



Evanston/Skokie School District 65
Budget-at-a-Glance
2020-2021 Fiscal Year

*Every Child, Every Day,
Whatever it Takes.*



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Introduction

The Budget at-a-Glance document has been prepared in an effort to give the District 65 community a better understanding of the budget process, expenditure types, revenue sources and their limitations. The information contained in this document is considered supplemental to the full FY21 budget document. The Budget-at-a-Glance and other financial documents can be found on the District 65 website at www.district65.net/business.

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BUDGET MESSAGE

Dear Staff, Families, and Community Members:

Welcome to the 2020-2021 school year! I am pleased to present the 2020-21 school year budget. This budget reflects the district's instructional and operational priorities and strong commitment to racial equity. At Evanston Skokie School District 65, our number one priority is to ensure that ALL our students achieve their full academic potential.



With the COVID-19 pandemic, the District has been facing unprecedented challenges. In the District's response to the global pandemic, we have made it our focus to support our most vulnerable students. This commitment has guided the decision to provide internet connection to over 1,000 of our students and over 4,000 computer devices. With racial equity at its focus, the budget document is aligned with the district priorities: Ensure access to grade-level, Lead system-wide professional learning and implementation support of cognitively rigorous and culturally responsive instructional practices, Students and families engagement, two-way communication with staff, foster culture of collaboration and trust to increase achievements for Black and Latinx students and long-term financial planning.

I would like to thank all our stakeholders for working with us to provide the necessary resources for District 65 students to be successful in their academic endeavors. The District will continue to reach out across our community to provide transparent and comprehensive financial information. Budget at-a-Glance document, which is a supplemental document to the full budget, and the Annual Budget Book, will be updated annually. The District's website is a great resource of information about our strategic priorities and budget. We encourage you to visit it for more information on District business services and related financial information at www.district65.net/business. Please know that the education and learning environment for our children will always remain our top priority. Thank you for your continued support of our students and our schools.

Sincerely,

Dr. Devon Horton
Superintendent of Schools

BUDGET PROCESS

Each year, District 65 Business Office must create a budget that presents the district’s strategic goals and values in financial terms. The budget is the school district’s plan for how it will allocate and expend revenue dollars. It is the basis for the school district’s tax levy.

The tentative budget must be displayed at least 30 days prior to its adoption. A public hearing must be held before the adoption of the budget. The district also publishes a legal notice indicating availability for the public to inspect the tentative budget, including the date, time, and location of the public hearing (105 ILCS 5/17-1).

District 65 School Board is charged with approving and adopting an annual budget by the end of the first quarter of the fiscal year. September 30 is the end of the first quarter of the fiscal year for most Illinois school districts, including District 65, and is the last day to adopt the annual budget.



BOARD OF EDUCATION

Anya Tanyavutti (2023) <i>President</i>	Elizabeth Lindsay-Ryan (2021) <i>Vice President</i>	Sunith Kartha (2021) <i>Member</i>	Joseph Hailpern (2021) <i>Member</i>
Rebeca Mendoza (2023) <i>Member</i>	Sergio Hernandez (2023) <i>Member</i>	Soo La Kim (2021) <i>Member</i>	

District 65 is governed by the locally-elected, seven members board. School Board members serve, uncompensated, for four-year terms. The Board of Education is responsible for hiring a superintendent to ensure that schools are managed in accordance with State of Illinois laws and policies set forth by the school board. The Board of Education also sets educational goals for the schools - based on state laws and community values - and ensures that the superintendent as well as all district staff members vigorously pursue those goals.

MISSION STATEMENT

As part of the District's strategic planning process, a mission statement was developed with extensive input from faculty, staff, students, families, and community members. Our mission states:

Working together as a community, we will inspire creativity and prepare each student to achieve academically, grow personally, and contribute positively to a global society.

Every Child, Every Day, Whatever it Takes.

DISTRICT 65 QUICK FACTS



18
Schools



7,339
Total Enrollment



765
Teachers



\$15,960 Per Pupil
Operational Spending



37%
Low-Income
Students



13%
Students with
Disabilities



15%
English
Learners



5%
Student
Mobility

Racial/Ethnic Diversity

42.8% White • 22.6% Black • 20.5% Hispanic • 4.7% Asian
0.2% American Indian • 9% Two or More Races • 0.1% Pacific Islander

District 65 students speak 86 languages!

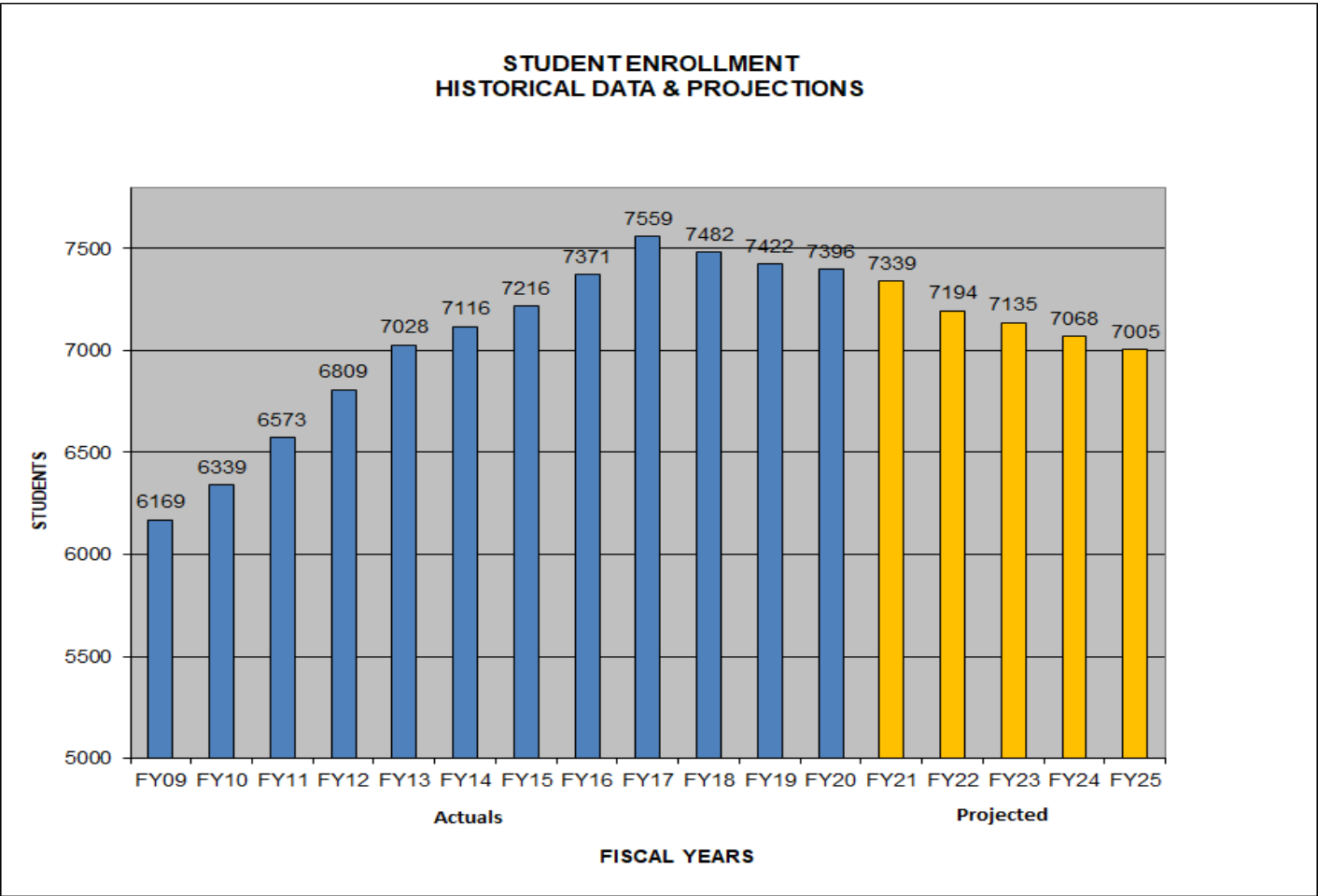
*District 65 has ten attendance-area elementary schools serving students in grades K-5; three middle schools serving students in grades 6-8; and two magnet schools serving students in grades K-8. In addition, the Joseph E. Hill Early Childhood Center offers programming and services for children ages birth through five years. Park School is a self-contained special education school that serves students ages 3-22. It is jointly funded and operated by District 65 and District 202. Rice Education Center is a private residential treatment center owned and operated by the Children's Home & Aid Society of Illinois.

STUDENT ENROLLMENT

HISTORY AND PROJECTIONS

Staffing cost accounts for approximately 80 percent of District 65 expenditures, which is typical for school districts in Illinois. Staffing needs are driven by student enrollment and programmatic requirements. District 65 has experienced steady enrollment increases over the last nine years, following by three years of decline. Future enrollment projections indicate downward trend is projected to continue as illustrated in the graph below.

In 2020-21 school year, the District is projected to serve 7,339 students, which reflects an decrease of 57 students from 2019-20 school year.

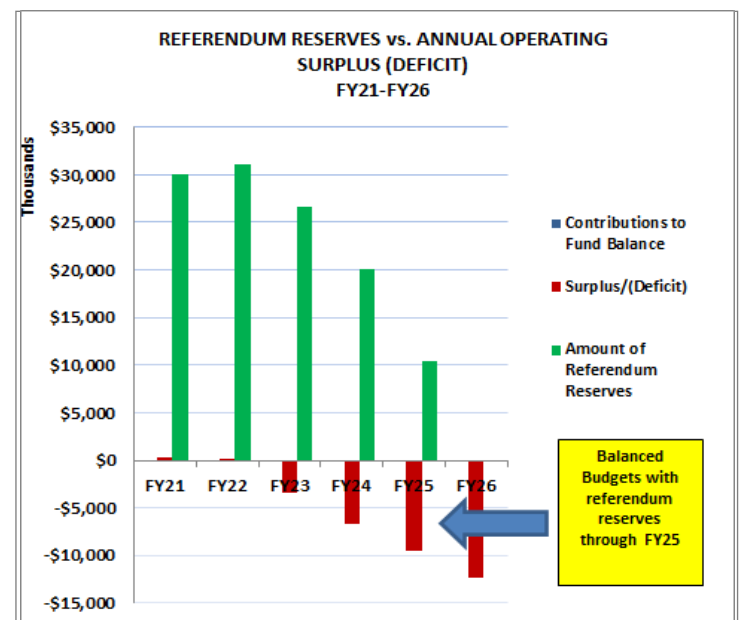
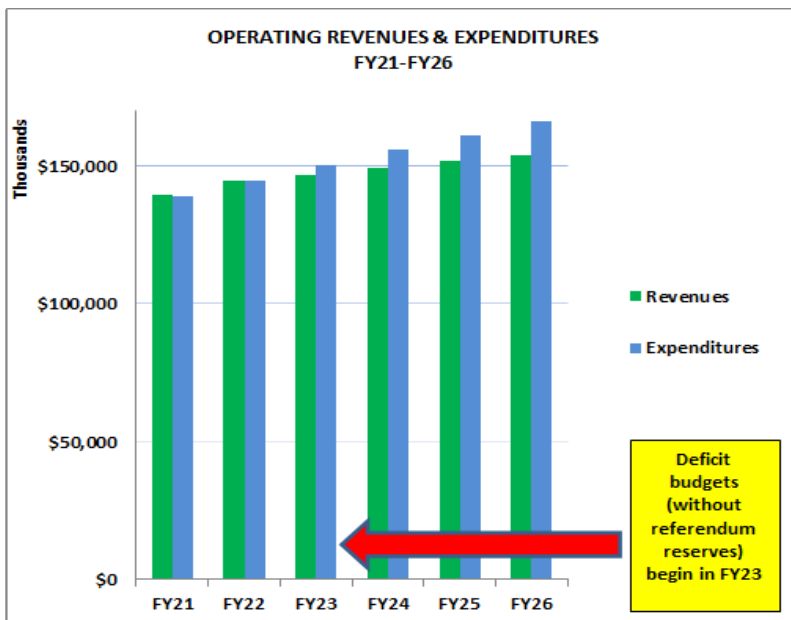


BUDGET HIGHLIGHTS

- The FY21 Budget is the 19th consecutive balanced budget filed by District 65.
- The budget supports the District's strategic plan and instructional initiatives, such as literacy improvements, restorative practices, strengthening of the multi-tiered system of support programs, recruitment and retention initiatives, commitment to equity, technology, and focused professional development.
- Due to the unprecedented global pandemic, in 2020-21 school year, however, the District's primary focus will be on adapting instructional delivery to meet learning needs of students and families during the COVID-19 pandemic.

FY21 OPERATING BUDGET SUMMARY	AMOUNT
OPERATING REVENUES	\$139,297,823
OPERATING EXPENDITURES	\$138,953,097
SURPLUS/(DEFICIT)*	\$344,726

* The FY21 operating surplus includes referendum reserves which will be used to offset future deficits.



REVENUE SOURCES

FY21 operating revenues are projected to decrease by one percent to \$139,297,823 million (in comparison to FY20 budget and actuals). Revenues come from the following sources:

Property Taxes are paid by Evanston and Skokie property owners, in the District attendance areas, are the largest and the most stable revenue source for District 65. Property Taxes account for 78 percent of revenues. The 2018 CPI factor of 1.9 percent was used to calculate the 2019 tax levy, scheduled to be received in the 2020-21 fiscal year. Due to the COVID-19 pandemic and unprecedented economic fallout, the collection of property taxes is being reduced from 98.5 percent to 96 percent.

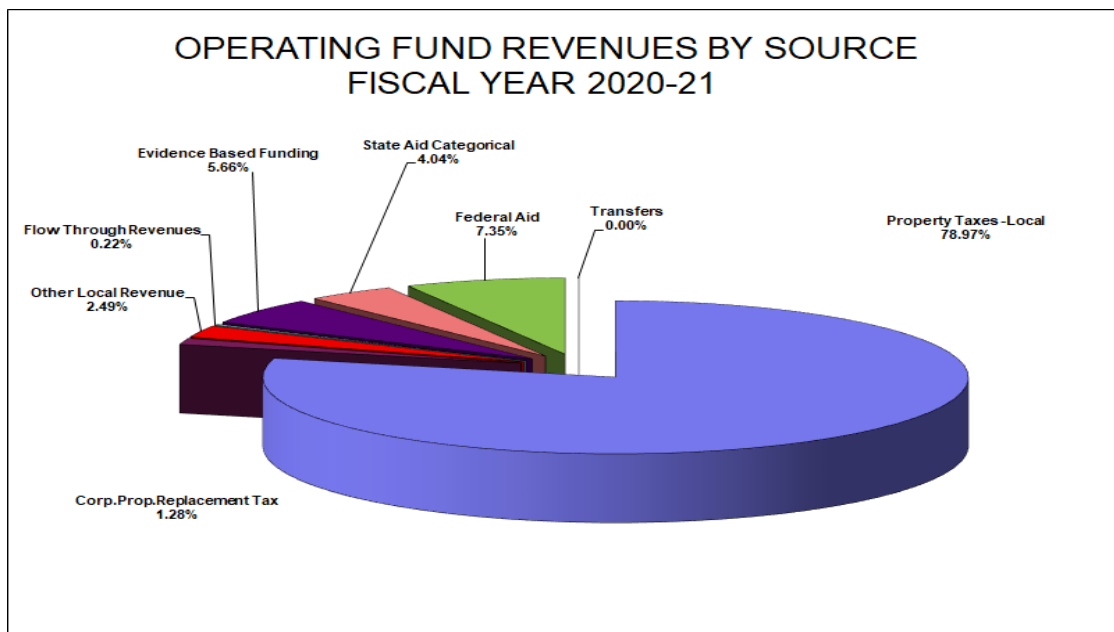
Corporate Personal Property Replacement Taxes (CPPRT) are part of state income taxes and are paid by Illinois businesses. CPPRT accounts for \$1.8 million or one percent of operating revenues.

Other Local Revenues, which include interest income, lunch sales revenue, student and childcare fees, E-rate reimbursements, permit revenue and other local revenues total \$3.5 million or two percent of the budgeted revenues. The decrease in Other Local Revenues affects primarily the investment income; unprecedented Federal Reserve Bank rate cuts have reduced the amount of interest income by at least 50 percent from the last year's actuals, as well as childcare fees and lunch sales. Even if the in-person instructions return, it is unlikely that participation in before and after school care and lunch sales will not be affected.

Flow Through Revenues include holding amounts reserved for mid-year grants and account for \$300,000 or less than one percent of revenues.

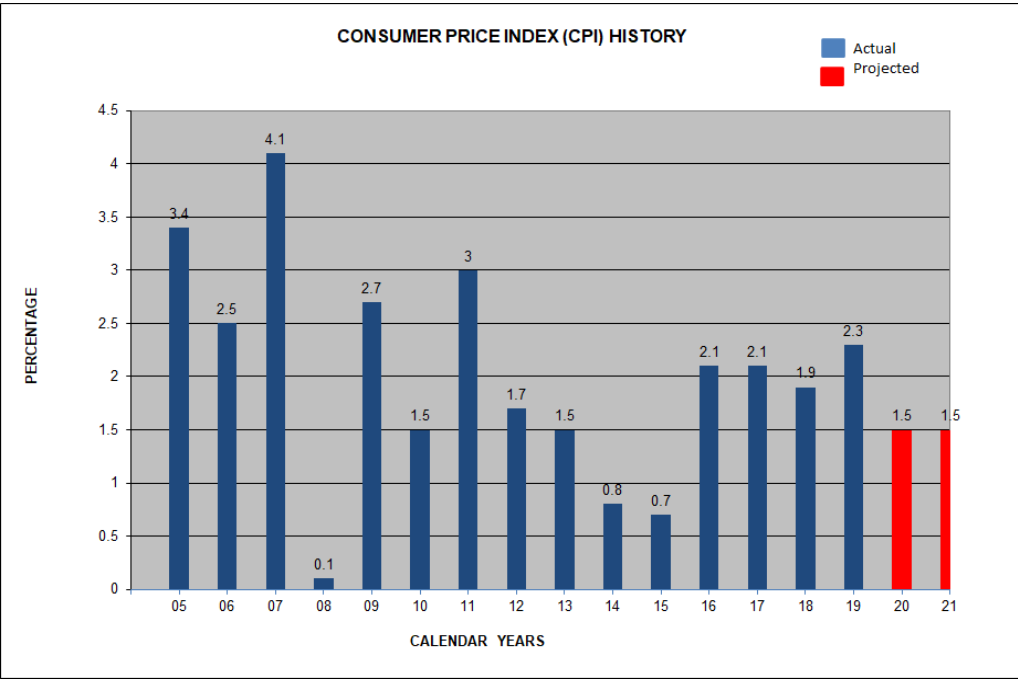
State Revenues, which include **Evidence Based Funding** and **State Categorical Aid**, total \$13.5 million or ten percent of budgeted revenues.

Federal Revenues, which include title grants, Medicaid and Head Start grants, account for \$10.2 million or seven percent of the revenues. Federal funds also include \$0.8 million in COVID-19 federal stimulus funds.



CONSUMER PRICE INDEX AND STATE FUNDING

The growth in Property Taxes received by most Illinois school districts annually is limited by the property tax cap. The property tax cap limits the property tax extension (amount for which school districts may receive) to the annual change in the Consumer Price Index (CPI) or five percent, whichever is lower. The chart below illustrates the CPI history since 2004.



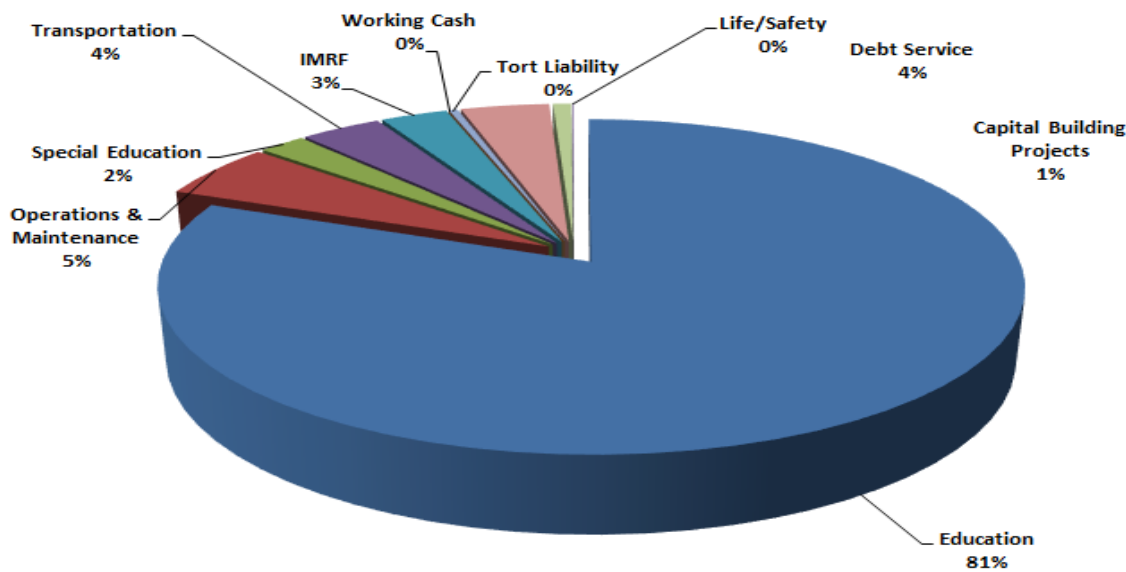
The CPI factor, which determines the growth in Property Taxes, has been under three percent since 2011. In addition to the low CPI factor, property tax refunds have been a concern averaging approximately \$3 million per year and eroding this limited revenue source even further. Property taxes in the 2020-21 school year will be subject to the 2018 CPI of 1.9 percent; while 2019 CPI of 2.3 percent will affect the growth in property taxes in 2021-22 fiscal year. The District assumes 1.5 percent CPI for future years.

The estimate of several FY21 revenues, particularly local revenues such as lunch sales and the before and after school childcare program fees, have been reduced to reflect the impact of the COVID-19 pandemic and the remote learning setting. The collection of property taxes, especially, taxes paid by local businesses will also be impacted by the stay-at-home order and reduced business activity. The FY21 budget reflects that reduction in revenues.

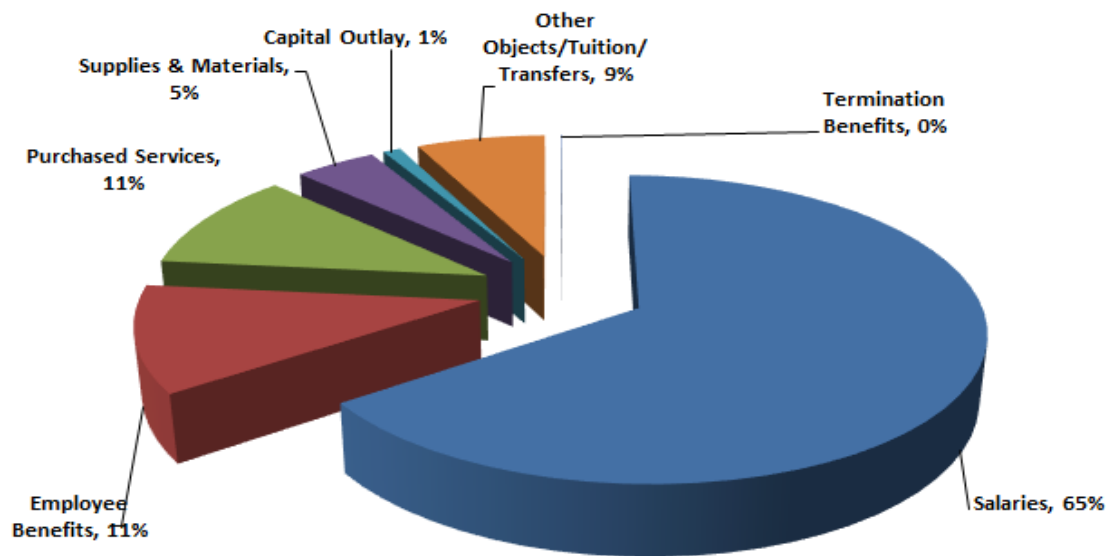
Evidence Based Funding is projected to remain the same assuming student enrollment is stable. Under the new formula, instead of funding all students with the same amount of money, students are funded based on each individual and unique needs. The District is also projecting a stable amount of federal funding, which includes federal funding to be used to mitigate the impact of the COVID-19 pandemic.

EXPENDITURES BY FUND AND CATEGORY (OBJECT)

The school district’s budget is divided into separate accounting entities called Funds. Each Fund is established for a specific purpose. Unless allowed by law, money received in one fund cannot be transferred to another fund. The Education Fund is the District’s largest fund (81 percent).



Expenditures are also grouped by categories of expenditures, which are called objects. Salaries and benefits are the largest objects and account for 76 percent of all expenditures.



INSTRUCTION TAKES TOP PRIORITY

Activities of a school district budget are also grouped by functions. Functions determine the purpose of each expenditure. Categories used by school districts in Illinois include:

Instruction - includes general K-8 instruction, special education, bilingual education and remedial education

Support Services /Students and Staff - includes social work, psychological and speech services; food and transportation services; staff development, curriculum improvement, data processing and education media services

Administration – Schools - includes school principals, assistant principals, and school secretaries

Administration – General - includes business services, human resource services, research and evaluation, information services, curriculum and instructions, superintendent's office, and communications office

Facilities Services - includes building operation and maintenance services, warehousing, and other facility related services

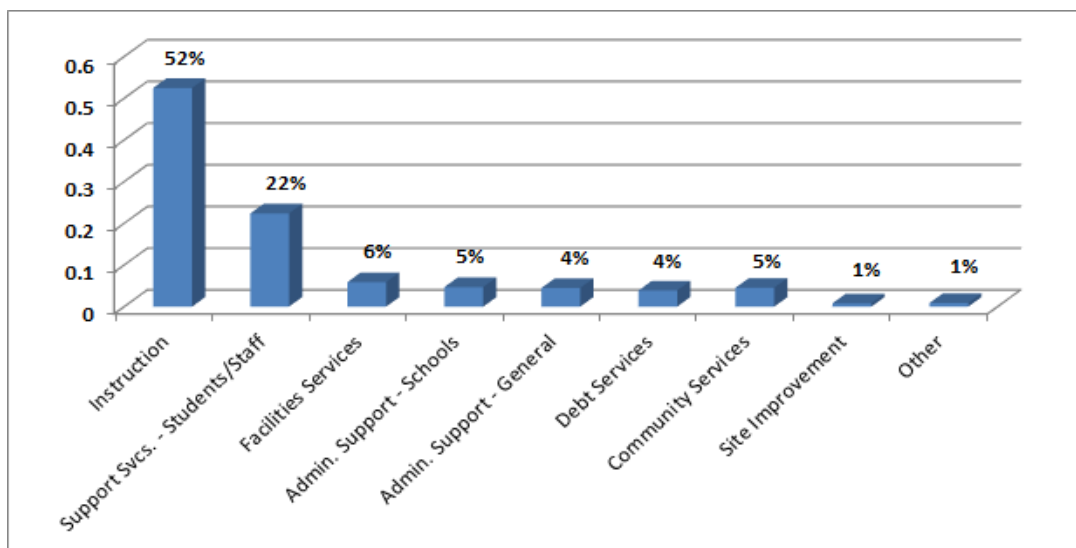
Community Services - includes community childcare, Head Start, and school childcare services

Debt Service - includes principal and interest payments related to bonds previously sold by the District

Site Improvement - includes capital expenditures related to projects funded by budget appropriations and bond proceeds

Other - includes non-programmed charges, out-of-district tuition, certain benefits and other miscellaneous items.

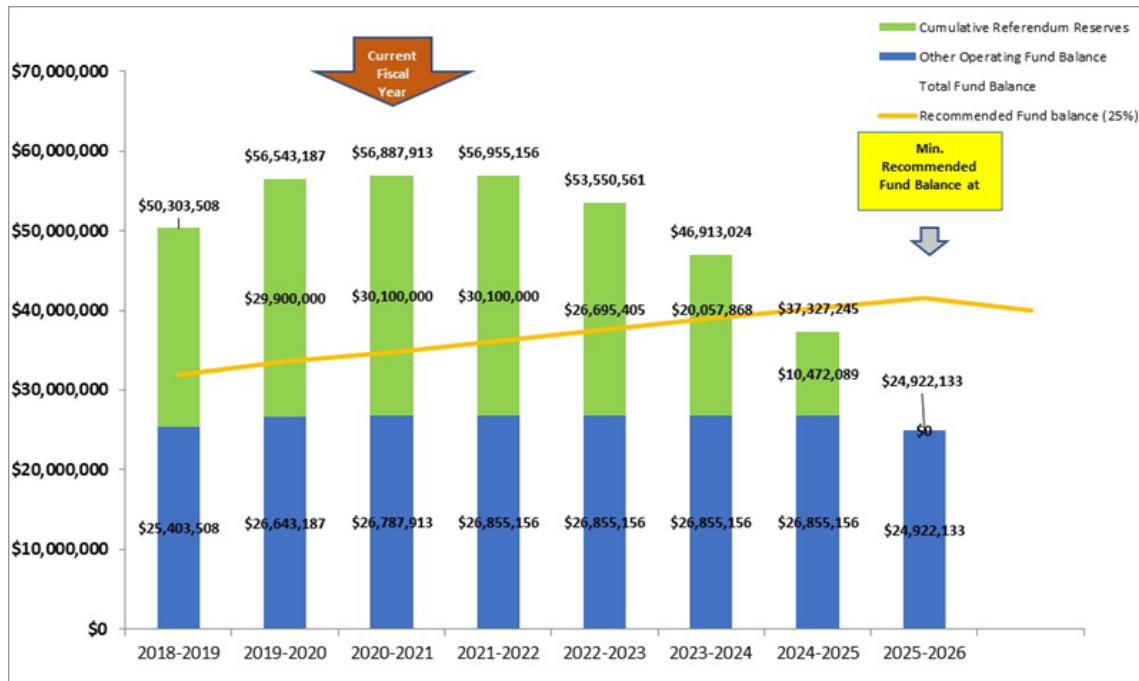
As illustrated in the chart below, 52 percent of the district's budget is devoted to instruction and 22 percent is spent on direct student services. School administration accounts for five percent and General Administration services account for four percent. Six percent of the budget is spent on maintenance and improvement of the the District's facilities.



FUND BALANCE AND FUTURE FINANCIAL CONCERNS

Fund Balance

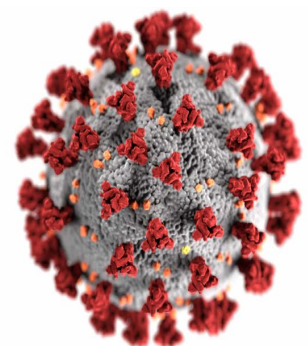
District 65's fund balance has been improving slowly. Bond ratings agencies and good business practice require a fund balance to be between 25 to 40 percent of a district's budget. The chart below illustrates the district's current operating fund balance and projections.



COVID-19 Impact on the District's Budget

The impact of the COVID-19 pandemic and economic fallout is affecting the current fiscal year and may affect future years. Below listed are additional expenditures incurred to mitigate the impact of the pandemic and to facilitate remote learning.

- Personal Protective Equipment (PPE) for students and staff
- Additional facility cleaning and upgrades related to COVID
- Instructional materials and software related to remote learning
- Additional meal expenditures provided to the District's families
- Increased technology expenses for computer devices and infrastructure
- The District is estimated to receive \$0.8 million in CARES federal funds

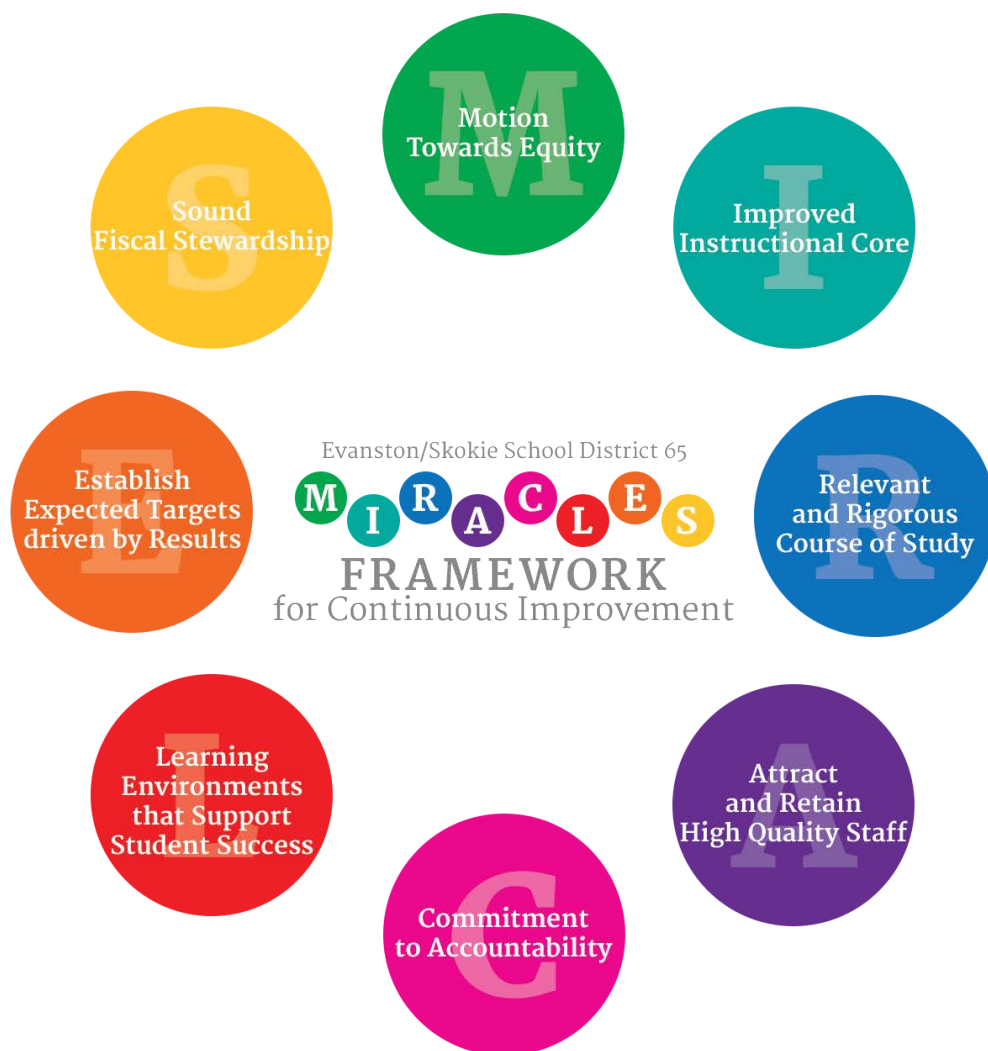


OVERVIEW

Beginning in the 2020-2021 school year, Evanston/Skokie School District 65 is implementing a set of bold strategies to increase student achievement. This work takes a robust, collective approach across the entire district, all schools, and throughout the city. The MIRACLES framework creates a pathway to truly live out the District's mission and values.

By using the word MIRACLES as an acronym, the District is able to seamlessly align priorities with the values important to our community. Each letter represents a principle or belief in the form of a tenet. Each tenet has a minimum of 5-7 indicators that are research-based strategies for school improvement in the areas of equity, the instructional core, rigorous materials, learning targets, accountability structures, and sound financial planning.

MIRACLES represents the District's commitment to continuous improvement through a formal plan which incorporates district-wide priorities established in the 2019-2020 school year as well as other data sources.



2020-2021 SCHOOL YEAR

CONTACT US

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SCHOOL DISTRICT 65**