various exemptions and other factors that may factor into this calculation but this is explained at a high level for the purpose of adding context to the graphs displayed.



## ORGANIZATIONAL SECTION



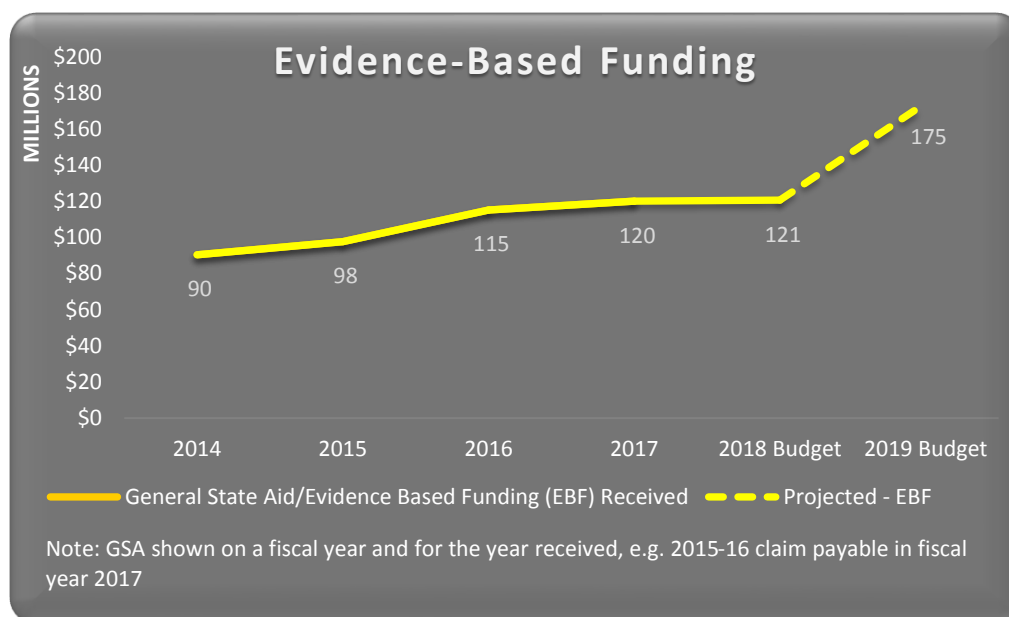
Property taxes are levied each year on the value of all taxable real property in the District on or before the last Tuesday in December. The 2017 tax levy was passed by the Board of Education on December 4, 2017, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and August 2018 in Cook County and in June and September 2018 in DuPage and Kane counties, and are collected by the County Collector, who in turn returns to the District its respective share. Typically the District receives the remittances from the County Treasurer within one month after collection.

The District has recognized as revenue 50 percent of the 2017 tax extension and 50

percent of the 2016 tax extension in fiscal year 2018 based on estimated collections, as this is the period for which the taxes have been levied (intended to finance). Property taxes are recorded net of estimated allowance for uncollectible accounts. The allowance for uncollectible accounts is based on collection history and is estimated at 1.3 percent of the total levy. The changes in the property tax revenue shown on the graph coincide with the levy extension changes after accounting for the smoothing of each levy over two fiscal years and applying the allowance factor.

The District has recorded a receivable for the uncollected portion of the 2017 taxes extended. The District has recorded a deferred inflow of resources net of any allowance, which approximates 50 percent of the 2017 tax extension which will be recognized as revenue in fiscal year 2019, the period for which those taxes were levied. Since each tax year's extended levies are recognized as revenue by the District over two fiscal years, recognized property tax revenue in a fiscal year may not reflect a tax levy for any given year. The graph above represents the past and projected property tax revenue by fiscal year.





**Evidence-Based Funding for Student Success Act (EBF)** became law on August 31, 2017 to be effective for the 2017-2018 school year. Five previous grant programs are combined into a single grant program and is now known as evidence-

based funding. EBF combines General State Aid and four state categorical programs: Special Education – Personnel, Special Education – Funding for Children Requiring Special Education Services, Special Education – Summer School and English Learner Education. The District will continue to utilize the EBF funding to support the Special Education and English Learner Education programs as in the past. EBF prioritizes distribution of funding to the students with the most need and the most poorly funded school districts ensuring equitable funding to help all students succeed. In April 2018, additional funding was approved and regular payments were released to the District providing approximately \$22 million additional EBF funding for FY18. The State has approved additional EBF funds for FY19, however the District has not received notification as of yet of the District FY19 EBF budget.

**Mandated Categorical Reimbursements (MCATs)** and the funds appropriated for it are earmarked and mandated by Illinois statute for a particular purpose or population and may be used for that purpose or population only. As of the end of FY18, the District is owed more than \$5.7 million in categorical payments from the State (compared to \$18 million at the end of FY17). The District is anticipating four categorical payments for FY19; the last categorical payment for FY18 and three payments for FY19. With four of our categorical payments being combined with EBF, the District is receiving state funding on a timely basis.

MCATs include programs such as Transportation, state Lunch and Breakfast, and Orphanage. In addition, when referring to state categorical programs, District management includes all state programs including Early Childhood Education, Career and Technical Education and Drivers Education. The Districts largest state funded programs that the District participates in are listed below as well as an overview of each program as provided by Illinois State Board of Education:

### Transportation

FY19 Budget Amount: \$16,355,841

#### Four Categories of Transportation:

1. Regular (105 ILCS 5/29) – Eligible students are those who reside 1.5 miles or more from the assigned attendance center or less than 1.5 miles with Illinois Department of Transportation (IDOT) serious safety hazard approval due to rail or vehicular traffic.

Before the state provides reimbursement for regular transportation costs the local share is determined and reduces the amount of state reimbursement. The District's Equalized Assessed Valuation (EAV) plays a role in determining the District's local



## ORGANIZATIONAL SECTION

share. As EAV rises the state reimbursement is reduced. The minimum claim is \$16 times the number of eligible pupils transported. The maximum reimbursement for transporting vocational pupils is 80 percent of allowable costs.

2. Vocational – Eligible students are those who are transported 1.5 miles or more one way from their assigned attendance center to a vocation program located at: an area vocational center; another school district; or a building or other trades skill development site.

Eighty percent of the vocational transportation expenditures are reimbursed by the state and the remaining 20 percent is considered local share and is covered by the District.

3. Special Education (105 ILCS 5/14-13.01(b)) – Eligible students are those with Individualized Education Programs (IEPs) that have special transportation as a related service. If a special needs student does not have transportation as a related service, they are transported on regular routes.

Eighty percent of the special education transportation expenditures are reimbursed by the state and the remaining 20 percent is considered local share and is covered by the District.

4. Non-reimbursable – Includes students transported for regular pre-kindergarten on exclusive routes, regular summer school and non-curriculum-related field trips such as transporting participants or spectators to and from athletic contests, academic contests, extra-curricular and/or co-curricular activities.

Expenditures are allocated across the categories of transportation provided based on the ratio of miles per category to total miles driven. School districts are required to submit claims to ISBE by August 15 each year for the costs of transporting students for the previous school year.

### Early Childhood – Block Grant

FY19 Budget Amount: \$4,255,204

This program reimburses districts and cooperatives to assist in establishing early childhood education programs. The Block Grant program includes: 1) preschool education primarily for at-risk and low-income children ages 3 years old to kindergarten enrollment age; and 2) prevention initiative for at-risk children from birth to age 3 and their families. "At risk" is defined as those children *who because of their home and community environment are subject to such language, cultural, economic and like disadvantages to cause them to have been determined as a result of screening procedures.*

### Special Education

Public Act 100-0465 (Evidence-based funding) comprehensively changed education funding distribution to local education agencies and included significant changes to special education programs. Specifically, the Special Education Summer School 105 ILCS 5/18-4.3, Special Education Personnel 105 ILCS 5/14-13.01 and Funding for Children Requiring Special Education Services 105 ILCS 5/14-7.02b programs were eliminated. The appropriations for these programs, populations and services were rolled into the new Evidence Based Funding program 105 ILCS 5/18-8.15. The remaining Special Education programs are:

#### Special Education – Private Facility Tuition

FY19 Budget Amount: \$2,812,850

This program provides reimbursement for a portion of the private facility tuition costs incurred by the District from the prior school year.



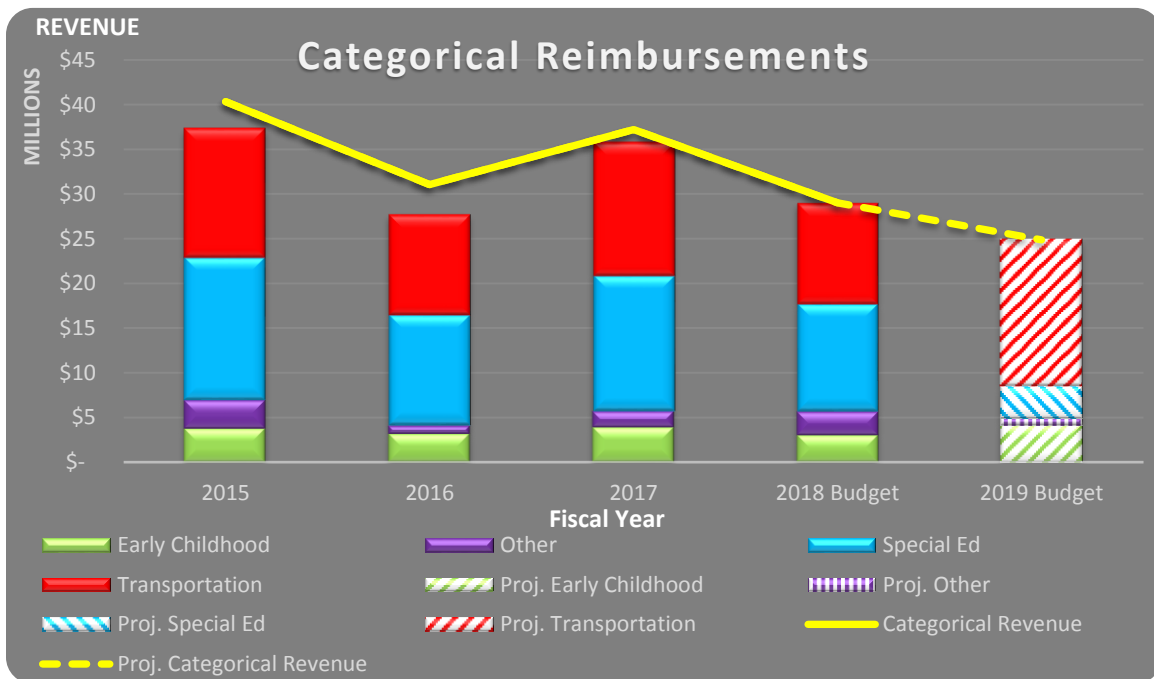
## ORGANIZATIONAL SECTION

### Special Education – Orphanage Tuition

FY19 Budget Amount: \$685,000

This program reimburses on a current year basis 100% of the tuition costs for eligible students with disabilities who are under the guardianship of a public agency or who reside in state residential facilities. This includes both regular term and summer term.

The following chart summaries the budgeted categorical revenue and recent history. Please note that the decrease in categorical payments is due to the special education reimbursements, identified on the previous page, that have been reallocated to the new evidence-based funding model. Those special education funds are now included with the semi-monthly payments received from the state in place of categorical reimbursements.





## ORGANIZATIONAL SECTION

### **Federal Assistance/Federal Aid**

<b>Fiscal Year</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018 Budget</b>	<b>2019 Budget</b>	<b>budget change %</b>
Breakfast & Lunch	\$ 12,381,664	\$ 11,812,557	\$ 11,438,959	\$ 11,797,293	\$ 11,000,000	\$ 11,600,000	5.5%
Title I, II, III	11,003,130	10,152,298	12,888,688	12,310,271	12,123,035	11,688,144	-3.6%
Other	1,629,989	1,206,570	2,421,023	1,776,656	2,422,170	2,072,888	-14.4%
Special Ed	7,818,755	8,369,019	9,145,012	7,600,145	8,449,788	7,995,243	-5.4%
Medicaid	1,579,103	3,055,759	2,214,079	2,653,665	1,850,000	2,350,000	27.0%
Early Childhood	-	-	1,799,802	2,189,955	2,395,800	2,395,800	0.0%
Federal Aid	34,412,640	34,596,202	39,907,564	38,327,984	38,240,793	38,102,075	-0.4%

Federal Assistance/Federal Aid is funding for any program, project, service, or activity provided by the federal government that directly assists domestic governments, organizations, or individuals in the areas of education, health, public safety, public welfare, and public works, among others. The District manages several programs that receive some type of federal assistance either directly or as a flow-through from a non-federal agency. Illinois State Board of Education is the flow-through agency that provides a majority of the District's federal funding. Additional expenditure and revenue data by federal program operated by the District can be found in the District's Schedule of Expenditures of Federal Awards (SEFA). The SEFA is included in the District's annual single audit report which can be found on the District's website, [http://www.u-46.org/pages/SDU46/Departments\\_Programs/Financial\\_Services/Audits](http://www.u-46.org/pages/SDU46/Departments_Programs/Financial_Services/Audits).

#### **National School Lunch and Breakfast Programs** FY19 Budget Amount: \$11,600,000

These federally assisted meal programs provide nutritionally balanced, low-cost or free breakfast and lunch to children each school day. At much smaller scale snacks are also provided through this program. The District receives cash subsidies indirectly from the U.S. Department of Agriculture (USDA) for operating these programs. These subsidies flow-through the Illinois State Board of Education to the District. In order to qualify for the cash subsidies the District must serve meals and snacks that meet Federal requirements, and they must offer free or reduced price meals to eligible children.

#### **Title I Program** FY19 Budget Amount: \$8,921,373

This program provides financial assistance through state educational agencies (SEAs) to local educational agencies (LEAs), in the District's case, the federal funding flows through the Illinois State Board of Education. Title I is designed to help students served by the program to achieve proficiency on challenging state academic achievement standards. Title I schools with percentages of low-income students of at least 40 percent may use Title I funds, along with other federal, state, and local funds, to operate a school-wide program to upgrade the instructional program for the whole school. If a school does not operate a school-wide program the school must focus Title I services on children who are failing, or most at risk of failing, to meet state academic standards. This federal program is operated by the U.S. Department of Education.

#### **Special Education IDEA Program** FY19 Budget Amount: \$7,995,243

The Individuals with Disabilities Act (IDEA) is a law that makes available a free appropriate public education to eligible children with disabilities throughout the nation and ensures special education and related services to those children. The act governs how state and public agencies provide early intervention, special education, and related services to eligible infants, toddlers, children, and youth with disabilities. As a result of this act multiple funding programs have been available. The District receives IDEA funding and accounts for the funding on two separate lines shown in the budget, Fed – Sp Ed – Pre-school and



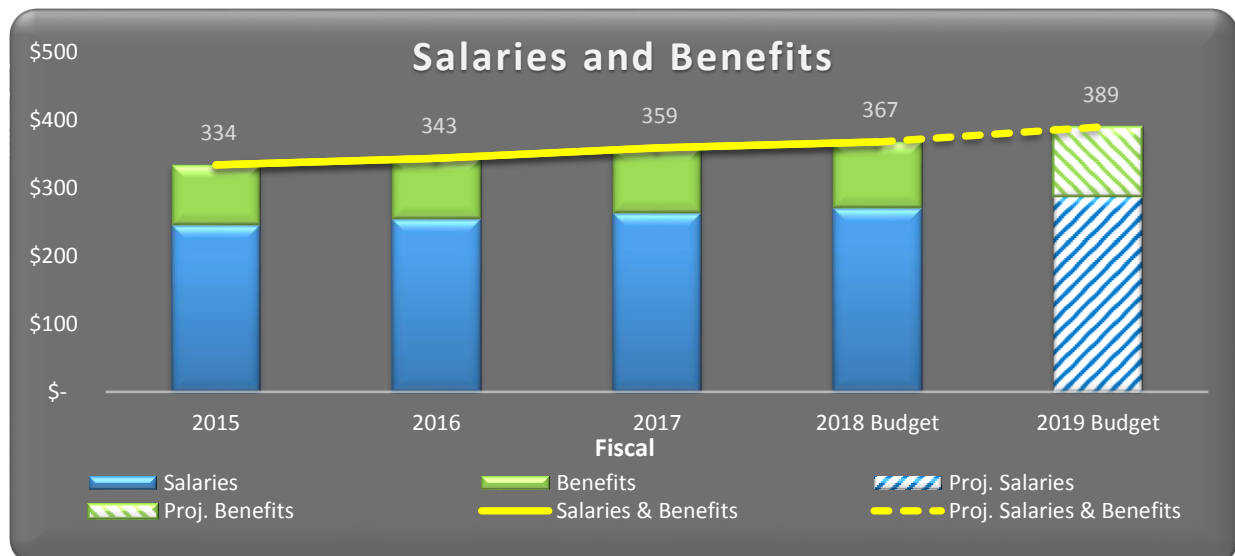
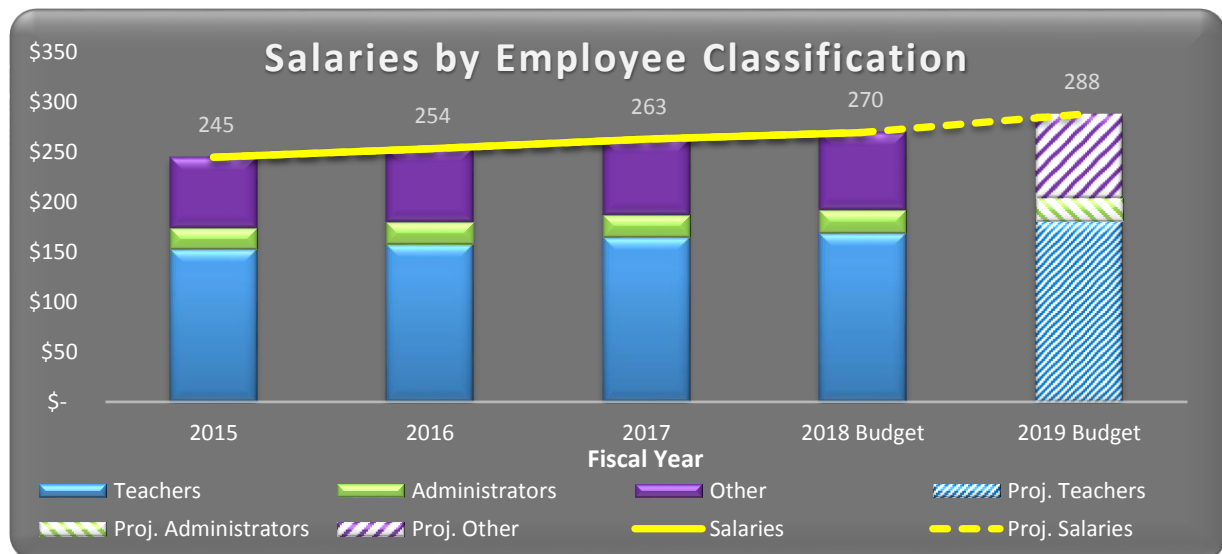
## ORGANIZATIONAL SECTION

Fed – Sp Ed – IDEA Flow Through. This federal program is operated by the U.S. Department of Education.

### KEY EXPENDITURES

#### Employee Salaries and Benefits

For fiscal year 2019, District management has planned to add an additional 54 FTE's to include middle school counselors, assistant principals in larger elementary schools, administrative support positions at two large middle schools, AIM specialists, Coordinator of Student Discipline, instructional coaches, and additional behavior specialists. Salaries will increase based on contractual agreements. Medical Insurance is expected to increase five percent. The following two charts show salary and benefit information for the past three fiscal years and the fiscal 2018 and 2019 budgeted figures. Several factors may impact salary and benefit projections in any given year, these include annual raises, increases and decreases in employee count, and the seniority status of the employees compared to the prior year.

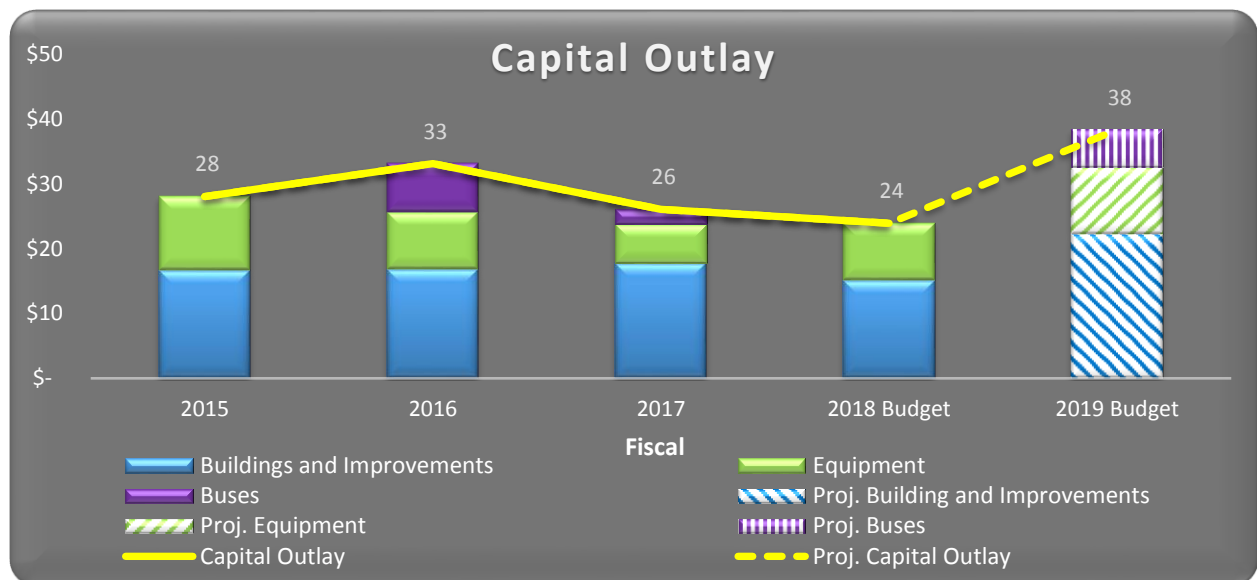




## ORGANIZATIONAL SECTION

### Capital Outlay

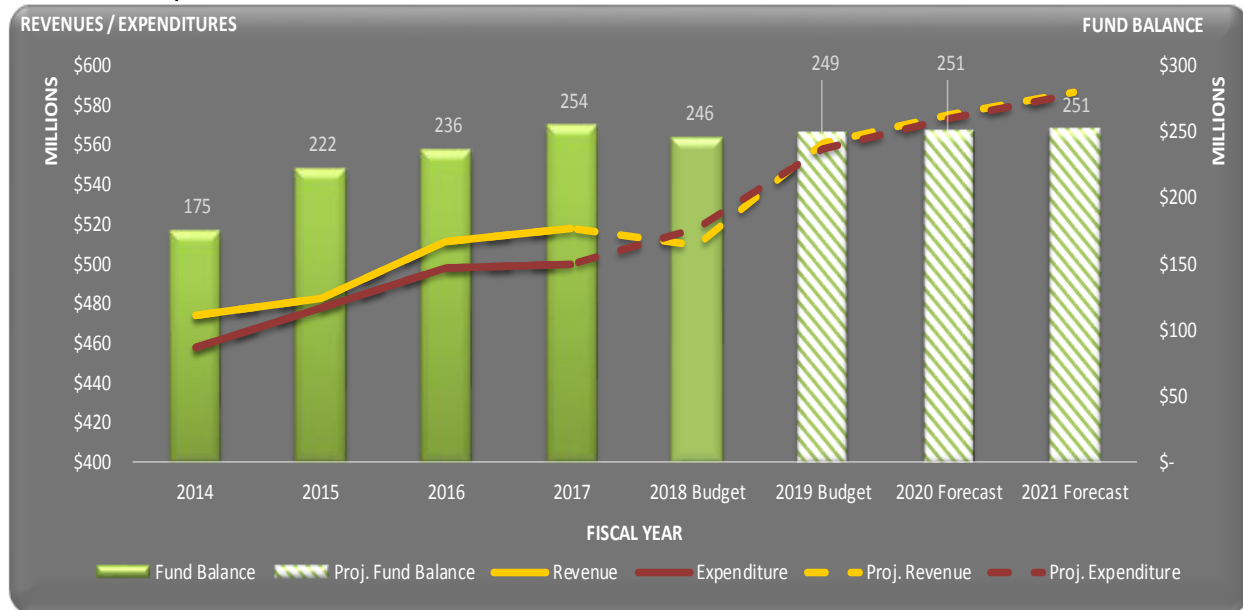
The majority of the District's capital outlay is spent on buildings and non-building improvements. These construction projects usually span several months at a time and are typically targeted for the summer months while the schools are staffed to a minimum. Due to the nature of these construction projects and the timing of the fiscal year end, June 30, many of these capital projects are internally planned by calendar year rather than fiscal year. District management assesses the projects and their planned timing and then splits them among the appropriate fiscal year budgets. The Capital Projects Summary table included in the Financial Section under All Funds shows the upcoming planned projects and costs included in the current budget. The District typically has more projects than can be funded so management prioritizes the projects throughout the year to stay within budget. The District has budgeted to replace seventy-four (74) large and small buses during the upcoming fiscal year totaling approximately \$5.7 million.





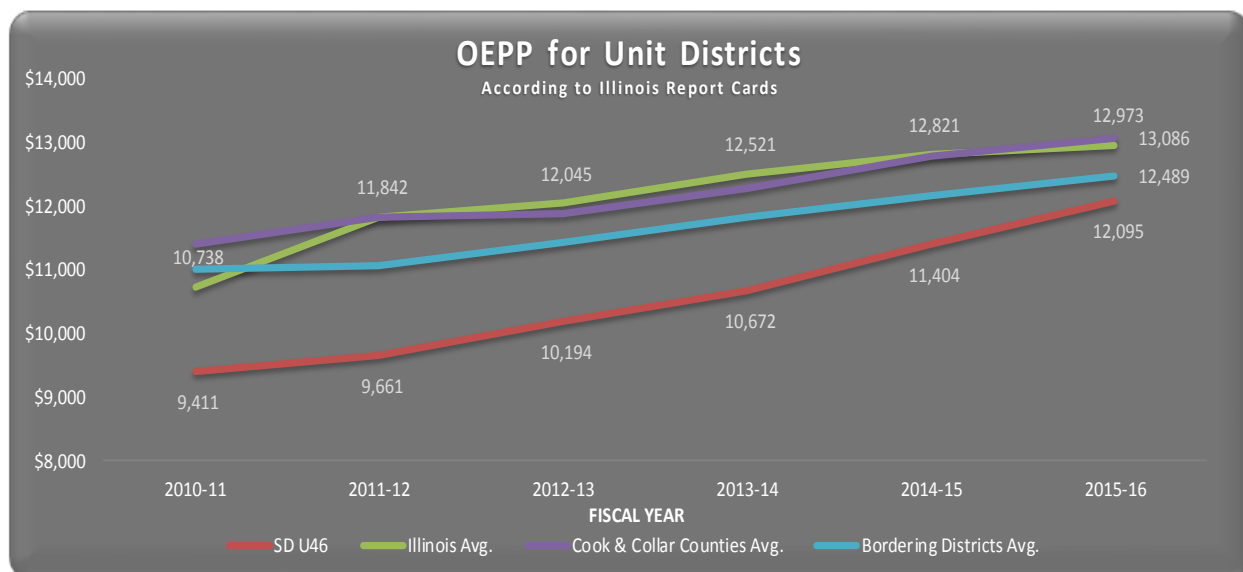
## COMPARATIVE DATA

### Revenue, Expenditures & Fund Balances (Excludes state "On-Behalf" payments)



### Operating Expenditures Per Pupil (OEPP)

OEPP is a benchmark used by the Illinois State Board of Education to compare expenditures amongst districts. It is the gross operating cost of a school district (except for summer school, adult education, bond principal retired, and capital expenditures) divided by the nine-month Average Daily Attendance (ADA) for the regular school term. As shown below, the District is 3.2% (\$394) within the OEPP of our bordering districts and 6.5% (\$878) of the Illinois average. The comparison with our bordering districts shows more of a genuine assessment using the typical gross operating expenditures in our region of the state compared to downstate regions.



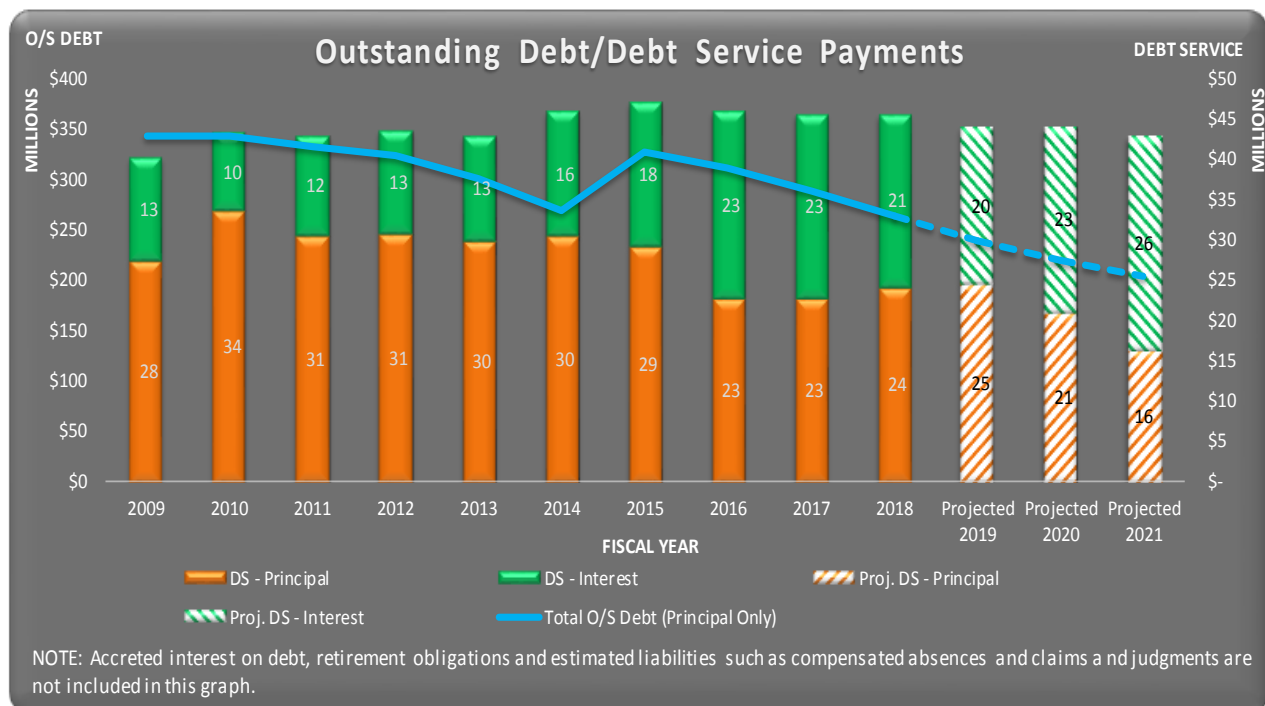


### Debt Management

The majority of debt issued by U-46 is intended to fund capital projects, maintaining and renovating buildings, purchasing of new buses and the like. District management assesses the District's future needs, projects revenues and expenditures and recommends the issuance of debt only when it is believed to be in the District's overall best interest.

In the early 2000's when the District's population was rapidly growing U-46 issued multiple Capital Appreciation Bond series (CABs) to fund the construction of eight new schools, six elementary, one middle and one high school. These bond issuances totaled \$178.5 million and 75 percent of the principal balance was not scheduled to be paid until 2015 and after. In addition to the principal coming due, interest on capital appreciation bonds is not paid each year but rather accumulates and is paid in large sums closer to maturity; this interest liability is called accreted interest. With the debt service costs for these bonds escalating, the District issued refunding bonds in 2015 in order to smooth these debt service payments over the next six to seven years. The resulting consistent debt service payments going forward will allow for more manageable planning and budgeting.

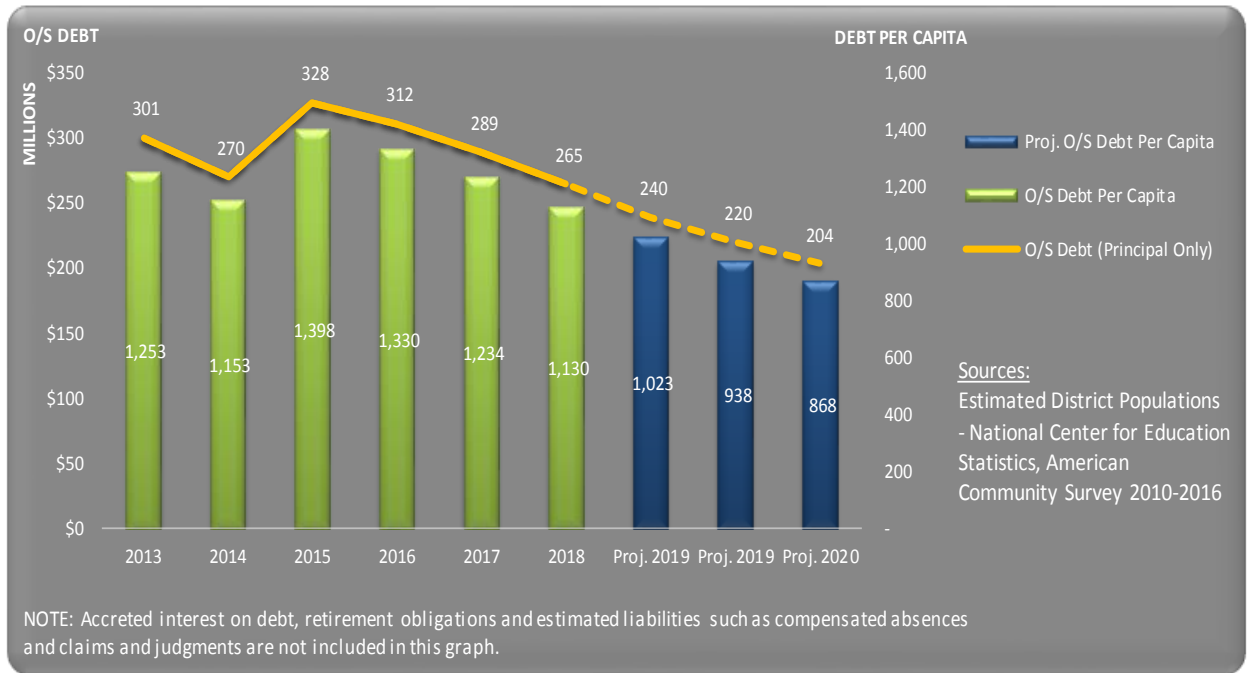
Currently, with no plans for new building construction, District management anticipates the outstanding debt to decline over the next few years. The blue line on the chart below shows the past ten years of the District's outstanding debt balance and an additional three years of projected outstanding debt. The bars represent the principal and interest portions of the debt service payments each year.



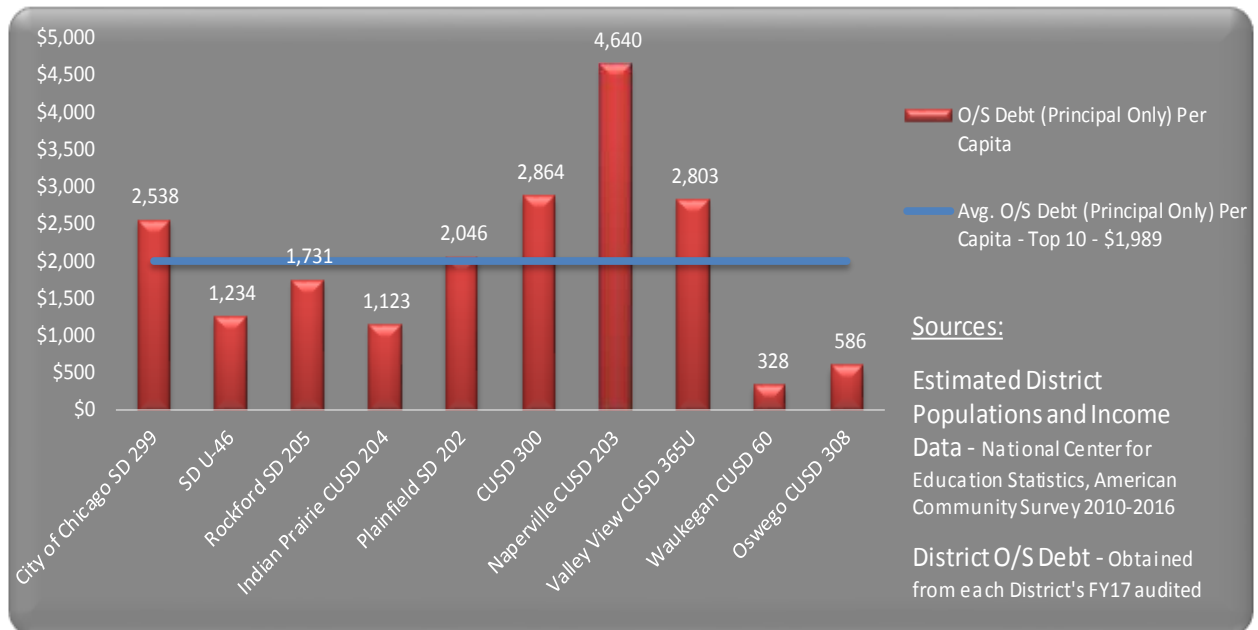
District management also assesses debt levels and their relevance to the population including the population's income. Another important factor when assessing the District's debt load is where U-46 falls among its peers. The next three charts below show the District's outstanding debt, the history of outstanding debt per capita, how the District's debt per capita compares to its peers, and how the District's percentage of debt to income per capita compares to its peers.



## Debt Per Capita – District

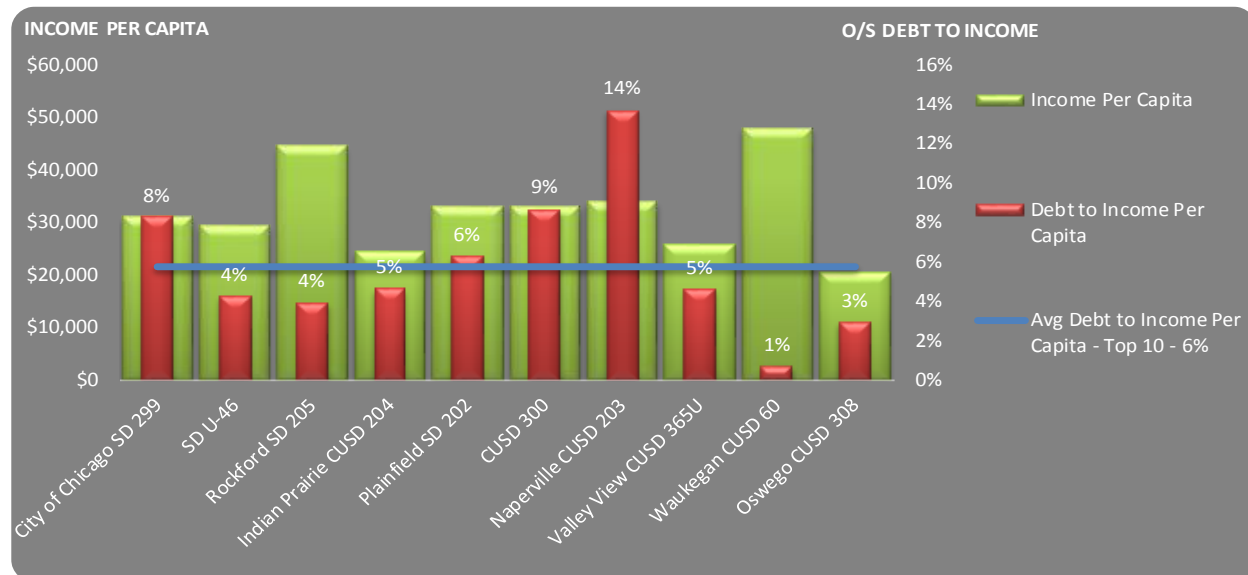


## Debt Per Capita – Ten Largest School Districts in Illinois by Nine-Month ADA (FY2017)



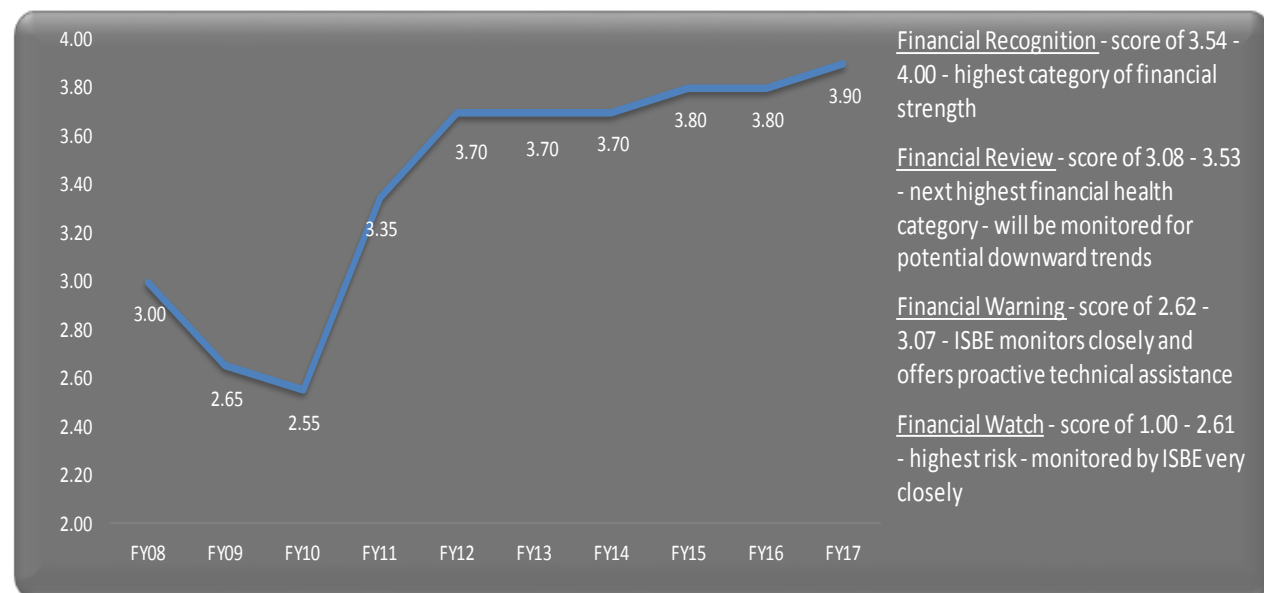


### Debt to Income Per Capita – Ten Largest School Districts in Illinois



### District Financial Score

In March 2018 (based on FY17 Annual Financial Report), the District received Financial Recognition status with an Illinois State Board Financial Profile score of 3.90. The District has received the Recognition status each year since fiscal year 2012 and anticipates maintaining the highest status. This financial strength benchmark measures five indicators, 1) fund balance to revenue ratio; 2) expenditure to revenue ratio; 3) days cash on hand; 4) percent of short-term borrowing maximum remaining and 5) percent of long-term debt margin remaining. According to the Illinois State Board of Education (ISBE) of the 852 Illinois districts reporting to ISBE for fiscal year 2017, 640 or 75 percent of districts received the “Recognition” status; 147 or 17 percent received “Review” status; 43 or 5 percent received “Early Warning” status and; 22 or 3 percent received “Watch” status. The following is a graph of the District’s financial status score over the past 10 years:





### BUDGET MANAGEMENT

The budget serves many purposes. It presents the best forecasts of future revenues and expenditures possible with the information available at that time and is subject to change with the passage of time. It is a tool used for decision-making and a gauge in which actual performance is measured against. The budget is not a commitment to spend but rather a spending plan. The budget must be flexible throughout the year to accommodate unforeseen events whether that is loss of revenue sources, new revenue sources, actual expenditures greater than estimated or any other increase or decrease in the District's activity.

#### **BUDGET POLICIES**

##### Fiscal Management Goals – Policy 4.001

The Board of Education recognizes that money and money management comprise the financial support of the whole school program. To make that support as effective as possible it is the Board's policy:

1. To require advanced planning through the best possible budget procedures
2. To explore all practical and legal sources of dollar income
3. To guide the expenditure of funds so as to achieve the greatest educational returns
4. To require accuracy and maximum efficiency in accounting and reporting procedures
5. To maintain a balanced budget and/or positive fund balances

As trustee of community, state, and federal funds allocated for use in local education, the Board of Education has the responsibility to protect the funds and use them wisely.

The Board of Education recognizes the factor of accountability in planning and budgeting expenditures of public funds.

The District considers the budget to be balanced if there is no budget deficit, however a budget surplus may exist and the budget would still be considered balanced.

##### Annual Budget – Policy Code 4.003

The Board of Education shall delegate to the Superintendent or designee, by resolution, the responsibility for preparation of the annual budget.

The format of the budget will be in keeping with the rules and regulations of the State Board of Education and the Illinois School Code.

The fiscal year will be set in accordance with the policies and recommendations of the State Board of Education and are presently maintained from July 1 through the following June 30.

The Superintendent or designee will set such preparation schedules that are deemed necessary to complete the budgetary process as prescribed by local policy and provisions of the Illinois School Code.

The Superintendent or designee, cognizant of his or her overall responsibility, may delegate the preparation of the budget, or any portion thereof, as he or she deems expedient to the most efficient utilization of his or her administrative staff.



## ORGANIZATIONAL SECTION

### Budget Adoption Procedures – Policy Code 4.004

The Board of Education will adopt the annual budget, subsequent to a public hearing and prior to filing the annual tax levy. Said adoption will be by roll call vote and incorporated into the official minutes of the Board of Education meeting.

The Board of Education recognizes the right of the public to be informed about the budgeting of public tax monies and therefore will make the budget available for public examination at least thirty days prior to the final adoption as set forth in the Illinois School Code.

The Board of Education will hold at least one public hearing on the proposed budget prior to the day of final adoption, so stating the place, date and hour in a newspaper with general circulation within the School District at least thirty days prior to the date of the hearing.

The Superintendent or designee shall: (1) post the District's final annual budget, itemized by receipts and expenditures, on the District's official website, and (2) notify parents/guardians of the budget's posting and provide the website's address.

### Budget Implementation – Policy Code 4.016

The District budget serves as the guide and control expenditures and is the spending plan for the ensuing year.

The Superintendent or designee is authorized to make commitments and expenditures in accordance with Board policies, budget and administrative plans approved by the Board, as permitted by law.

The Board of Education will be provided year-to-date budget figures for all funds displaying revenues and expenditures on a monthly basis.

### Budget Transfer Authority – Policy Code 4.020

The Board of Education may make transfers between the various items in the budget of any fund in amounts not exceeding in the aggregate ten percent of the total budget of that fund. The Board of Education may amend the budget by the same procedures that adhere to the original adoption when transfers exceed the ten percent limitations.

The Board of Education may authorize the treasurer to make interfund loans, interfund transfers and transfer within funds from the Operations and Maintenance Fund, Educational Fund, Transportation Fund and/or Working Cash Fund in accordance with the Illinois School Code.



### **STATE BUDGET STATUTE**

#### Section 105 Illinois Compiled Statutes 5/17-1

(105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

Sec. 17-1. Annual budget. The board of education of each school district under 500,000 inhabitants shall, within or before the first quarter of each fiscal year, adopt and file with the State Board of Education an annual balanced budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object or purpose.

The budget shall be entered upon a School District Budget form prepared and provided by the State Board of Education and therein shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in this Section shall be construed as requiring any district to change or preventing any district from changing from a cash basis of financing to a surplus or deficit basis of financing; or as requiring any district to change or preventing any district from changing its system of accounting. The budget shall conform to the requirements adopted by the State Board of Education pursuant to Section 2-3.28 of this Code.

To the extent that a school district's budget is not balanced, the district shall also adopt and file with the State Board of Education a deficit reduction plan to balance the district's budget within 3 years. The deficit reduction plan must be filed at the same time as the budget, but the State Superintendent of Education may extend this deadline if the situation warrants.

If, as the result of an audit performed in compliance with Section 3-7 of this Code, the resulting Annual Financial Report required to be submitted pursuant to Section 3-15.1 of this Code reflects a deficit as defined for purposes of the preceding paragraph, then the district shall, within 30 days after acceptance of such audit report, submit a deficit reduction plan.

The board of education of each district shall fix a fiscal year therefor. If the beginning of the fiscal year of a district is subsequent to the time that the tax levy due to be made in such fiscal year shall be made, then such annual budget shall be adopted prior to the time such tax levy shall be made. The failure by a board of education of any district to adopt an annual budget, or to comply in any respect with the provisions of this Section, shall not affect the validity of any tax levy of the district otherwise in conformity with the law. With respect to taxes levied either before, on, or after the effective date of this amendatory Act of the 91st General Assembly, (i) a tax levy is made for the fiscal year in which the levy is due to be made regardless of which fiscal year the proceeds of the levy are expended or are intended to be expended, and (ii) except as otherwise provided by law, a board of education's adoption of an annual budget in conformity with this Section is not a prerequisite to the adoption of a valid tax levy and is not a limit on the amount of the levy.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently available to public inspection for at least 30 days prior to final action thereon. At least 1 public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days



## ORGANIZATIONAL SECTION

prior to the time of such hearing. If there is no newspaper published in such district, notice of such public hearing shall be given by posting notices thereof in 5 of the most public places in such district. It shall be the duty of the secretary of such board to make such tentative budget available to public inspection, and to arrange for such public hearing. The board may from time to time make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. The board may from time to time amend such budget by the same procedure as is herein provided for its original adoption.

Beginning July 1, 1976, the board of education, or regional superintendent, or governing board responsible for the administration of a joint agreement shall, by September 1 of each fiscal year thereafter, adopt an annual budget for the joint agreement in the same manner and subject to the same requirements as are provided in this Section.

The State Board of Education shall exercise powers and duties relating to budgets as provided in Section 2-3.27 of this Code and shall require school districts to submit their annual budgets, deficit reduction plans, and other financial information, including revenue and expenditure reports and borrowing and interfund transfer plans, in such form and within the timelines designated by the State Board of Education.

By fiscal year 1982 all school districts shall use the Program Budget Accounting System.

In the case of a school district receiving emergency State financial assistance under Article 1B, the school board shall also be subject to the requirements established under Article 1B with respect to the annual budget.

(Source: P.A. 100-465, eff. 8-31-17.)

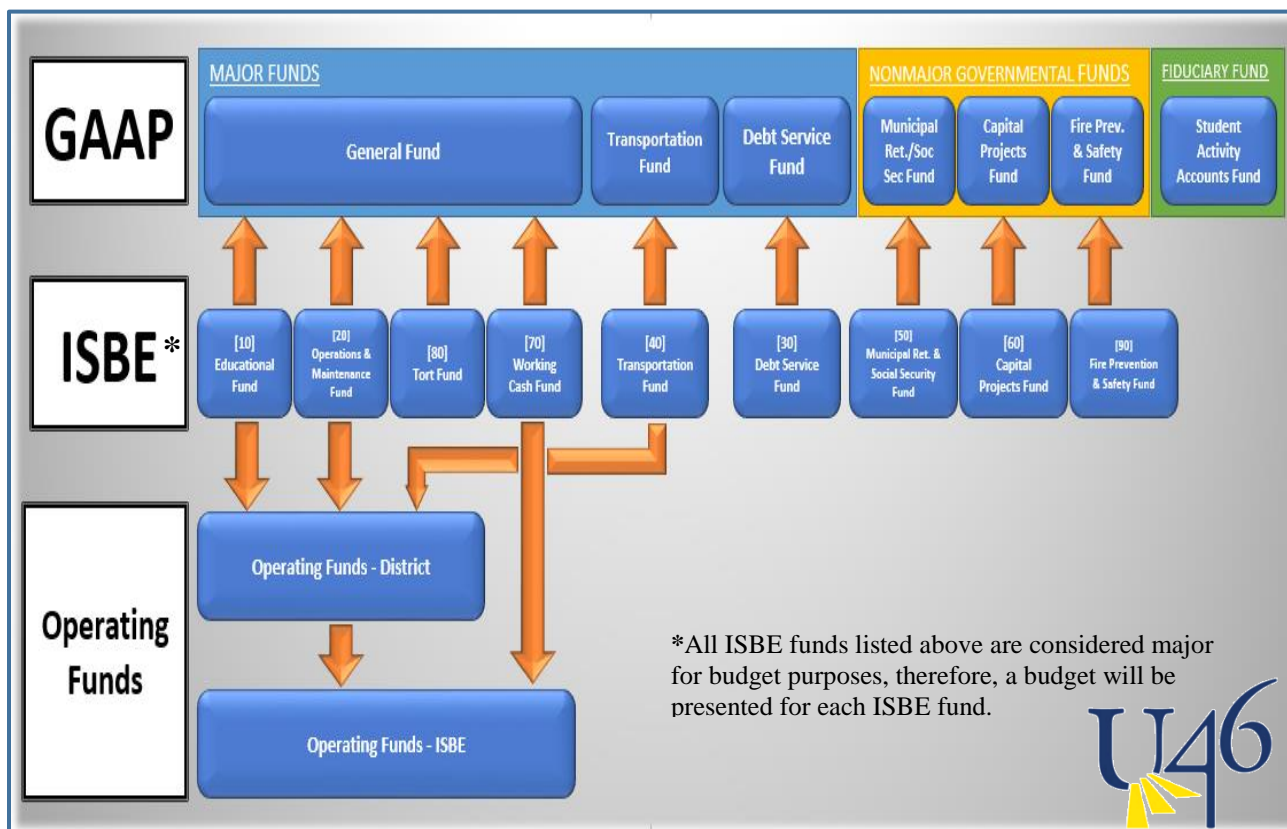
### **FUND STRUCTURE**

The accounts of the District are organized and operated within funds. Each fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances (fund balance), and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The District maintains nine individual funds required by the Illinois State Board of Education (ISBE). To maintain consistency between the budgeted funds shown below and the budget form submitted to ISBE the District considers the nine funds listed below to be major and will present them in this document accordingly. These funds differ from the District's funds reported in the audited financial statements under GAAP which is discussed in further detail on the following page. In addition to the nine required funds the District maintains, in a fiduciary manner, an Agency Fund to account for the student activity accounts. District resources are allocated and accounted for in individual funds based upon the purpose for which they are to be spent and means by which spending activities are controlled. Annual budgets are adopted for all District funds except the Agency Fund. The budgeted funds are shown on the graphic below in the ISBE row. The graphic also shows how each ISBE designated fund rolls into GAAP and Operating Funds groups.



## ORGANIZATIONAL SECTION



Budgets for the previously mentioned funds will be created and submitted to ISBE once approved by the Board of Education in the prescribed format required by ISBE.

The fund structure outlined for reporting to ISBE differs from fund reporting required by accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. Although the District does not account for financial transactions differently, the funds required by ISBE are grouped and reported in a different manner. The District's fund structure under GAAP groups certain regulatory funds into different types of funds. Under GAAP the District reports six funds, all of which are classified as governmental funds. This relationship is displayed on the graphic preceding this paragraph.

Governmental funds are generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. The District utilizes all of these fund types except for permanent funds. The reporting funds presented by the District under GAAP are shown on the following pages by governmental fund type:



## ORGANIZATIONAL SECTION

### General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It is consistent with the General Fund reported on the District's audited financial statements, however, this fund as a whole is not reported in any ISBE required submission but rather the individual funds that make up the General Fund are reported separately.

The District's General Fund consists of the following ISBE classified (regulatory) funds:

- *Educational Fund* – Direct costs of instruction and administration, including the District's food service operations are recorded in this fund. Each transaction not accommodated by another specific fund shall be processed through this fund.
- *Operations and Maintenance Fund* – All costs of maintaining, improving or repairing school buildings and property are reported in this fund. This fund is required if a tax is levied for purposes of operations and maintenance.
- *Working Cash Fund* – The fund is used by the District to account for financial resources held by the District to be used for temporary interfund loans to other District funds. This fund is required if a tax is levied or bonds are issued for working cash purposes.
- *Tort Immunity Fund* – The District's risk financing activities are reported in this fund. This fund is required if taxes are levied or bonds are sold for tort immunity or tort judgment purposes.

### Special Revenue Funds

The Special Revenue Fund type is used to account for the proceeds of specific revenue sources (other than those accounted for in Debt Service, Capital Projects or Fiduciary Funds) that are legally restricted to expenditures for specified purposes. The District maintains two special revenue funds as follows:

- *Transportation Fund* – This fund accounts for all revenues and costs relating to the transportation of pupils.
- *Municipal Retirement/Social Security Fund* – The District's share of retirement benefit and social security costs for employees are recorded in this fund.

### Debt Service Fund

The Debt Service Fund, formerly the Bond and Interest Fund, accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

### Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are to be used for expenditure of capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's two capital projects funds are as follows:

- *Capital Projects Fund, formerly the Site and Construction Fund* – This fund accounts for financial resources to be used for the acquisition, construction or renovation of major capital facilities.
- *Fire Prevention and Safety Fund* – This fund is used to account for the altering, reconstructing and repairing of the existing school buildings of the District.



## ORGANIZATIONAL SECTION

Aside from governmental funds the District also maintains a fiduciary fund. Fiduciary funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support the District's own programs. Fiduciary funds can be classified into four types: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. The District maintains one fiduciary fund which is classified as an Agency Fund, however, since these funds cannot contribute to District programs this fund is not included in the budget plan of the District.

- **Student Activity Accounts** – This agency fund consists of resources held by the District as a trustee. The District's many student activity accounts are classified as agency funds. These funds are custodial in nature and do not involve measurement of results of operations. Assets are equal to the amounts due to the student groups.

Within the governmental fund types, the District's fund balances are reported in one of the following classifications as required by GAAP:

- ***Nonspendable*** – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact. For the District this classification typically includes inventories and prepaid expenditures.
- ***Restricted*** – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- ***Committed*** – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority. The highest level of decision-making authority rests with the District's Board of Education. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same action it employed to previously commit those amounts. The District passes formal resolutions to commit their fund balances.
- ***Assigned*** – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's Board of Education itself; or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.
- ***Unassigned*** – includes the residual fund balances that have not been restricted, committed, or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned fund balances) are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.



## ORGANIZATIONAL SECTION

The General Fund includes the Working Cash stabilization account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the educational account, of the General Fund, or abate the fund to any fund of the District most in need.

### District Operating Funds

For additional analysis and comparative purposes the District considers its operating funds to include three funds which differ from the funds used by ISBE to calculate operational metrics and benchmarks, e.g. operational expenditures per pupil (OEPP). The District's three operating funds are as follows:

- Educational Fund [10]
- Operations & Maintenance Fund [20]
- Transportation Fund [40]

The District seeks to maintain year-end fund balances no less than the range of 15 to 20 percent of the annual expenditures to operating funds.

### **SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting which is the same as the District's audited financial statements. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. The District uses sixty days in order to capture reimbursement payments released by the State of Illinois during the month of August. The District also considers property taxes to be available if they are collected within sixty (60) days of the end of the fiscal period and intended to finance the current period.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, termination benefits, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.



## ORGANIZATIONAL SECTION

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. Due to the District's year end and the nature of property tax collections the District has determined each year's levy is intended to finance two consecutive fiscal years. In any given fiscal year the District recognizes as revenue 50 percent of the current tax year levy and 50 percent of the prior tax year levy net of any allowance for uncollectible accounts, e.g. the current tax year levy (2017) for calendar year 2018. The current 2017 tax levy is effective for the District's fiscal year 2018 and 2019, therefore, in fiscal year 2019 the District will recognize 50 percent of the 2017 and 2018 tax year levies, net of any allowance.

Revenue from replacement taxes is recognized when collected by the state, prior to disbursement to the District.

Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

### **CLASSIFICATION OF REVENUES**

The revenues of the District are classified by fund and source. Revenues are grouped into three categories: Local Sources, State Sources and Federal Sources. Below are the revenues included in the budget by source:

#### **LOCAL SOURCES: REV SRC CODE 100000**

Property Taxes	Hanover Township Grant
Mobile Home Privilege Tax	Wisdom Foundation
Corporate Personal Property Replacement Tax	Midwest Dairy Association Grant
Payments in Lieu of Taxes	Midwest Dairy Association Grant
School Tuition	Breakfast in the Classroom
Trans Fees/Pupils/Parents	U46 Educational Foundation
Fees-Bus Trips-Co-curricular	Paid Summer Intervention
Transportation other revenue	Stupski Foundation
Interest on Investments	YMCA Parents as Teachers
Food Sales to Students-Lunch	Kane County Health Department
Pupil Activities	Workforce Development
Receivable Fees	Woodland Heights Hanover Township
Instructional Materials-Student Program	SHS Smaller Learning Communities
Other Local Revenue	National Science Foundation
McKinley Digital Divide	Grand Victoria Foundation
Education-to-Career Mini-Grant	Riverside Pub Bilingual PEL
Strata Systems Grant	Concert Revenue
Kane County Recycling Bin	NPBTS State Farm
Illinois Professional Learning	KCT Education grant TMP
School Partners in City Grant	21st Century Community Learning
UIC Mini Grant	NIA Flow Thru
Project Lead the Way	Miscellaneous Other Funding Sources
Mototola National Alliance Partnership	



## ORGANIZATIONAL SECTION

### STATE SOURCES: REV SRC CODE 300000

#### Evidence-Based Funding

Evidence-Based Funding

#### Categoricals and Grants

Special Education-Private Facility  
Special Education-Orphanage Individual  
Special Education-Orphanage Summer  
Special Education-R.E.I. Program (Reim)  
Vocational Education Coordination Grant  
Voc. Education Program Improvement Grant  
Voc. Education-Work Based Learning Grant  
Elem Career Develop Program  
Gifted Education  
State Free Lunch and Breakfast  
School Breakfast Incentive  
Driver Education  
Illinois Dept of Public Health  
Summer Bridges Revenue  
Family Literacy  
Orphanage Tuition-18-3  
Kane County Health Department  
Advanced Placement Classes  
Arts and Foreign Language Planning  
Teacher Induction Mentoring  
Transportation-Regular  
Transportation-Special Education

#### Categoricals and Grants (Continued)

Adult Education State Performance  
Adult Education State Basic  
Adult Education Public Assistance  
National Board Certification I  
National Board Certification I  
Truants Alternative/Optional Education  
State Schools Grant (ROE)  
Safe Enrichment Grant (ROE)  
Early Childhood-Pre K  
Early Childhood-Project Prepares  
Early Childhood-P A T  
Early Childhood-Reading First  
Early Childhood-Preschool At  
Early Childhood-Block Grant  
Early Childhood-Preschool For All Children  
Early Childhood-Prevention Initiative  
Reading Improvement Program  
Reading Improvement Block-Reading  
In-Aid State ROE Certificates  
ADA Safety and Educational Block  
Back to Books Grant  
State Library Grant  
Mental Health  
Illinois EPA Grant  
Energy and Recycling Grant  
School Maintenance Grant  
Other Revenue From State Sources



## ORGANIZATIONAL SECTION

### FEDERAL SOURCES: REV SRC CODE 400000

#### Federal Aid and Grants

Title V-Innovative  
Breakfast Start Up  
National School Lunch Program  
School Breakfast Program  
Fresh Fruit and Vegetable Program  
Child Nutrition Commodity/Salvage  
Title I-Low Income  
Title I-Low Income-Neglect  
Title I-School Improvement  
Title I Comprehensive School Reform-Ellis  
C S R Demonstr Prog-Larsen  
C S R Demonstr Prog-Streamwood  
C S R Demonstr Prog-Parkwood  
C S R Demonstr Prog-Channing  
C S R Demonstr Prog-EHS  
C S R Demonstr Prog-Sheridan  
Title I-Accountability  
Title I-Reading First  
Even Start  
Illinois Teachers Educ Partnership  
Title IV-Safe and Drug Free Schools  
21st Century Comm Learning  
Fed-Sp Ed-Pre-School Flow  
Fed-Sp Ed-IDEA Flow Through  
Room and Board PL 94-192 Spec Ed  
Early Childhood Reading First  
Voc Ed Perkins Title Iic  
Education to Careers  
Fed Adult Ed Basic  
Adult Ed State Performance  
Adv Placement Fees Incentive  
ARRA-Title I-Part A  
ARRA-Title I-Low Income  
ARRA - Rising Star

#### Federal Aid and Grants (Continued)

ARRA-IDEA Preschool  
ARRA-IDEA Flow Through  
ARRA-McKinley-Vento Homeless Grant  
ARRA-Early Childhood Block Grant  
ARRA-Preschool For All Children  
ARRA-EC Prevention Initiative  
ARRA - MIECHVP  
ARRA - Drop in Preschool  
ARRA-Education Jobs  
Emergency Immigrant Assistance  
Title III Lang Inst Prog Lim English  
Learn and Serve America  
McKinney Education for the Homeless  
Title II-Teacher Quality  
MIHOPE  
Dept of Rehab Services  
Technology-Enhancing Education  
Early Childhood Expansion Grant  
Teaching American History  
CiviConnections  
COPS Grant  
Hurricane Emergency Relief Act  
Medicaid Fee for Service  
Administrative Outreach  
REMS Grant  
Larkin Project SERV  
Teacher Mentoring  
FIE Learning Std and C&TE  
Safe Routes to Schools  
All Day Kindergarten  
National Board Resource Ctr  
Streamwood CTEI  
Emerg Mgmt - FEMA



## ORGANIZATIONAL SECTION

### **CLASSIFICATION OF EXPENDITURES**

The expenditures of the District are classified by fund, object and function as required by the State of Illinois. The fund classification was explained previously in the Fund Structure section. The following describes the remaining classifications:

#### Function

The function is the action or purpose for which a person or thing is used or exists. The function number includes the activities or actions which are performed to accomplish the objectives of the school district. There are eight broad function categories as outlined below:

<u>Code</u>	<u>Description</u>
1000	Instruction
2000	Support Services
3000	Community Services
4000	Payment to Other Districts and Governmental Units
5000	Debt Service
7000	Sources of Funds
8000	Uses of Funds
9000	Other Economic Resources

#### Object

The object is the service or commodity obtained as the result of a specific expenditure. The object codes are also utilized to desegregate between different categories of expenditures. There are eight object categories outlined below:

<u>Code</u>	<u>Description</u>
5100	Salaries
5200	Employee Benefits
5300	Purchased Services
5400	Supplies and Materials
5500	Capital Outlay
5600	Other
5700	Non-Capitalized Equipment
5800	Termination Benefits

### **BUDGET ADMINISTRATION AND MANAGEMENT PROCESS**

Annual budgets are adopted for all governmental fund types and are adopted on the modified accrual basis of accounting at the fund level which is a basis consistent with GAAP. The District maintains a system to measure the uncommitted budget amount available for expenditures at any time during the year. Appropriations lapse at June 30 and outstanding encumbrances are canceled at that date.

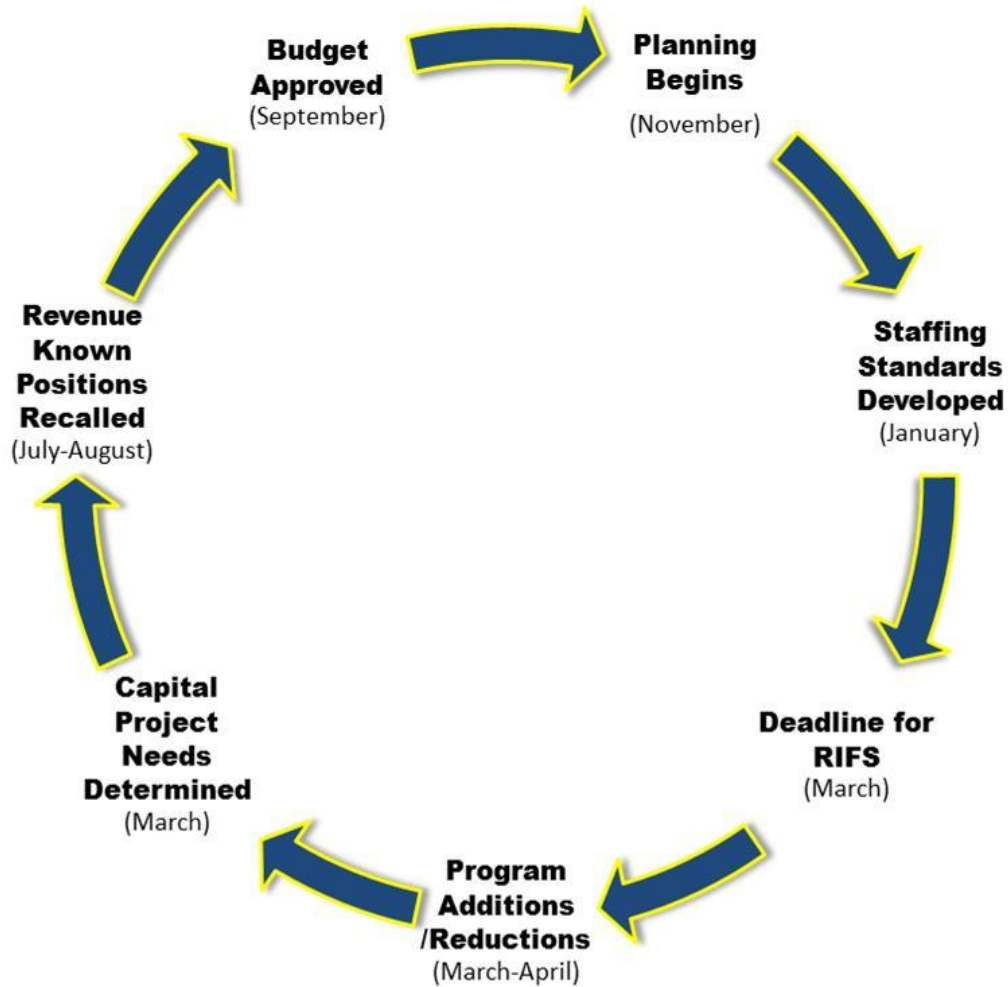
The appropriated budget is prepared by fund and by object. The Board of Education may make transfers between functions within a fund not exceeding the aggregate of 10 percent of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.



## ORGANIZATIONAL SECTION

On or before July 1 of each year, the Superintendent/CEO is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds at least one public hearing, and a final budget must be prepared and adopted no later than September 30. Budgeting for capital expenditures is included in this process.

### Budget Planning Cycle





## ORGANIZATIONAL SECTION

### **BUDGET TIMELINE**

#### **2018**

Present <i>Resolution Directing the Superintendent/CEO to Prepare The Tentative FY 2019 Budget</i> (Work Session)	February 26
Tentative FY 2019 Budget Timeline - Information Item	February 26
Adopt <i>Resolution Directing the Superintendent/CEO to Prepare the Tentative FY 2019 Budget</i>	March 5
Cabinet establishes budget priorities	April 24
Discussion of Board Priorities for FY 2019 Budget	April 24
Board Finance Committee Meeting	May 21
Tentative Budget is presented to the Board of Education	June 18
Present the <i>Resolution for Display of and Public Hearing on Budget</i>	June 18
Adopt the <i>Resolution for Display of and Public Hearing on Budget</i>	July 23
Newspaper notice published for display of budget to begin <u>Aug. 21</u> and Public Hearing to be held <u>September 10</u> (must be published at least 30 days prior to public hearing)	August 3
Board Finance Committee review of proposed budget changes from June 18 Budget Presentation	August 6
Tentative Budget is presented to the Board of Education	August 20
Begin 30-Day Display of Tentative Budget (must be displayed at least 30 days prior to adoption)	August 21
Public Hearing of Board of Education held for Budget and Present <i>Resolution for Approval of Budget - ISBE form</i> (Work Session)	September 10
Adoption of Final Budget (must be adopted by September 30)	
- Resolution/ISBE form, Certification of Budget, and Certification Estimate of Revenues are signed	September 24
- Budget is posted on U-46 website immediately after approval	
Certified Adopted Budget filed with County Clerks Certified Adopted Budget filed with ROE Adopted Budget submitted electronically to ISBE including Report of Vendors Contracts of \$1,000 or More (must be filed/submitted within 30 days of adoption)	October 24





# Financial Section







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### FINANCIAL OVERVIEW

As discussed in the Organizational Section, annual budgets are adopted for all District funds except for the Agency Fund. The budgeted funds are as follows:

1. Educational Fund [10]
2. Operations & Maintenance Fund [20]
3. Debt Service Fund [30]
4. Transportation Fund [40]
5. Municipal Retirement and Social Security Fund [50]
6. Capital Projects Fund [60]
7. Working Cash Fund [70]
8. Tort Immunity and Judgment Fund [80]
9. Fire Prevention and Safety Fund [90]

For operational purposes, the District separates the different funds into four categories: Operating Funds, Special Revenue Funds, Debt Service Fund and Capital Projects Funds. These categories differ from GAAP and ISBE reporting requirements which are discussed in the Fund Structure section of the Organizational Section.

Operating Funds include:

- Fund 10      Educational
- Fund 20      Operations & Maintenance
- Fund 40      Transportation

Special Revenue Funds include:

- Fund 50      IMRF/Social Security
- Fund 70      Working Cash
- Fund 80      Tort Immunity & Judgment

Debt Service Fund

- Fund 30      Debt Service

Capital Projects Funds include:

- Fund 60      Capital Projects
- Fund 90      Fire Prevention & Safety



# All Funds

The presentation of All Funds is not a separate budget but is a combination of all District funds.



## All Funds

### Revenues, Expenditures & Other Financing Sources/(Uses) By Fund (ISBE)

	Budget Revenues	Budget Expenditures	Budget Other Sources/ (Uses)	Net Increase (Decrease)
Educational Fund [10]	\$ 417,514,895	\$ 410,488,005	\$ (9,302,326)	\$ (2,275,436)
Operations & Maintenance Fund [20]	44,518,954	46,726,621	3,266,331	1,058,664
Debt Service Fund [30]	33,262,397	42,707,248	10,035,995	591,144
Transportation Fund [40]	34,937,544	31,872,155	-	3,065,389
IMRF/Social Security Fund [50]	16,126,369	16,073,041	-	53,328
Capital Projects Fund [60]	300,000	300,000	-	-
Working Cash Fund [70]	4,000,000	-	(4,000,000)	-
Tort Immunity & Judgment Fund [80]	6,409,285	5,994,707	-	414,578
Fire Prevention & Safety Fund [90]	3,997,430	3,900,000	-	97,430
Total All Funds	\$ 561,066,874	\$ 558,061,777	\$ -	\$ 3,005,097

OPERATING FUNDS: For operational purposes the District considers the following funds to comprise the Operating Funds of the District.

	Budget Revenues	Budget Expenditures	Budget Other Sources/ (Uses)	Net Increase (Decrease)
Operating Funds				
Educational Fund [10]	\$ 417,514,895	\$ 410,488,005	\$ (9,302,326)	\$ (2,275,436)
Operations & Maintenance Fund [20]	44,518,954	46,726,621	3,266,331	1,058,664
Transportation Fund [40]	34,937,544	31,872,155	-	3,065,389
Total Operating Funds	496,971,393	489,086,781	(6,035,995)	1,848,617

### Revenues, Expenditures & Other Financing Sources/(Uses) By Fund (GAAP)

	Budget Revenues	Budget Expenditures	Budget Other Sources/ (Uses)	Net Increase (Decrease)
General Fund				
Educational Account (Fund [10])	\$ 417,514,895	\$ 410,488,005	\$ (9,302,326)	\$ (2,275,436)
Operations & Maintenance Account (Fund [20])	44,518,954	46,726,621	3,266,331	1,058,664
Working Cash Account (Fund [70])	4,000,000	-	(4,000,000)	-
Tort Immunity & Judgment Account (Fund [80])	6,409,285	5,994,707	-	414,578
Total General Fund	\$ 472,443,134	\$ 463,209,333	\$ (10,035,995)	\$ (802,194)
Special Revenue Funds				
Transportation Fund [40]	\$ 34,937,544	\$ 31,872,155	\$ -	\$ 3,065,389
IMRF/Social Security Fund [50]	16,126,369	16,073,041	-	53,328
Total Special Revenue Funds	\$ 51,063,913	\$ 47,945,196	\$ -	\$ 3,118,717
Debt Service Fund [30]	33,262,397	42,707,248	10,035,995	591,144
Capital Projects Funds				
Capital Projects Fund [60]	\$ 300,000	\$ 300,000	\$ -	\$ -
Fire Prevention & Safety Fund [90]	\$ 3,997,430	\$ 3,900,000	-	97,430
Total Capital Projects Funds	\$ 4,297,430	\$ 4,200,000	\$ -	\$ 97,430
Total All Funds	\$ 561,066,874	\$ 558,061,777	\$ -	\$ 3,005,097



## All Funds

### Revenues, Expenditures and Changes in Fund Balance

#### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 310,195,265	\$ 317,993,641	\$ 322,670,429	\$ 321,078,587	\$ 323,593,809
State Sources	138,062,156	146,310,919	157,372,474	149,733,197	199,370,990
Federal Sources	34,596,302	39,907,564	38,327,984	38,240,793	38,102,075
Total Revenue by Source	\$ 482,853,723	\$ 504,212,124	\$ 518,370,887	\$ 509,052,577	\$ 561,066,874
Expenditures					
Salaries	\$ 244,954,777	\$ 253,555,938	\$ 263,230,411	\$ 269,694,946	\$ 287,884,320
Employee Benefits	88,738,790	89,909,002	94,367,687	97,715,291	101,387,493
Purchased Services	36,397,009	34,218,594	32,677,861	35,691,576	36,863,908
Supplies and Materials	24,444,515	31,095,717	26,859,659	32,011,602	31,673,974
Capital Outlay	28,093,542	33,158,825	26,089,043	23,948,029	38,404,392
Other Objects	54,117,436	54,832,599	54,980,134	57,866,952	61,139,612
Non-Capitalized Equipment	1,081,872	1,011,734	752,208	912,575	633,078
Termination Benefits	70,304	76,607	86,056	75,000	75,000
Total Expenditures by Object	\$ 477,898,245	\$ 497,859,017	\$ 499,043,060	\$ 517,915,971	\$ 558,061,777
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	4,955,478	6,353,108	19,327,827	(8,863,394)	3,005,097
Other Financing Sources	\$ 42,261,379	\$ 7,318,597	\$ -	\$ -	\$ -
Net Change in Fund Balance	47,216,857	13,671,705	19,327,827	(8,863,394)	3,005,097
Fund Balance at Beg. of Year	175,241,402	222,458,259	235,159,946	254,487,773	245,624,379
Fund Balance at End of Year	\$ 222,458,259	\$ 236,129,964	\$ 254,487,773	\$ 245,624,379	\$ 248,629,476

#### Major Changes in Current Year

Fiscal year 2019 revenue is planned to increase \$52 million over the prior year's budget. The \$52 million net increase consists of a \$2.5 million increase from local sources, a \$49.6 million increase in state funding, and a \$0.1 million decrease in federal funding. A substantial part of the local sourced revenue increase was due to levied property taxes. For state funding, the prior year's budget only included three of the four state categorical payments due to the continuing state financial challenges. However, this year, the fourth payment has been added back into the budget contributing to the increase in state revenue. The majority of the state increase is due to the evidence-based funding model (EBF) that was approved into law in August 2017 (after the FY18 budget was approved). The new law provided the District an increase of over \$43.4 million over the approved budget for FY18.

Salaries and benefits are expected to increase over the prior year due to contractual obligations and the increase of 54 FTE consisting of counselors, administrative staff, behavioral coaches, instructional coaches, assistant principals, and student discipline coordinators. These added positions is aligned with our Strategic Plan and will be funded with the new EBF funds.

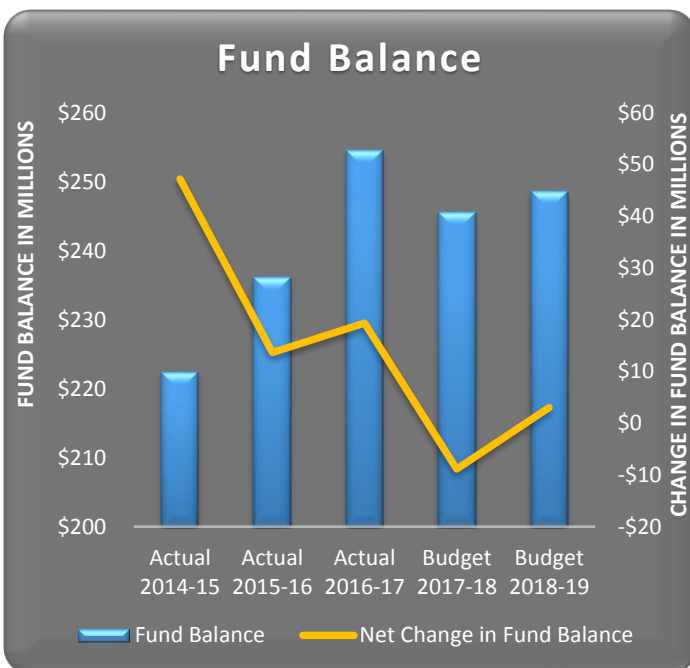
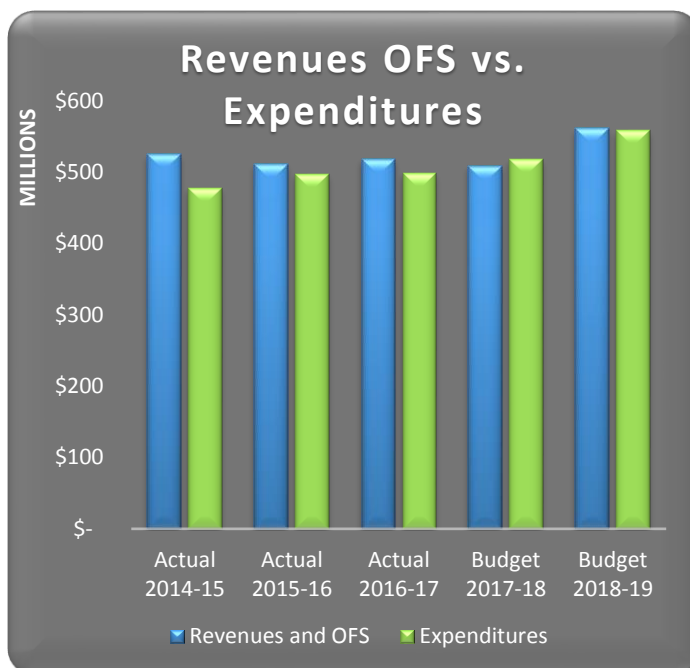


Health and dental insurance benefits are expected to increase by five percent. The remaining benefits driven by salary will increase in-line with the percentage increased in salaries.

The District has planned for \$38.4 million of capital expenditures during the year including \$5.7 million in purchases of new buses. Due to the uncertainty of the state funding last year, the District didn't purchase any new buses. In accordance to the revised bus replacement plan, the District is catching up this year with the purchase of seventy-four (74) new large and small buses. The other \$32.7 million of capital outlay consists of building improvements and replacement of equipment throughout the district.

There are no new planned capital leases or debt issuances in fiscal year 2019 which leaves other financing sources at zero. The last new issuance of debt and capital lease was completed in fiscal year 2015 and 2016, respectively.

Due to the explanations outlined in the paragraphs above the District's overall fund balance is budgeted to increase \$3 million. It is important to note that the excess of revenues over expenditures is due to the recent increase in state funding. District Management and the Finance Committee is currently reviewing future options to use those funds to best impact our student achievement and provide a greater enriched, high quality experience to empower all graduates.



## SIGNIFICANT REVENUE AND EXPENDITURES

**Property Taxes**— Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December and attach an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September in Cook County and June and September in DuPage County and Kane County, and are collected by the County Collector, who in turn returns to the District its respective share. The District receives the remittances from the County Treasurer within one month after collection.



The Consumer Price Index (CPI) is expected to increase around 2.5 percent. New construction is expected to remain flat to slightly up. The 2017 property tax levy payable in calendar year 2019 increased 2.1 percent. The 2017 tax levy payable in 2018 was levied and the increase on existing property was abated reducing property taxes \$3.9 million. For tax year 2018 the District has budgeted to increase the abatement to \$9.3 million. The District recognizes up to 50 percent of the current tax levy and 50 percent of the prior year levy in the current fiscal year so the property tax revenue recognized in a given fiscal year will not necessarily correspond to one tax year's levy.

Management has projected CPI to remain around 2.5 percent over the next few years. District management is anticipating equalized assessed valuations (EAV) to continue to climb as we move forward. As the EAV increases at a greater rate than the property tax levy, property tax rates will decline.

*Evidence-based Funding (EBF) for Student Success Act* – The distribution of EBF to Illinois public schools is determined by a statutorily defined formula within the Public Act 100-0465. The EBF formula performs calculations in three general stages: 1) determine the cost of educating all students, according to the defined cost factors. The result is the Adequacy Target for each district. 2) measure each district's local resources for comparison to the Adequacy Target; and 3) distribute additional state funds to assist districts in meeting their Adequacy Target.

*State Categorical Programs* – Mandated categorical programs and the funds appropriated for them, by the State, are earmarked and mandated by statute for a particular purpose or population and may be used for that purpose or population only. There are several different programs included in this revenue source. The majority of the programs cover special education, early childhood, and transportation. These programs are typically funded based on the demographics of the District's student population and have been flat from year to year.

*Salaries and Benefits* – From teachers to support staff to administrators, the District's largest expense is salaries and benefits. The largest piece of the salaries and benefits goes towards teachers. These expenses are negotiated between labor unions and District administration resulting in contractual increases year over year. In addition to teachers many other District employees' salaries and benefits are negotiated by labor unions. Once contracted, these bargaining agreements provide a road map for budgeting salaries and benefits.

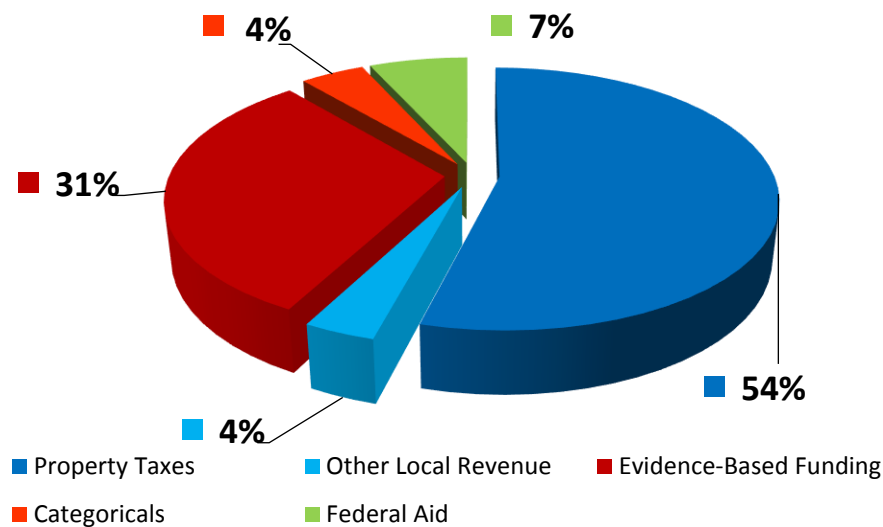
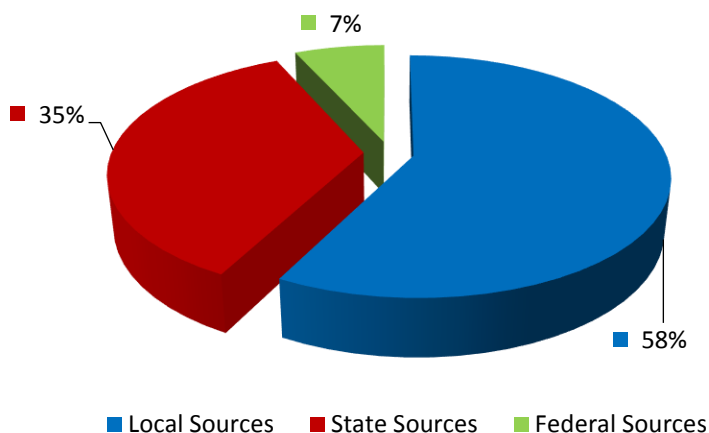
The largest benefit included in this group is for medical insurance. Health care costs are expected to increase 5 percent in fiscal year 2019 and continue that trend over the next few years.

*Purchased Services* – These costs will typically mirror the cost of doing business from one year to the next. District Management continues to increase efforts to meet the needs of the District with fewer resources, however this year purchased services had a slight increase due to repairs and maintenance services needed throughout the district and for the two new district buildings.



## All Funds Revenue by Source

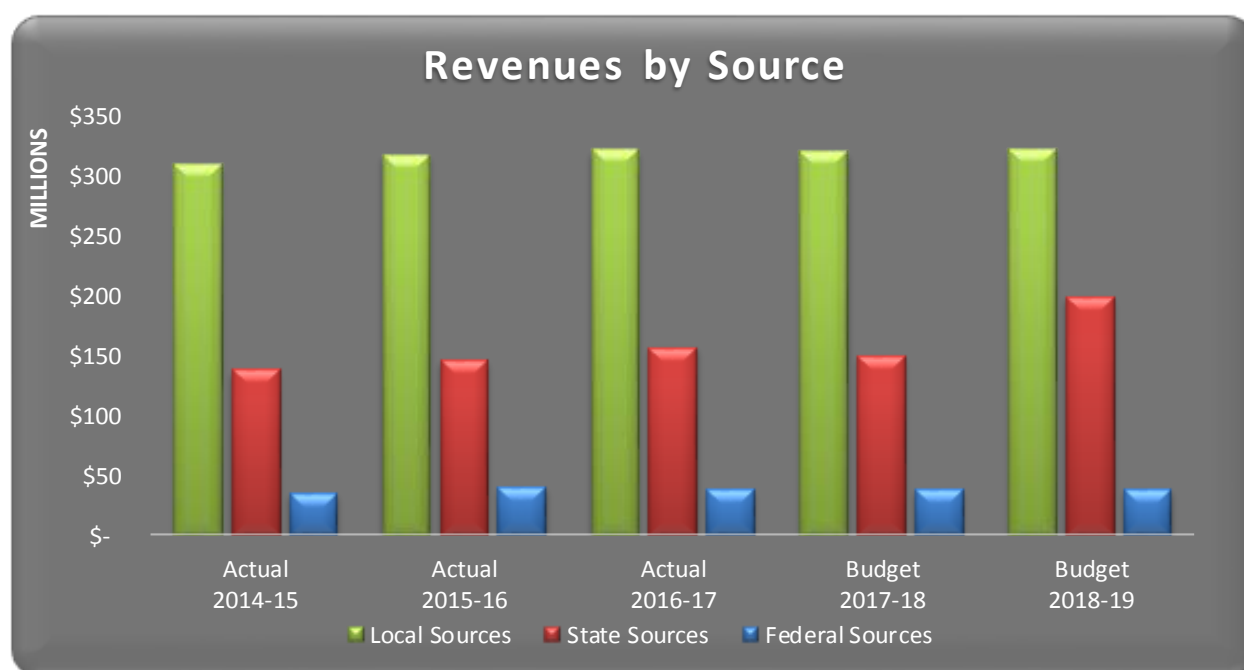
Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 303,822,109
Other Local Revenue	19,771,700
Total Local Sources	323,593,809
State Sources	
Evidence-Based Funding	174,500,000
Categoricals	24,870,990
Total State Sources	199,370,990
Federal Sources	38,102,075
<b>Total Revenue</b>	<b>\$ 561,066,874</b>





## All Funds Revenue by Source

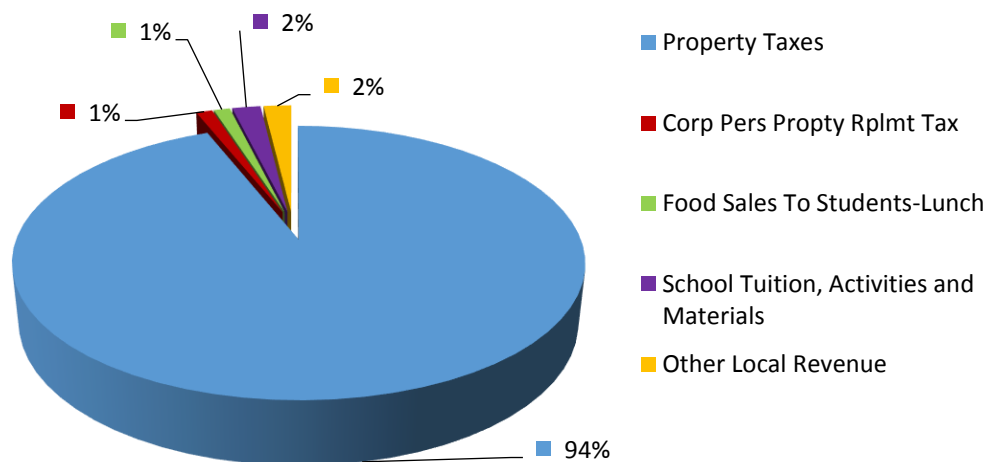
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Local Sources	\$ 310,195,265	\$ 317,993,641	\$ 322,297,916	\$ 321,078,587	\$ 323,593,809
State Sources	138,062,157	146,310,919	157,372,473	149,733,197	199,370,990
Federal Sources	34,596,303	39,907,564	38,327,984	38,240,793	38,102,075
<b>Total Revenues by Source</b>	<b>\$ 482,853,724</b>	<b>\$ 504,212,124</b>	<b>\$ 517,998,373</b>	<b>\$ 509,052,577</b>	<b>\$ 561,066,874</b>





## All Funds Revenue by Source Detail

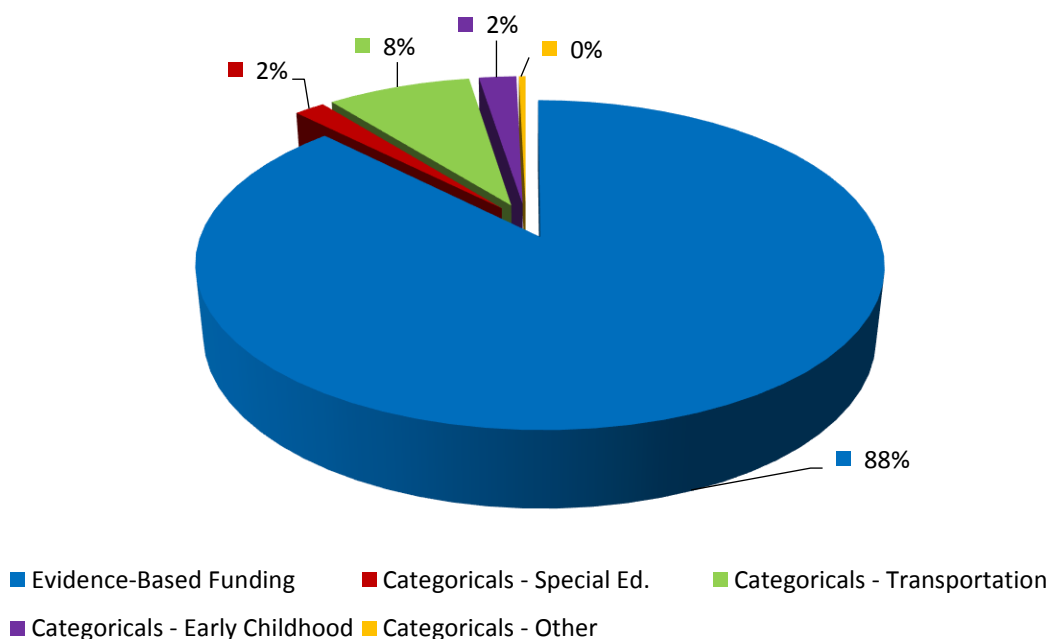
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 292,942,264	\$ 301,575,251	\$ 300,919,330	\$ 303,392,177	\$ 303,822,109
Mobile Home Privilege Tax	-	24,069	-	11,000	-
Corp Pers Propty Rplmt Tax	4,037,505	3,226,057	4,317,434	3,750,000	3,750,000
Village of Hoffman Estates - TIF	69,904	67,099	77,839	40,000	75,000
School Tuition	2,739,405	2,736,373	2,610,547	2,436,000	2,400,000
Fees-Bus Trips-Cocurricular	1,455,864	1,690,449	1,439,237	1,400,000	1,400,000
Interest on Investments	63,772	426,318	1,628,117	1,210,000	4,011,700
Food Sales To Students-Lunch	3,278,823	3,734,037	3,528,555	3,750,000	3,600,000
Pupil Activities	280,535	295,851	365,204	225,000	235,000
Receivable Fees	343,396	493,905	436,749	400,000	185,000
Instr Mats-Student Program	2,019,999	2,418,212	2,616,517	2,500,000	2,250,000
Other Local Revenue	2,903,492	1,245,028	4,339,469	1,934,410	1,840,000
UIC Mini Grant	-	-	-	-	-
School Partners in City Grant	300	12,450	1,400	-	-
TMA	12,500	-	-	-	-
Hanover Township Grant	-	-	-	-	-
Wisdom Foundation	-	4,910	5,192	-	-
Kane County Fit for Kids	5,000	-	-	-	-
James Patterson Partnership Gr	-	3,000	-	-	-
Joyce Foundation	-	10,000	-	-	-
Bartlett Volunteer Fire	-	9,000	-	-	-
Mototola Nat. Alliance Partner.	-	-	-	-	-
Midwest Dairy Association Grant	-	3,900	-	-	-
Brighter Futures	17,515	-	-	-	-
Breakfast in the Classroom	-	-	-	-	-
U46 Educational Foundation	15,000	16,358	4,827	30,000	25,000
Kane County Health Dept	9,990	1,375	7,500	-	-
<b>Total Local Sources</b>	<b>\$ 310,195,265</b>	<b>\$ 317,993,641</b>	<b>\$ 322,297,916</b>	<b>\$ 321,078,587</b>	<b>\$ 323,593,809</b>





## All Funds Revenue by Source Detail (continued)

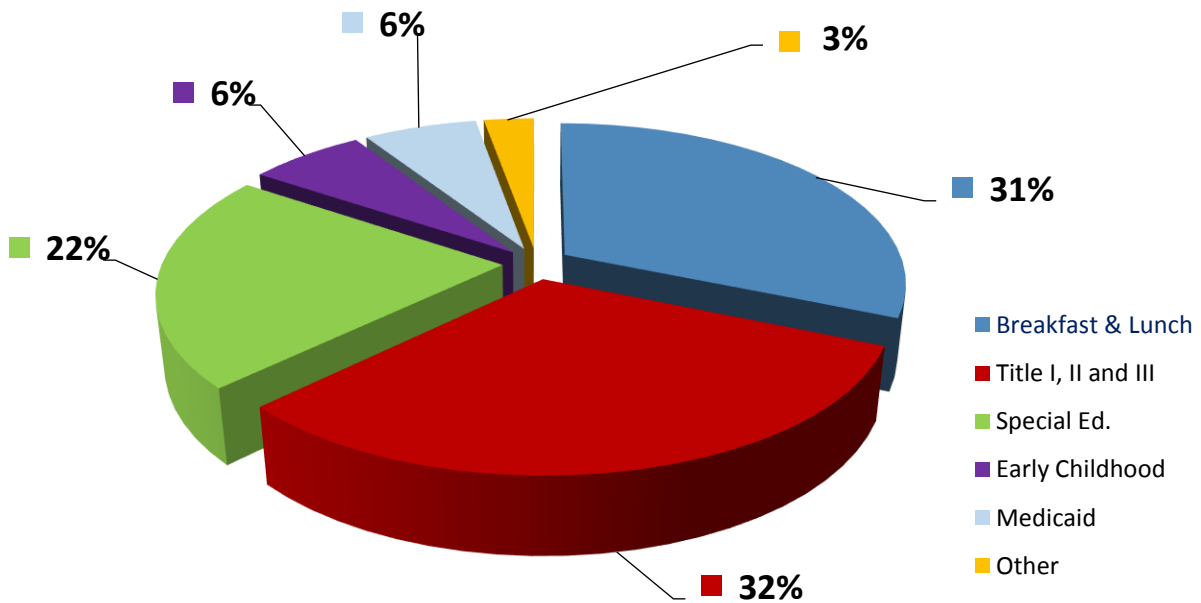
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>State Sources</b>					
Evidence-Based Funding	\$ 97,728,628	\$ 115,242,487	\$ 120,158,179	\$ 120,713,168	\$ 174,500,000
Special Ed - Private Facility	3,482,700	2,822,899	3,601,293	2,812,850	2,812,850
Special Ed - Extraordinary	5,174,892	3,946,226	5,233,208	3,946,226	-
Special Ed - Personnel	5,847,649	4,465,152	5,692,826	4,445,732	-
Special Ed - Orphanage Individ	1,229,686	943,433	583,386	691,699	600,000
Special Ed - Orphanage Summer	185,934	103,353	-	77,515	85,000
Special Ed - Summer School	60,453	90,744	-	68,058	-
Voc Ed Program Improve Grant	434,276	279,606	239,426	361,775	361,775
Bilingual Ed - Downstate - T.P	3,004,004	3,302,003	1,421,518	1,962,737	-
State Free & Lunch Breakfast	126,110	103,151	62,547	32,016	160,000
Driver Education	184,369	193,760	191,298	145,320	145,320
Transportation - Regular	7,607,643	6,326,635	7,266,826	6,258,683	6,349,488
Transportation - Special Educa	6,822,143	4,950,754	7,692,031	5,044,327	10,006,353
National Board Certification I	16,500	-	-	-	-
Safe Schools Grant (ROE)	81,362	100,029	71,595	70,875	70,000
Safe Schools Grant	-	34,167	17,988	-	-
Early Childhood - Pre K	3,474,401	2,934,034	3,674,915	2,800,670	3,965,211
Early Childhd - Proj Prepares	295,939	265,364	258,011	253,300	289,993
State Library Grant	29,071	0	-	17,689	25,000
Back to Books Grant	(5,000)	-	-	-	-
Illinois Dept of Public Health	-	-	-	-	-
Illinois Arts Council Grant	-	17,840	-	-	-
Family Literacy	3,677	(176)	-	-	-
Orphanage Tuition - 18-3	17,858	(7,199)	49,476	30,557	-
Other Revenue from State Source	2,259,862	196,656	1,157,951	-	-
<b>Total State Sources</b>	<b>\$ 138,062,157</b>	<b>\$ 146,310,919</b>	<b>\$ 157,372,473</b>	<b>\$ 149,733,197</b>	<b>\$ 199,370,990</b>





## All Funds Revenue by Source Detail (continued)

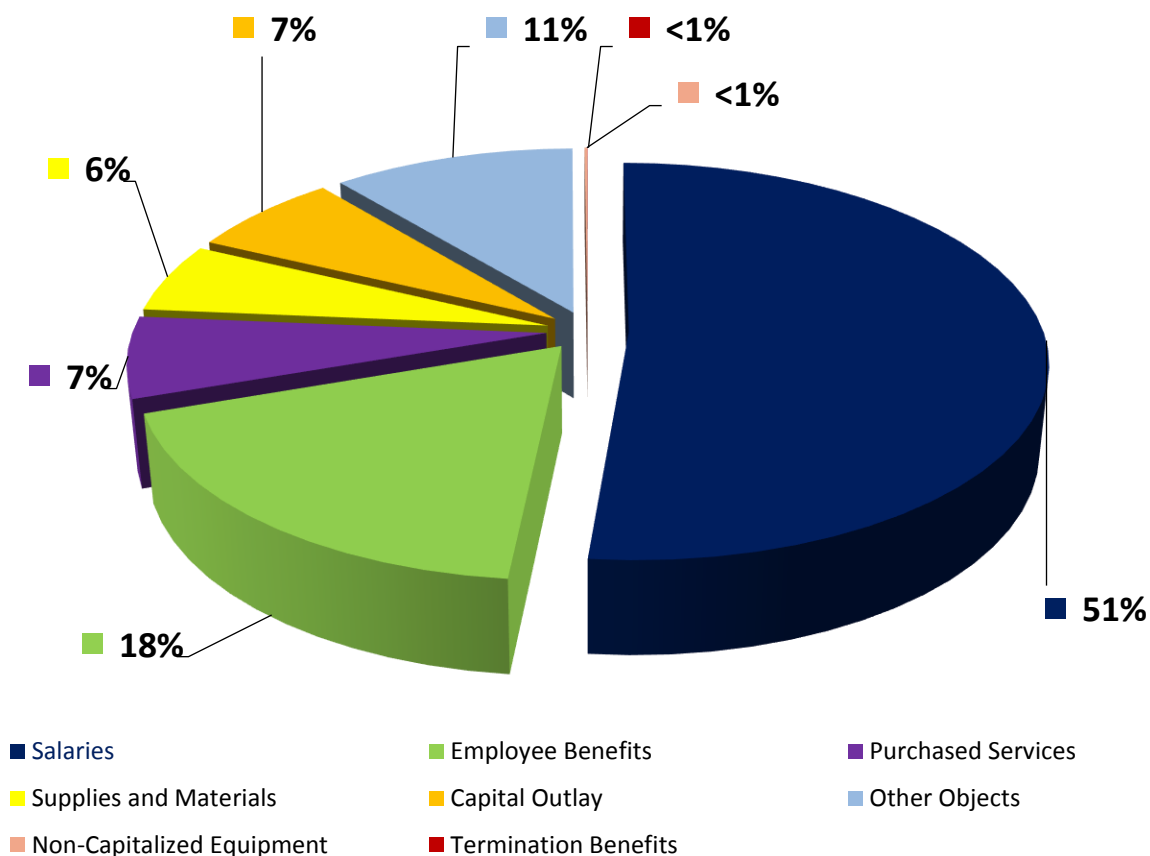
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Federal Sources</b>					
National School Lunch Program	\$ 9,487,942	\$ 9,099,385	\$ 9,681,950	\$ 9,000,000	\$ 9,600,000
School Breakfast Program	2,324,614	2,305,294	2,115,343	2,000,000	2,000,000
NSLP - Equipment	-	34,280	-	-	-
Title I - Low Income	8,041,987	11,135,192	10,281,194	9,956,930	8,921,373
21st Century Comm Learning	451,869	636,538	605,269	516,786	522,699
Fed Grant thru Intermediate	-	-	8,000	-	-
Fed - Sp Ed - Pre-school Flow	149,349	194,225	207,170	172,325	167,787
Fed - Sp Ed - IDEA Flow Through	7,778,813	8,203,865	6,709,616	7,827,463	7,827,456
Rm & Brd PL 94-142 Sp Ed	440,857	746,922	683,359	450,000	-
Voc Ed Perkins Title IIc	358,537	390,728	237,594	412,860	349,584
MIHOPE	7,000	-	-	-	-
Early Childhood Expansion Grant	-	1,935,115	2,189,955	2,395,800	2,395,800
Project READI	2,162	-	-	-	-
Emergency Immigrant Assistance	25,604	-	62,555	63,204	60,774
Title III Lang Inst Prog Lim Eng	1,368,691	939,254	960,480	1,324,193	1,212,627
Title II - Teacher Quality	741,720	814,242	1,068,597	841,912	1,554,144
Dept Of Rehab Services	113,582	101,211	101,211	261,323	106,834
MIECHVP	165,316	124,236	79,937	135,000	-
COPS Grant	82,500	-	-	-	-
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Medicaid fee for Service	1,928,530	1,224,745	1,384,216	850,000	1,350,000
Administrative Outreach	1,127,230	989,334	1,269,449	1,000,000	1,000,000
<b>Total Federal Sources</b>	<b>\$ 34,596,303</b>	<b>\$ 39,907,564</b>	<b>\$ 38,327,984</b>	<b>\$ 38,240,793</b>	<b>\$ 38,102,075</b>





## All Funds Expenditures by Object

<b>Expenditures</b>	<b>Budget 2018-19</b>
Salaries	\$ 287,884,320
Employee Benefits	101,387,493
Purchased Services	36,863,908
Supplies and Materials	31,673,974
Capital Outlay	38,404,392
Other Objects	61,139,612
Non-Capitalized Equipment	633,078
Termination Benefits	75,000
<b>Total Expenditures by Object</b>	<b>\$ 558,061,777</b>



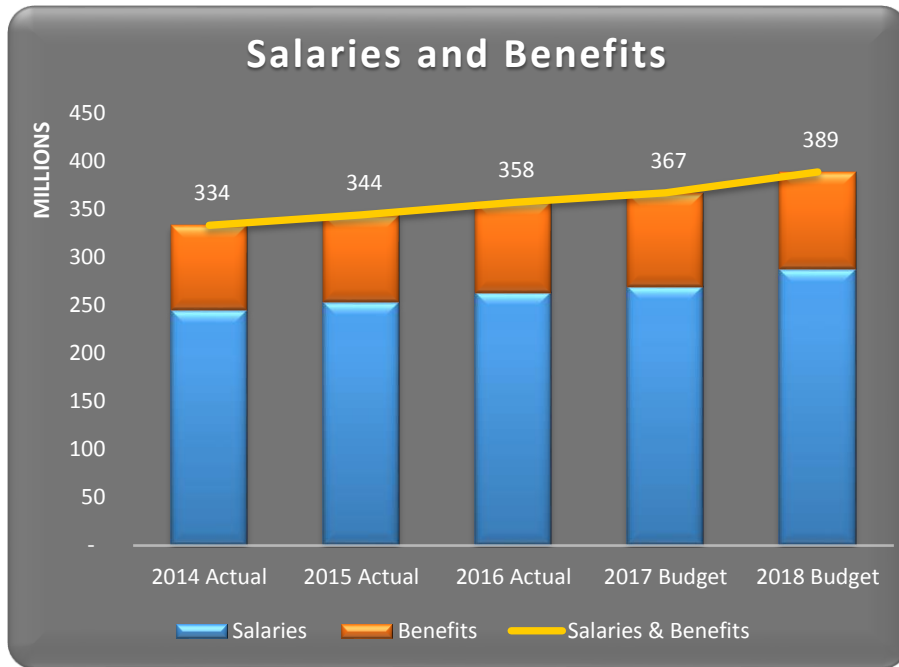


## All Funds Expenditures by Object Detail

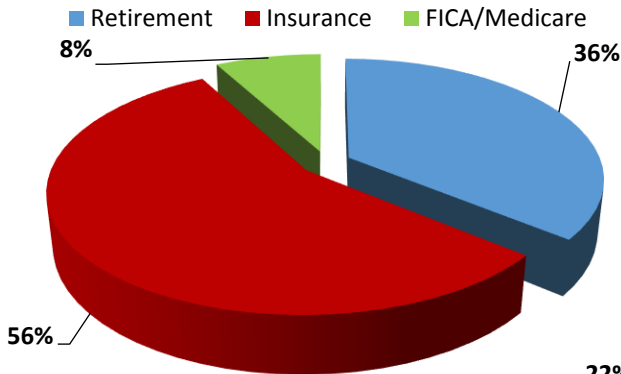
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Teachers Salaries	\$ 152,861,047	\$ 158,123,200	\$ 164,799,153	\$ 168,779,630	\$ 181,062,484
Administrators Salaries	20,729,104	21,745,698	22,183,210	22,953,200	23,189,385
Technical Salaries	11,201,940	11,757,751	12,783,569	13,121,540	14,469,289
Temporary Salaries	138,657	153,222	106,684	100,000	36,494
Daily Substitute Salaries	4,399,542	4,327,431	4,188,786	4,309,902	5,078,793
Hourly Substitute Salaries	502,380	478,229	589,845	608,283	797,891
Other Hourly Extra Curr Superv	4,209,847	4,616,259	5,402,625	5,390,545	5,800,291
Athletic Extra Curr Supervisio	248,075	241,042	629,136	623,280	759,211
Noon Supervision	1,690,237	1,781,881	1,996,964	2,039,636	2,069,851
Stipends	4,206,980	4,214,033	4,208,489	3,679,274	4,217,843
Overtime Time & a Half	913,300	1,247,217	593,220	1,240,861	1,404,751
Overtime Double Time	47,746	30,790	47,292	49,105	41,258
Teachers Aides & Assistants	1,296,402	1,320,959	1,628,501	1,664,039	1,793,071
Special Education Aides	6,233,196	6,914,956	7,453,252	7,595,586	8,129,099
Bilingual Aides	295,533	274,898	305,417	313,809	206,744
Para Professionals	987,911	1,032,631	1,165,451	1,188,330	1,239,072
Deans Assistants	1,486,415	1,484,795	1,464,556	1,508,842	1,661,959
12-Month Secretaries	4,541,347	4,563,937	4,837,623	4,937,406	4,810,105
10-Month Secretaries	3,556,157	3,492,845	3,498,536	3,565,938	3,637,190
Clerical Aides	427,037	420,740	423,686	432,153	435,293
Liasons	1,404,819	1,411,047	1,435,210	1,485,892	1,177,014
Custodians	3,772,900	3,937,680	4,014,387	4,094,972	4,519,071
Maintenance	1,705,738	1,813,978	12,071,402	1,901,428	1,971,406
Grounds	934,798	1,038,251	1,057,640	1,086,735	1,104,178
Drivers	11,102,701	11,165,848	1,763,921	11,071,164	11,600,203
Driver Aides	1,154,606	1,284,761	658,985	1,235,371	1,733,389
Mechanics	601,638	636,400	210,398	677,417	705,167
Dispatchers	311,474	222,158	-	216,918	286,915
Food Service Tech	3,970,019	3,794,185	3,682,589	3,793,690	3,919,388
Student Helpers	23,235	29,222	29,691	30,000	27,515
<b>Total Salaries</b>	<b>\$ 244,954,779</b>	<b>\$ 253,556,045</b>	<b>\$ 263,230,219</b>	<b>\$ 269,694,946</b>	<b>\$ 287,884,320</b>
<b>Employee Benefits</b>					
Teachers Retirement	\$ 22,972,670	\$ 25,448,345	\$ 25,329,117	\$ 26,824,685	\$ 27,509,871
TRS Early Retirement Contrbtn	808,974	701,317	1,118,742	-	-
Municipal Retirement	8,174,565	9,467,749	8,815,404	9,219,669	8,913,112
Federal Ins Contr Act	3,773,496	3,938,894	4,078,945	4,109,943	4,281,603
Medicare Contribution	3,338,457	3,480,167	3,614,442	3,629,539	3,804,091
Life Insurance	354,268	371,146	284,457	350,851	315,126
Medical Insurance	46,952,246	44,754,197	48,474,300	50,820,066	53,637,437
Dental Insurance	2,033,244	2,334,875	2,228,469	2,318,949	2,478,925
Disability Insurance	330,870	382,330	423,812	441,589	447,328
<b>Total Employee Benefits</b>	<b>\$ 88,738,790</b>	<b>\$ 90,879,021</b>	<b>\$ 94,367,688</b>	<b>\$ 97,715,291</b>	<b>\$ 101,387,493</b>



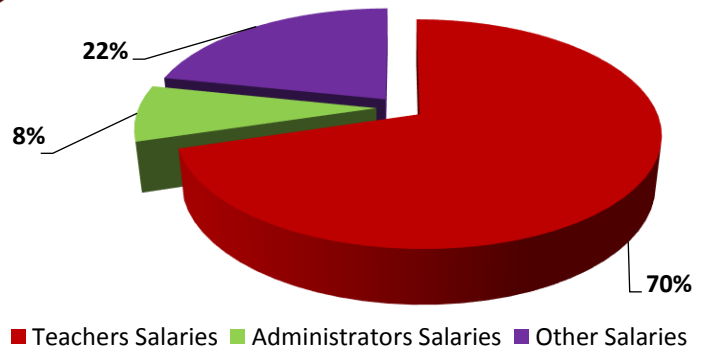
## All Funds Expenditures by Object Detail (continued)



### Benefits paid by District



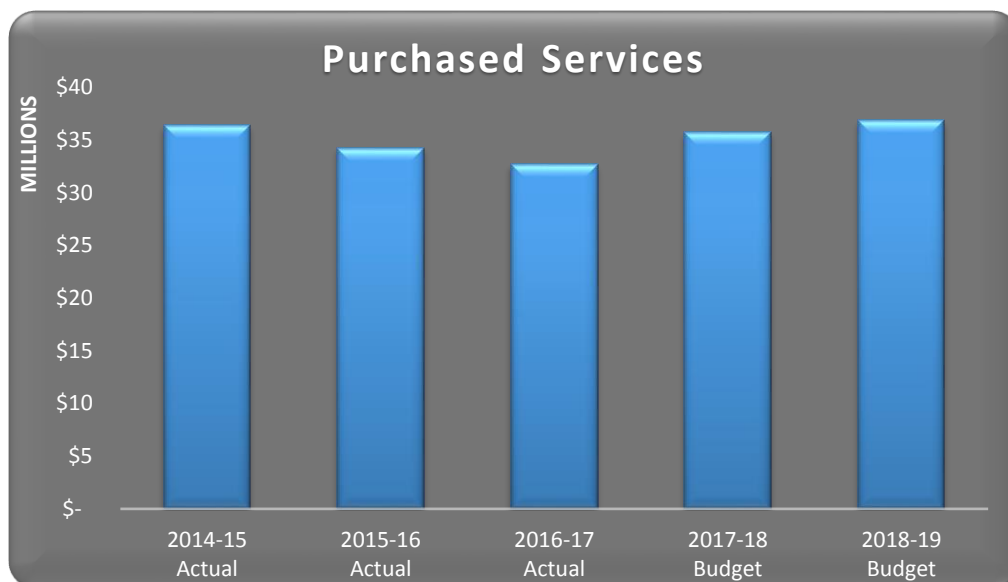
### Salaries by employee type





## All Funds Expenditures by Object Detail (continued)

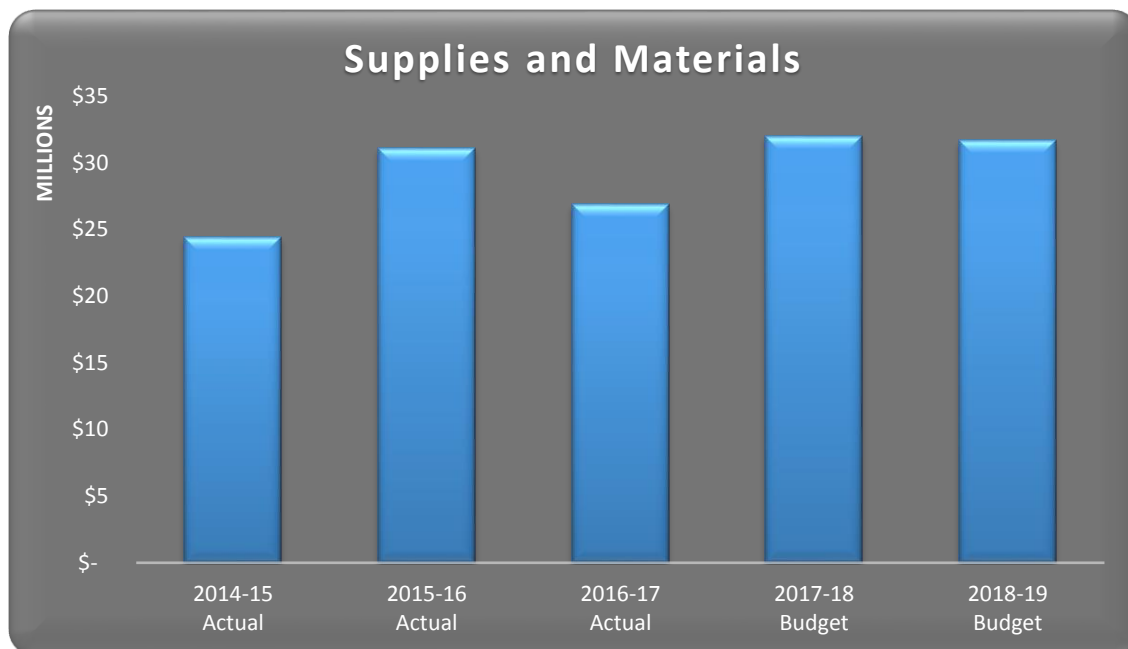
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 1,788,254	\$ 2,188,727	\$ 1,827,444	\$ 2,650,880	\$ 2,711,000
Admin Professional Services	640,053	1,275,446	755,244	1,017,875	1,086,211
Instructional Professional Ser	1,424,608	1,416,641	1,499,708	1,457,782	1,734,627
Audit/Financial Services	110,500	101,700	91,750	100,000	105,000
Legal Services	537,595	245,342	339,663	350,000	500,000
Other Tech & Prof Serv	8,856,099	7,810,292	7,312,893	8,498,948	8,723,874
Superintendent Search	-	-	-	-	-
Sanitation Services	241,579	311,672	273,157	346,158	412,500
Cleaning Services	76,605	68,154	68,870	102,066	126,500
Repairs & Maint Services	6,657,444	6,971,920	6,447,638	6,031,415	6,846,738
Rentals	176,637	347,642	222,268	276,550	234,850
Contract Cleaning	3,453,342	3,488,234	3,511,452	3,615,000	3,687,300
Exterminating	29,475	30,660	42,792	63,040	60,000
Other Property Services	19,031	19,304	24,629	30,499	30,500
Pupil Transportation	2,090,115	2,360,318	2,290,769	2,501,728	1,981,282
Indistrict/Regional Travel	168,953	152,797	142,259	153,664	154,188
Travel Conf/Workshops	650,090	407,533	435,201	470,368	551,271
Out Of District Travel	184,252	112,050	169,372	191,167	222,565
Negotiations Expense	29,545	4,685	-	1,500	1,500
Awards and Banquets	37,804	28,942	36,919	35,000	42,500
Communications/Postage	1,723,516	1,193,050	1,661,926	1,665,437	1,633,491
Advertising	16,064	13,974	14,997	26,000	17,000
Printing & Duplicating	163,080	221,573	251,524	333,331	276,986
Binding	18,762	24,218	32,913	38,000	36,000
Copier Service/Repair	636,830	686,778	640,276	578,404	556,761
Copier Lease/Rental	9,553	8,917	7,523	24,500	18,000
Water/Sewer	543,383	578,516	684,844	546,264	646,264
Insurance	466,602	534,808	394,566	555,000	555,000
Workers Compensation	5,291,013	3,240,232	3,304,422	3,685,000	3,685,000
Unemployment Compensation	176,305	238,760	144,732	250,000	125,000
Property Claims/Tort	2,000	38,875	132	2,000	10,000
Liability/Tort Immunity	139,000	45,500	23,000	50,000	50,000
Other Purchased Services	38,920	51,336	24,976	44,000	42,000
<b>Total Purchased Services</b>	<b>\$ 36,397,009</b>	<b>\$ 34,218,595</b>	<b>\$ 32,677,861</b>	<b>\$ 35,691,576</b>	<b>\$ 36,863,908</b>





## All Funds Expenditures by Object Detail (continued)

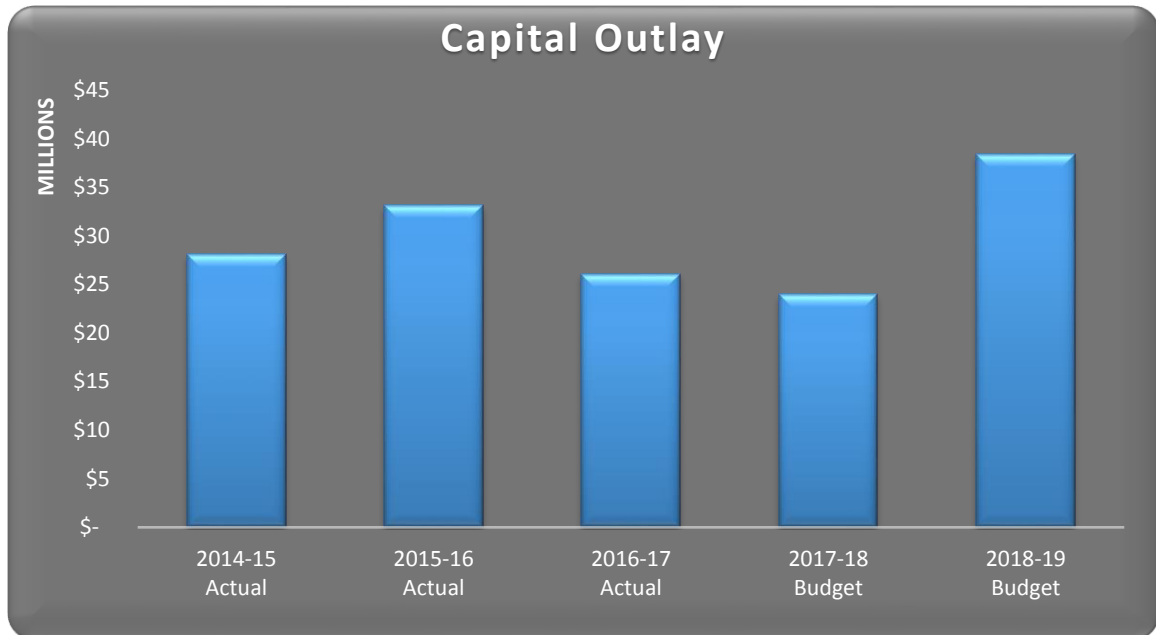
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Supplies and Materials</b>					
Supplies	\$ 8,364,141	\$ 8,360,267	\$ 7,973,433	\$ 8,548,380	\$ 8,380,386
Food Service Food & Supplies	6,477,049	6,210,367	6,954,806	5,817,705	6,223,557
Custodial Supplies	511,645	500,498	459,189	609,198	659,198
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Tech Consumables	60,106	56,775	67,825	66,401	57,009
Copier Paper/Supplies	155,068	185,655	216,758	215,437	217,280
Freight In/Shipping	-	-	-	-	1,000
AV Supplies	253	43	-	500	494
Support Materials	28,460	24,732	12,073	14,400	18,200
Textbooks	1,897,817	8,711,490	3,812,363	8,300,000	7,000,000
Suppl Instructional Matls	600	-	38,971	32,000	31,000
Computer Accessories	34,845	26,810	19,105	24,547	24,074
Library Materials	36,425	43,054	33,785	35,051	100,484
Suppl Library Matls	2,384	2,309	-	2,375	1,459
Periodicals	2,653	1,457	1,974	3,501	5,726
Oil	72,850	97,062	81,681	88,000	100,000
Gasoline	1,812,561	1,250,293	1,223,867	1,740,000	1,740,000
Natural Gas	1,829,124	1,299,164	1,272,958	1,613,110	1,813,110
Electricity	3,135,355	3,274,124	3,970,677	3,850,000	4,250,000
Software	5,000	-	-	-	-
Other Supplies	18,180	18,511	38,104	18,000	18,000
<b>Total Supplies and Materials</b>	<b>\$ 24,444,516</b>	<b>\$ 31,095,608</b>	<b>\$ 26,859,659</b>	<b>\$ 32,011,602</b>	<b>\$ 31,673,974</b>





## All Funds Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Capital Outlay</b>					
Buildings	\$ 14,762,274	\$ 15,233,537	\$ 17,151,114	\$ 14,699,423	\$ 20,264,000
Improvements (Non Building)	1,879,380	1,541,870	643,721	377,500	2,000,000
Aged & Obsolete Equipment	272,599	112,695	188,276	206,000	236,000
Lease/Purchase Equipment	2,844	137,228	74,900	3,000	2,300
Addl/Repl Equipment	11,176,445	8,625,742	5,724,592	8,662,106	10,158,358
Addl/Repl Transportation Equip	-	196,656	2,306,440	-	5,743,734
Transp Lease/Purchase Equipment	-	7,311,097	-	-	-
<b>Total Capital Outlay</b>	<b>\$ 28,093,542</b>	<b>\$ 33,158,825</b>	<b>\$ 26,089,043</b>	<b>\$ 23,948,029</b>	<b>\$ 38,404,392</b>



**Capital Outlay** – The majority of the District’s capital outlay is spent on buildings and non-building improvements. These construction projects usually span several months at a time and are typically targeted for the summer months while the schools are staffed to a minimum. Due to the nature of these construction projects and the timing of the fiscal year end, June 30, many of these capital projects are internally planned by calendar year rather than fiscal year. District management assesses the projects and their planned timing and then splits them among the appropriate fiscal year budgets. The table on the next page shows the District’s current projects which depending on the timing will fall in either fiscal year 2018, fiscal year 2019 or split between both. The table identifies the estimated total project cost, project cost budgeted for and the expected source of funding for each project. The District typically has more projects than can be funded so management prioritizes the projects throughout the year to stay within budget.



School(s)	Project Description	Estimated Project Cost	Life Safety and Other Sources	O&M Fund	QZAB	WCF Bond Proceeds	WCF Bond Proceeds Draw Down #10 03/01/18	WCF Bond Proceeds Draw Down #11 07/01/18	WCF Bond Proceeds Draw Down #12 10/01/18
		<b>TOTAL 2018</b>	<b>FY18 / FY19</b>			<b>FY18 / FY19</b>	<b>JAN - JUN 2018</b>	<b>JULY - SEPT 2018</b>	<b>OCT - DEC 2018</b>
District-Wide	Food Service 1150 Bowes Road	5,000,000				5,000,000	4,000,000	1,000,000	-
Centennial	HVAC / Shaft Replacement ( Design Only)	60,000				60,000	60,000	-	-
Nature Ridge	Mobile Demolition	150,000				150,000	15,000	135,000	-
Canton MS	HVAC Replacement Part 2	2,600,000	1,987,200			612,800	612,800	-	-
BHS	Stadium/ Bleachers and Lights	1,750,000	925,000		466,270	358,730	358,730	-	-
EHS	Welding Room Renovation	770,000	70,000			700,000	700,000	-	-
ESC	Freight Elevator Renovation	700,000				700,000	140,000	420,000	140,000
SHS	HVAC Replacement Part 5 Auditorium / Gym	2,500,000	350,300			2,149,700	49,700	2,000,000	100,000
19 Schools	Wireless Cabling Phase 5	1,200,000	1,200,000						
<b>2018 ESTIMATED TOTALS</b>		<b>\$14,730,000</b>	<b>\$4,532,500</b>		<b>\$466,270</b>	<b>\$9,731,230</b>	<b>\$5,936,230</b>	<b>\$3,555,000</b>	<b>\$240,000</b>
District-Wide	Roofs, Parking Lots, Fire/Intercom Alarms, Elevators and Boilers	3,800,000	3,800,000						
District-Wide	Play Grounds Rehabilitation Project	TBD				TBD			
IS Project(s)	Technology Plan/Projectors and Smart Board	TBD				TBD			
Horizon/Abbott MS	Intercom System Pilot Program	900,000		900,000					
High Schools (SEHS,BHS)	Lockdown Keys Part 3	1,200,000	1,200,000						
LHS, BHS, EHS, SEHS SHS	Auditorium Rigging, Lighting, & Sound Systems (Design Only)	2,500,000		2,500,000					
LHS, SEHS, BHS	Library Remodel Design Phase 2	1,800,000		1,800,000					
Transportation	Bus Lifts & Wash Bay	1,250,000		1,250,000					
Transportation	Second Floor Rehab & Elevator	1,000,000		1,000,000					
SEHS	Press Box , Lights, Track Repair	TBD				TBD			
<b>2019 ESTIMATED TOTALS</b>		<b>\$12,450,000</b>	<b>\$5,000,000</b>	<b>\$7,450,000</b>		<b>\$0</b>			





Another important piece of managing the capital outlay expenditures of the District is maintaining and operating mechanically and structurally sound buses efficiently and safely. To address this District management utilizes and maintains an Age and Obsolescence Plan for Bus Replacement.

The Bus Replacement Plan takes the entire existing fleet through an eleven-year cycle for large and small buses. Due to the financial restraints of the 2008 economic recession there were no purchases of new buses in 2009, 2010 and 2011 leaving the District 117 buses behind plan. During the 2012 school year, the District was successful in addressing the “catch up” needed and purchased 90 new buses. Through efficiencies and because of newer equipment, the District was able to trade 105 buses against the 90 purchased, leaving a balance of 59 buses beyond their

scheduled replacement cycle. Due to no new bus purchases during the 2014 school year, the District was again addressing the “catch up” needed and 87 buses were purchased in 2015. Ideally, District management will continue to address the “catch up” and return to an annual purchase. This purchase will continue to address the “catch up” needs within the small bus category. If the District is able to purchase buses annually as scheduled it will save the District slightly more than \$1,000 per bus per year in financing costs. This savings assume similar financing terms as represented in recent bus lease transactions and the \$1,000 per bus per year would be for the life of the lease rather than the life of the bus, e.g. the District may pay financing costs on one bus for three years yet the life of the bus may be ten years; if this bus was purchased outright the savings would be approximately \$3,000. Of the buses the District purchases, a new bus price ranges from \$81,000 to \$94,000.

While the District will be operating some older buses than recommended, all buses on the road will be mechanically and structurally sound. This element will be achieved by carefully reviewing maintenance records. Only the “best” of the buses scheduled for replacement will be retained annually.

All large and small buses are now diesel powered. We have extended the replacement cycle from seven years to a maximum of eleven years for the small buses due to them being diesel powered. Buses scheduled for replacement may be retained based on operating condition and mileage as deemed appropriate by the Director of Transportation.



The summary of the bus replacement plan and the current bus fleet is outlined on the following schedule. On the schedule the timing of the bus purchases is planned for the summer months, however, based on the nature of these transactions and order lag, the timing of the purchases and trade-ins may fluctuate throughout any given year.

### **Modified Summary of the Bus Replacement Plan / A & O Plan**

<b>Calendar Year</b>	<b>No. of Large Buses</b>		<b>No. of Small Buses</b>		<b>Total No. of Buses</b>	
	<b>Buy</b>	<b>Trade</b>	<b>Buy</b>	<b>Trade</b>	<b>Buy</b>	<b>Trade</b>
2018	37	(37)	37	(37)	74	(74)
2019	20	(20)	21	(21)	41	(41)
2020	24	(24)	20	(20)	44	(44)
2021	15	(15)	22	(22)	37	(37)
2022	15	(15)	11	(11)	26	(26)
2023	16	(16)	11	(11)	27	(27)
2024	18	(18)	10	(10)	28	(28)
2025	18	(18)	15	(15)	33	(33)
2026	18	(18)	15	(15)	33	(33)

### **Summary of Current Fleet**

<b>Fiscal Year</b>	<b>No. of Large</b>	<b>No. of Small</b>	<b>Total No. of</b>
	<b>Buses</b>	<b>Buses</b>	<b>Buses</b>
2016	190	164	354
2017	185	169	354
2018	184	167	351
2019	184	167	351

The remaining capital outlay expenditures are significantly made up of equipment purchases, ranging from laptops and other computer related items to grounds and maintenance equipment including various maintenance vehicles. These types of purchases are not currently scheduled on a long-term basis but are identified on a department basis when assessing needs during the annual budget cycle. Depending on the type of funding for construction projects, the projects will be funded from the Operations and Maintenance Fund, Capital Projects Fund and/or Fire Prevention and Safety Fund. Bus and transportation equipment purchases are funded by the Transportation Fund. Grounds and maintenance equipment and maintenance vehicles are funded by the Operations and Maintenance Fund. The Educational Fund will fund any other equipment that does not fall into the funds mentioned above or to cover any short falls of capital outlay needed by any particular fund.

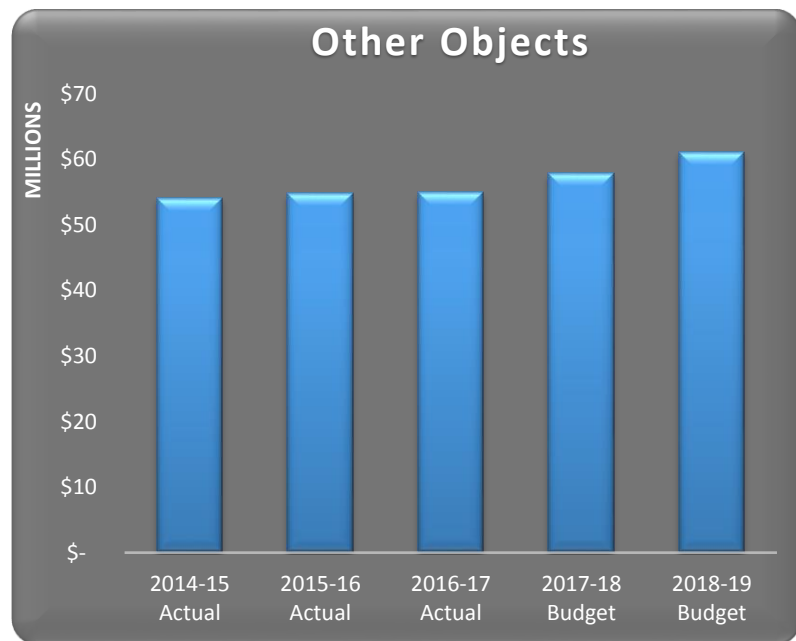


## All Funds Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Objects</b>					
Redemption Of Principal - Leases	\$ 1,747,294	\$ 3,165,774	\$ 2,708,464	\$ 2,745,758	\$ 1,333,745
Redemption of Principal - Bonds	27,541,393	19,399,086	19,971,705	21,308,474	23,175,681
Interest - Leases	90,173	79,933	114,600	77,308	39,500
Interest - Bonds	15,597,715	23,230,590	22,671,137	21,317,121	19,531,567
Dues & Fees	242,332	421,162	462,808	332,491	179,419
Tuition	8,892,677	8,531,711	9,047,983	9,580,000	10,879,700
Miscellaneous Objects	5,851	4,344	3,437	5,800	-
Contingency	-	-	-	2,500,000	6,000,000
<b>Total Other Objects</b>	<b>\$ 54,117,436</b>	<b>\$ 54,832,599</b>	<b>\$ 54,980,134</b>	<b>\$ 57,866,952</b>	<b>\$ 61,139,612</b>

**Debt Service** – The District’s debt service payments include both principal and interest and make up approximately 72 percent of the Other Objects expenditures category. Principal and interest payments on outstanding debt are currently budgeted at \$24,509,426 and \$19,571,067, respectively. The District issued Capital Appreciation Bonds (CABs) in 2001, 2002 and 2003 and has not subsequently issued any CABs. In a general sense, CABs are typically sold at a deep discount and accrete interest over the life of the bond. At maturity the accreted interest and principal are due. With a large portion of accreted interest and principal from past Capital Appreciation Bonds coming due over the next few years the District, in fiscal year 2015, issued refunding bonds in order to smooth out the debt service payments over the next six years. If no new debt is issued or retired, the debt service payments will remain around \$45 million per year for the next several years.

Illinois statutes limit the amount of outstanding debt that can be issued by an issuer which is labeled debt limit and in the District’s case it is 13.8% of the Estimated Assessed Valuation (EAV). The reciprocal of the outstanding debt of an issuer is called legal debt margin and, if positive, represents the remaining capacity to issue additional debt. The legal debt margin is significantly influenced by the EAV. As the EAV increases the legal debt margin will increase if all other factors stay the same. The following shows the factors that affect the District’s calculation of the legal debt margin.

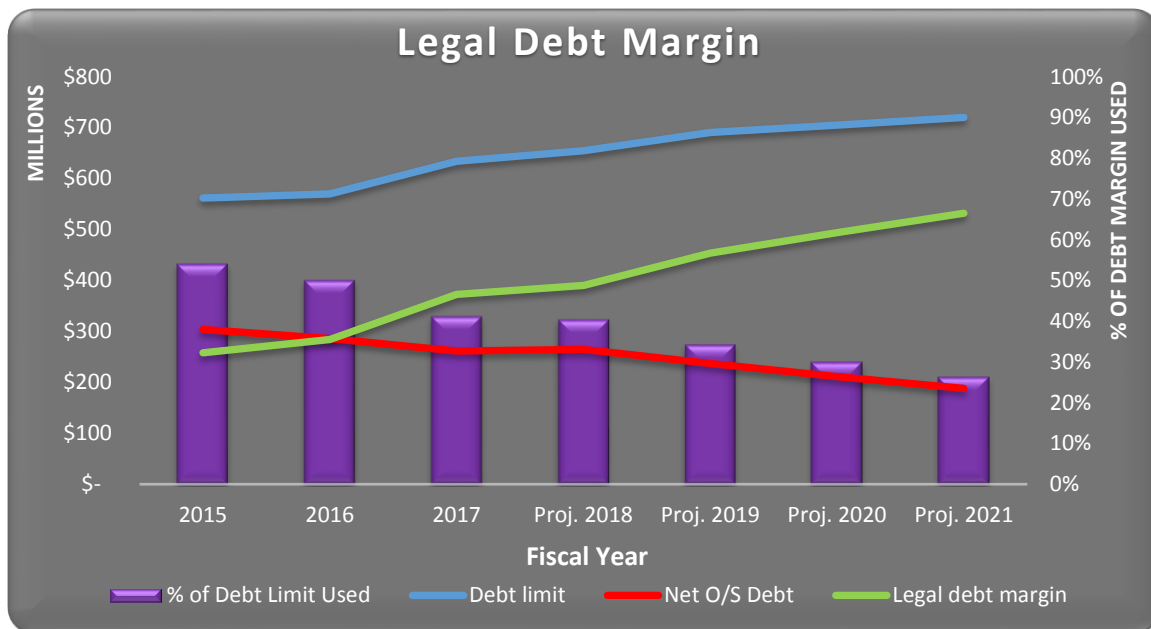




### Estimated Legal Debt Margin Calculation for Fiscal Year 2019

Assessed Value	4,843,124,465
Debt limit (13.8%) of assessed value	<u>668,351,176</u>
Debt outstanding applicable to the limit:	
General obligation bonds	260,203,766
General obligation debt certificates	2,600,303
Purchase contracts	<u>2,687,088</u>
Total debt outstanding applicable to the limit	265,491,157
Less: Amount set aside for repayment of debt	<u>28,569,452</u>
Total net debt applicable to the limit	<u>236,921,705</u>
Total legal debt margin	<u><u>431,429,471</u></u>

Source: Financial Operations

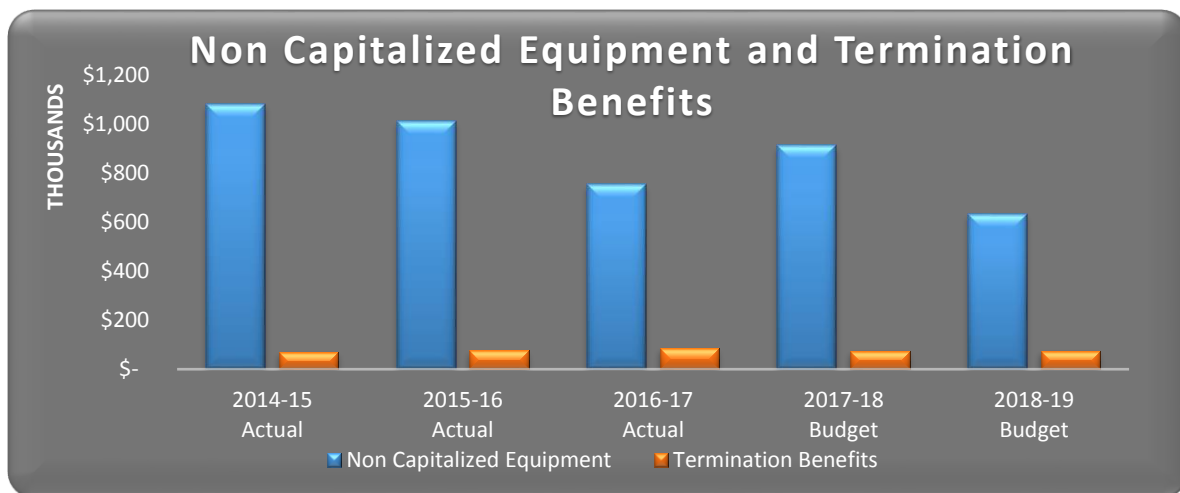


The debt limit is directly tied to the EAV of the District and it will mimic the changes in the EAV year over year. The debt limit is determined by taking 13.8 percent of the total EAV. As the outstanding debt decreases and the EAV increases, the legal debt margin will expand and the percentage of the debt limit used will decrease. For our district, the trend since 2015 has been that the EAV is increasing causing our debt limit to increase as well. Since the district has paid down its debt since 2015, our total net debt application percentage to debt limit has dropped 14 percent. District management anticipates EAVs will continue to track upward over the next few years and has budgeted for an expansion of the legal debt margin due to increased EAV.

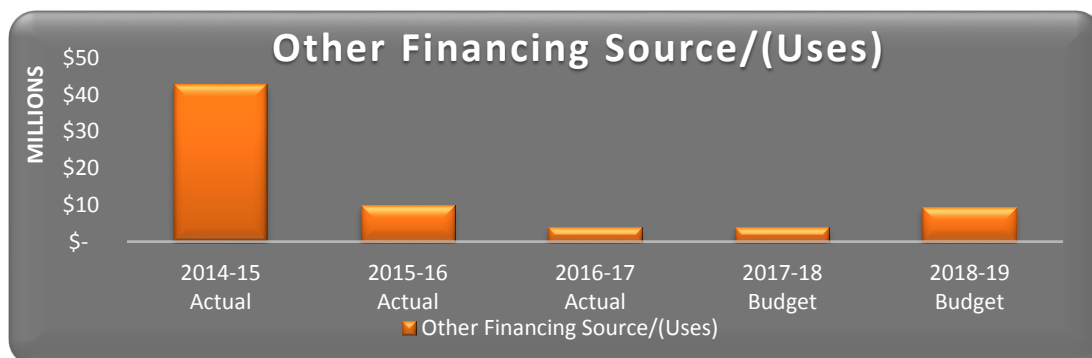


## All Funds Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Non Capitalized Equipment</b>	\$ 1,081,872	\$ 1,011,734	\$ 752,208	\$ 912,575	\$ 633,078
<b>Termination Benefits</b>	\$ 70,304	\$ 76,607	\$ 86,056	\$ 75,000	\$ 75,000



	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Source/(Uses)</b>					
Proceeds from Bonds Sold	\$ 175,900,000	\$ -	\$ -	\$ -	\$ -
Premium from Bonds Sold	25,200,979	-	-	-	-
Proceeds from Purchase Contracts	-	6,653,797	-	-	-
Proceeds from Sale of Equipment	-	664,800	-	-	-
Transfer to Escrow Agent	(158,839,600)	-	-	-	-
Transfer of Principal to Debt Service	370,014	413,481	-	-	-
Transfer of Bond Principal	-	2,068,459	3,902,326	3,902,326	9,302,326
Transfer of Interest to Debt Service	17,632	9,159	-	-	-
<b>Total Other Fin. Sources/(Uses)</b>	<b>\$ 42,649,026</b>	<b>\$ 9,809,696</b>	<b>\$ 3,902,326</b>	<b>\$ 3,902,326</b>	<b>\$ 9,302,326</b>





## All Funds

### Budget and Three-Year Forecast

#### Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 323,593,809	\$ 330,142,294	\$ 336,827,232	\$ 343,650,963
State Sources	199,370,990	195,708,410	199,622,578	203,615,030
Federal Sources	38,102,075	38,483,096	38,867,927	39,256,606
Total Revenue by Source	\$ 561,066,874	\$ 564,333,800	\$ 575,317,737	\$ 586,522,598
Expenditures				
Salaries	\$ 287,884,320	\$ 296,520,849	\$ 305,416,475	\$ 314,578,969
Employee Benefits	101,387,493	105,550,897	109,895,291	114,428,910
Purchased Services	36,863,908	37,232,547	37,604,873	37,885,437
Supplies and Materials	31,673,974	27,620,714	27,896,921	28,175,890
Capital Outlay	38,404,392	36,273,158	36,545,658	35,948,158
Other Objects	61,139,612	55,155,752	55,262,227	54,168,151
Non-Capitalized Equipment	633,078	639,409	645,803	652,261
Termination Benefits	75,000	75,750	76,508	77,273
Total Expenditures by Object	\$ 558,061,777	\$ 559,069,076	\$ 573,343,755	\$ 585,915,048
Excess of Revenues Over Expenditures	3,005,097	5,264,724	1,973,982	607,550
Other Financing Sources	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance	3,005,097	5,264,724	1,973,982	607,550
Fund Balance at Beginning of Year	245,624,379	248,629,476	253,894,200	255,868,182
Fund Balance at End of Year	\$ 248,629,476	\$ 253,894,200	\$ 255,868,182	\$ 256,475,732

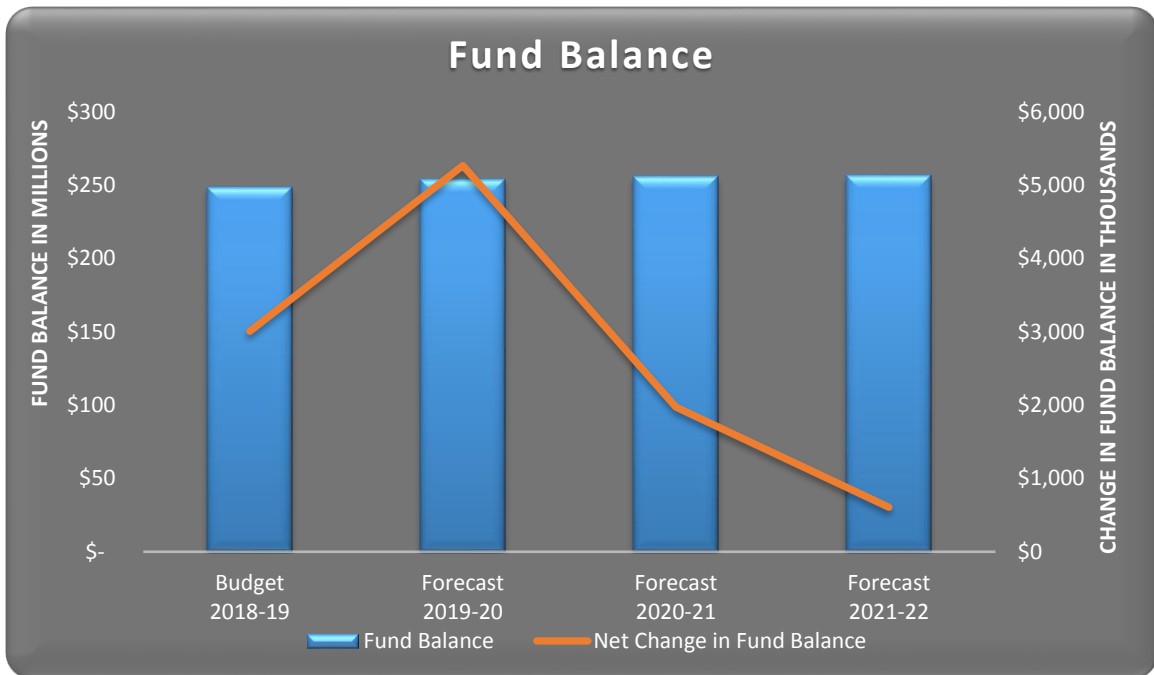
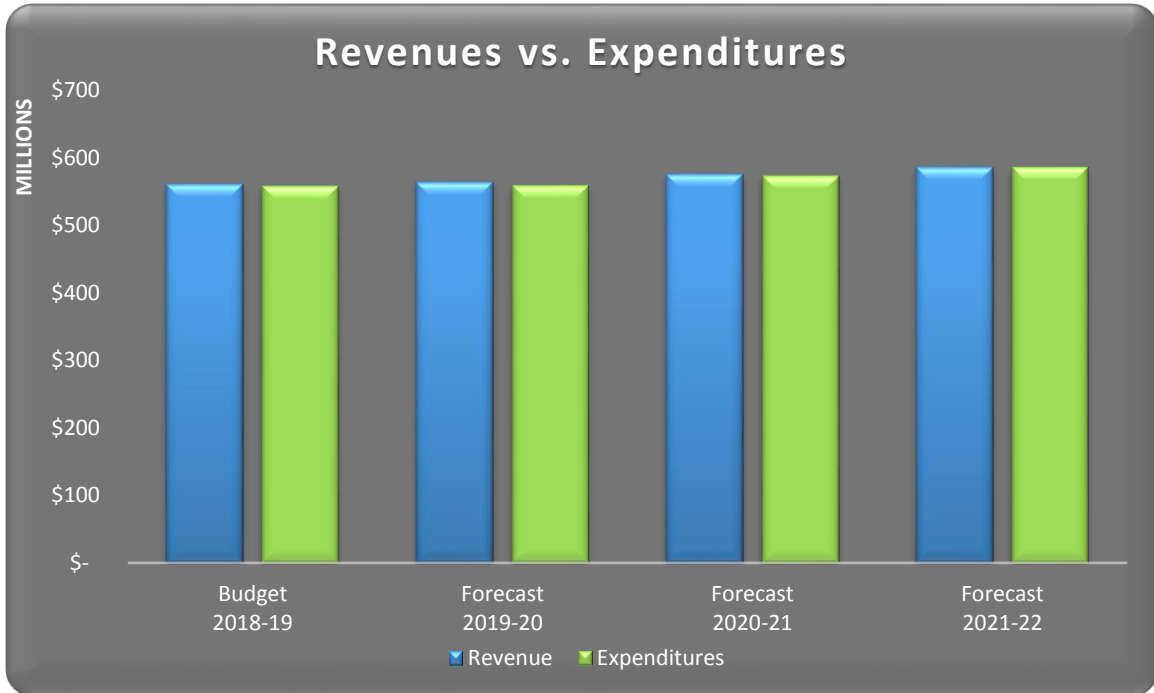
#### Projected Fund Balance Classifications

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Nonspendable	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Restricted				
Operations and Maint.	12,094,248	13,491,666	15,137,108	17,003,038
Debt Service	28,569,452	29,858,934	31,865,498	34,462,540
Municipal Ret./Soc. Sec.	510,633	378,663	53,262	25,481
Capital Projects Fund	3,204,436	3,179,436	3,144,436	3,094,436
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	203,250,707	205,985,501	204,667,879	200,890,236
Total Fund Balance	\$ 248,629,476	\$ 253,894,200	\$ 255,868,182	\$ 256,475,732

Note: See Fund Structure information under the Organizational Section for additional fund balance classification explanations.



# **All Funds** **Budget and Three-Year Forecast** **Revenues, Expenditures and Change in Fund Balance** **(continued)**





# All Operating Funds

The combined Operating Funds is not a separate budget but is a combination of the Educational Fund, the Transportation Fund, and the Operations and Maintenance Fund. This combination of funds makes up the Operating Fund of the District. This concept of the combined Operating Funds is also used by the Illinois State Board of Education (ISBE) for financial analysis purposes.



## All Operating Funds

### Revenues, Expenditures and Changes in Fund Balance

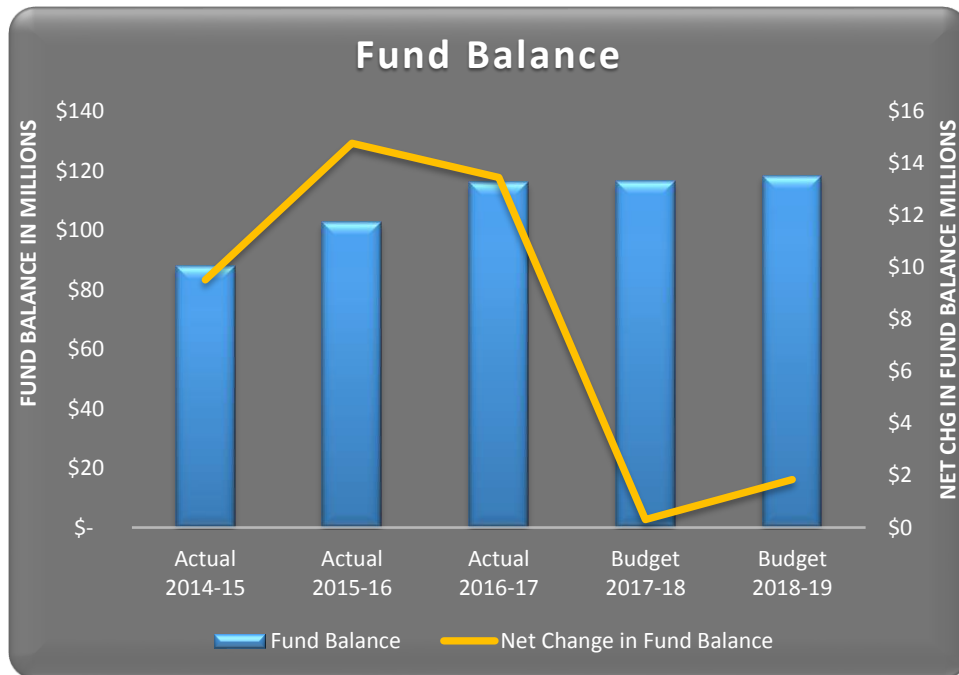
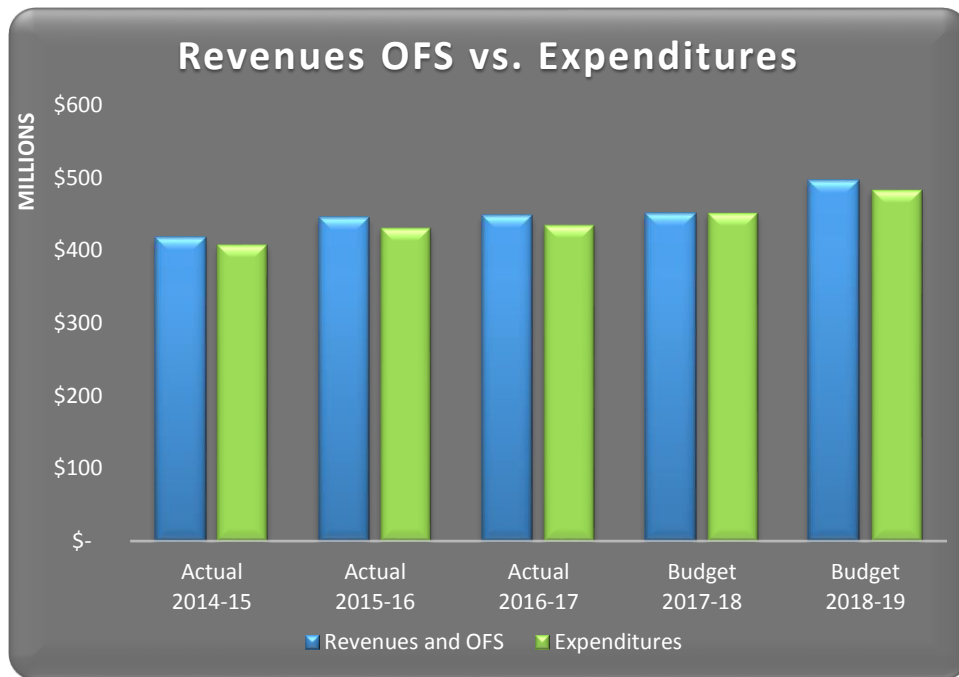
Revenue by Source  
Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 239,809,995	\$ 246,029,053	\$ 251,984,908	\$ 255,234,508	\$ 259,498,328
State Sources	136,586,987	144,808,263	157,372,474	149,733,197	199,370,990
Federal Sources	34,596,302	39,907,564	38,327,984	38,240,793	38,102,075
Total Revenue by Source	\$ 410,993,284	\$ 430,744,880	\$ 447,685,366	\$ 443,208,498	\$ 496,971,393
Expenditures					
Salaries	\$ 244,587,634	\$ 253,174,098	\$ 262,842,368	\$ 269,296,580	\$ 287,466,495
Employee Benefits	74,585,529	75,115,145	78,987,303	81,897,651	85,286,228
Purchased Services	26,879,273	28,804,479	27,587,854	29,731,013	30,915,250
Supplies and Materials	24,444,515	31,095,608	26,859,659	32,011,602	31,673,974
Capital Outlay	25,769,766	29,669,541	25,386,148	22,394,529	34,604,392
Other Objects	10,590,681	11,780,282	12,337,292	15,241,357	18,432,364
Non-Capitalized Equipment	1,081,872	1,011,734	752,208	912,575	633,078
Termination Benefits	70,304	76,607	86,056	75,000	75,000
Total Expenditures by Object	\$ 408,009,574	\$ 430,727,495	\$ 434,838,888	\$ 451,560,307	\$ 489,086,781
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,983,710	17,384	12,846,478	(8,351,809)	7,884,612
Other Financing Sources	\$ 6,541,930	\$ 14,762,582	\$ 614,072	\$ 8,657,109	\$ (6,035,995)
Net Change in Fund Balance	9,525,640	14,779,967	13,460,550	305,300	1,848,617
Fund Balance at Beg. of Year	78,405,865	87,931,505	102,711,471	116,172,021	116,477,321
Fund Balance at End of Year	\$ 87,931,505	\$ 102,711,471	\$ 116,172,021	\$ 116,477,321	\$ 118,325,938

Note: Revenue, expenditures and fund balance discussed in the funds individually that make up the District operating funds. The All Operating Funds group is a consolidation of the educational, operations and maintenance and transportation funds displayed later in this section.



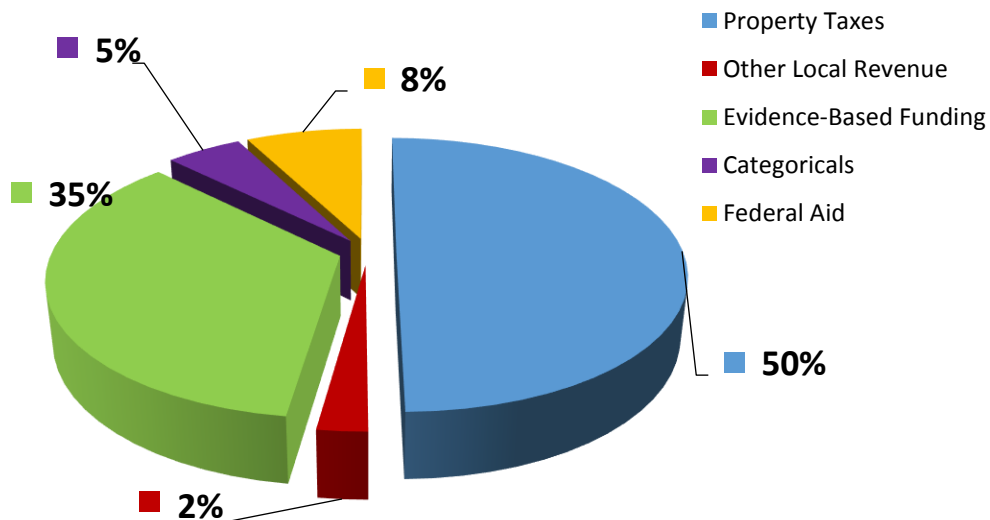
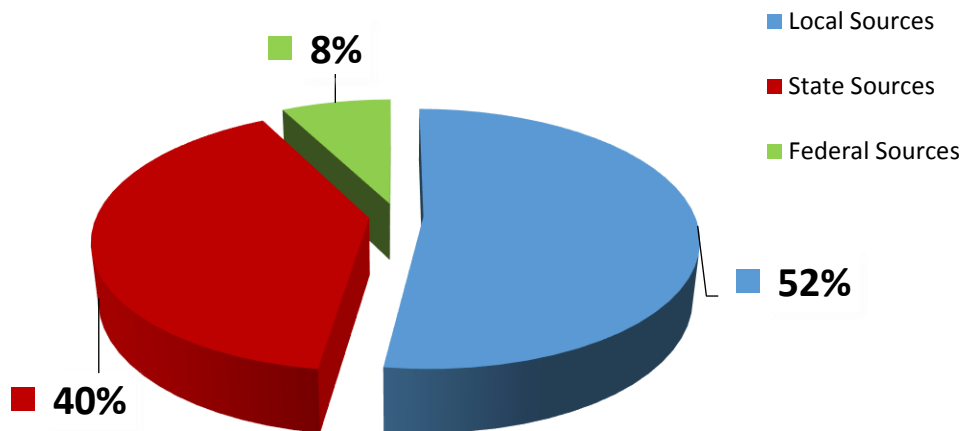
## All Operating Funds Revenues, Expenditures and Changes in Fund Balance (continued)





## All Operating Funds Revenue by Source

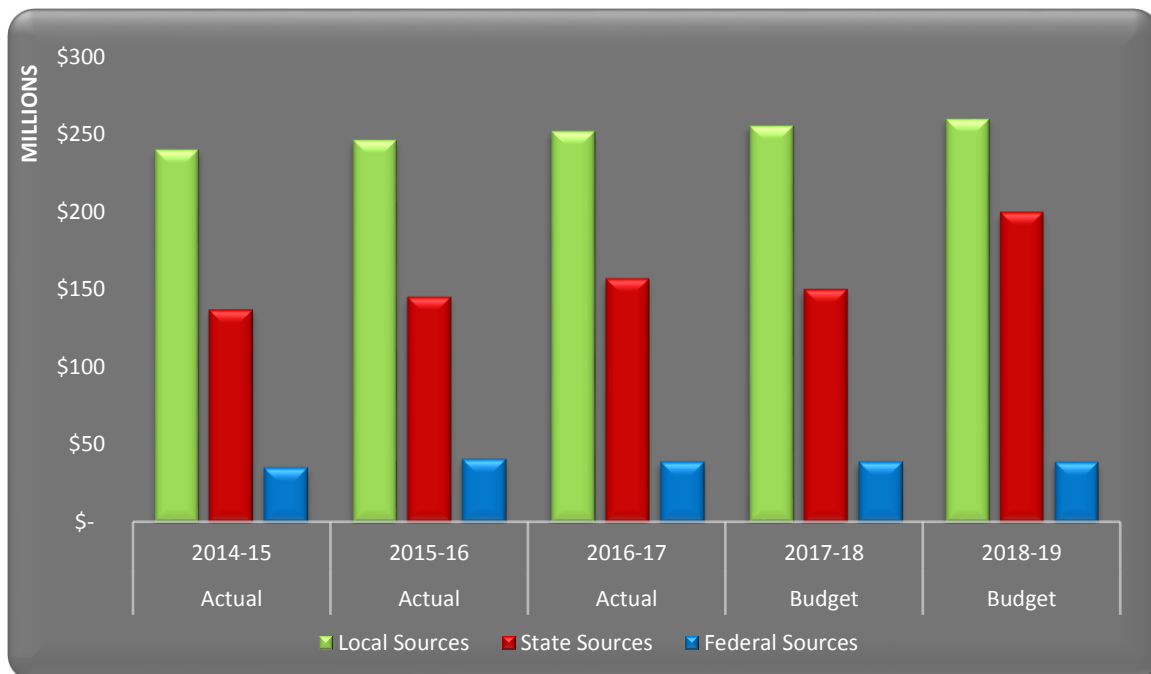
Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 247,779,228
Other Local Revenue	11,719,100
Total Local Sources	259,498,328
State Sources	
Evidence-Based Funding	174,500,000
Categoricals	24,870,990
Total State Sources	199,370,990
Federal Sources	38,102,075
<b>Total Revenue</b>	<b>\$ 496,971,393</b>





## All Operating Funds Revenue by Source

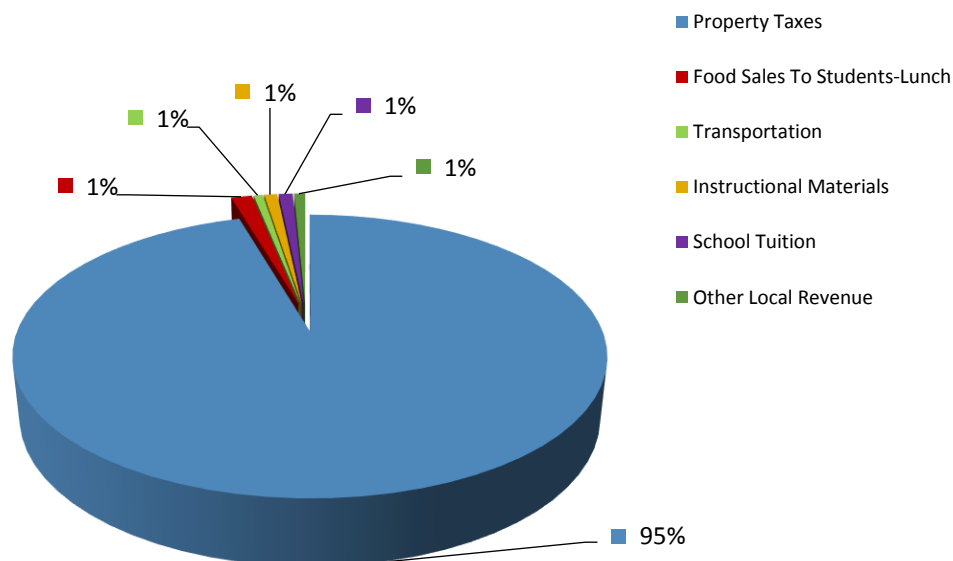
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Local Sources	\$ 239,809,995	\$ 246,029,052	\$ 251,612,422	\$ 255,234,508	\$ 259,498,328
State Sources	136,586,988	144,808,263	156,563,997	149,733,197	199,370,990
Federal Sources	34,596,303	39,907,564	38,327,984	38,240,793	38,102,075
<b>Total Revenues by Source</b>	<b>\$ 410,993,285</b>	<b>\$ 430,744,878</b>	<b>\$ 446,504,403</b>	<b>\$ 443,208,498</b>	<b>\$ 496,971,393</b>





## All Operating Funds Revenue by Source Detail

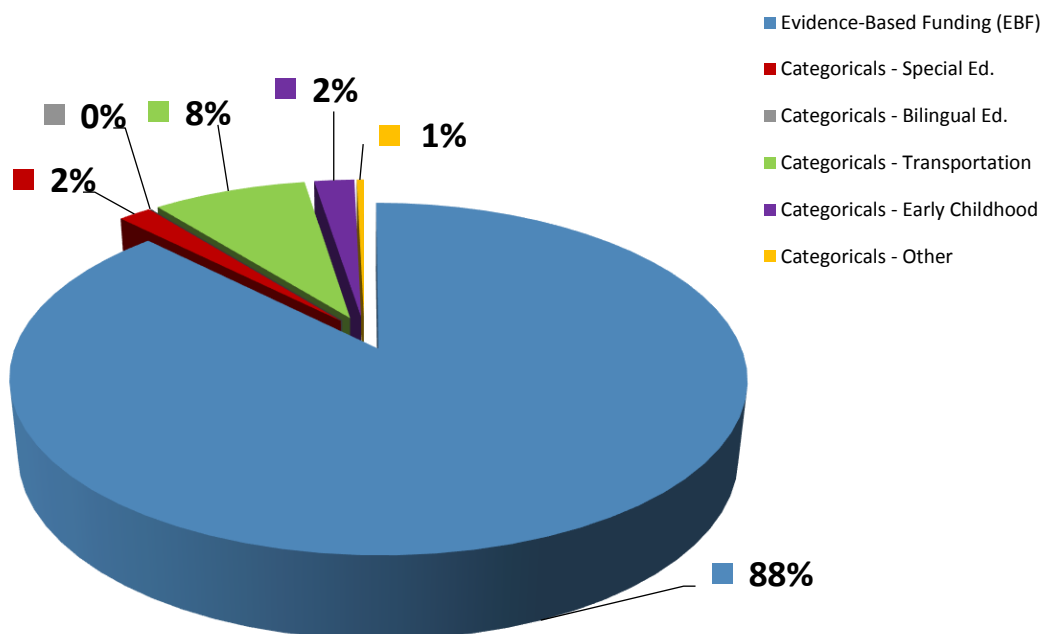
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 227,476,384	\$ 233,534,330	\$ 236,587,105	\$ 242,800,898	\$ 247,779,228
Mobile Home Privilege Tax	-	24,069	-	11,000	-
Village of Hoffman Estates - TIF	69,904	67,099	77,839	40,000	75,000
School Tuition	2,739,405	2,736,373	2,610,547	2,436,000	2,400,000
Fees-Bus Trips-Cocurricular	1,455,864	1,690,449	1,439,237	1,400,000	1,400,000
Interest on Investments	2,418	1,370	1,956	7,200	9,100
Food Sales To Students-Lunch	3,278,823	3,734,037	3,528,555	3,750,000	3,600,000
Pupil Activities	280,535	295,851	365,204	225,000	235,000
Receivable Fees	343,396	493,905	436,749	400,000	185,000
Instr Mats-Student Program	2,019,999	2,418,212	2,616,517	2,500,000	2,250,000
Other Local Revenue	2,082,961	972,365	3,929,795	1,634,410	1,540,000
UIC Mini Grant	-	-	-	-	-
School Partners in City Grant	300	12,450	1,400	-	-
TMA	12,500	-	-	-	-
Mototola Nat. Alliance Partner.	-	-	-	-	-
Hanover Township Grant	-	-	-	-	-
Wisdom Foundation	-	4,910	5,192	-	-
Brighter Futures	17,515	-	-	-	-
James Patterson Partnership Gr	-	3,000	-	-	-
Joyce Foundation	-	10,000	-	-	-
Bartlett Volunteer Fire	-	9,000	-	-	-
Midwest Dairy Association Grant	-	3,900	-	-	-
Breakfast in the Classroom	-	-	-	-	-
U46 Educational Foundation	15,000	16,358	4,827	30,000	25,000
Kane County Health Dept	9,990	1,375	7,500	-	-
Kane County Fit for Kids	5,000	-	-	-	-
<b>Total Local Sources</b>	<b>\$ 239,809,995</b>	<b>\$ 246,029,052</b>	<b>\$ 251,612,422</b>	<b>\$ 255,234,508</b>	<b>\$ 259,498,328</b>





## All Operating Funds Revenue by Source Detail (continued)

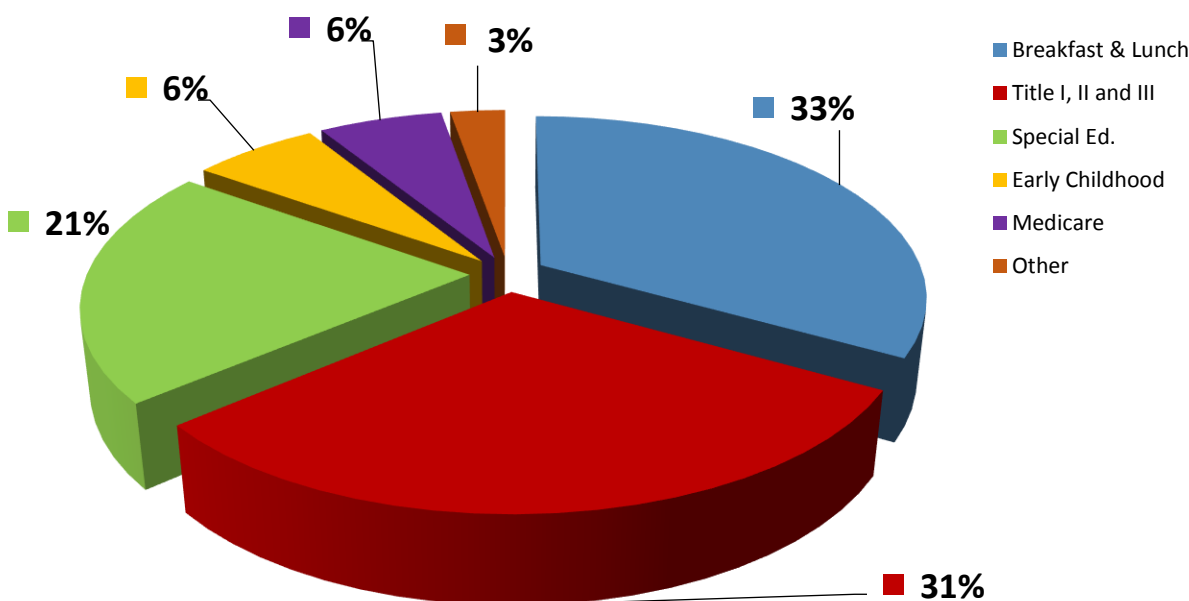
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>State Sources</b>					
Evidence-Based Funding	\$ 96,253,459	\$ 113,739,830	\$ 120,158,179	\$ 120,713,168	\$ 174,500,000
Special Ed - Private Facility	3,482,700	2,822,899	3,601,293	2,812,850	2,812,850
Special Ed - Extraordinary	5,174,892	3,946,226	5,233,208	3,946,226	-
Special Ed - Personnel	5,847,649	4,465,152	5,692,826	4,445,732	-
Special Ed - Orphanage Individ	1,229,686	943,433	583,386	691,699	600,000
Special Ed - Orphanage Summer	185,934	103,353	-	77,515	85,000
Special Ed - Summer School	60,453	90,744	-	68,058	-
Transportation - Regular	7,607,643	6,326,635	7,266,826	6,258,683	6,349,488
Transportation - Special Educa	6,822,143	4,950,754	7,692,031	5,044,327	10,006,353
Voc Ed Program Improve Grant	434,276	279,606	239,426	361,775	361,775
Bilingual Ed - Downstate - T.P	3,004,004	3,302,003	1,421,518	1,962,737	-
State Free & Lunch Breakfast	126,110	103,151	62,547	32,016	160,000
Driver Education	184,369	193,760	191,298	145,320	145,320
National Board Certification I	16,500	-	-	-	-
Safe Schools Grant (ROE)	81,362	100,029	-	70,875	70,000
Early Childhood - Pre K	3,474,401	2,934,034	71,595	2,800,670	3,965,211
Early Childhd - Proj Prepares	295,939	265,364	3,674,915	253,300	289,993
State Library Grant	29,071	0	258,011	17,689	25,000
Back to Books Grant	(5,000)	-	-	-	-
Illinois Arts Council Grant	-	17,840	-	-	-
Illinois Dept of Public Health	-	-	-	-	-
Family Literacy	3,677	(176)	-	-	-
Orphanage Tuition - 18-3	17,858	(7,199)	-	30,557	-
Safe Schools Grant	-	34,167	241,000	-	-
Other Revenue from State Source	2,259,862	196,656	175,939	-	-
<b>Total State Sources</b>	<b>\$ 136,586,988</b>	<b>\$ 144,808,263</b>	<b>\$ 156,563,997</b>	<b>\$ 149,733,197</b>	<b>\$ 199,370,990</b>





## All Operating Funds Revenue by Source Detail (continued)

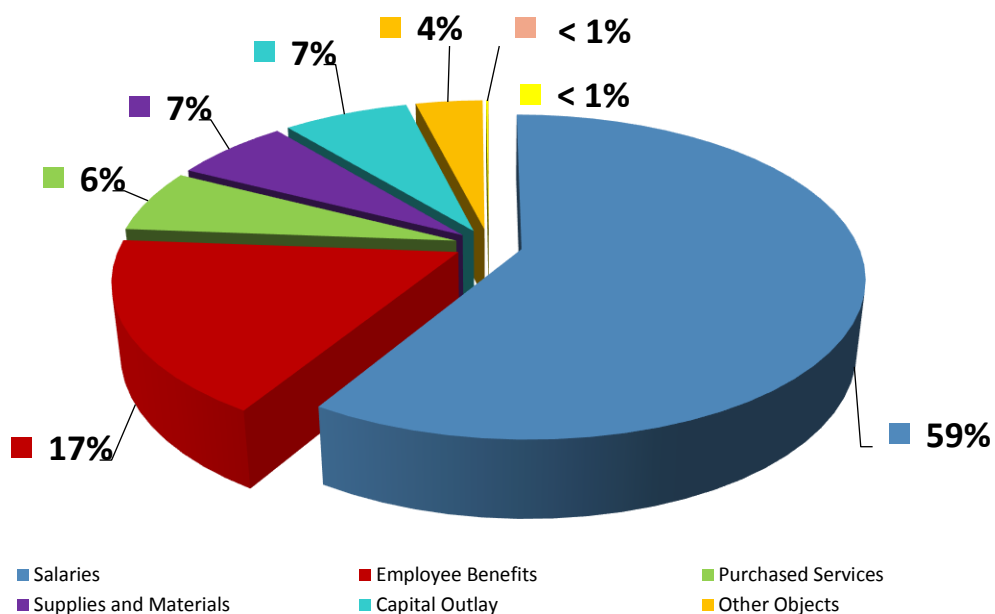
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Federal Sources</b>					
National School Lunch Program	\$ 9,487,942	\$ 9,099,385	\$ 9,681,950	\$ 9,000,000	\$ 9,600,000
School Breakfast Program	2,324,614	2,305,294	2,115,343	2,000,000	2,000,000
NSLP - Equipment	-	34,280	-	-	-
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Title I - Low Income	8,041,987	11,135,192	10,281,194	9,956,930	8,921,373
21st Century Comm Learning	451,869	636,538	605,269	516,786	522,699
Fed Grant thru Intermediate	-	-	8,000	-	-
Fed - Sp Ed - Pre-school Flow	149,349	194,225	207,170	172,325	167,787
Fed - Sp Ed - IDEA Flow Through	7,778,813	8,203,865	6,709,616	7,827,463	7,827,456
Rm & Brd PL 94-142 Sp Ed	440,857	746,922	683,359	450,000	-
Voc Ed Perkins Title IIc	358,537	390,728	237,594	412,860	349,584
MIHOPE	7,000	-	-	-	-
Early Childhood Expansion Grant	-	1,935,115	2,189,955	2,395,800	2,395,800
Project READI	2,162	-	-	-	-
Emergency Immigrant Assistance	25,604	-	62,555	63,204	60,774
Title III Lang Inst Prog Lim Eng	1,368,691	939,254	960,480	1,324,193	1,212,627
Title II - Teacher Quality	741,720	814,242	1,068,597	841,912	1,554,144
Dept Of Rehab Services	113,582	101,211	101,211	261,323	106,834
MIECHVP	165,316	124,236	79,937	135,000	-
COPS Grant	82,500	-	-	-	-
Medicaid fee for Service	1,928,530	1,224,745	1,384,216	850,000	1,350,000
Administrative Outreach	1,127,230	989,334	1,269,449	1,000,000	1,000,000
<b>Total Federal Sources</b>	<b>\$ 34,596,303</b>	<b>\$ 39,907,564</b>	<b>\$ 38,327,984</b>	<b>\$ 38,240,793</b>	<b>\$ 38,102,075</b>





## All Operating Funds Expenditures by Object

Expenditures	Budget 2018-19
Salaries	\$ 287,466,495
Employee Benefits	85,286,228
Purchased Services	30,915,250
Supplies and Materials	31,673,974
Capital Outlay	34,604,392
Other Objects	18,432,364
Non-Capitalized Equipment	633,078
Termination Benefits	75,000
<b>Total Expenditures by Object</b>	<b>\$ 489,086,781</b>



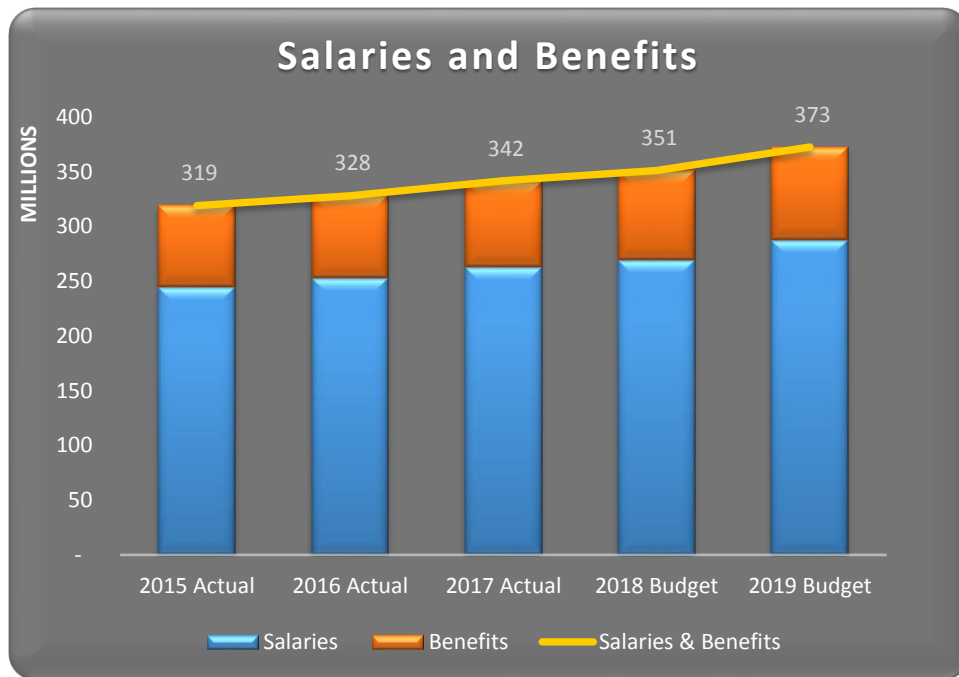


## All Operating Funds Expenditures by Object Detail

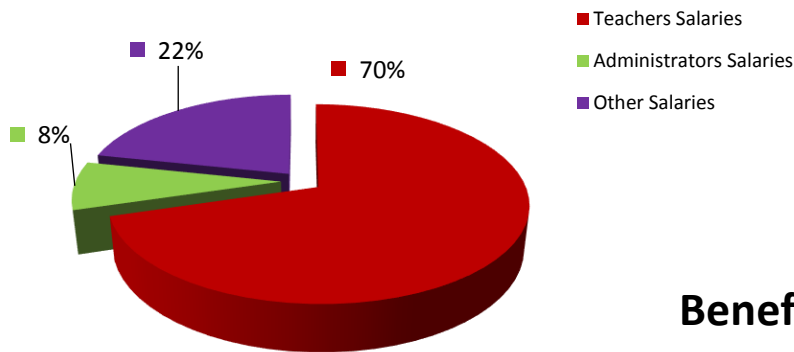
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Teachers Salaries	\$ 152,861,047	\$ 158,123,200	\$ 164,799,153	\$ 168,779,630	\$ 181,062,484
Administrators Salaries	20,455,101	21,460,056	21,893,769	22,658,191	22,884,009
Technical Salaries	11,201,940	11,757,751	12,783,569	13,121,540	14,469,289
Temporary Salaries	138,657	153,222	106,684	100,000	36,494
Daily Substitute Salaries	4,399,542	4,327,431	4,188,786	4,309,902	5,078,793
Hourly Substitute Salaries	502,380	478,229	589,845	608,283	797,891
Other Hourly Extra Curr Superv	4,209,847	4,616,259	5,402,625	5,390,545	5,800,291
Athletic Extra Curr Supervisio	248,075	241,042	629,136	623,280	759,211
Noon Supervision	1,690,237	1,781,881	1,996,964	2,039,636	2,069,851
Stipends	4,206,980	4,214,033	4,208,489	3,679,274	4,217,843
Overtime Time & a Half	913,300	1,247,217	593,220	1,240,861	1,404,751
Overtime Double Time	47,746	30,790	47,292	49,105	41,258
Teachers Aides & Assistants	1,296,402	1,320,959	1,628,501	1,664,039	1,793,071
Special Education Aides	6,233,196	6,914,956	7,453,252	7,595,586	8,129,099
Bilingual Aides	295,533	274,898	305,417	313,809	206,744
Para Professionals	987,911	1,032,631	1,165,451	1,188,330	1,239,072
Deans Assistants	1,486,415	1,484,795	1,464,556	1,508,842	1,661,959
12-Month Secretaries	4,448,206	4,467,634	4,739,049	4,834,049	4,697,656
10-Month Secretaries	3,556,157	3,492,845	3,498,536	3,565,938	3,637,190
Clerical Aides	427,037	420,740	423,686	432,153	435,293
Liasons	1,404,819	1,411,047	1,435,210	1,485,892	1,177,014
Custodians	3,772,900	3,937,680	4,014,387	4,094,972	4,519,071
Maintenance	1,705,738	1,813,978	12,071,402	1,901,428	1,971,406
Grounds	934,798	1,038,251	1,057,640	1,086,735	1,104,178
Drivers	11,102,701	11,165,848	1,763,921	11,071,164	11,600,203
Driver Aides	1,154,606	1,284,761	658,985	1,235,371	1,733,389
Mechanics	601,638	636,400	210,398	677,417	705,167
Dispatchers	311,474	222,158	-	216,918	286,915
Food Service Tech	3,970,019	3,794,185	3,682,589	3,793,690	3,919,388
Student Helpers	23,235	29,222	29,691	30,000	27,515
<b>Total Salaries</b>	<b>\$ 244,587,635</b>	<b>\$ 253,174,099</b>	<b>\$ 262,842,203</b>	<b>\$ 269,296,580</b>	<b>\$ 287,466,495</b>
<b>Employee Benefits</b>					
Teachers Retirement	\$ 22,972,670	\$ 25,448,345	\$ 25,329,117	\$ 26,824,685	\$ 27,509,871
TRS Early Retirement Contrbtn	808,974	701,317	1,118,742	-	-
Life Insurance	354,056	370,924	284,347	350,615	315,049
Medical Insurance	46,929,384	44,731,037	48,450,061	50,792,780	53,611,723
Dental Insurance	2,031,821	2,333,183	2,226,909	2,317,153	2,477,205
Disability Insurance	330,671	382,101	423,092	441,214	446,615
IMRF/SS/Medicare Allocation	1,157,953	1,148,239	1,155,035	1,171,204	925,765
<b>Total Benefits</b>	<b>\$ 74,585,529</b>	<b>\$ 75,115,146</b>	<b>\$ 78,987,304</b>	<b>\$ 81,897,651</b>	<b>\$ 85,286,228</b>



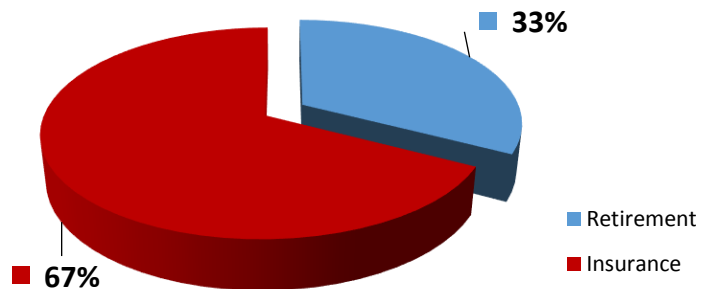
## All Operating Funds Expenditures by Object Detail (continued)



### Salaries by employee type



### Benefits paid by District





## All Operating Funds Expenditures by Object Detail (continued)

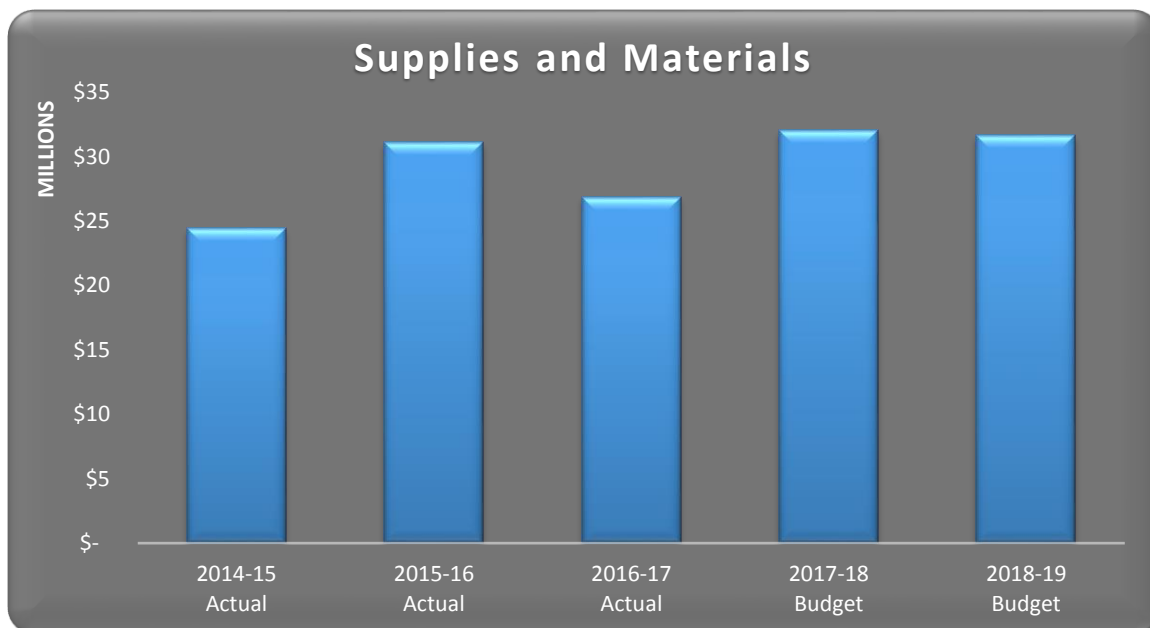
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 1,583,392	\$ 1,798,648	\$ 1,640,294	\$ 2,407,380	\$ 2,311,000
Admin Professional Services	640,053	1,275,446	755,244	1,017,875	1,086,211
Instructional Professional Ser	1,424,608	1,416,641	1,499,708	1,457,782	1,734,627
Audit/Financial Services	110,500	101,700	91,750	100,000	105,000
Legal Services	232,579	94,260	94,732	100,000	150,000
Other Tech & Prof Serv	5,658,492	6,836,208	6,323,769	7,374,885	7,626,216
Sanitation Services	241,579	311,672	273,157	346,158	412,500
Cleaning Services	76,605	68,154	68,870	102,066	126,500
Repairs & Maint Services	6,657,444	6,971,920	6,447,638	6,031,415	6,846,738
Rentals	176,637	347,642	222,268	276,550	234,850
Contract Cleaning	3,453,342	3,488,234	3,511,452	3,615,000	3,687,300
Exterminating	29,475	30,660	42,792	63,040	60,000
Other Property Services	19,031	19,304	24,629	30,499	30,500
Pupil Transportation	2,090,115	2,360,318	2,290,769	2,501,728	1,981,282
Indistrict/Regional Travel	168,937	152,797	142,248	153,664	154,188
Travel Conf/Workshops	649,910	407,425	434,996	470,368	551,271
Out Of District Travel	184,117	111,790	169,082	191,167	222,565
Negotiations Expense	29,545	4,685	-	1,500	1,500
Awards and Banquets	37,804	28,942	36,919	35,000	42,500
Communications/Postage	1,723,516	1,192,721	1,660,483	1,664,437	1,632,491
Advertising	16,064	13,974	14,997	26,000	17,000
Printing & Duplicating	163,080	221,573	251,524	333,331	276,986
Binding	18,762	24,218	32,913	38,000	36,000
Copier Service/Repair	636,830	686,778	640,276	578,404	556,761
Copier Lease/Rental	9,553	8,917	7,523	24,500	18,000
Water/Sewer	543,383	578,516	684,844	546,264	646,264
Insurance	15,000	15,000	15,000	15,000	15,000
Workers Compensation	250,000	185,000	185,000	185,000	185,000
Unemployment Compensation	-	-	-	-	125,000
Other Purchased Services	38,920	51,336	24,976	44,000	42,000
<b>Total Purchased Services</b>	<b>\$ 26,879,273</b>	<b>\$ 28,804,479</b>	<b>\$ 27,587,853</b>	<b>\$ 29,731,013</b>	<b>\$ 30,915,250</b>





## All Operating Funds Expenditures by Object Detail (continued)

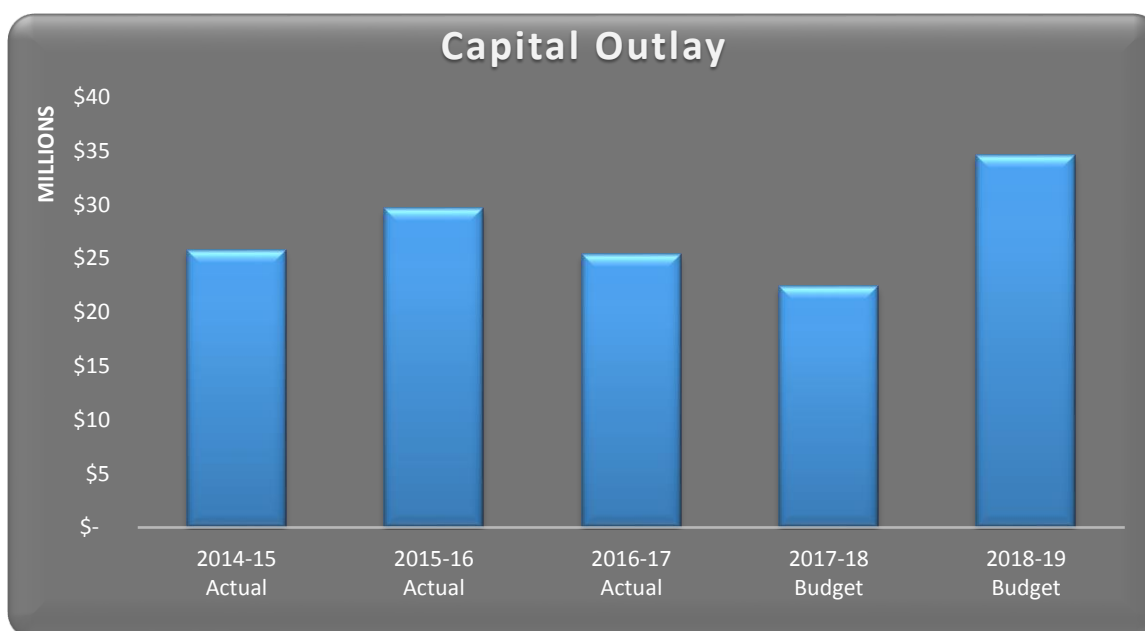
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Supplies and Materials</b>					
Supplies	\$ 8,364,141	\$ 8,360,267	\$ 7,973,433	\$ 8,548,380	\$ 8,380,386
Food Service Food & Supplies	6,477,049	6,210,367	6,954,806	5,817,705	6,223,557
Custodial Supplies	511,645	500,498	459,189	609,198	659,198
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Tech Consumables	60,106	56,775	67,825	66,401	57,009
Copier Paper/Supplies	155,068	185,655	216,758	215,437	217,280
Freight In/Shipping	-	-	-	-	1,000
AV Supplies	253	43	-	500	494
Support Materials	28,460	24,732	12,073	14,400	18,200
Textbooks	1,897,817	8,711,490	3,812,363	8,300,000	7,000,000
Suppl Instructional Matls	600	-	38,971	32,000	31,000
Computer Accessories	34,845	26,810	19,105	24,547	24,074
Library Materials	36,425	43,054	33,785	35,051	100,484
Suppl Library Matls	2,384	2,309	-	2,375	1,459
Periodicals	2,653	1,457	1,974	3,501	5,726
Oil	72,850	97,062	81,681	88,000	100,000
Gasoline	1,812,561	1,250,293	1,223,867	1,740,000	1,740,000
Natural Gas	1,829,124	1,299,164	1,272,958	1,613,110	1,813,110
Electricity	3,135,355	3,274,124	3,970,677	3,850,000	4,250,000
Software	5,000	-	-	-	-
Other Supplies	18,180	18,511	38,104	18,000	18,000
<b>Total Supplies and Materials</b>	<b>\$ 24,444,516</b>	<b>\$ 31,095,608</b>	<b>\$ 26,859,659</b>	<b>\$ 32,011,602</b>	<b>\$ 31,673,974</b>





## All Operating Funds Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Capital Outlay</b>					
Buildings	\$ 12,686,025	\$ 11,744,253	\$ 16,448,218	\$ 13,445,923	\$ 16,764,000
Improvements (Non Building)	1,724,833	1,541,870	643,721	77,500	1,700,000
Addl/Repl Equipment	11,083,465	8,625,742	5,724,592	8,662,106	10,158,358
Aged & Obsolete Equipment	272,599	112,695	188,276	206,000	236,000
Lease/Purchase Equipment	2,844	137,228	74,900	3,000	2,300
Addl/Repl Transportation Equip	-	196,656	2,306,440	-	5,743,734
Transp Lease/Purchase Equipment	-	7,311,097	-	-	-
<b>Total Capital Outlay</b>	<b>\$ 25,769,766</b>	<b>\$ 29,669,541</b>	<b>\$ 25,386,147</b>	<b>\$ 22,394,529</b>	<b>\$ 34,604,392</b>

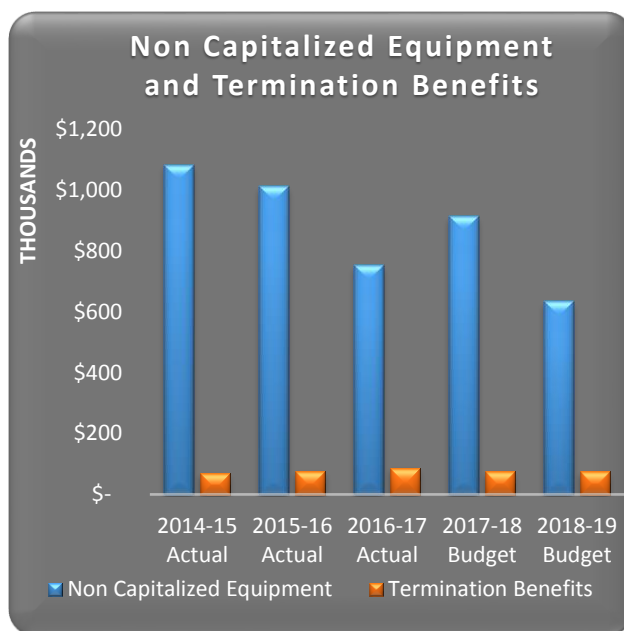
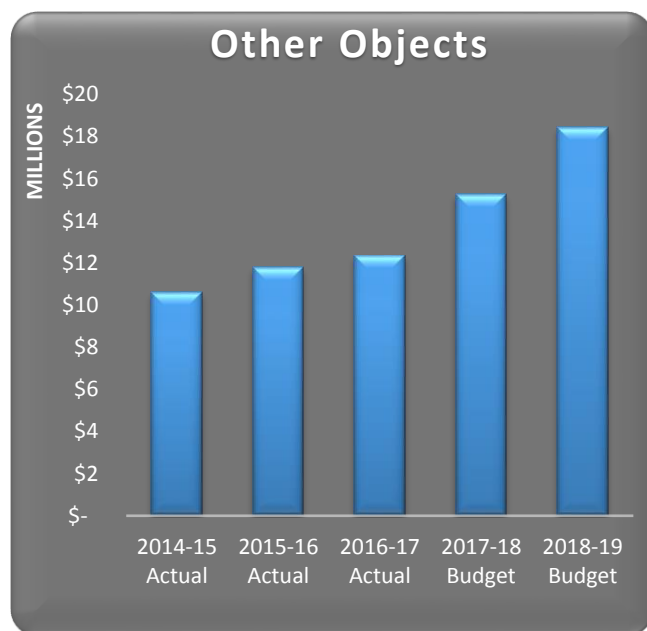




## All Operating Funds Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Objects</b>					
Redemption Of Principal - Leases	\$ 1,377,280	\$ 2,751,966	\$ 2,708,464	\$ 2,745,758	\$ 1,333,745
Interest - Leases	72,541	71,099	114,600	77,308	39,500
Dues & Fees	242,332	421,162	462,808	332,491	179,419
Tuition	8,892,677	8,531,711	9,047,983	9,580,000	10,879,700
Miscellaneous Objects	5,851	4,344	3,437	5,800	-
Contingency	-	-	-	2,500,000	6,000,000
<b>Total Other Objects</b>	<b>\$ 10,590,680</b>	<b>\$ 11,780,282</b>	<b>\$ 12,337,292</b>	<b>\$ 15,241,357</b>	<b>\$ 18,432,364</b>

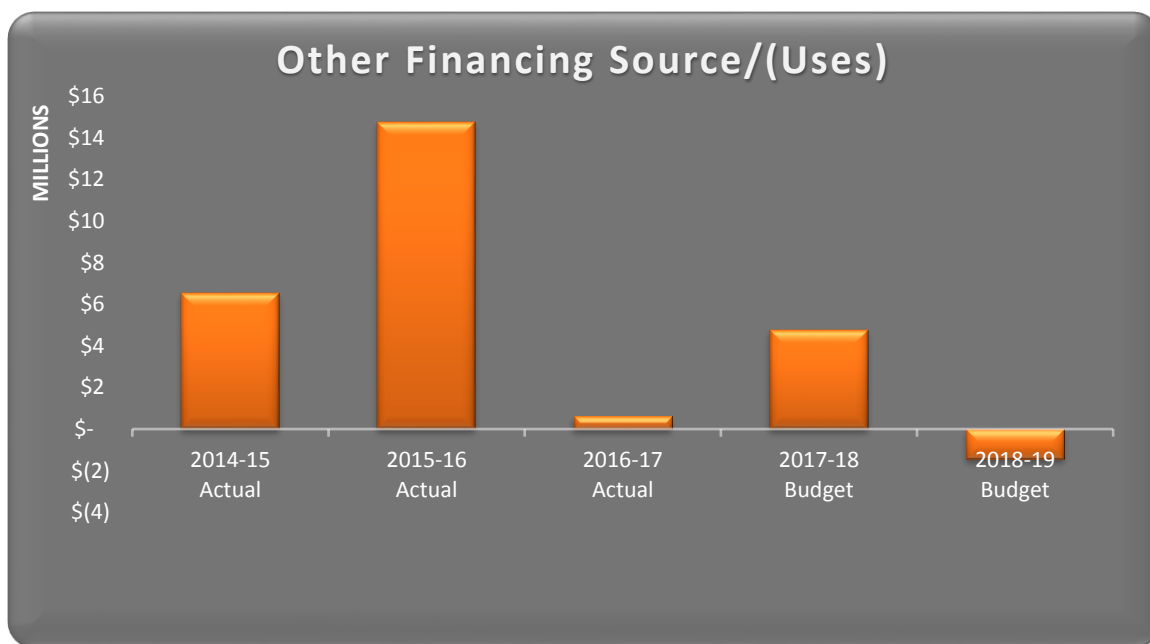
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Non Capitalized Equipment</b>	\$ 1,081,872	\$ 1,011,734	\$ 752,208	\$ 912,575	\$ 633,078
<b>Termination Benefits</b>	\$ 70,304	\$ 76,607	\$ 86,056	\$ 75,000	\$ 75,000





## All Operating Funds Other Financial Sources/(Uses)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Source/(Uses)</b>					
Transfers - Interfund	\$ 7,494,394	\$ 10,153,249	\$ 4,158,210	\$ 12,000,000	\$ -
Transfers - Bank Interest	75,000	425,000	1,000,000	1,200,000	3,200,000
Proceeds from Purchase Contracts	-	6,653,797	-	-	-
Proceeds from sale of equipment	-	664,800	-	-	-
Transfer of Principal to Debt Serv	(370,014)	(413,481)	-	(3,902,326)	-
Transfer of Bond Principal	(610,521)	(2,681,648)	(4,518,148)	(4,520,904)	(4,616,879)
Transfer of Bond Interest	(29,296)	(29,976)	(25,990)	(21,987)	(19,116)
Transfer of Interest to Debt Serv	(17,633)	(9,159)	-	-	-
<b>Total Other Fin. Sources/(Uses)</b>	<b>\$ 6,541,930</b>	<b>\$ 14,762,582</b>	<b>\$ 614,072</b>	<b>\$ 4,754,783</b>	<b>\$ (1,435,995)</b>





## All Operating Funds Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

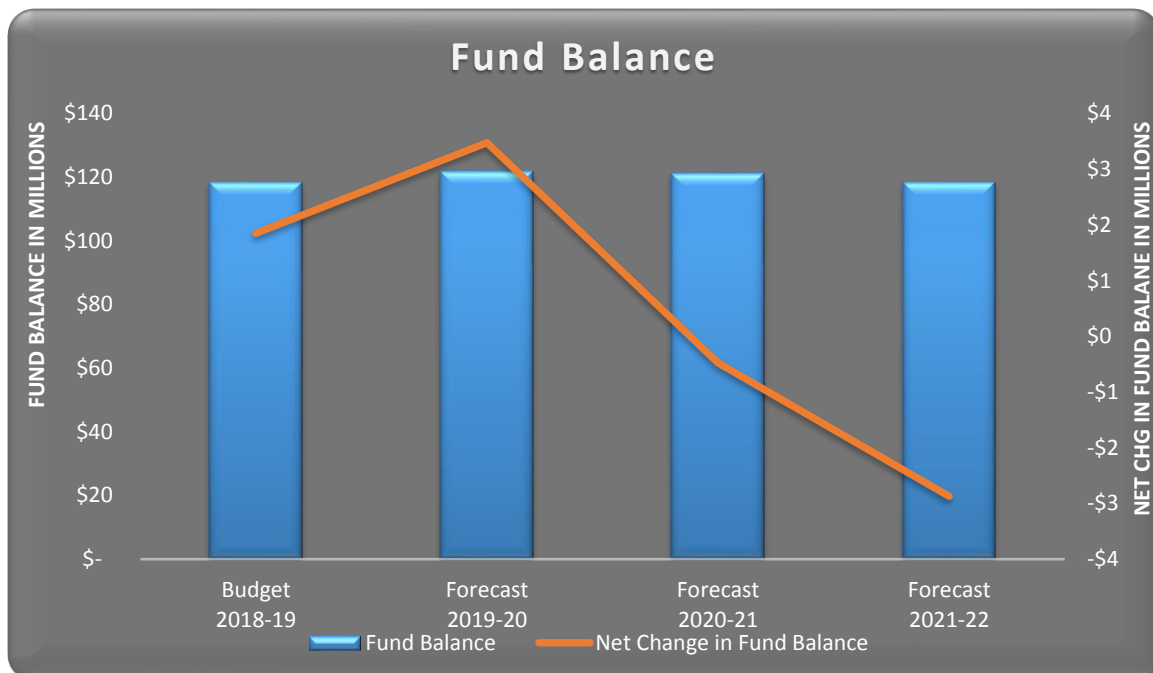
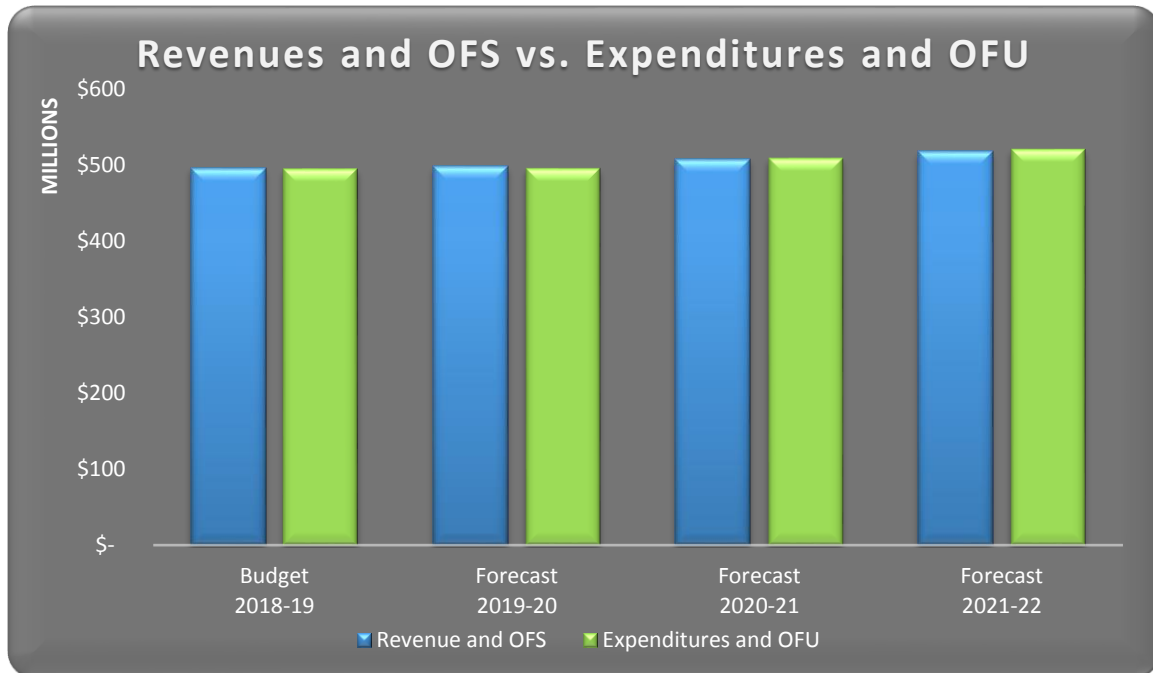
	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 259,498,328	\$ 264,832,893	\$ 270,278,320	\$ 275,336,927
State Sources	199,370,990	195,708,410	199,622,578	203,615,030
Federal Sources	38,102,075	38,483,096	38,867,927	39,256,606
Total Revenue by Source	\$ 496,971,393	\$ 499,024,398	\$ 508,768,825	\$ 518,208,563
Expenditures				
Salaries	\$ 287,466,495	\$ 296,090,490	\$ 304,973,204	\$ 314,122,400
Employee Benefits	85,286,228	88,966,594	92,813,459	96,834,623
Purchased Services	30,915,250	31,224,402	31,536,647	31,756,529
Supplies and Materials	31,673,974	27,620,714	27,896,921	28,175,890
Capital Outlay	34,604,392	32,448,158	32,710,658	32,098,158
Other Objects	18,432,364	12,542,753	12,654,449	11,394,016
Non-Capitalized Equipment	633,078	639,409	645,803	652,261
Termination Benefits	75,000	75,750	76,508	77,273
Total Expenditures by Object	\$ 489,086,781	\$ 489,608,269	\$ 503,307,648	\$ 515,111,149
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	7,884,612	9,416,129	5,461,177	3,097,413
Other Financing Sources/(Uses)	\$ (6,035,995)	\$ (5,941,591)	\$ (5,940,291)	\$ (5,968,990)
Net Change in Fund Balance	1,848,617	3,474,538	(479,114)	(2,871,577)
Fund Balance at Beginning of Year	116,477,321	118,325,938	121,800,476	121,321,361
Fund Balance at End of Year	\$ 118,325,938	\$ 121,800,476	\$ 121,321,361	\$ 118,449,785

### ASSUMPTIONS:

The assumptions for the All Operating Funds group is a consolidation of the assumptions from the educational, operations and maintenance and transportation funds displayed later in this section.



# **All Operating Funds** **Budget and Three-Year Forecast** **Revenues, Expenditures and Change in Fund Balance** **(continued)**





# Educational Fund

The Educational Fund is the general operating fund of the District. It is used to account for all financial transactions not accommodated by another specific fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations.  
[See 105 ILCS 5/17-2]



## Educational Fund

### Revenues, Expenditures and Changes in Fund Balance

Revenue by Source  
Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 194,433,649	\$ 198,225,957	\$ 200,150,585	\$ 204,850,199	\$ 203,897,671
State Sources	122,036,320	133,334,218	141,496,666	138,430,187	175,515,149
Federal Sources	34,596,302	39,907,564	38,327,984	38,240,793	38,102,075
Total Revenue by Source	\$ 351,066,271	\$ 371,467,739	\$ 379,975,235	\$ 381,521,179	\$ 417,514,895
Expenditures					
Salaries	\$ 223,414,309	\$ 231,044,310	\$ 241,280,142	\$ 247,318,905	\$ 263,563,239
Employee Benefits	67,442,692	68,120,386	72,238,388	74,834,312	78,242,599
Purchased Services	16,821,840	18,028,273	16,988,036	18,799,915	18,720,648
Supplies and Materials	14,490,727	22,042,198	17,429,276	21,512,392	20,538,864
Capital Outlay	13,293,180	9,334,071	11,254,762	9,871,106	11,660,658
Other Objects	9,135,670	8,948,508	9,510,673	12,407,291	17,053,919
Non-Capitalized Equipment	1,081,872	1,011,734	752,208	912,575	633,078
Termination Benefits	70,304	76,607	86,056	75,000	75,000
Total Expenditures by Object	\$ 345,750,594	\$ 358,606,087	\$ 369,539,541	\$ 385,731,496	\$ 410,488,005
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	5,315,677	12,861,652	10,435,694	(4,210,317)	7,026,890
Other Financing Uses	\$ (1,063,199)	\$ (3,131,134)	\$ (3,902,326)	\$ (3,902,326)	\$ (9,302,326)
Net Change in Fund Balance	4,252,478	9,730,518	6,533,368	(8,112,643)	(2,275,436)
Fund Balance at Beg. of Year	89,124,912	93,377,391	103,107,909	109,641,277	101,528,634
Fund Balance at End of Year	\$ 93,377,391	\$ 103,107,909	\$ 109,641,277	\$ 101,528,634	\$ 99,253,198

#### Revenue

The Educational Fund receives revenue from more sources than any other fund. The fund's largest revenue source is property taxes. Property taxes make up the majority of local sources currently budgeted at \$195 million, approximately \$0.2 million less than the prior year's budget. This decrease in the property tax allocation in the Educational Fund is due to management shifting the EAV growth allocation in the tax levy to the Operations & Maintenance Fund to cover capital outlay expenditures that would have been typically funded by the working cash bonds. Other local sources of revenue in the fund include tuition fees, food sales, instructional fees as well as donations from various sources.

State sources of revenue are budgeted to increase 27% percent (over \$37 million) mainly due to the Evidence-Based Funding for Student Success Act (EBF) that became law in August 2017. EBF prioritizes distribution of funding to the students with the most need and the most poorly funded school districts. After the Illinois State Board of Education evaluated twenty-six essential elements throughout the state, the gap to adequacy for the District was established and additional funds were distributed in the school year 2017-2018. Additional funds were approved for the 2018-2019 school year, however the values have not been released by the State as of yet.



Other state funding is provided by mandated categorical payments through various programs. The categorical payments are intended to reimburse districts on a quarterly basis, however, the state is behind in these payments to the District and other Illinois school districts. Four of the State categorical programs are now part of the EBF. This provides the District with more consistent funding as these programs will no longer be delayed in payment. Although the State has not paid us the fourth quarter FY18 categorical payments, the District did receive four payments in the 2017-2018 school year; last payment from FY17 and three from FY18. For that reason, management has budgeted for four categorical payments for this upcoming school year.

The Educational Fund receives federal funding for approximately 15 different programs. Federal sources include: National School Lunch Program, School Breakfast Program, Title I – Low Income, 21<sup>st</sup> Century, I.D.E.A., Perkins, Early Childhood Expansion Grant, Title II and III, Medicaid fee for service and Administrative Outreach.

#### *Expenditures*

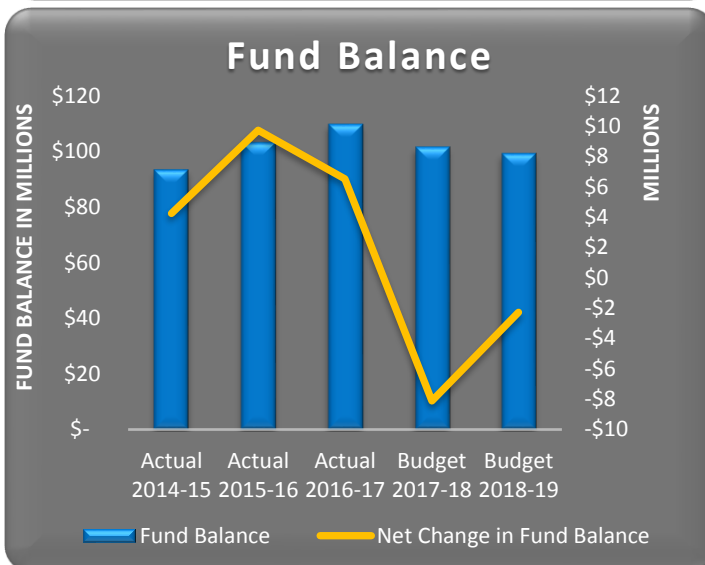
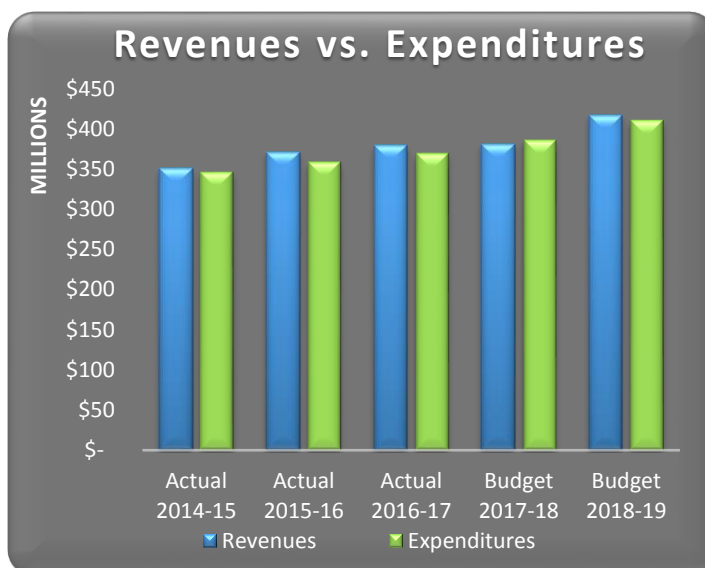
Budgeted expenditures in the fund have increased 8 percent over the prior year's budget. The majority of the increase is due to salary and benefit contractual obligations in addition to the additional fifty-four (54) FTE positions budgeted to be added the fiscal year.

#### *Other Financing Uses*

For the fourth consecutive year the District is planning on abating funds from property taxes to reduce the tax burden from increasing on existing property throughout the district. In the past few years, \$3.9 million has been abated and this year that amount is being increased to \$9.3 million. The abatement reduced the property taxes received in the Debt Service Fund which has been adjusted for with the Educational Fund transfer of the \$9.3 million to the Debt Service Fund.

#### *Fund Balance*

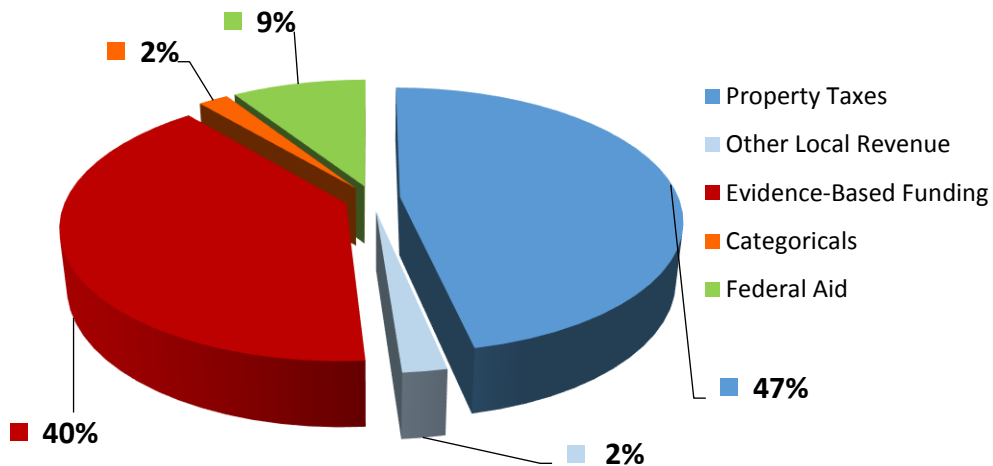
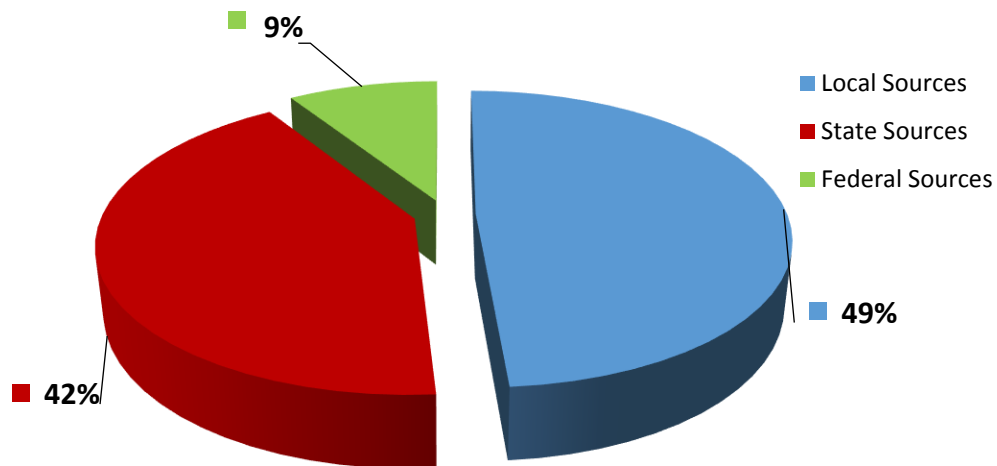
A spend down of the fund balance has been planned for the year. With increased revenue in State resources and flat property taxes, the Educational Fund will be absorbing the revenue increase within the property tax abatement of \$9.3 million, increased capital outlay, and the \$6 million contingency. With the State not releasing the EBF funding level as of yet, the deficit fund balance could be eliminated as the EBF budget was created conservatively.





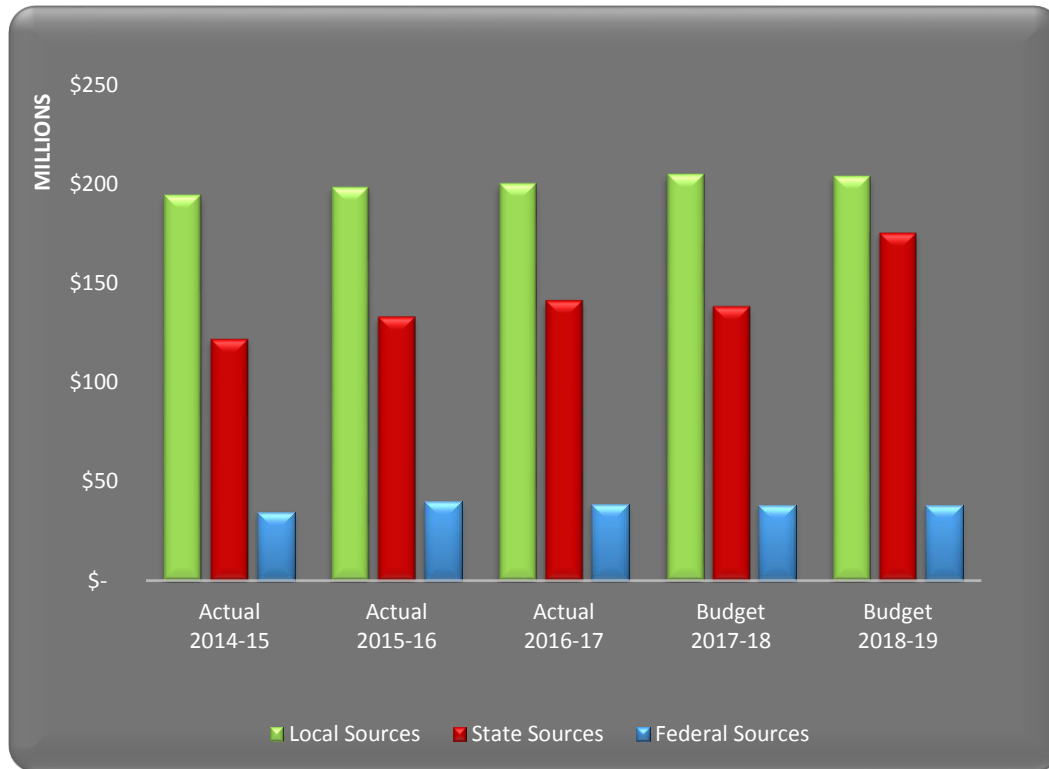
## Educational Fund Revenue by Source

Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 194,980,171
Other Local Revenue	8,917,500
Total Local Sources	<u>203,897,671</u>
State Sources	
Evidence-Based Funding	167,000,000
Categoricals	8,515,149
Total State Sources	<u>175,515,149</u>
Federal Sources	38,102,075
<b>Total Revenue</b>	<u><b>\$ 417,514,895</b></u>





## Educational Fund Revenue by Source (continued)





## Educational Fund Revenue by Source Detail

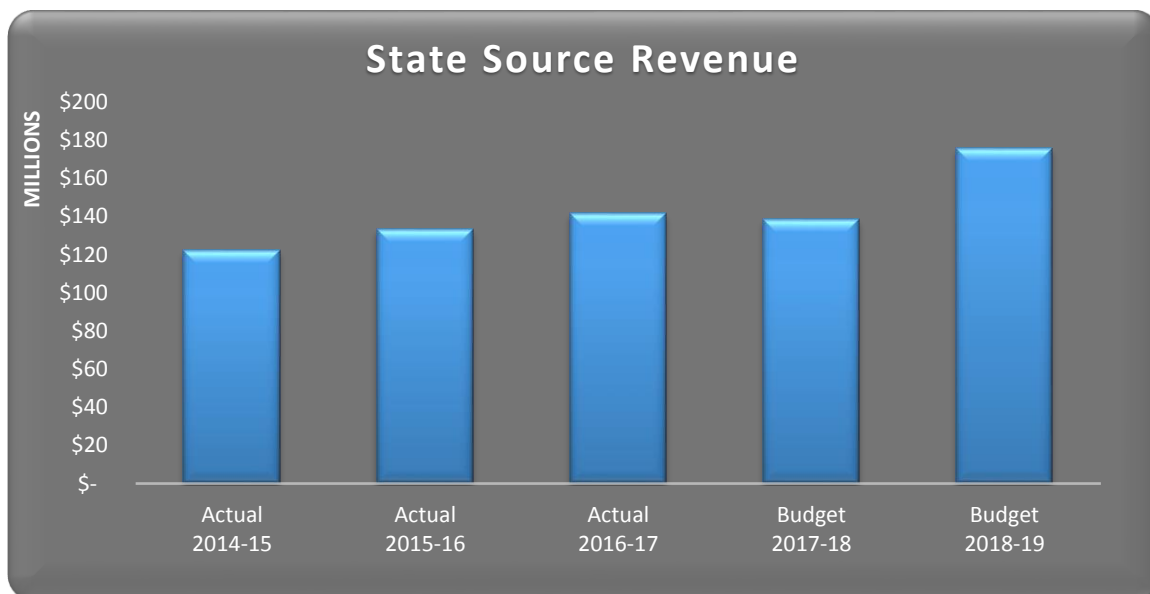
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 185,277,809	\$ 188,158,476	\$ 190,253,728	\$ 195,167,789	\$ 194,980,171
Mobile Home Privilege Tax	-	24,069	-	11,000	-
Village of Hoffman Estates - TIF	69,904	67,099	77,839	40,000	75,000
School Tuition	2,739,405	2,736,373	2,610,547	2,436,000	2,400,000
Fees-Bus Trips-Cocurricular	767	-	-	-	-
Interest on Investments	1,990	1,131	1,612	6,000	7,500
Food Sales To Students-Lunch	3,278,823	3,734,037	3,528,555	3,750,000	3,600,000
Pupil Activities	280,535	295,851	365,204	225,000	235,000
Receivable Fees	343,396	493,905	436,749	400,000	185,000
Instr Matls-Student Program	2,019,999	2,418,212	2,616,517	2,500,000	2,250,000
Other Local Revenue	360,715	235,812	232,918	284,410	140,000
UIC Mini Grant	-	-	-	-	-
School Partners in City Grant	300	12,450	1,400	-	-
TMA	12,500	-	-	-	-
Mototola Nat. Alliance Partner.	-	-	-	-	-
Hanover Township Grant	-	-	-	-	-
Wisdom Foundation	-	4,910	5,192	-	-
Brighter Futures	17,515	-	-	-	-
James Patterson Partnership Gr	-	3,000	-	-	-
Joyce Foundation	-	10,000	-	-	-
Bartlett Volunteer Fire	-	9,000	-	-	-
Midwest Dairy Association Grant	-	3,900	-	-	-
Breakfast in the Classroom	-	-	-	-	-
U46 Educational Foundation	15,000	16,358	4,827	30,000	25,000
Kane County Health Dept	9,990	1,375	7,500	-	-
Kane County Fit for Kids	5,000	-	-	-	-
<b>Total Local Sources</b>	<b>\$ 194,433,649</b>	<b>\$ 198,225,957</b>	<b>\$ 200,142,588</b>	<b>\$ 204,850,199</b>	<b>\$ 203,897,671</b>





## Educational Fund Revenue by Source Detail (continued)

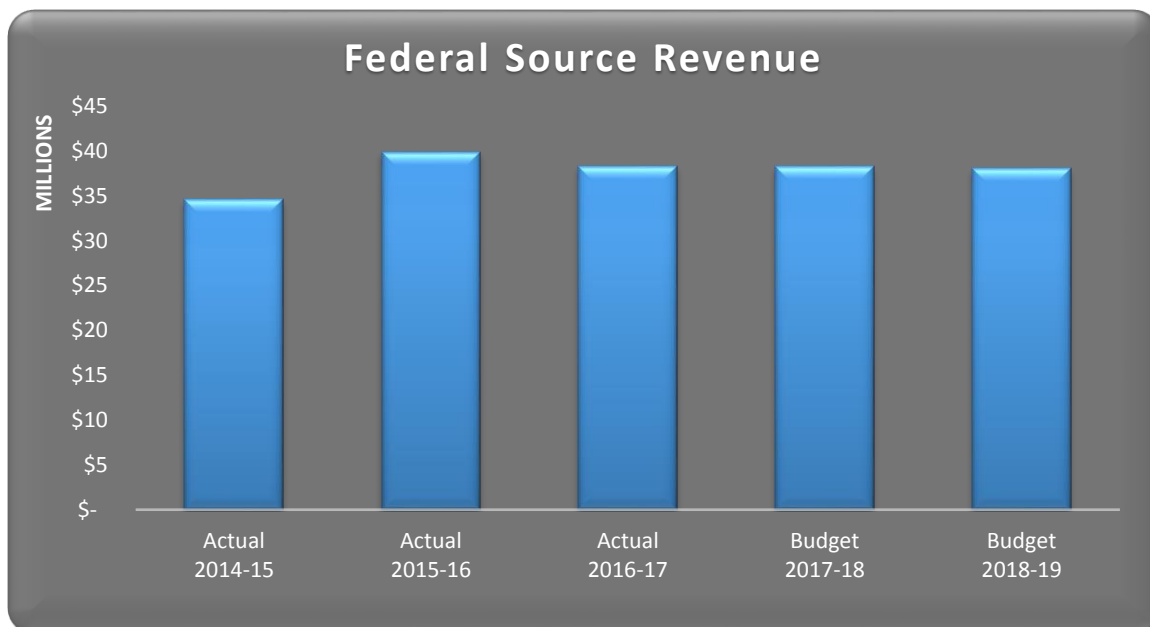
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>State Sources</b>					
Evidence-Based Funding	\$ 96,253,459	\$ 113,739,830	\$ 120,158,179	\$ 120,713,168	\$ 167,000,000
Special Ed - Private Facility	3,482,700	2,822,899	3,601,293	2,812,850	2,812,850
Special Ed - Extraordinary	5,174,892	3,946,226	5,233,208	3,946,226	-
Special Ed - Personnel	5,847,649	4,465,152	5,692,826	4,445,732	-
Special Ed - Orphanage Individ	1,229,686	943,433	583,386	691,699	600,000
Special Ed - Orphanage Summer	185,934	103,353	-	77,515	85,000
Special Ed - Summer School	60,453	90,744	-	68,058	-
Voc Ed Program Improve Grant	434,276	279,606	239,426	361,775	361,775
Bilingual Ed - Downstate - T.P	3,004,004	3,302,003	1,421,518	1,962,737	-
State Free & Lunch Breakfast	126,110	103,151	62,547	32,016	160,000
Driver Education	184,369	193,760	191,298	145,320	145,320
National Board Certification I	16,500	-	-	-	-
Safe Schools Grant (ROE)	81,362	100,029	-	70,875	70,000
Early Childhood - Pre K	3,474,401	2,934,034	71,595	2,800,670	3,965,211
Early Childhd - Proj Prepares	295,939	265,364	3,674,915	253,300	289,993
State Library Grant	29,071	0	258,011	17,689	25,000
Back to Books Grant	(5,000)	-	-	-	-
Illinois Arts Council Grant	-	17,840	-	-	-
Illinois Dept of Public Health	-	-	-	-	-
Family Literacy	3,677	(176)	-	-	-
Orphanage Tuition - 18-3	17,858	(7,199)	-	30,557	-
Mental Health	-	-	49,476	-	-
Safe Schools Grant	-	34,167	241,000	-	-
Other Revenue from State Source	2,138,981	-	17,988	-	-
<b>Total State Sources</b>	<b>\$ 122,036,320</b>	<b>\$ 133,334,218</b>	<b>\$ 141,496,666</b>	<b>\$ 138,430,187</b>	<b>\$ 175,515,149</b>





## Educational Fund Expenditures by Object

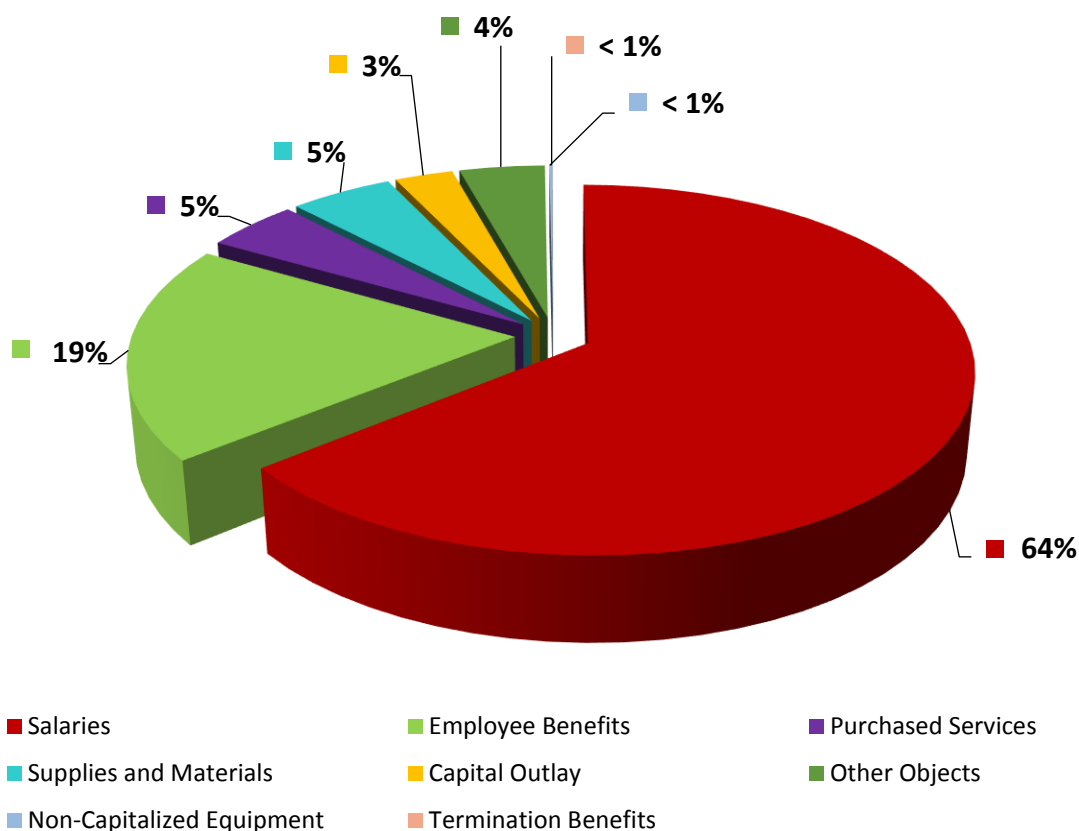
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Federal Sources</b>					
National School Lunch Program	\$ 9,487,942	\$ 9,099,385	\$ 9,681,950	\$ 9,000,000	\$ 9,600,000
School Breakfast Program	2,324,614	2,305,294	2,115,343	2,000,000	2,000,000
NSLP - Equipment	-	34,280	-	-	-
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Title I - Low Income	8,041,987	11,135,192	10,281,194	9,956,930	8,921,373
21st Century Comm Learning	451,869	636,538	605,269	516,786	522,699
Fed Grant thru Intermediate	-	-	8,000	-	-
Fed - Sp Ed - Pre-school Flow	149,349	194,225	207,170	172,325	167,787
Fed - Sp Ed - IDEA Flow Through	7,778,813	8,203,865	6,709,616	7,827,463	7,827,456
Rm & Brd PL 94-142 Sp Ed	440,857	746,922	683,359	450,000	-
Voc Ed Perkins Title IIc	358,537	390,728	237,594	412,860	349,584
MIHOPE	7,000	-	-	-	-
Early Childhood Expansion Grant	-	1,935,115	2,189,955	2,395,800	2,395,800
Project READI	2,162	-	-	-	-
Emergency Immigrant Assistance	25,604	-	62,555	63,204	60,774
Title III Lang Inst Prog Lim Eng	1,368,691	939,254	960,480	1,324,193	1,212,627
Title II - Teacher Quality	741,720	814,242	1,068,597	841,912	1,554,144
Dept Of Rehab Services	113,582	101,211	101,211	261,323	106,834
ARRA - MIECHVP	165,316	124,236	79,937	135,000	-
COPS Grant	82,500	-	-	-	-
Medicaid fee for Service	1,928,530	1,224,745	1,384,216	850,000	1,350,000
Administrative Outreach	1,127,230	989,334	1,269,449	1,000,000	1,000,000
<b>Total Federal Sources</b>	<b>\$ 34,596,302</b>	<b>\$ 39,907,564</b>	<b>\$ 38,327,984</b>	<b>\$ 38,240,793</b>	<b>\$ 38,102,075</b>





## Educational Fund Expenditures by Object

Expenditures	Budget 2018-19
Salaries	\$ 263,563,239
Employee Benefits	78,242,599
Purchased Services	18,720,648
Supplies and Materials	20,538,864
Capital Outlay	11,660,658
Other Objects	17,053,919
Non-Capitalized Equipment	633,078
Termination Benefits	75,000
<b>Total Expenditures by Object</b>	<b>\$ 410,488,005</b>





## Educational Fund Expenditures by Object Detail

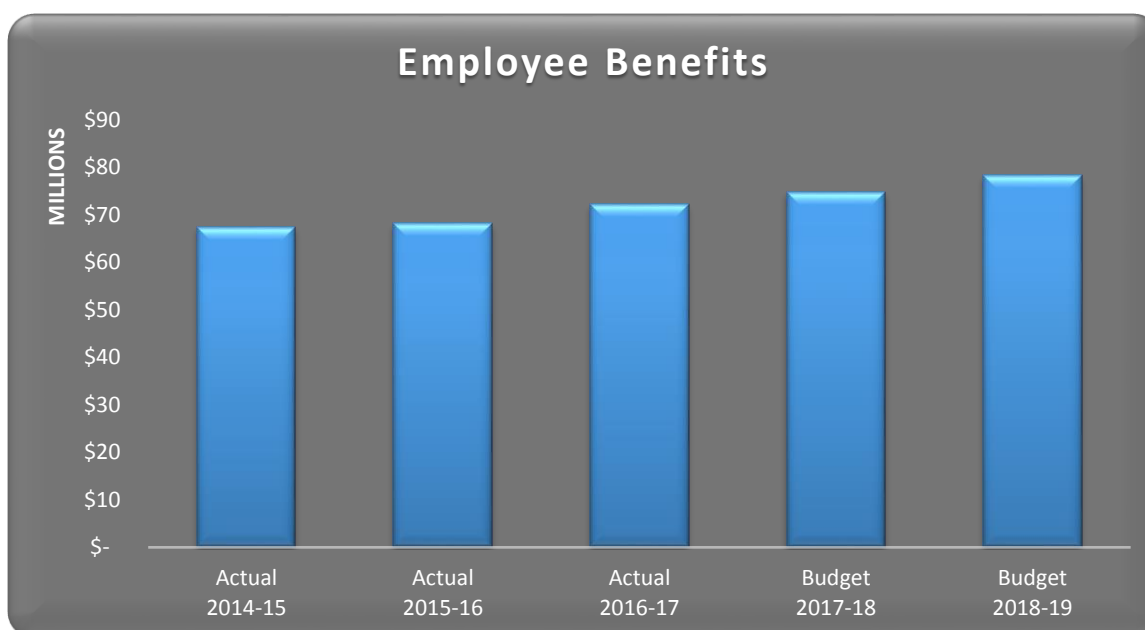
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Teachers Salaries	\$ 152,861,047	\$ 158,123,200	\$ 164,799,153	\$ 168,779,630	\$ 181,062,484
Administrators Salaries	19,244,606	20,087,730	20,573,917	21,367,893	21,758,506
Technical Salaries	10,988,693	11,527,091	12,368,576	12,710,254	13,642,826
Temporary Salaries	95,944	989	-	-	-
Daily Substitute Salaries	4,399,542	4,327,431	4,188,786	4,309,902	5,078,793
Hourly Substitute Salaries	502,380	478,229	589,845	608,283	797,891
Other Hourly Extra Curr Superv	4,191,814	4,611,265	5,393,913	5,390,545	5,800,291
Athletic Extra Curr Supervisio	248,075	241,042	629,136	623,280	759,211
Noon Supervision	1,690,237	1,781,881	1,996,964	2,039,636	2,069,851
Stipends	4,206,380	4,213,433	3,576,828	3,679,274	4,217,686
Overtime Time & a Half	357,291	414,675	457,876	484,431	459,215
Overtime Double Time	2,286	3,436	3,485	3,575	1,246
Teachers Aides & Assistants	1,296,402	1,320,959	1,628,501	1,664,039	1,793,071
Special Education Aides	6,233,196	6,914,956	7,453,252	7,595,586	8,129,099
Bilingual Aides	295,533	274,898	305,417	313,809	206,744
Para Professionals	987,911	1,032,631	1,165,451	1,188,330	1,239,072
Deans Assistants	1,486,415	1,484,795	1,464,556	1,508,842	1,661,959
12-Month Secretaries	4,228,584	4,288,694	4,589,861	4,660,678	4,560,253
10-Month Secretaries	3,556,157	3,492,845	3,498,536	3,565,938	3,637,190
Clerical Aides	427,037	420,740	423,686	432,153	435,293
Liasons	1,404,819	1,411,047	1,435,210	1,485,892	1,177,014
Custodians	-	-	307,521	307,521	316,747
Maintenance	152,064	173,495	156,075	175,494	182,446
Drivers	564,642	595,441	561,153	600,230	629,448
Food Service Tech	3,970,019	3,794,185	3,682,589	3,793,690	3,919,388
Student Helpers	23,235	29,222	29,691	30,000	27,515
<b>Total Salaries</b>	<b>\$ 223,414,309</b>	<b>\$ 231,044,310</b>	<b>\$ 241,279,977</b>	<b>\$ 247,318,905</b>	<b>\$ 263,563,239</b>





## Educational Fund Expenditures by Object Detail (continued)

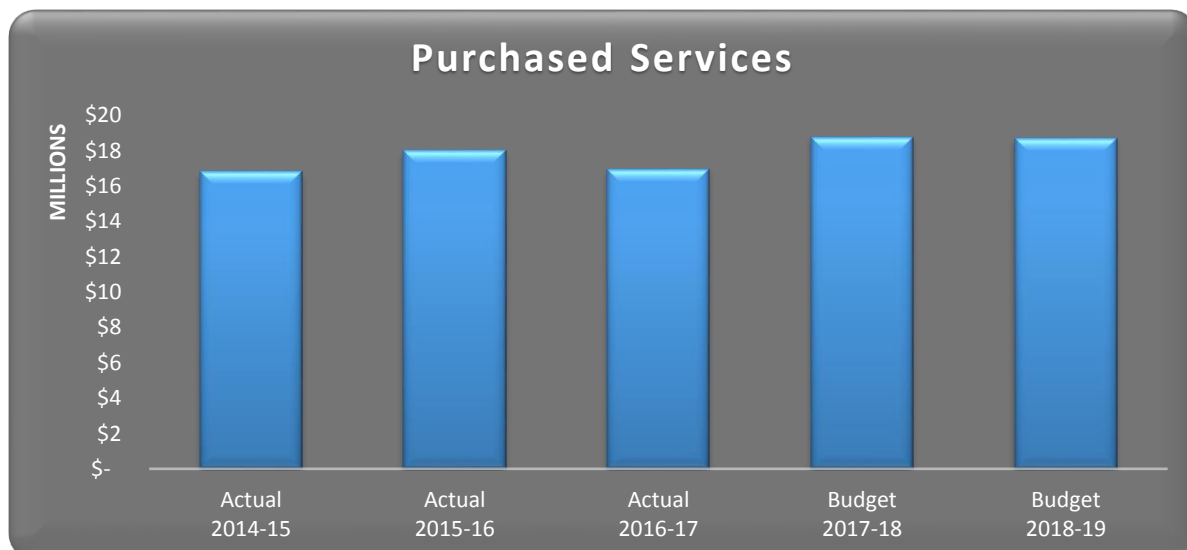
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Employee Benefits</b>					
Teachers Retirement	\$ 22,972,670	\$ 25,448,345	\$ 25,329,117	\$ 26,824,685	\$ 27,509,871
TRS Early Retirement Contrbtn	808,974	701,317	1,118,742	-	-
Life Insurance	316,468	331,546	252,908	309,629	274,569
Medical Insurance	40,169,719	38,190,411	42,089,755	44,134,708	47,003,107
Dental Insurance	1,721,344	1,958,991	1,905,337	1,980,269	2,121,086
Disability Insurance	295,565	341,536	387,494	413,817	408,201
IMRF/SS/Medicare Allocation	1,157,953	1,148,239	1,155,035	1,171,204	925,765
<b>Total Employee Benefits</b>	<b>\$ 67,442,692</b>	<b>\$ 68,120,386</b>	<b>\$ 72,238,388</b>	<b>\$ 74,834,312</b>	<b>\$ 78,242,599</b>





## Educational Fund Expenditures by Object Detail (continued)

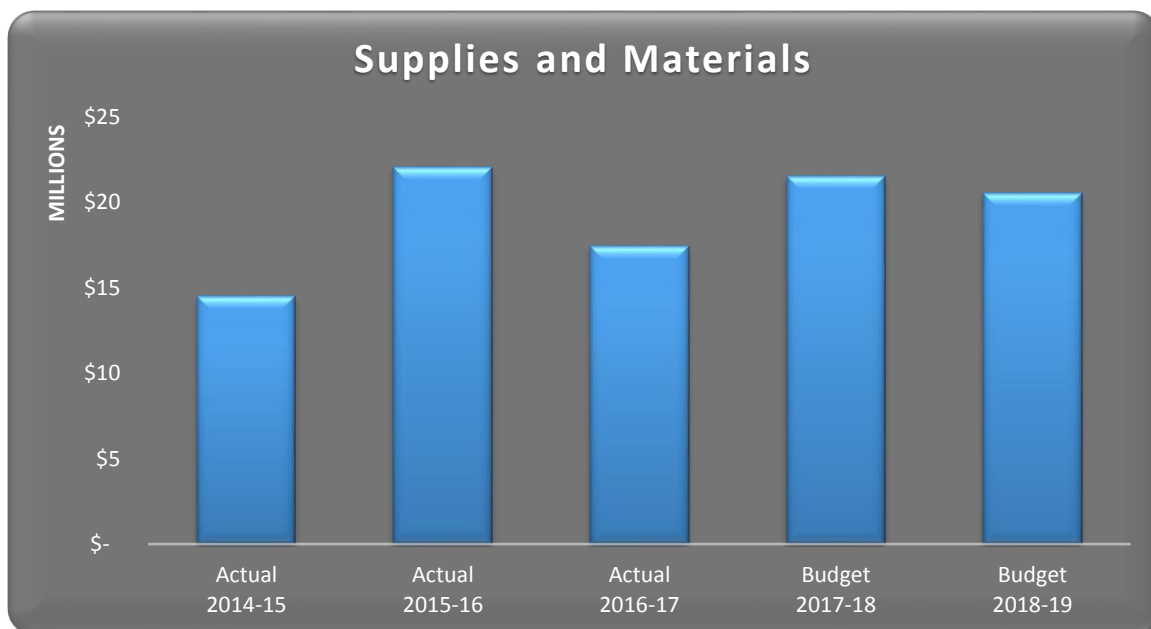
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 26,528	\$ 83,752	\$ 215,527	\$ 325,130	\$ 301,000
Admin Professional Services	640,053	1,275,446	755,244	1,017,875	1,086,211
Instructional Professional Ser	1,424,608	1,416,641	1,499,708	1,457,782	1,734,627
Audit/Financial Services	110,500	101,700	91,750	100,000	105,000
Legal Services	232,579	94,260	94,732	100,000	150,000
Other Tech & Prof Serv	5,418,039	6,754,029	6,062,403	7,012,885	7,251,216
Sanitation Services	-	-	107,677	107,677	109,000
Cleaning Services	30,731	14,923	24,604	56,500	56,500
Repairs & Maint Services	3,695,400	3,087,951	2,468,643	2,622,777	2,378,100
Rentals	48,813	183,948	196,125	196,550	154,850
Exterminating	-	-	13,040	13,040	10,000
Pupil Transportation	1,362,986	2,013,413	1,905,920	2,151,728	1,631,282
Indistrict/Regional Travel	167,407	152,138	140,470	152,664	151,188
Travel Conf/Workshops	639,228	399,234	424,849	458,368	521,271
Out Of District Travel	150,278	89,902	127,635	143,167	194,565
Negotiations Expense	29,545	4,685	-	1,500	1,500
Awards and Banquets	37,057	27,354	36,119	32,000	32,500
Communications/Postage	1,681,454	1,148,623	1,643,901	1,623,437	1,592,491
Advertising	16,064	13,974	14,997	26,000	17,000
Printing & Duplicating	150,141	202,657	226,404	293,331	241,986
Binding	18,762	24,218	32,913	38,000	36,000
Copier Service/Repair	636,830	686,778	640,276	578,404	556,761
Copier Lease/Rental	9,553	8,917	7,523	24,500	18,000
Water/Sewer	-	-	32,600	32,600	32,600
Insurance	15,000	15,000	15,000	15,000	15,000
Workers Compensation	250,000	185,000	185,000	185,000	185,000
Unemployment Compensation	-	-	-	-	125,000
Other Purchased Services	30,286	43,730	24,976	34,000	32,000
<b>Total Purchased Services</b>	<b>\$ 16,821,840</b>	<b>\$ 18,028,273</b>	<b>\$ 16,988,036</b>	<b>\$ 18,799,915</b>	<b>\$ 18,720,648</b>





## Educational Fund Expenditures by Object Detail (continued)

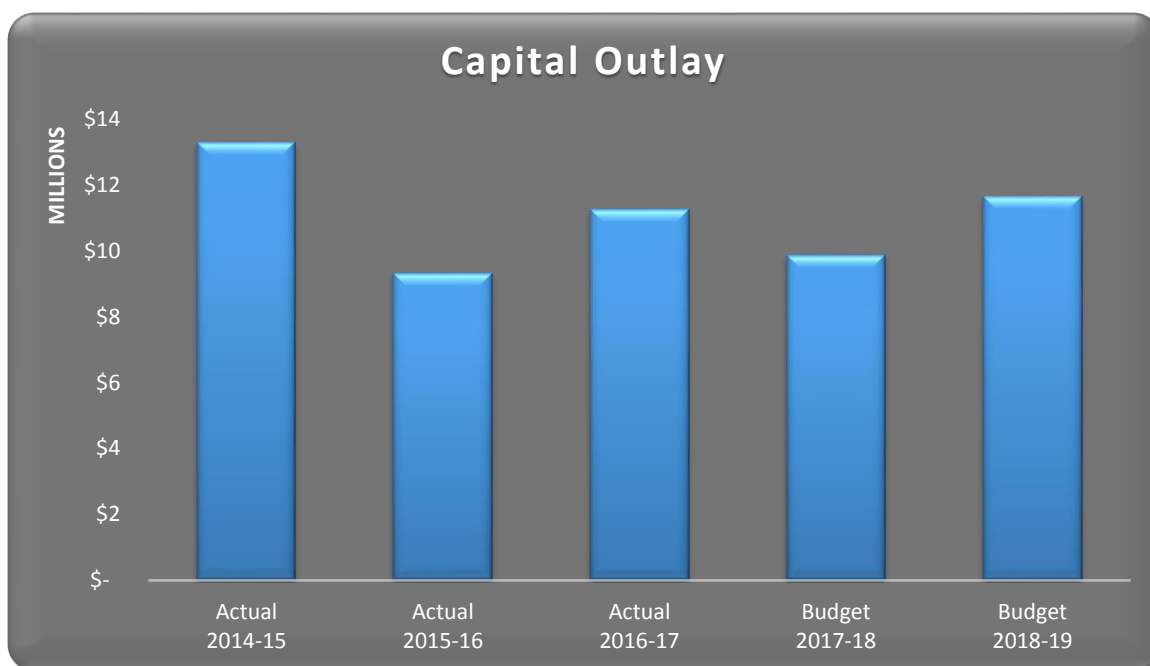
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Supplies and Materials</b>					
Supplies	\$ 5,754,939	\$ 5,710,182	\$ 5,226,784	\$ 5,598,380	\$ 5,460,386
Food Service Food & Supplies	6,477,049	6,210,367	6,954,806	5,817,705	6,223,557
Custodial Supplies	-	-	133,689	109,198	109,198
Tech Consumables	60,106	56,775	67,825	66,401	57,009
Copier Paper/Supplies	155,068	185,655	216,758	215,437	217,280
Freight In/Shipping	-	-	-	-	1,000
AV Supplies	253	43	-	500	494
Support Materials	28,460	24,732	12,073	14,400	18,200
Textbooks	1,897,817	8,711,490	3,812,363	8,300,000	7,000,000
Suppl Instructional Matls	600	-	38,971	32,000	31,000
Computer Accessories	34,845	26,810	19,105	24,547	24,074
Library Materials	36,425	43,054	33,785	35,051	100,484
Suppl Library Matls	2,384	2,309	-	2,375	1,459
Periodicals	2,653	1,457	1,974	3,401	1,726
Gasoline	35,129	36,327	33,025	60,000	60,000
Non Cash Food Commodity	-	1,032,997	682,090	1,032,997	1,032,997
Electricity	-	-	196,027	200,000	200,000
Software	5,000	-	-	-	-
<b>Total Supplies and Materials</b>	<b>\$ 14,490,727</b>	<b>\$ 22,042,198</b>	<b>\$ 17,429,276</b>	<b>\$ 21,512,392</b>	<b>\$ 20,538,864</b>





## Educational Fund Expenditures by Object Detail (continued)

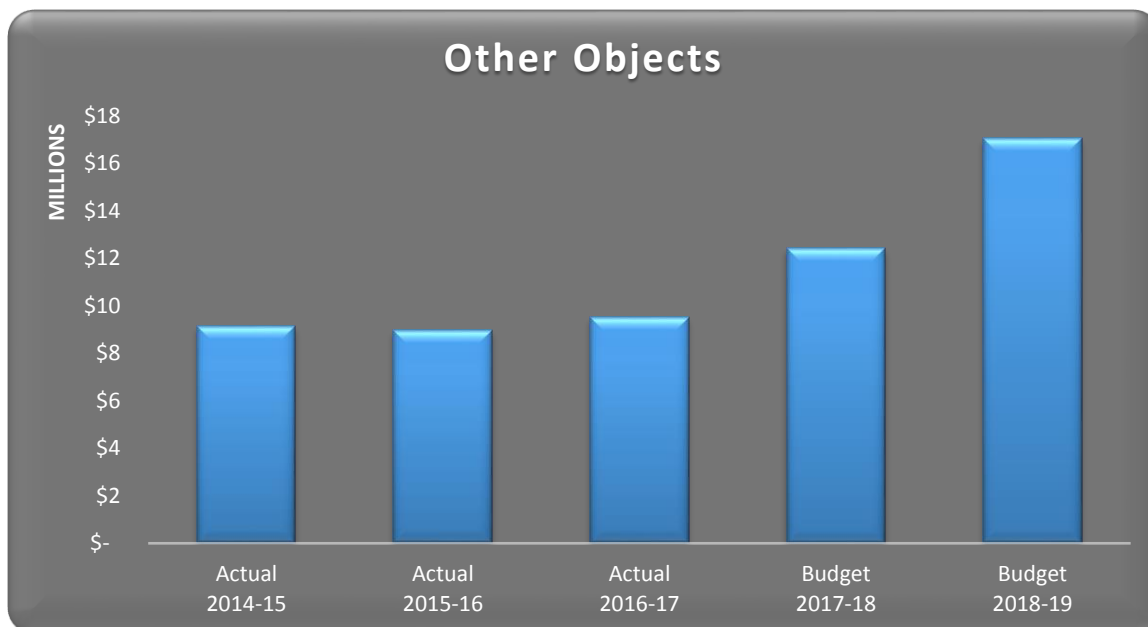
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Capital Outlay</b>					
Buildings	\$ 2,854,025	\$ 836,136	\$ 5,468,657	\$ 1,250,000	\$ 1,764,000
Addl/Repl Equipment	10,163,712	8,379,412	5,522,928	8,412,106	9,658,358
Aged & Obsolete Equipment	272,599	112,695	188,276	206,000	236,000
Lease/Purchase Equipment	2,844	5,828	74,900	3,000	2,300
<b>Total Capital Outlay</b>	<b>\$ 13,293,180</b>	<b>\$ 9,334,071</b>	<b>\$ 11,254,762</b>	<b>\$ 9,871,106</b>	<b>\$ 11,660,658</b>





## Educational Fund Expenditures by Object Detail (continued)

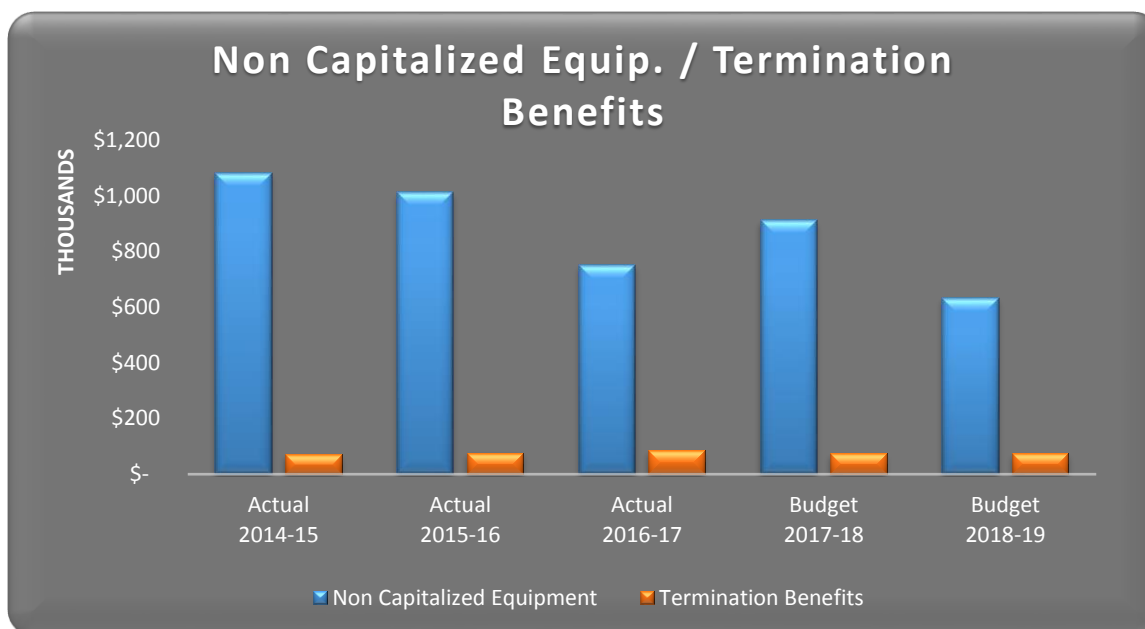
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Objects</b>					
Dues & Fees	\$ 242,993	\$ 416,797	\$ 462,690	\$ 327,291	\$ 174,219
Tuition	8,892,677	8,531,711	9,047,983	9,580,000	10,879,700
Contingency	-	-	-	2,500,000	6,000,000
<b>Total Other Objects</b>	<b>\$ 9,135,670</b>	<b>\$ 8,948,508</b>	<b>\$ 9,510,673</b>	<b>\$ 12,407,291</b>	<b>\$ 17,053,919</b>





## Educational Fund Expenditures by Object Detail (continued)

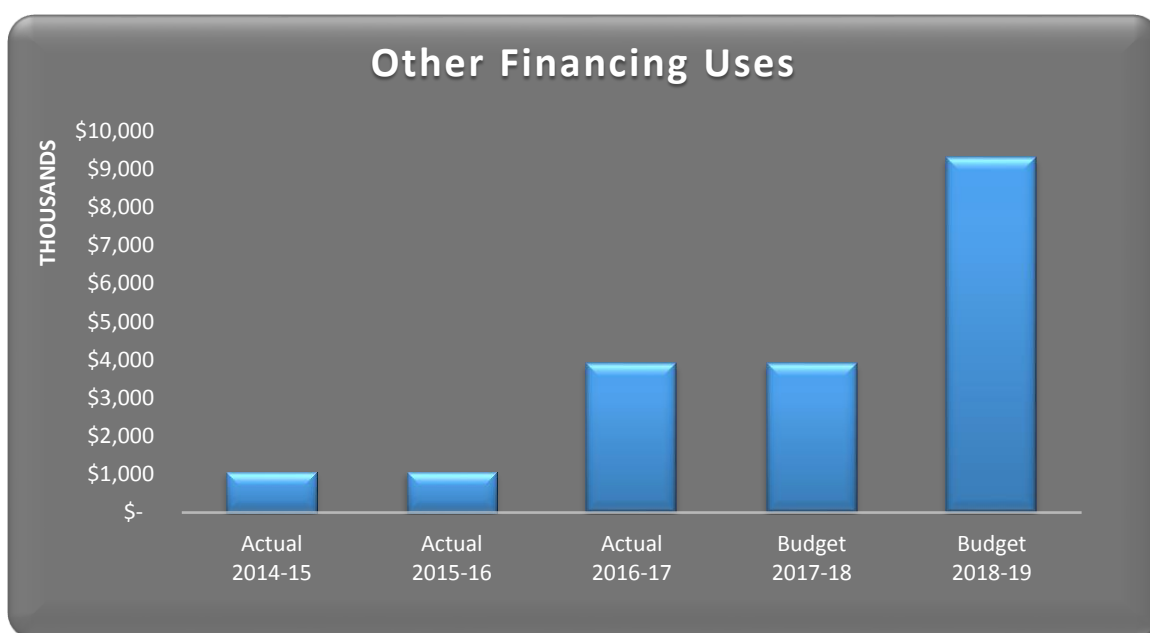
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Non Capitalized Equipment</b>	\$ 1,081,872	\$ 1,011,734	\$ 752,208	\$ 912,575	\$ 633,078
<b>Termination Benefits</b>	\$ 70,304	\$ 76,607	\$ 86,056	\$ 75,000	\$ 75,000





## Educational Fund Other Financing Uses

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Uses</b>					
Transfers - Interfund	\$ (815,527)	\$ (815,004)	\$ -	\$ -	\$ -
Transfer of Principal to Debt Serv	(239,710)	(243,658)	(3,902,326)	(3,902,326)	(9,302,326)
Transfer of Interest to Debt Serv	(7,962)	(4,013)	-	-	-
<b>Total Other Financing Uses</b>	<b>\$ (1,063,199)</b>	<b>\$ (1,062,675)</b>	<b>\$ (3,902,326)</b>	<b>\$ (3,902,326)</b>	<b>\$ (9,302,326)</b>





## Educational Fund Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 203,897,671	\$ 210,581,430	\$ 216,352,066	\$ 221,211,395
State Sources	175,515,149	179,025,452	182,605,961	186,258,080
Federal Sources	38,102,075	38,483,096	38,867,927	39,256,606
Total Revenue by Source	\$ 417,514,895	\$ 428,089,977	\$ 437,825,954	\$ 446,726,082
Expenditures				
Salaries	\$ 263,563,239	\$ 271,470,136	\$ 279,614,240	\$ 288,002,667
Employee Benefits	78,242,599	81,572,361	85,051,140	88,685,862
Purchased Services	18,720,648	18,907,854	19,096,933	19,192,418
Supplies and Materials	20,538,864	16,374,253	16,537,995	16,703,375
Capital Outlay	11,660,658	11,660,658	11,660,658	11,660,658
Other Objects	17,053,919	11,164,458	11,276,103	11,388,864
Non-Capitalized Equipment	633,078	639,409	645,803	652,261
Termination Benefits	75,000	75,750	76,508	77,273
Total Expenditures by Object	\$ 410,488,005	\$ 411,864,879	\$ 423,959,380	\$ 436,363,378
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	7,026,890	16,225,098	13,866,574	10,362,704
Other Financing Uses	\$ (9,302,326)	\$ (9,302,326)	\$ (9,302,326)	\$ (9,302,326)
Net Change in Fund Balance	(2,275,436)	6,922,772	4,564,248	1,060,378
Fund Balance (Deficit) at Beginning of Year	101,528,634	99,253,198	106,175,970	110,740,218
Fund Balance (Deficit) at End of Year	\$ 99,253,198	\$ 106,175,970	\$ 110,740,218	\$ 111,800,596

### ASSUMPTIONS:

- CPI – 2.1 percent for each forecast year
- EAV – 2019-20 Increase 2.1 percent; 2020-21 Increase 5.5 percent; 2021-22 increase 2.1 percent

### Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments
- EBF – remain flat until more guidance is provided by the State
- State Categoricals – Increase 2.0 percent
- Federal Sources – Increase by 1.0 percent for each forecast year
- All other revenue – Increase by 1.0 percent for each forecast year

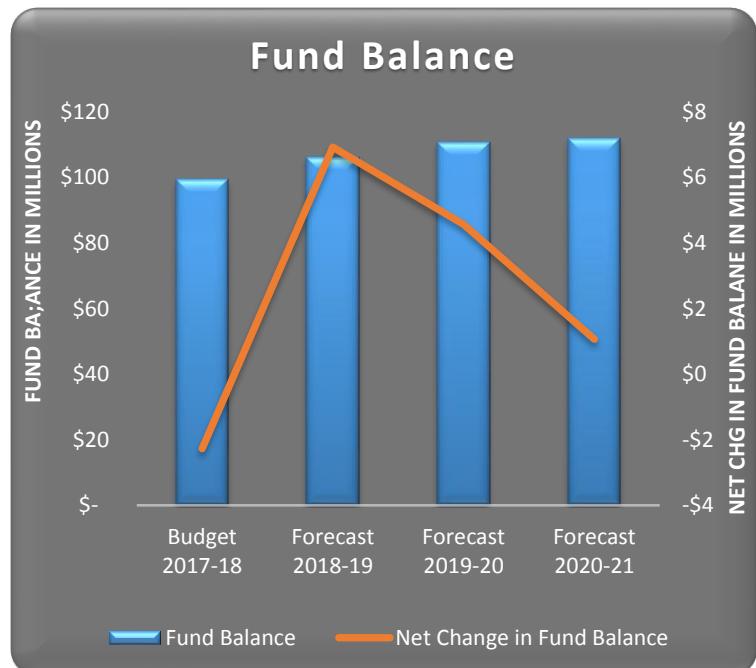
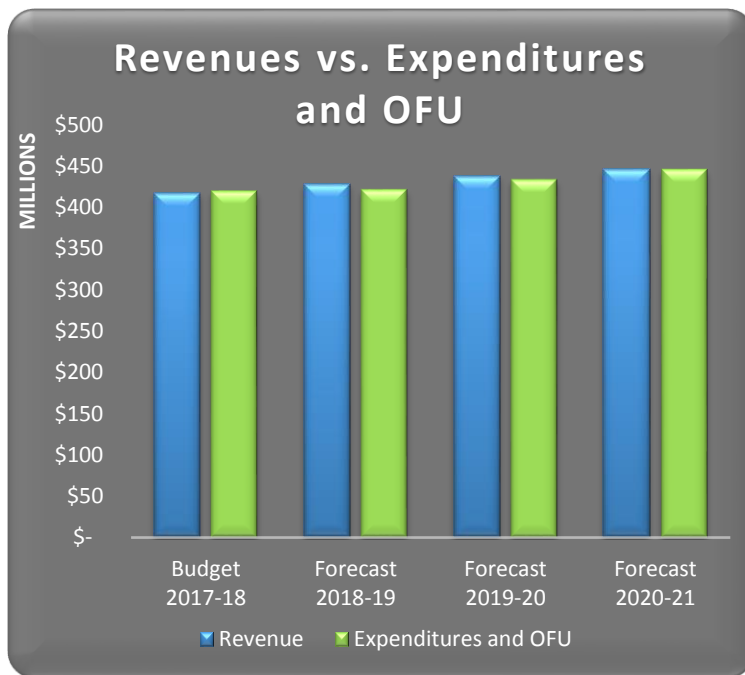


### Expenditures

- Salaries – Increase 3.0 percent for each forecast year
- Health Benefits – Increase by 5.0 percent for each forecast year
- Remaining Benefits – Increase by 3.0 percent for each budget year
- Capital Outlay – remain flat for each forecast year
- Contingency – removed for each forecast year
- All other expenditures – Increase 1.0 percent for each forecast year

### Other Financing Uses

- Property tax abatement – \$9.3 million for each forecast year





# Transportation Fund

The Transportation Fund is used to account for the costs associated with transporting students for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, shall be paid by this fund. Any funds received for transportation purposes must be deposited into this fund, with amounts due other funds appropriately transferred thereafter.



## Transportation Fund

### Revenues, Expenditures and Changes in Fund Deficit

#### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 15,617,455	\$ 17,696,448	\$ 17,761,586	\$ 18,165,503	\$ 18,581,703
State Sources	14,429,786	11,474,045	15,016,172	11,303,010	16,355,841
Total Revenue by Source	\$ 30,047,242	\$ 29,170,493	\$ 32,777,758	\$ 29,468,513	\$ 34,937,544
Expenditures					
Salaries	\$ 13,679,128	\$ 14,157,333	\$ 13,738,195	\$ 14,005,977	\$ 15,296,999
Employee Benefits	5,685,427	5,364,850	5,080,351	5,431,548	5,417,765
Purchased Services	1,266,636	908,988	1,073,452	1,205,848	1,202,302
Supplies and Materials	2,944,498	2,378,760	2,402,748	3,101,110	2,833,110
Capital Outlay	-	7,507,753	2,306,440	-	5,743,734
Other Objects	1,449,917	2,827,431	2,823,064	2,828,066	1,378,245
Total Expenditures by Object	\$ 25,025,606	\$ 33,145,115	\$ 27,424,250	\$ 26,572,549	\$ 31,872,155
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	5,021,636	(3,974,622)	5,353,508	2,895,964	3,065,389
Other Financing Sources/(Uses)	\$ (14,992)	\$ 7,664,194	\$ 1,000,000	\$ 1,200,000	\$ -
Net Change in Fund Deficit	5,006,644	3,689,572	6,353,508	4,095,964	3,065,389
Fund Deficit at Beg. of Year	(15,232,585)	(10,225,941)	(6,536,369)	(182,861)	3,913,103
Fund Bal/(Deficit) at End of Year	\$ (10,225,941)	\$ (6,536,369)	\$ (182,861)	\$ 3,913,103	\$ 6,978,492

#### Revenue

The transportation fund is primarily funded by local property taxes and state categorical reimbursements for costs related to regular, special education and vocational transportation.

Local sources consist of property taxes, charges for transportation services and a minimal amount of interest income. District management has increased the property tax allocation over the past five years in order to reduce the fund's deficit at a faster rate. The allocation going forward will be reduced since the fund balance is projected to remain positive. Property taxes increased \$0.4 million over the prior year's budget due to the growth in line with CPI.

State sources are budgeted to be \$5 million higher than the prior year's budget. The majority of the increase is due to returning the budget to receive four quarterly categorical payments for transportation reimbursement, mainly Special Education transportation, versus just three in the prior year.

#### Expenditures

The District is responsible for busing more than 27,000 students currently utilizing 351 full-sized and smaller multifunctional buses, and employs over 400 bus drivers and aides.



Salaries and benefits are projected to increase this year \$1.3 million over the prior year budget. The majority of the increase is based on contractual agreements for bus drivers and driver aids.

Purchased services remained flat from the prior school year. Some district services were adjusted to account for actual expenditures in the 2017-2018 school year.

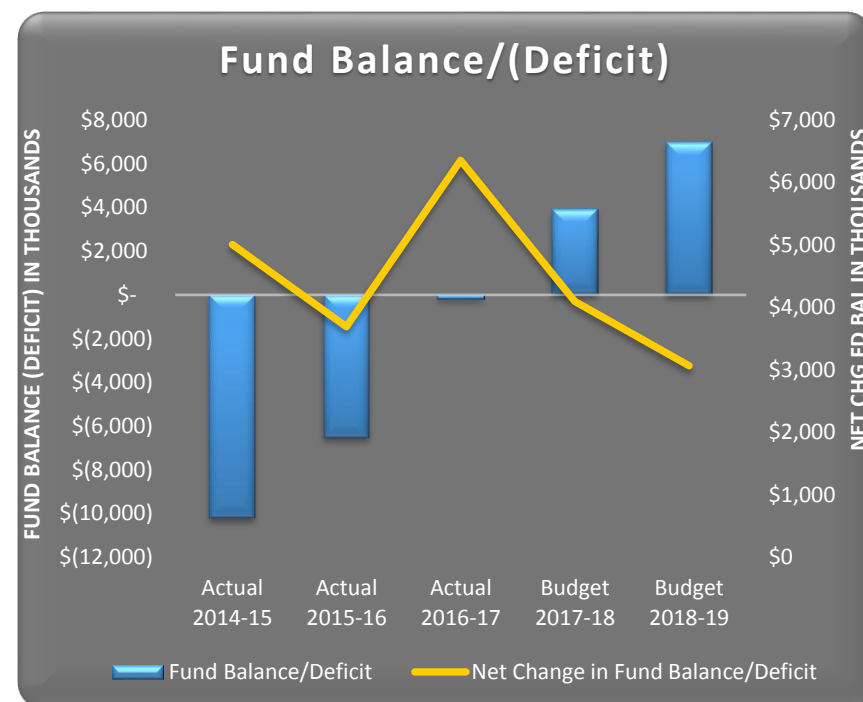
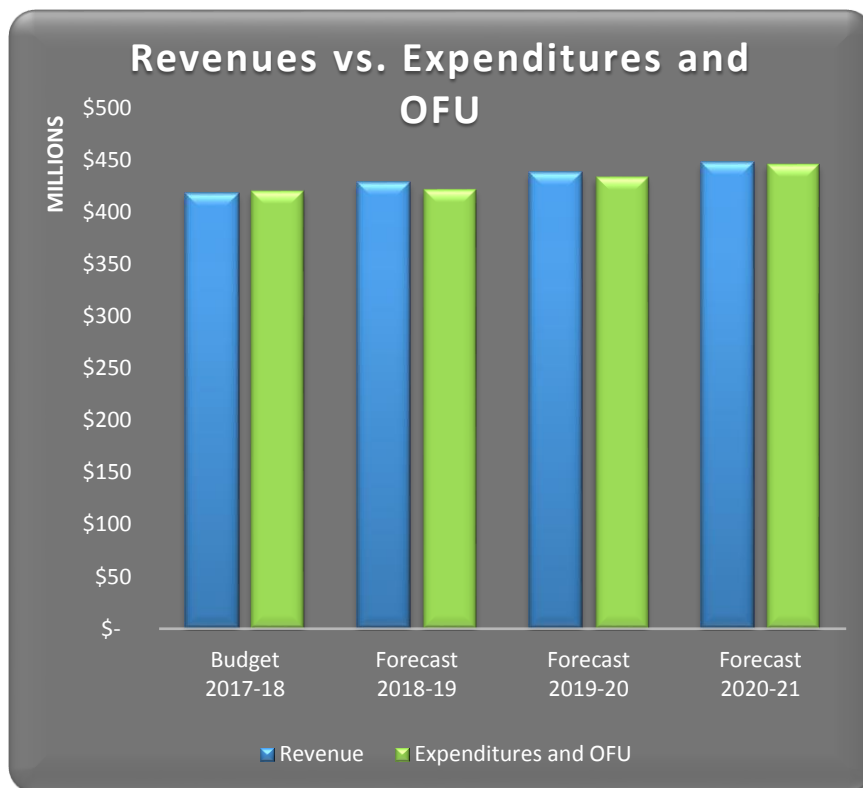
In 2018, no new buses were purchased due to the uncertainty of State funding. However, the District is going to purchase seventy-four (74) small and large buses this year to be aligned with the Bus Replacement Plan. This capital purchase will allow the District to continue to operate our buses mechanically and structurally sound to transport our students safely to and from school every day.

#### *Other Financing Sources*

Interest earned on cash and investments held in the working cash fund is transferred to the fund most in need. In prior years, District management has transferred this income to the Transportation Fund in order to assist in reducing the fund's deficit. Due to the positive fund balance, this transfer is no longer necessary and will be utilized in another fund.

#### *Fund Balance*

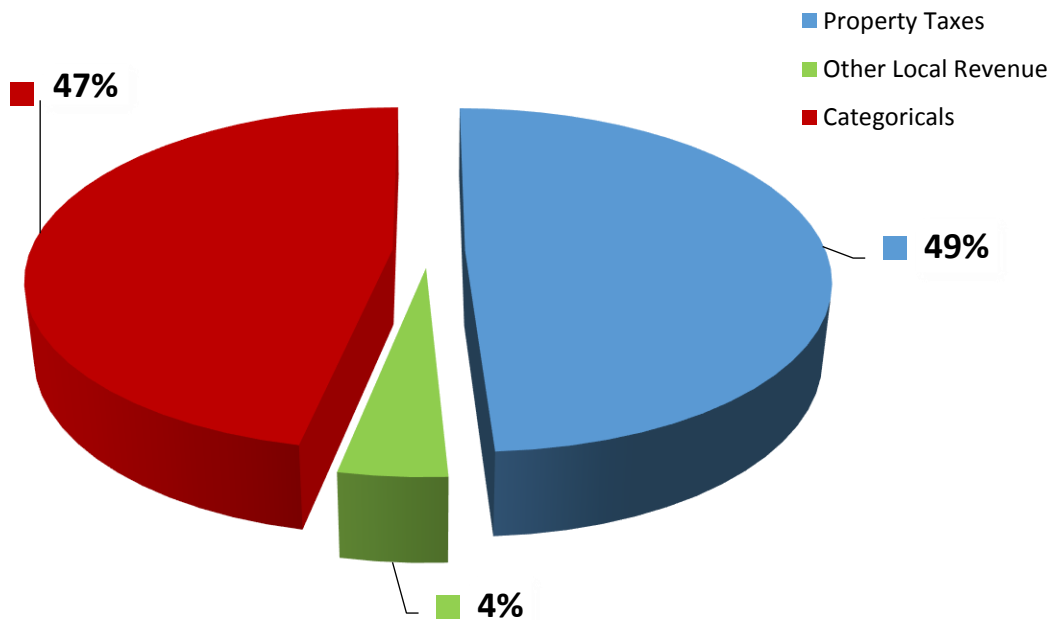
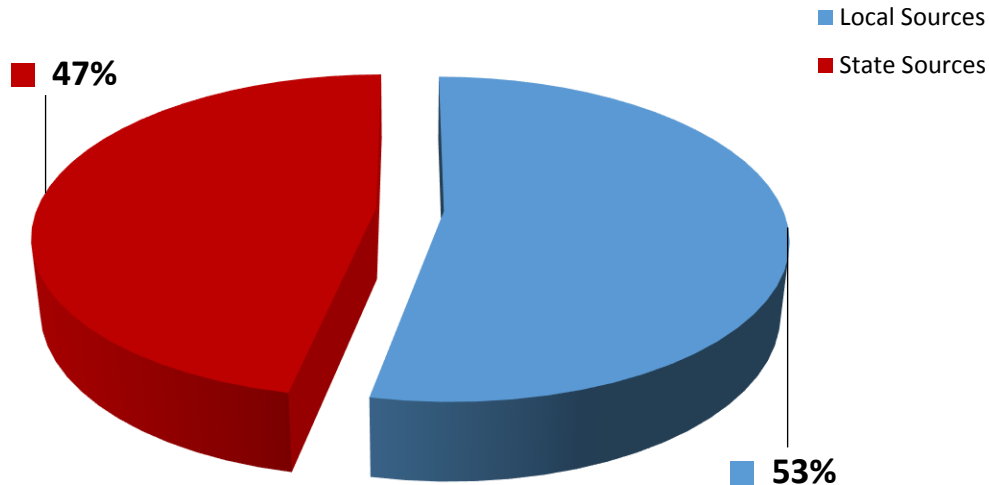
At the end of 2018, the Transportation Fund deficit has been eliminated. Management plans to scale back the excess revenue directed to the Transportation Fund over the past few years just enough to maintain a positive fund balance.





## Transportation Fund Revenue by Source

Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 17,181,103
Other Local Revenue	1,400,600
Total Local Sources	18,581,703
State Sources	
Categoricals	16,355,841
<b>Total Revenue</b>	<b>\$ 34,937,544</b>





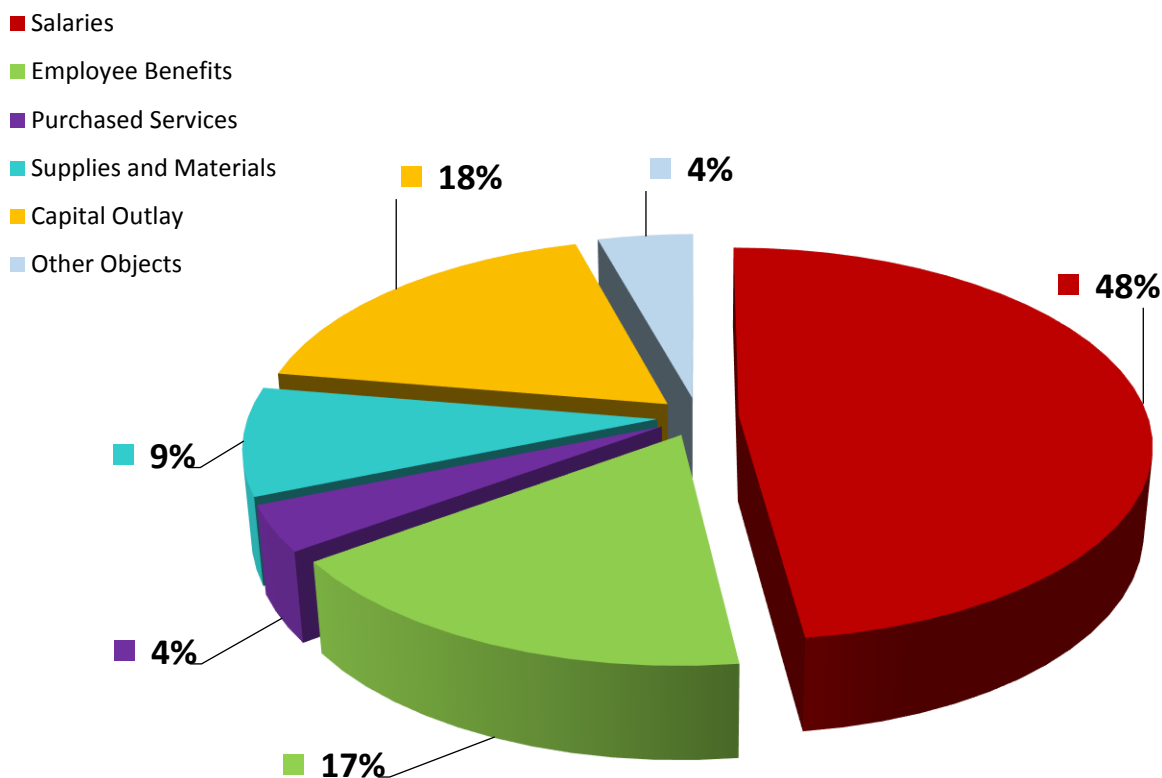
## Transportation Fund Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 14,142,564	\$ 16,003,581	\$ 16,322,229	\$ 16,765,303	\$ 17,181,103
Fees-Bus Trips-Cocurricular	1,455,097	1,690,449	1,439,237	1,400,000	1,400,000
Interest on Investments	135	84	120	200	600
Other Local Revenue	19,660	2,334	-	-	-
<b>State Sources</b>					
Transportation - Regular	7,607,643	6,326,635	7,266,826	6,258,683	6,349,488
Transportation - Special Educa	6,822,143	4,950,754	7,692,031	5,044,327	10,006,353
Other Revenue from State Source	-	196,656	57,315	-	-
<b>Total Revenue</b>	<b>\$ 30,047,242</b>	<b>\$ 29,170,492</b>	<b>\$ 32,777,757</b>	<b>\$ 29,468,513</b>	<b>\$ 34,937,544</b>



## Transportation Fund Expenditures by Object

Expenditures	Budget 2018-19
Salaries	\$ 15,296,999
Employee Benefits	5,417,765
Purchased Services	1,202,302
Supplies and Materials	2,833,110
Capital Outlay	5,743,734
Other Objects	1,378,245
<b>Total Expenditures by Object</b>	<b>\$ 31,872,155</b>

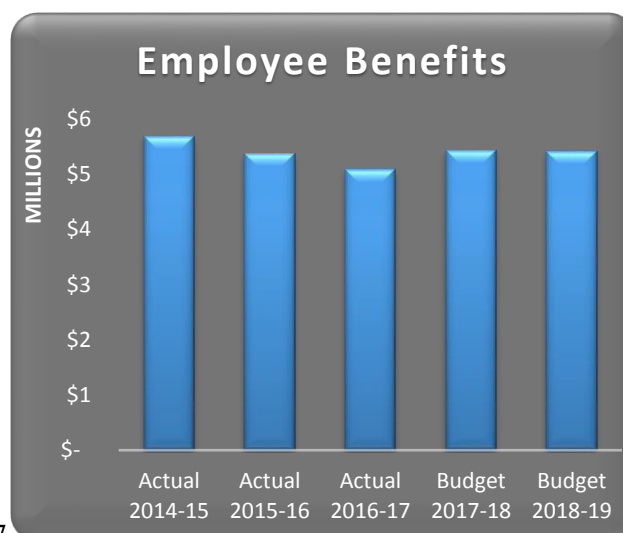




## Transportation Fund Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Administrators Salaries	\$ 463,969	\$ 546,022	\$ 475,006	\$ 437,643	\$ 279,744
Technical Salaries	166,698	172,590	286,402	277,633	558,514
Overtime Time & a Half	418,592	702,014	21,055	646,229	741,614
12-Month Secretaries	24,091	22,981	17,411	23,541	-
Maintenance	-	-	10,220,793	20,291	-
Drivers	10,538,059	10,570,408	1,202,768	10,470,934	10,970,755
Driver Aides	1,154,606	1,284,761	658,985	1,235,371	1,733,389
Mechanics	601,638	636,400	210,398	677,417	705,167
Dispatchers	311,474	222,158	-	216,918	286,915
<b>Total Salaries</b>	<b>\$ 13,679,128</b>	<b>\$ 14,157,334</b>	<b>\$ 13,738,195</b>	<b>\$ 14,005,977</b>	<b>\$ 15,296,999</b>

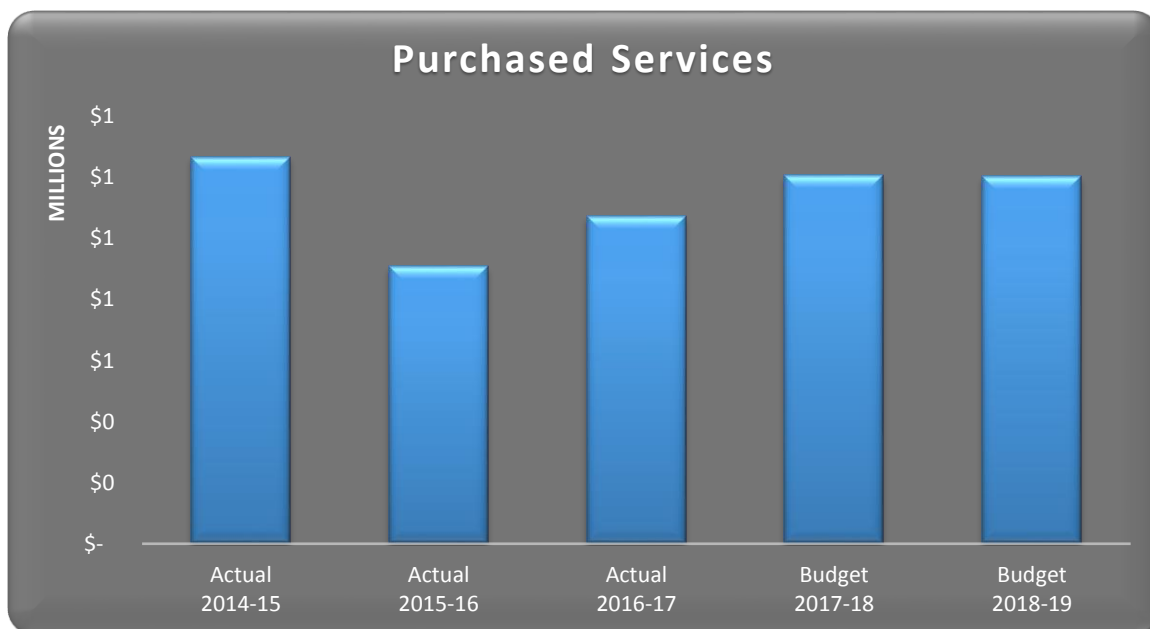
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Employee Benefits</b>					
Life Insurance	\$ 28,377	\$ 29,728	\$ 20,585	\$ 26,622	\$ 25,331
Medical Insurance	5,378,832	5,012,009	4,789,591	5,121,294	5,086,313
Dental Insurance	251,716	292,489	248,477	259,599	281,389
Disability Insurance	26,503	30,624	21,698	24,033	24,732
<b>Total Employee Benefits</b>	<b>\$ 5,685,427</b>	<b>\$ 5,364,850</b>	<b>\$ 5,080,351</b>	<b>\$ 5,431,548</b>	<b>\$ 5,417,765</b>





## Transportation Fund Expenditures by Object Detail (continued)

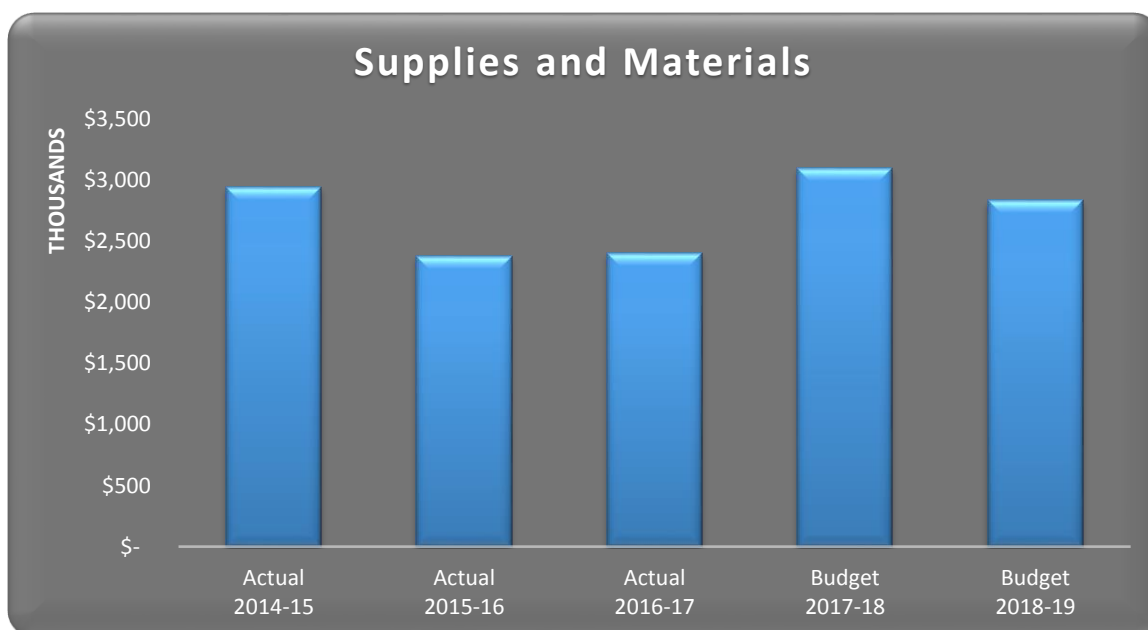
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 53,806	\$ 67,874	\$ 361	\$ 10,000	\$ 10,000
Other Tech & Prof Serv	166,756	49,134	232,556	325,000	325,000
Sanitation Services	-	-	4,032	3,481	3,500
Cleaning Services	22,674	21,785	18,910	20,566	30,000
Repairs & Maint Services	239,222	376,683	350,173	378,638	378,638
Other Property Services	-	-	-	499	500
Pupil Transportation	727,129	346,905	384,849	350,000	350,000
Travel Conf/Workshops	3,608	700	1,482	4,000	20,000
Out Of District Travel	31,715	21,293	40,906	47,000	25,000
Awards and Banquets	747	1,588	800	3,000	10,000
Communications/Postage	9,735	9,540	11,375	20,000	11,000
Printing & Duplicating	11,244	13,486	17,486	30,000	25,000
Water/Sewer	-	-	10,521	13,664	13,664
<b>Total Purchased Services</b>	<b>\$ 1,266,636</b>	<b>\$ 908,988</b>	<b>\$ 1,073,452</b>	<b>\$ 1,205,848</b>	<b>\$ 1,202,302</b>





## Transportation Fund Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Supplies and Materials</b>					
Supplies	\$ 1,094,216	\$ 1,078,016	\$ 1,098,380	\$ 1,350,000	\$ 1,070,000
Oil	72,850	97,062	81,681	88,000	100,000
Gasoline	1,777,432	1,203,682	1,146,493	1,600,000	1,600,000
Natural Gas	-	-	13,035	13,110	13,110
Electricity	-	-	63,158	50,000	50,000
<b>Total Supplies and Materials</b>	<b>\$ 2,944,498</b>	<b>\$ 2,378,760</b>	<b>\$ 2,402,748</b>	<b>\$ 3,101,110</b>	<b>\$ 2,833,110</b>

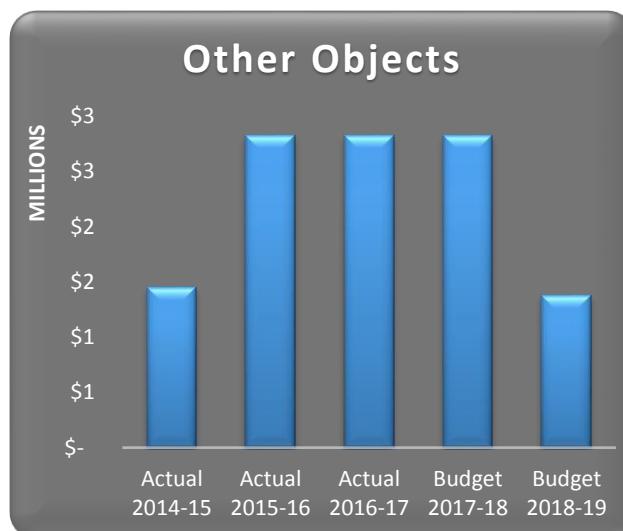
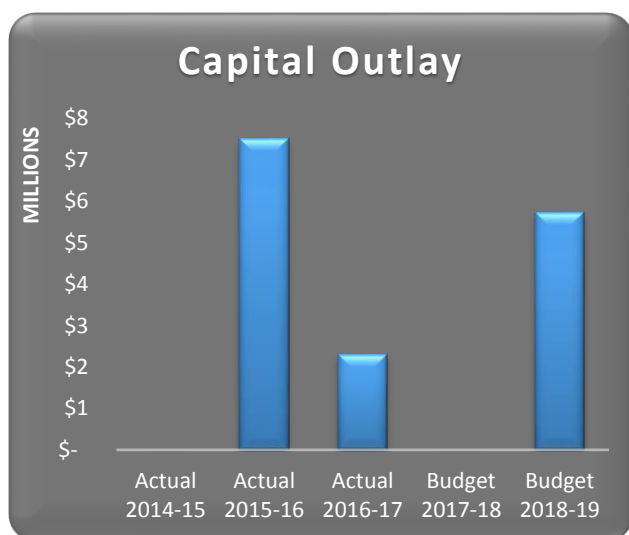




## Transportation Fund Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Capital Outlay</b>					
Improvements (Non Building)	\$ -	\$ -	\$ -	\$ -	\$ -
Addl/Repl Transportation Equip	-	196,656	2,306,440	-	5,743,734
Transp Lease/Purchase Equipment	-	7,311,097	-	-	-
<b>Total Capital Outlay</b>	<b>\$ -</b>	<b>\$ 7,507,753</b>	<b>\$ 2,306,440</b>	<b>\$ -</b>	<b>\$ 5,743,734</b>

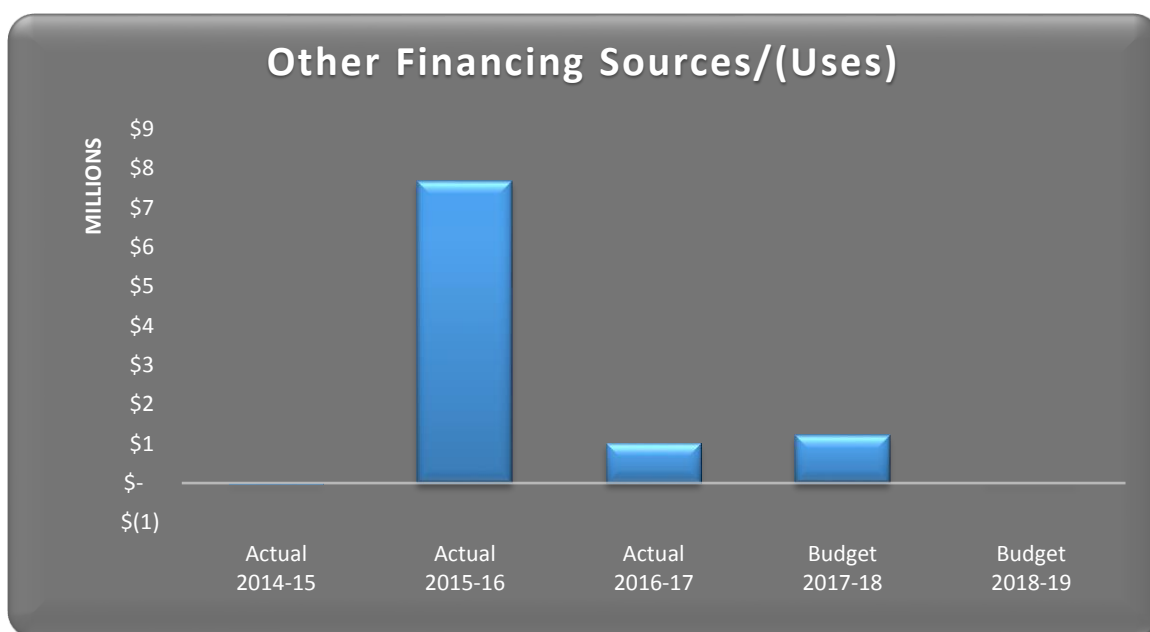
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Objects</b>					
Redemption Of Principal - Leases	\$ 1,377,280	\$ 2,751,966	\$ 2,708,464	\$ 2,745,758	\$ 1,333,745
Interest - Leases	72,541	71,099	114,600	77,308	39,500
Dues & Fees	96	4,365	-	5,000	5,000
<b>Total Capital Outlay</b>	<b>\$ 1,449,917</b>	<b>\$ 2,827,431</b>	<b>\$ 2,823,064</b>	<b>\$ 2,828,066</b>	<b>\$ 1,378,245</b>





## Transportation Fund Other Financing Sources/(Uses)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Sources/(Uses)</b>					
Transfers - Interfund	\$ (89,992)	\$ (79,403)	\$ -	\$ -	\$ -
Transfers - Bank Interest	75,000	425,000	1,000,000	1,200,000	-
Proceeds from Purchase Contracts	-	6,653,797	-	-	-
Proceeds from Sale of Equipment	-	664,800	-	-	-
<b>Total Other Fin. Sources/(Uses)</b>	<b>\$ (14,992)</b>	<b>\$ 7,664,194</b>	<b>\$ 1,000,000</b>	<b>\$ 1,200,000</b>	<b>\$ -</b>





## Transportation Fund Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance (Deficit)

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 18,581,703	\$ 16,456,512	\$ 15,339,038	\$ 14,729,442
State Sources	16,355,841	16,682,958	17,016,617	17,356,949
Total Revenue by Source	\$ 34,937,544	\$ 33,139,470	\$ 32,355,655	\$ 32,086,391
Expenditures				
Salaries	\$ 15,296,999	\$ 15,755,909	\$ 16,228,586	\$ 16,715,444
Employee Benefits	5,417,765	5,687,652	5,971,003	6,268,491
Purchased Services	1,202,302	1,214,325	1,226,468	1,238,733
Supplies and Materials	2,833,110	2,861,441	2,890,056	2,918,956
Capital Outlay	5,743,734	3,587,500	3,850,000	3,237,500
Other Objects	1,378,245	1,378,295	1,378,346	5,152
Total Expenditures by Object	\$ 31,872,155	\$ 30,485,122	\$ 31,544,459	\$ 30,384,276
Excess of Revenues Over Expenditures	3,065,389	2,654,348	811,196	1,702,116
Other Financing Sources	\$ -	\$ -	\$ -	\$ -
Net Change in Fund Balance (Deficit)	3,065,389	2,654,348	811,196	1,702,116
Fund Balance (Deficit) at Beginning of Year	3,913,103	6,978,492	9,632,840	10,444,037
Fund Balance (Deficit) at End of Year	\$ 6,978,492	\$ 9,632,840	\$ 10,444,037	\$ 12,146,152

### ASSUMPTIONS:

- CPI – 2.1 percent for each forecast year

#### Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments
- State Categoricals – Increase 2.0 percent
- All other revenue – Increase by 1.0 percent for each forecast year

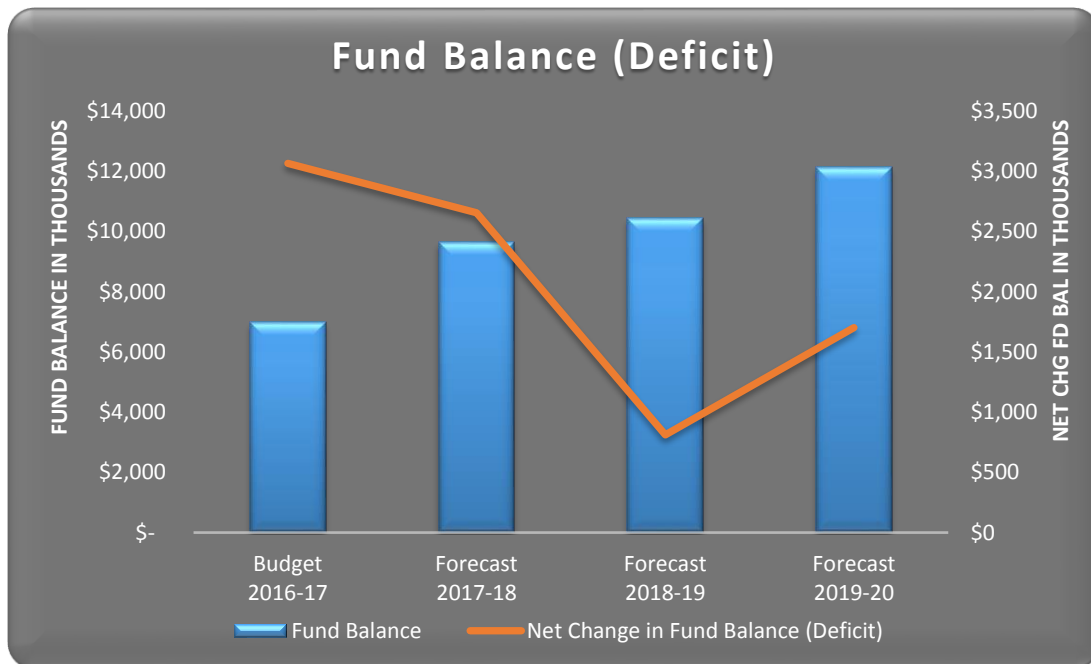
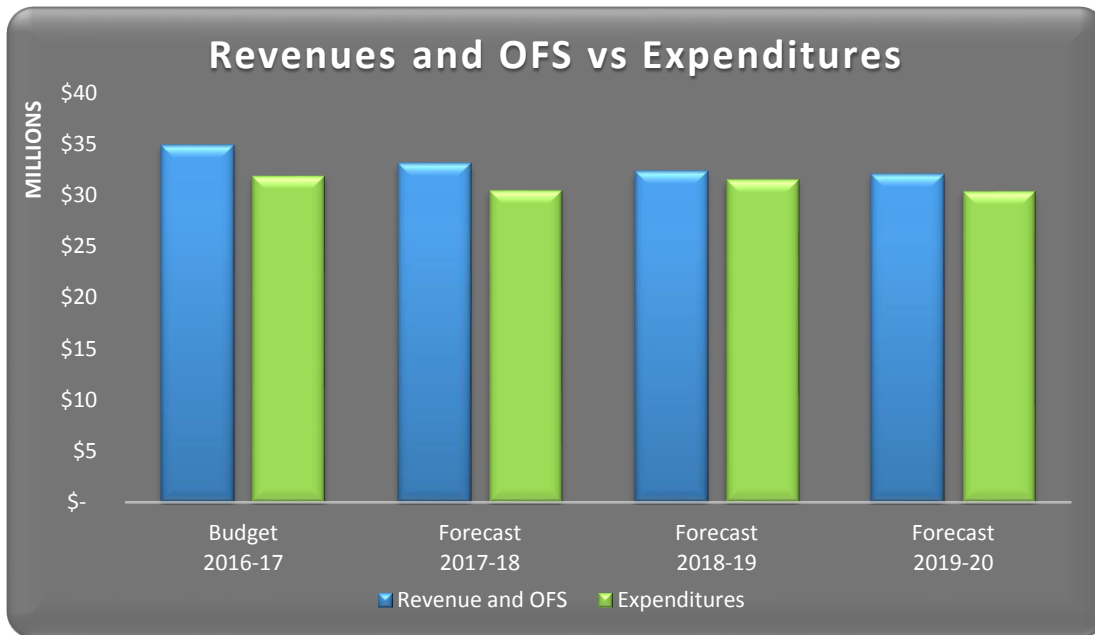
#### Expenditures

- Salaries – Increase 3.0 percent for each forecast year
- Health Benefits – Increase by 5.0 percent for each forecast year
- Remaining Benefits – Increase by 3.0 percent for each budget year
- Capital Outlay – average bus purchase of \$84,500 multiplied by number of replacement buses identified in the Bus Replacement Plan
- All other expenditures – Increase 1.0 percent for each forecast year



## Transportation Fund

### Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance (Deficit) (Continued)





# Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property, payment of all premiums for insurance upon building and building fixtures; all costs of lights, gas, water, telephone service, custodial supplies and equipment, and professional surveys of District property.

[See 105 ILCS 5/17-2 and 17-7]



## Operations and Maintenance Fund Revenues, Expenditures and Changes in Fund Balance (Deficit)

### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 29,758,890	\$ 30,106,647	\$ 34,072,737	\$ 32,218,806	\$ 37,018,954
State Sources	120,881	-	859,636	-	7,500,000
Federal Sources	-	-	-	-	-
Total Revenue by Source	\$ 29,879,771	\$ 30,106,647	\$ 34,932,373	\$ 32,218,806	\$ 44,518,954
Expenditures					
Salaries	\$ 7,494,198	\$ 7,972,455	\$ 7,824,031	\$ 7,971,698	\$ 8,606,257
Employee Benefits	1,457,410	1,629,909	1,668,564	1,631,791	1,625,864
Purchased Services	8,790,797	9,867,218	9,526,366	9,725,250	10,992,300
Supplies and Materials	7,009,290	6,674,650	7,027,636	7,398,100	8,302,000
Capital Outlay	12,476,586	12,827,717	11,824,946	12,523,423	17,200,000
Other Objects	5,094	4,344	3,555	6,000	200
Total Expenditures by Object	\$ 37,233,375	\$ 38,976,293	\$ 37,875,097	\$ 39,256,262	\$ 46,726,621
Deficiency of Revenues Over Expenditures	(7,353,604)	(8,869,646)	(2,942,724)	(7,037,456)	(2,207,667)
Other Financing Sources	\$ 7,620,121	\$ 10,229,522	\$ 3,516,398	\$ 11,359,435	\$ 3,266,331
Net Change in Fund Bal/(Deficit)	266,517	1,359,876	573,674	4,321,979	1,058,664
Fund Bal/(Deficit) at Beg. of Year	4,513,538	4,780,055	6,139,931	6,713,605	11,035,584
Fund Bal/(Deficit) at End of Year	\$ 4,780,055	\$ 6,139,931	\$ 6,713,605	\$ 11,035,584	\$ 12,094,248

#### Revenue

The Operations and Maintenance Fund is funded primarily with local property taxes accounting for \$35.6 million (80 percent) of the budget. Evidence-Based Funding (EBF), E-rate and rental income make up the remaining revenue. Property taxes increased in the current budget due to the tax abatement allocation adjustments made in the Educational and Debt Service Funds. Along with the property tax increase, \$7.5 million has been added with the new EBF model.

#### Expenditures

The District maintains 66 buildings, 5.5 million square feet of floor space, and 870 acres of grounds and landscaping.

Salaries and benefits increased \$0.6 million (8 percent) over the prior year's budget. The purchased services budget increased by 13 percent primarily due to increased repairs and maintenance service to support the two new district buildings and the district throughout. Supplies and materials are projected to be higher by \$0.9 million, \$0.6 million of which is for increases in utility costs such as natural gas and electricity. Building capital and improvements is scheduled to increase \$4.4 million over the prior year's budget to allow the Operations and Maintenance Fund to absorb improvements necessary instead of using District working cash funds. These additional expenditures will be offset with the new evidence-based funding that will be allocated to the Operations and Maintenance fund starting this fiscal year.

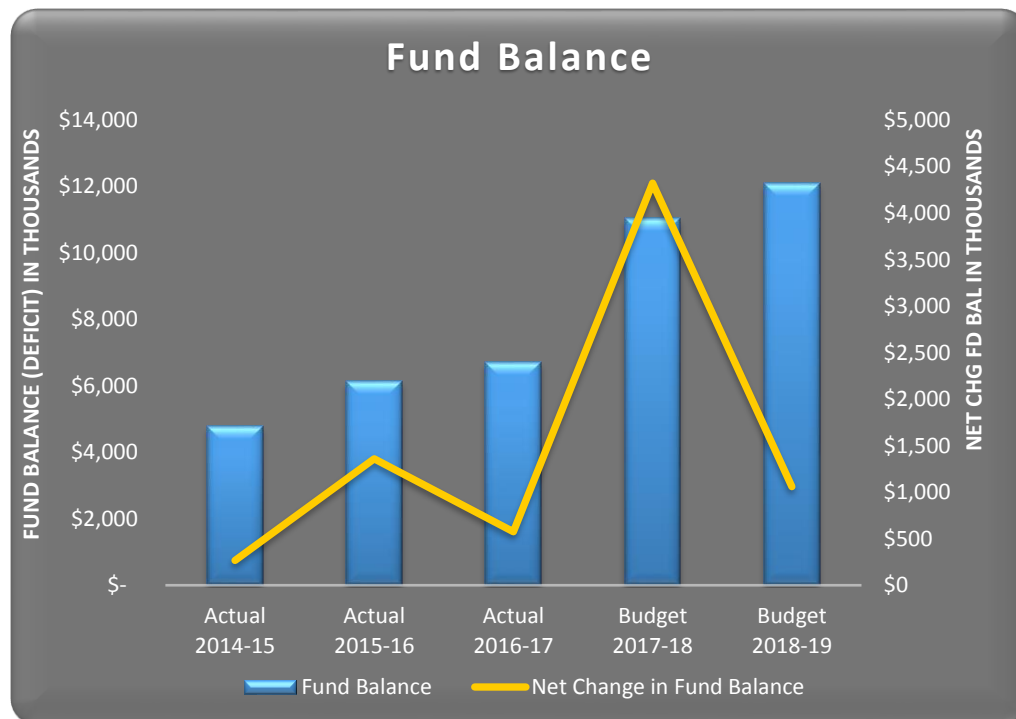
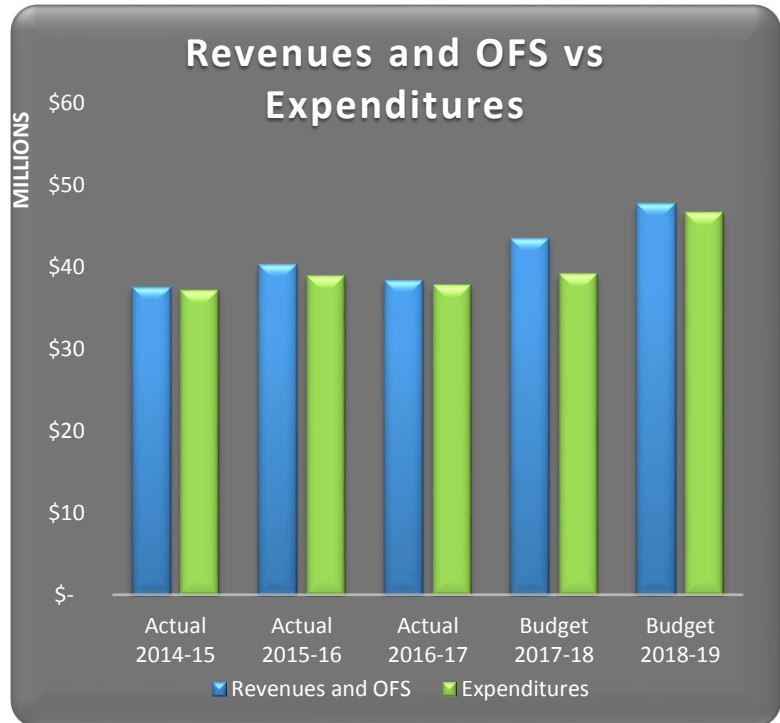


### Other Financing Sources

\$4.0 million of bank interest proceeds have been transferred into the Operations and Maintenance Fund to use on capital projects throughout the year. The Operations and Maintenance Fund also transfers out \$0.7 million to the Debt Service Fund for bond principal and interest payments.

### Fund Balance

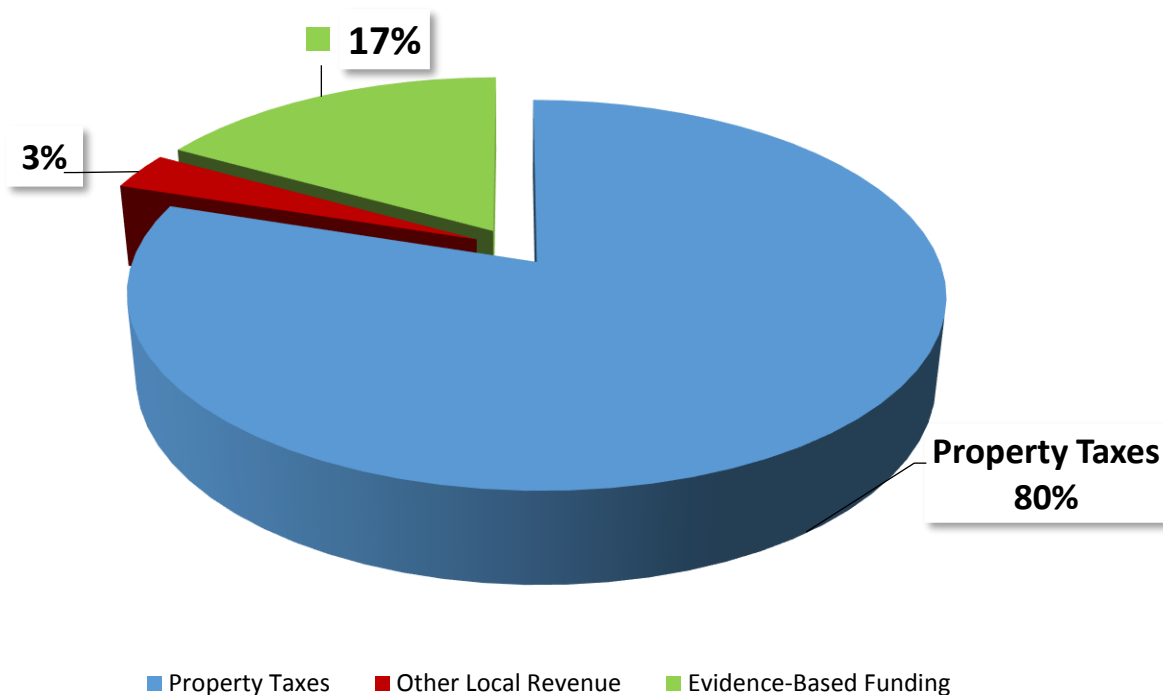
The District typically has more projects than can be completed with the annual funding available. It is management's practice to prioritize and complete as many projects as funding allows while maintaining a positive fund balance. Any excess fund balance is considered when planning future projects and allocating revenue.





## Operations and Maintenance Fund Revenue by Source

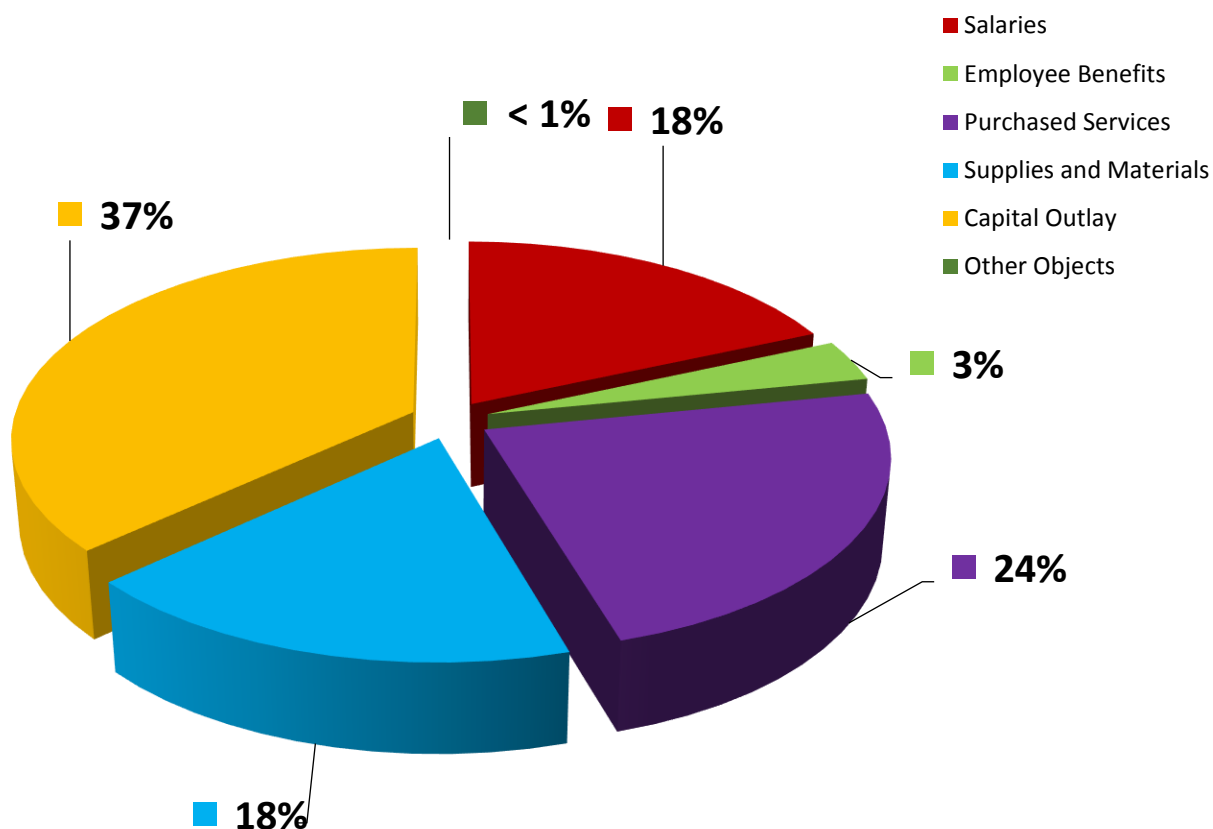
Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 35,617,954
Other Local Revenue	1,401,000
<b>Total Local Sources</b>	<b>37,018,954</b>
State Sources	
Evidence-Based Funding	7,500,000
<b>Total State Sources</b>	<b>7,500,000</b>
<b>Total Revenue</b>	<b>\$ 44,518,954</b>





## Operations and Maintenance Fund Expenditures by Object

Expenditures	Budget 2018-19
Salaries	\$ 8,606,257
Employee Benefits	1,625,864
Purchased Services	10,992,300
Supplies and Materials	8,302,000
Capital Outlay	17,200,000
Other Objects	200
<b>Total Expenditures by Object</b>	<b>\$ 46,726,621</b>

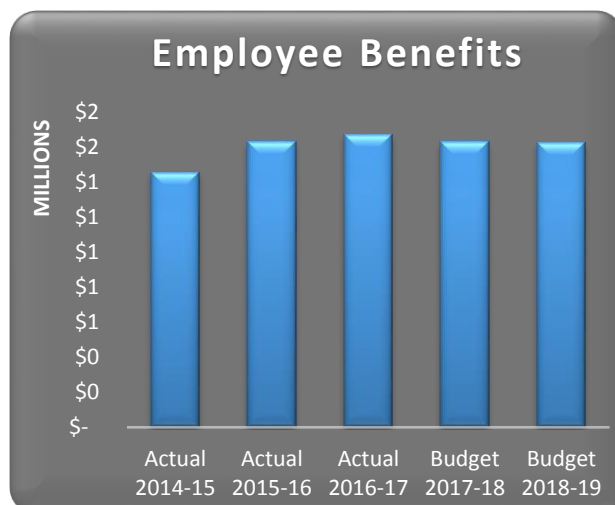
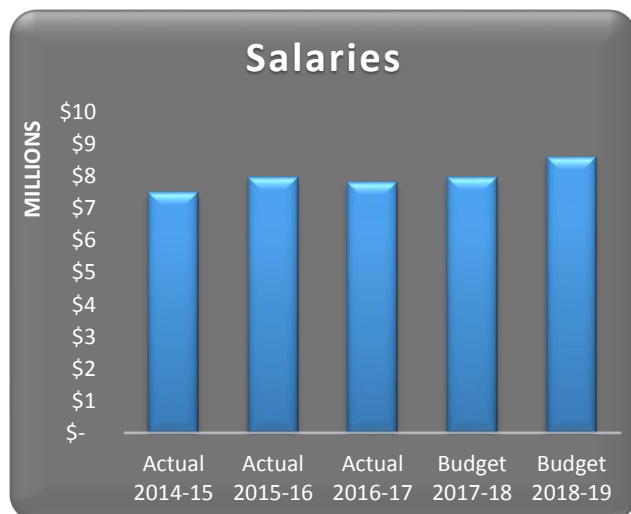




## Operations and Maintenance Fund Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Administrators Salaries	\$ 746,526	\$ 826,303	\$ 844,846	\$ 852,655	\$ 845,759
Technical Salaries	46,548	58,069	128,591	133,653	267,949
Temporary Salaries	42,713	152,234	92,268	100,000	15,593
Other Hourly Extra Curr Superv	18,033	4,994	8,712	-	-
Stipends	600	600	700	-	157
Overtime Time & a Half	137,416	130,528	114,290	110,201	203,922
Overtime Double Time	45,460	27,354	43,806	45,530	40,012
12-Month Secretaries	195,530	155,959	131,777	149,830	137,403
Custodians	3,772,900	3,937,680	3,706,866	3,787,451	4,202,324
Maintenance	1,553,674	1,640,483	1,694,534	1,705,643	1,788,960
Grounds	934,798	1,038,251	1,057,640	1,086,735	1,104,178
<b>Total Salaries</b>	<b>\$ 7,494,198</b>	<b>\$ 7,972,455</b>	<b>\$ 7,824,031</b>	<b>\$ 7,971,698</b>	<b>\$ 8,606,257</b>

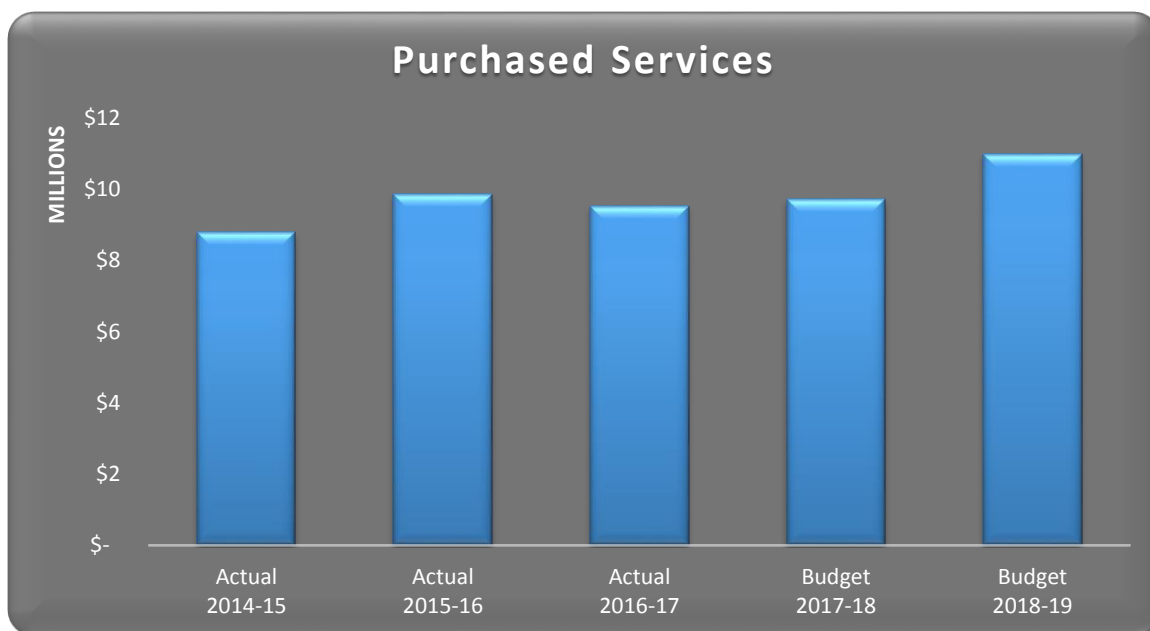
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Employee Benefits</b>					
Life Insurance	\$ 9,211	\$ 9,649	\$ 10,854	\$ 14,364	\$ 15,149
Medical Insurance	1,380,834	1,528,616	1,570,715	1,536,778	1,522,303
Dental Insurance	58,761	81,703	73,095	77,285	74,730
Disability Insurance	8,604	9,940	13,900	3,364	13,682
<b>Total Employee Benefits</b>	<b>\$ 1,457,410</b>	<b>\$ 1,629,909</b>	<b>\$ 1,668,564</b>	<b>\$ 1,631,791</b>	<b>\$ 1,625,864</b>





## Operations and Maintenance Fund Expenditures by Object Detail (continued)

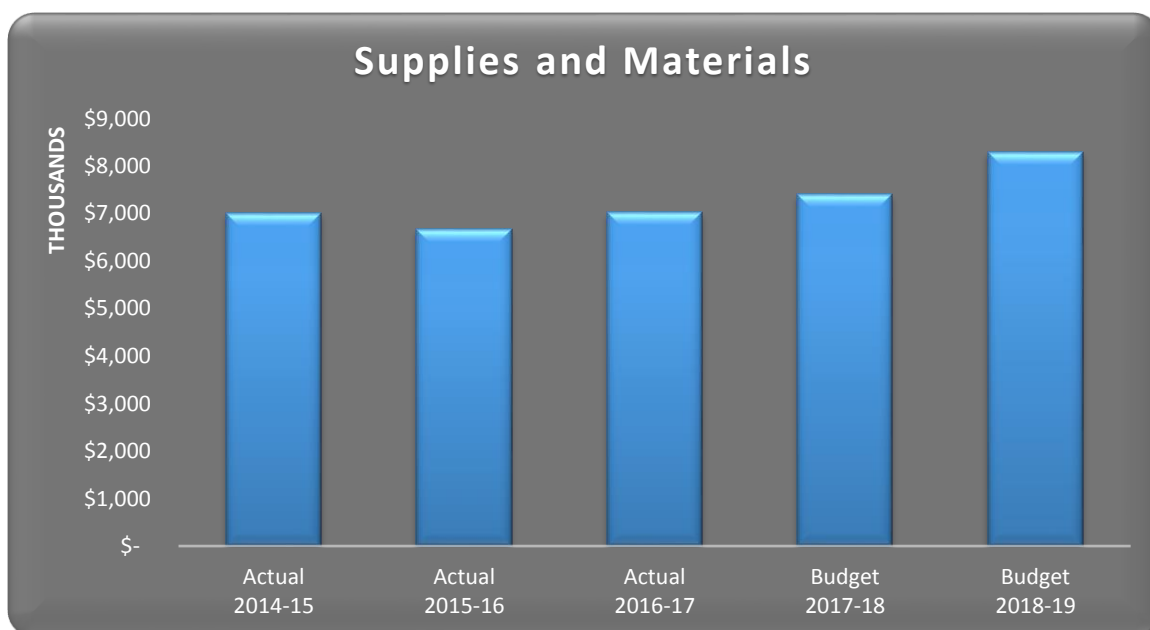
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 1,503,058	\$ 1,647,023	\$ 1,424,406	\$ 2,072,250	\$ 2,000,000
Other Tech & Prof Serv	73,697	33,044	28,810	37,000	50,000
Sanitation Services	241,579	311,672	161,449	235,000	300,000
Cleaning Services	23,201	31,446	25,356	25,000	40,000
Repairs & Maint Services	2,722,822	3,507,286	3,628,822	3,030,000	4,090,000
Rentals	127,824	163,694	26,143	80,000	80,000
Contract Cleaning	3,453,342	3,488,234	3,511,452	3,615,000	3,687,300
Exterminating	29,475	30,660	29,752	50,000	50,000
Other Property Services	19,031	19,304	24,629	30,000	30,000
Indistrict/Regional Travel	1,530	659	1,778	1,000	3,000
Travel Conf/Workshops	7,074	7,491	8,664	8,000	10,000
Out Of District Travel	2,124	595	541	1,000	3,000
Communications/Postage	32,327	34,557	5,207	21,000	29,000
Printing & Duplicating	1,696	5,431	7,634	10,000	10,000
Water/Sewer	543,383	578,516	641,723	500,000	600,000
Other Purchased Services	8,634	7,606	-	10,000	10,000
<b>Total Purchased Services</b>	<b>\$ 8,790,797</b>	<b>\$ 9,867,218</b>	<b>\$ 9,526,366</b>	<b>\$ 9,725,250</b>	<b>\$ 10,992,300</b>



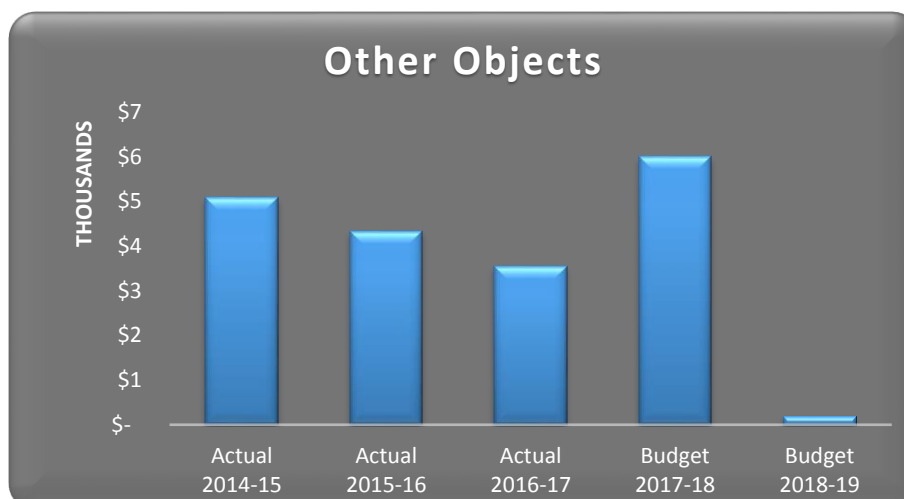
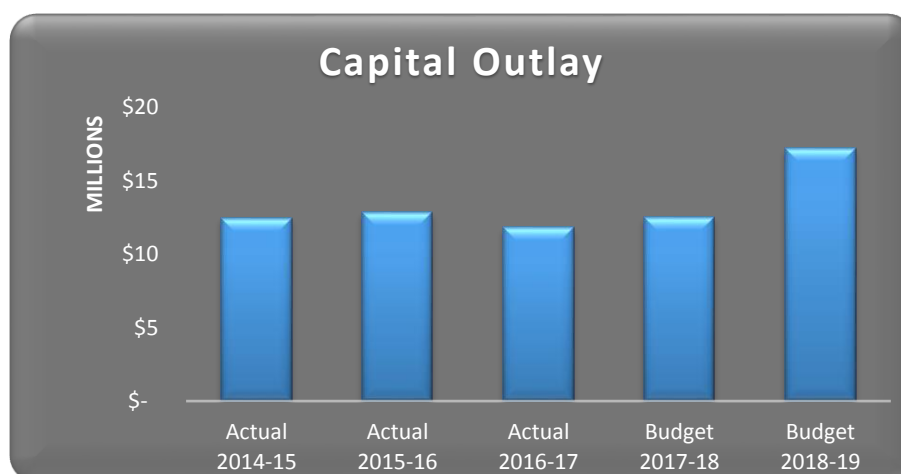


## Operations and Maintenance Fund Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Supplies and Materials</b>					
Supplies	\$ 1,514,986	\$ 1,572,070	\$ 1,648,268	\$ 1,600,000	\$ 1,850,000
Custodial Supplies	511,645	500,498	325,499	500,000	550,000
Periodicals	-	-	-	100	4,000
Gasoline	-	10,283	44,349	80,000	80,000
Natural Gas	1,829,124	1,299,164	1,259,923	1,600,000	1,800,000
Electricity	3,135,355	3,274,124	3,711,492	3,600,000	4,000,000
Other Supplies	18,180	18,511	38,104	18,000	18,000
<b>Total Supplies and Materials</b>	<b>\$ 7,009,290</b>	<b>\$ 6,674,650</b>	<b>\$ 7,027,636</b>	<b>\$ 7,398,100</b>	<b>\$ 8,302,000</b>



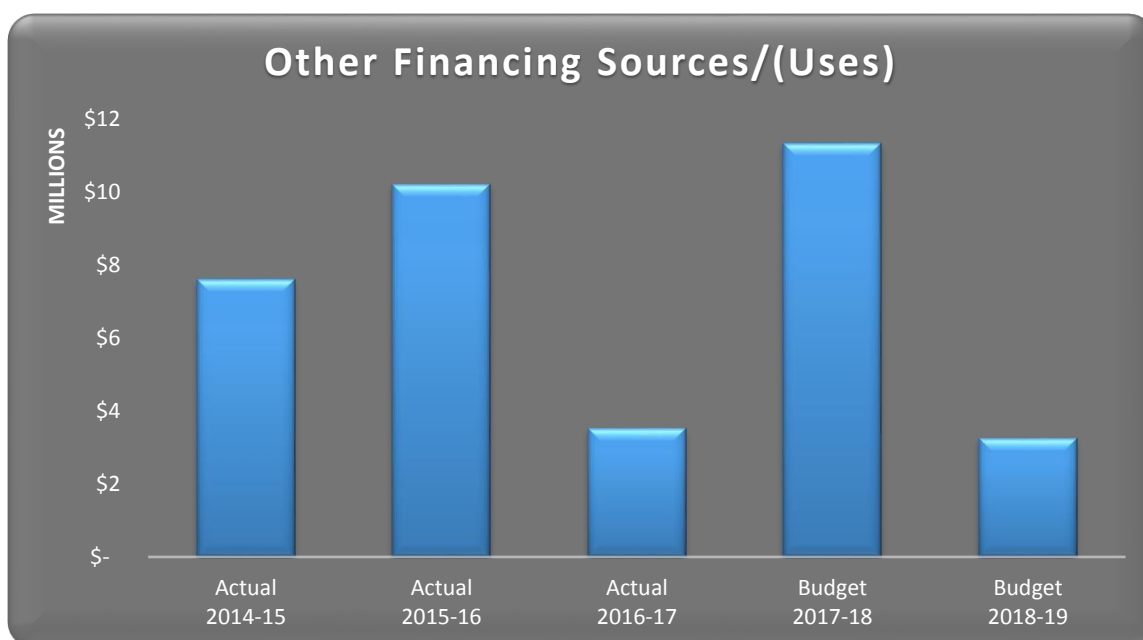


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## Operations and Maintenance Fund Other Financing Sources/(Uses)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Sources/(Uses)</b>					
Transfers - Interfund	\$ 8,399,913	\$ 11,047,656	\$ 4,158,210	\$ 12,000,000	\$ -
Transfer of Bond Principal	(610,521)	(613,189)	(615,822)	(618,578)	\$ (714,553)
Transfer of Principal to Debt Serv	(130,304)	(169,823)	-	-	\$ -
Transfer of Bond Interest	(29,296)	(29,976)	(25,990)	(21,987)	\$ (19,116)
Transfers - Bank Interest	-	-	-	-	\$ 4,000,000
Transfer of Interest to Debt Serv	(9,671)	(5,146)	-	-	\$ -
<b>Total Other Fin. Sources/(Uses)</b>	<b>\$ 7,620,121</b>	<b>\$ 10,229,522</b>	<b>\$ 3,516,398</b>	<b>\$ 11,359,435</b>	<b>\$ 3,266,331</b>





## Operations and Maintenance Fund Budget and Three-Year Forecast Revenues, Expenditures and Changes in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 37,018,954	\$ 37,794,951	\$ 38,587,216	\$ 39,396,090
Expenditures				
Salaries	\$ 8,606,257	\$ 8,864,445	\$ 9,130,378	\$ 9,404,289
Employee Benefits	1,625,864	1,706,581	1,791,316	1,880,270
Purchased Services	10,992,300	11,102,223	11,213,245	11,325,378
Supplies and Materials	8,302,000	8,385,020	8,468,870	8,553,559
Capital Outlay	17,200,000	17,200,000	17,200,000	17,200,000
Other Objects	200	-	-	-
Total Expenditures by Object	\$ 46,726,621	\$ 47,258,268	\$ 47,803,809	\$ 48,363,496
Deficiency of Revenues Under Expenditures	(2,207,667)	(1,963,317)	(1,716,593)	(1,467,406)
Other Financing Sources/(Uses)	\$ 3,266,331	\$ 3,360,735	\$ 3,362,035	\$ 3,333,336
Net Change in Fund Balance	1,058,664	1,397,418	1,645,442	1,865,930
Fund Balance at Beginning of Year	11,035,584	12,094,248	13,491,666	15,137,108
Fund Balance at End of Year	\$ 12,094,248	\$ 13,491,666	\$ 15,137,108	\$ 17,003,038

### ASSUMPTIONS:

- CPI – 2.1 percent for each forecast year

#### Revenue

- Property Taxes – Increase by CPI
- All other revenue – Increase by 2.0 percent for each forecast year

#### Expenditures

- Salaries – Increase 3.0 percent for each forecast year
- Health Benefits – Increase by 5.0 percent for each forecast year
- Remaining Benefits – Increase by 3.0 percent for each forecast year
- Capital Outlay – remains flat for each forecast year
- All other expenditures – Increase by 1.0 percent for each forecast year

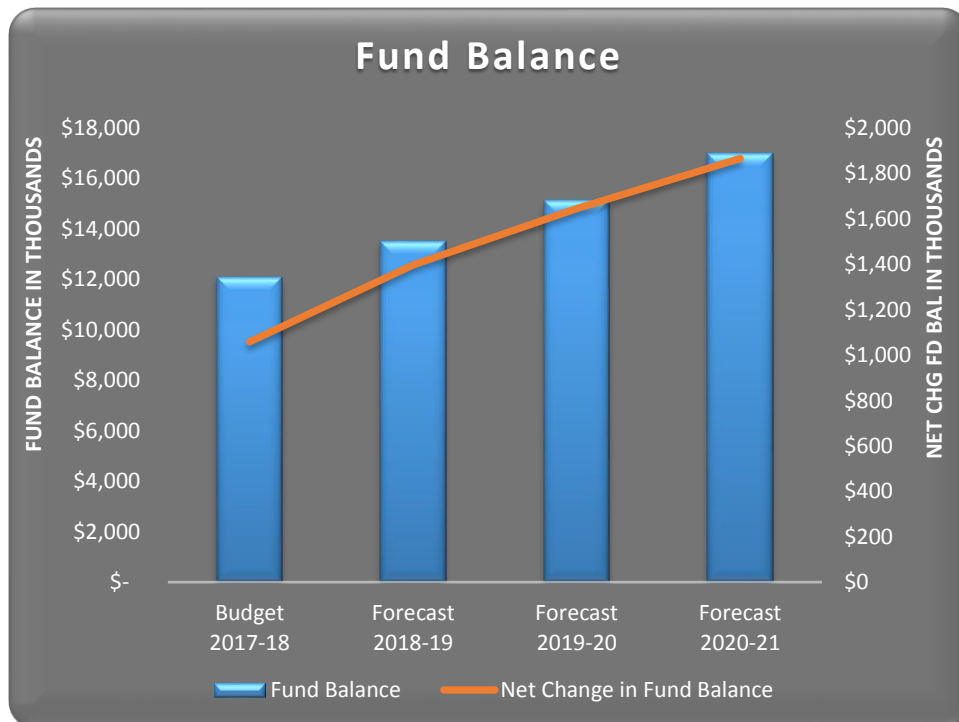
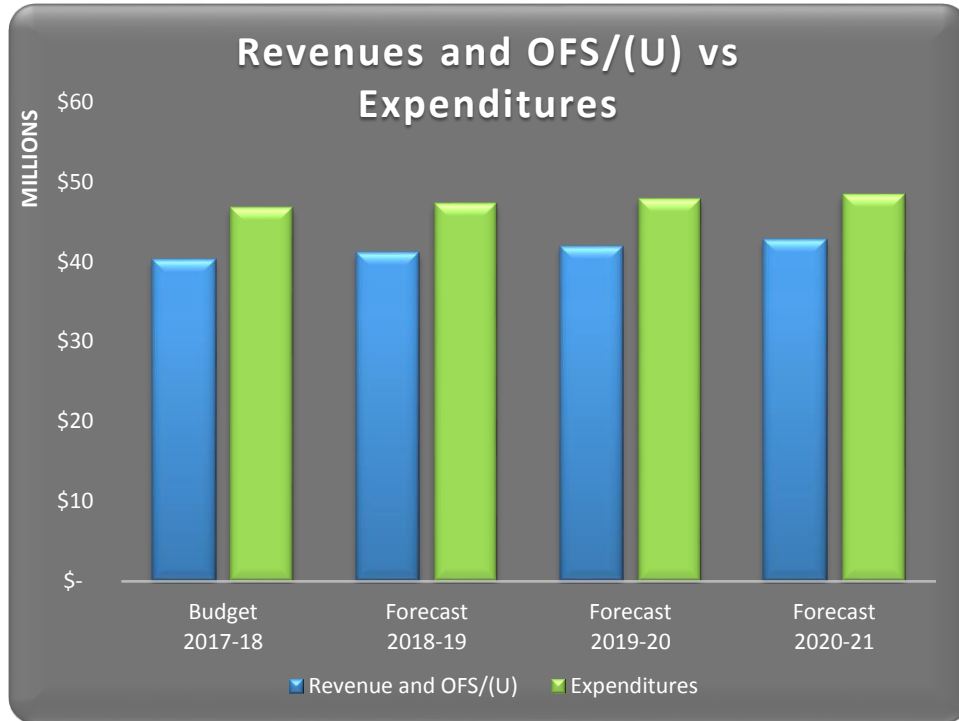
#### Other Financing Sources/(Uses)

- The Operations and Maintenance Fund transfers out \$0.7 million to the Debt Service Fund to cover bond and interest payments



## Operations and Maintenance Fund Budget and Three-Year Forecast

Revenues, Expenditures and Change in Fund Balance  
(continued)





# Tort Immunity and Judgment Fund

The Tort Immunity and Judgment Fund is used to pay for settlements or judgments, for protecting the District or its employees against liability, property damage or loss, and for risk care management programs.



## Tort Immunity and Judgments Fund Revenues, Expenditures and Changes in Fund Deficit

### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 10,066,198	\$ 12,462,994	\$ 11,027,086	\$ 8,466,019	\$ 6,409,285
State Sources	1,475,169	1,502,656	-	-	-
Total Revenue by Source	\$ 11,541,367	\$ 13,965,651	\$ 11,027,086	\$ 8,466,019	\$ 6,409,285
Expenditures					
Salaries	\$ 367,144	\$ 381,945	\$ 388,015	\$ 398,366	\$ 417,825
Employee Benefits	24,696	25,305	26,629	29,693	28,224
Purchased Services	7,060,575	5,024,037	4,902,858	5,717,063	5,548,658
Capital Outlay	92,980	-	-	-	-
Total Expenditures by Object	\$ 7,545,395	\$ 5,431,288	\$ 5,317,502	\$ 6,145,122	\$ 5,994,707
Net Change in Fund Deficit	3,995,972	8,534,363	5,709,584	2,320,897	414,578
Fund Deficit at Beg. of Year	(21,896,531)	(17,900,559)	(9,366,196)	(3,656,612)	(1,335,715)
Fund Deficit at End of Year	(17,900,559)	(9,366,196)	(3,656,612)	(1,335,715)	(921,137)

#### Revenue

The tort fund is funded by local property taxes and in the recent past included allocated General State Aid (GSA) in order to help cover one-time cost increases. The GSA allocation has been eliminated from the tort fund and the property tax allocation has been scaled back since the fund deficit is being reduced as planned. The \$2.0 million reduction in property tax revenue was reallocated back to the Educational Fund. This trend will continue as long as the fund's expenditures do not increase dramatically.

#### Expenditures

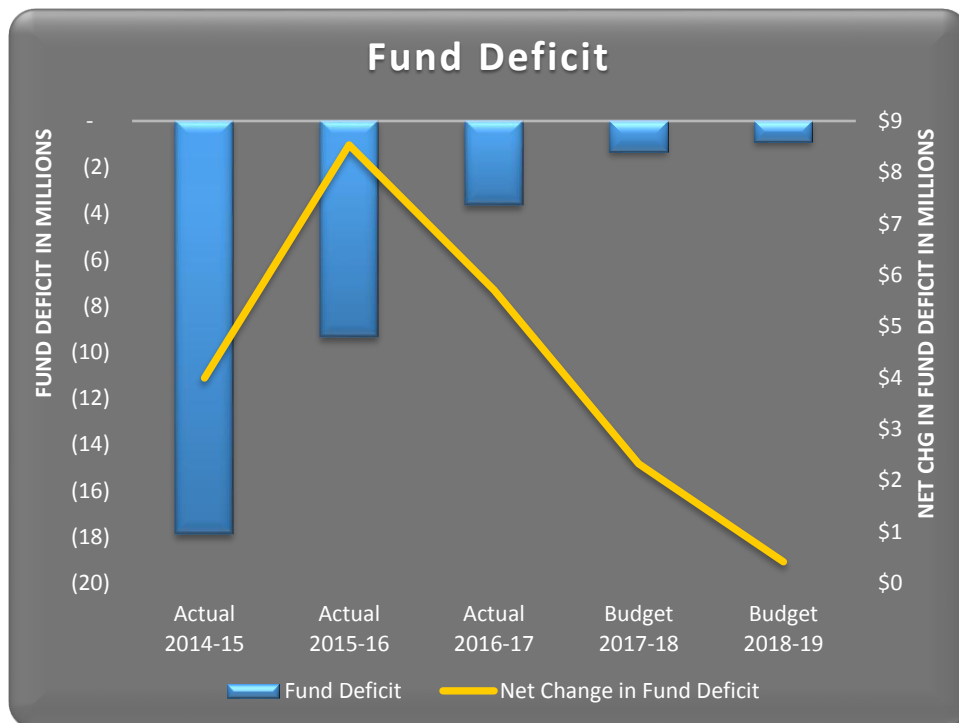
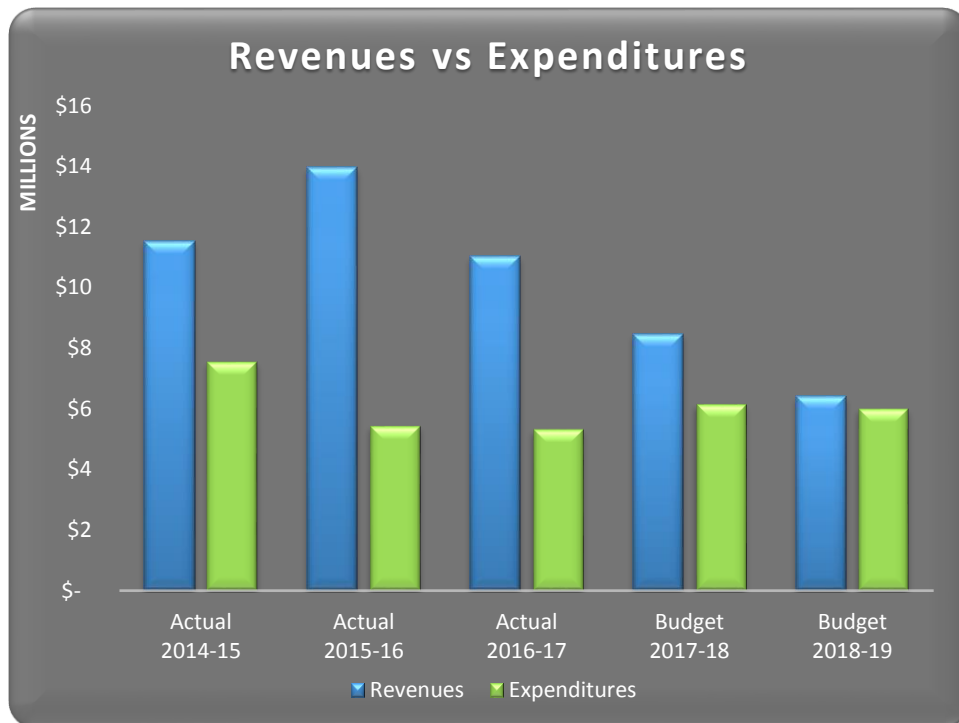
The Tort Fund accounts for the District's workers compensation expense as well as all legal matters including in-house district staff and outsourced services. Workers compensation alone makes up 58 percent of the overall fund expenditure budget. Salaries and benefits increased 4 percent over the prior year's budget. Purchased services were projected to decrease \$0.2 million over the prior year's budget mainly due to the unemployment compensation expense moving to the Educational Fund.

#### Fund Balance (Deficit)

Management continues to allocate resources to reduce and ultimately eliminate the fund deficit. Once the deficit is eliminated appropriate revenue will be allocated to the tort fund to cover expenditures.



## Tort Immunity and Judgments Fund Revenues, Expenditures and Changes in Fund Deficit (continued)





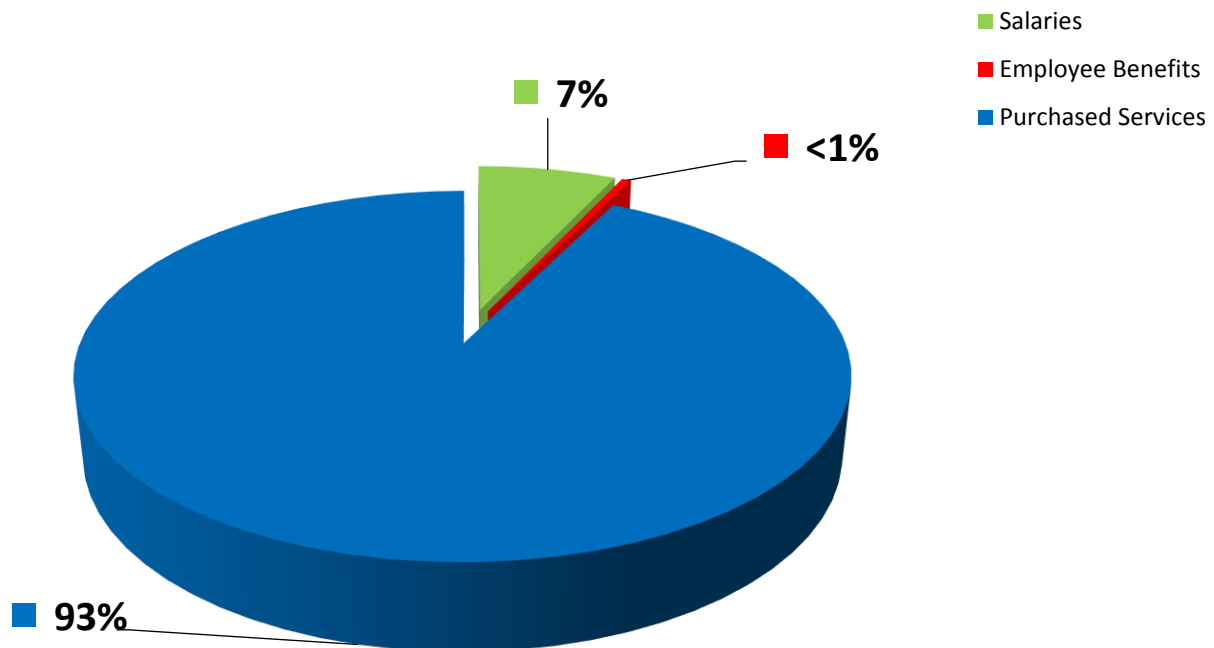
## Tort Immunity and Judgment Fund Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 10,066,101	\$ 12,462,939	\$ 11,026,991	\$ 8,465,819	\$ 6,408,885
Interest on Investments	97	55	95	200	400
<b>State Sources</b>					
Evidence-Based Funding	1,475,169	1,502,656	-	-	-
<b>Total Revenue</b>	<u>\$ 11,541,367</u>	<u>\$ 13,965,651</u>	<u>\$ 11,027,086</u>	<u>\$ 8,466,019</u>	<u>\$ 6,409,285</u>



## Tort Immunity and Judgments Fund Expenditures by Object

<u>Expenditures</u>	<u>Budget 2018-19</u>
Salaries	\$ 417,825
Employee Benefits	28,224
Purchased Services	5,548,658
<b>Total Expenditures by Object</b>	<b>\$ 5,994,707</b>

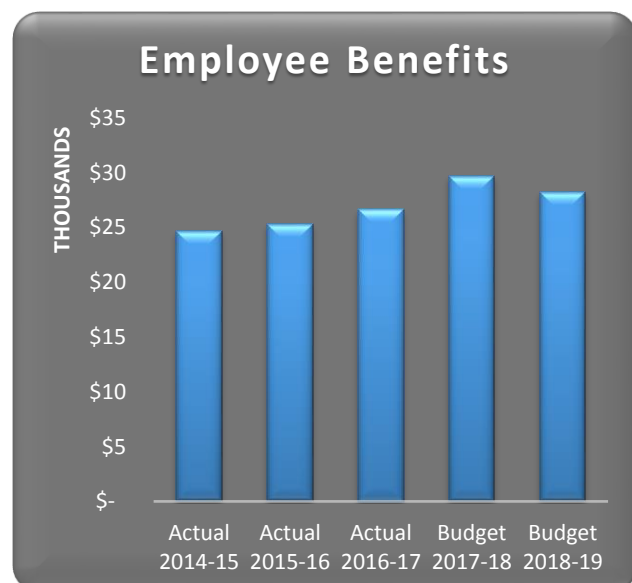




## Tort Immunity and Judgment Fund Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Salaries</b>					
Administrators Salaries	\$ 274,003	\$ 285,642	\$ 289,441	\$ 295,009	\$ 305,376
Technical Salaries	-	-	-	-	-
Other Hourly Extra Curr Superv	-	-	-	-	-
Stipends	-	-	-	-	-
12-Month Secretaries	93,141	96,303	98,574	103,357	112,449
<b>Total Salaries</b>	<b>\$ 367,144</b>	<b>\$ 381,945</b>	<b>\$ 388,015</b>	<b>\$ 398,366</b>	<b>\$ 417,825</b>

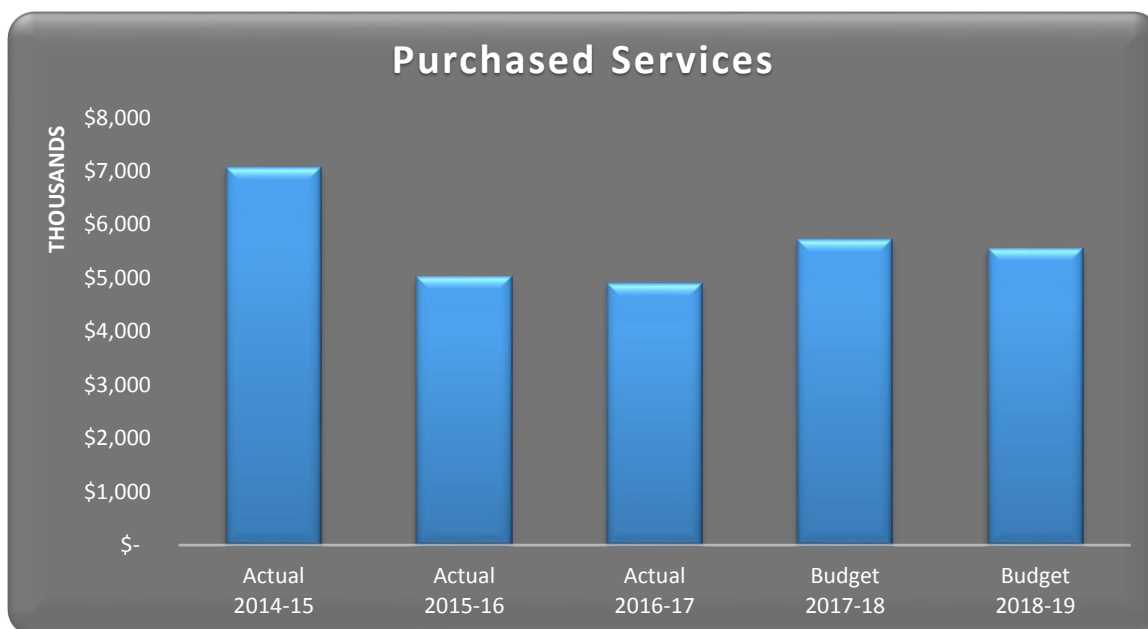
	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Employee Benefits</b>					
Life Insurance	\$ 213	\$ 223	\$ 110	\$ 236	\$ 77
Medical Insurance	22,861	23,161	24,239	27,286	25,714
Dental Insurance	1,423	1,692	1,560	1,796	1,720
Disability Insurance	199	229	720	375	713
<b>Total Employee Benefits</b>	<b>\$ 24,696</b>	<b>\$ 25,305</b>	<b>\$ 26,629</b>	<b>\$ 29,693</b>	<b>\$ 28,224</b>





## Tort Immunity and Judgment Fund Expenditures by Object Detail (continued)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Legal Services	\$ 305,016	\$ 151,082	\$ 244,932	\$ 250,000	\$ 350,000
Other Tech & Prof Serv	945,307	974,084	989,125	1,124,063	1,097,658
Travel Conf/Workshops	180	108	206	-	-
Out Of District Travel	135	260	290	-	-
Insurance	451,602	519,808	379,566	540,000	540,000
Workers Compensation	5,041,013	3,055,232	3,119,422	3,500,000	3,500,000
Unemployment Compensation	176,305	238,760	144,732	250,000	-
Property Claims/Tort	2,000	38,875	132	2,000	10,000
Liability/Tort Immunity	139,000	45,500	23,000	50,000	50,000
<b>Total Purchased Services</b>	<b>\$ 7,060,575</b>	<b>\$ 5,024,037</b>	<b>\$ 4,902,858</b>	<b>\$ 5,717,063</b>	<b>\$ 5,548,658</b>



	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Capital Outlay</b>					
Addl/Repl Equipment	\$ 92,980	\$ -	\$ -	\$ -	\$ -



## Tort Immunity and Judgment Fund

### Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance (Deficit)

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 6,409,285	\$ 6,543,876	\$ 6,681,293	\$ 6,821,595
Expenditures				
Salaries	\$ 417,825	\$ 430,360	\$ 443,271	\$ 456,569
Employee Benefits	28,224	29,071	29,943	30,841
Purchased Services	5,548,658	5,604,145	5,660,186	5,716,788
Total Expenditures by Object	\$ 5,994,707	\$ 6,063,575	\$ 6,133,399	\$ 6,204,198
Net Change in Fund Balance/(Deficit)	860,627	939,731	1,021,107	1,104,807
Fund Balance/(Deficit) at Beg. of Year	(1,335,715)	(475,088)	464,643	1,485,749
Fund Balance/(Deficit) at End of Year	\$ (475,088)	\$ 464,643	\$ 1,485,749	\$ 2,590,557

#### ASSUMPTIONS:

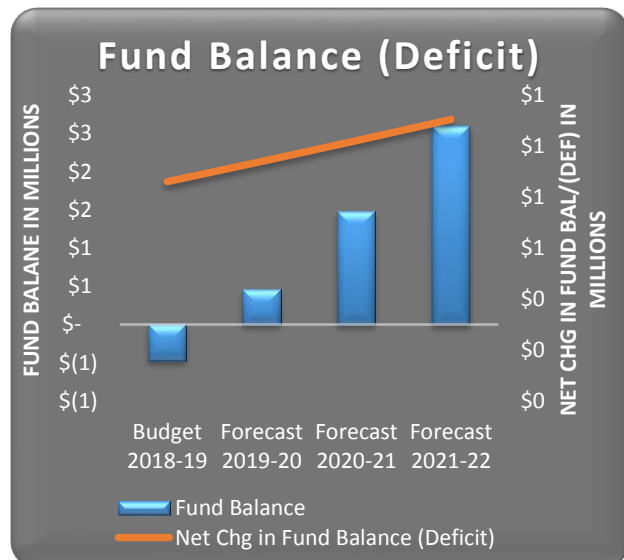
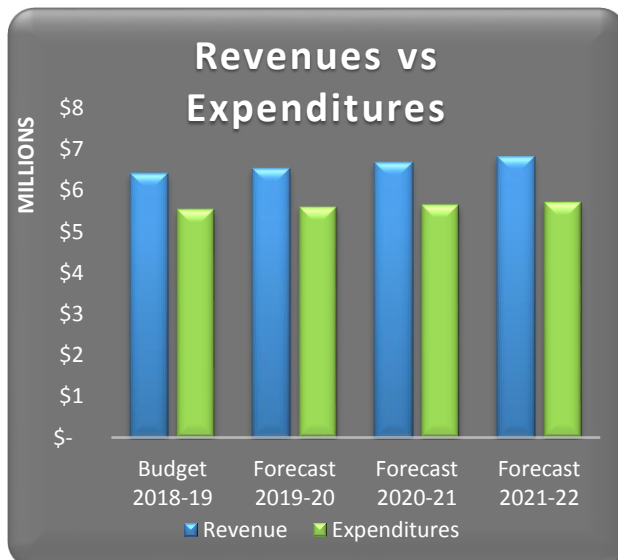
- CPI – 2.1 percent for each forecast year

#### Revenue

- Property Taxes – Increase by CPI
- All other revenue – Increase by 1.0 percent for each forecast year

#### Expenditures

- Salaries – Increase 3.0 percent for each forecast year
- Health Benefits – Increase by 5.0 percent for each forecast year
- Remaining Benefits – Increase by 3.0 percent for each budget year
- All other expenditures – Increase by 1.0 percent for each forecast year





# Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund is used to account for property tax revenues and related expenditures for contributions to the Illinois Municipal Retirement Fund (IMRF), Social Security, and Medicare. [See 105 ILCS 5/17-1, 21-110, and 21-110.1]



## Municipal Retirement/Social Security Fund Revenues, Expenditures and Changes in Fund Balance (Deficit)

### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 15,407,538	\$ 14,893,350	\$ 15,813,929	\$ 15,790,414	\$ 16,126,369
Expenditures					
Employee Benefits	\$ 14,128,565	\$ 15,738,570	\$ 15,353,756	\$ 15,787,947	\$ 16,073,041
Net Change in Fund Bal. (Deficit)	1,278,973	(845,220)	460,173	2,467	53,328
Fund Bal. (Deficit) at Beg. of Year	(439,088)	839,885	(5,335)	454,838	457,305
Fund Bal. (Deficit) at End of Year	\$ 839,885	\$ (5,335)	\$ 454,838	\$ 457,305	\$ 510,633

#### Revenue

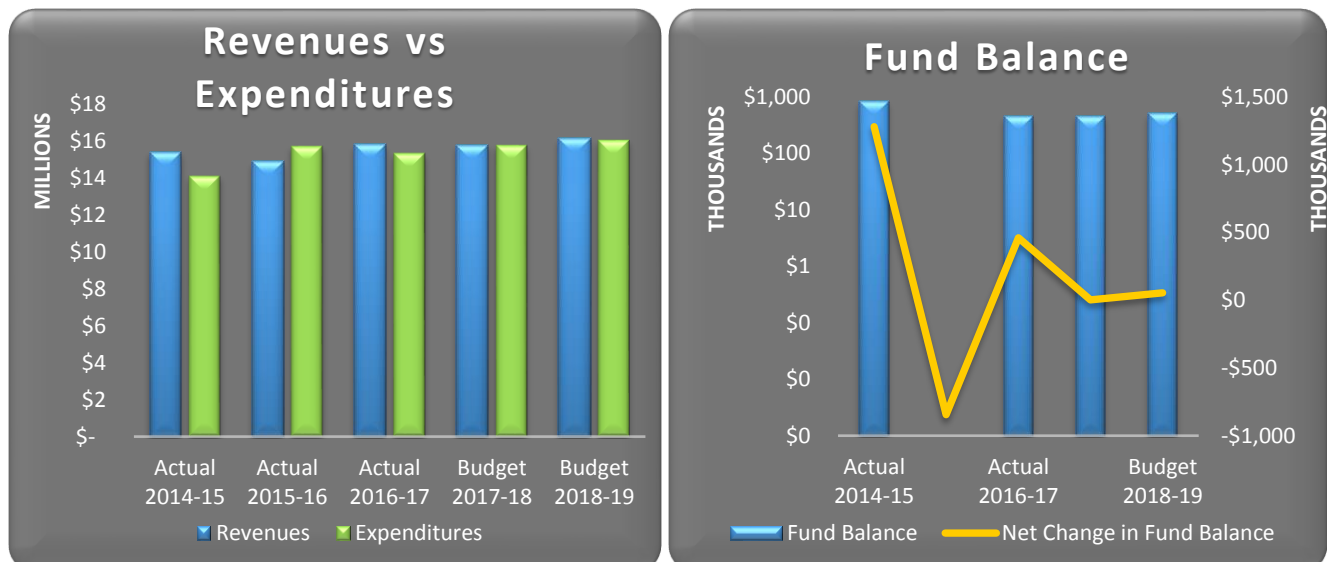
The Municipal Retirement/Social Security Fund is funded with local sources, property taxes and Corporate Personal Property Replacement Taxes (CPPRT). Total revenue is due to increase slightly (2 percent) due to a CPI increase of property taxes. Property taxes increased \$0.3 million over the prior year budget, however CPPRT and local revenue is due to remain flat. CPPRT only funds the Municipal Retirement and Social Security Fund and a secondary funding source behind property taxes.

#### Expenditures

This fund accounts for benefits related to IMRF, Social Security and Medicare paid by the District. The employee benefits is estimated to increase slightly by \$0.3 million based upon anticipated FICA and Medicare 4 percent increases.

#### Fund Balance

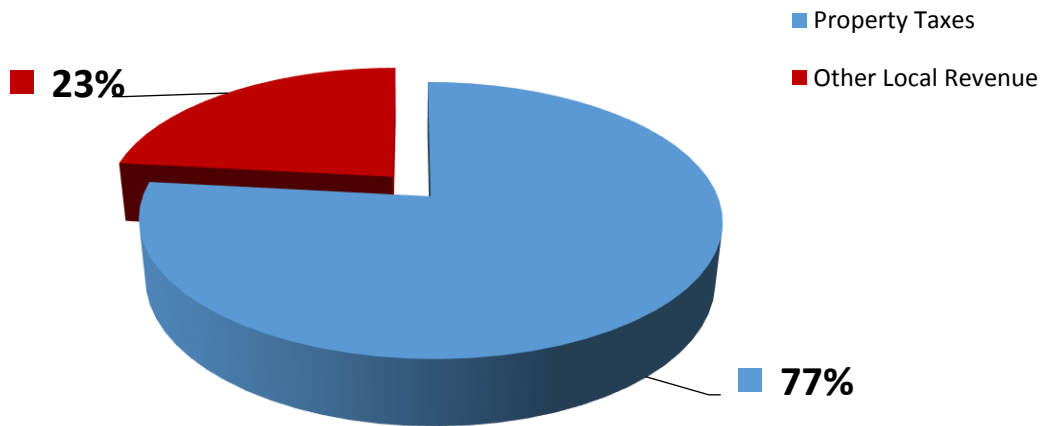
It is management's goal to maintain a positive fund balance in this fund and allocate enough resources to just cover expenditures. The positive net change in fund balance this year will ultimately remain flat as it is estimated at approximately \$53,000.





## Municipal Retirement/Social Security Fund Revenue by Source

Revenue	Budget 2018-19
Local Sources	
Property Taxes	\$ 12,375,869
Other Local Revenue	3,750,500
<b>Total Local Sources</b>	<b>16,126,369</b>



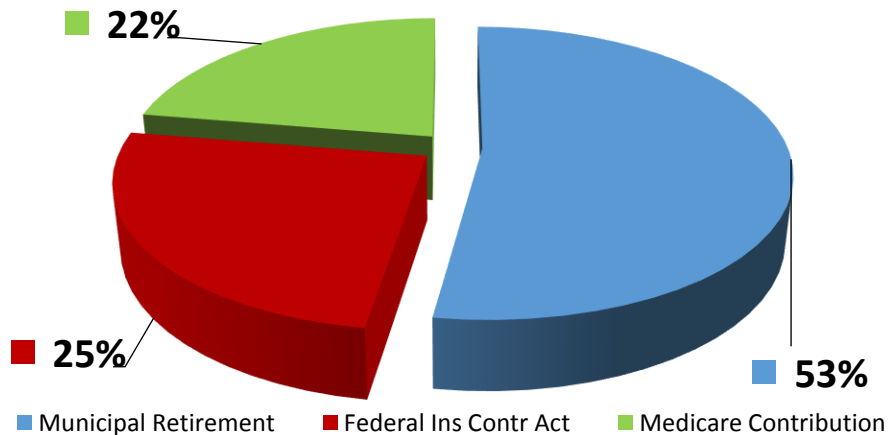
### Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources:</b>					
Property Taxes	\$ 11,369,896	\$ 11,667,217	\$ 11,496,377	\$ 12,040,414	\$ 12,375,869
Corp Pers Propty Rplmt Tax	4,037,505	3,226,057	4,317,434	3,750,000	3,750,000
Interest on Investments	137	76	118	-	500
<b>Total Local Sources</b>	<b>\$ 15,407,538</b>	<b>\$ 14,893,350</b>	<b>\$ 15,813,929</b>	<b>\$ 15,790,414</b>	<b>\$ 16,126,369</b>



## Municipal Retirement/Social Security Fund Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Employee Benefits</b>					
Municipal Retirement	\$ 8,174,565	\$ 9,467,749	\$ 8,815,404	\$ 9,219,669	\$ 8,913,112
Federal Ins Contr Act	3,773,496	3,938,894	4,078,945	4,109,943	4,281,603
Medicare Contribution	3,338,457	3,480,167	3,614,442	3,629,539	3,804,091
IMRF/SS/Medicare Allocation	(1,157,953)	(1,148,239)	(1,155,035)	(1,171,204)	(925,765)
<b>Total Employee Benefits</b>	<b>\$ 14,128,565</b>	<b>\$ 15,738,570</b>	<b>\$ 15,353,756</b>	<b>\$ 15,787,947</b>	<b>\$ 16,073,041</b>



**IMRF/SS/Medicare Allocation** - To properly reflect the expenditures of the District's SAFE and Food Service programs, which are reported in the Educational Fund, this allocation reduces the expenditures in the Municipal Retirement/Social Security Fund and increases the expenditures in the Educational Fund. These allocation amounts account for employee benefits of employees who are directly related to the SAFE and Food Service programs. Due to the payroll process in place these expenditures are initially recorded into the Municipal Retirement/Social Security Fund and later removed by this allocation resulting in the negative amounts shown above.



## Municipal Retirement/Social Security Fund

### Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 16,126,369	\$ 16,423,262	\$ 16,726,488	\$ 17,535,665
Expenditures				
Employee Benefits	\$ 16,073,041	\$ 16,555,232	\$ 17,051,889	\$ 17,563,446
Net Change in Fund Balance	53,328	(131,970)	(325,401)	(27,780)
Fund Balance at Beginning of Year	457,305	510,633	378,663	53,262
Fund Balance at End of Year	\$ 510,633	\$ 378,663	\$ 53,262	\$ 25,481

#### ASSUMPTIONS:

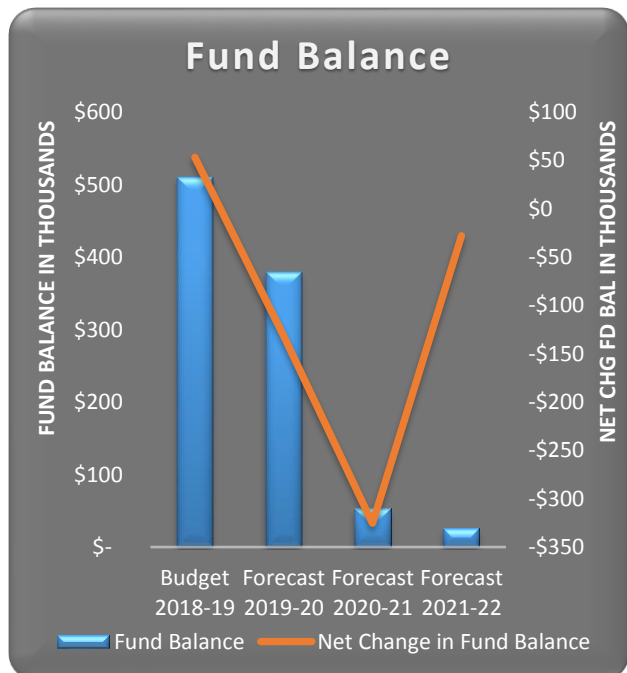
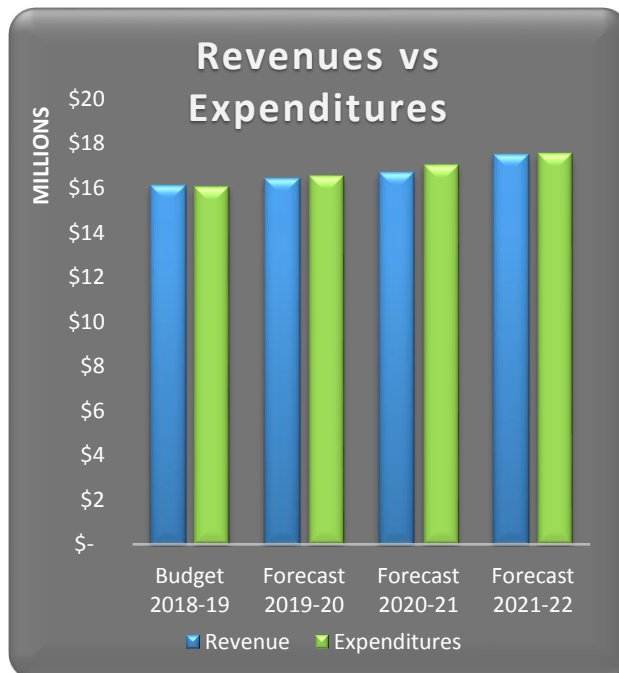
- CPI – 2.1 percent for each forecast year

#### Revenue

- Property Taxes – Increase by CPI
- All other revenue – Increase by 1.0 percent for each forecast year

#### Expenditures

- Pension and Medicare Benefits – Increase by 3.0 percent for each budget year





# Working Cash Fund

The purpose of the Working Cash Fund is to enable the District to have in its treasury at all times sufficient money to meet demands for ordinary and necessary expenditures.  
[See 105 ILCS 5/Art. 20]



## Working Cash Fund Summary

### Revenues, Expenditures and Changes in Fund Balance

**Revenue by Source**  
**Expenditures by Object**

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 57,340	\$ 422,106	\$ 1,618,248	\$ 1,200,000	\$ 4,000,000
Expenditures					
Purchased Services	\$ 567,364	\$ -	\$ -	\$ -	\$ -
Excess of Revenues Over Expenditures	(510,024)	422,106	1,618,248	1,200,000	4,000,000
Other Financing Sources/(Uses)	33,007,051	(10,578,249)	(5,158,210)	(13,200,000)	(4,000,000)
Net Change in Fund Balance	32,497,027	(10,156,143)	(3,539,962)	(12,000,000)	-
Fund Balance at Beginning of Year	92,052,975	124,550,002	114,393,858	110,853,897	98,853,897
Fund Balance at End of Year	\$ 124,550,002	\$ 114,393,858	\$ 110,853,897	\$ 98,853,897	\$ 98,853,897

### Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Interest on Investments	\$ 57,340	\$ 422,106	\$ 1,618,248	\$ 1,200,000	\$ 4,000,000

### Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Other Tech & Prof					
Serv (Bond Issue Cost)	\$ 567,364	\$ -	\$ -	\$ -	\$ -

### Other Financing Sources/(Uses)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Sources/(Uses)</b>					
Proceeds of Bonds Sold	\$ 44,310,000	\$ -	\$ -	\$ -	\$ -
Premium on Bonds Sold	6,983,307	-	-	-	-
Transfer to Escrow Agent	(10,716,863)	-	-	-	-
Transfers - Interfund	(7,494,393)	(10,153,249)	(4,158,210)	(12,000,000)	-
Transfers - Bank Interest	(75,000)	(425,000)	(1,000,000)	(1,200,000)	(4,000,000)
<b>Total Other Fin. Sources/(Uses)</b>	\$ 33,007,051	\$ (10,578,249)	\$ (5,158,210)	\$ (13,200,000)	\$ (4,000,000)



## Working Cash Fund

### Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000	\$ 4,000,000
Other Financing Sources/(Uses)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Net Change in Fund Balance	-	-	-	-
Fund Balance at Beginning of Year	98,853,897	98,853,897	98,853,897	98,853,897
Fund Balance at End of Year	\$ 98,853,897	\$ 98,853,897	\$ 98,853,897	\$ 98,853,897

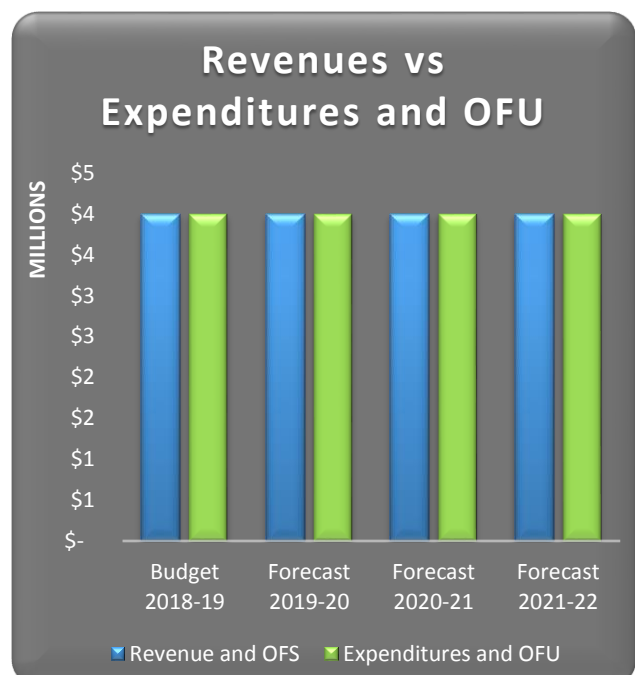
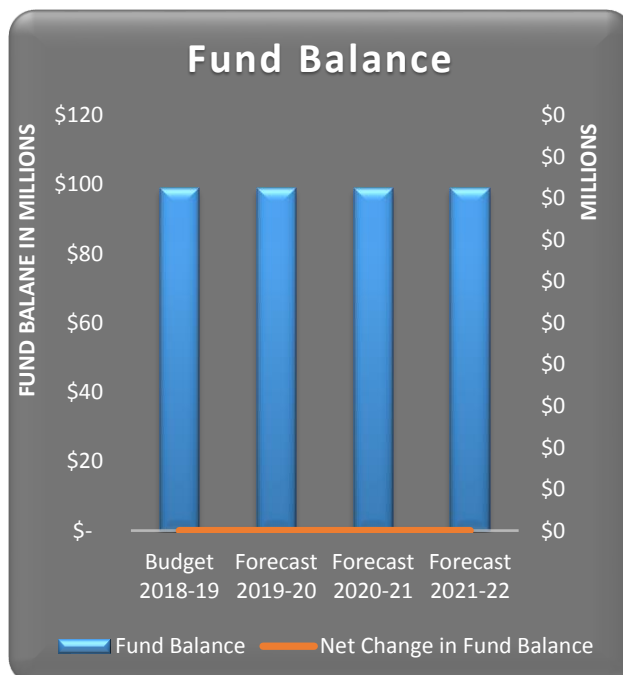
#### ASSUMPTIONS:

##### Revenue

- Interest on Investments – Fund is anticipated to receive \$4.0 million in Interest on Investments and transfer out to the Operations and Maintenance Fund to offset the additional capital investments.

##### Other Financing Uses

- There are no Working cash bond proceeds transfers anticipated to be transferred during this fiscal year.





# Debt Service Fund

The Debt Service Fund is used to account for revenues and related expenditures to retire bond principal or to pay bond interest, or if other revenue is pledged to pay principal, interest, or service charges on other long-term debt instruments. [See 105 ILCS 5/Art. 19]



## Debt Service Fund Summary

### Revenues, Expenditures and Changes in Fund Balance

#### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 42,284,403	\$ 42,089,799	\$ 39,920,568	\$ 38,126,169	\$ 33,262,397
Expenditures					
Purchased Services	\$ 1,684,936	\$ -	\$ -	\$ -	\$ -
Other Objects	43,526,755	43,052,317	42,642,842	42,625,595	42,707,248
Total Expenditures by Object	\$ 45,211,691	\$ 43,052,317	\$ 42,642,842	\$ 42,625,595	\$ 42,707,248
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,927,288)	(962,518)	(2,722,274)	(4,499,426)	(9,444,851)
Other Financing Sources	2,712,398	3,134,264	4,544,138	4,542,891	10,035,995
Net Change in Fund Balance	(214,890)	2,171,746	1,821,864	43,465	591,144
Fund Balance at Beginning of Year	24,156,123	23,941,233	26,112,980	27,934,843	27,978,308
Fund Balance at End of Year	\$ 23,941,233	\$ 26,112,980	\$ 27,934,843	\$ 27,978,308	\$ 28,569,452

See additional District debt information under the all funds – other objects section of the financial section and under comparative data of the organizational section.

#### *Debt Margin*

Illinois statutes limit the amount of outstanding debt (debt limit) that can be issued by an issuer. In the District's case it is 13.8 percent of the Estimated Assessed Valuation (EAV). The reciprocal of the outstanding debt of an issuer is called legal debt margin and, if positive, represents the remaining capacity to issue additional debt. The legal debt margin is significantly influenced by the EAV, as the EAV increases the legal debt margin will increase if all other factors stay the same. The following shows the factors that affect the District's calculation of the legal debt margin.

Projected as of June 30, 2018, the District's legal debt limitation of \$654,604,482 based on 13.8 percent of the 2017 equalized assessed valuation of \$4,743,510,739 less outstanding debt subject to the legal debt limitation of \$264,731,089 results in a legal debt margin of \$389,873,393.

#### *Revenue*

The Debt Service Fund is majority funded with local property taxes and it is not limited by the Tax Cap. However, this year's budget includes a decrease of \$4.9 million in property tax revenue due to the increased abatement of \$9.3 million. To offset the property tax decrease, the Educational Fund will transfer in the full abatement amount. The adjustment in property tax allows District Management to allocate property tax revenue to other funds, such as the Operations & Maintenance Fund, to support the capital project expenditures. This year is the fourth consecutive year of abating property taxes. This fund receives over \$10 million in transfer funds to help absorb the debt service commitments.



*Expenditures*

Expenditures are for debt service commitments with the occasional debt issuance and related costs. Interest on debt ranges from 2.0 percent to 6.0 percent. The District debt is made up of general obligation bonds, debt certificates and capital leases (purchase contracts). The budget includes debt service payments as scheduled. As of June 30, 2018, the future annual debt service requirements on the outstanding debt are as follows:

Due in Fiscal Year	General Obligation		Total Debt Service
	Principal	Interest	
2019	22,661,283	19,516,546	42,177,829
2020	19,228,841	22,943,767	42,172,608
2021	15,856,253	26,482,713	42,338,966
2022	15,576,479	26,706,309	42,282,788
2023-2027	66,185,910	56,887,963	123,073,873
2028-2032	78,360,000	22,692,353	101,052,353
2033-2035	42,335,000	3,873,748	46,208,748
	<u>\$ 260,203,766</u>	<u>\$ 179,103,399</u>	<u>\$ 439,307,165</u>

Due in Fiscal Year	Debt Certificates		Purchase Contracts		Total Debt Service
	Principal	Interest	Principal	Interest	
2019	\$ 514,553	\$ 19,015	\$ 1,333,745	\$ 39,500	\$ 1,906,813
2020	\$ 517,291	\$ 14,744	\$ 1,353,343	\$ 19,894	\$ 1,905,272
2021	\$ 520,024	\$ 10,477	\$ -	\$ -	\$ 530,502
2022	\$ 522,821	\$ 5,952	\$ -	\$ -	\$ 528,774
2023	\$ 525,614	\$ 2,927	\$ -	\$ -	\$ 528,540
	<u>\$ 2,600,303</u>	<u>\$ 53,116</u>	<u>\$ 2,687,088</u>	<u>\$ 59,394</u>	<u>\$ 5,399,900</u>

*Fund Balance*

The fund balance is intended for cash flow purposes for future debt payments.



## Debt Service Fund

### Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources:</b>					
Property Taxes	\$ 42,283,872	\$ 42,089,518	\$ 39,920,250	\$ 38,124,569	\$ 33,260,797
Interest on Investments	531	281	318	1,600	1,600
<b>Total Local Sources</b>	<b>\$ 42,284,403</b>	<b>\$ 42,089,799</b>	<b>\$ 39,920,568</b>	<b>\$ 38,126,169</b>	<b>\$ 33,262,397</b>

### Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Other Tech & Prof Serv	\$ 1,684,936	\$ -	\$ -	\$ -	\$ -
<b>Other Objects</b>					
Redemption Of Principal - Bonds	\$ 27,541,393	\$ 19,399,086	\$ 19,971,705	\$ 21,308,474	\$ 23,175,681
Redemption Of Principal - Leases	370,014	413,807	-	-	-
Interest - Bonds	15,597,715	23,230,590	22,671,137	21,317,121	19,531,567
Interest - Leases	17,633	8,833	-	-	-
<b>Total Expenditure</b>	<b>\$ 45,211,691</b>	<b>\$ 43,052,317</b>	<b>\$ 42,642,842</b>	<b>\$ 42,625,595</b>	<b>\$ 42,707,248</b>

### Other Financing Sources/(Uses)

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Other Financing Source/(Uses)</b>					
Transfer to Escrow Agent	\$ (148,122,737)	\$ -	\$ -	\$ -	\$ -
Transfer of Bond Principal	610,521	2,681,648	4,518,148	4,520,904	10,016,879
Transfer of Principal to Debt Service	370,014	413,481	-	-	-
Transfer of Bond Interest	29,296	29,976	25,990	21,987	19,116
Transfer of Interest to Debt Service	17,632	9,159	-	-	-
Proceeds Of Bonds Sold	131,590,000	-	-	-	-
Premium on Bonds Sold	18,217,672	-	-	-	-
<b>Total Other Fin. Sources/(Uses)</b>	<b>\$ 2,712,398</b>	<b>\$ 3,134,264</b>	<b>\$ 4,544,138</b>	<b>\$ 4,542,891</b>	<b>\$ 10,035,995</b>



## Debt Service Fund Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 33,262,397	\$ 33,960,890	\$ 34,674,051	\$ 35,402,188
Expenditures				
Other Objects	\$ 42,707,248	\$ 42,612,999	\$ 42,607,778	\$ 42,774,135
Deficiency of Revenues Under Expenditures	(9,444,851)	(8,652,109)	(7,933,727)	(7,371,947)
Other Financing Sources	10,035,995	9,941,591	9,940,291	9,968,990
Net Change in Fund Balance	591,144	1,289,482	2,006,564	2,597,043
Fund Deficit at Beginning of Year	27,978,308	28,569,452	29,858,934	31,865,498
Fund Deficit at End of Year	\$ 28,569,452	\$ 29,858,934	\$ 31,865,498	\$ 34,462,540

### ASSUMPTIONS:

#### Revenue

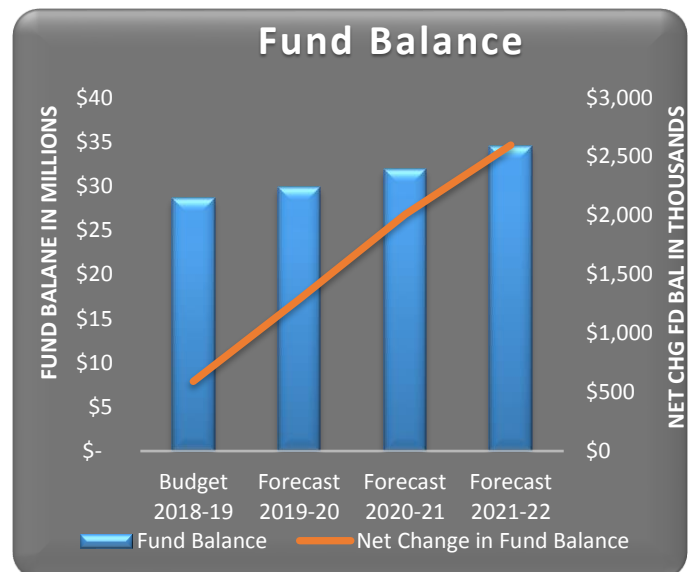
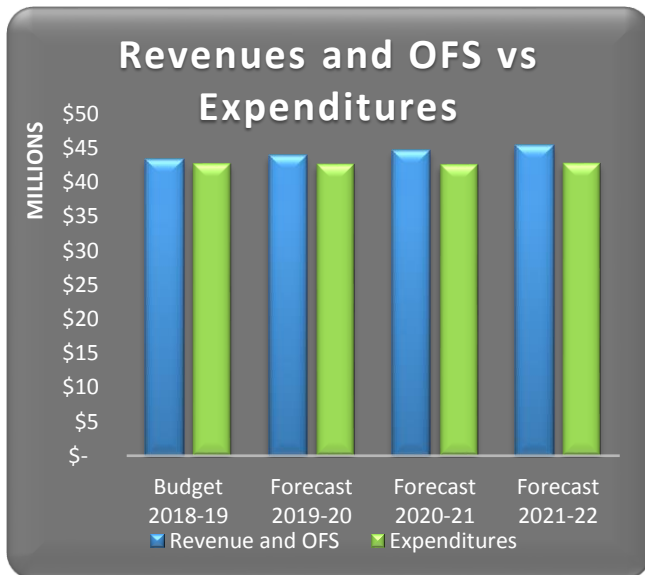
- Property Taxes – Levied to meet debt service demands
- Property Taxes – \$9.3 million abatement for each forecast year

#### Expenditures

- Principal and interest payments are forecast as scheduled

#### Other Financing Sources

- Transfers in from other funds to covered scheduled debt service payments
- Transfer in from Educational Fund to cover debt service payments in place of abated property taxes – \$9.3 million for each forecast year





# Fire Prevention and Safety Fund

The Fire Prevention and Safety Fund is used to account for expenditures for fire prevention, safety, energy conservation, or school security, and the revenues supporting those expenditures. [See ILCS 5/2-3.12 and 17-2.11]



## Fire Prevention and Safety Fund Revenues, Expenditures and Changes in Fund Balance

### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 1,746,032	\$ 1,821,258	\$ 1,888,620	\$ 1,961,477	\$ 3,997,430
Expenditures					
Purchased Services	\$ 179,836	\$ 214,800	\$ 187,150	\$ 243,500	\$ 400,000
Capital Outlay	1,878,170	1,884,196	687,984	1,253,500	3,500,000
Total Expenditures by Object	\$ 2,058,006	\$ 2,098,996	\$ 875,134	\$ 1,497,000	\$ 3,900,000
Net Change in Fund Balance	(311,974)	(277,738)	1,013,486	464,477	97,430
Fund Balance at Beg of Year	(899,425)	(1,211,399)	(1,489,136)	(475,650)	(11,173)
Fund Balance at End of Year	\$ (1,211,399)	\$ (1,489,136)	\$ (475,650)	\$ (11,173)	\$ 86,257

#### Revenue

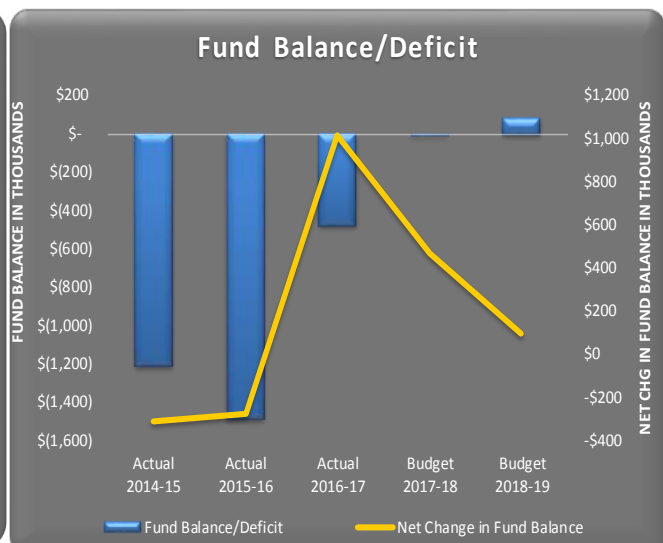
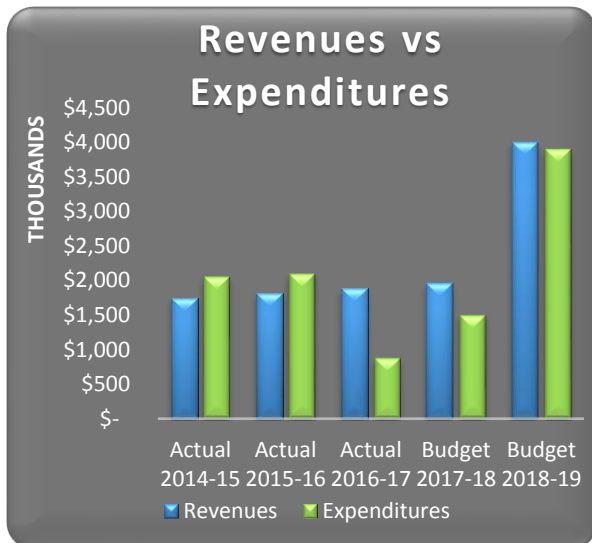
The Fire Prevention and Safety Fund is funded with local property taxes. Property taxes increased \$2.0 million over the prior year's budget due to the allocation of funds levied were modified to account for the additional capital outlay needed this year.

#### Expenditures

The expenditures in this fund are for projects related to fire prevention, safety, energy conservation and/or school security. This year's budget was increased \$2.4 million due to additional projects of these types being planned for the year.

#### Fund Balance

It is management's goal to maintain a positive fund balance in this fund and allocate enough resources to cover planned expenditures. With these specified changes to the budget this year, the fund balance is projected to increase by less than \$100,000. The fund balance will no longer have a deficit balance and will have a positive balance going into the next fiscal year.





## Fire Prevention and Safety Fund

### Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Property Taxes	\$ 1,746,011	\$ 1,821,247	\$ 1,888,607	\$ 1,960,477	\$ 3,997,330
Interest on Investments	21	11	14	1,000	100
<b>Total Local Sources</b>	<b>\$ 1,746,032</b>	<b>\$ 1,821,258</b>	<b>\$ 1,888,620</b>	<b>\$ 1,961,477</b>	<b>\$ 3,997,430</b>

### Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 179,836	\$ 214,800	\$ 187,150	\$ 243,500	\$ 400,000
<b>Capital Outlay</b>					
Buildings	1,878,170	1,884,196	687,984	1,253,500	3,500,000
<b>Total Expenditure</b>	<b>\$ 2,058,006</b>	<b>\$ 2,098,995</b>	<b>\$ 875,134</b>	<b>\$ 1,497,000</b>	<b>\$ 3,900,000</b>



## Fire Prevention and Safety Fund

### Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Deficit

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 3,997,430	\$ 4,081,374	\$ 4,167,081	\$ 4,254,587
Expenditures				
Purchased Services	\$ 400,000	\$ 404,000	\$ 408,040	\$ 412,120
Capital Outlay	3,500,000	3,500,000	3,500,000	3,500,000
Total Expenditures by Object	\$ 3,900,000	\$ 3,904,000	\$ 3,908,040	\$ 3,912,120
Net Change in Fund Balance	97,430	177,374	259,041	342,467
Fund Deficit at Beginning of Year	(11,173)	86,257	263,631	522,671
Fund Balance at End of Year	\$ 86,257	\$ 263,631	\$ 522,671	\$ 865,138

#### ASSUMPTIONS:

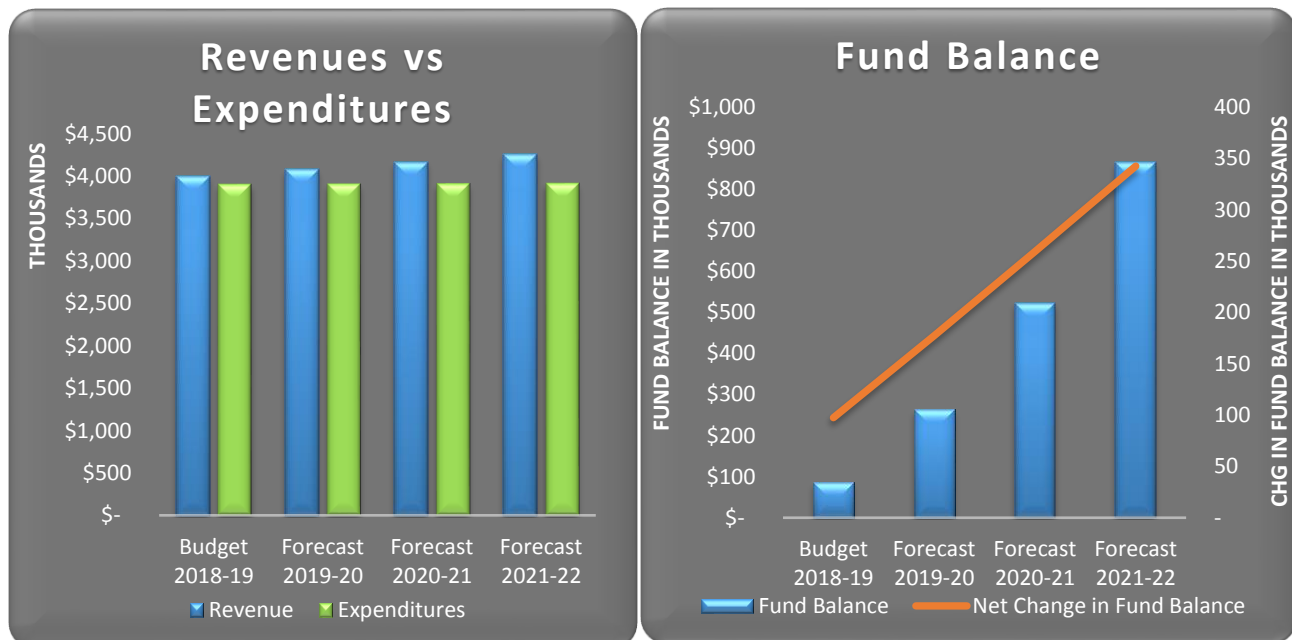
CPI – Increase 2.1 percent for each forecast year

#### Revenue

- Property Taxes – Increased by CPI for each forecast year. Tax levy extension to remain at the increased amount to accommodate future fire prevention, safety, energy conservation and/or school security capital improvements.

#### Expenditures

- Capital Outlay - \$3.5 million for each forecast year
- Purchased Services – Increased by 1.0 percent for each forecast year





# Capital Projects Fund

The Capital Projects Fund is used to account for proceeds resulting from building bonds, receipts from other long-term financing agreements, receipts derived from developers fees and related expenditures, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with Section 17-2.3 of the Illinois School Code.



## Capital Projects Fund Revenues, Expenditures and Changes in Fund Balance

### Revenue by Source Expenditures by Object

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Revenue					
Local Sources	\$ 823,759	\$ 275,081	\$ 417,043	\$ 300,000	\$ 300,000
Expenditures					
Purchased Services	\$ 25,026	\$ 175,279	\$ -	\$ -	\$ -
Capital Outlay	352,626	1,605,089	14,911	300,000	300,000
Total Expenditures by Object	\$ 377,651	\$ 1,780,368	\$ 14,911	\$ 300,000	\$ 300,000
Net Change in Fund Balance	446,108	(1,505,287)	402,132	-	-
Fund Balance at Beginning of Year	3,861,483	4,307,591	2,802,304	3,204,436	3,204,436
Fund Balance at End of Year	\$ 4,307,591	\$ 2,802,304	\$ 3,204,436	\$ 3,204,436	\$ 3,204,436

#### Revenue

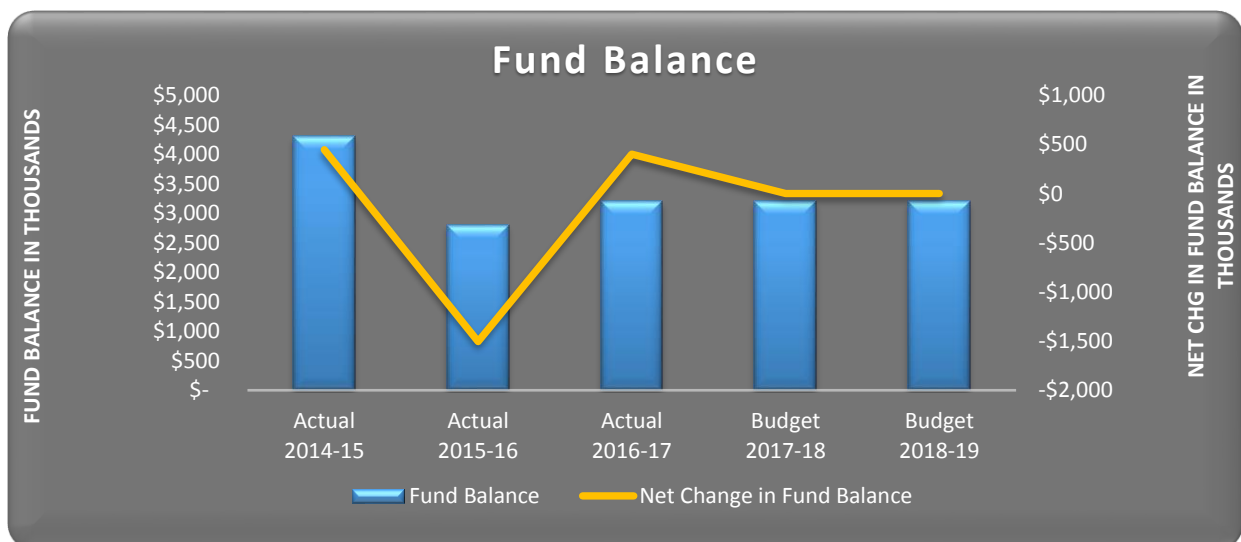
The Capital Projects Fund is funded with developer fees and capital project bonds as other financing sources. Developer fees have been budgeted at \$0.3 million as minimal activity in the fund is expected.

#### Expenditures

The expenditures in this fund are for non-life safety projects. There are currently few projects planned for this fund.

#### Fund Balance

It is management's intention to maintain a positive fund balance in this fund and spend down positive fund balance as necessary for various projects.





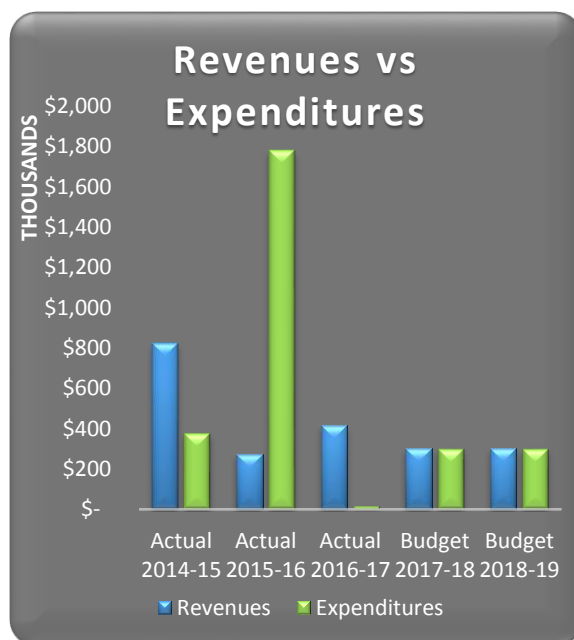
## Capital Projects Fund

### Revenue by Source Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Local Sources</b>					
Other Local	\$ 820,531	\$ 272,663	\$ 409,674	\$ 300,000	\$ 300,000
Interest on Investments	3,229	2,419	7,369	-	-
<b>Total Local Sources</b>	<b>\$ 823,759</b>	<b>\$ 275,081</b>	<b>\$ 417,043</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>

### Expenditures by Object Detail

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
<b>Purchased Services</b>					
Technical Services	\$ 25,026	\$ 175,279	\$ -	\$ -	\$ -
<b>Capital Outlay</b>					
Buildings	\$ 198,079	\$ 1,605,089	\$ 14,911	\$ -	\$ -
Improvements (Non Building)	154,547	-	-	300,000	300,000
<b>Total Capital Outlay</b>	<b>\$ 352,626</b>	<b>\$ 1,605,089</b>	<b>\$ 14,911</b>	<b>\$ 300,000</b>	<b>\$ 300,000</b>





## Capital Projects Fund Budget and Three-Year Forecast Revenues, Expenditures and Change in Fund Balance

	Budget 2018-19	Forecast 2019-20	Forecast 2020-21	Forecast 2021-22
Revenue				
Local Sources	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
Expenditures				
Capital Outlay	\$ 300,000	\$ 325,000	\$ 335,000	\$ 350,000
Net Change in Fund Balance	-	(25,000)	(35,000)	(50,000)
Fund Deficit at Beginning of Year	3,204,436	3,204,436	3,179,436	3,144,436
Fund Deficit at End of Year	\$ 3,204,436	\$ 3,179,436	\$ 3,144,436	\$ 3,094,436

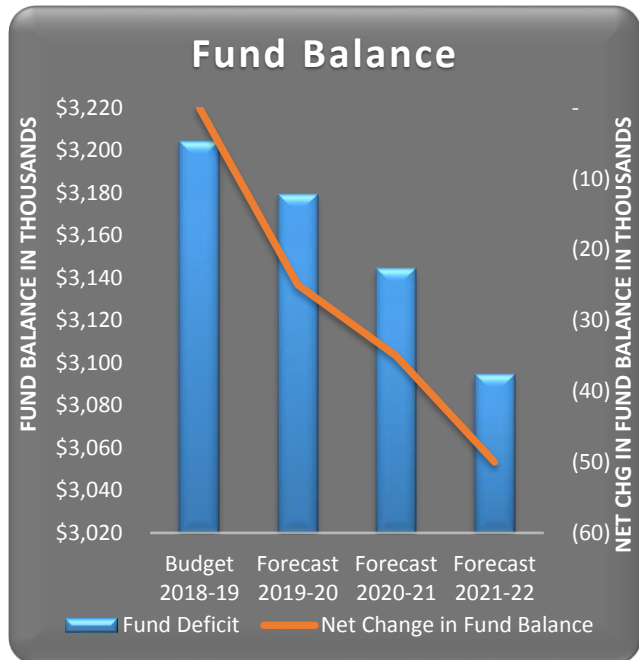
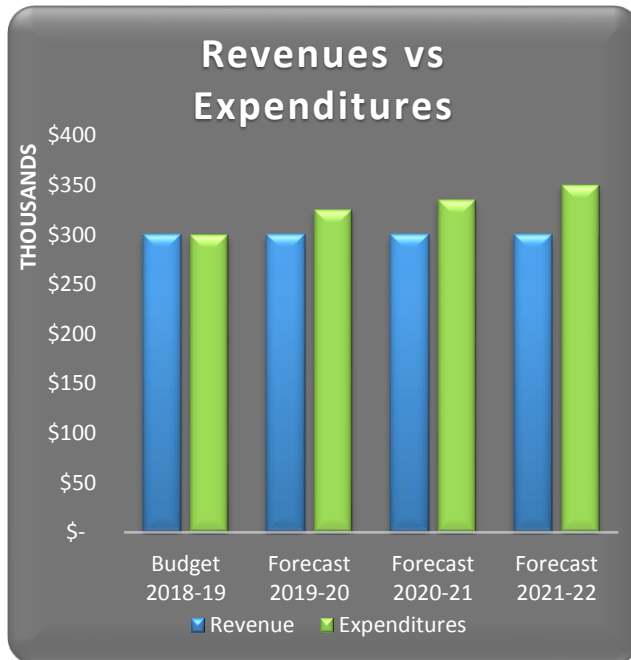
### ASSUMPTIONS:

#### Revenue

- Developer fees – \$300,000 for each forecast year

#### Expenditures

- Capital Outlay – minimal increase each forecast year





## OTHER POSTEMPLOYMENT BENEFITS (OPEB)

### Plan Description

The District administers a single-employer defined benefit healthcare plan, the “Retiree Healthcare Plan” or “the Plan.” The Plan provides healthcare insurance for eligible retirees and their dependents through the District’s group health insurance plan, which covers both active and retired members. Benefit provisions are established through negotiations between the District and the unions representing District employees and are renegotiated each bargaining period. Certain retirees are eligible until the first month of Medicare eligibility and others are eligible for their lifetime.

### Funding Policy

Contribution requirements are also negotiated between the District and union representatives. All plan funding is done on a pay-as-you-go basis. Funding varies from 0 percent to 100 percent, depending on the retiree’s status at the time of retirement. Currently, the current and retired employees pay a specified blended premium rate for healthcare insurance and the District pays the difference.

### Annual Report for Post-Employment Benefits other than Pensions

The District is required to report the value of such benefits and the associated costs according to the accounting requirements of the Governmental Accounting Standards Board Statement 75 (GASB 75). The following table shows the June 30, 2018 audited activity of the components of the District’s annual OPEB report.

	FY2018 Actual		
<b>Present Value of Future Benefits</b>			
Actives	\$	32,239,571	
Retirees	\$	5,104,931	
<b>Total</b>	<b>\$</b>	<b>37,344,502</b>	
<b>Beginning of Year Total OPEB Liability</b>	<b>\$</b>	<b>27,839,526</b>	
Service Cost	\$	1,003,974	
Interest Cost	\$	806,590	
Changes of Benefit Terms	\$	(2,003,354)	
Differences Between Expected and Actual Experience	\$	-	
Changes in Assumptions	\$	210,570	
Expected Benefit Payments	\$	(2,157,596)	
<b>End of Year Total OPEB Liability</b>	<b>\$</b>	<b>25,699,710</b>	
<b>Demographic Information</b>			
<b>Actives</b>			
Fully Eligible to Receive Plan Benefits		398	
Not Fully Eligible		<u>2,982</u>	
Total		3,380	
<b>Retirees</b>			
Under Age 65		312	
Age 65 or over		<u>23</u>	
Total Receiving Plan Benefits		335	
<b>Total</b>		3,715	
	<b>Actives</b>	<b>Retirees</b>	<b>Total</b>
Average Age	45.77	61.37	47.18
Average Service	11.91	N/A	N/A





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# Informational Section







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## Assessed Values of Taxable Property, Property Tax Rates and Collections on Extended Levies

Kane County

	Actual	Actual	Actual	Actual	Budget	Forecast	Forecast	Forecast
Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022
Tax Levy Year	2014	2015	2016	2017	2018	2019	2020	2021
Equalized Assessed Value (EAV)	1,406,081,012	1,488,337,717	1,621,599,676	1,717,398,367	1,753,463,733	1,790,286,471	1,827,882,487	1,866,268,019
Direct Tax Rate (U46 Portion)	8.308803	7.339206	7.065468	6.369576	6.369575	6.369575	6.369575	6.369575
Est. Actual Taxable Value	4,218,247,254	4,465,017,616	4,864,803,893	5,152,200,253	5,260,396,459	5,370,864,784	5,483,652,945	5,598,809,656
Extended Levy	112,808,270	106,025,435	106,194,165	109,390,982	111,688,193	114,033,645	116,428,351	118,873,347
Extended Levy Collected	112,599,810	105,560,575	105,248,787	106,478,974				
Percentage of Levy Collected	99.8%	99.6%	99.1%	97.3%				
<u>Residential Property Data</u>								
No. of Parcels	27,880	27,911	28,026	28,058	28,058	28,058	28,058	28,058
Assessed Value w/o Exemptions	\$ 1,234,320,080	\$ 1,288,413,028	\$ 1,408,886,254	1,517,252,249	1,549,114,546	1,581,645,951.70	1,614,860,516.69	1,648,772,587.54
Total Property Market Value	3,702,963,943	3,865,242,949	4,226,662,989	4,551,761,299	4,647,348,286	4,744,942,600	4,844,586,395	4,946,322,709
Avg. Property Market Value	132,818	138,485	150,812	162,227	165,634	169,112	172,663	176,289
Property AV w/Exemptions	1,072,691,800	1,123,432,855	1,228,489,115	1,325,324,126	1,353,155,933	1,381,572,207	1,410,585,224	1,440,207,513
Avg. Assessed Value w/Exemptions	38,475	40,251	43,834	47,235	48,227	49,240	50,274	51,330
Avg. Equalized Assessed Value	38,475	40,251	43,834	47,235	48,227	49,240	50,274	51,330
Avg. Tax Burden owed to U46	\$ 3,197	\$ 2,954	\$ 3,097	\$ 3,009	\$ 3,072	\$ 3,136	\$ 3,202	\$ 3,269

Notes: Tax rates per \$100 of Equalized Assessed Valuation.

ASSUMPTIONS:

- Budget and Forecast CPI - Increase 2.1%
- Budget and Forecast EAV - Increase CPI 2.1%
- Budget and Forecast Extended Levy - Increase by CPI 2.1% for each budget and forecast year
- Average tax burden amounts shown do not reflect tax abatements
- Flat parcel count



## Assessed Values of Taxable Property, Property Tax Rates and Collections on Extended Levies (Continued)

Cook County

	Actual	Actual	Actual	Actual	Budget	Forecast	Forecast	Forecast
Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022
Tax Levy Year	2014	2015	2016	2017	2018	2019	2020	2021
Equalized Assessed Value (EAV)	1,708,312,671	1,653,457,440	1,925,826,831	1,933,714,059	1,974,322,054	2,082,909,767	2,126,650,872	2,171,310,541
Direct Tax Rate (U46 Portion)	7.668	7.947	6.837	6.9320	6.9320	6.7086	6.7086	6.7086
Est. Actual Taxable Value	5,556,737,487	5,378,306,382	5,963,248,035	5,665,318,133	6,422,003,159	6,775,213,333	6,917,492,813	7,062,760,162
Extended Levy	130,987,626	131,400,263	131,668,780	134,045,059	136,860,005	139,734,065	142,668,480	145,664,518
Extended Levy Collected	127,667,655	129,483,977	129,728,773	128,728,717				
Percentage of Levy Collected	97.5%	98.5%	98.5%	96.0%				
<u>Residential Property Data</u>								
No. of Parcels	24,460	24,454	24,452	24,499	24,499	24,499	24,499	24,499
Assessed Value w/o Exemptions	\$ 482,218,775	\$ 476,997,745	\$ 533,323,145	527,742,884	538,825,485	550,140,819.74	561,693,776.95	573,489,346.27
Total Property Market Value	4,822,187,750	4,769,977,450	5,333,231,450	5,277,428,840	5,388,254,846	5,501,408,197	5,616,937,770	5,734,893,463
Avg. Property Market Value	197,146	195,059	218,110	215,414	219,938	224,556	229,272	234,087
Equalized Factor	2.7253	2.6685	2.8032	2.9627	2.9627	2.9627	2.9627	2.9627
AV w/Equal Factor & Exemptions	1,149,790,374	1,108,485,044	1,312,071,511	1,306,953,528	1,334,399,552	1,362,421,943	1,391,032,803	1,420,244,492
Avg. Assessed Value w/Exemptions	47,007	45,329	53,659	53,347	54,468	55,611	56,779	57,972
Avg. Tax Burden owed to U46	\$ 3,604	\$ 3,602	\$ 3,669	\$ 3,698	\$ 3,776	\$ 3,731	\$ 3,809	\$ 3,889

Notes: Tax rates per \$100 of Equalized Assessed Valuation.

ASSUMPTIONS:

- Budget and Forecast CPI - Increase 2.1 percent each year
- Budget and Forecast EAV - TY 2018 Increase 2.1%, TY 2019 Increase 5.5%, TY 2020 and TY 2021 and TY 2022 Increase 2.1%
- Budget and Forecast Extended Levy - Increase by CPI 2.1% for each budget and forecast year
- Average tax burden amounts shown do not reflect tax abatements
- Flat parcel count and Equalization Factor
- Est. Actual Taxable Value 78 percent of Cook EAV is assessed at 10 percent while the remaining 22 percent is assessed at 25 percent
- All residential assessed values for Cook County include exemptions. This will result in a lower tax burden when comparing to other Counties shown in this budget



## Assessed Values of Taxable Property, Property Tax Rates and Collections on Extended Levies (Continued)

	Actual 2015	Actual 2016	Actual 2017	Actual 2018	Budget 2019	Forecast 2020	Forecast 2021	Forecast 2022
Fiscal Year Tax Levy Year	2014	2015	2016	2017	2018	2019	2020	2021
Equalized Assessed Value (EAV)	955,773,166	986,425,356	1,045,071,839	1,092,398,313	1,115,338,678	1,138,760,790	1,162,674,766	1,187,090,936
Direct Tax Rate (U46 Portion)	6.4133	6.8325	6.3384	6.1638	6.1638	6.1638	6.1638	6.1638
Est. Actual Taxable Value	2,867,322,365	2,959,279,027	3,135,218,652	3,277,198,216	3,346,019,379	3,416,285,786	3,488,027,787	3,561,276,371
Extended Levy	61,296,600	67,397,512	66,240,833	67,333,247	68,747,245	70,190,937	71,664,947	73,169,911
Extended Levy Collected	60,977,698	67,289,230	65,941,770	67,949,122				
Percentage of Levy Collected	99.5%	99.8%	99.5%	100.9%				
<b>Residential Property Data</b>								
No. of Parcels	13,919	13,917	13,920	13,917	13,917	13,917	13,917	13,917
Assessed Value w/o Exemptions	\$ 919,089,436	\$ 948,804,496	\$ 1,005,299,675	\$ 1,151,854,058	1,176,042,993	1,200,739,896	1,225,955,434	1,251,700,498
Total Property Market Value	2,757,271,065	2,846,416,334	3,015,902,041	3,455,565,630	3,528,132,508	3,602,223,290	3,677,869,980	3,755,105,249
Avg. Property Market Value	198,094	204,528	216,660	248,298	253,512	258,836	264,272	269,821
Property AV w/Exemptions	837,764,309	865,872,960	920,630,731	1,051,192,472	1,073,267,514	1,095,806,132	1,118,818,060	1,142,313,240
Avg. Assessed Value w/Exemptions	60,189	62,217	66,137	75,533	77,119	78,739	80,392	82,080
Avg. Equalized Assessed Value	60,189	62,217	66,137	75,533	77,119	78,739	80,392	82,080
Avg. Tax Burden owed to U46	\$ 3,860	\$ 4,251	\$ 4,192	\$ 4,656	\$ 4,753	\$ 4,853	\$ 4,955	\$ 5,059

Notes: Tax rates per \$100 of Equalized Assessed Valuation: 0.911515546 0.912593652 0.915777408 0.91260908

**ASSUMPTIONS:**

- Budget and Forecast CPI - Increase 2.1 percent each year
- Budget and Forecast EAV - Increase CPI 2.1 percent
- Budget and Forecast Extended Levy - Increase by CPI for each budget and forecast year
- Average tax burden amounts shown do not reflect tax abatements
- Flat parcel count



**PROPERTY TAX INFORMATION**

**Alternate Tax Collections**

Other than property taxes the District receives the following two taxes.

**Corporate Personal Property Taxes**

Replacement taxes are revenues collected by the state of Illinois and paid to local government to replace money that was lost by local governments when their powers to impose personal property taxes on corporations, partnerships, and other business entities were taken away.

These taxes resulted when the new Illinois Constitution directed the legislature to abolish business personal property taxes and replace the revenue lost by local government units and school districts. In 1979, a law was enacted to provide for statewide taxes to replace the monies lost to local governments.

**Mobile Home Privilege Tax**

In Illinois, mobile homes are not taxed by real estate or property tax but rather “Mobile Home Privilege Tax.” The computation of the Mobile Home Tax differs from Real Estate Tax in that is calculated based on the age and the square footage of the mobile home.

The District’s recent past and budgeted tax revenues excluding property taxes are as follows:

	Actual 2014-15	Actual 2015-16	Actual 2016-17	Budget 2017-18	Budget 2018-19
Corp Pers Propty Rplmt Tax	4,037,505	3,226,057	4,317,434	3,750,000	3,750,000
Mobile Home Privilege Tax	-	24,069	-	11,000	-
Total	4,037,505	3,250,126	4,317,434	3,761,000	3,750,000

**Tax Rate Determination**

Since the district covers three counties: Kane, DuPage, and Cook, the district has to use different methods to estimate the average tax burden per family. The Assessed Value (AV) is a value set on real estate or other property as a basis for levying taxes. This value is typically 33% (Kane or DuPage) and 10% (Cook) of the home value. The county clerk will apply exemptions and the equalization factor (Cook County only) to establish the Equalized Assessed Value (EAV). Each county will then assess the appropriate tax rate to the EAV (or tax base) to identify the tax burden for each property. Each school district is issued a direct tax rate that is applied to the property tax burden to identify the amount the district gets for each property.



## Student Enrollment Three-Year History, Budget and Three-Year Forecast

School Year	Pre- Kindergarten	Elementary		Middle		High		Self-Cont. Spec. Ed	Other (B)		Total	
	Actual/Proj.	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Actual/Proj.	Capacity	Actual/Proj.	Capacity
Actual Enrollment (A)												
2015-2016	1,179	20,036	27,273	5,652	8,568	11,780	13,944	726	318	1,030	39,691	50,815
2016-2017	1,129	19,781	30,990	5,848	9,264	11,678	14,940	777	250	1,030	39,463	56,224
2017-2018	1,185	19,019	30,990	5,916	9,264	11,508	14,940	893	354	1,030	38,875	56,224
Enrollment Budget (C)												
2018-2019	1,159	18,334	30,990	5,735	9,264	11,640	14,940	893	374	1,030	38,135	55,194
Enrollment Forecast (C)												
2019-2020	1,163	17,674	30,990	5,631	9,264	11,522	14,940	893	360	1,030	37,243	55,194
2020-2021	1,117	17,111	30,990	5,473	9,264	11,444	14,940	893	367	1,030	36,405	55,194
2021-2022	1,132	16,611	30,990	5,278	9,264	11,069	14,940	893	362	1,030	35,345	55,194

(A) Actual enrollment for each school year as of the last school day in September, for the years listed through 2015-2017

(B) Includes Alternative Education except for Pre-K.

(C) Kindergarten numbers are based upon live births from five years prior from area hospitals for forecast years.



**District Personnel Resource FTE Allocations  
Three-Year History and Budget  
by Employee Group**

Staff	Actual 2015	Actual 2016	Actual 2017	Est. Current 2018	Budget 2019
Teachers	2,421	2,399	2,484	2,521	2,567
Building substitutes	5	-	-	-	-
Noon hour supervisors (part-time)	80	78	90	84	84
Educational assistants/paraprofessionals	452	440	488	533	533
Secretary/clerical	229	222	232	218	220
Transportation	403	414	391	434	434
Custodial/maintenance	139	136	136	144	144
Technical/other	194	197	215	236	236
Food service	153	150	144	148	148
School administration	99	98	101	108	113
Supervisors/directors/coordinators	40	42	41	27	28
Central administration	29	31	34	42	42
Divisionals	17	17	17	15	15
Superintendent/executive staff	10	10	10	10	10
Total staff by FTEs	4,271	4,234	4,383	4,520	4,574

Source: District Financial Services



## General Obligation Bonds and Certificates Summary Schedule

Due in Fiscal Year	General Obligation		Total Debt Service
	Principal	Interest	
2019	22,661,283	19,516,546	42,177,829
2020	19,228,841	22,943,767	42,172,608
2021	15,856,253	26,482,713	42,338,966
2022	15,576,479	26,706,309	42,282,788
2023-2027	66,185,910	56,887,963	123,073,873
2028-2032	78,360,000	22,692,353	101,052,353
2033-2035	42,335,000	3,873,748	46,208,748
	<u>\$ 260,203,766</u>	<u>\$ 179,103,399</u>	<u>\$ 439,307,165</u>

Due in Fiscal Year	Debt Certificates		Purchase Contracts		Total Debt Service
	Principal	Interest	Principal	Interest	
2019	\$ 514,553	\$ 19,015	\$ 1,333,745	\$ 39,500	\$ 1,906,813
2020	\$ 517,291	\$ 14,744	\$ 1,353,343	\$ 19,894	\$ 1,905,272
2021	\$ 520,024	\$ 10,477	\$ -	\$ -	\$ 530,502
2022	\$ 522,821	\$ 5,952	\$ -	\$ -	\$ 528,774
2023	\$ 525,614	\$ 2,927	\$ -	\$ -	\$ 528,540
	<u>\$ 2,600,303</u>	<u>\$ 53,116</u>	<u>\$ 2,687,088</u>	<u>\$ 59,394</u>	<u>\$ 5,399,900</u>



**Bond Amortization Schedule - Series 1999**  
**\$18,300,000 School Building Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	180,250	180,250	2019	
January 1, 2019	7,000,000	180,250	7,180,250	2019	7,360,500
	<u>\$ 7,000,000</u>	<u>\$ 360,500</u>	<u>\$ 7,360,500</u>		<u>\$ 7,360,500</u>

**Bond Amortization Schedule - Series 2001**  
**\$54,499,619 Capital Appreciation School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
January 1, 2019	5,513,533	7,911,621	13,425,154	2019	13,425,154
January 1, 2020	7,678,182	12,036,993	19,715,175	2020	19,715,175
January 1, 2021	1,065,463	1,819,541	2,885,004	2021	2,885,004
	<u>\$ 14,257,178</u>	<u>\$ 21,768,155</u>	<u>\$ 36,025,333</u>		<u>\$ 36,025,333</u>

**Bond Amortization Schedule - Series 2003**  
**\$65,999,779 Capital Appreciation School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
January 1, 2019	962,750	1,252,250	2,215,000	2019	2,215,000
January 1, 2020	960,659	1,369,341	2,330,000	2020	2,330,000
January 1, 2021	10,060,790	15,664,210	25,725,000	2021	25,725,000
January 1, 2022	10,591,479	17,958,521	28,550,000	2022	28,550,000
January 1, 2023	10,030,910	18,474,090	28,505,000	2023	28,505,000
	<u>\$ 32,606,588</u>	<u>\$ 54,718,412</u>	<u>\$ 87,325,000</u>		<u>\$ 87,325,000</u>

**Bond Amortization Schedule - Series 2009A**  
**\$34,405,000 General Obligation Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	169,800	169,800	2019	
January 1, 2019	1,290,000	169,800	1,459,800	2019	1,629,600
July 1, 2019	-	137,550	137,550	2020	
January 1, 2020	1,350,000	137,550	1,487,550	2020	1,625,100
July 1, 2020	-	103,800	103,800	2021	
January 1, 2021	1,415,000	103,800	1,518,800	2021	1,622,600
July 1, 2021	-	68,425	68,425	2022	
January 1, 2022	1,405,000	68,425	1,473,425	2022	1,541,850
July 1, 2022	-	33,300	33,300	2023	
January 1, 2023	1,480,000	33,300	1,513,300	2023	1,546,600
	<u>\$ 6,940,000</u>	<u>\$ 1,020,750</u>	<u>\$ 7,965,750</u>		<u>\$ 7,965,750</u>



**Bond Amortization Schedule - Series 2011A**  
**\$25,925,000 General Obligation Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	289,346	289,346	2019	
January 1, 2019	2,795,000	289,346	3,084,346	2019	3,373,692
July 1, 2019	-	217,375	217,375	2020	
January 1, 2020	2,945,000	217,375	3,162,375	2020	3,379,750
July 1, 2020	-	134,915	134,915	2021	
January 1, 2021	3,085,000	134,915	3,219,915	2021	3,354,830
July 1, 2021	-	45,450	45,450	2022	
January 1, 2022	1,515,000	45,450	1,560,450	2022	1,605,900
	<u>\$ 10,340,000</u>	<u>\$ 1,374,172</u>	<u>\$ 11,714,172</u>		<u>\$ 11,714,172</u>

**Bond Amortization Schedule - Series 2011B**  
**\$2,030,000 General Obligation Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	2,047	2,047	2019	
January 1, 2019	200,000	2,047	202,047	2019	204,094
July 1, 2019	-	1,398	1,398	2020	
January 1, 2020	200,000	1,398	201,398	2020	202,796
July 1, 2020	-	747	747	2021	
January 1, 2021	230,000	747	230,747	2021	231,494
	<u>\$ 630,000</u>	<u>\$ 8,384</u>	<u>\$ 638,384</u>		<u>\$ 638,384</u>

**Bond Amortization Schedule - Series 2012B**  
**\$31,045,000 General Obligation Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	462,163	462,163	2019	
January 1, 2019	-	462,163	462,163	2019	924,326
July 1, 2019	-	462,163	462,163	2020	
January 1, 2020	-	462,163	462,163	2020	924,326
July 1, 2020	-	462,162	462,162	2021	
January 1, 2021	-	462,162	462,162	2021	924,324
July 1, 2021	-	462,162	462,162	2022	
January 1, 2022	2,065,000	462,162	2,527,162	2022	2,989,324
July 1, 2022	-	420,863	420,863	2023	
January 1, 2023	3,745,000	420,863	4,165,863	2023	4,586,726
July 1, 2023	-	336,600	336,600	2024	
January 1, 2024	5,460,000	336,600	5,796,600	2024	6,133,200
July 1, 2024	-	213,750	213,750	2025	
January 1, 2025	5,705,000	213,750	5,918,750	2025	6,132,500
July 1, 2025	-	85,387	85,387	2026	
January 1, 2026	3,795,000	85,387	3,880,387	2026	3,965,774
	<u>\$ 20,770,000</u>	<u>\$ 5,810,500</u>	<u>\$ 26,580,500</u>		<u>\$ 26,580,500</u>



**Bond Amortization Schedule - Series 2015A**  
**\$44,310,000 General Obligation Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	1,107,750	1,107,750	2019	
January 1, 2019	-	1,107,750	1,107,750	2019	2,215,500
July 1, 2019	-	1,107,750	1,107,750	2020	
January 1, 2020	-	1,107,750	1,107,750	2020	2,215,500
July 1, 2020	-	1,107,750	1,107,750	2021	
January 1, 2021	-	1,107,750	1,107,750	2021	2,215,500
July 1, 2021	-	1,107,750	1,107,750	2022	
January 1, 2022	-	1,107,750	1,107,750	2022	2,215,500
July 1, 2022	-	1,107,750	1,107,750	2023	
January 1, 2023	-	1,107,750	1,107,750	2023	2,215,500
July 1, 2023	-	1,107,750	1,107,750	2024	
January 1, 2024	-	1,107,750	1,107,750	2024	2,215,500
July 1, 2024	-	1,107,750	1,107,750	2025	
January 1, 2025	-	1,107,750	1,107,750	2025	2,215,500
July 1, 2025	-	1,107,750	1,107,750	2026	
January 1, 2026	-	1,107,750	1,107,750	2026	2,215,500
July 1, 2026	-	1,107,750	1,107,750	2027	
January 1, 2027	-	1,107,750	1,107,750	2027	2,215,500
July 1, 2027	-	1,107,750	1,107,750	2028	
January 1, 2028	4,055,000	1,107,750	5,162,750	2028	6,270,500
July 1, 2028	-	1,006,375	1,006,375	2029	
January 1, 2029	6,750,000	1,006,375	7,756,375	2029	8,762,750
July 1, 2029	-	837,625	837,625	2030	
January 1, 2030	7,090,000	837,625	7,927,625	2030	8,765,250
July 1, 2030	-	660,375	660,375	2031	
January 1, 2031	7,440,000	660,375	8,100,375	2031	8,760,750
July 1, 2031	-	474,375	474,375	2032	
January 1, 2032	7,815,000	474,375	8,289,375	2032	8,763,750
July 1, 2032	-	279,000	279,000	2033	
January 1, 2033	8,205,000	279,000	8,484,000	2033	8,763,000
July 1, 2033	-	73,875	73,875	2034	
January 1, 2034	2,955,000	73,875	3,028,875	2034	3,102,750
	<u>\$ 44,310,000</u>	<u>\$ 28,818,250</u>	<u>\$ 73,128,250</u>		<u>\$ 73,128,250</u>



**Bond Amortization Schedule - Series 2015B**  
**\$10,780,000 General Obligation Refunding School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	205,531	205,531	2019	
January 1, 2019	-	205,531	205,531	2019	411,062
July 1, 2019	-	205,531	205,531	2020	
January 1, 2020	-	205,531	205,531	2020	411,062
July 1, 2020	-	205,531	205,531	2021	
January 1, 2021	-	205,531	205,531	2021	411,062
July 1, 2021	-	205,531	205,531	2022	
January 1, 2022	-	205,531	205,531	2022	411,062
July 1, 2022	-	205,531	205,531	2023	
January 1, 2023	-	205,531	205,531	2023	411,062
July 1, 2023	-	205,532	205,532	2024	
January 1, 2024	-	205,532	205,532	2024	411,064
July 1, 2024	-	205,532	205,532	2025	
January 1, 2025	-	205,532	205,532	2025	411,064
July 1, 2025	-	205,532	205,532	2026	
January 1, 2026	2,170,000	205,532	2,375,532	2026	2,581,064
July 1, 2026	-	165,386	165,386	2027	
January 1, 2027	6,215,000	165,386	6,380,386	2027	6,545,772
July 1, 2027	-	47,301	47,301	2028	
January 1, 2028	2,395,000	47,301	2,442,301	2028	2,489,602
	<u>\$ 10,780,000</u>	<u>\$ 3,713,876</u>	<u>\$ 14,493,876</u>		<u>\$ 14,493,876</u>

**Bond Amortization Schedule - Series 2015C**  
**\$19,235,000 General Obligation Refunding School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	274,875	274,875	2019	
January 1, 2019	4,900,000	274,875	5,174,875	2019	5,449,750
July 1, 2019	-	152,375	152,375	2020	
January 1, 2020	6,095,000	152,375	6,247,375	2020	6,399,750
	<u>\$ 10,995,000</u>	<u>\$ 854,500</u>	<u>\$ 11,849,500</u>		<u>\$ 11,849,500</u>



**Bond Amortization Schedule - Series 2015D**  
**\$101,575,000 General Obligation Refunding Limited School Bonds**

Payment Date	Principal	Interest	Total	Fiscal Year	Fiscal Year Total
July 1, 2018	-	2,484,575	2,484,575	2019	
January 1, 2019	-	2,484,575	2,484,575	2019	4,969,150
July 1, 2019	-	2,484,575	2,484,575	2020	
January 1, 2020	-	2,484,575	2,484,575	2020	4,969,150
July 1, 2020	-	2,484,575	2,484,575	2021	
January 1, 2021	-	2,484,575	2,484,575	2021	4,969,150
July 1, 2021	-	2,484,575	2,484,575	2022	-
January 1, 2022	-	2,484,575	2,484,575	2022	4,969,150
July 1, 2022	-	2,484,575	2,484,575	2023	-
January 1, 2023	-	2,484,575	2,484,575	2023	4,969,150
July 1, 2023	-	2,484,575	2,484,575	2024	-
January 1, 2024	6,480,000	2,484,575	8,964,575	2024	11,449,150
July 1, 2024	-	2,377,375	2,377,375	2025	-
January 1, 2025	6,695,000	2,377,375	9,072,375	2025	11,449,750
July 1, 2025	-	2,210,000	2,210,000	2026	
January 1, 2026	7,030,000	2,210,000	9,240,000	2026	11,450,000
July 1, 2026	-	2,034,250	2,034,250	2027	
January 1, 2027	7,380,000	2,034,250	9,414,250	2027	11,448,500
July 1, 2027	-	1,849,750	1,849,750	2028	
January 1, 2028	7,750,000	1,849,750	9,599,750	2028	11,449,500
July 1, 2028	-	1,656,000	1,656,000	2029	
January 1, 2029	8,135,000	1,656,000	9,791,000	2029	11,447,000
July 1, 2029	-	1,452,625	1,452,625	2030	
January 1, 2030	8,540,000	1,452,625	9,992,625	2030	11,445,250
July 1, 2030	-	1,239,125	1,239,125	2031	
January 1, 2031	8,970,000	1,239,125	10,209,125	2031	11,448,250
July 1, 2031	-	1,014,875	1,014,875	2032	
January 1, 2032	9,420,000	1,014,875	10,434,875	2032	11,449,750
July 1, 2032	-	779,375	779,375	2033	
January 1, 2033	9,890,000	779,375	10,669,375	2033	11,448,750
July 1, 2033	-	532,125	532,125	2034	
January 1, 2034	10,385,000	532,125	10,917,125	2034	11,449,250
July 1, 2034	-	272,500	272,500	2035	
January 1, 2035	10,900,000	272,500	11,172,500	2035	11,445,000
	<u>\$ 101,575,000</u>	<u>\$ 60,650,900</u>	<u>\$ 162,225,900</u>		<u>\$ 162,225,900</u>



### Three-Year History of District Performance Measures

School Year	Actual 2014-2015	Actual 2015-2016	Actual 2016-2017
ACT-Ready for college coursework	38.7%	38.5%	59.5%
PARCC	32.3%	29.2%	27.9%
DLM-AA	23.9%	16.8%	11.3%
High school drop-out rate	2.3%	2.3%	2.6%
Percentage of free and reduced-price meals	62.2%	57.8%	60.9%
High School 4-Year Graduation Rate	85.8%	86.4%	85.6%
Teacher retention rate	84.1%	83.3%	85.1%

ACT - The ACT is a nationally administered, standardized paper-and-pencil test that helps colleges evaluate candidates. The figures represent the percentage of student scores meeting or exceeding benchmarks demonstrating readiness for college coursework. The ACT is administered to virtually every eleventh grade student.

PARCC - The figures represent the percentage of student scores meeting or exceeding expectations for the grades and subjects tested on PARCC that have demonstrated readiness for the next grade level/course and, ultimately, are on track for college and careers. PARCC is administered to students in grades three through eight and high school.

DLM-AA - The figures represent the percentage of student scores meeting or exceeding Standards for the grades and subjects tested on DLM-AA. The DLM-AA is administered to students in grades three through eight and eleven with disabilities whose Individualized Education Programs (IEPs) indicate that participation in the PARCC would not be appropriate.

n/a - data not available



## Glossary of Terms and Acronyms

### *Listing of Acronyms*

<b>ADA</b>	Average Daily Attendance
<b>AFR</b>	Annual Financial Report
<b>ASBO</b>	Association of School Business Officials
<b>AVID</b>	Advancement Via Individual Determination
<b>CAB</b>	Capital Appreciation Bonds
<b>CAFR</b>	Comprehensive Annual Financial Report
<b>EBF</b>	Evidence-Based Funding
<b>FDK</b>	Full-Day Kindergarten
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GSA</b>	General State Aid
<b>ILCS</b>	Illinois Compiled Statutes
<b>IMRF</b>	Illinois Municipal Retirement Fund
<b>ISBE</b>	Illinois State Board of Education
<b>MTSS</b>	Multi-tiered Systems of Support
<b>OPEB</b>	Other Postemployment Benefits
<b>OEPP</b>	Operating Expenditures Per Pupil
<b>OFS</b>	Other Financing Sources
<b>OFU</b>	Other Financing Uses
<b>PARCC</b>	Partnership for Assessment of Readiness for College and Careers
<b>PBIS</b>	Positive Behavioral Interventions Supports
<b>RTI</b>	Response to Intervention
<b>SAFE</b>	Supervised Activities for Children of Employed Parents
<b>TEI</b>	Teacher Effectiveness Initiatives
<b>THIS</b>	Teachers Health Insurance Security Fund
<b>TRS</b>	Teachers Retirement System



## Glossary of Terms and Acronyms (Continued)

This Glossary contains definitions of terms used in this document and such additional terms as deemed necessary to provide a common understanding of Illinois budgetary accounting procedures for schools. Several terms, which are not primarily budgetary accounting terms, have been included because of their significance for school district accounting. The glossary is arranged alphabetically.

**ACCOUNTING SYSTEM.** The total structure of records and procedures that discover, record, classify, and report information on the financial position and operation of a school district or any of its funds, balanced account groups and organizational components.

**ACCOUNT NUMBER.** An account number is a defined code for recording and summarizing financial transactions.

**ACCOUNTING PERIOD.** The accounting period is a period at the end of which and for which financial statements are prepared. For School District U-46, the accounting period is as of and for the year ending June 30.

**ACCRUAL BASIS OF ACCOUNTING.** Method of accounting that recognizes the financial effect of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows.

**ACCRUED EXPENDITURES.** Accrued expenditures are those expenditures which have been incurred and have not been paid as of a given date.

**ACCRUED INTEREST.** Accrued interest is interest earned between interest dates, but not yet paid.

**ACCRUED LIABILITIES.** Accrued liabilities are those amounts owed but not yet paid as of a given date.

**ACCRUED REVENUE.** Accrued revenue is revenue earned and not yet collected regardless of whether due or not.

**ACTUARIAL ACCRUED LIABILITY.** In the context of defined benefit pension and OPEB plans, that portion of the present value of benefits promised to employees that will not be provided through future normal cost. Stated differently, it is the present value of benefits already earned by employees.

**ACTUARIAL ASSUMPTIONS.** In the context of defined benefit pension and OPEB plans, assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (rate of inflation, mortality).

**ADVANCED REFUNDING.** Transaction in which new debt is issued to refinance existing debt (old debt), but the proceeds must be placed in escrow pending call date or maturity (refunding in advance of redemption).

**ANNUAL REQUIRED CONTRIBUTION (ARC).** IN the context of defined benefit pension and OPEB plans, the actuarially determined amount an employer must contribute in a given year.

**APPROPRIATED BUDGET.** Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget includes all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.



## Glossary of Terms and Acronyms (Continued)

**ASSESSED VALUATION.** Valuation that a government sets on real estate or other property as a basis for levying taxes.

**ASSETS.** Resources with present service capacity that the government presently controls.

**ASSIGNED FUND BALANCE.** The portion of the net position of a government assigned for a particular purposes.

**AVAILABILITY CRITERION.** Requirement under the modified accrual basis of accounting that revenues be recognized only if they are collected or collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

**AVAILABILITY PERIOD.** Designated period immediately following the close of the fiscal year by the end of which cash must be collected for related revenue to be recognized under the modified accrual basis of accounting.

**AVERAGE DAILY ATTENDANCE (ADA).** Average daily attendance is the average attendance of a school taken over a three-week period commencing the first Monday after Labor Day in September. Kindergarten counts as one-half ADA.

**BALANCED BUDGET.** The budget is balanced if revenues are equal to expenditures.

**BASIC FINANCIAL STATEMENTS.** Minimum combination of financial statements and note disclosure required for fair presentation in conformity with GAAP.

**BASIS OF ACCOUNTING.** Timing of recognition for financial reporting purposes (when the effects of transactions or events should be recognized in financial statements).

**BASIS OF BUDGETING.** Method used to determine when revenues and expenditures are recognized for budgetary purposes.

**BUDGETARY REPORTING.** In the context of financial reporting, requirement to present budgetary comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the general fund and individual major special revenue funds with annual (or biennial) appropriated budgets. Budgetary reporting also is required within the CAFR to demonstrate compliance at the legal level of control for all governmental funds with annual (or biennial) appropriated budgets.

**BOARD OF EDUCATION.** The seven-member Board of Education is an elected body that has been created according to state statute, and vested with responsibility for educational activities in the School District.

**BOND.** A bond is a written promise to pay a specific sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date, and with periodic interest payments at a rate specified in the bond. A bond is generally issued for a specific purpose or project, such as construction of a new facility. The difference between a note and a bond is that a bond generally is for a longer period of time, and requires greater legal formality.

**BONDED DEBT.** Bonded debt is part of the School District debt that is covered by outstanding bonds of the District. This is sometimes called “funded debt.”

**BONDS ISSUED.** Bonds issued are reflected when bonds are sold.



## Glossary of Terms and Acronyms (Continued)

**BUDGET.** The budget is a plan of financial operation embodying an estimate of proposed revenues and expenditures for a given period or purpose, and the proposed means of financing those expenditures. The budget is a legal document once it has been approved by the Board of Education.

**BUDGETARY CONTROL.** Budgetary control is the management of the business affairs of the District in accordance with an approved budget, with the responsibility to keep expenditures within the authorized amounts.

**BUILDINGS.** Facilities permanently affixed to the land, including their associated heating and air conditioning systems, electrical and sound systems, plumbing and sewer systems, elevators, and other fixed equipment.

**CAPITAL ASSETS.** Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

**CAPITALIZATION THRESHOLD.** Dollar value at which a government elects to capitalize tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. Generally, capitalization thresholds are applied to individual items rather than groups of items unless the result would be to exclude items that in the aggregate would clearly be material to the financial statements.

**CASH.** Includes not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposits.

**CASH BASIS OF ACCOUNTING.** Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

**CASH EQUIVALENT.** Short-term, highly liquid investments that are both 1) readily convertible to known amounts of cash and 2) so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Generally, only investments with original maturities of three months or less meet this definition. For this purpose, “original maturity” means maturity as of the date the investment is acquired.

**COMMITTED FUND BALANCE.** The portion of the net position of a governmental fund that represents resources whose use is subject to a legally binding constraint that is imposed by the government itself at its highest level of decision-making authority and that remains legally binding unless removed in the same manner.

**COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR).** Financial report that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund and component unit.

**COMPREHENSIVE FRAMEWORK OF INTERNAL CONTROL.** Structure of internal control that provides for 1) a favorable control environment, 2) the continuing assessment of risk, 3) the design, implementation, and maintenance of effective control-related policies and procedures, 4) the effectiveness communication of information, and 5) the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.



## Glossary of Terms and Acronyms (Continued)

**COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION/OPEB PLAN.** Plan in which a single actuarial valuation and contribution rate apply to all participating employers.

**CURRENT FINANCIAL RESOURCES MEASUREMENT FOCUS.** Measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and is used solely for reporting the financial position and results of operations of governmental funds.

**CURRENT REFUNDING.** Refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded. This situation differs from an advance refunding, where the proceeds of the refunding bonds are placed in escrow pending the call date or maturity of the debt to be refunded.

**CHART OF ACCOUNTS.** A chart of accounts is a list of all accounts generally used in an accounting system. In addition to account title, the chart includes an account number which has been assigned to each account. Accounts in the chart are arranged with accounts of a similar nature; for example, assets and liabilities.

**CONTRACTED SERVICES.** Labor, materials and other costs for services rendered by personnel who are not on the payroll of the District.

**CORPORATE PERSONAL PROPERTY REPLACEMENT TAX.** The corporate personal property replacement tax is collected by the Illinois Department of Revenue as a replacement for the personal property tax.

**CURRENT ASSETS.** Current assets are cash or anything that can be readily converted into cash.

**CURRENT EXPENDITURES PER PUPIL.** Current expenditures for a given period of time divided by a pupil unit of measure.

**CURRENT LIABILITIES.** Current liabilities are debts which are payable within a short period of time, usually no longer than one year.

**DEBT.** An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants and notes.

**DEBT LIMIT.** The maximum amount of gross or net debt that is legally permitted.

**DEBT SERVICE.** Debt service includes expenditures for the retirement of debt and expenditures for interest on debt, except principal and interest on current loans, which are loans payable in the same fiscal year in which the money was borrowed.

**DEFERRED INFLOW OF RESOURCES.** An acquisition of net position by the government that is applicable to a future reporting period.

**DEFERRED OUTFLOWS OF RESOURCES.** A consumption of net position by the government that is applicable to a future reporting period.

**DEFINED BENEFIT PENSION PLAN.** Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service, and compensation.



## Glossary of Terms and Acronyms (Continued)

**DEFICIT.** A deficit is a shortfall of revenues and transfers in under expenditures and transfers out.

**DIRECT COSTS/EXPENSE.** Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable with a particular function.

**DISBURSEMENTS.** Disbursements are the actual payments of cash by the District.

**EMPLOYER CONTRIBUTIONS.** Term used in the context of pension benefits and OPEB to describe actual payments made by the employer as compared to the employer's annual required contributions (ARC). Only amounts paid to trustees and outside parties qualify as contributions.

**EVIDENCE-BASED FUNDING (EBF).** Term used for the Evidence-Based Funding for Student Success Act (Public Act 100-0465) that was signed into law on August 31, 2017. This law enacts evidence-based funding and comprehensively changes the way that school districts receive the bulk of state funds. EBF sends more resources to Illinois' most under-resources students to ensure all schools have the resources they need to provide a safe, rigorous, and well-rounded learning environment.

**EXPENDITURES.** Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

**EXTERNAL AUDITORS.** Independent auditors typically engaged to conduct the audit of a government's financial statements.

**FEDERAL GOVERNMENT SOURCES.** Federal government sources are funding provided directly from the Federal government or passed-through a third party. Expenditures made with this revenue should be identifiable as federally supported expenditures.

**FINAL AMENDED BUDGET.** The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

**FINANCIAL STATEMENT.** A tabulation of amounts derived from accounting records and expressed in words and dollars that display either 1) the financial position of the reporting unit at a moment in time or 2) inflows and outflows of resources from transactions or other events during a period of time.

**FINANCIAL STATEMENT AUDIT.** Examination designed to provide independent assurance that financial statements are fairly presented.

**FISCAL YEAR.** The fiscal year is the year by or for which accounts are reckoned or the year between one annual time of settlement or balancing of accounts and another. It consists of a period of twelve months, not necessarily concurrent with the calendar year, with reference to which appropriations are made and expenditures are authorized and at the end of which accounts are made up and the books are closed. The District's fiscal year is the period from July 1 to June 30 of the following calendar year.

**FIXED ASSETS.** Fixed assets are those assets essential to continuance of proper operation of the District. They include land, buildings, machinery, furniture, and other equipment which the District intends to hold or continue to use over a long period of time.



## Glossary of Terms and Acronyms (Continued)

**FULL-TIME EQUIVALENT (FTE).** An employee that is hired to fill a normal contract day is equivalent to one (1) full-time equivalent.

**FUNCTION.** Group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

**CAPITAL OUTLAY.** Capital outlay includes expenditures for the acquisition of fixed assets or additions to fixed assets. These are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment, and replacement of equipment.

**DEBT SERVICE.** Debt service payments include payments for principal and interest on the long-term debt of the District.

### FUNCTION (Continued).

**INSTRUCTION.** Instruction consists of those activities dealing with the teaching of students. Included within the instruction function are regular programs, special programs, and other instructional programs.

**INTERGOVERNMENTAL.** Intergovernmental includes payments to other governmental entities.

**SUPPORT SERVICES.** Support services include services that provide administrative, technical (e.g., guidance and health), and logistical support to facilitate and enhance instruction. Support services are adjuncts to the fulfillment of the objectives of instruction.

**NON-PROGRAMMED CHARGES.** Non-programmed charges include all payments to other districts.

**FUND.** A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources. Following are the funds used by the District.

**AGENCY FUND.** One of four types of fiduciary funds. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets = liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

**CAPITAL PROJECTS FUND.** The Capital Projects Fund is used to account for proceeds resulting from building bonds, receipts from other long-term financing agreements, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with Section 17-2.3 of the School Code.



## Glossary of Terms and Acronyms (Continued)

**DEBT SERVICE FUND.** The Debt Service Fund is used to account for revenues and related expenditures to retire bond principal or to pay bond interest, or if other revenue is pledged to pay principal, interest, or service charges on other long-term debt instruments. Governmental fund type used to account for accumulations of resources that are restricted, committed, or assigned to expenditure for principal and interest. [See 105 ILCS 5/Art. 19]

**EDUCATIONAL FUND.** The Educational Fund is the general operating fund of the District. It is used to account for all financial transactions not accommodated by another specific fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. [See 105 ILCS 5/17-2]

**FIRE PROTECTION AND SAFETY FUND.** The Fire Protection and Safety Fund is used to account for expenditures for fire prevention, safety, energy conservation, or school security, and the revenues supporting those expenditures. [See ILCS 5/2-3.12 and 17-2.11]

**IMRF/SOCIAL SECURITY FUND.** The IMRF/Social Security Fund is used to account for property tax revenues and related expenditures for contributions to the Illinois Municipal Retirement Fund (IMRF), Social Security, and Medicare. [See 105 ILCS 5/17-1, 21-110, and 21-110.1]

**OPERATIONS AND MAINTENANCE FUND.** The Operations and Maintenance Fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property, payment of all premiums for insurance upon building and building fixtures; all costs of lights, gas, water, telephone service, custodial supplies and equipment, and professional surveys of District property. [See 105 ILCS 5/17-2 and 17-7]

**TORT IMMUNITY AND JUDGEMENT FUND.** The Tort Immunity and Judgment Fund is used to pay for settlements or judgments, for protecting the District or its employees against liability, property damage or loss, and for risk care management programs.

**TRANSPORTATION FUND.** The Transportation Fund is used to account for the costs associated with transporting students for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, shall be paid by this fund. Any funds received for transportation purposes must be deposited into this fund, with amounts due other funds appropriately transferred thereafter.

**WORKING CASH FUND.** The purpose of the Working Cash Fund is to enable the District to have in its treasury at all times sufficient money to meet demands for ordinary and necessary expenditures. [See 105 ILCS 5/Art. 20]

**FUND BALANCE.** Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

**FUND BALANCE POLICY.** Policy to maintain fund balance at a predetermined target level.

**GENERAL OBLIGATION REFUNDING BONDS.** Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bond may be exchanged with the holders of the outstanding bonds.



## Glossary of Terms and Acronyms (Continued)

**GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB).** Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA.

**GOVERNMENTAL ACTIVITIES.** Activities generally financed through taxes, intergovernmental revenues, and other Nonexchange revenues. These activities are usually reported in governmental funds and internal service funds.

**IMPACT FEES.** Fees charged to developers to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development (e.g. sidewalks).

**INCURRED BUT NOT REPORTED (IBNR) CLAIMS.** In the context of risk financing, claims for insured events that have occurred but have not yet been reported to the governmental entity, public entity risk pool, insurer, or reinsurer as of the date of the financial statements. IBNR claims include 1) known loss events that are expected to be presented later as claims, 2) unknown loss events that are expected to become claims, and 3) expected future development on claims already reported.

**INDEPENDENT AUDITOR.** Auditors who are independent, both in fact and appearance, of the entities they audit. Both GAAS and GAGAS set specific criteria that must be met for an auditor to be considered independent.

**INDIRECT COSTS/EXPENSE.** Expenses that cannot be specifically associated with a given service, program, or department and thus, cannot be clearly associated with a particular function.

**INTERFUND ACTIVITY.** Activity between funds of the primary government, including blended component units. Interfund activities are divided into two broad categories: reciprocal and nonreciprocal. Reciprocal interfund activity comprises interfund loans and interfund services provided and used. Nonreciprocal interfund activity comprises interfund transfers and interfund reimbursements.

**INTERFUND LOAN.** Amounts provided between funds and blended component units of the primary government with a requirement for repayment.

**INTERFUND TRANSFERS.** Flows of assets (such as cash or goods) between funds and blended component units of the primary government without equivalent flows of assets in return and without a requirement for repayment.

**INTERNAL CONTROL.** The purpose of internal control is to safeguard the use of public funds and to protect the public trust on behalf of the District. Internal controls are those activities and organizational preparations designed to ensure effective accounting control over assets, liabilities, revenues, expenditures, and any other activities associated with the finance and accounting actions of the District. Some of the precautions instituted by internal control are insuring that no single individual can perform a complete cycle of financial operations and that procedures of the finance and accounting system are clearly identified and monitored. Internal control also requires designated levels of authorization for all actions under the system.



## Glossary of Terms and Acronyms (Continued)

**INVESTMENTS.** Investments are securities or other properties in which money is held, either temporarily or permanently, in expectation of obtaining revenues. Legal investments for District funds are governed by state statute, which allows for funds belonging to or in the custody of the District to be invested. Bonds, treasury bills, certificates of deposit, and short-term discount obligations issued by the Federal National Mortgage Association of the types of investments which are permitted by law.

**LEGAL DEBT MARGIN.** Excess of the amount of debt legally authorized over the amount of debt outstanding.

**LEGAL LEVEL OF BUDGETARY CONTROL.** Level at which a government's management's may not reallocate resources without approval from the legislative body.

**LIABILITIES.** Present obligations to sacrifice resources that the government has little or no discretion to avoid.

**MODIFIED ACCRUAL BASIS OF ACCOUNTING.** Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

**NET POSITION.** The residual of all other financial statement elements presented in a statement of financial position.

**NET EXPENDITURE.** A net expenditure is the actual cost incurred by the District for some service or object after the deduction of any discounts, rebates, reimbursements, or revenue produced by the service or activity.

**NET REVENUE.** Net revenue is defined as the balance remaining after deducting from the gross revenue for a given period all expenditures during that same period.

**OBJECT.** The term object applies to expenditure classifications and designates materials or services purchased. Expenditures are grouped by major objects, such as salaries, purchased services, or materials and supplies, and are further divided as needed for cost accounting and control purposes.

**CAPITAL OUTLAY.** Capital outlay includes expenditures for the acquisition of fixed assets or additions to fixed assets. These are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment, and replacement of equipment.

**CONTINGENCY, TUITION AND NON-CAPITALIZED EQUIPMENT.** Contingency includes an amount set-aside in the budget to provide for unforeseen items when the budget was developed. Tuition includes expenditures to reimburse other educational agencies for services rendered to students residing within the legal boundaries for our District. Non-capitalized equipment includes items that would normally be classified as capital assets except that they cost more than \$500 but less than the District's capitalization threshold.



## Glossary of Terms and Acronyms (Continued)

**EMPLOYEE BENEFITS.** Employee benefits include amounts paid by the District on behalf of employees. These amounts are not included in gross salary, but are over and above it. Payments such as fringe benefits, while not paid directly to employees, nevertheless are a part of the cost of employees.

**OTHER EXPENDITURES.** Other expenditures include those items that are not recorded in any of the other objects.

**PURCHASED SERVICES.** Purchased services include amounts paid for personal services rendered by personnel who are not on the District's payroll, and other services the District may purchase.

**SALARIES.** Salaries include amounts paid to permanent, temporary, or substitute employees on the District's payroll. This includes gross salary for personal service rendered while on the payroll of the District.

**SUPPLIES AND MATERIALS.** Supplies and materials include amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use, or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

**ON BEHALF PAYMENTS.** Contributions made to TRS and THIS by the State of Illinois on behalf of the employer.

**OTHER FINANCING SOURCES.** Increase in the net position of a governmental fund other than revenues. Only items identified as other financing uses in authoritative accounting standards may be classified as such.

**OTHER FINANCING USES.** Decreases in the net position of a governmental fund other than expenditures. Only items identified as other financing uses in authoritative accounting standards may be classified.

**OTHER POSTEMPLOYMENT BENEFITS (OPEB).** Postemployment benefits other than pension benefits. OPEB include postemployment healthcare benefits, regardless of the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

**PERSONNEL, ADMINISTRATIVE.** District personnel who are primarily engaged in activities that have as their purpose the general regulation, direction, and control of the affairs of the District. Administrative certification is required.

**PERSONNEL, CLASSIFIED.** The terms "classified employees" or "classified personnel" are personnel who hold a position of employment for which certification is not required. The term includes, but is not limited to, individuals who hold positions in the following areas of employment: secretarial, custodial, food services, maintenance, transportation, support personnel, public relations, financial, IT services, and purchasing.

**PERSONNEL, INSTRUCTIONAL.** District personnel who render services dealing directly with the instruction of pupils. School District U-46 requires a State of Illinois Teaching Certificate endorsed by the Kane County Regional Office of Education.

**PREPAID EXPENDITURES.** Expenditures entered in the accounts for benefits not yet received. Prepaid expenditures differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operation.



## **Glossary of Terms and Acronyms (Continued)**

**PROPERTY TAX LEVY.** The total of taxes or special assessments imposed by a governmental unit which is the product of a specific tax rate and the assessed valuation.

**PROPERTY TAX RATE.** A statement in dollars and cents, expressed per each \$100 of assessed valuation that will yield a specified amount of money from property taxes.

**PROGRAM.** Group activities, operations, or organizational units directly attaining specific purposes or objects.

**RECEIPT.** The actual receipt of cash.

**RESTRICTED FUND BALANCE.** The portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

**REVENUES.** Additions to assets which do not increase any liabilities, do not represent the recovery of an expenditure, do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets.

**SCHOOL BUDGET.** A financial plan considering both revenue and expenditures necessary to meet the educational program of a school district. The budget is for one fiscal year.

**SCHOOL BUDGET YEAR.** The school budget year is a twelve-month period commencing July 1 of one calendar year, and ending June 30 of the following calendar year.

**TAX RATE.** An amount of tax stated in terms of a unit of the tax base.

**UNASSIGNED FUND BALANCE.** The difference between total fund balance in a government fund and its nonspendable, restricted, committed, and assigned components.

**UNEARNED REVENUE.** A liability for resources obtained prior to revenue recognition.