



EVANSTON/SKOKIE
SCHOOL DISTRICT 65

Every Child, Every Day, Whatever it Takes

Budget Overview
Special Board Finance Committee Meeting
November 19, 2020

District 65 Budget Overview

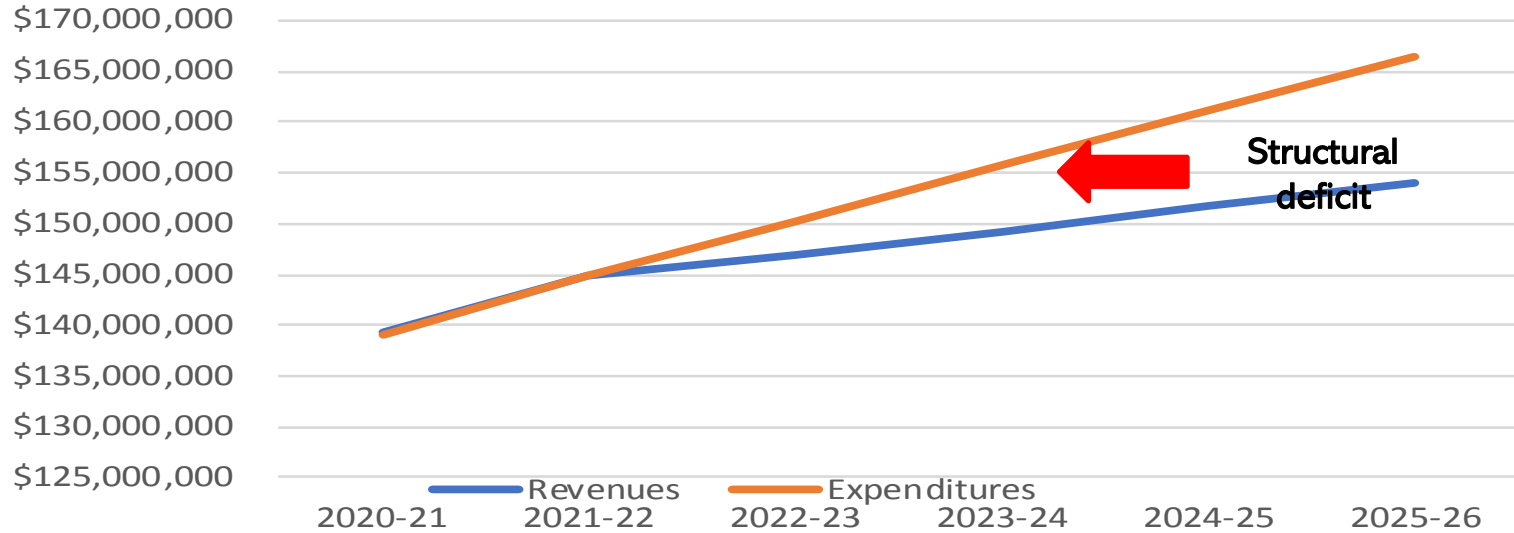


- The most recent financial forecast projects operating deficits starting in FY23
- If the current economic situation continues to deteriorate, the District may experience a deficit year earlier, in FY22
- It is not a good practice or the District's intention to balance its budget using referendum reserves
- Reserves should be used only in extenuating circumstances
- Current expenditures must be covered with current revenues
- Despite a balanced budget in FY21, the District continues to experience a structural deficit in which the costs are growing faster than the revenues

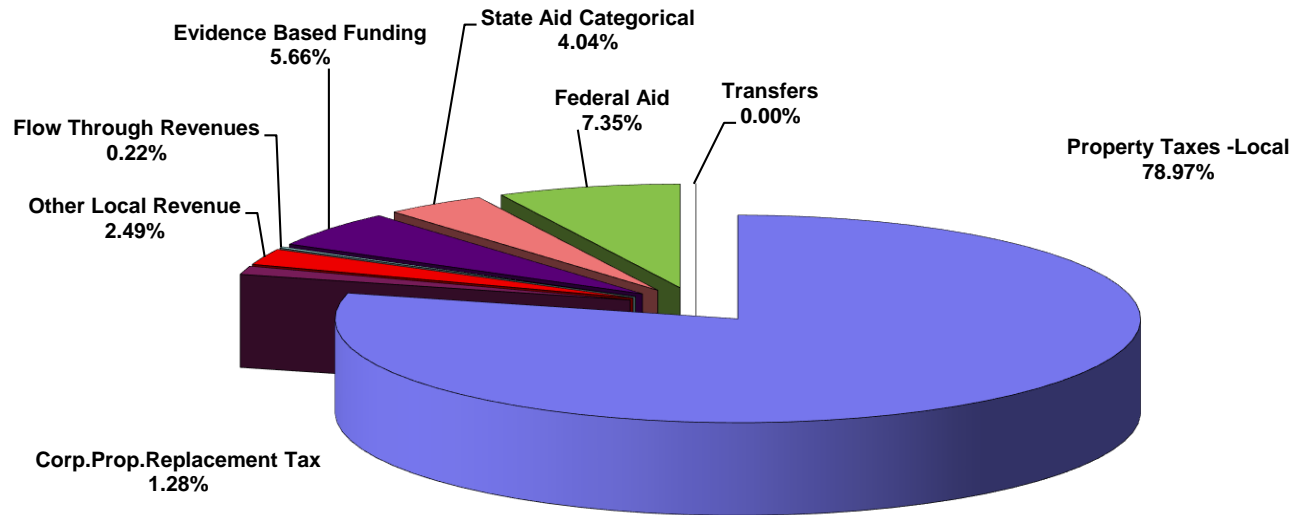
Structural deficit



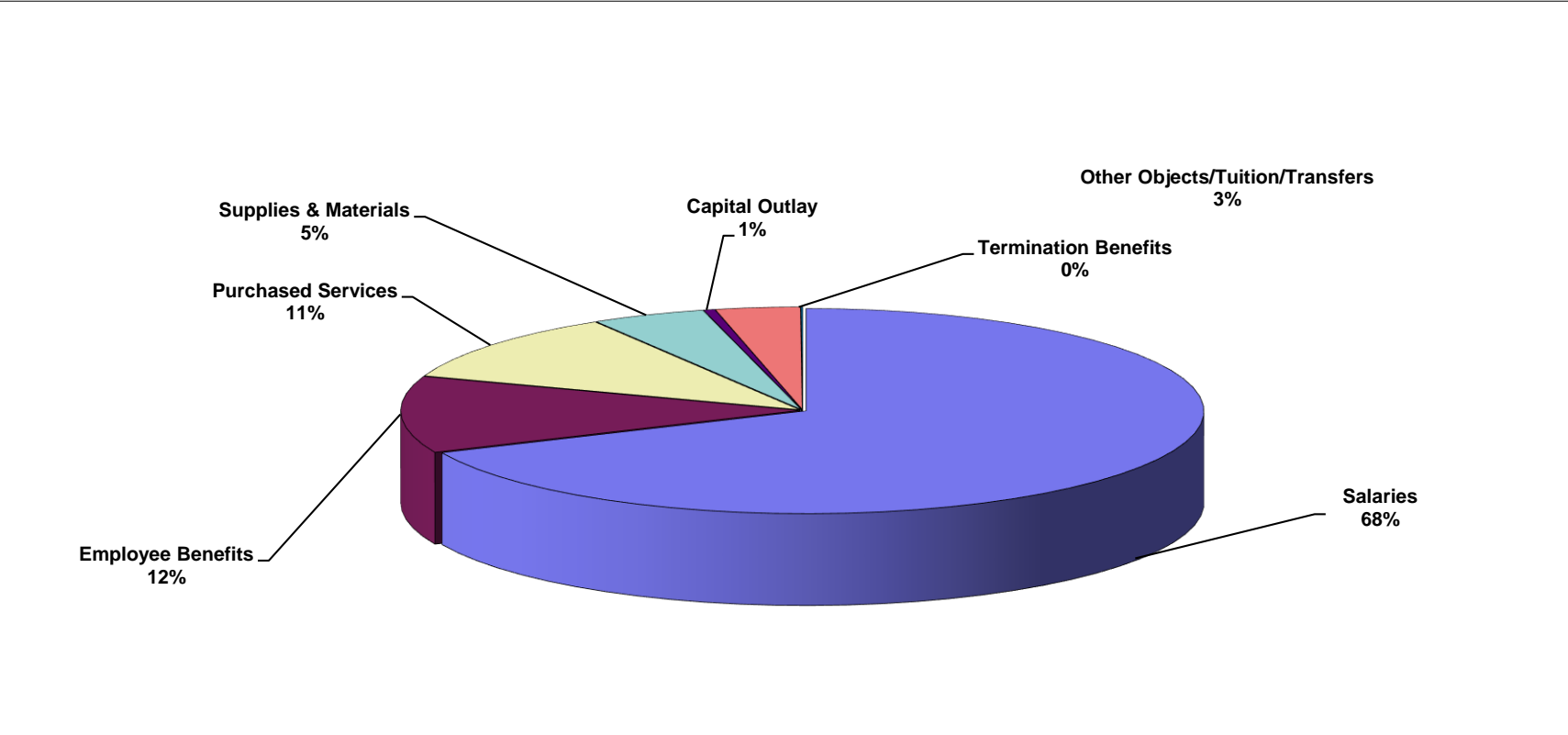
Projected Structural Deficits FY21-FY26



Revenues by Category



Expenditures by Category



Additional Financial Threats



Failed Progressive Income Tax Proposal

- ❑ Potential Cuts to State Aid
- ❑ Tax Freeze Legislation
- ❑ Pension Cost Shift Legislation

COVID-19 Pandemic

- ❑ COVID-19 mitigation expenses
- ❑ Cost of remote learning
- ❑ Loss of revenues
- ❑ Lack of federal stimulus funds

Economic Fallout

- ❑ Impact on local and state economy
- ❑ Rising costs
- ❑ Long-term impact of recession

Moving Forward



- Continue to deliver balanced annual operating budgets
- Continue to preserve referendum reserves and educational investments
- Seek community involvement
- Implement equitable budgets reductions, which protect the District's educational model and its instructional priorities

Budget Reduction Process



- Budget Reduction tool will be used
- Community Survey will be developed to solicit input from community members and other stakeholders

(Operations) Equity Taxonomy SUGGESTED COST REDUCTIONS FY 2021 and Beyond

Goal: Reduce the budget deficit by eliminating expenses in a way that retains high quality programs and services for students. The five criteria proposed are topics suggested: Equity Taxonomy

- A. To what extent does it negatively affect progress towards **Equity**?
- B. To what extent does it negatively affect our ability to **Maintain/Monitor Compliance**?
- C. To what extent does it negatively affect progress towards **Efficiencies**?
- D. To what extent does it negatively affect **Program/Department Effectiveness**?

Key: Each Department will provide information for every action or program in their respective departments.

Scoring Guide: The district is looking for budget reductions and revenue enhancement opportunities that would have the **least** negative impact. Items with a high negative impact score will be eliminated. Items have been scored using the following scale:

Scoring Guide: 0=None 1=Low 2=Medium 3=High

Program	Estimated Amount	A.	B.	C.	D.	Total
Sample 1	2,000,000	3	3	2	0	8
Sample 2	415,000	3	3	3	3	15
Sample 3	250,000	3	2	3	2	13

Equity Taxonomy¹



School Equity

The Building Equity Taxonomy focuses on the equitable practices and outcomes that support critical standards of equity in a school or the district.

The taxonomy has five levels:

- **Physical Integration**
- **Social-Emotional Engagement**
- **Opportunity to Learn**
- **Instructional Excellence**
- **Engaged and Inspired Learners**

¹. *Building Equity* by Dominique Smith, Nancy E. Frey, Ian Pumpian and Douglas E. Fisher

The Building Equity Taxonomy



Questions?

