Oak Park Elementary School District 97
Oak Park, Illinois

Board of Education Recommended Budget

July 1, 2004 - June 30, 2005

MISSION STATEMENT

Our mission is to educate every child to be an academically successful student, a socially responsible citizen, and a lifelong learner... by teaching the necessary knowledge and skills, and the appreciation of cultural diversity, within schools that foster excellence, mutual respect, creativity, and the joy of learning with an effective, caring, innovative staff, in partnership with home and community.

...Adopted by the District 97 Board of Education, December 19, 1990

Oak Park Elementary School District 97
Fiscal 2004 - 2005 Recommended Budget

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Paula O'Malley, Whittier Elementary School

Flora Green, Gwendolyn Brooks Middle School
Dr. Victoria Sharts, Percy Julian Middle School

Forward

This Budget Book presents District 97's recommended Fiscal 2004-05 expenditure budget and estimated revenues for the Board of Education and the Oak Park community. The state requires that Boards of Education adopt an annual budget before the end of the first quarter of each year. To fulfill this requirement, the following budget calendar will be followed:

July 21, 2004	*Approve resolution to place budget on display and for notification of Public Hearing*
July 29 – September 8, 2004	*Budget on display, Administration Building, 970 Madison*
September 8, 2004	*Public Hearing*
September 8, 2004	*Budget Adoption*

The state budget is reported by *Fund* (an independent accounting entity to which expenditures and revenues are assigned according to their specific purpose; as Educational, Bond and Interest, Transportation, etc.), and summarized by *Function* - describing the activity performed to accomplish an objective (as Instruction, Support Service, Community Service, etc.), and *Object* - the service or commodity obtained as a result of the expenditure (as salary, benefit, contracted services, supplies, and equipment). District 97's budget is organized by *Program*, which may cross functions (as General Instruction, Special Education, Lunch, etc.). To provide the reader a comprehensive summary of the Oak Park Elementary District 97 Fiscal 2004- 05 budget, the material in this book is presented both in summary form and by Program. Each Program's revenues are identified as to source (local, state, or federal) and expenditures are summarized by object. Narrative summaries of the activities relating to these revenues and expenditures are also provided. Grant based programs are designated in *italics* in the Table of Contents. Some grants are fully funded and some require a local match. These sources are noted in the summaries.

The book is divided into following sections:

Section One: Budget Summary
Summary of total expenditures and revenues and their effect on Fund Balances, in both narrative and statistical form, District Advisory Task Force summary, administrative reduction recommendations, and State Financial Profile summary.

Sections Two - Ten: Summaries by Fund
Overview of revenues by source and expenditures by object for the Educational, Operations & Maintenance, Bond & Interest, Transportation, IMRF/Social Security, Working Cash, Fire Prevention and Safety, Site & Construction, and Employee Health Insurance Funds. Narrative detail is given by Fund and/or Program.

Section Eleven: Supplemental Material
Five Year Projections, Analysis of Task Force Benchmarks, Illinois State Board of Education Financial Profile, EAV and Tax Rate History, Enrollment, Glossary.

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Section One

Budget Summary

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Statement of Fund Balances

Year Ending June 30, 2005

10/8/04

	Estimated Balance 6/30/04	Projected FY 04-05 Revenues	Recommended FY 04-05 Expenditures	Other Sources (Uses)	Impact On Reserves	Projected Balance 6/30/05
Educational	18,597,250	42,339,115	43,952,869	700,000	(913,754)	17,683,496
Operations & Maintenance	929,628	5,390,821	5,591,312	0	(200,491)	729,137
Transportation	749,174	2,325,721	2,274,720		51,001	800,175
IMRF/Social Security	1,269,776	1,085,000	1,200,000		(115,000)	1,154,776
TOTALS - Operating Funds	**21,545,828**	**51,140,657**	**53,018,901**	**700,000**	**(1,178,244)**	**20,367,584**
Working Cash	6,032,236	795,000	0	(795,000)	0	6,032,236
Life Safety	2,373,954	34,000	2,200,000	2,000,000	(166,000)	2,207,954
Site and Construction	387,725	1,000	85,000	0	(84,000)	303,725
Bond and Interest	2,417,720	6,068,382	7,546,336	0	(1,477,954)	939,766
Employee Health Insurance	2,183,156	35,000	(15,221)		50,221	2,233,377
TOTALS - All Funds	**34,940,619**	**58,074,039**	**62,835,016**	**1,905,000**	**(2,906,198)**	**32,084,642**

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Comparison of Expenditures

Actual and Budget

Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change (Budget)	Percent Change From Actual
Educational	43,952,869	43,278,516	41,503,249	1.56%	5.90%
Operations & Maintenance	5,591,312	5,766,770	5,758,438	-3.04%	-2.90%
Transportation	2,274,720	2,123,274	2,444,969	7.13%	-6.96%
IMRF/Social Security	1,200,000	1,180,000	1,170,768	1.69%	2.50%
SUBTOTAL - Operating Funds	**53,018,901**	**52,348,560**	**50,877,424**	**1.28%**	**4.21%**
Life Safety	2,200,000	1,900,000	1,718,350	15.79%	28.03%
Site and Construction	85,000	300,000	201,717	-71.67%	-57.86%
Bond and Interest	7,546,336	6,804,116	5,937,810	10.91%	27.09%
Insurance	N/A	N/A	0	N/A	N/A
TOTAL - All Funds	**62,850,237**	**61,352,676**	**58,735,301**	**2.44%**	**7.01%**

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Comparison of Revenues

Actual and Budget

Fiscal Years 2003-04 and 2004-05

	Projected FY 2004-05 Revenues	Budgeted FY 2003-04 Revenues	Actual FY 03-04 Revenues	Percent Change (Budget)	Percent Change (From Actual)
Educational	43,039,115	39,860,965	39,149,145	7.97%	9.94%
Operations & Maintenance	5,390,821	5,240,611	5,329,145	2.87%	1.16%
Transportation	2,325,721	1,880,951	2,420,774	23.65%	-3.93%
IMRF/Social Security	1,085,000	1,128,120	1,069,695	-3.82%	1.43%
SUBTOTAL - Operating Funds	**51,840,657**	**48,110,647**	**47,968,759**	**7.75%**	**8.07%**
Working Cash	95,000	100,000	208,129	-5.00%	
Life Safety	2,034,000	2,020,000	2,037,440	0.69%	-0.17%
Site and Construction	1,000	20,000	11,282	-95.00%	-91.14%
Bond and Interest	6,740,000	6,378,933	6,219,133	5.66%	8.38%
Employee Health Insurance	20,000	25,000	0	N/A	N/A
TOTAL - All Funds	**60,730,657**	**56,654,580**	**56,444,743**	**7.19%**	**7.59%**

FY 2004-05 ANNUAL BUDGET
SUMMARY NARRATIVE
August, 2004

EDUCATIONAL FUND

- Revenues are projected at $43.039 million. The projections reflect estimated property tax collections, local fees and revenues, State and Federal grants and contracts based upon current information, and projected transfers of Working Cash Fund bond proceeds and interest from other funds. Revenues reflect the payment of $337,000 from the Oak Park Hospital as the first installment of the property tax refund settlement. Property tax collections appear to have lagged during FY 2003-04. As a result, payments during FY 2004-05 are projected to "catch up" based upon the historical rate of collection. The projections do not reflect new tax revenue. Rather, the projections reflect the timing of collections. General State Aid and State grants have been increased by $272,000 from FY 2003-04 resulting from the resolution of the State budget process. State grants to Special Education increase by $0.74 million and Federal grants to Special Education increase by $0.23 million.

- Expenditures are projected at $43.953 million. This figure is $674,353, or 1.5% greater than the FY 2003-04 expenditure budget of $43.278 million. Salaries are projected at current staffing levels. The Board contributions to health, dental and life insurances are updated for current staffing. Workers' Compensation, Property and Liability, and Unemployment Compensation line items reflect current obligations. Budgets for grants are shown to reflect current information. To the extent actual funding is less than the amount budgeted (due to ISBE proration), the difference will be transferred to a holding account in the applicable program and will no longer be available for expenditure. Despite the stabilization in the Educational Fund budget, it should be noted that $550,000 has been added to Special Education tuition, a variable expense, to provide insurance against future requirements.

- The budgeted expenditure to revenue ratio in this fund for FY 2003-04 was 1.1243. The ratio for FY 2004-05 is 1.0212.

OPERATIONS AND MAINTENANCE FUND

- Revenues are projected at $5.391 million. The projections reflect estimated property tax collections, interest, rentals and the transfer of $2.263 million of General State Aid from the Educational Fund. This figure is $0.263 million greater than the FY 2003-04 budget. Budgeted revenues for FY 2003-04 included $150,000 of bond proceeds for the replacement of the Administration Center roof. No bonds will be dedicated to this fund for FY 2004-05.

- Expenditures are projected at $5.591 million. This figure is $175,458, or 3.1% less than the FY 2003-04 expenditure budget of $5.767 million. The elimination of three staff positions and the replacement of two retiring staff at a lower salary are represented in the projected reduced spending. Other spending includes line items for utilities, building maintenance and building repairs.

- The budgeted expense to revenue ratio in this fund for FY 2003-04 was 1.1004. The ratio for FY 2004-05 is 1.0372.

BOND AND INTEREST FUND

- Revenues are projected at $7.586 million. These revenues are derived from property taxes and a small amount of interest ($40,000).

- Expenditures are projected at $7.546 million to cover anticipated bond principal and interest payments.

TRANSPORTATION FUND

- Revenues are projected at $2.326 million. The projections reflect estimated property tax revenues, interest income, and State transportation reimbursement. The estimated State transportation reimbursement is projected to be $457,000 greater than last fiscal year as a result of the change in the School Code proposed by the District and approved by ISBE and the state legislature last fall.

- Expenses are projected at $2.275 million. This amount is $151,000, or 6.7% greater than the prior year's budget of $2.123 million. This amount is largely attributable to a projected increase in Special Education student transportation costs ($153,500).

- The budgeted expenditure to revenue ratio in this fund for FY 2003-04 was 1.1288. The ratio for FY 2004-05 is 0.9781.

IMRF/FICA/MEDICARE FUND

- Revenues are projected at $1.085 million. The projections reflect estimated property tax collections and interest income.

- Expenditures are currently projected at $1.200 million. This figure is $20,000, or 1.7% greater than the FY 2003-04 expenditure budget of $1.180 million. This fund includes expenditures for a) the employer share of contributions to the Illinois Municipal Retirement for non- certified employees, b) the employer share of contributions to Social Security for non- certified employees and c) the employer share of contributions to Medicare for non- certified employees, certified employees hired after 1986 and certified employees hired prior to 1986 who have voluntarily elected to have Medicare deductions taken..

- The budgeted expense to revenue ratio in this fund for FY 2003-04 was 1.0460. The ratio for FY 2004-05 is 1.060.

LIFE SAFETY FUND

- Revenues are projected at $2.034 million. The projections reflect interest income and the proceeds of bonds ($2.0 million) planned to be sold in the fall 2004 to be used for summer 2005 projects.

- Expenditures are projected at $2.200 million. This figure is $300,000, or 13.6% greater than the FY 2003-04 expenditure budget of $1.900 million. The projections reflect the estimated cost of summer 2004 projects.

WORKING CASH FUND

- Revenues are projected at $795,000. The projections reflect interest income and the proceeds of Working Cash bonds ($700,000) planned to be sold in the fall 2004.

- Expenditures are projected at $800,000 to reflect the transfers of interest and bond proceeds to the Educational Fund during FY 2004-05. This figure is $150,000, or 18.8% less than the FY 2003-04 expenditure budget of $950,000. The difference is the reduction in the size of the fall 2004 bond issue compared with the fall 2003 bond issue. The transfer of the Working Cash Fund bonds to the Educational Fund will help to subsidize operations and was recommended by the Financial Task Force.

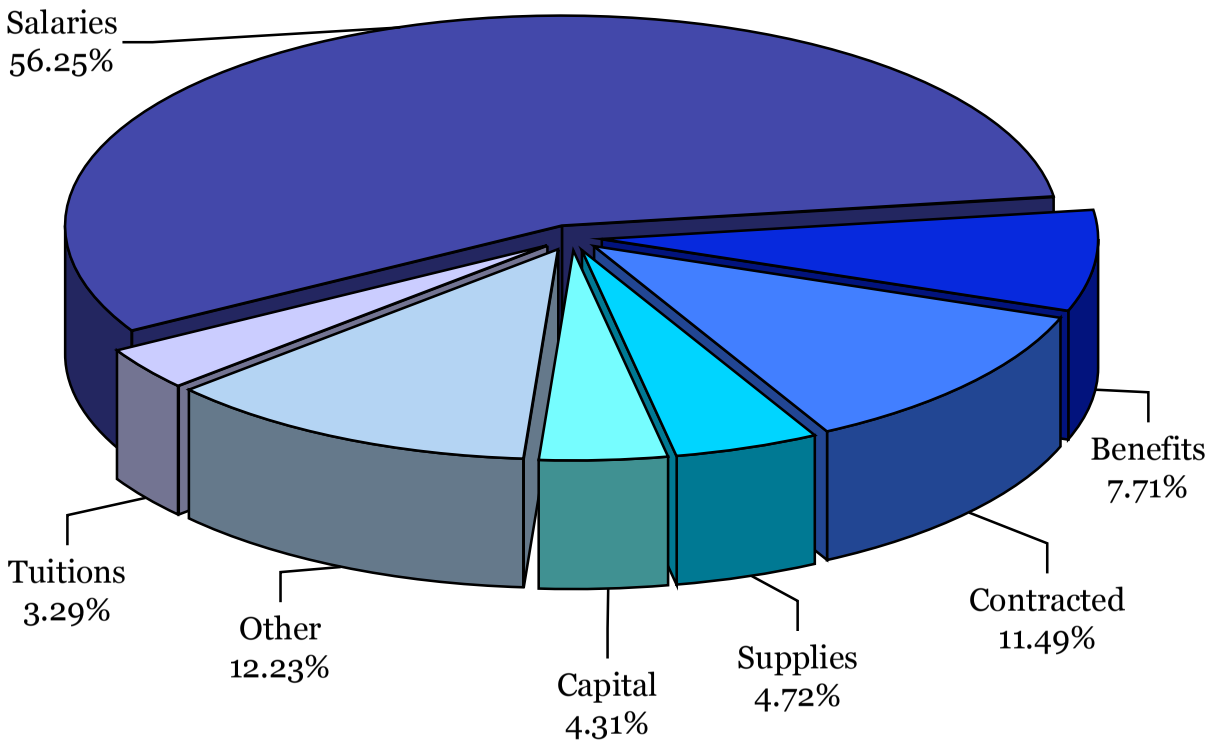
SITE AND CONSTRUCTION FUND

- Revenues are projected at the nominal value of $1,000 and represent residual interest income.

- Expenditures are projected at $85,000. This figure is $215,000, or 252.9% less than the FY 2003-04 expenditure budget of $300,000. The projections reflect the resolution of remaining outstanding billings pertaining to the construction of the middle schools. Once these obligations have been satisfied, this fund will be terminated and remaining assets will be transferred to the Operations and Maintenance Fund.

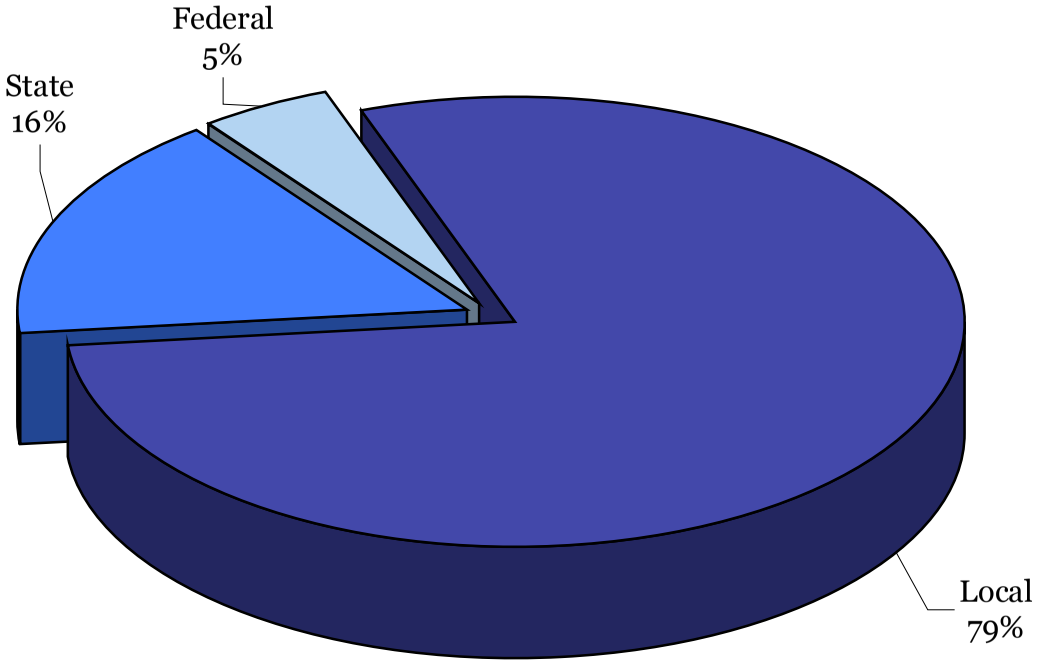
Oak Park Elementary School District 97

What the dollars purchase…



Oak Park Elementary School District 97

Where ***the dollars come from...***



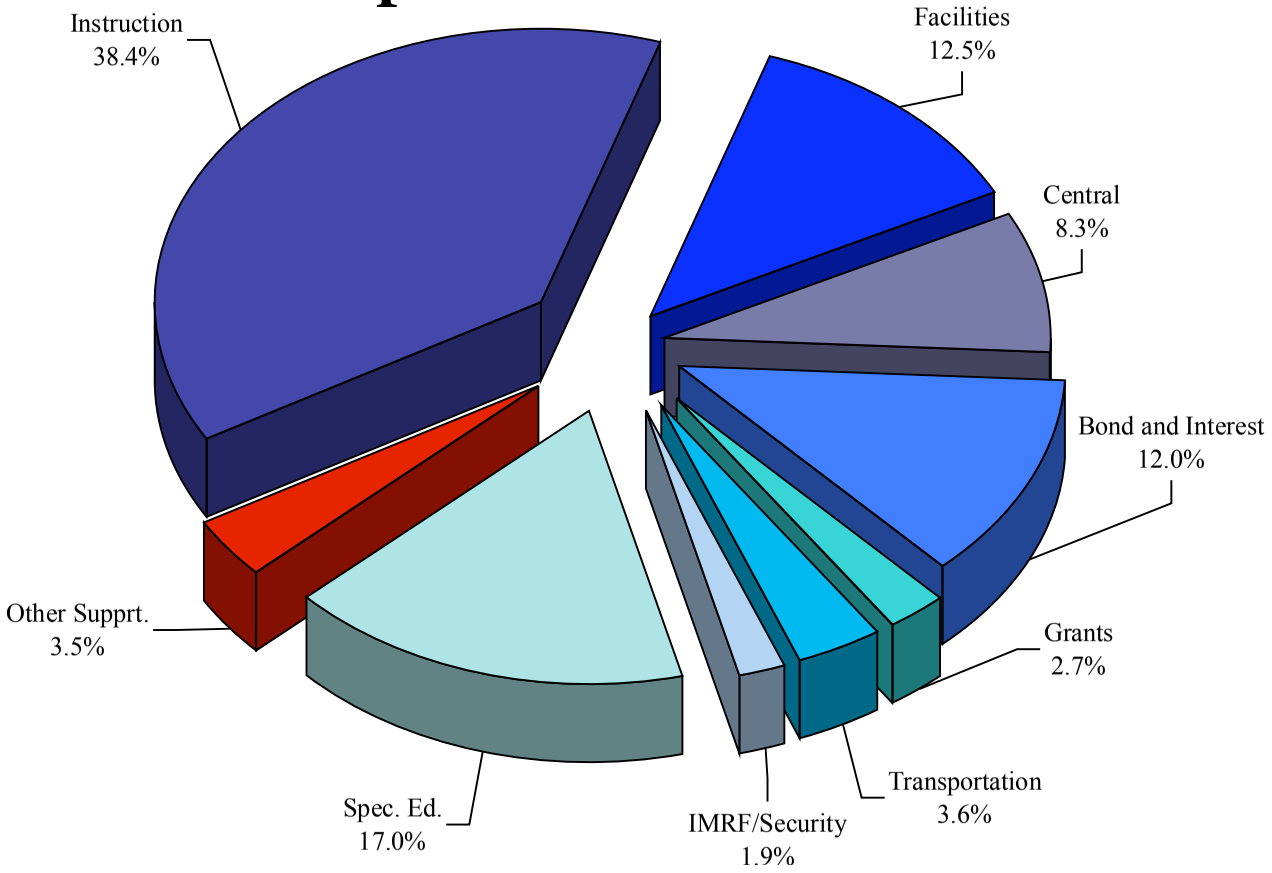
Who Spends the Dollars?

	FY 04-05 Budget	%	Per Pupil Expend.	FY 03-04 Budget	%	Per Pupil Expend.
Student Enrollment			4996			4886
Central Office						
District Administration	$ 4,034,739	6.42%		$ 3,668,573	5.98%	
Improve. Instruction	1,174,970	1.87%		1,337,662	2.18%	
TOTAL, CENTRAL OFFICE	$ 5,209,709	8.29%	$ 1,043	$ 5,006,235	8.16%	$ 1,025
Grants/Contracts						
Classroom Instruction	$ 1,616,790	2.57%		$ 1,385,072	2.26%	
Supplemental	82,006	0.13%		117,914	0.19%	
TOTAL, GRANTS	$ 1,698,796	2.70%	340	$ 1,502,986	2.45%	308
Instruction						
Elementary Instruction	$ 14,715,103	23.41%		$ 19,364,652	31.56%	See Note
Art	872,932	1.39%		989,242	1.61%	
Vocal Music	589,909	0.94%		572,285	0.93%	
Instrumental Music	485,154	0.77%		431,424	0.70%	
Physical Education	911,506	1.45%		847,344	1.38%	
Middle Schools Instruction	4,904,808	7.80%		159,300	0.26%	See Note
Media Services	937,155	1.49%		895,627	1.46%	
Gifted Program	604,403	0.96%		437,190	0.71%	
Summer School- District	7,600	0.01%		52,804	0.09%	
Summer Interventions	130,483	0.21%		133,759	0.22%	
TOTAL, INSTRUCTION	$ 24,159,053	38.43%	4,836	$ 23,883,627	38.92%	4,888
Other Support						
District Technology	$ 994,052	1.58%		$ 1,231,852	2.01%	
School Lunch Program	1,000,000	1.59%		1,028,337	1.68%	
Multi- Cultural Center	227,290	0.36%		252,457	0.41%	
TOTAL, OTHER SUPPORT	$ 2,221,342	3.53%	445	$ 2,512,646	4.10%	514
Special Education						
Pupil Personnel	$ 1,557,307	2.48%		$ 1,556,706	2.54%	
Special Education	7,310,225	11.63%		7,456,218	12.15%	
Special Education Grants	1,796,437	2.86%		1,360,098	2.22%	
TOTAL, SPECIAL EDUC.	$ 10,663,969	16.97%	2,135	$ 10,373,022	16.91%	2,123
EDUCATIONAL FUND	**$ 43,952,869**	**69.92%**	**$ 8,799**	**$ 43,278,516**	**70.54%**	**$ 8,858**
Operations & Mainten.	$ 5,591,312	8.90%	$ 1,119	$ 5,766,770	9.40%	$ 1,180
Bond and Interest	$ 7,546,336	12.01%	$ 1,510	$ 6,804,116	11.09%	$ 1,393
Transportation	$ 2,274,720	3.62%	$ 455	$ 2,123,274	3.46%	$ 435
IMRF/Social Security	$ 1,200,000	1.91%	$ 240	$ 1,180,000	1.92%	$ 242
Site & Construction	$ 85,000	0.14%	$ 17	$ 300,000	0.49%	$ 61
Life Safety	$ 2,200,000	3.50%	$ 440	$ 1,900,000	3.10%	$ 389
GRAND TOTAL	**$ 62,850,237**	100.00%	**$ 12,580**	**$ 61,352,676**	100.00%	**$ 12,558**

Note- for FY 2004-05, Middle School Instructional costs are consolidated in this program. Expenses had been split between Instruction (now Elementary Instruction) and Middle Schools Instruction.

Oak Park School District 97

Who **Spends the Dollars?**



FINANCIAL TASK FORCE SUMMARY

Throughout the 1990's the District 97 Board of Education was able to enhance the educational program and maintain a strong financial position with growing fund balances. The student centered program focused on Academic Achievement, Diversity, and Communications while recognizing that in order to maintain an effective and attractive school system, the Board of Education must consider the effect on the District's long-term fiscal health as decisions regarding programs and funding opportunities were made.

Beginning with the Fiscal 2002 budget, financial pressures of Tax Caps, maintaining competitive salaries, rising health insurance premiums, decline in State resources, and loss of interest income required the Board to focus directly on the reality that current revenues could not support the current program. When the adopted Fiscal 2003 budget forecast $7 million use of reserves in the operating funds (Education, Operations & Maintenance, Transportation, Municipal Retirement/ Social Security, and Working Cash), the Board authorized the formation of a Financial Advisory Task Force to engage District 97 stakeholders in an open and critical discussion and to develop a shared understanding about financial strategies and practices that would allow District 97 to maintain an attractive and fiscally healthy school system. The Task Force was specifically asked to review District revenues and expenditures over the past several years, to analyze and compare revenues and expenditures of comparable districts; and to identify non-prioritized areas for additional revenue sources and expenditure reductions for the District.

The Task Force report offered the following general recommendations to return the District to a stable financial position.

- The District should take immediate action to reduce its current level of spending and/or to increase its revenues considerably. These changes should go into effect in the coming year.
- The District should build a 3 to 5-year plan towards gaining fiscal health.
- The financial modeling done by the Task Force indicates that the District needs to make $7.5 million in revenue additions and/or expenditure reductions within the next three years to bring the District out of deficit spending, to achieve a satisfactory state Financial Profile Score (see Section XI.) and to meet the requirements of the proposed Financial Guidelines. This would require taking action on $3 million in Fiscal 2003-04, $2.5 million in Fiscal 2004-05 and $2 million in Fiscal 2005-06. In addition, in order to remain out of deficit spending, the District shall consider asking the voters to approve a referendum.

- Because of the current fund balances, the District will have the flexibility to make changes over this 3- to 5-year timeframe. This flexibility is dependent upon the District's taking significant steps in the Fiscal 2003-04.
- This timeframe should allow the District to make the best long-term decisions for the schools and allow an easier, less disruptive approach to meeting these budget goals.
- The Board of Education should adopt as policy the Financial Guidelines (guidelines follow) as drafted by the Task Force. Once implemented, these guidelines should allow the District to operate in a fiscally stable manner. Given the District's current financial issues, a 3-year phased-in implementation of the Guidelines may be the most realistic approach. Note that these proposed Financial Guidelines hold the District to a higher standard than a satisfactory state Financial Profile Score.

The following financial guidelines are central to the Task Force's recommendations for long term financial health of the District. The recommendation that the Board of Education adopt these guidelines as policy was implemented in June 2003, with minor revisions to that stated below.

1. In the planning and budgeting process, the District 97 Board of Directors shall focus on one-year and rolling five-year time horizons.
2. The Board shall obtain one-year and five-year financial projections from the Administration during the annual budgeting process and at least one other point approximately halfway through the fiscal year. During periods of financial duress as defined by bullet points 3 through 5 below, more frequent financial projections shall be obtained.
3. Annual operating expenditure budgets for the next fiscal year shall not exceed projected revenues by more than 3% (expenses divided by revenue not to exceed 1.03). For circumstances when the actual expenses for the prior year exceed actual revenues for that year by greater than 3%, the Board shall take actions to reduce the current year's forecasted deficit by a magnitude sufficient to ensure that the average deficit for the two-year period does not exceed the 3% guideline.
4. Projected fund balances shall not fall below 17 weeks (approximately 33%) of projected operating expenditures.
5. Over the five-year planning period, the projected ending reserve balance shall not assume a negative value for any of the fiscal years.
6. During the budgeting process, the board shall require a detailed explanation of prior-year variances of actual to budget for the Operating Funds.

7. The Board shall know its Illinois State Board of Education financial score at any point in time and on an annual projected basis when five-year projections are performed.
8. The Board shall take the specific actions required by the Illinois State Board of Education given the Designation Category determined by the District's score on the State Financial Profile and implement the recommendations or explain, in an official Board Report, why they are not able to do so.

In addition to the requirements mandated by the ISBE based on the District's score on the State Financial Profile, if any of the financial measures specified in bullet points 3 through 5 above cannot be met, the Board and Administration shall take appropriate actions to bring the particular financial measure back within the established standard. The decisions taken by the board to correct the financial condition will necessarily vary in timing and degree with the perceived severity of the financial problem. The decisions necessary to bring the financial measures back within standard shall be enacted before the budget for the next fiscal year is approved and possibly sooner if reserves do not cover 17 weeks of projected operating expenditures. These actions may include, but are not limited to (in no specific order):

- a curtailment in hiring;
- a curtailment in implementation of new programs or in the initiation of the next phase of an existing program;
- enacting an expenditure budget for the next fiscal year that cannot exceed the projected actual expenditures for the current fiscal year;
- personnel reductions that are not constrained by current collective bargaining agreements;
- recommendation of a referendum to address the financial situation, recognizing the importance of balancing educational quality with prudent stewardship of public resources;
- establishment of a temporary Finance Advisory Committee comprised of primarily of residents of District 97 to recommend remedial actions to the Board

Because of the enormity and urgency of the task, preparation of the FY 2003-04 budget necessarily focused on identifying the $3,000,000 expenditure reductions/ revenue enhancements recommended by the Task Force. The actual combination of revenue enhancements and expenditure reductions was $2.969 million. The ratio of expenditures to revenues in FY 2003-04 was 1.12.

FY 2004-05 progress is discussed in the Narrative Summary of the Fiscal 2004-05 Budget in Section I.

Section Two

Educational Fund

Educational Fund

The **Educational Fund** is the largest operating fund in both volume of transactions and fund balance. The Fund records all financial activity not specifically covered in other funds. Revenues and expenditures directly relating to instruction (regular term, summer term, and special education) and services necessary to support instruction (pupil services, administration, business services, improvement of instruction, food services and district technology) are included in the Educational Fund.

Total revenues projected for the Educational Fund for Fiscal 2004-05 are $43.04 million, a 10.6% increase from Fiscal 2004**.** The principal source of these revenues is **local property taxes;** however, local property taxes are not the primary source of the projected revenue increase**.** These taxes total 69.2% of the fund's total revenues. Property tax revenues are based on projected receipts recorded during the year and are dependent on two different tax years (2003 and 2004). The 2004 levy is unknown at budget adoption; it will be adopted in December 2004. The Property Tax Extension Limitation Act (the "tax cap") limit on the 2003 levy was 2.4%. The CPI factor for the 2004 levy is 1.9%.

The **Corporate Personal Property Replacement Tax** is a state tax on the income of businesses that was intended to replace the local tax on the assessed value of corporate personal property abolished in 1978. These revenues may be deposited to any fund from which expenditures are made after liens are satisfied on the Bond and Interest and the IMRF/Social Security Funds. Aggressive deposits made to those funds in the late 1980's have satisfied this lien for the foreseeable future. The projected revenue to the Educational Fund for Fiscal 2004-05 is $900,000- a $100,000 increase from Fiscal 2003-04.

Interest on investments represents another significant source of revenue to the Educational Fund. Decreases in fund balances and continuing low interest rates result in lower yields. The projected interest revenue for Fiscal 2004-05 is $300,000- a $125,000 decrease from Fiscal 2003-04.

District 97 has negotiated two separate **TIF (Tax Incremental Financing) settlements** to recapture lost revenues associated with the establishment of TIF areas. The TIF agreement is projected to yield $505,000 to the Educational Fund in Fiscal 2004-05- an increase of $30,000 from Fiscal 2003-04. More significant, however, is an intergovernmental agreement signed by District 97, Oak Park River Forest High School District 200, and the Village of Oak Park regarding the Downtown TIF. According to the conditions of the agreement, the Village has agreed to return identified values or property to the tax rolls per a specific schedule. The value of this agreement to the District is estimated to be over $2.6 million in net present value through the life of the TIF, scheduled to end in December 2018. The 2003 property tax levy is the first levy to be affected by this agreement.

Numerous **grants** are included in the Fiscal 2004-05 budget. The grants provide revenue to the Educational Fund from local, state and federal sources. For example, The Oak Park Education Foundation will continue to provide local funds to the Art Start and

Global Village programs. Detailed explanations of all grants can be found in Section Two.

Special Education state categorical payments for private facility, orphan's tuition, special education personnel, and extraordinary students are projected at $3.07 million. This figure represents an increase of $0.74 million from last year. The projected increases result from a modification to the method the District employs to report students' expenditures. Increasing significantly in the past several years is the federal IDEA grant. Revenues for FY 2004-05 are budgeted at $1.22 million- an increase of $0.23 million from FY 2003-04. The reimbursements are approximately 33% of actual expenditures of the District's special education program.

In Fiscal 1997, state dollars were authorized for the **School Safety and Educational Improvement ADA (Average Daily Attendance) Block Grant**. The grant is specifically reserved for school safety, textbooks, software, teacher training, curriculum development, school improvement, and remediation programs. District 97 uses the funds for interventions programs as Early Start and Summer Math Academy, providing extended learning opportunities for students not performing at grade level. $180,000 is budgeted for FY 2004-05 an increase of $80,000 from FY 2003-04. **General State Aid** (GSA), according to preliminary state figures, will be $272,000 more than FY 2003-04 due to a $154 increase in the Foundation Level. These dollars are divided between the Educational Fund and the Operations and Maintenance Fund.

In Fiscal 2003-04, the District instituted **instructional material** and **co-curricular activity fees**. These were instituted at the direction of the Board to meet the recommendations of the Financial Task Force. Fiscal 2004-05 revenues are estimated at $316,000 and $27,000, respectively.

Other revenues in the Educational Fund are related to specific programs or grants and will be detailed with the summaries that follow.

For Fiscal 2004-05, total **Educational Fund expenditures** are budgeted at $43.95 million, a $0.67 million increase (1.5%) from those budgeted in Fiscal 2003-04 ($43.28 million).

Educational Fund **salaries** have been calculated by the contractual obligations of the personnel in current and/or authorized positions. Fiscal 2004-055 total salaries are budgeted at $32.97 million, a 0.14% increase from Fiscal 2003-04 ($32.91 million).

Health benefit premiums have been actuarially calculated to require a 5.7% individual premium increase for Fiscal 2004-05. This increase compares favorably with 18- 20% rate increases incurred by other employers. The amount required to pay for contractual premium coverage in Fiscal 2004-05 is $2.37 million- an increase of $91,000 from Fiscal 2003-04. Please see Section Ten for further explanation of insurance funding.

Additional **retirement benefits** include the employer share of payments to the Teachers' Retirement System for current employees ($453,400), the employer share of payments to TRS for early retirees ($122,000), and the employer share of payments to TRS for future early retirements and the Teachers' Health Insurance System ($272,000).

State accounting requirements provide for **Other Sources** and **Uses** of funds. The Fiscal 2004-05 Educational Fund budget includes $100,000 transfer of interest earnings (other source) from the Working Cash Fund to offset operating expenditures. Repayment of the technology loan from Fiscal 2002 is recorded as an "Other Use" and will conclude in December 2004 ($73,812). At the recommendation of the Finance Task Force, the Board plans to sell $700,000 taxable working cash bonds to provide revenue for operations.

Total expenditures, revenues, and other uses are projected to result in a reduction in fund balance (or operating deficit) at 6/30/2005 of $0.91 million. This figure compares favorably with the $4.78 million deficit budgeted in FY 2003-04. The unaudited deficit for FY 2003-04 is $2.36 million.

Fiscal 2004-05 Revenues: **$42,339,115**
Fiscal 2004-05 Expenditures: $43,879,057
Net Other Uses and Sources: $626,188
Projected 6/30/2005 Fund Balance: $17,683,496

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Educational Fund Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended 2004-05 Budget	2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES and Other Sources					
Local					
Interest on Investments	300,000	435,750	293,778	-31.15%	Based on current earnings rate and Fund Balance.
Taxes	29,785,000	27,861,603	27,311,603	6.90%	Based on expected tax collections.
Other Local	3,015,550	2,481,010	2,569,762	21.55%	Lunch Sales and Supervision Fees/ TIF settlement revenues/ Corporate Personal Property Replacement Taxes. Increase: addition of instructional material and co-curricular activity fees
Total Local	**33,100,550**	**30,778,363**	**30,175,143**	**7.54%**	
State					
General State Aid	2,612,500	2,370,000	3,100,635	10.23%	GSA: FY04 allocation includes portion from O&M to adjust for Working Cash bond distribution
Categorical	3,723,500	2,936,534	3,104,760	26.80%	Increase in Special Ed categorical reimbursements
Total State	**6,336,000**	**5,306,534**	**6,205,395**	**19.40%**	
Federal	**2,802,565**	**2,118,091**	**2,027,862**	**32.32%**	Increase: Medicaid reimbursements/ Title Grants/Increase: IDEA grant
Other Sources	**800,000**	**800,000**	**740,745**	**0.00%**	Includes proceeds from sale of taxable Working Cash Bonds and transfer of interest from Working Cash
Total Educational Fund Revenues and Other Sources	**43,039,115**	**39,002,988**	**39,149,145**	**10.35%**	

Educational Fund Budget Comparison, continued

	Recommended 2004-05 Budget	2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES and Other Uses					
Salaries	32,966,406	32,780,908	32,611,270	0.57%	OPTA salary contract/reduction of positions/retirements
Benefits	3,327,737	2,835,712	2,638,180	17.35%	Increase in retirement payments
Contracted Service	3,540,865	3,523,893	2,471,984	0.48%	Increase in all insurance premiums/ Reduction: carryover included in FY03 amounts; Fy03 grant budgets in contracted services
Supplies	1,483,480	1,456,958	1,243,199	1.82%	Reflects school allocations
Equipment	426,569	503,415	325,593	-15.26%	
Other	66,500	63,000	63,694	5.56%	
Tuition	2,067,500	1,675,000	2,001,643	23.43%	Based on projected out of District placement of special needs students
Other Uses					
Transfer to Bond & Interest	0	0	0		
Tech Loan Repayment	73,812	147,156	147,688	-49.84%	FY05- final loan payments
Total Ed Fund Expenditures and Other Uses	**43,952,869**	**42,986,042**	**41,503,251**	**2.25%**	

Administration

The **Administration** programs cluster reflects all central office functions. These functions include District Administration (including the print shop, mail services, and telephone), Tort Immunity, Board of Education, Community Relations, Superintendent's Office, Human Resources and Development, and the Business Office.

The **Board of Education** (BOE) program includes Board dues, Board- sponsored activities, payments to the Township School Treasurer's Office, audit services, and Board recognition. The budget for the FY 2003-04 audit includes costs associated with implementation of GASB 34 (regulations for school district audits that include reporting on an accrual basis and equipment depreciation). $10,000 covers the costs of a community newsletter (reduction of $2,000 from FY 2003-04). $25,243 is budgeted to be paid to Hephzibah for social worker services provided to resident children attending District 97 schools. $15,000 is budgeted to support the Oak Park River Forest Early Childhood Collaboration.

Closely related to the Board of Education function is the office of **Community Relations.** This office provides direct support to the schools, superintendent, Board, and directors. The office enhances community out-reach and education through public forums, district publications and the district newsletter, and maintenance of positive media relations through the timely and accurate flow of information. The budget includes the salary and benefits for its coordinator, .5 FTE administrative assistant, postage, professional development, and supplies.

The **Superintendent's Office** salary budget includes the Board approved salary and fringe benefits for the Superintendent, 1.5 FTE administrative assistants, and .5 FTE secretary. A total of $85,000 is budgeted for Superintendent's incentive support and consultant services for projects that will have a significant impact on the District's efforts to achieve its mission). $14,000 is budgeted for administrative staff development activities, and $10,000) is budgeted to support activities relating to the District's participation in the Minority Student Achievement Network. Budgets for supplies and materials are unchanged for FY 2004-05.

The **Human Resources and Development** includes salary budgets for the Director, 6.5 FTE secretaries (department administrative assistant, student registration, District Office receptionist, substitute calling, University 97 and registration support, benefits coordination, and 1.0 FTE curriculum leader assigned to direct University 97 and the teacher mentor program. Professional development and supply budgets have been maintained at FY 2003-04 levels. Certified retirement payments to TRS (Teachers

Retirement System) are budgeted according to the District commitments for retirements are budgeted at $122,000. A support staff professional development budget (7,500) pays for District-wide initiatives so that staff members are provided the training required to perform the work assigned. This program budget also includes a truant officer and residency investigator ($27,290) to address student attendance concerns, payments for a contracted substitute calling system ($17,000), and $3,500 annual residence tracking software maintenance fees. The budget for staff recruitment is $14,000.

The **Business Office** salary budget includes the Assistant Superintendent for Finance and Operations (40% FTE), 3.0 secretaries (department administrative assistant, payroll, and accounts payable). Secretary staffing is 1.0 FTE less than FY 03-04. In FY03-04 the Assistant Business Manager position was eliminated. The budget for staff development, supplies and equipment has been reduced by $7,800. Portions of the Assistant Superintendent's salary are charged to Tort Immunity (see below- 10%), Operations and Maintenance (30%) and Transportation (20%).

Budgets for expenditures directly assigned to the **Tort Immunity** Levy include all insurance premiums, a portion of the salaries for the Assistant Superintendent for Finance and Operations (10%), legal fees, an education liaison/social worker to coordinate school activities for Hephzibah residents attending District 97 schools and District 97 share of township interventionist. The budget for middle school S.O.A.R programs is $71,013. Premiums for liability and property insurance reflect market conditions and an increase of 7.5% ($236,476). The District's participation in the Collective Liability Insurance Cooperative (CLIC) continues to provide the most economical and consistent coverage available. Workers Compensation insurance is provided by the School Employees Loss Fund (SELF). The FY 2004-05 cost for this pooled coverage is $510,300 ($82,114 increase from FY 2003- 04) based on the District's loss experiences and the overall increase in market rates. Other Tort related expenditures are recorded in various programs and identified by District auditors at the time the District books are examined.

The **District Administration** budget provides ($220,000) to operate the District Print Shop including 2.0 FTE staff, equipment lease expenditures and supplies- including duplicating paper. This budget is $75,000 larger than FY 2003-04, however, it reflects a transfer of lease expenditures from the school budgets This program budget also includes the salary for the District delivery driver, 0.5 FTE time mail clerk, District telephone service and central office postage. The telephone account ($100,000) reflects costs for lines required for Voice Link, the District's voice mail system and is stated net of partial E-rate reimbursement from the federal government.

General revenues, including local taxes, interest from investments, Corporate Personal Property Replacement Tax revenue, and General State Aid support the Administration programs cluster expenditures. Additional specific revenues derive from contract printing charges.

Fiscal 2004-05 Revenues: $1,700
Fiscal 2004-05 Expenditures: $4,034,739

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Administration Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended 2004-05 Budget	2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Printing Charges	1,700	2,000	0	-15.00%	In-house printing requirements reduce time available for outside work
Total Revenues	**1,700**	**2,000**	**0**	**-15.00%**	
EXPENDITURES					
Salaries	1,552,559	1,593,082	0	-2.54%	Reduction in 1.0 secretaries; adjust for 3% increases and retirement
Benefits	511,862	279,303	0	83.26%	Includes retirement payments due after July 30 and employer TRS obligations (increase)
Contracted Service	1,849,619	1,688,388	0	9.55%	Increases due to: Workers Compensation, Unemployment, and Liability and property insurance budgets.
Supplies	37,200	40,300	0	-7.69%	Reduction
Equipment	20,000	7,500	0	166.67%	Add: Fingerprint machine ($14,000)
Other Expenses	63,500	60,000	0	5.83%	Includes dues/fees and District printing
Total Expenditures	**4,034,740**	**3,668,573**	**0**	**9.98%**	

Curriculum/Instruction/Assessment Program

Expenditures in the **Curriculum/Instruction/Assessment Program** are recorded in the Improvement of Instruction and Standards and Assessment sub- programs (Program codes 26 and 66).

The **Improvement of Instruction** sub- program includes **salaries** for the Assistant Superintendent for Teaching and Learning, the portion of the grants specialist not covered through grant allocations (0.5 FTE), secretarial support staff (4.0 FTE), administrative assistant (1.0 FTE), stipends for grade-level and department chairpersons, and stipends and release time for teacher leaders for district-wide initiatives, curriculum implementation assistance, special areas (physical education, art and music), and special curriculum projects.

In FY 2004-05, there are 2.0 FTE full-time released teacher leaders for instructional technology, data management and analysis for student achievement. Also budgeted are 2.0 FTE full- time released teachers to work on curriculum adaptation at the elementary and middle schools. In FY 2003-04 four full-time teacher leader positions were eliminated.

There are stipend-supported teacher leaders for the special areas of general music, instrumental music, visual arts, and physical education. These positions have up to one-half day released time per week ($56,200). Stipend supported teacher leaders for special curriculum projects will be discussed and approved by the Educational Council at the beginning of the school year.

District funds ($40,000) have been reserved for **curriculum development** by District 97 staff. The FY 2004-05 budget supports the work of the district's committees for renewing curriculum, instruction, and assessment. We anticipate that major emphasis will be given to mathematics, language arts, differentiated instruction, assessment, and reporting student progress. **Staff development** budgets support conference and workshop attendance ($15,000), **consultants** and **district activities** - for example, Young Artists, Math Olympiad, Writing Talent, Film Festival (total $39,500) - and **Institute Day** activities ($10,000). Expenditures related to University 97, previously supported by a State Block Grant, are totally funded through federal Title II dollars and recorded in that program.

The **instructional materials** budget for new adoptions for mathematics is $240,000.

Instructional technology budgets included in the C/I/A program are for equipment ($20,000) and for microscope repair ($2,500).

Dollars directed specifically to the **Standards and Assessment** sub-program include a standardized testing budget of $50,000 supporting the administration of the Stanford 10 Achievement Test, data management and analysis curriculum leader, and $10,000 for curriculum work related

to assessment development and reporting student progress (report cards). For FY 2004-05 a budget of $4,000 supports the continued development of the district's web-based elementary report card system.

In August 1998, in keeping with the Culture of Achievement and State of Illinois legislation ending social promotion, the Board of Education passed a promotion policy setting a standard that students who are promoted must demonstrate grade level work in reading, language, and math. The policy further states that students will be reconsidered for promotion if they participate in required school or district intervention programs.

Following the adoption of the Board's promotion policy, **intervention programs** have been specifically targeted to help students whose promotion status is in question. For FY 2004-05, three new intervention programs were offered in summer 2004: *Early Start* mathematics, a three-week program for students in grades 1-4; *Math Academy*, a three-week program for fifth grade students not performing on grade level; and *Stepping Stones*, an eight-week full-day program designed to prepare kindergarten students for success in first grade. In addition for FY 2004-05, the following programs are scheduled: a five-week *Brooks/Julian Academy* required of students who have not met promotion standards; *Reading Academy*, a required four-week program for students entering sixth grade and not performing on grade level; and a three-week *Early Start* program for students going into grades two – five and not performing on grade level in reading. The budget for these programs is $193,000. These efforts are supported by the Title I Grant.

The **middle school** program (Program code 28) has been expanded to include instruction and instructional support expenditures formerly recorded in the elementary instruction program. This consolidation permits a more comprehensive view of middle school programs. This program is included in the discussion of General Instruction.

State Reading Grant dollars will be used to fund a portion of the elementary language arts specialists' salaries. This reallocation of committed salaries allows expanded support for instructional materials, printing, assessment, and other to-be-identified curriculum related expenditures.

C/I/A is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid. In addition, the District receives several grants that are dedicated to curriculum areas. These grants include Title II, Reading Improvement, and Quality Assurance.

Fiscal 2004-05 Revenues: $347,000
Fiscal 2004-05 Expenditures: $1,174,970

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Curriculum/Instruction/Assessment Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	0	0	0	N/A	
State Revenues	200,000	219,526	219,526	N/A	
Federal Revenues	147,000	90,000	0	N/A	
Total Revenues	**347,000**	**309,526**	**219,526**	N/A	
EXPENDITURES					
Salaries	728,170	830,557	803,882	-12.33%	Delete retirement salary adjustment; reduce team leaders
Benefits	0	0	6,100	N/A	
Contracted Services	177,800	243,939	187,107	-27.11%	Reductions to printing and other lines
Supplies	249,000	246,966	75,682	0.82%	Includes Math books for 04-05
Equipment	20,000	16,200	10,863	23.46%	Reduction
Total Expenditures	**1,174,970**	**1,337,662**	**1,083,634**	**-12.16%**	

General Instruction

The **General Instruction Programs** (00 and 28) record expenditures for regular instruction and school administration, including salaries for principals and assistant principals, certified staff for regular classroom instruction and language arts specialists, certified substitutes, regular instruction teacher assistants, and school office staffs. Budgets for textbooks, printing, curriculum materials, staff development and equipment for classrooms, school offices and instructional areas are allocated by student population and recorded by school.

The FY 2004-05 **School Administration** staffing is the same as FY 2003-04 and includes 10 principals, 7 assistant principals, and 22 school secretaries.

Certified Staff salary budgets have been determined by staff projected for the 2004-2005 school year and include a decrease of 7.0 FTE classroom teachers (to netted with the addition of 3 FTE language arts specialists). 6.5 FTE world language teachers or instructors have been budgeted for the in-curricular Spanish program. The average elementary school class size is approximately 22 students.

Regular education **Teacher Assistant** assignments are based on allocations stipulated in the certified contract and the large school proposal adopted by the Board (1992). Although current class sizes do not require assignment, The Personnel Office recommends that 8 positions be included in the FY 2004-05 budget ($97,333). Positions added in FY 2000-01 for full time **Permanent Substitutes** at each school (a total of 12 positions) improve the ability of the district to assign qualified substitutes. Salary budgets are also provided for **co-curricular stipends** for after school activities and stipends to pay elementary teachers for overnight participation in the 5th grade outdoor education program. Fees for instructional materials were reinstated in FY 2003-04 and continued in FY 2004-05. Fees were previously last collected in FY 1996-97.

School operation and instruction budgets are funded through **per student allocations**. The FY 2004-05 distributions are approximately $148.57 per student for a total of $742,132. These dollars are used for instructional materials, art, music, and PE supplies, and instructional and classroom equipment. Additional instructional materials are provided through the Curriculum/Instruction/Assessment (C/I/A) budget.

Board support of the **BRAVO and CAST** programs provides salaries and benefits for a certified staff member, a secretary, and a $15,000 program budget for each school.

Staff development dollars support school efforts to achieve identified goals. A total of $40,914 is allocated locally for school improvement. (Additional funds for school staff development directed towards specific district initiatives are budgeted in the C/I/A program and several grant programs). These dollars also can be used to support school sponsored intervention programs.

Revenues assigned specifically to this program include General State Aid and transfers from Working Cash ($700,000 bonds and $100,000 interest), and revenues resulting from District 97 and Village TIF agreements.

The General Instruction Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, General State Aid.

FY 2004- 05 Staff Allocations

Principals	10.0	FTE
Assistant Principals/Dean	7.0	FTE
Classroom Teachers	215.0	FTE
Language Arts Specialists	10.9	FTE
World Language	6.5	FTE
CAST/BRAVO Coordinator	2.0	FTE
CAST/BRAVO Secretary	2.0	FTE
Secretaries	21.0	FTE
Part Time Office Help	15.0	hrs. per wk. (1 school)
Teacher Assistants	8.0	FTE (10 months)
Permanent Substitutes	12.0	FTE (10 months)

Fiscal 2005 Revenues and Other Sources: $3,987,500
Fiscal 2005 Expenditures: $19,619,911

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

General Instruction Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	575,000	475,000	505,923	21.05%	TIF Settlement revenues
State Revenues	2,612,500	2,370,000	3,100,635	10.23%	General State Aid / Regular Ed Orphan reimbursement.
Transfer from Working Cash	800,000	800,000	740,745	0.00%	From Working Cash based on projected interest earnings. Includes proceeds of sale Working Cash bonds.
Total Revenues	**3,987,500**	**3,645,000**	**4,347,303**	**9.40%**	
EXPENDITURES					
Salaries	16,699,265	16,665,250	16,725,067	0.20%	Reduce classroom positions (9); add LA Specialists +2; balanced by contractual increase in salaries; adjust for retirements
Benefits	2,202,650	1,992,152	2,057,654	10.57%	Benefits determined by union contracts
Contracted Service	252,833	230,200	233,844	9.83%	Includes postage, printing, field trips; determined by building allocation
Supplies	395,952	444,445	366,180	-10.91%	Budget determined by building allocation
Equipment	69,211	99,615	74,886	-30.52%	Budget determined by building allocation. Includes dollars for building classroom equipment replacement (reduction).
Total Expenditures	**19,619,911**	**19,431,662**	**19,457,631**	**0.97%**	

Gifted Program

State financial support for the **Gifted Program** (Program code 47) was eliminated from the Fiscal 2003-04 State budget, leaving local sources totally supporting the program. This program emphasizes differentiated instruction to challenge gifted, talented, and advanced learners.

The FY 2004-05 budget includes salaries for 7.6 FTE resource coordinators to service the elementary schools. Staffing remains unchanged. Full time teachers are assigned to Beye, Holmes, Irving, Lincoln, Longfellow, Mann, and Whittier. Hatch's position was increased from .5 FTE to .6 FTE in FY 2003-04. A 1.0 FTE position is added to split between the two middle schools. The FY 2004-05 budget also contains a slight increase in supplies dollars ($3,775 vs. $2,000 last year).

The Gifted Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid.

Fiscal 2004 Revenues: $ -0 -
Fiscal 2004 Expenditures: $604,403

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Gifted Program Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
State Sources	0	0	27,239		State funding eliminated after FY 03-04
Total Revenues	**0**	**0**	**27,239**		
EXPENDITURES					
Salaries	600,628	435,190	439,519	38.02%	Reflects salaries of staff allocated to program.
Benefits	0	0	0	N/A	
Contracted Services	0	0	290		
Supplies	3,775	2,000	1,888	88.75%	Building allocations
Total Expenditures	**604,403**	**437,190**	**441,697**	**38.25%**	

Food Service Program

The **Food Service** program budget supports supervision, breakfast and lunch service to students. Budgets for supervision vary by school according to the number of lunchrooms, playground areas, and the number of students served. Additional budgets are allocated for personnel to oversee hot lunch preparation and meal distribution at all schools.

Board approved supervision fees are assessed to all students utilizing the service on a pro-rata basis. The Fiscal 2004-05 fees are $82 for elementary students, $75 for middle school students, and $22 for elementary students going home for lunch and requiring minimal playground supervision. It is expected that these fees will cover supervision salaries, and do not include the salary of a lead lunch supervisor at each school and costs associated with preparation and serving hot lunch. The District covers the cost of supervision for children eligible for free or reduced lunches as defined by federal guidelines.

Holmes initiated a hot lunch program during Fiscal 1993 and served approximately 130 lunches per day. This program has expanded to all eight elementary schools and the two middle schools. Approximately 1,700 lunches are served on an average day.

The Fiscal 2004-05 food service program budget includes breakfast services at 5 schools (Hatch, Beye, Longfellow, Irving and Whittier). As with the hot lunch program, payments for breakfast and federal and state reimbursements are expected to cover the costs of the program.

The **Food Service** program is supported by supervision fees, charges for meals and beverages and federal and state subsidies. Local funds cover the costs associated with supervision of approved free and reduced students.

Fiscal 2004-05 Revenues: $984,000
Fiscal 2004-05 Expenditures: $1,000,000

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Food Program Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FFY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	711,000	684,265	541,003	3.91%	Supervision and purchased lunches for 10 participating schools and breakfast program @ 5 elementary schools.
State Revenues	13,000	15,000	13,587	-13.33%	Free and Reduced Lunch & Breakfast
Federal Revenues	260,000	265,000	323,468	-1.89%	Free and Reduced Lunch & Breakfast.
Total Revenues	**984,000**	**964,265**	**878,058**	**2.05%**	
EXPENDITURES					
Salaries	512,945	529,638	505,548	-3.15%	Salaries for hot lunch program and supervision at all schools
Benefits	25,000	25,000	1,018	0.00%	
Contracted Services	10,000	10,000	6,985	0.00%	Repair of lunch tables
Supplies	444,555	456,199	417,568	-2.55%	B'fast and unch program - based on FY04 sales
Equipment	7,500	7,500	2,335	0.00%	Purchase of replacement equipment for food sales program
Total Expenditures	**1,000,000**	**1,028,337**	**933,454**	**-2.76%**	

Media/Technology Center Program

The **Media** budget supports the operation of the Media Centers in each school and technical support for media equipment and materials. Salary budgets include one certified media specialist for each center and .5 FTE media clerk at the K-5 buildings and a full time media clerk at both Brooks and Julian Middle Schools.

The media program includes dollars for the repair of the varied inventory of media equipment, including, but not limited to, CD, DVD, and cassette players and recorders, VCRs, camcorders, various projectors, and digital, still, and movie cameras. This equipment is purchased through school allocated budgets ($12,400) and PTO contributions. Support is also provided in the District Technology budget.

The supplies budgets purchase consumable supplies, professional and instructional materials and periodicals. Supplies also include library books that are allocated locally among the school budgets. Total supplies allocations for FY2004-05 are $84,475- a small reduction from FY 2003-04 ($89,193).

The Media Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid. Users are expected to reimburse the district for lost or damaged library materials. This money is deposited to the appropriate account for repair or replacement of the material.

Fiscal 2005 Expenditures: $937,155

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Media Program Budget Comparison
FY 2003-04 and FY 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES					
Salaries	829,780	783,434	774,352	5.92%	Media Specialists, library clerks, central office support.
Benefits	0	0	2,256	N/A	TRS employer share
Contracted Services	10,500	10,600	4,395	-0.94%	
Supplies	84,475	89,193	79,265	-5.29%	Library books and operations supplies (reduction)
Equipment	12,400	16,200	6,639	-23.46%	Reduction
Total Expenditures	**937,155**	**899,427**	**866,907**	**4.19%**	

Multicultural Resource Center

The **Multicultural Resource Center** (MCRC) program budget for Fiscal 2004-05 supports the Center's goals and objectives as identified in the Oak Park Elementary School District's mission and action steps of the strategic plan.

Salaries recorded in the budget support the Director, administrative secretary, and 2 part time clerks to maintain a database of all resource materials available through the Resource Center. The budget includes stipends for **Multicultural Teacher Advocates** ($8,500), who provide leadership, curricula, and staff development and coordinate duties in the area of multicultural education. In addition to the stipends, $3,000 is budgeted for curriculum development and other work related to these positions.

The department will continue to sponsor the **Summer Cultural Studies** with a $10,000 budget to support the program. Content will include science, literature, writing, performing arts and cultural presentations. A homework center has been added as a component to the Center. Parents are an integral part of this project. **Facing History and Ourselves**, a program focusing on diversity training and the difference each one of us can make when we take a stand. Also, Gay, Lesbian, Bisexual and Transgender Rights: What About Our Schools? will be held in the fall of 2004. The budget for these programs is $3,000. The budget for resource materials to assure that the MCRC collection is kept current and representative is $4,293 (reduction).

As a precursor to the **Ethnic Festival**, the department will continue an internal mini-grant program, allotting $900 per school to support yearlong multicultural/ diversity activity. . Grant awards will be determined using the request for proposal process. In addition to these allocations, the Festival's budget is $17,000.

The MCRC, located in the Percy Julian Middle School, reflects the vision recommended by the Facilities Steering Committee: "A centrally located, accessible, prominent, and visible resource for the entire community." It has truly become a school/community meeting place.

The Multicultural Resource Center program is supported by general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid. Support for the Ethnic Festival comes from a variety of local sources and is deposited directly to this account to offset expenditures.

Fiscal 2004-05 Expenditures: $227,290

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Multicultural Program Budget Comparison
FY 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES					
Salaries	175,123	185,290	128,103	-5.49%	
Contracted Services	45,394	43,906	41,284	3.39%	Reduction
Supplies	6,773	23,261	18,903	-70.88%	Reduction
Total Expenditures	**227,290**	**252,457**	**188,290**	**-9.97%**	

Music Program

The **Music programs** (21 and 22) in District 97 represent an articulated curriculum focusing on music skills and concepts as well as developing vocal and instrumental music techniques. Each elementary student has a general music class two times per week. Chorus, band, and orchestra participation is elective, and lessons and rehearsals are held during the regularly scheduled day.

In the middle schools, sixth grade students attend a nine week daily general music class within the required exploratory program. Sixth grade students may also choose to participate in an elective performance group (band, orchestra, or chorus) within the regularly scheduled day. Seventh and eighth grade students may select either general music or a performance based group as an elective. The budget for this program supports 11.0 FTE vocal music and 10.0 FTE instrumental music teachers.

The supply budget is primarily funds designated by principals from the per student allocations. Additional district accounts provide for piano tuning, repair of instruments, and purchase of equipment and supplies that relate to the District program. In FY99, an effort was made to keep only those district pianos in the best condition. A repair budget assures that those remaining in the district will be appropriately maintained.

Each elementary school has its own fourth and fifth grade band, orchestra, and chorus. Students are bused to rehearsals for district-wide events (this budget is recorded in the Transportation Fund).

The Music Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, General State Aid, and fees collected from students who rent District owned instruments.

Fiscal 2005 Expenditures (Ed Fund): $1,075,063

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Music Program Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	500	500	282	0.00%	Rental of instruments.
Total Revenues	**500**	**500**	**282**	0.00%	
EXPENDITURES					
Salaries	1,049,707	978,972	976,587	7.23%	Contractual salary increases
Contracted Services	10,100	8,400	8,581	20.24%	Repair account for pianos and instrumental program instruments
Supplies	13,256	13,837	13,146	-4.20%	Includes building allocations and District curriculum decisions.
Equipment	2,000	2,500	1,785	-20.00%	
Total Expenditures - Ed Fund	**1,075,063**	**1,003,709**	**1,000,099**	**7.11%**	
Transportation Fund	**8,000**	**7,650**	**7,566**	4.58%	Transportation to rehearsals
Total Expenditures - Music Program	**1,083,063**	**1,011,359**	**1,007,665**	**7.09%**	

Oak Park Education Foundation

The **Oak Park Education Foundation** or **OPEF** (Program code 06) is a volunteer coalition of twenty-five educators, business people, and community members whose purpose is to raise funds to support innovative or experimental programs not possible through the District 97 regular budget. OPEF is a direct result of Strategy 5 of the 1990 Strategic Plan. District 97 retains the option of continuing or electing not to fund a program once OPEF support is finished.

The first program funded by OPEF, **Global Village**, teams scientific professionals with District 97 classrooms and teachers in an effort to enrich the science curriculum. This project has generated more than $1.25 million in donated goods and services over the past thirteen years.

Fiscal 2004-05 is the fourteenth year for this program. The budget is supported by $3,000 from the Foundation, $4,500 from the State Career Education grant, and the remainder from District 97. If additional foundation and/or corporation support is secured, the District financial commitment will be reduced. For FY 2004-05, Mann teacher Kathy Botticelli will again facilitate the program with up to 1/2 day released time per week. The overall budget for the program is $19,400, excluding the facilitator's stipend. Other expenditures are direct costs of the program including partnership laboratory supplies, field trips, substitute teachers, the Young Scientists Conference, and recognition for participating scientists and teachers.

Art Start is the second Oak Park Education Foundation and District 97 program. Focused at K-2, the program's delivery model is similar to Global Village. The Fiscal 2005 budget of $41,123 is used for a part-time facilitator (Debbie Abrahamson), program supplies, field trips, and honoraria for the artists. Expenses for the program are reimbursed fully to the district by OPEF.

Fiscal 2005 Expenditures: $60,523
Fiscal 2005 Revenues: $44,200

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Oak Park Education Foundation Grants Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
OP Education Foundation	44,200	75,655	19,161	-41.58%	Reduction in Grant Support
State Career Education Grant	0	0	0		
Total Revenues	**44,200**	**75,655**	**19,161**	**-41.58%**	
EXPENDITURES					
Global Village	19,400	19,400	11,314	0.00%	Program maintenance level
Art Start	41,123	42,655	24,041	-3.59%	Program maintenance level
Service Learing (new)	0	30,000	14,287	-100.00%	
Total Expenditures	**60,523**	**92,055**	**49,642**	**-34.25%**	

Oak Park Township Youth Services

Oak Park Township Youth Services grants (Program code 04) are site-based grants. The funds are allocated to direct service providers (school district, park district, YMCA) from Township funds generated through local, state, and federal sources. These programs are approved in place of programs that could be provided directly by the Township. The competitive grants are awarded to support student activities that correspond to the mission of the Youth Services, primarily in the areas of juvenile delinquency, substance abuse, and violence prevention.

The Township has approved program support in the amount of $13,050 for FY 2004-05, a decrease in funding of 40% from FY 2003-04. The Township is also requiring that school PTOs provide matching funds in order for the programs to receive funding.

Approved FY 2004-05 projects include:

- Beye Homework Helper
- Brooks Power Hour
- Hatch Homework Helper
- Holmes Chess Club
- Holmes Leaders
- Irving Field Trip Club
- Irving WORM (Working on Reading in the Morning)
- Julian E.X.C.E.L.L. (Education, eXcellence, Careers, Learning and Leadership)
- Lincoln After School Media Center
- Lincoln Basketball
- Longfellow FLOW (Future Leaders of the World)
- Longfellow Rainbows
- Longfellow LEAP (Longfellow Educational Academic Program)
- Mann Homework Club
- Whittier Homework Help

Fiscal 2005 Revenues: $13,050
Fiscal 2005 Expenditures: $13,050

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Oak Park Township Youth Services Budget Comparison
FY 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Approved/Anticipated Grants	13,050	37,250	32,480	-64.97%	Estimate of grants to be awarded by Township
Total Revenues	**13,050**	**37,250**	**32,480**	**-64.97%**	
EXPENDITURES					
Beye	0	0	0	N/A	
Emerson	0	0	0	N/A	
Hatch	0	0	0	N/A	
Julian	0	0	0	N/A	
Holmes	0	0	0	N/A	
Irving	0	0	0	N/A	
Lincoln	0	0	0	N/A	
Longfellow	0	0	0	N/A	
Mann	0	0	0	N/A	
Whittier	0	0	0	N/A	
District	13,050	37,250	40,397	-64.97%	Actual expenditure categories to be determined
Total Expenditures	**13,050**	**37,250**	**40,397**	**-64.97%**	

Physical Education

The **Physical Education Program** (Program code 24) in District 97's elementary schools is taught by physical education specialists for students in first through fifth grades 67 minutes per week and in kindergarten 33 minutes per week. The classroom teacher leads physical education activities on those days that students do not see the physical education specialist. Sixth, seventh and eighth grade students receive physical education instruction daily. These schedules meet the state mandate of daily PE. The budget for this program supports 8.0 FTE elementary and 9.0 FTE sixth, seventh, and eighth grade teachers.

An updated, developmentally appropriate, and skill-based curriculum was implemented K-8 in FY 1996-97. The supply budget for this program is primarily funds designated by principals from the per student allocations. Additional district accounts provide for the purchase of equipment and supplies that relate to the District program and maintenance of gym PE related fixtures (basketball hoops and backboards, climbing ropes, etc.). There is also a $3,000 budget for repair and maintenance of the fitness equipment at the middle schools.

Transportation Fund expenditures are for co-curricular programs for students in sixth, seventh and eighth grades. Budgets for FY 2004-05 are based on historical allocations.

The Physical Education Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid.

Fiscal 2005 Expenditures (Ed Fund): $911,506

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Physical Education Program Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES					
Salaries	880,948	816,740	836,491	7.86%	Contractual increases
Contracted Services	12,000	11,500	10,169	4.35%	Referees for Junior High Interscholastic program / repairs to PE equipment in gyms, including Lifecycles in middle school fitness rooms.
Supplies	15,558	16,104	14,473	-3.39%	Budgets reflect building allocations
Equipment	3,000	3,000	2,813	0.00%	
Total Expenditures - Ed Fund	**911,506**	**847,344**	**863,946**	**7.57%**	
Transportation Fund Expenditures	**16,000**	**15,000**	**15,538**	**6.67%**	Co-curricular activities
Total Expenditures - PE Program	**927,506**	**862,344**	**879,484**	**7.56%**	

Pre-kindergarten Children At-Risk of Academic Failure

The **Pre-kindergarten At-Risk Program** (Program code 34) is a state-supported grant. The program will be in operation for its sixteenth year in Fiscal 2004-05. The program is housed at Longfellow school for three and four-year-old children who, through screening, are determined to need support prior to starting Kindergarten.

In Fiscal 2003-04, three full time teachers and 2.5 teacher assistants served 76 children. Enrollment is expected to be the same in FY 2004-05. With the exception of a portion of the teachers' benefits, the program is funded through the state grant.

The state granted $199,237 in FY 2003-04. The District projects a grant of $190,000 for FY 2004-05.

Fiscal 2005 Revenues: $190,000
Fiscal 2005 Expenditures: $210,722

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Preschool At Risk Program Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
State Revenues					
Anticipated Grant	190,000	199,237	191,331	-4.64%	
Total Revenues	**190,000**	**199,237**	**191,331**	**-4.64%**	
EXPENDITURES					
Salaries	189,069	163,892	159,966	15.36%	Salaries of staff assigned to program/ TA salaries to be determined
Benefits	5,367	19,059	19,456	-71.84%	
Contracted Services	4,890	4,890	2,118	0.00%	
Supplies	11,396	11,396	11,102	0.00%	
Equipment	0	0	0	N/A	
Total Expenditures	**210,722**	**199,237**	**192,642**	**5.76%**	

Pupil Personnel Services

Pupil Personnel Services is one of the many responsibilities of the Department of Special Services and includes social workers, nurses and psychologists and their very specialized services. The FY 2004-05 **salary budget** provides for one department secretary, 10.75 FTE social workers, 8.0 FTE nurses (increase of .3 FTE from FY03), and 5.0 FTE psychologists assigned to the ten District 97 schools, including the early childhood diagnostic team. Staff members are assigned to one or more schools. Due to increasing special education services and programs, some schools receive additional services from social work interns, health assistants, student nurses, and contracted staff. These services are provided under the direct supervision of District 97 staff. The social work interns are each paid a stipend which is the total amount reimbursed by ISBE. Therefore, their services and the internship are at no expense to the District. However, we do not receive the reimbursement until the year after the internship has been completed. The availability of supervisory staff as well as the successful recruiting and hiring of viable applicants determine the number of interns hired. Student nurses, supervised by our nursing staff, do not receive a salary through District 97. The involvement of these well-qualified interns and university students has afforded the District the opportunity to extend services to children as well as provide an excellent supervised training experience through collaboration between the District and various universities.

We continue to explore the hiring of both **social work interns** as well as externs. These people bring a valuable level of expertise and experience to the District at the minimal cost of $4,800 per intern. We have expanded our recruiting of interns to additional universities. We have developed a very successful orientation process for those interns hired by the district. The continued work with universities and agencies is a valuable financial and programmatic investment for District 97. Nine interns are budgeted for FY 2004-05, for a total budget of $45,000.

Materials, specialized services and required supplies are obtained with the remainder of the budget. Due to the use of grants, Medicaid, and funds earned from sponsored community-wide staff development programs, we continue to monitor this budget very closely and to use other resources whenever possible. Continued cooperation with local agencies such as the Illinois Department of Public Health, Oak Park River Forest Infant Welfare Clinic, physicians, etc. has allowed the nurses to maintain high quality services and ongoing communication with parents and the community. Medicaid funds have been used to purchase some of the large dollar equipment that the nurses need to continue to provide maximum services to our students. By using this resource, District dollars can be utilized for other purposes. Creative use of community resources has also supported ongoing innovative and topic-specific professional development, including CPR training for all interested staff. Throughout the current school year, numerous grants, parent, student and staff scholarships, and sharing of registration fees, allowed a significant increase in participation of special education related workshops and, local, state and national conferences at minimal costs. Including, but not limited to, Oak Leyden Developmental Services, STARnet, the Township Youth Services of Oak Park and River Forest, CEDA Head Start, Hephzibah Children's Association, the OPRF Chamber of Commerce, University of Illinois Extension Services, West Suburban Special Recreation Association (WSSRA), OPRF High Schools, and River Forest School District have worked collaboratively with the District 97 Department of Special Services allowing us numerous opportunities to sponsor outstanding workshops and other educational events for

families, staff, and other interested persons.

Diagnostic instruments and materials related to children's specific needs are also purchased through this budget. Through careful and continued review by the Director in cooperation with several staff members, these very high cost items have been obtained at more affordable rates. Special Education staff is very involved in obtaining grants from the Oak Park Township Youth Services. These funds provide a wide range of services to students, staff and parents throughout the Oak Park home school community. We continue to develop a very comprehensive list of resources, including audio and videotapes, books, magazines, and instructional resources. These materials have been expanded, through community grants and donations. These items are used by general education staff, special education staff, and in some instances, parents. We continue to work with the Oak Park Public Library and local bookstores to provide materials on various disabilities to the greater community.

In addition to the state personnel reimbursement, Pupil Personnel is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid. Pupil Personnel staff has been working closely with District and community resources to explore additional local, state and federal funding sources. These efforts will continue.

Fiscal 2004 Staff Allocations

Social Workers	10.75	FTE
Social Worker Interns	9.0	FTE
Nurses	8.0	FTE
Psychologists	5.0	FTE
Secretary	1.0	FTE

Fiscal 2004-05 Expenditures: $1,557,307

**Revenues from state personnel reimbursement and Medicaid reimbursement are recorded with the special services budget.

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Pupil Personnel Services Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local - Village Nursing Subsidy	0	0	0	N/A	Subsidy not available in FY04 and later
Total Revenues	**0**	**0**	**0**	**N/A**	
EXPENDITURES					
Salaries	1,480,107	1,444,506	1,409,993	2.46%	Adjust contractual salaries
Benefits	0	0	5,361	N/A	
Contracted Services	68,200	113,200	123,513	-39.75%	Contract nursing services for students
Supplies	9,000	9,000	8,188	0.00%	
Equipment	0	0	0	N/A	
Total Expenditures	**1,557,307**	**1,566,706**	**1,547,055**	**-0.60%**	

Reading Improvement

The K-6 **Reading Improvement Block Grant** (Program code 62) is focused on the improvement of students' reading achievement through direct instruction and early intervention. District 97 will use the FY 2004-05 per pupil entitlement dollars ($200,000) for a portion of the Language Arts Specialists' salaries.

Fiscal 2004-05 Expenditures: $221,629
Fiscal 2004-05 Revenues: $200,000

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Reading Improvement Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
State Revenues	200,000	219,526	219,526	-8.89%	Anticipated grant
Total Revenues	**200,000**	**219,526**	**219,526**	**-8.89%**	
EXPENDITURES					
Salaries	221,629	219,526	221,456	0.96%	Language Arts Specialists assigned to grant
Benefits	0	0	0	N/A	TRS employer share
Total Expenditures	**221,629**	**219,526**	**221,456**	**0.96%**	

Safe and Drug Free Schools (Title IV)

Safe and Drug Free Schools (Program code 65) is a federal entitlement program. Funds are distributed proportionally to non-public schools through District 97. The District 97 portion of the FY 2003-04 grant was used to support the InTouch committee, school peer mediation programs and partial funding of the District 97/Hephzibah alternative program.

District staff works cooperatively with other agencies in the community, and prevention activities under this program are developed in cooperation with the Oak Park Township Youth Services, Hephzibah, and the InTouch committee (a coalition of teachers and community organizations for the prevention of substance abuse).

In FY 2003-04, District 97 received $22,463. We plan to receive $19,000 in FY 2004-05. These dollars will support two long existing programs, InTouch and peer mediation. $1,000 will be allocated to the District 97/Hephzibah alternative program.

Fiscal 2005 Revenues: $19,000
Fiscal 2005 Expenditures: $22,967

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Safe and Drug Free Schools Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	19,000	22,463	19,821	-15.42%	
Total Revenues	**19,000**	**22,463**	**19,821**	**-15.42%**	
EXPENDITURES					
Salaries	11,200	10,000	11,130	12.00%	Increase to Peer Mediation
Benefits	1,176	1,050	56	N/A	
Contracted Service	6,993	7,554	4,929	-7.43%	Includes parochial schools expenses
Supplies	7,598	3,859	3,856	N/A	Includes parochial schools expenses
Equipment	0	0	125	N/A	
Total Expenditures	**26,967**	**22,463**	**20,096**	**20.05%**	

Special Services

The **Special Services** Department continues to be an integral part of district-wide programs and services. The Department is well known for the commitment to providing each student specialized service in the least restrictive environment. Consequently, there are an increasing number of students with special education needs, who are being served in mainstream and inclusive settings. In addition, the severity and complexity of the needs of the students is very evident. As a result, we are providing staff with an increasing range of training and staff development opportunities. For example, one of the District 97 occupational therapists has been involved in ongoing training in sensory integration therapy. This training has resulted in her becoming one of a small number of therapists who are certified in this area and working in the public schools. In a continuing effort to address the increased requirements for professional development for staff and informational resources for parents, the Department provides an extensive list (both hard copies and via the District's website) of books, tapes, and related materials. These materials are also available for loan to staff, parents and community members. An increasing number of parents, staff, and other interested persons have and continue to use these resource materials. This area of professional development and sharing of information has become increasingly valuable, as more District 97 students have received support and services in the general education classrooms. Opportunities like the lending library have strengthened the skills of special and general educators as well as parents. Some of the increasingly complex training issues have been addressed very successfully through weekend seminars and University 97 (U97) courses sponsored and organized by the Department of Special Services and also through a collaborative effort to provide U97, CPDU, and CEU credits for eligible participants. For over eight years, the Department has been able to also issue continuing education units (CEUs) for social workers, and speech/language pathologists. An ever-increasing number of special education related topics and courses have been made available through U97. These have continued to be offered during the regular school year as well as through occasional summer courses.

District 97 provides a full continuum of services for our students, with an emphasis on providing those services in the least restrictive environment. Services range from students with special needs remaining full time in the general education program, with consultation services being provided by special education staff, all the way to out-of-district placements, where children are placed in therapeutic day-schools. Consultation to students in the regular class might be provided on a monthly or quarterly basis, depending on the child's specific need for intervention and support. Children enrolled in regular education classrooms can receive a resource level of special education (less than 50% of the school day in special education). Students may also be eligible to receive Instructional level special education (more than 50% of the school day in special education) Some students are also found to benefit from an instructional special education program with specific times scheduled for interaction with students in the regular education programs. An increasing number of our children are enrolled in the regular education programs supported by an inclusive educational environment being provided through special education. The related services provided for District 97 students include speech and language therapy, social work interventions and groups, direct and/or indirect support from our nurses, physical and/or occupational therapy and adapted physical education.

These comprehensive services and programs require substantial monetary support from local, state, and federal sources. We have used **Medicaid reimbursement** to support some of the District 97 special education programs and services. This has proven to be a very substantial and practical resource for the past few years; however, these funds have recently been reduced. These particular dollars have been used to support technology, the purchase of specialized equipment, ADA accommodations, and to provide air conditioning for special education classrooms. Due to the success of our efforts, (over a million dollars has been generated), we intend to continue to work with the appropriate agencies to bring Medicaid dollars to the District as long as this funding source is available. $89,658 has been budgeted for FY 2004-05.

The weekend and evening workshops, previously mentioned, have continued to be a valuable and innovative resource for the Oak Park - River Forest communities. We have attracted parents, staff, and other interested persons from other surrounding areas. The seminars have become known throughout the west Cook County area. The community and district workshops have become increasingly visible. The workshops and classes have resulted in many unique and outstanding experiences for students, their families, staff, and the community at large. There is ongoing evidence of the effective collaboration with other agencies that has taken place through extensive efforts in this Department. The workshops, presentations, and materials have been financially supported by Federal Grant dollars, and registration fees.

Other revenues used include the **Special Education Levy** ($215,000), state reimbursements for personnel, extraordinary pupil costs, private facility placements, and orphans who are receiving special education services ($3,072,000). It is important to recognize that only the state personnel reimbursement is funded at 100%; the State of Illinois budget projections indicate all other categorical reimbursements will be prorated at approximately 90%.

As with other areas of the District budget, **Salaries** represent the largest expenditure for Special Education. The budget includes salaries for 3.5 administrators, 53 teachers (including instructional classroom teachers and learning disability resource specialists, 3.0 adaptive PE, 3.5 FTE occupational/physical therapists (partially funded by IDEA Grant), 1.0 FTE diagnostic classroom teacher (Whittier), 12.0 FTE speech/language pathologists, 97 FTE teacher assistants (partially funded by IDEA Grants), substitutes for TA's, 2.0 FTE planning substitutes for special education certified staff. The budget also includes the salaries for 4.5 FTE department secretaries.

The Whittier **diagnostic classroom** for children coming from Hephzibah has continued to be a successful intervention. This classroom provides an opportunity for these students to make an appropriate adjustment to District 97 and the community. It has proven necessary to place some of the students residing at Hephzibah in out-of-district programs; however, the number of Hephzibah students needing out-of-district placements has been reduced due to the success of the classroom. It is staffed with one teacher and one full time teaching assistant.

Significant budgets continue to be necessary for **out-of-district tuition** costs for students who require therapeutic day schools for behavioral reasons as well as for those students with significant multiple and/or low incidence impairments. There are also transportation costs related to these placements. We continue to find that there is an

increase in the per diem rate for the students in these facilities and programs. The total FY 2004-05 out-of-district tuition budget is $1,801,000.

There are also increasing numbers of students requiring **tutorial services**. The students range from those who are placed in an interim educational setting pending an out-of-district placement, to those who are temporarily hospitalized and are eligible for tutoring as provided by the hospital. The tutoring services are also provided for those students who have temporary health situations that prevent them from attending school.

The Illinois State Board of Education requires that school districts provide an **Extended School Year** (ESY summer school) for children with special education needs who cannot retain and recoup skills gained during the regular school year. There is partial state reimbursement for this program. Additional reimbursement is provided through the categorical areas previously indicated. Some students attending out-of-District facilities also qualify for ESY, adding to the District's costs due to their transportation requirements. Estimated budget for this program is $472,258 of which $149,500 is recorded in the Transportation Fund. The District receives approximately $45,000 reimbursements for this program.

Occupational and physical therapy are provided to eligible students through contractual arrangements with various agencies. Due to our efforts to control costs, we have successfully hired speech/language pathologists, occupational therapists, and physical therapists in lieu of the contracted specialists. These specialists are very difficult to locate but the ongoing effort to attract good applicants in these areas is being made in conjunction with the work done by Human Resources. Hiring our own staff is a fiscally sound decision and in the best interest of our students. However, it is not always possible to fill all of the necessary positions with district hired employees, thus we will continue to hire contract staff in instances where we can not hire individuals directly. Total FY 2004-05 budget for OT/PT staff and contracted positions is projected to be $435,000, the majority of which is funded through the IDEA Flow Through grant.

Also recorded in this program is the **West Cook County Professional Development Academy – State Improvement Grant (SIG)**, one of seven very competitive grants awarded throughout the state. The 2000-01 SY was the first time these grants were offered by ISBE and, therefore, the first time that District 97 responded and became a successful recipient. As of the writing of this report, we have received a total of $464,000 over the four-year period and plan to re-apply for final year of the grant in the amount of $116,000 for the FY 2004-05.

The focus of the Academy is to provide a network of professional development that coordinates local, regional, and state resources to parents and educators who share responsibility for implementing an integrated service delivery model focused on improving outcomes for children and youth with disabilities. Specifically, the Academy was designed to increase the skills of certified and non-certified staff, parents, and others for accommodating students with disabilities in the general education curriculum. Each of the participants derives benefits specific to the needs and roles of their respective schools and community. An additional benefit is the creation of a considerable cadre of individuals from across the spectrum of the educational community who have been engaged in intensive learning activities designed to increase their effectiveness in providing more opportunities for students with special needs. This Academy has also had a very positive influence on increasing the pool of certified staff members. This has been

done through the provision of tuition reimbursement for potential special education staff and administrators as well as providing collaborative work with local organizations, agencies, and universities.

The budget will continue to support the efforts and participation of families, instructional teaching assistants, regular and special education teachers, as well as community representatives. Extensive resources, including books, cassette and videotapes, materials, have been made available to staff and parents through the grant dollars. All participants will be well trained and better able to work with children with special needs. Participation in the West Cook County Professional Development Academy will continue to have a direct and highly effective impact on educational programs throughout the West Cook County area.

In addition to the revenues listed, all general revenues support Special Education, including local taxes, earned interest, Corporate Personal Property Replacement Tax Revenues and General State Aid.

Fiscal 2004-05 Staff Allocations

Administration	3.5	FTE
Secretaries	4.5	FTE
Certified Teaching Staff	53.0	FTE
Diagnostic Classroom	2.0	FTE
OT/PT	3.0	FTE
Speech and Language	12.0	FTE
Teacher Assistants	97.0	FTE
Planning Substitutes	2.0	FTE

Fiscal 2005 Revenues: $3,492,658
Fiscal 2005 Expenditures (Ed Fund): $7,749,273

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Special Services Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	215,000	159,597	193,268	34.71%	Estimate of actual tax collections
State Revenues	3,072,000	2,330,000	2,409,464	31.85%	Projected categorical reimbursements reflects proration in funding except for 100% personnel
Federal Revenues	205,658	238,052	986,798	-13.61%	Medicaid Reimbursements and IDEA Academy
Total Revenues	**3,492,658**	**2,727,649**	**3,589,530**	**28.05%**	
EXPENDITURES					
Salaries	5,024,245	5,420,738	5,119,554	-7.31%	Decrease of 2 FTE and retirement salaries
Benefits	436,500	415,500	27,499	5.05%	Special Services staff Life and Health Insurance/ Benefits in IDEA Academy Grant; journal entry pending
Contracted Services	90,500	127,500	110,980	-29.02%	Includes expenditures associated with Medicaid reimbursements /OT/PT hospital contracts not paid by Federal IDEA grant/Contracted speech therapy
Supplies	53,980	73,480	41,444	-26.54%	
Equipment	71,658	71,658	825	0.00%	ADA related facilities projects and Special Education equipment
Other	3,000	3,000	2,490	0.00%	
Tuition	1,836,000	1,550,000	1,814,763	18.45%	Estimate of expenditures based on current enrollment
Total (Ed Fund) Expenditures	**7,515,883**	**7,661,876**	**7,117,555**	**-1.91%**	

Special Services Budget, continued

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
Transportation Fund (Details in Section 5)					
Revenues - State	950,000	731,000	0	29.96%	State budget includes 100% funding of claim (claim is 80% of expenditures). Assumes District request for waiver of calcuation formula is granted
Expenditures	1,580,583	1,350,529	0	17.03%	Reflects increasing transportation requirements, especially for Extended School Year
Total Revenues - All Funds	**4,442,658**	**3,458,649**	**3,589,530**	**28.45%**	
Total Expenditures - All Funds	**9,096,466**	**9,012,405**	**7,117,555**	**0.93%**	

Special Education – Flow Through Grant

The **Individuals with Disabilities Education Act (IDEA)** provides federal funds via a Flow Through Grant which is to be used for programs and services for students with disabilities. The district share of the Federal allocation of funds for IDEA Flow Through is determined annually by the Illinois State Board of Education. The grant supports special education personnel salaries, purchase of equipment and materials, professional development for certified and non-certified staff, accessibility modifications, and training for parents and students.

Through the grant, we have been able to provide Saturday and evening **community-wide workshops, training activities and seminars** featuring local, state, national, and international specialists. These activities have covered a wide variety of areas including Learning Disabilities, Physical and Cognitive Delays, Attention Deficit / Hyperactivity Disorders (ADHD), Autism, and many other topics. The programs have been well attended by an impressive number of participants including District 97 staff, parents, and community and agency representatives. Attendance has also included interested people from many districts and surrounding communities. Additionally, we have used the funds to send staff and parents to state and national workshops related to their particular area of interest or concern. The grant has also provided resources, specialists, and consultants for classrooms and schools.

Due to the ongoing need for **teacher assistants**, in instructional and inclusive settings, the grant has continued to include the salaries and benefits of a significant number of non-certified staff members. We have also found the grant to be a valuable resource in continuing to provide general education staff with support and resources as they work with students with special needs.

There is an ongoing effort to work with the Department of Human Resources to further explore ways to make the best use of this money as a means for providing certified and non-certified staff and parents with training resources. The goal is to support them in most effectively meeting the needs of youngsters with very diverse learning styles. Future goals include developing training sessions appropriate for student involvement. This is already being initiated at both middle schools in their Best Buddies Programs.

Additionally, we are continuing to work with the **technology** department in the long-range goal of providing all special education classrooms with current and appropriate technology equipment, software, assistive technology devices, and related training. The grant has helped to provide the district with a teacher leader for Assistive Technology and that person is continuing to make it possible for numerous staff members to increase their skill and knowledge in this area.

During the 2000-2001 school year, the District 97 Department of Special Services joined other special education departments and cooperatives in West Cook County to become a member of the West Cook County Assistive Technology Coalition. The District will continue this membership and has found

it to be very beneficial in the areas of group purchases and reduced rates for staff training.

The ultimate purpose of the IDEA grant dollars is to compliment the use of local monies to support special education programs and services. We realize that this must always be done according to federal and state guidelines and without any indication of supplanting of funds.

Fiscal 2004-05 Revenues: $1,221,407
Fiscal 2005 Expenditures: $1,222,731

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Special Education I.D.E.A. Flow Through Grant Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	1,221,407	900,000	694,237	35.71%	
Total Revenues	**1,221,407**	**900,000**	**694,237**	**35.71%**	
EXPENDITURES					
Salaries	628,405	440,000	440,000	42.82%	Teacher Assistants
Benefits	109,000	80,000	80,052	36.25%	
Contracted Service	381,984	353,000	353,785	8.21%	Hospital OT/PT contracts/ staff development
Supplies	40,000	60,000	59,999	-33.33%	Partial funding of special education classroom materials
Equipment	63,342	63,342	63,341	0.00%	Special ed. classroom equipment
Total Expenditures	**1,222,731**	**996,342**	**997,177**	**22.72%**	

Special Education – IDEA Preschool Grant

The **Individuals with Disabilities Education ACT (IDEA) for Preschool Education** provides funds for services to children between ages three and five. The grant is used to support salaries of special education teacher assistants working with the early childhood programs and to provide specialized student evaluations.

The Federally allocated amount of this grant has remained the same for the past three years. It is anticipated that in the future the preschool grant amount will either decrease or be completely folded into the larger Flow Through Grant. The on-going need for additional funding sources for early childhood intervention is obvious, and the greater community is encouraged to continue to seek additional funds to support interventions and programs for our early childhood age children with special needs.

Fiscal 2004-05 Revenues: $45,000
Fiscal 2004-05 Expenditures: $45,000

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Special Education I.D.E.A. Preschool Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	45,000	45,000	25,646	0.00%	Estimated grant
Total Revenues	**45,000**	**45,000**	**25,646**	**0.00%**	
EXPENDITURES					
Salaries	35,084	35,084	0	0.00%	Teaching assistants
Benefits	7,500	7,500	0	0.00%	Related benefits
Contracted Services	0	0	0		
Supplies	2,416	2,416	0	0.00%	
Equipment	0	0	0		
Total Expenditures	**45,000**	**45,000**	**0**	**0.00%**	

Summer School Program

District 97's traditional, tuition- based, summer school program (Program codes 63 and 64) continues to be offered and includes classes for both enrichment and remediation. It is expected that financial assistance for some students (now in grades 4-8) whose families are not able to afford the tuition will be provided through individual Incentive Grants from the Township Youth Services.

The Fiscal 2004-05 program (Summer 2004) will offer a variety of classes that supplement the regular school year curriculum. These classes have been developed and will be taught by District 97 teachers. Students may enroll for an entire morning of classes, during which time they will have the opportunity to choose two classes or one double period class. The Academic Camp program in the afternoon will continue this year for double period classes. Students may enroll in the morning and afternoon. There will be a half-hour lunch period. The Academic Camps offer a variety of classes in science, study habits, reading and writing workshops, German, and Technology classes. These classes are designed for students in kindergarten through seventh grade.

The program's expenditures will be partially supported by tuition payments, with the exception of a District supplement required for fees waived for some students not eligible for the Township scholarships (those now in grades K-2). These dollars will come from all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid.

Fiscal 2004-05 Revenues: $50,000
Fiscal 2004-05 Expenditures: $138,083

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Summer School Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues	50,000	62,842	53,105	-20.44%	Tuition based program with a limited amount of waivers granted
Total Revenues	**50,000**	**62,842**	**53,105**	**-20.44%**	
EXPENDITURES					
Salaries	135,783	180,959	176,712	-24.96%	Summer School also in Title I
Benefits	0	1,304	537	-100.00%	
Contracted Services	1,300	2,725	3,387	-52.29%	
Supplies	1,000	1,575	4,326	-36.51%	
Total Expenditures	**138,083**	**186,563**	**184,962**	**-25.99%**	

District Technology

District 97 has directed considerable dollars and energies in the area of **technology** (Program code 27) in past budget years. Although budget cuts will constrain our initiatives this year, continuing efforts will be made to further stabilize the technology infrastructure and provide adequate maintenance and repair of our present technology in FY 2004-05. Additionally, efforts will continue to document departmental procedures and setup agreements with key vendors to systematize our support efforts.

The total **salary budget** is $570,490 and includes the following positions: department director (reduced to .6 FTE); a technology administrator and technology coordinator to (2.0 FTE) manage the WAN and LANs, supervise hardware selection, and train staff in the use of this significant investment; 10 Technology Specialists to support technology equipment at each school; .5 FTE for the District's web page design and support; and .5 FTE for the management and training required for SASI. An additional $12,000 is allocated for stipends for **school web site maintenance and upkeep and summer support** of the District's main web site. Staff support for instructional technology and data management are included in the C/I/A budget.

Maintenance and repairs are budgeted at $146,000 to assure equipment will be kept in good, usable condition. An additional $45,300 is budgeted for network systems maintenance and support.

The **equipment budget** for instructional programs in FY 2004-05 is $110,400 and will support the replacement of approximately older computers and other technology and upgrade the Windows and Macintosh operating systems. An additional $34,000 is allocated for upgrades of selected administrative computers and network servers.

Working with the community and District committees, a 3-year **Technology Plan** was developed and first approved by the State in FY 2001-02. The new Technology Plan, being developed for approval this year, will outline goals and objectives designed to increase technology, such as portable computing labs, and further the instructional use of existing technology. The approved plan enables the District to receive federal E-Rate reimbursement for telephone service.

Recognizing the importance of the application of technology and instruction, the state has provided low cost **technology loans** to schools. District 97 received almost $1,300,000 in Fiscal Years 1998-99, 1999-00, and 2000-01. Budget for repayment of these loans is included in the technology budget. The remaining loan (2000-01) will be repaid in FY 2004-05.

Grant funds are projected from two federal sources: a) Technology: Closing the Gap ($20,000) and b) Technology: Literacy Challenge ($12,000).

Fiscal 2004-05 Revenues and Other Sources: $32,000
Fiscal 2004-05 Expenditures and Other Uses: $994,052

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
District Technology
FY 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES and Other Sources					
State Sources	20,000	8,700	0	N/A	Technology; Closing the Gap
Federal Revenues	12,000	0	12,497	N/A	Technology Literacy Challenge
Other Sources					
State Technology Loan	0	0	0	N/A	
Total Revenues and Other Sources	**32,000**	**8,700**	**12,497**	**267.82%**	
EXPENDITURES and Other Uses					
Salaries	570,490	655,326	628,189	-12.95%	0.6 FTE Director (reduced)/10 Tech Specialists; 2.0 District Technical Coordinators /0 .5 FTE Webmaster/ .5 SASI technical support/Web Producer stipends for each school
Contracted Service	200,350	230,970	213,582	-13.26%	SASI support/ Network support/ equipment maintenance and repair/ professional development for Technical coordinators.
Supplies	5,000	5,000	4,343	0.00%	
Equipment	144,400	193,400	127,176	-25.34%	Administrative server and PC upgrades/ instructional hardware replacements
State Technology Loan Repayment	73,812	147,156	147,688	-49.84%	Final outstanding loan payments
Total Expenditures and Other Uses	**994,052**	**1,231,852**	**1,120,978**	**-19.30%**	

Title I

Title I (Program codes 10 and 14) is a recently reauthorized federal entitlement grant which must be allocated to schools according to the population density of low income students and used for the academic support for children most in need. Programming decisions are shared between the district and qualifying schools within the guidelines dictated by the grant. Some of these guidelines, based on the *No Child Left Behind Act of 2001*, include:

Districts must link Title I with state standards.

Title I is to be integrated with other resources to support comprehensive reform.

Title 1 resources are targeted to closing the achievement gap between high-performing children and low-performing children.

The reauthorization calls for increased accountability for improving the academic achievement of all students.

The sole criterion for allocation of dollars to eligible schools is the number of low-income students per building multiplied by a prescribed formula.

Eligible schools for FY 2004-05 are Longfellow, Whittier, Irving, Beye and Hatch. Most of each eligible school's allocation is reserved for .5 FTE certified salaries for teachers working directly with children. Additional funds are allocated for a part- time coordinator salary, the Hephzibah/Whittier liaison, tutors, teacher assistants, staff development, and equipment and supplies related to the program. In addition, the new full-day, eight-week "Stepping Stones" summer school program for Kindergartners who need additional academic preparation to be ready for first grade is being funded entirely by Title I dollars. A portion of other District summer school programs for academically disadvantaged elementary school students will also be paid for by Title I funds.

The Title I allocation was increased significantly (37%) in FY 2003-04 to $468,770 resulting from a higher low income count from the 2000 census data. The final Title I allocation for FY 2004-05 is expected to remain the same at $469,000. Approximately $193,000 from last year's Title I allocation will be spent in this fiscal year.

Fiscal 2005 Revenues: $662,000
Fiscal 2005 Expenditures: $673,239

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Title I Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	662,000	315,000	449,143	110.16%	03-04 allocation higher than budgeted; excess funds to 04-05 summer school
Total Revenues	**662,000**	**315,000**	**449,143**	**110.16%**	
EXPENDITURES					
Salaries	412,092	258,257	258,256	59.57%	Pays for .5 FTE at eligible schools
Benefits	17,667	12,423	7,362	42.21%	10.5% payment to TRS required for all Certified salaries
Contracted Service	213,085	100,848	35,815	111.29%	Program support - Detail to be determined
Supplies	30,395	600	367	N/A	
Equipment	0	0	0	N/A	
Total Expenditures	**673,239**	**372,128**	**301,800**	**80.92%**	

Title II

Title II funds (Program code 16) are distributed by the federal government with non-public schools in Oak Park receiving their proportional share. Title II is a professional development grant. The *No Child Left Behind Act* stipulates that funds may be used to support staff development in all content areas as well as to support teacher mentoring programs.

District 97 will use the Title II grant dollars for University 97 classes, Open Court training and outside workshop expenses to enhance teacher skills in the content areas ($67,000). Consultant fees for school improvement at Holmes and Brooks will account for approximately $50,000. In addition, $7,600 will be allocated for the OPTA's Teacher Mentor Program and $2,000 for the OPTAA's Mentor Program. A portion of the Title II budget ($34,710) is being transferred to Title V to pay for tutoring previously funded by Title I (see narrative for Title V).

Fiscal 2005 Expenditures: $147,130
Fiscal 2005 Revenues: $147,130

OAK PARK ELEMENTARY SCHOOLS DISTRICT 97
Title II Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Budget	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	147,000	79,178	178,091	85.66%	Anticipated Grant
Total Revenues	**147,000**	**79,178**	**178,091**	**85.66%**	
EXPENDITURES					
Salaries	48,139	133,559	100,459	N/A	
Benefits	3,675	4,368	122	N/A	
Contracted Service	87,188	43,802	48,805	99.05%	
Supplies	8,128	0	0	N/A	Includes parochial schools allocations
Equipment	0	0	0		Includes parochial schools allocations
Total Expenditures	**147,130**	**181,729**	**149,386**	**-19.04%**	

Title V

Title V (Program code 15) funds are distributed by the federal government on a per pupil basis. Non-public schools are entitled to a proportional share.

There are few restrictions on how the dollars may be spent, and District 97 has used past allocations for administration and school staff development. The focus in FY 2004-05 is on the purchase of student achievement monitoring software and Spoken Word Poetry residencies. Tutoring funds are also budgeted.

Unexpended FY 2003-04 funds are included as carryover in the FY 2004-05 budget and will be used for purchase of LCD projectors for all schools.

Fiscal 2005 Revenues: $35,000
Fiscal 2005 Expenditures: $69,864

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Title V Budget Comparison
FY 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Federal Revenues	35,000	35,000	38,154	0.00%	
Total Revenues	**35,000**	**35,000**	**38,154**	**0.00%**	
EXPENDITURES					
Salaries	34,710	2,961	2,861	N/A	
Benefits	0	0	6	N/A	
Contracted Service	16,296	12,773	6,320	27.58%	Includes parochial schools allocations
Supplies	5,800	5,444	0	N/A	Includes parochial schools allocations
Equipment	13,058	29,780	25,837	N/A	
Total Expenditures	**69,864**	**50,958**	**35,024**	**37.10%**	

Transitional Program of Instruction (ESL)

Transitional Program of Instruction (Program code 32) is the state designation for the program supporting students in need of special instruction because English is used as a second language in their homes. The state began to provide schools with reimbursement dollars for ESL in the late 1980's. However, as the number of ESL students increases throughout the state, the level of reimbursement declines. The reimbursement is determined by a formula based on the number of students served at each attendance center and the amount of time per week they are served. District 97 projects $8,814 reimbursement for FY 2004-05.

Expenditures submitted for state reimbursement include partial salary for one full time teacher. Local dollars support three full time teachers and limited dollars for additional instructional materials.

The portion of the program not covered by state reimbursements is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Replacement Tax Revenues, and General State Aid.

Fiscal 2005 Revenues: $5,000
Fiscal 2005 Expenditures: $196,683

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Transitional Program of Instruction (ESL) Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
State Revenues	5,000	11,187	5,847	-55.31%	Estimate Grant
Total Revenues	**5,000**	**11,187**	**5,847**	**-55.31%**	
EXPENDITURES					
Salaries	195,603	187,225	187,612	4.47%	Expenditures include state approved and District enhanced related expenditures
Benefits	0	8,659	1,088	-100.00%	
Contracted Services	1,080	0	825		
Supplies	0	1,000	790	-100.00%	
Total Expenditures	**196,683**	**196,884**	**190,315**	**-0.10%**	

Art Instruction Program

The **Art Instruction Program** (Program code 20) in District 97 is a comprehensive curriculum including art making, aesthetics, art history, and art career education. Grades one - five have art for 67 minutes per week; kindergarten children have one 33 minute period per week. In the middle schools, sixth grade students attend a nine-week daily art class within the required exploratory program. Seventh and eighth grade students may select fine arts, family and consumer sciences, or applied arts as a trimester elective that meets daily. The budget for this program supports eight (8) elementary art and three (3.0) sixth, seventh, and eighth grade teachers. This teaching staff allocation continues to support the district's approved curriculum as well as some program adjustments in the elementary schools to limit maximum section assignments to 20 per teacher.

The supply budget is primarily funds designated by principals from the per student allocations. The Art Instruction Program is supported by all general revenues including local taxes, interest earned, Corporate Personal Property Tax Revenues, and General State Aid.

Fiscal 2005 Expenditures: $872,932

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Art Instruction Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES					
Salaries	847,909	963,486	937,214	-12.00%	Adjust for retirements
Supplies	25,023	25,756	33,366	-2.85%	Amounts determined by school
Total Expenditures	**872,932**	**989,242**	**970,580**	**-11.76%**	

Section Three

Operations & Maintenance Fund

Operations and Maintenance Fund

The **Operations and Maintenance Fund** pays custodian and maintenance salaries, a share of employee medical insurance, costs related to the operations and upkeep of the District facilities, and utilities. The operating budget consists of an allotment for regular upkeep and maintenance of all facilities, including emergency repairs, and a capital improvement budget for selected repairs and building enhancements.

Revenues for this fund derive substantially from **local property taxes**, but the statutory rate maximum of 35¢ does not produce sufficient revenues to maintain the eight elementary schools, the two middle schools, the administration building and the warehouse. A significant portion of **General State Aid** revenues ($2,263,000) is transferred from the Educational Fund to supplement the property tax revenues. **Building rentals** are charged to non-Oak Park community users of the schools and are recorded as revenue.

The proposed **salary budget** ($2,342,012) reflects contractual increases in staff wages and the reduction of three full- time staff positions. The salary budget is $69,528 less than FY 2003-04. **Benefits** to support this staff are budgeted at $317,000 to cover the employer costs of health, life, and dental insurance for eligible employees and are unchanged from FY 2003-04.

Operating expenditures are budgeted to reflect estimates of the costs to operate and maintain the 10 schools, administration building, and warehouse. The total for these expenditures is $1,088,000 for Fiscal 2004-05. This is a $56,500 reduction from Fiscal 2003-04. The reduction is largely attributable to a shift to the maintenance supplies category (see below).

A second major expenditure category assigned to the Operations and Maintenance Fund is **utilities,** electricity, natural gas, sewer and water, and **maintenance supplies**. Utilities expenditures reflect current contractual arrangements (rate) and anticipated use (volume). The Fiscal 2004-05 budget for this category, $1,434,000, is $130,572 greater than the FY 2003-04 budget.

$410,000 is budgeted for **capital repairs and improvement** projects, a nominal reduction of $30,000 from Fiscal 2003-04. The District has several contracts to provide maintenance services required on an on-going basis, including lawn and grounds maintenance, garbage disposal, elevator maintenance, security monitoring, fire alarm maintenance, staff uniforms, middle school HVAC maintenance, and boiler chemical treatment ($287,000). Building capital repairs in this category ($113,000) were assigned to reflect three priorities a) water infiltration, b) security/safety and c) electrical service. $10,000 is budgeted for miscellaneous equipment.

While cost containment is important in this fund, as well as all other District funds, the District maintains a large physical plant. On- going maintenance and repairs to the buildings may not responsibly be deferred to any significant extent. Such deferrals will likely lead to greater expenditure requirements in future years as major systems fail from lack of attention. In addition, utilities expenditures, gas usage for example, may be substantially affected by seasonal severity.

Budgeted expenditures and revenues require $200,491 use of reserves.

Fiscal 2004-05 Revenues and other Sources: $5,390,821
Fiscal 2004-05 Expenditures: $5,591,312
Projected 6/30/05 Fund Balance: $729,137

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Operations and Maintenance Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES & Other Sources					
Local					
Interest Income	9,000	15,000	11,466	-40.00%	Reflects anticipated earnings on fund balances
Local Taxes	3,077,000	3,040,611	3,124,497	1.20%	Based on expected tax collections. Decrease is Tort Levy.
Other Local	22,000	15,000	343,293	46.67%	Building rental; 1-time transfer of bond reserve in 03-04
Total Local	3,108,000	3,070,611	3,479,256	1.22%	
General State Aid	2,262,821	2,000,000	1,700,000	13.14%	Transfer offset by bond reserve in 03-04
Transfer of Interest	20,000	20,000	20,000	-86.67%	
Transfer of Bond Proceeds	0	150,000	150,000		FY 03-04; from Working Cash for replacement of Ad Building roof
Total Revenues and Other Sources	**5,390,821**	**5,240,611**	**5,349,256**	**2.87%**	

Operations and Maintenance, continued

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
EXPENDITURES					
Salaries	2,342,012	2,411,539	2,346,069	-2.88%	Salaries allocated by positions authorized/ estimates for overtime and temporary help/ reduction of three custodial positions
Benefits	317,000	317,000	247,000	0.00%	Determined by health insurance coverage for current personnel.
Contracted Service	1,488,000	1,584,503	1,622,885	-6.09%	$300,000 = operations/emergency repairs $400,000 = Capital Projects $128,000 = Service contracts for pest control, uniforms, garbage removal, landscaping, alarms, etc. $50,000=Contracted painting $45,000 = water and sewer $3,000 = Staff development $562,000 = HVAC maintenance
Supplies	1,434,300	1,303,728	1,408,108	10.02%	Includes natural gas, electricity and general supplies
Capital Improvement	10,000	150,000	134,376	N/A	Ad Building roof replacement
Total Expenditures - O & M	**5,591,312**	**5,766,770**	**5,758,438**	**-3.04%**	

Section Four

Bond & Interest Fund

Bond and Interest Fund

The **Bond and Interest Fund** provides for the payment of interest on and retirement of debt for various bonds sold to fund Life Safety projects, the April 1999 referendum bonds sold in May 1999, current Working Cash Bonds and new Life Safety and Working Cash bonds planned to be sold in the summer of 2004. During the 1999 referendum, the Board pledged to review District cash requirements and **abate** a portion of the referendum bonds with the goal of maintaining an even tax rate in the Bond & Interest Fund for bonds sold prior to the referendum. Because of the current financial condition of the District, the Board has elected not to abate in Fiscal 2004-05.

The B&I fund was also obligated to pay for principal and interest on **Alternate Revenue Bonds** sold in January 1999. These bonds were totally defeased in November 2002 removing all obligations for future payments. Although the cost of this action was $11 million, the total costs of principal and interest through the original life of the bonds was $16 million. As the "alternate revenue" was TIF proceeds of the 1985 settlement and future revenues to be generated by the expired downtown TIF, the decision to defease will result in $5 million returned to fund balances over the time of the original issue.

Bond and Interest **property tax revenues** are established when the bonds are issued. The bond documents direct the Cook County Treasurer to levy the amount required to pay the principal and interest as established by the repayment schedule.

The current scheduled total debt payment for tax year 2004 is projected at $7,536,336. The 2004 debt service tax levy is anticipated to reflect this figure. The levy for tax year 2003 was $5,992,722. The increase in the debt payments will continue into tax year 2005 ($7.44 million). Beginning in tax year 2006, debt payments will decline to $5.10 million. Due to the procedure for the levying and collection of taxes in Cook County, receipts will lag payments this year. This lag will result in a reduction of fund balance during this year.

The Property Tax Extension Limitation Act or "tax cap" legislation (effective in 1994) removed school districts' ability to issue non-referendum debt. However, adjustments approved in 1995 allow Districts to issue debt for an amount that would require levies for repayment of all outstanding non-referendum debt that is equal to or less than the dollar amount required in the 1994 Levy. The annual limited tax bonding authority for District 97 is $3,086,538. The Fiscal 2004-05 budget accesses this bonding authority to sell $2,000,000 Life Safety (projects planned for the summer of 2005), and $700,000 taxable Working Cash bonds (operating revenues for the Educational Fund).

The **Bond and Interest Fund** has a healthy balance. The Illinois School Code allows interest earned to be transferred for the purposes authorized by the bond issues from which the interest was derived. This restriction limits transfers for Life Safety or Capital Improvement projects.

Fiscal 2004-05 Revenues and Other Sources: $6,068,302
Fiscal 2004-05 Expenditures: $7,546,336
Projected 6/30/05 Fund Balance: $939,766

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Bond and Interest Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Interest Income	40,000	30,000	40,746	33.33%	Anticipated interest earnings
Tax Revenues	6,028,382	6,348,933	6,171,810	-5.05%	Based on expected tax collections/ Levy for Referendum Bonds
Transfer From Site and Construction/ Ed Fund	0	0	0		
Total Revenues	**6,068,382**	**6,378,933**	**6,212,556**	**-4.87%**	
EXPENDITURES					
Principal and Interest Payments	7,536,336	6,804,116	5,937,810	10.76%	Based on repayment schedule
Other Uses - Transfer of Interest	10,000	0	0		
Total Expenditures & Other Uses	**7,546,336**	**6,804,116**	**5,937,810**	**10.91%**	

Section Five

Transportation Fund

Transportation Fund

The **Transportation Fund** records revenues and expenditures for the transportation of the District's K – 5 students living more than 3/4 of a mile from school and middle school students residing more than 1.5 miles from school. Also included are the costs for Special Education students transported to District schools, other local educational agencies (school districts), or private facility placements. Some special education students are transported by taxicab, if it is determined that this is the most efficient method of transportation. In addition, taxi cabs are used to transport students assigned to the District's alternative school location at Hephzibah. Related costs include transportation expenditures for field trips and interscholastic activities.

Revenues are derived from local property taxes and state reimbursements. In 2003, the District filed a waiver with the state for exemption from the calculation used when one carrier services both regular and special education programs. Using this method, all costs must be prorated, which assesses some of the more expensive special education costs to regular education students who are not reimbursable (students living less than 1.5 miles from school and not required to cross an approved hazardous crossing) and non-reimbursable field trips. The District received a successful ruling on this request in the fall 2003. The ruling will result in approximately $457,000 in additional state reimbursement. These revenues are included in the current budget.

The net result of projected revenues and expenditures adds $51,001 to reserves.

Fiscal 2004-05 Revenues: $2,325,721
Fiscal 2004-05 Expenditures: $2,274,720
Projected 6/30/05 Fund Balance: $800,175

OAK PARK ELEMENTARY SCHOOL DISTRICT 97

Transportation Fund Budget Comparison

Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Interest Income	10,000	15,000	10,956	-33.33%	Anticipated earnings based on fund balance and projected rate
Tax Revenues	971,000	978,451	1,012,828	-0.76%	
State Revenues					
Regular Transportation	17,474	12,500	15,296	39.79%	
Special Education	1,327,247	875,000	1,381,695	51.69%	Recognizes District waiver request for reimbursement has been approved. State funding expected to be 95% of formula.
Total Revenues	**2,325,721**	**1,880,951**	**2,420,775**	**23.65%**	
EXPENDITURES					
Regular Transportation	515,720	500,041	513,338	3.14%	Based on current contract rates
Special Ed Transportation	1,725,000	1,580,583	1,701,137	9.14%	Reflects anticipated requirements for transporting special education students assigned to District 97 locations and out of District placements.
Music	8,000	7,650	7,565	4.58%	Transportation to choral and instrumental music rehearsals
Curriculum	10,000	20,000	7,568	-50.00%	Transportation to Outdoor Education
Physical Education	16,000	15,000	15,358	6.67%	Buses for interscholastic competition level)
Total Expenditures	**2,274,720**	**2,123,274**	**2,244,966**	**7.13%**	

Section Six

IMRF/Social Security Fund

IMRF/Social Security/Medicare Fund

The **Illinois Municipal Retirement, Social Security and Medicare Fund** provides resources for the employer share of social security (FICA), retirement benefits for the District's non- certified employees (IMRF), and Medicare benefits for all non-certified full time employees and certified employees hired after April 1986. Expenditures are calculated as percentages of applicable employee salaries.

Contract salary increases for all employees covered under IMRF and FICA, staffing adjustments due to reductions, retirements, and newly hired certified staff replacing retiring staff are all reflected in Fiscal 2004-05 budget.

Revenues include local taxes and $20,000 for interest earned. Although state law requires a portion of Corporate Personal Property Replacement Taxes to be deposited in this fund, the District satisfied the requirement with excess transfers in the 1980's.

The recommended budget anticipates that $115,000 of reserves will be used.

Fiscal 2004-05 Revenues: $1,085,000
Fiscal 2004-05 Expenditures: $1,200,000
Projected 6/30/05 Fund Balance: $1,154,776

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
IMRF/Social Security Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Interest Income	20,000	20,000	22,157	0.00%	Based on current earnings rate and fund balances
Tax Revenues	1,065,000	1,108,120	1,047,538	-3.89%	
Corporate Personal Property Replacement Taxes	0	0	0	N/A	Lien not required due to deposits to fund in early 90's
Total Revenues	**1,085,000**	**1,128,120**	**1,069,695**	**-3.82%**	
EXPENDITURES					
Employee Benefits	1,200,000	1,180,000	1,170,768	1.69%	Estimate of required payments
Total Expenditures	**1,200,000**	**1,180,000**	**1,170,768**	**1.69%**	

Section Seven

Fire Prevention & Safety Fund

Fire Prevention and Safety Fund

The **Fire Prevention and Safety Fund** had balances from various bond sales to finance approved Life Safety projects until June 30, 1992, when existing balances were spent to close the fund. During Fiscal 1993, the fund was recreated with the sale of two bond issues in March and May (Americans With Disabilities Act or ADA projects) and the approval of a 5¢ rate for the 1992 property tax levy. Additional revenues were received from interest earned on these receipts, the 1993 and 1994 levies, transfers of interest from the Bond & Interest Fund, and the sale of bonds in December 1998, November 2002 and September 2003. An additional bond sale is planned for 2004 to pay for projects approved to be completed during summer 2005 (Fiscal 2005-06).

In fiscal years 2001 and 2002, approved life safety projects were funded through the Site & Construction Fund, using dollars originally designated for abatement of the referendum bonds. This accounting transaction resulted in savings from additional cost of issuance and interest costs for Oak Park taxpayers.

The Fiscal 2004-05 budget provides dollars required for completion of projects approved for summer 2004 and preparation of bid documents for projects planned for summer 2005. Funding for Fiscal 2004-05 projects (summer 2004) came from the sale of limited tax bonds sold during Fiscal 2003-04. Fiscal 2005-06 projects (to be completed summer 2005) will be funded through bonds sold during Fiscal 2004-05.

Projects planned for summer 2004 include:

Beye boiler replacement

Hatch roof replacement (phase 2)

Longfellow window replacement

Longfellow tuckpointing

Whittier air handler replacement- gym

Whittier air handler replace.- auditorium

Whittier roof replacement (phase 2)

Whittier auditorium seats and tile

Whittier asphalt replacement

Hatch/Whittier auditorium lighting

Fiscal 2005 Revenues and Other Sources: $2,034,000
Fiscal 2005 Expenditures: $2,200,000
Projected 6/30/05 Fund Balance: $2,207,954

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Fire Prevention and Safety Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local Revenues					
Interest Income	34,000	20,000	37,886	70.00%	
Tax Revenues	0	0	(446)	N/A	Tax Refund Adjustment
Interfund Transfers		0	0	N/A	
Sale of Bonds	2,000,000	2,000,000	2,000,000	0.00%	Bonds fund Summer 2005 projects
Total Revenues & Other Sources	**2,034,000**	**2,020,000**	**2,037,440**	**0.69%**	
EXPENDITURES					
Life Safety Construction	2,200,000	1,900,000	1,718,350	15.79%	Preparation of documents for projects planned for Summer 2005; complete projects approved for summer 2004
Total Expenditures	**2,200,000**	**1,900,000**	**1,718,350**	**15.79%**	

Section Eight

Working Cash Fund

Working Cash Fund

The **Working Cash Fund** is the "savings account" of the District, originally created through the sale of Working Cash bonds in 1989. It continued to grow through 2000 with the infusion of Tax Levy receipts and interest earned. Recently, however, the interest earned in this fund has been used to supplement operating revenues in the Educational Fund and Tax Cap restrictions have not allowed for a levy in this fund – the 5¢ available in Working Cash has been absorbed by available rate in the Educational Fund (growth in the EAV provides sufficient room in the Ed Fund to capture all dollars available under tax caps).

Although no expenditures are allowed from this Fund, permanent transfers of current or accumulated interest are allowed to the Educational, Operations & Maintenance, and Transportation Funds. These transactions are recorded as "Other Financing Uses." A portion of the "Other Uses" budgeted for Fiscal 2004-05 will supplement operating revenues in the Educational Fund (as noted above) and equals the estimated amount of interest earned.

The Finance Task Force appointed by the Board in Fiscal 2002-03 recommended that the District further supplement the Educational Fund with the sale of taxable working cash bonds. The sale of these bonds ($700,000) and transfer of proceeds to the Educational Fund are included in the Fiscal 2004-05 budget.

The balance of principal and accumulated interest is $3.2 million at June 30, 2004.

Fiscal 2004-05 Revenues: $95,000
Fiscal 2004-05 Other Sources: $700,000
Fiscal 2004-05 Other Uses: $795,000
Projected 6/30/05 Fund Balance: $6,032,236

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Working Cash Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES					
Local					
Interest Income	95,000	100,000	207,201	-5.00%	Based on anticipated earnings
Tax Revenues	0	0	0	N/A	No Levy in Working Cash anticipated
Sale of Bonds	700,000	850,000	850,000	-17.65%	FY05 $700,000 for operation revenues in Ed Fund (taxable)
Total Revenues	**795,000**	**950,000**	**1,057,201**	**-16.32%**	
Transfer of Interest	95,000	100,000	100,000	-5.00%	Transfer of interest to Educational Fund for operating revenue support.
Transfer of bond proceeds	700,000	850,000	850,000	-17.65%	Transfer of bond proceeds (see above)
Total Other Uses	**795,000**	**950,000**	**100,000**	**-16.32%**	

Section Nine

Site and Construction Fund

Site and Construction Fund

The **Site and Construction Fund** was created with the sale of Alternate Revenue Bonds (January, 1999) and the April 1999 referendum bonds. Additional funds ($17,700,000) from the State Construction Grant were received in Fiscal Years 2000, 2001 and 2003. Expenditures relating to the facilities projects are charged to this fund. ADA- related elementary projects, however, are charged to the Educational Fund and paid for with Medicaid revenues.

Total **expenditures** for Fiscal 2004-05, $85,000, are based on the liquidation of final projected billings addressing HVAC design (sound) issues at the middle schools **Revenues** are projected **interest earnings** ($1,000).

Part of the funding plan outlined during the referendum was for the Board to review cash requirements on an annual basis, and, if funds were not required, to use State Construction Grant proceeds to **abate** the referendum bond levy to maintain an even B&I tax rate. The first abatement of $925,000 was transferred to Bond & Interest in Fiscal 2001. Because Life Safety projects would require an additional bond issue, dollars reserved for the Fiscal 2002 and 2003 abatement were applied to Life Safety projects. These accounting transactions resulted in savings from additional cost of issuance and interest costs for Oak Park taxpayers.

S&C projects included the replacement of both junior high schools with 6-7-8 middle schools and renovations at all eight elementary buildings. When it is determined that all facility related projects are completed, dollars remaining in the fund can be used for any project related to the capital improvement or equipping any of the school (not administrative) facilities.

Once activity in this fund is concluded, we anticipate that the remaining fund balance will be transferred to the Operations and Maintenance Fund.

Fiscal 2004-05 Revenues: $1,000
Fiscal 2004-05 Expenditures: $85,000
Projected 6/30/05 Fund Balance: $303,725

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Site and Construction Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Recommended FY 2004-05 Budget	FY 2003-04 Budget	FY 03-04 Actual	Percent Change Budget to Budget	
REVENUES and Other Sources					
Interest Income	1,000	20,000	11,282	-95.00%	Decrease in fund balances
State Construction Grant	0	0	0	N/A	
Transfer of Fund Balance	0	0	0	N/A	
Sale of Bonds	0	0	0	N/A	
Total Revenues & Other Sources	**1,000**	**20,000**	**11,282**	**-95.00%**	
EXPENDITURES					
Facilities Projects	85,000	300,000	211,399	-71.67%	Budget based on anticipated final projects expenditures
Life Safety Projects	0	0	0	N/A	
Transfer of Fund Balance	0	0	0	N/A	
Total Expenditures and Other Uses	**85,000**	**300,000**	**211,399**	N/A	

Section Ten

Employee Health Insurance Fund

Employee Health Insurance Fund

The **Employee Health Insurance Fund** was created at the end of Fiscal 2000-01 with the deposit of what would have been the July premium payment to Blue Cross/Blue Shield (BC/BS) under the fully- insured basis and employee payroll deductions from summer payroll checks. The Board made the decision to move from fully insured to a self-insured, administrative services only policy with BC/BS after a year of unfavorable experience resulted in a 21.7% increase in premiums. The expectation was that it would be unlikely that another negative year would follow. This expectation proved to be true, and approximately $70,000 that would have gone to BC/BS under a fully insured program remained in the Insurance Fund. In addition, $22,000 in interest was earned from dollars left in District accounts. Fiscal 2001-02, 2002-03 and 2003-04 results have also been favorable. The success of a self-insurance program is based upon the willingness to commit for the long term. The commitment assumes that good years will balance those with higher claims costs, and the additional infusion of dollars assures that payment of employee health costs and related administrative expenditures will not rely on cash from other funds.

The program transition was seamless to District employees, an important factor in the decision. Staff has access to the same physician and hospital networks and claims are paid by BC/BS. The program provides $125,000 specific stop loss insurance, and aggregate stop loss at 125% of expected claims.

Decisions regarding district health insurance coverage are approved by the Board with recommendations made by an employee Insurance Committee, consisting of administrators and representatives from all employee unions. As a portion of the fund's balance has been provided by employee premium contributions, the Committee is interested in formulating guidelines for the future use of the reserves. Once necessary reserves are reached and maintained, there should be a process that will protect the application of the excess funds to health and, potentially, non-health related purposes. This could, for example, result in a premium adjustment, abatement or benefits enhancement. Policies applied by other self-insured Districts and recommendations for the maintenance of appropriate reserves have been requested from our consultants and will be reviewed by the Committee.

The Board approved a 5.7% premium increase for Fiscal 2004-05. This rate compares favorably with 18-20% rate increases experienced by many other employers. There was no rate increase in FY 2003-04. In fact, an option to decrease the rate by 8% was not implemented. BC/BS data for this budget year indicated an overall rate increase of 14.6%. Since the District had saved the projected 8% decrease during FY 2003-04, the decision was made to offset the 14.6% increase by 8% to yield a net increase of 6.6%. This rate was reduced to 5.7% after negotiation with BC/BS.

Employer and employee contributions are paid into the fund, and claims are paid from the fund.

Although these premiums are projected to produce revenues in excess of expected claims, the Board has the responsibility to cover all costs occurring after the funding is exhausted and before the aggregate stop loss insurance takes over. Another funding issue results from BC/BS's method of "settling" the **stop loss** insurance. Claims are paid as they are incurred, with reimbursements for specific and aggregate stop loss coming (approximately) monthly and at the end of the year, respectively.

The Board also has the responsibility to maintain sufficient dollars in the Insurance Fund to cover **"run-off" claims**. These are the claims that would be the responsibility of the district if a decision were made to switch to a different type of health insurance. This could be changing the administrator for the self-insurance, entering into a cooperative pool, or returning to a fully insured contract.

The fund must also maintain a **cash flow reserve** to promptly pay claims as they are billed to the District for payment.

The fund balance appears healthy, but the sum of the reserves for a) stop loss, b) run- off claims and c) cash flow reserve may be estimated at approximately $1.5 million.

Although reported separately in this document, the District auditors include the financial activity of the Insurance Fund into the Educational Fund for state reporting and the annual independent audit.

Projected 6/30/05 Fund Balance: $2,333,377

OAK PARK ELEMENTARY SCHOOL DISTRICT 97
Insurance Fund Budget Comparison
Fiscal Years 2003-04 and 2004-05

	Projected FY 2004-05	FY 2003-04 Projected	FY 03-04 Actual	Percent Change (From Projections)	
REVENUES					
District Contributions	2,372,150	2,357,660	2,206,432	0.61%	Employer share for covered employees (Budget in Ed & O&M funds, including Grant contributions).
Employee, Cobra Contributions	1,096,227	1,095,005	1,038,321	0.11%	Employee payroll deductions, COBRA payments, retiree contributions. administrative benefit elections
Interest Earned	35,000	20,000	32,770	75.00%	
Total Revenues	**3,503,377**	**3,472,665**	**3,277,523**	**0.88%**	
EXPENDITURES					
Payments to BC/BS for claims and administrative services	3,488,156	3,191,000	2,838,253	9.31%	Payments are expected claims and administrative costs for census at time of renewal - amount under projected revenues represents amount Board elected to cover before aggregate stop loss insurance pays
Total Expenditures	**3,488,156**	**3,191,000**	**2,838,253**	**9.31%**	
Beginning Balance 7/1/04	**$2,218,156**	**Ending Balance 6/30/05**	**$2,233,377**		Excess over interest is premium amount set above expected claims

Section Eleven

Supplemental Information

Five Year Projections

Multi- year projections are a necessary *planning tool* for organizations faced with limited resources to support the challenges of maintaining quality and pursuing improvements and innovation. Projections prepared for this report are *predictions* of the results of financial activities of District 97 under identified circumstances, some of which the Board is able to control. The projections provide the Board the information necessary to make informed decisions concerning both revenues and expenditures.

The summary on page XI.3 is for the operating funds only. It includes standard measurements as identified by the Finance Task Force (see pages I.13 – I.16):

- Expenditure to Revenue Ratio
- Fund Balance to Expenditure Ratio.

It also contains Task Force recommended actions for the next four years (budget reductions and referendum) and the benchmarks to meet for those actions to result in the desired outcome. These benchmarks are shown on the schedule, and a summary can be found on page XI.8) The "desired outcome" is that the actions result in the district not using reserves to fund operating expenditures by Fiscal 2006-07.

The projections are shown for all operating funds. These funds are defined as the Educational Fund, the Operations and Maintenance Fund, the Transportation Fund, and the IMRF/FICA/Medicare Fund. The Working Cash Fund was formerly included in the definition of operating funds. This fund has been removed. While assets of this fund may be transferred to other funds under specific circumstances, the fund should not be considered an operating fund for projection purposes. This revised definition of operating funds is, therefore, more conservative. Generally, operating funds depend on reoccurring sources of revenue while non-operating revenue sources are designated for specific purposes and generally do not reoccur. These non-operating projections do *not* affect the Task Force recommended actions, and they are not included in the projections.

- The FY 2003-04 figures reflect unaudited revenues and expenditures at June 30, 2004.

- Property tax revenues for FY 2004-05 are calculated from the remaining 2003 Levy to be received in the fall 2004 and the spring 2005 distribution of the 2004 Levy estimated to be 50% of the 2003 extension. The extension increase for the 2003 Levy is projected at the current Consumer Price Index (CPI) factor of 1.9%. Subsequent years are based on the 1.9% increase. This increase factor is conservative. The average CPI factor for the past several years has been 2.5%, but predicted values are unknown.

- Tax Cap Limits allow for distribution of levies to other funds where "room" under the statutory tax rate is available. Future tax levies will be adjusted to a) maximize revenues to the Educational and Operations and Maintenance Funds and b) distribute remaining tax revenues among the other operating funds.

- Estimated interest earned in the Working Cash Fund will be transferred to the Educational Fund to cover operational expenses.

- Overall expenditure increases for FY's 2005-06 through 2008-09 are based on a 3.5% factor in all operating funds. Health insurance increases in the Educational and Operations and Maintenance funds are projected to increase 6% per year, however the overall expenditure increase is held at the 3.5% factor.

- Revenues (Payments in Lieu of Taxes) are increased to reflect the downtown TIF agreement with the Village which returns property to the tax rolls on a predetermined schedule.

- General State Aid revenues decrease based upon the current allocation model that penalizes districts with large tax bases. Under the tax cap, the tax yield from the tax base is limited by the CPI factor.

- The FY 2004-05 projections at August 2004 reflect a significant increase in "Other Revenues" that is largely driven by increases in State revenues pertaining to Special Education. State funding has proven to be volatile in the past, and actual funding may vary (decrease) based upon pending legislative initiatives.

- The summary of the Operating Funds (XI.3) is most helpful for identifying trends. Even with the substantial reductions made in the past two budget years, the FY 2004-05 budget and those planned for Fiscal Years 2005-06 through 2008-09 project negative operating balances.

- A referendum is **not** included in these projections. These projections are conservative and reflect projected operating funds results without the addition of new property tax dollars.

- The referendum concept remains a very real alternative for the FY 2006-07 planning year.

Oak Park School District 97
Projections- All Operating Funds*

		Actual 2003-04	Recommend. Budget 2004-05	Projected Budget 2005-06	Projected Budget 2006-07	Projected Budget 2007-08	Projected Budget 2008-09
Projected EAV- Gross	Note 1	$ 1,122,409,799	$ 1,107,771,398	$ 1,132,771,398	$ 1,250,690,538	$ 1,257,048,538	$ 1,262,538
Total Tax Rate- Operating Funds	Note 2	2.903	3.013	3.071	2.834	2.874	2.862
Calculated Tax Revenues	Note 2	$ 32,496,466	$ 34,898,000	$ 35,561,052	$ 36,418,722	$ 37,110,678	$ 37,815,781
Consumer Price Index		2.40%	1.90%	1.90%	1.90%	1.90%	1.90%
					Carve- out		
Referendum							
General State Aid	Note 3	$ 4,800,635	$ 4,875,321	$ 4,183,800	$ 3,756,800	$ 3,397,000	$ 3,056,800
CPPRT		918,358	900,000	900,000	900,000	900,000	900,000
Other Revenues	Note 4	8,862,665	10,347,336	10,159,000	10,180,700	10,202,869	10,225,517
Sub Total, Receipts		$ 47,078,124	$ 51,020,657	$ 50,803,852	$ 51,256,222	$ 51,610,547	$ 51,998,098
Other Financing Sources/Uses	Note 5	$ 890,745	$ 820,000	$ 820,000	$ 820,000	$ 820,000	$ 820,000
Expenditures	Note 6	$ 50,677,424	$ 53,018,901	$ 54,634,586	$ 56,546,796	$ 58,525,934	$ 60,311,430
Health Insurance		2,206,432	2,070,150	2,194,359	2,326,021	2,465,582	2,613,517
Other Expenditures		48,470,992	50,948,751	52,440,227	54,220,775	56,060,352	57,697,913
Excess/(Deficiency)/Revenues vs. Expenditures + Other Financing Sources/Uses		$ (2,708,555)	$ (1,178,244)	$ (3,010,734)	$ (4,470,574)	$ (6,095,387)	$ (7,493,332)
Fiscal Year- End Balance at 6/30		$ 21,545,828	$ 20,367,584	$ 17,356,850	$ 12,886,276	$ 6,790,889	$ (702,443)
Fund Balance/Expenditure Ratio		42.5%	38.4%	31.8%	22.8%	11.6%	-1.2%
Expenditure/Revenue Ratio		107.6%	102.3%	105.8%	108.6%	111.6%	114.2%
Financial Task Force Ratio Target		110.0%	107.0%	106.0%	100.0%	100.0%	
Expenditure Reductions/Revenue Enhancements to Achieve Target					$ (4,470,574)	$ (6,095,387)	

Asterisk(*) in Title Above — Operating Funds are defined to include: Educational, Operations and Maintenance, Transportation, IMRF/FICA/Medicare
The Working Cash Fund is not defined as an operating fund.

Note 1 EAV actual for FY 2003-04; triennial re-assessments at 110%
Note 2 Tax rates calculated from projected EAV and "limiting tax rate"; tax revenues derived from CPI assumptions; see below
Note 3 General State Aid (GSA); Foundation level at $4,964 (04-05)
Note 4 Other revenues include interest income adjusted for increase/(decrease) in fund balance.
Note 5 Other Financing Sources/Uses includes transfers among funds and Tech. Loan repayments (end FY 2004-05)
Note 6 For all projection years- health insurance increases by 6% per year; other expenses increase by 3.5%/year; total increase limited to 3.5%

Standards Measured: Task Force Benchmarks vs. Projected

Standard	Fiscal Year	Task Force	Proposed Budget	Difference
Fund Balance/Expenditure Ratio	2004	44%	44%	0%
	2005	38%	36%	-2%
	2006	32%	27%	-5%
	2007	32%	24%	-8%
Expenditure to Revenue Ratio	2004	110%	112%	2%
	2005	107%	110%	3%
	2006	106%	110%	4%
	2007	100%	103%	3%
Revenues over (under) expenditures	2004	(4,737,092)	(4,895,747)	(158,655)
	2005	(3,050,483)	(4,287,603)	(1,237,120)
	2006	(2,966,993)	(4,204,073)	(1,237,080)
	2007	211,930	(1,119,136)	(1,331,066)

ILLINOIS STATE BOARD OF EDUCATION
FINANCIAL PROFILE

The new state Financial Profile for Illinois school districts, released in March 2004 by the Illinois State Board of Education, shows that about one-third are facing significant financial problems. The 2004 profiles reflect FY 2002-03 financial data.

The Financial Watch List – those school districts facing the most severe financial problems – includes 156 of the state's 893 school districts; another 140 districts are in the next most severe category, the Financial Early Warning List. By comparison, the 2003 Financial Watch List included only 87 school districts. The 2004 list provides an illustrative snapshot of the financial status of school districts by using five indicators of financial performance:

- Fund Balance to Revenue Ratio – A stable indicator of the overall financial position of the district for the year. It is the result of dividing the ending fund balances in the Educational, Operations & Maintenance, Transportation, and Working Cash funds by the revenues in the same funds. Rating weight: 35%

- Expenditures to Revenue Ratio – This ratio indicates how much the district spent for every dollar received. The total expenditures for the Educational, Operations & Maintenance, and Transportation funds are divided by the total revenues of the same funds. Rating weight: 35%

- Days Cash on Hand – This indicator is a calculation that provides an estimate of the number of days a district could operate if no additional revenue was generated. It is calculated by dividing cash on hand by a ratio of expenditures divided by 360. Rating weight: 10%

- Percent of Short Term Borrowing Maximum Remaining – This is 100% minus the percent of Tax Anticipation Warrants outstanding. (Typically these are debts that will be paid or liquidated within a year.) Rating weight: 10%

- Percent of Long Term Debt margin Remaining – School districts often incur long term debt for major expenditures including buildings and equipment. This total is derived by the product of the district's EAV times its maximum general debt obligation limitation less any outstanding long-term debt. Rating weight: 10%

Added together, the five weighted scores yield a Total Financial Profile Score on a four-point scale that places districts in one of four categories: Financial Recognition, Financial Review, Financial Watch and Financial Warning.

School districts on the Financial Recognition list will get a commendatory certificate from the State Board. The State Board recommends that districts on the Financial Review list develop a 3-year projection of operating costs, establish a Finance Committee of the school board, develop a staffing plan and personnel inventory, and develop a 3-year Equalized Assessed Valuation projection and tax levy analysis. In addition to those

recommendations, districts on Financial Early Warning will be requested to provide the State Board with a cash-flow analysis of the current fiscal year, a balanced budget for the next fiscal year on an ISBE template, enrollment projections for the next three years, detailed analysis of short- and long-term debt, and, if appropriate, a school district reorganization and incentive study.

School Districts on the Financial Watch List will be required to do all the things itemized above that are recommended for or requested from those on the Review or Warning lists. The financial records of districts on the Financial Watch and Financial Early Warning Lists will also be reviewed by State Board staff to determine if the districts are eligible for Certification as "In Financial Difficulty" or if eligible for Emergency Grant Funds with a Financial Oversight Panel.

District 97's 2004 Financial Profile Score

Measure	Ratio	Score	Weight	Value
Fund balance to Revenue Ratio	0.66	4	0.35	1.4
Expenditures to Revenue Ratio	1.15	3	0.35	1.05
Days Cash on Hand	208	4	0.1	0.4
% of short-term borrowing max remaining	0	100	0.1	0.4
% of long-term debt margin remaining	21.16	1	0.1	0.1
		Total profile score:		3.35
		Category:		Financial Review

The District had implemented all recommendations required for the "Financial Review" category prior to the release of the scores by the State Board of Education. This score is unchanged from the 2003 score that reviewed FY 2001-02 financial data. The fact the District score is unchanged positively recognizes a) the District retains considerably large fund balances in its operating funds and b) the District has made efforts to manage spending and reduce its operating deficits.

Following is a table that lists the School Financial Profile scores for the past three years- the period of time that the state has used the multi- factor scoring methodology. It should be noted that the state revenue formulas do not recognize "Other Financing Sources"- most importantly Working Cash Fund Bonds.

Oak Park Elementary School District 97 Financial Profile
Multi- Year Financial Indicators

Fund Balance to Revenue Ratio	**4** ≥ 0.25	**3** < 0.25 to ≥ 0.10	**2** < 0.10 to ≥0.00	**1** < 0.00	**Score Weight 35%**	**Notes**
2002	0.85				4	
2003	0.80				4	
2004	0.66				4	
2005						
2006						
Expenditure to Revenue Ratio	**4** ≤ 0.95	**3** > 0.95 to ≤ 1.10	**2** > 1.10 to ≤ 1.20	**1** > 1.20	**Score Weight 35%**	**Notes**
2002		1.01			3	
2003		1.10			3	
2004			1.15		3*	See * below
2005						
2006						
Days of Cash on Hand	**4** ≥ 360	**3** < 360 to ≥ 60	**2** < 60 to ≥ 30	**1** < 30	**Score Weight 10%**	**Notes**
2002		258			4	
2003		215			4	
2004		208			4	
2005						
2006						
% or Short- Term Borrowing Remaining	**4** ≥ 75%	**3** < 75% to ≥ 50%	**2** < 50% to ≥ 25%	**1** < 25%	**Score Weight 10%**	**Notes**
2002	100%				4	
2003	100%				4	
2004	100%				4	
2005						
2006						
% or Long- Term Debt Margin Remaining	**4** ≥ 75%	**3** < 75% to ≥ 50%	**2** < 50% to ≥ 25%	**1** < 25%	**Score Weight 10%**	**Notes**
2002				21.70%		
2003				22.60%		
2004				21.10%		
2005						
2006						
Composite Score						
2002						3.35
2003						3.35
2004						3.35
2005						
2006						

Financial Recognition	3.54 to 4.00	Financial Early Warning	2.62 to 3.07
Financial Review	3.08 to 3.53	Financial Watch	1.00 to 2.61

* ISBE awarded a score of three in recognition of the District's large operating fund balances.

Oak Park Elementary School District #97
EAV/ EXTENSION/ TAX RATES *(without Bond and Interest)*

	Levy Year	Budget Year	(Prior Year) EAV	Percent Increase	Extension (Levy)	Percent Increase	Rate	Total Rate
(3)	2003	2005	1,122,409,799	42.95%	34,899,000	6.56%	3.0274	3.5610
	2002	2004	785,160,897	3.40%	32,751,081	2.11%	3.7732	3.4590
	2001	2003	759,343,599	2.36%	32,074,733	5.75%	4.0860	4.662
(3)	2000	2002	741,846,787	12.68%	30,331,847	3.31%	4.0887	4.6510
	1999	2001	658,378,648	1.18%	29,361,029	1.60%	4.4596	4.9496
	1998	2000	650,672,996	-0.59%	28,898,651	1.88%	4.3900	4.8820
(3)	1997	1999	654,548,604	10.19%	28,365,056	3.42%	4.3335	4.8283
	1996	1998	594,014,608	0.36%	27,427,004	3.08%	4.1902	4.7097
	1995	1997	591,864,844	0.00%	26,608,266	2.83%	4.4957	5.0304
(1)	1994	1996	591,864,844	9.04%	25,875,967	5.09%	4.3719	4.9194
	1993	1995	542,815,460	2.05%	24,621,891	2.42%	4.1031	4.5666
(2)	1992	1994	531,888,784	0.00%	24,039,794	13.30%	4.4288	4.9430
	1991	1993	531,888,784	-0.24%	21,217,827	7.68%	3.9892	4.5129
	1990	1992	533,172,472	36.77%	19,705,165	19.58%	3.6960	4.2210
	1989	1991	389,833,100	-0.88%	16,479,025	-2.02%	4.2272	4.9600
	1988	1990	393,311,250	1.79%	16,817,989	36.27%	4.2760	4.8170
	1987	1989	386,405,362	-0.23%	12,341,401	-13.89%	3.1939	3.7461

(1) **1993** Triennial Reassessment of 600,407,845 *never* used to calculate District tax rate (was to *be applicable to 1994 levy as prior year) only if the 1994 EAV did not increase- which it did)*
(2) First Year of Prior Year EAV
(3) Triennial reassessment (year EAV utilized - actual reassessment one year earlier)

Oak Park Elementary District 97
Student Enrollment

School Year	Enrollment	+/-	
1980 - 1981	4,900	(98)	
1981 - 1982	4,853	(47)	
1982 - 1983	4,777	(76)	
1983 - 1984	4,776	(1)	
1984 - 1985	4,624	(152)	
1985 - 1986	4,583	(41)	
1986 - 1987	4,656	73	
1987 - 1988	4,685	29	
1988 - 1989	4,805	120	
1989 - 1990	4,797	(8)	
1990 - 1991	4,928	131	
1991 - 1992	5,108	180	
1992 - 1993	5,143	35	
1993 - 1994	5,139	(4)	
1994 - 1995	5,198	59	
1995 - 1996	5,309	111	
1996 - 1997	5,359	50	Last year for Rosary Preschool
1997 - 1998	5,399	40	
1998 - 1999	5242	(157)	
1999 - 2000	5,137	(105)	
2000 - 2001	5,035	(102)	
2001 - 2002	5,018	(17)	
2002 - 2003	4,923	(95)	
2003 - 2004	4,886	(37)	
2004 2005	4996	110	*(Projected)*

GLOSSARY

The following glossary is not intended to be comprehensive in the area of school finance, but should help in understanding school budgets.

ABATEMENT: A complete or partial cancellation of a levy imposed by a governmental unit. The result is a lower tax rate and thus lower taxes owed by each individual taxpayer in the district. District 97 is currently considering the abatement of a portion of the referendum bonds to keep the Bond & Interest tax rate related to the facilities projects level. Rates related to other bond issues from other projects (life safety, funding bonds) will increase the total rate.

ACCOUNTING PERIOD: A period of time at the end of which and for which financial statements are prepared. District 97 reports at the (unaudited) end of each month and the end of its Fiscal Year, June 30.

ACCRUAL BASIS: The basis of accounting under which revenues are recorded when earned and expenditures are recorded as soon as they result in liabilities for benefits received, notwithstanding that the receipt of the revenue or the payment of the expenditure may take place in whole or in part in another accounting period. District 97 prepares its operating budget on a CASH BASIS, recording all expenditures and revenues when they actually occur. However, GASB (Governmental Accounting Standards Board) ruling #34 requires accrual accounting for all school districts. The appropriate accounting entries will be made by District auditors for the annual independent audit.

AD VALOREM: In proportion to value. A basis for levy of taxes upon property.

AGENCY FUND: A fund consisting of resources received and held by a school system as an agent for others. District 97 processes the financial activities for a variety of school and community organizations and activities. The largest account is for DuPage West Cook.

ANNUAL BUDGET: A budget is applicable to a single twelve month, fiscal year. For District 97 this period is July 1 - June 30.

ARBITRAGE: The difference between the combined interest rates on the investment of Bond proceeds and the combined interest rates of the bonds themselves. The ability of a school district to earn arbitrage is heavily regulated by federal income tax regulations.

ASSESSED VALUE: The amount entered on the assessment rolls as a basis for the division of the tax burden. This amount is subject to the State equalization factor and the deduction of homestead exemptions. The **TAX RATE** of District 97 multiplied by the (equalized) **ASSESSED VALUE** for the townships located within the district (Oak Park) is the amount of tax revenue the District can expect.

ASSETS: Property and property rights of a school system that have monetary values as Cash in Bank or Investments.

AUDIT: The examination of documents, records, reports, systems of internal control, accounting and financial procedures, and other evidence for one or more of the following purposes:

1. To ascertain whether the statements prepared from accounts present fairly the financial position, the results of operations, the changes in fund equity, and the

changes in financial position of each of the fund and account groups of the school system in accordance with generally accepted accounting principals applicable to school systems and on a basis consistent with that of the preceding year.

2. To determine the propriety, legality and mathematical accuracy of a school system's financial transactions.

3. To ascertain the stewardship of public officials who handle and are responsible for the financial resources of a public school system.

AVERAGE DAILY ATTENDANCE (ADA): The aggregate number of pupil days in attendance divided by the number of days in the regular school session. A pupil who attends school for five or more clock hours while school is in session constitutes one pupil day of attendance. The computation period for the average daily attendance used to determine General State Aid (GSA) is the three months with the highest average daily attendance.

BUDGET: A plan of financial operation embodying estimate or proposed expenditures for a given period and the proposed means of financing them.

CASH BASIS: The basis of accounting under which revenues are recorded only when actually received, and only cash disbursements are recorded as expenditures.

CATEGORICAL AID: Money from the state or federal government that is allocated to local school districts for special children or special programs. District 97 receives aid for special programs as extraordinary pupils, special education personnel, bilingual students, transportation, and food services. The state budget for FY05 anticipates that most of these reimbursements will be prorated to approximately 90-95%.

CORPORATE PERSONAL PROPERTY REPLACEMENT FUNDS: Revenues received in lieu of taxes paid on 1978 and prior years Corporate Personal Property assessed valuation.

CREDIT RATING: A rating that establishes the school district's relative risk to a purchaser of debt in comparison with other debt issued by other entities. Debt of public entities is rated by one or more of three rating agencies – Moody's Investors Service, Standard and Poor's and Fitch Investment Services. District 97's current credit rating is Aa3, as rated by Moody's Investors Service, October 2003.

CURRENT: A term applied to budgeting and accounting that designates the operation of the present fiscal period as opposed to past or future periods.

DEBT: An obligation resulting from borrowing money or from the purchase of goods or services. Debts of a school system include bonds, time warrants, tax anticipation notes, accounts payable, vouchers payable, interest payable, and salaries payable. The maximum of legal indebtedness of elementary districts in the State of Illinois is 6.9% of the assessed valuation. At June 30, 2003 the debt limit was $54.18 million.

DEFICIT: Either the excess of liabilities of a fund over its assets or the excess of expenditures over revenues during an accounting period.

EQUALIZATION FACTOR: The factor that must be applied to local assessments to bring about the percentage increase or decrease that will result in an equalized value equal to one third of the market of taxable property in a school district.

EQUALIZED ASSESSED VALUE: The assessed value multiplied by the State equalization factor; this gives the value of the property from which the tax rate is calculated after deducting homestead exemptions, if applicable. For farm acreage and buildings, the final assessed value is the equalized value. In determining a district's wealth for General State Aid purposes, a district's corporate personal, property replacement funds are divided by a total tax rate to generate a corporate personal property replacement equalized assessed valuation. This computed amount is combined with a district's real property equalized valuation to determine its wealth for computing General State Aid Entitlement and Regular Pupil Transportation Claims. This formula follows the general philosophy that district wealth should factor into distribution of state funds, with the more wealthy districts receiving less aid.

EQUIPMENT: Physical property of a school system having a long period of usefulness, other than buildings or land. These three items comprise the value of the **FIXED ASSETS** Account Group. Under the requirements of GASB 34, equipment is assigned to specific funds and functions and depreciated rather than expended when purchased.

EXPENDITURES: The cost of goods delivered or services rendered, whether paid or unpaid, including expenses, provision for debt retirement not reported as a liability of the fund from which retired, and capital outlay.

FIXED ASSETS: Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, machinery furniture and equipment.

FISCAL PERIOD: Any period of time at the end of which a school system determines the financial position, results of operations, changes in fund equities, and changes in financial position of each fund and account group. District 97 reports informally to the Board on a monthly basis and formally by Audit Report annually (6/30).

FOUNDATION LEVEL: The General State Aid Formula for 2004-2005 will be calculated with a foundation level of $4,964 per **WEIGHTED PUPIL** ($154 increase from FY04) to assure that each student educated in the state will be funded at a minimum rate. The district must have an operating tax rate equal to or in excess of specified levels for each type of district to qualify for state aid at the full foundation level.

FUND: A fiscal and accounting entity with a self balancing set of accounts recording cash and other resources, together with all related liabilities and residual equities or balance, and changes therein, which are segregated for accordance with special regulations, restriction, or limitations.

GASB: The Governmental Accounting Standards Board was established to improve the standard of state and local government accounting and financial reporting that ultimately is designed to result in a greater understanding by users of those financial reports. GASB has responsibility to establish accounting rules and standards used by governmental agencies. BASB is the equivalent to the Financial Accounting Standards board (FASB) which sets accounting standards for the private sector. The standard created by these bodies are referred to as generally accepted accounting principals (GAAP). GASB and FASB are not governmental agencies.

INTERGOVERNMENTAL COOPERATION AGREEMENTS: Agreements to provide joint services with other governmental entities. District 97 has several of such agreements:

- With the Village of Oak Park and Oak Park River Forest High School District 200 regarding the Downtown TIF;
- With the Oak Park Township and several local governments regarding the support for a Youth Interventionist;
- With West 40 Intermediate Service Unit #2 for a $150,000 loan made in January 2003;
- With the Village of Oak Park regarding parking on school properties;
- With the Oak Park River Forest Collaboration for Early Childhood Care and Education regarding the mutual interests in early childhood care.

INTERNAL AUDIT: An appraisal activity within a school system that:

1. Determines the adequacy of the system of internal control.
2. Verifies and safeguards assets.
3. Determines the reliability of the accounting and reporting system.
4. Ascertains compliance with established policies and procedures.
5. Appraises performance of activities and programs.

INVESTMENTS: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease income. The term does not include fixed assets used in the operation of the system. Investments of District 97's available assets are the responsibility of the Cicero Township Treasurer, Gerald Sebesta.

LEVY: The amount of money a school district certifies to be raised from the property tax to be used in the operation of the district.

LIABILITIES: Debts or other legal obligations arising out of transactions in the past that must be paid, renewed, refunded at some future date. District 97 carries two liabilities:

1. Section 125 Flexible Benefits which are payable for three months following the end of the established Plan Year; and
2. Arbitrage reserve from sale of Guaranteed Investment Contract for referendum bonds.

LOCAL EDUCATION AGENCY (LEA): An educational agency at the local level that exists primarily to operate schools or to contract for educational services. Normally, taxes may be levied by such publicly operated agencies for school purposes. These agencies may or may not be coterminous with county, city, or town boundaries. The term is used interchangeably with "school district."

LONG TERM DEBT: Debt with maturity of more than one year after date of issuance.

PETTY CASH: A sum of money set aside for the purpose of paying small obligations for which the issuance of a formal voucher and check would be too expensive and time consuming. District 97 defines the upper limit of this obligation as $25.00.

REFUNDING BONDS: Bonds sold to repay other bond issues or the accrued interest on other bonds.

REVENUE: Additions to assets that do not:

1. Increase any liability.
2. Represent the recovery of expenditure.
3. Represent the cancellation of certain liabilities without an increase of fund equity.
4. Represent the contributions of fund capital in enterprise and internal services funds.

TAX ANTICIPATION NOTES: Notes may be issued in the amount not to exceed 85% of the taxes levied by the school district. The notes may bear an interest rate for the most recent data shown in the 20 General Obligation Bonds Index of average municipal bond yields, as published in the most recent edition of The Bond Buyer at the time the contract is made for the sale. No notes shall be issued during any fiscal year in which there are tax anticipation warrants outstanding against the tax levied for said fiscal year.

TAX ANTICIPATION WARRANTS: Warrants are issued by a school district in anticipation of the collection of taxes and may be issued to the extent of 85% of the total amount of the tax levied. These warrants must be repaid upon receipt of tax monies by the district and may bear an interest rate not exceeding the greater of 9% per annum, or 125% of the rate for the most recent rates shown in the 20 General Obligation Bonds Index or average municipal bond yields, as published in the most recent edition of The Bond Buyer, at the time the contract is made for sale.

TAX EFFORT: The extent to which a local school district levies local taxes for schools. District 97's 2002 tax effort as defined by its rate was 3.459. The 2003 rate is not released until after publication of this material.

TAX INCREMENAL FINANCE: A financial mechanism available only to municipalities to provide incentives for economic development in a specified geographic area. The amount of appreciation of the equalized valuation of property within the designated area (TIF) that is above the base level equalized valuation of the area at the time it was created. Property taxes on the TIF increment which would normally go to school districts and other taxing agencies, instead go to the municipality which created the TIF district to help pay for the cost of economic development in the district.

TAX RATE LIMIT: The tax rate limit is the maximum tax rate that the county clerk may extend. Illinois law authorizes maximum tax rates without referendum, but districts may increase tax rates, within limits, subject to voter approval. A limited number of tax rates exist without a tax rate limit (IMRF, Social Security, and Tort).

TAXABLE DEBT: Obligations issued buy the school district where the interest payments are NOT exempt from inclusion on federal income tax returns. Generally, debt issued for non-capital purposes for which a cash flow need cannot be established is ruled to be taxable debt by the Internal Revenue Service.

TEACHERS' ORDERS: Teachers' payroll warrants issued by a school district that may be cashed at a local bank. By agreement between the school district and the bank, the district will redeem the orders at some future date (with tax receipts) and pay the bank a stipulated rate of interest not exceeding the greater of nine percent per annum, or 125% of the rate for the most recent data shown in the 20 General Obligation Bonds Index of average municipal bond yields, as published in the most recent edition of The Bond Buyer at the time the contract is made for the sale.

UNIT DISTRICT: A school district that encompasses all grade levels (Pre K-12).

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