FY27 Tentative Budget

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August 31 2026

EVANSTON/SKOKIE
SCHOOL DISTRICT 65

Every Child, Every Day, Whatever it Takes

FY27 operating expenditures exceed revenue by $5.1 million



REPORTED OPERATING DEFICIT

($5.1M)

RECURRING DEFICIT EXCLUDING FOSTER

($1.45M)

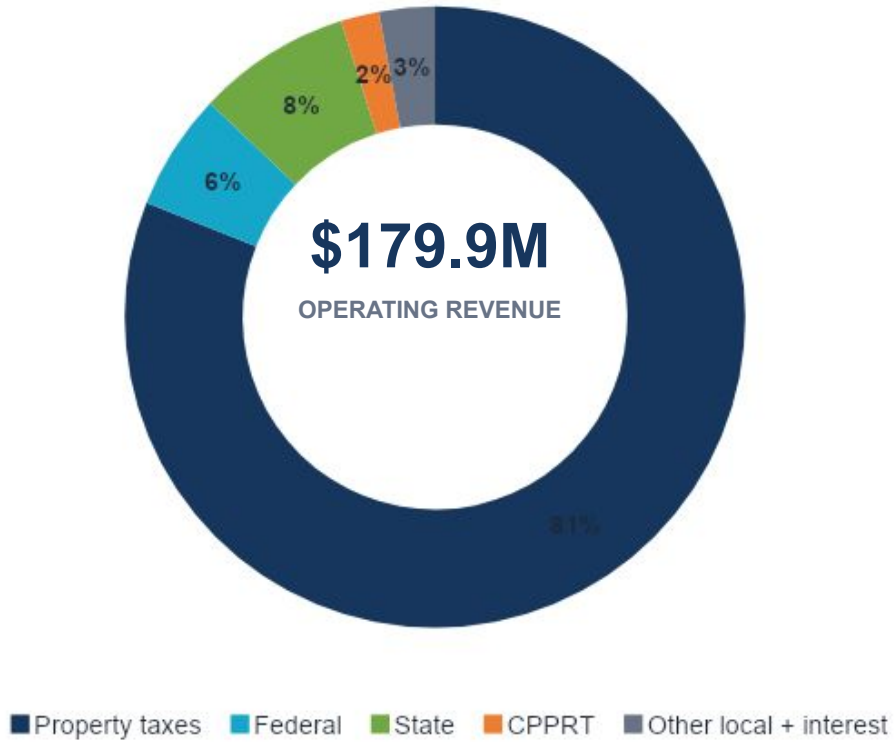
ONE-TIME FOSTER CLOSEOUT

$3.625 million

Included in the reported operating result

All-funds surplus reflects restricted Health Life Safety bond proceeds and is not a measure of recurring operating performance.

Property taxes provide 81% of operating revenue



Revenue source	FY27	Share
Property taxes	$145.7M	81.0%
Federal	$11.1M	6.1%
State	$14.4M	8.0%
CPPRT	$3.6M	2.0%
Other local + interest	$5.1M	2.9%

+$9.05M | +5.3%

Increase over FY26 unaudited actual revenue

Salaries and benefits represent nearly 75% of operating expenditures



SALARIES

$113.8M

EMPLOYEE BENEFITS

$24.1M

TOTAL COMPENSATION

$137.9 million

Nearly 75% of operating expenditures

- Purchased services: $15.3M
- Transportation: $9.6M
- Tuition and Park School: $7.3M
- Capital transfers: $6.0M

FY27 reflects significant reductions, but major costs offset the progress

SAVINGS AND BUDGET IMPROVEMENTS

- $6.3M in approved estimate expenditure reductions
- Additional compensation savings from attrition and vacancies
- Several transportation routes consolidated
- Outplacement and Park costs projected $1.8M below FY26 actuals
- Grant funding used where allowable before local funds

OFFSETTING FINANCIAL PRESSURES

- $3.625M one-time Foster closeout
- $2.5M reduction to projected property-tax revenue
- Salaries and benefits remain the largest recurring cost drivers
- Transportation and special education remain high
- Fund balance remains below the 25% goal

The updated budget provides a more accurate FY27 baseline, but it does not resolve the structural financial imbalance.

Early indicators warrant a closer review

Salary and Benefits make up 75% of total operating expenses

WHAT WE ARE VALIDATING

- Complete and reconcile FTE and staffing data
- Project employees through applicable salary schedules
- Analyze salary and benefit growth separately and together
- Apply accurate, conservative assumptions through FY32

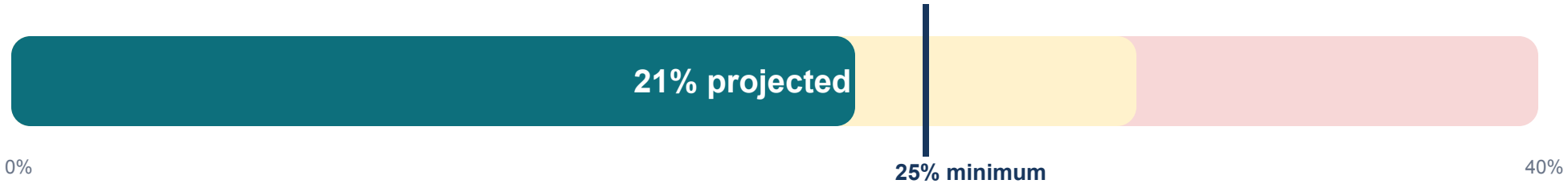
WHY IT MATTERS

A realistic projection is necessary to understand future obligations early enough for FY28 and beyond.

No conclusions will be reached until staffing, salary-schedule and benefit data are validated.

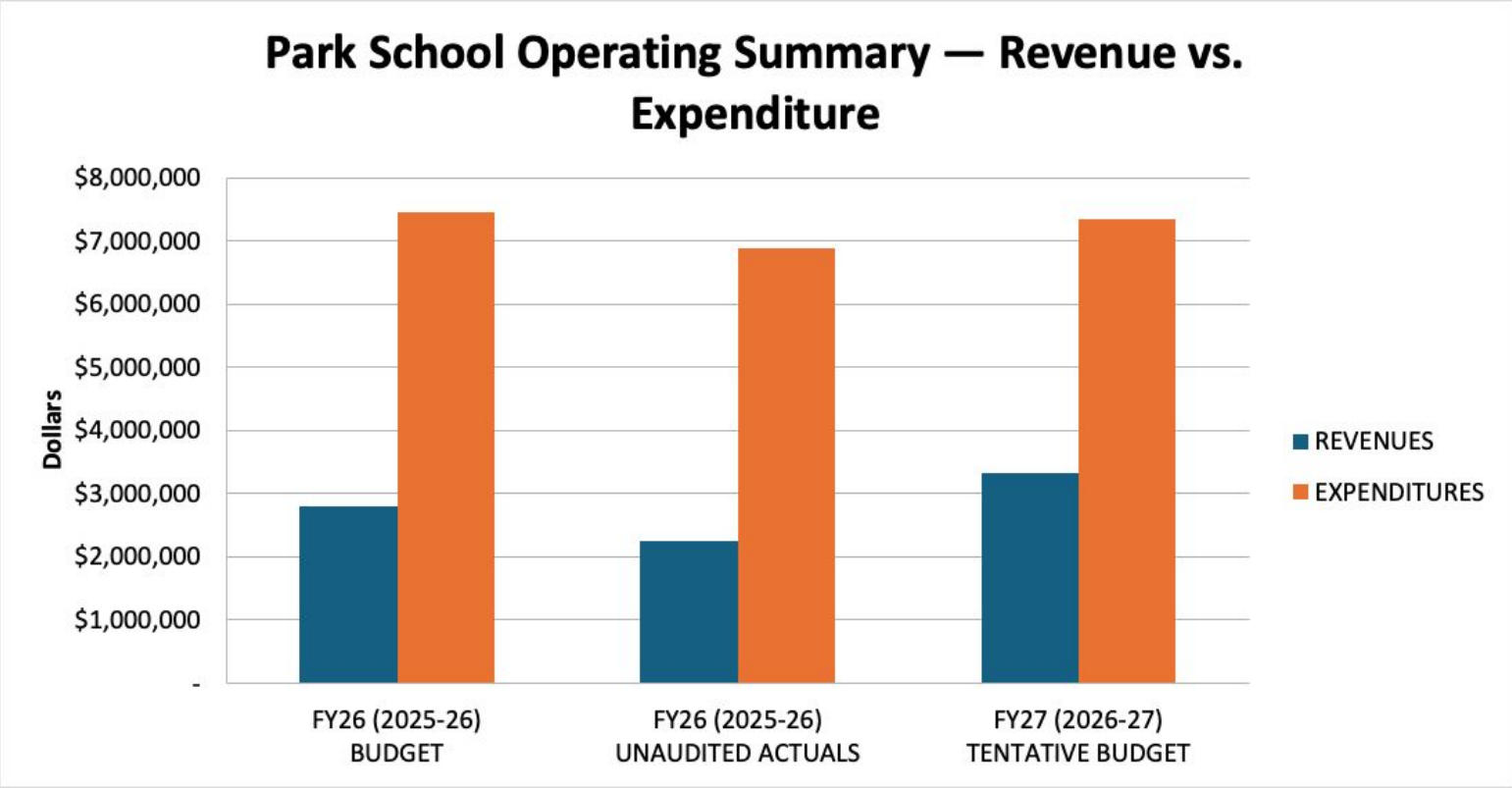
FY27 fund balance is projected below the District's 25% goal

ENDING OPERATING FUND BALANCE	PROJECTED FUND BALANCE	APPROXIMATE LIQUIDITY	AMOUNT BELOW 25% GOAL
~~$40.8M~~	~~22.1%~~	~~81 days~~	$5.4M
Revised $39.3 M	**21%**	**77.5 days**	



Fund balance as a percentage of operating expenditures

FY27 Tentative Budget Park School - District 65/202



TENTATIVE OPERATING REVENUES IN FY27

$3.3M

TENTATIVE OPERATING EXPENDITURES IN FY27

$7.3M

PROJECTED OPERATING DEFICIT

($4.0M)

FY27 establishes the baseline for the District’s financial work ahead

BOARD ACTION REQUESTED

Approve the resolution placing the FY27 Tentative Budget on public display and authorize the September 28 public hearing.

AUGUST 31

Tentative budget

Board action and public display

PUBLIC REVIEW

30-day inspection

Continue validation and adjustments

SEPTEMBER 28

Final adoption

Public hearing and Board action

During FY27: monitor staffing, benefits, transportation and special education; complete the FY28–FY32 projection; and develop a comprehensive plan to align recurring expenditures with recurring revenue.

Questions & Discussion



Questions?

Let's discuss the proposed budget baseline and next steps.

We welcome feedback on the tentative savings, offsetting pressures, or the timeline leading to final adoption on September 28.

KEY CONTACTS & RESOURCES

Business & Finance Office

Evanston/Skokie School District 65
Email: millere@district65.net

Public Inspection Period

Available for 30 days starting August 28, 2026

Upcoming Public Hearing

September 28, 2026 — Final Budget Adoption