



# EVANSTON/SKOKIE SCHOOL DISTRICT 65

## Budget-at-a-Glance

2018-2019 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 for the 2018-2019 fiscal year and is considered supplemental to the full budget document. The Budget-at-a-Glance and other financial documents can be found on the District 65 website at [www.district65.net/business](http://www.district65.net/business).

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## LETTER FROM SUPERINTENDENT

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Dear Staff, Families, and Community Members:

On August 27, District 65 welcomed our students, families and staff to the 2018-2019 school year. Together, with our principals, teachers, staff and community, we will be focused on providing our students with a positive, stimulating and equitable learning experience. As noted in our mission statement, we want every child to succeed so they can grow personally as individuals and contribute positively to a global society.



We thank our District 65 families and citizens of Evanston for approving the operating rate referendum in April of 2017. The referendum is providing much needed financial support to our schools and puts the District in a much better financial position. For the first time in decades, the District's fund balance has exceeded 30 percent. Despite many uncertainties on state and federal fronts, the District will preserve referendum reserves, which will allow the District to stay deficit free through fiscal year 2024-25. We are hoping, however, to stretch the referendum funding well beyond that year.

We are excited to begin the new school year knowing that we can preserve our existing investments in small class sizes, strong curriculum and intensive support for striving students. The budget is a statement on the District's priorities. We believe the 2018-2019 budget will allow us to continue working on our most important priorities: commitment to promoting equity for all of our students, social emotional learning, and culturally relevant pedagogy. Our goal is to elevate academic achievement of all of our students.

The District will continue to reach out across our community to provide transparent and comprehensive financial information. Budget documents developed in recent years - the Budget at-a-Glance document, which is a supplemental document to the full budget and the Annual Budget Book - will be updated annually. An Annual Financial Report, which provides a summary of the most recent year, 2017-18, will be updated and distributed to the citizens of Evanston and Skokie in upcoming months. The District's website is a great resource of information about our strategic priorities and budget. I encourage you to visit it for more information on District business services and related financial information at [www.district65.net/business](http://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,

Paul D. Goren  
Superintendent of Schools

# BUDGET PROCESS

Each year, the District 65 Business Office must create a budget that reveals the district’s revenues and expenditures and it must make its annual budget available for public inspection. 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).

The 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

Suni Kartha  
*President*

Anya Tanyavutti  
*Vice President*

Candance Chow  
*Member*

Lindsay Cohen  
*Member*

Joey Hailpern  
*Member*

Sergio Hernandez  
*Member*

Rebeca Mendoza  
*Member*

District 65 is governed by the Board of Education comprised of seven locally-elected members. 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**



**7,548**  
**Total Enrollment**



**726**  
**Teachers**



**\$14,266 Per Pupil**  
**Operational Spending**



**39%**  
**Low-Income**  
**Students**



**13%**  
**Students with**  
**Disabilities**



**13%**  
**English**  
**Learners**



**7%**  
**Student**  
**Mobility**

### Racial/Ethnic Diversity

**43.9% White • 23.5% Black • 19.3% Hispanic • 4.4% Asian**  
**0.2% American Indian • 8.5% Two or More Races • 0.1% Pacific Islander**

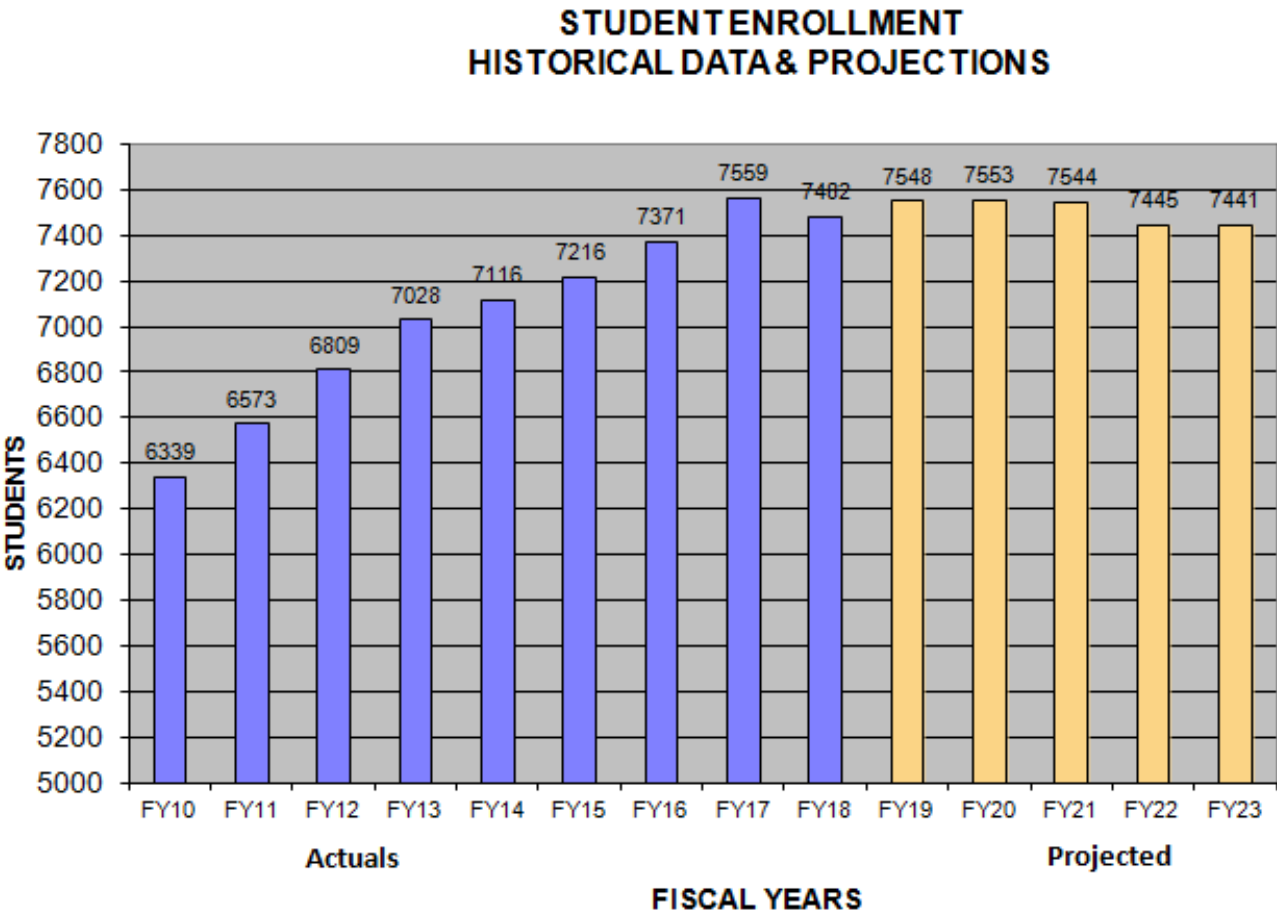
**District 65 students speak 62 languages!**

\*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. However, projections indicate future enrollment will be steady, as illustrated in the graph below.

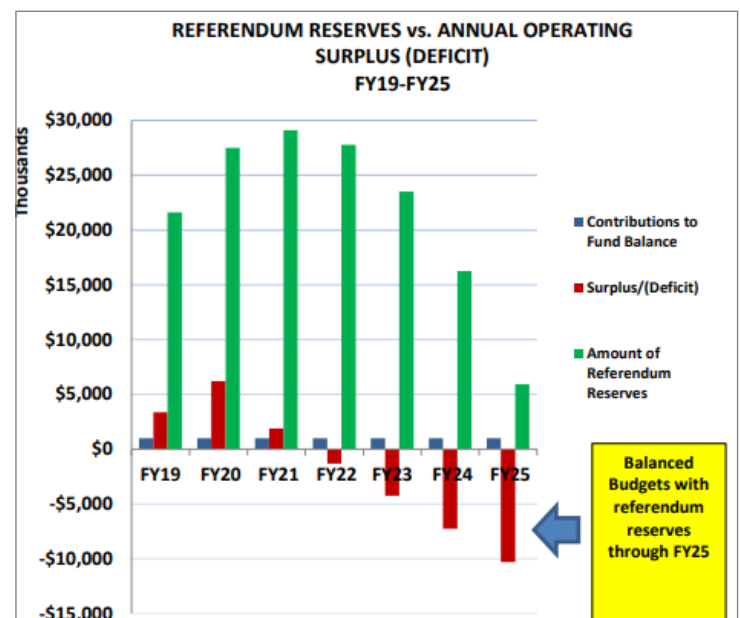
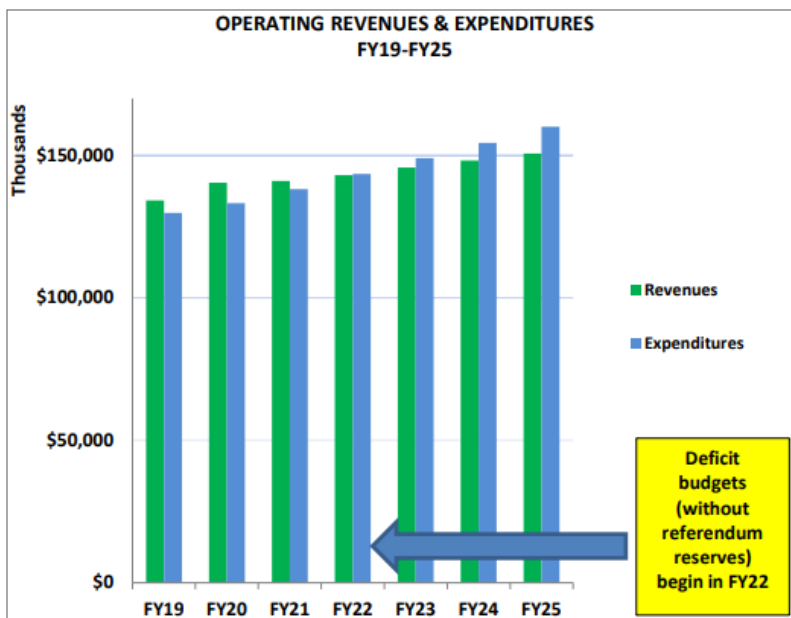


## 2018-2019 BUDGET HIGHLIGHTS

- The FY19 Budget is the 17<sup>th</sup> consecutive balanced budget filed by District 65. The law requires school districts to pass a balanced Operating Fund budget annually.
- The budget is aligned with the district's priorities and strategic initiatives.
- Student enrollment is projected to increase by 66 students to 7,548 students (not including Park, Rice, and pre-kindergarten students). The budget supports the District's strategic plan and instructional and operational goals.
- The budget includes updated revenue and expenditure assumptions. The budget also includes additional instruction and student support positions due to enrollment/programmatic changes and the District's top priorities.

FY19 OPERATING BUDGET SUMMARY	AMOUNT
OPERATING REVENUES	\$134,231,253
OPERATING EXPENDITURES	\$129,871,735
<b>SURPLUS/(DEFICIT)*</b>	<b>\$4,359,518</b>

\* The FY19 operating surplus includes referendum reserves which will be used to offset future deficits.



## REVENUE SOURCES

FY19 operating revenues are projected to decrease by five percent to \$134.2 million (in comparison to FY18 actuals). Revenues come from the following sources:

**Property Taxes** are paid by Evanston and Skokie property owners to several governmental agencies and are the largest revenue source for District 65. Property Taxes account for 78 percent of revenues and include referendum funds.

**Corporate Personal Property Replacement Taxes (CPPRT)** are part of state income taxes and are paid by Illinois businesses. CPPRT accounts for \$2.1 million or two percent of operating revenues.

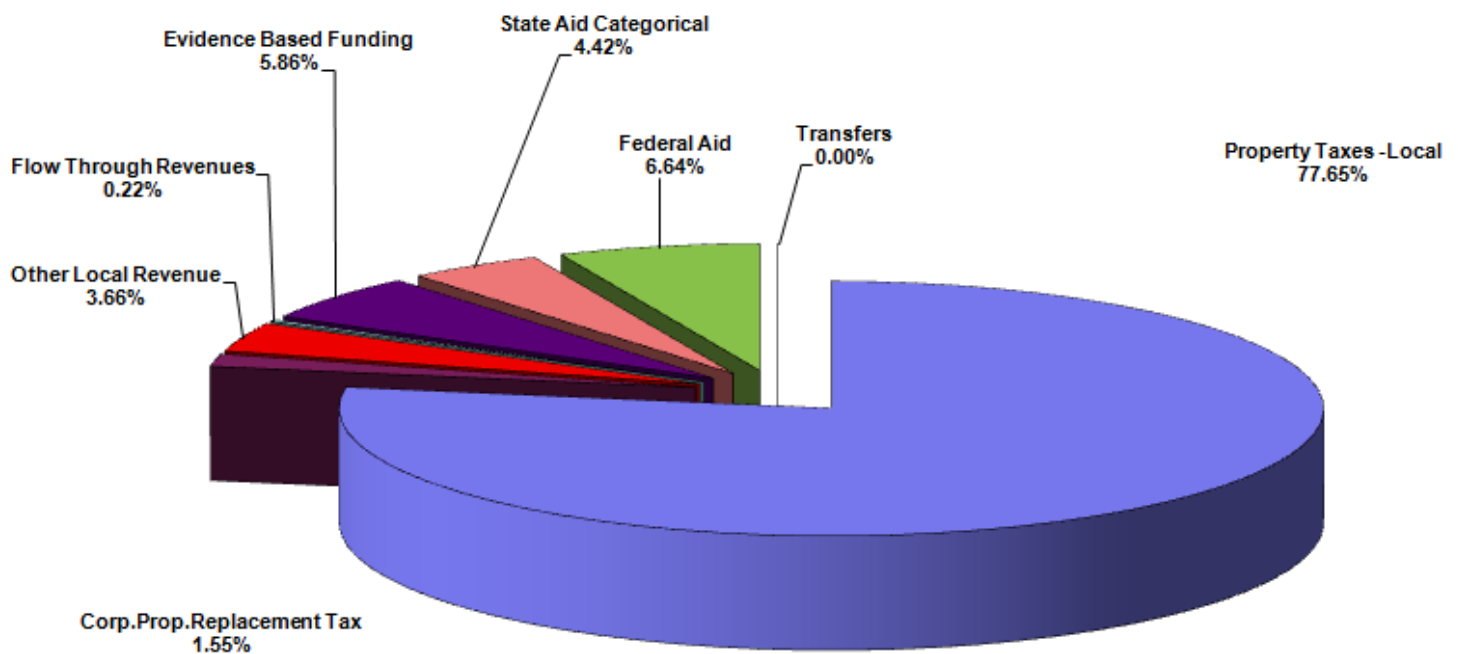
**Other Local Revenues**, which include interest income, lunch sales revenue, student and childcare fees, E-rate reimbursements, permit revenue and other local revenues total \$4.9 million or four percent of the budgeted revenues.

**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 \$13.8 million or ten percent of budgeted revenues.

**Federal Revenues**, which include title grants, Medicaid and Head Start grants, account for \$8.9 million or seven percent of the revenues.

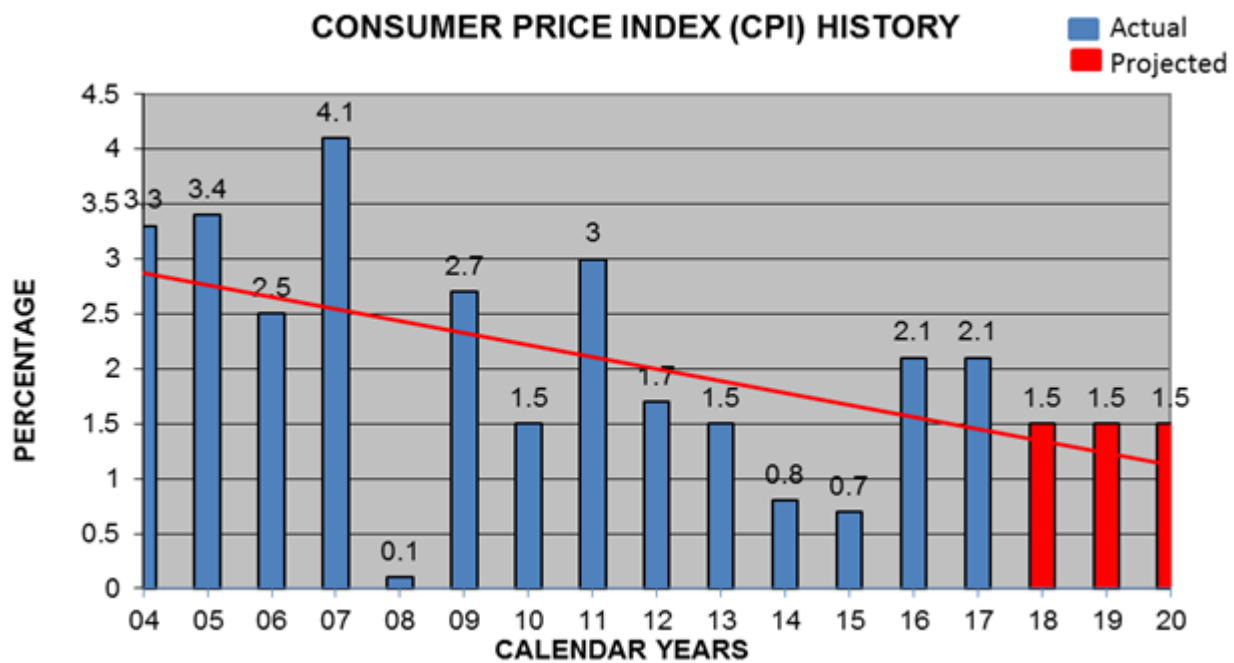
### OPERATING FUND REVENUES BY SOURCE FISCAL YEAR 2018-19





## 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 2000.

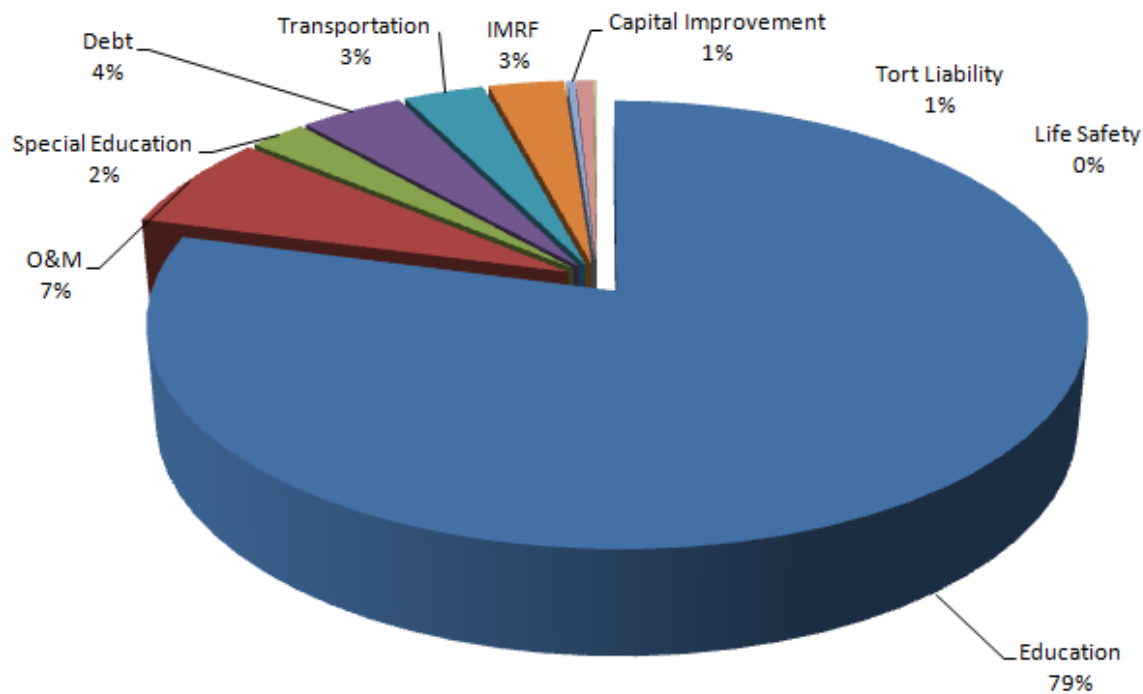


The CPI has been extremely low, with a record low in 2008, which adversely affected district finances beginning in fiscal year 2010 by severely limiting District revenues. In addition to the low CPI factor, property tax refunds have been a concern averaging approximately \$3 million per year and eroding this limited revenue source even further. Property taxes in FY19 will be subject to the 2016 CPI of 2.1 percent. The FY19 budget assumes modest property growth.

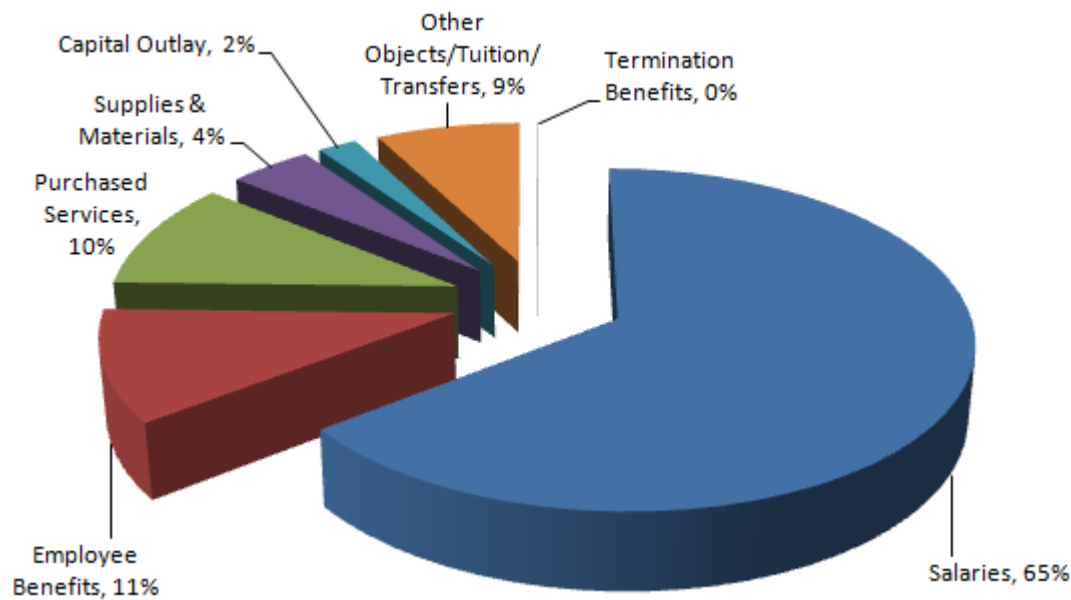
Evidence Based Funding, which replaced General State Aid, is projected to remain the same assuming student enrollment is stable. Under the new formula, instead of funding all students the same amount of money, students are funded based on individual needs.

# 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 (79 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, superintendent’s office, and communications office

**Facilities Services** - includes building operation and maintenance services, warehousing, and other sundry services

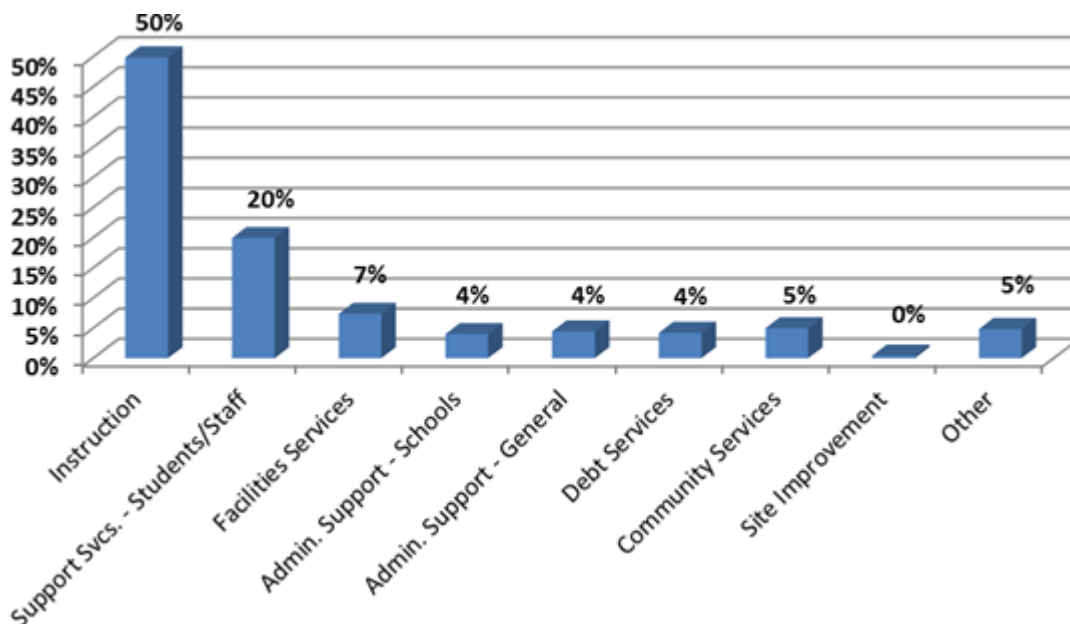
**Community Services** - includes community childcare, Head Start, and before and after school childcare services

**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 bond proceeds

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

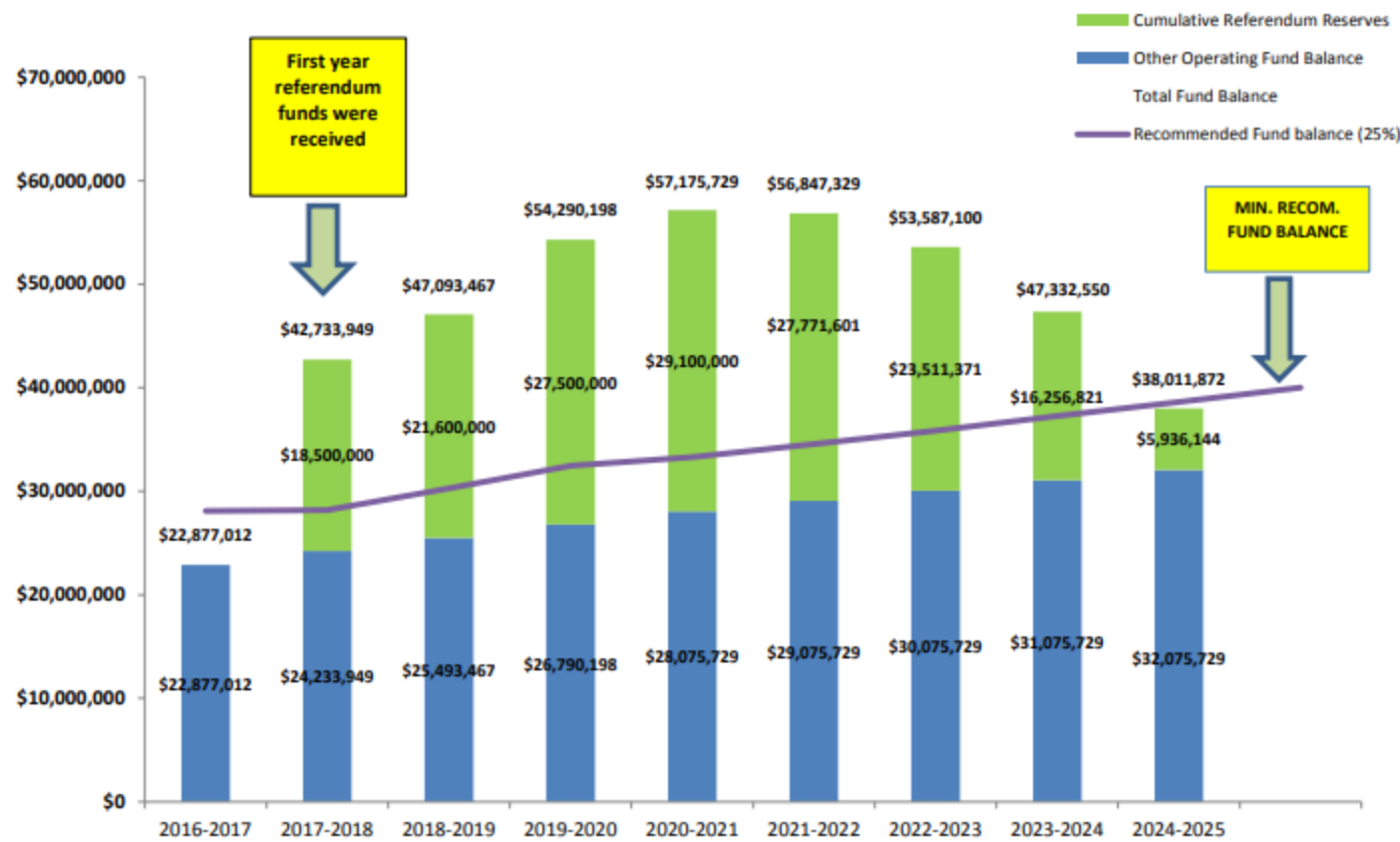
As illustrated in the chart below, more than half of the district’s budget is devoted to instruction.



# FUND BALANCE AND FUTURE FINANCIAL CONCERNS

## Fund Balance

District 65’s fund balance continues to be underfunded. Bond ratings agencies and good business practice requires a fund balance to be between 25 to 40 percent of a district’s budget. The chart below illustrates the district’s operating fund balance.



## Future Financial Concerns

- Cost of salaries and benefits (current employee contracts and agreements expire at the end of FY19)
- Cost of services and utilities
- Potential pension cost shift and property tax freeze
- Funding of Federal Aid

# DISTRICT 65 STRATEGIC PLAN: FOCUSING ON EQUITY

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## HIGH QUALITY TEACHING AND LEARNING

**GOAL: Prepare students for high school and beyond in an environment of innovation and continuous improvement through high quality teaching that addresses the needs of each learner.**

Teaching and learning is at the core of our strategic plan. When the plan was adopted, our efforts in this area focused primarily on updating and improving core curriculum and instructional resources. Moving forward, we are building on this work by applying a culturally relevant and responsive lens to our instruction to further strengthen the instructional core. This means taking steps to make sure children of all social identities see themselves in the curriculum and that teachers are prepared to teach in new ways that reach all students.

## THRIVING WORKFORCE

**GOAL: Foster a collaborative, creative, and inclusive workplace that attracts, develops, and actively supports the best talent.**

In 2018, our Thriving Workforce goal is as relevant as when it was written in 2015. Student learning is dependent on the talents and passions of more than 1,500 outstanding educators, administrators, and support staff members who make District 65 their professional home. A thriving, diverse workforce skilled in working in a multi-cultural environment is essential to our overall goal of closing the racial opportunity gap. We are focused on building a workforce that is representative of our students and composed of individuals who respect and value the many cultural identities of our students and families.

## FAMILY AND COMMUNITY ENGAGEMENT

**GOAL: Cultivate and strengthen intentional and meaningful partnerships with all families and community agencies to support academic success and healthy development of all students.**

Our families represent a wide range of racial, ethnic, economic, and cultural backgrounds. As a public school district, we have a responsibility to create safe and inclusive schools that welcome the many perspectives and celebrate the strengths of individuals of all social identities. We recognize that we must address the concerns that have been raised about inclusivity, respect and access based on racial and other social identities. To do this, we are offering foundational racial literacy training for our staff and families and building a more culturally responsive service model at the district level. We are also working to provide opportunities for families and connect them to services that meet their immediate needs and build stronger long-term school-family partnerships.

## SAFE AND SUPPORTIVE SCHOOL CLIMATE

**GOAL: Ensure all District 65 Schools have positive school climates built upon clear and equitable policies and practices where all members of the school community feel emotionally and physically safe, included, and accepted.**

A positive school climate supports students not only in their academic pursuits but also their holistic development. At the district- and school-level, our work is focused on promoting positive school climate by changing the rules and practices that influence how adults and students interact in schools. At the classroom-level, we are working to provide opportunities for students to build the skills they need to navigate and create positive learning climates. Together these actions will both build valuable skills for individual students and transform the environment in which all students learn.

## FINANCIAL SUSTAINABILITY

**GOAL: Ensure long-term financial stability of the District with resources aligned to priorities.**

Financial sustainability is the foundation that supports the high-quality instruction, programs, and services that we provide to students in our district. As we work to make significant changes to our system to advance racial equity, we must maintain the resources necessary to support our vision and adequately allocate those resources to our top priorities. With the passage of the recent referendum, we will be able to pursue the vision outlined in this document for the next eight years or more. However, we must be forward-thinking to ensure that we are in a stronger position at the end of the eight years than we were at the outset of the strategic plan.

# STUDENT ACHIEVEMENT

## DISTRICT 65 PROGRESS ON ACHIEVEMENT GOALS FOCUS REMAINS ON RACIAL AND EDUCATIONAL EQUITY



### COMMITMENT TO PROGRESS

District 65 has a small but continued downward trend in the percent of students meeting college readiness benchmarks in both subjects

The number of students making expected gains increased, especially in math.

The number of students at or below the 25th percentile decreased in both subjects.

GOAL	% OF STUDENTS	READING		MATH	
		2017-2018	CHANGE FROM 2016-2017	2017-2018	CHANGE FROM 2016-2017
1	Meeting college readiness benchmarks	59.8%	-0.6% ↓	55.3%	-1.0% ↓
2	Making expected gains	37.2%	+1.2% ↑	54.6%	+6.0% ↑
3	At or below the 25 <sup>th</sup> percentile	15.1%	-1.4% ↓	15.5%	-2.4% ↓
4	Subgroups making progress*	2 of 5 ↑	1 of 5	3 of 5 ↑	2 of 5

### COMMITMENT TO EQUITY

Three of five student demographic groups (FRL, Latinx, IEP) showed a positive one-year trend in math CRBs, compared to two of five groups in the previous year.

Two of five student demographic groups (Black, IEP) showed a positive one-year trend in reading CRBs, compared to one of five in the previous year.

BY STUDENT SUBGROUP*	% OF STUDENTS MEETING COLLEGE READINESS BENCHMARKS (CRB)	READING		MATH	
		2017-2018	CHANGE FROM 2016-2017	2017-2018	CHANGE FROM 2016-2017
Black/African American Students		32.0%	+1.0% ↑	20.7%	-1.4% ↓
Hispanic/Latinx Students		35.1%	-1.0% ↓	35.8%	+1.0% ↑
White Students		82.2%	-1.6% ↓	79.2%	-1.7% ↓
Students with an IEP		18.4%	+1.9% ↑	17.4%	+1.5% ↑
Students who qualify for free/reduced lunch		29.6%	-0.1% ↓	27.0%	+0.5% ↑

Results showing trends over longer time periods are posted on [district65.net/Page/1220](http://district65.net/Page/1220).

The District is currently off track on all four of its 2020 strategic plan outcome goals despite the results outlined above.

\*Only student demographic groups representing 10% or more of D65 students are reported. It is important to note that Asian, Native American, and Pacific Islander families are important members of D65; through no fault of their own, their underrepresentation in Evanston/Skokie does not always allow for reporting on academic measures.

## **CONTACT US**

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Visit us online

[www.district65.net](http://www.district65.net)



**EVANSTON/SKOKIE  
SCHOOL DISTRICT 65**

Every Child, Every Day, Whatever It Takes