Making the Grade







Budget at a Glance



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Introduction

This publication has been prepared for the purpose of assisting the community in understanding the budget of Golf School District 67 for the fiscal year 2014-2015. The Budget at a Glance is a supplement to the full School District 67 budget, which is also available to the community. Please contact the District Business Office at 847.966.8200 for more information or visit the Business Office page of our website at www.golf67.net.

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Letter to the Community

Dear Community Member,

Golf School District 67 is proud to be part of a community that values education, its children, and its future. As leaders of District 67, we take seriously our responsibility to educate our students and to provide sound financial planning for our school district. Our goal is to utilize resources on improving instruction and enhancing the day-to-day interaction between staff and students. We work hard to prioritize responsible District funding by allocating and reallocating resources to serve our schools in the most effective way.

The "Making the Grade" Budget at a Glance booklet continues our community conversation about fiscal accountability and student achievement. To help put all the facts and figures into perspective, this booklet explains where our schools get their funding, how those funds are spent, and explains our financial and instructional future path. You will see that District 67 truly is "making the grade."

Golf School District 67 will continue to honor the community's values and priorities, and we look forward to working with our community as partners in education.

Sincerely,

But Sayet Flores
Dr. Beth Sagett-Flores

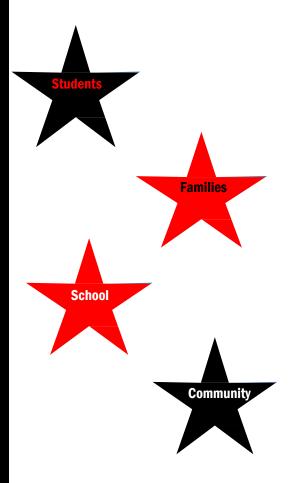
Superintendent



John Reiniche
Business Manager



District 67 Mission & Vision



Our Mission:

Inspire Lifelong Learners, Create Successful Citizens

We Believe:

Educate and inspire the whole student through dynamic and challenging learning experiences so they can:

- Be college and career ready, equipped to compete in a global, diverse world,
- Take responsibility for their own learning and be accountable for their results,
- Think creatively and critically, communicate clearly, collaborate, and problem solve, and
- Engage technology to evaluate and manage information for research, creative expression, and applications that further learning.

"A sophisticated management team that has implemented key financial and operating best practices and it is expected the new management team will continue to formalize policies and engage in best operating practices that will aid in the maintenance of a healthy financial position over the medium to long term." - Moody's Credit Rating Services, September 18, 2014

Business Office Mission & Vision

Business Office Mission:

The mission of the Business Office is to continuously improve the quality of financial services to all internal and external partners of Golf School District 67 through timely communication, accurate financial data, and effective use of resources.

Business Office Vision:

The Business Office will provide the highest quality financial and operational services to support all students in an effort to help them achieve their highest potential.

Business Office Guiding Principles:

- Students First: We consider the impact on students when making all decisions.
- <u>Community Dedication</u>: We listen to our community so that we may provide the highest level of service, and we conduct our business with honesty and integrity.
- <u>Communication</u>: We share information regularly through meetings, e-mails, publications, our website and other means. We always welcome questions and comments to serve our community better.
- <u>Financial Stewardship</u>: We make efficient and effective use of all our funding, including taxpayer dollars.
- <u>Productivity</u>: We work together to complete tasks in a timely manner, and continue to review our processes to maximize our efficiency.
- Quality: We seek ways to continuously improve the quality of our work and services we provide to our shareholders.

District Demographics

The District, located primarily in the Village of Morton Grove in northern Cook County, Illinois, was founded in 1908 and is approximately 15 miles north of downtown Chicago. The District serves the Villages of Morton Grove, Niles, Glenview, and Skokie. Our District is comprised of two schools and serves approximately 547 students in Early Childhood through Eighth grade. According to the most recent Illinois Standards Achievement data (2013), the following are District 67 demographics:

D ! - I	/Edlam: -	Description	
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•	White	51.0%
•	Asian	34.1%
•	Hispanic	09.7%
•	Black	02.4%
•	Multiracial/ethnic	02.4%
•	Native American	00.2%
•	Pacific Islander	00.2%

• Attendance Rate 96.4%

Teachers with

Bachelor's Degrees 17.5%Master's Degrees 82.5%

• Pupil-Teacher Ratio 15:1

• Average Teacher Salary \$90,367

Average Teacher Experience 13.8 years

Instructional Expenditure per Student \$7,872

• Operational Expenditure per Pupil \$14,095



Board of Education Members



Mrs. Louise Karlin Board President

Served since 2007

NSAB NAAN Negotiations Hynes School Improvement PTA Representative (Alternate)



Mr. Bob Clark Board Vice President

Served since 2010

NTDSE (Alternate) Finance and Facilities



Ms. Samina Hussain Board Secretary

Served since 2007

ED-RED (Alternate)
Community Engagement
Policy
PTA Represenative



Dr. Jennifer HirschBoard Member

Served since 2013

IASB/NSBA (Alternate) Community Engagement Policy (Alternate)



Dr. Ashwini KumarBoard Member

Served since 2007

ED-RED Negotiations (Alternate)



Mr. Thomas Sikoral Board Member

Served since 2013

IASB/NSBA Finance and Facilities Community Engagement (Alternate) Golf School Improvement



Mr. Richard A. Toth Board Member

Served since 2011

NTDSE Finance Facilities (Alternate) Negotiations Policy

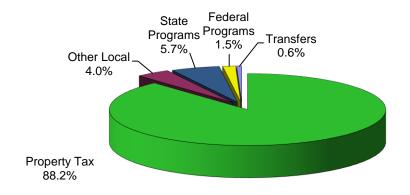
2014-15 Budget Highlights

- ♦ In September 2014, the Board of Education adopted an operating budget that is comprised of \$9,223,739 in revenues and \$9,100,513 in expenditures, which will yield a surplus of \$113,226 for the school year 2014-2015.
- ♦ With the effective implementation of the Superintendent's cost control measures and the recently approved teacher contract, this budget reflects the restoration to some programs that were eliminated two years ago. Programs restored include music, art, physical education, special education, RtI, clubs and activities.
- ♦ The TRS rate for federal grants for this year's budget has been set at 35.41%. The strategy implemented with this budget was to limit the amount of certified salaries included in the grant proposals.
- ♦ With the addition of a new Audi car dealership, the District is expected to see a boost in its new property of \$11.5 million in market value possibly this year. In addition, the Village of Morton Grove passed a resolution creating a new source of revenue from one of its TIF Districts. The Village passed a resolution to have a percent of sales tax from the TIF be dedicated to supporting Golf School District 67.
- ♦ The budget has had to absorb an unprecedented amount of PTAB refunds. In the past ten years, the District refunded almost \$1.4 million dollars in PTABs.
- ♦ As an investment of technology for our students, the technology budget will provide \$152,000 in resources this year.
- ♦ The District belongs to an insurance cooperative. This year's renewal increase for our medical plan was 1.0% and 1.5% for our dental program.
- Even with the challenges of the adverse economic conditions, it appears this budget will allow the District to have a positive outlook and will still maintain its Moody's rating of A1. Having this rating means paying lower interest; this in turn allows more dollars into the classroom.
- ♦ The District will take advantage of the lower interest rates and refund the 2002 and 2006 long-term debt for savings. In addition, it will restructure its 2004 debt certificates. Currently, the debt certificates are paid from its operating funds. The restructuring will allow the District to rededicate approximately \$190,000 in operating resources to the student environment.
- ◆ Last year, the District received a Financial Profile score of 3.7 from the Illinois State Board of Education. This score places the District in the highest category for financial strength, labeled "Financial Recognition." State Superintendent Christopher Koch wrote a letter stating, "Given the economic difficulties school districts are facing, the State Board realizes this is a significant accomplishment."

Revenues - Sources

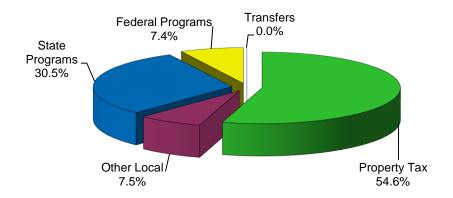
District Percentages

Golf School District 67's primary source of revenue is from property taxes. Over 88% of the District's revenue is generated from this source as the chart (right) illustrates.



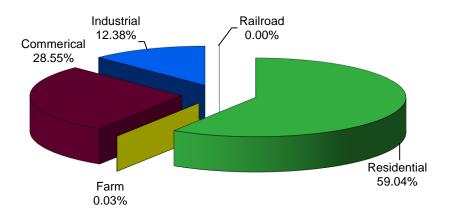
State Percentages

The averages indicate that property tax is the primary source of revenue for most school districts in the State of Illinois. However, the state average also indicates that is a much lower percent of revenue.



Property Tax Base

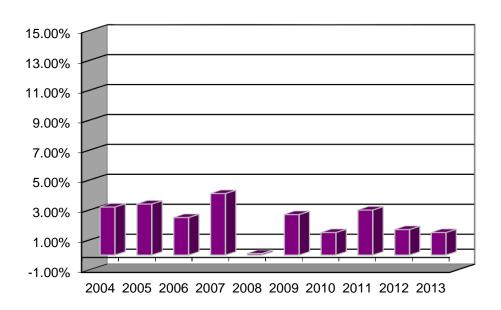
Golf School District 67 has the good fortune of a strong property tax base. The Equalized Assessed Valuation for the District has a good mix of property as the chart (right) illustrates.



Revenues - CPI / PTABS

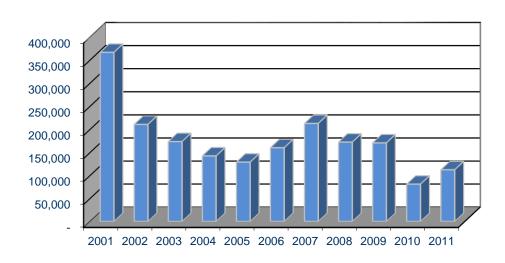
Consumer Price Index and Tax Cap Law

Over 80% of school districts in the State of Illinois are operating at a deficit. One of the biggest factors in that alarming percentage is the property tax cap. The property tax cap significantly limits the property tax extension to the annual change in the Consumer Price Index (CPI). The following is a chart of the CPI for the past ten years (right).



The Challenge of Property Tax Refunds (PTABS)

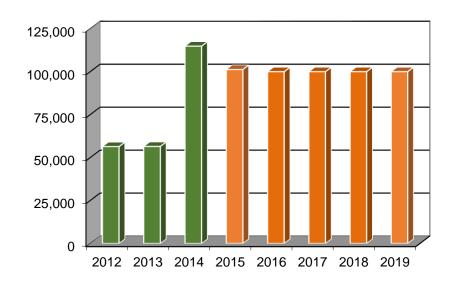
As you can see, the CPI has been an extremely low index as a limit on property taxes. In addition, the tax cap law does not take into account property tax refunds. In the past six years, Golf School District 67 has been hit with property tax refunds for a total of \$1,354,628. These refunds reduce the current property taxes and are not considered in the tax cap law. The chart (right) illustrates the last eleven years of refunds.



Revenues - Interest Income/Enrollment

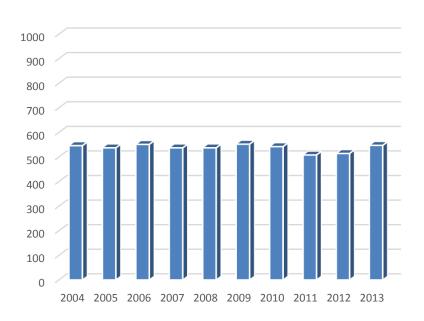
Interest Income

There has been a significant increase in interest income since fiscal year 2012. The major contributing factors to this increase are stronger District's reserves or fund balances, and Cook County timely distribution of property taxes. Interest income has been budgeted at \$101,300 for 2014-15. The last four bars in the chart at right indicate the projected interest income, which is expected to remain relatively flat.



Enrollment

In the school year 2013, the total enrollment for both schools was 547. It appears that enrollment is growth is flat and expected to remain stable for the next few years. As illustrated on the chart (*right*).



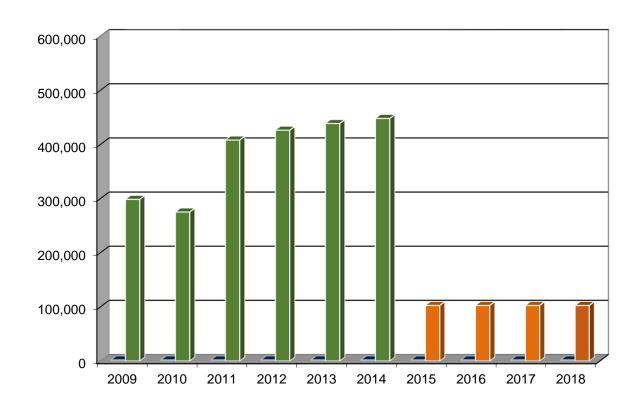
Revenues - State Funding Reform

Effects of Senate Bill 16 on State Aid

Illinois currently ranks 49th among the 50 states in the amount of funding the state provides for education, and the cuts keep coming. District 67 is already among those receiving very little in General State Aid (GSA). Last July, the Illinois Senate Education Funding Advisory Committee was tasked with recommending ways to improve public education funding in Illinois, which has remained unchanged since 1997. The result of the task force was the creation of Senate Bill 16 (SB16). If enacted into law, SB16 will make sweeping changes in how the state funds education. SB16 does not increase the level of education funding, but changes the way in which limited state funding is apportioned among school districts. All state funding, with few exceptions, would be combined under one funding formula. The Illinois State Board of Education has calculated the amount each school district would receive next year if SB16, as written, becomes law. District 67 would lose 78% of its state funding, or \$375,000 per year.

Golf School District 67 is a good financial steward of taxpayer's money. Of the 862 school districts in Illinois, the District operates slightly above the State average per pupil expenditure at \$13,426. The state average is \$11,842.

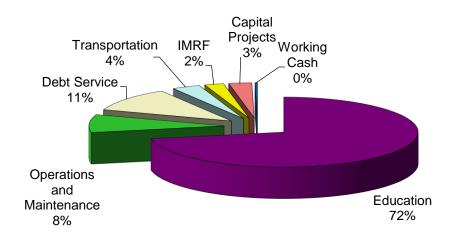
It is obvious that with the loss of \$375,000 in funding, District 67 would be put in a position to evaluate the services to our students. The District has already made changes to become more efficient, making it very lean in areas outside of the classroom. This additional \$375,000 would definitely impact the classroom.



Expenditures - By Fund & Object

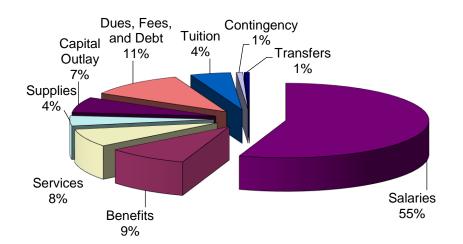
Expenditures by Fund

The District 67 budget is divided into seven categories, which are called funds. Each fund is established for a specific purpose or function. Schools can expend only the money available in each fund. Unless prescribed by law, money received in one fund cannot be used for expenses in another fund. The Education Fund is the District's largest fund. It contains 72% of all expenditures, which equates to approximately \$7,600,000. The next largest fund is the Debt Service Fund, and then the Operations & Maintenance Fund.



Expenditures by Object

When expenditures are considered by type, rather than fund, they are called objects. The largest object expenditure is salaries, which contains 55% of all expenditures, or in dollars, approximately \$5,800,000. The second largest object is benefits. Together, these objects equal 64% of the District's entire budgeted expenditures.

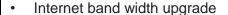


Investing in Technology/Green Initiatives

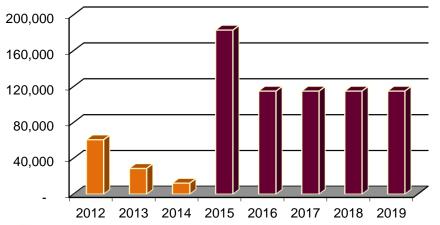
Continuing to Invest in Technology

District 67 remains committed to preparing students for the future by weaving technology into the curriculum. For the budget year 2014-2015 the District will undergo a technology upgrade. Common Core Standards call for integration of skills related to technology use, both critical analysis and production of media; the promotion of reasoning skills, critical reflection and thinking; and both conventional and innovative problem solving. We believe this effort will prepare our students for their future. For the 2014-15 fiscal year, the District will invest approximately \$150,000 in technology upgrades. It is projected that the investment in technology will continue to be strong for the next five school years, as indicated by the chart below.

Here are just some of the ways District 67 has taken technology to the next level for both staff and students:



- Interactive classroom solutions
- District-wide wireless connections
- New computer equipment





District 67 Continues Green Effort Greening

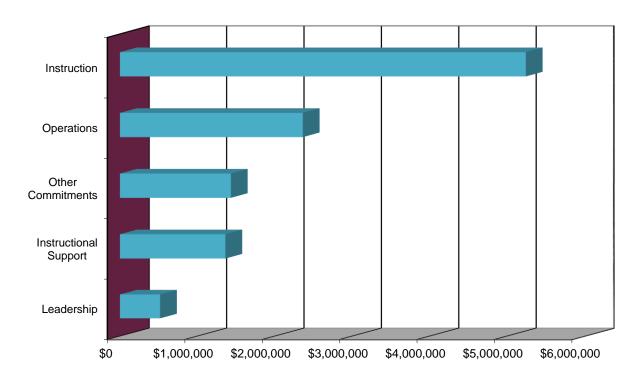
Golf School District 67 is proud to participate in the new Village Greening initiative for the Village of Morton Grove. This initiative provides residents, students, teachers, administrators, and visitors to our community a cooperative means to share common goals about using our resources wisely. Our monthly message will include specific topics for best practices and education. Watch the Village Newsletter, Park District Activity Guide, and the School District's Web sites and Newsletters for monthly topics and information.

The District is also participating in an energy assessment, which is being conducted by Smart Energy Design Assistance Center (SEDAC). The assessment will provide detailed recommendations and in-depth energy savings analysis.

The Bottom Line - Instruction Takes Priority

Instruction Takes Top Priority

The District has organized the entire budget into five operational categories that summarize how money is spent. Golf School District 67 keeps instruction as its top priority, while providing funds necessary to the areas that support instruction. Approximately 60% of the District's total budget is spent in the classroom on instruction and instructional support. In the operations category there are significant expenditures that directly support classroom instruction, such as transportation, food service, and custodial services.



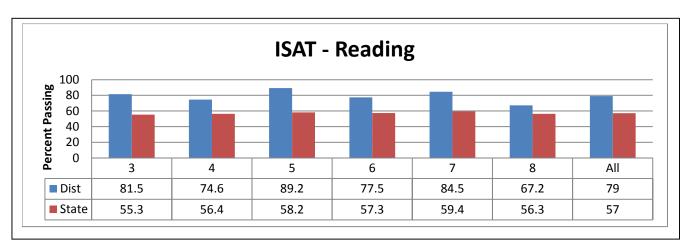
So what do all the numbers mean? Money well spent.

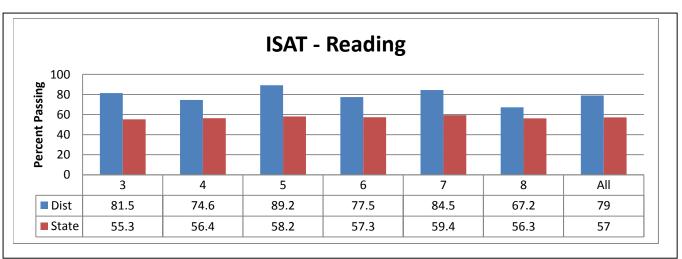
All the numbers shown on the previous pages, the revenues and expenditures, do not mean much without the relationship to student achievement. Every budget decision we make is tied to educational outcomes and to making our District more effective in our mission to help students prepare for the future. The following pages of this Budget at a Glance booklet highlight the result of money well spent - students succeeding in the classroom.

ISAT Test Results

Illinois Standards Achievement Test (ISAT)

Golf School District 67 provides truly exemplary instruction that is delivered by highly qualified teachers. As illustrated in the charts below, District 67 students (blue bars) on the ISAT have exceeded state averages.





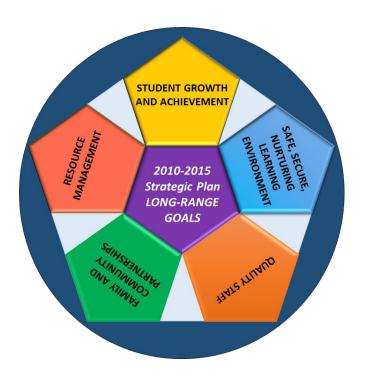
Education Initiatives

District 67's strategic plan for improving student achievement long-range goals are to:

- Prepare all students to be successful in high school by supporting each student to grow and achieve at high levels.
- Sustain conditions that support and encourage a focus on learning,
- Recruit, retain, recognize and support a high quality staff who demonstrate passion and commitment to make a
 difference in the lives of their students.
- Promote proactive community and family partnerships that support district efforts to continuously improve its results, and
- Effectively and efficiently secure, allocate, and manage resources to be certain they add value to achieving the District's mission, vision, values, and goals.

Following are highlights that support this plan:

- ✓ Adopted new math programs: enVision (K-5) and digits (6-8).
- ✓ Increase in professional development throughout 2014-15.
- ✓ Teachers aligned the District's science curriculum to the Next Generation Science Standards in spring 2014.
- ✓ Using current reading and language arts materials with new strategies to meet the new standards.
- ✓ Changed grade-level acceleration to differentiated instruction within the grade levels.



Points of Pride

- Eighty-two percent of Golf School District 67 teachers have a master's degree or above and the average teaching experience is approximately fourteen years.
- In January 2014, Hynes Elementary School had the addition of the Carol Westley Gymnasium.
- ISBE Financial Recognition Award 2012-2014.
- Bright Red Apple Award 2001-2013; Award is based on five categories:
 - Academic performance
 - o Pupil/teacher ratio
 - Operating expense per pupil
 - Educational level of teachers



- District 67 was the recipient of a \$2,500 Award by the Midwest Dairy Council for Fuel Up to Play 60. The grant encourages youth to eat healthy. Better nutrition, including eating a healthy breakfast each day, helps students get the nutrients they need and may improve their academic performance.
- Golf Middle School received the Blue Ribbon School Award from the Illinois Association for Health, Physical Education, Recreation, and Dance (IAHPERD). The award recognizes excellent physical education and health programs.

District 67 has earned a score of 3.7 out of 4.0 from the Illinois State Board of Education Financial Profile. This score places the District in the highest category for financial strength, labeled "Financial Recognition." In a congratulatory letter, Illinois State Superintendent Christopher Koch noted, "Given the economic difficulties school districts are facing, the State Board realizes this is a significant accomplishment." — John Reiniche, Business Manager

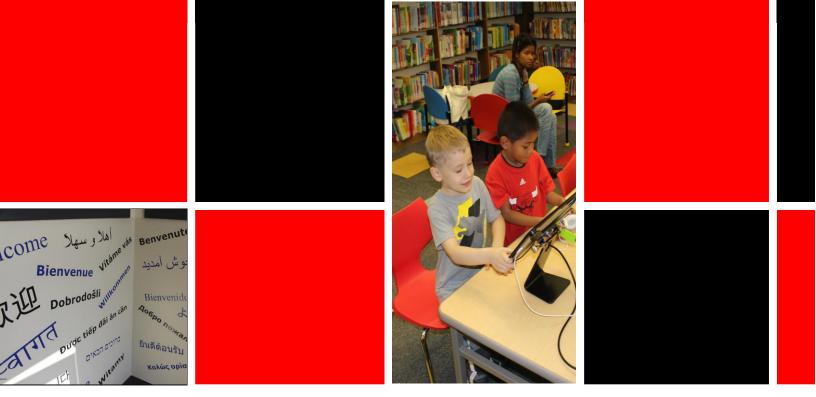
Conclusion

To make beautiful music, a choir must sing together in harmony and unison. Similarly, a school district together, must educate each voice contributing its part. In District 67, we know that the music we make in the classrooms of our schools not only requires each of us working as one, but our efforts also have to echo a lifetime after thev begin. Education is, after all, a lifelong journey.

We understand the challenge we have accepted as educators - to prepare students for the future that lies ahead. To awaken students' curiosity. To help children discover their potential. To guide our



pupils on a path all their own. We also have another challenge - to do all of those things in a manner that is fiscally responsible to our community. We hope that this booklet has provided a glimpse into how we meet that challenge with true success. Despite a lack of state funding and ever-rising costs, Golf School District 67 has demonstrated outstanding financial practices. With back-to-back ratings of "Financial Recognition" from the Illinois State Board of Education's financial rating scale, we can proudly say that we are making the most of our dollars.





Contact Us

John Reiniche Business Manager 847.966.8200 jreiniche@golf67.org Visit us online at www.golf67.net

