

**PARK RIDGE - NILES COMMUNITY
CONSOLIDATED SCHOOL DISTRICT 64**

**2012-13
Tentative Budget
Draft # 4**

August 6, 2012

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To: Board of Education
Phil Bender, Superintendent

From: Rebecca Allard, Business Manager

Subject: 2012-13 Tentative Budget – Draft #4

Date: August 6, 2012

All revenue and expenditure comparisons are now calculated against the June 30, 2012, actual revenues or expenditures.

The adoption of a school district budget is required by the end of the first quarter of the fiscal year (September 30). By satisfying the legal requirement, a school district may expend funds and levy taxes. But more importantly, the budget tells a story of the opportunities and services available to the students of Park Ridge-Niles District 64.

The 2012-13 tentative budget is one of controlled growth, which continues to fulfill referendum initiatives and provides for the implementation of the third year of activities scheduled under the District's strategic plan and other District-wide priorities. The 2012-13 tentative budget also accommodates the facility master plan and the 2012 summer capital projects at Carpenter School.










During a collective bargaining period two methods can be used for budgeting: budget per the previous negotiated agreement or to use the zero based approach. Therefore, for this draft of the budget the zero based method for salary component has been used. The salary category has been adjusted only for retirement savings; new positions approved by the Board; new positions to accommodate changing enrollment; and the Maine Township Special Education Program (MTSEP) dissolution.

Current economic conditions at the local, state and national levels continue to hamper budget planning. The 4th draft of the 2012-13 tentative budget is based on information known as of July 25 and incorporates the Board directive to adjust the areas of purchased services and supplies in the Education and Operations & Maintenance Funds (see separate memorandum).

Modifications will continue to be made until the Illinois State Board of Education (ISBE) confirms the final allocations of state funds. In addition, careful consideration will be given to staffing changes as fluctuations in student enrollment are known.

If you have questions prior to the Board meeting on August 6, please feel free to contact me in advance to clarify any of the information presented.

2012 – 13 Budget Calendar

Task Completed	Date of Board Meeting	Action
	January 23, 2012	<ul style="list-style-type: none"> • Board authorizes preparation of the 2012–13 tentative budget in accordance with.
	February 13, 2012	<ul style="list-style-type: none"> • Committee of the Whole - review financial projections.
	March 12, 2012	<ul style="list-style-type: none"> • Board authorizes 2012-13 staffing plan.
	April 9, 2012	<ul style="list-style-type: none"> • Committee of the Whole – Strategic Plan presentation of 2012-13 proposed implementation and budget parameters.
	April 23, 2012	<ul style="list-style-type: none"> • Board approves the 2012-13 Strategic Plan implementation parameters.
	May 7, 2012	<ul style="list-style-type: none"> • Committee of the Whole – Board reviews draft of the 2012-13 tentative budget.
	June 11, 2012	<ul style="list-style-type: none"> • Special Board Meeting - Board reviews 2nd draft of the 2012–13 tentative budget.
	July 9, 2012	<ul style="list-style-type: none"> • Board adopts 2012–13 tentative budget. • Board sets date of Public Hearing for final budget adoption. • Board places tentative budget on public display for 30 days prior to public hearing and final budget adoption.
	August 6, 2012	<ul style="list-style-type: none"> • Board adopts 2012–13 tentative budget. • Board sets date of Public Hearing for final budget adoption. • Board places tentative budget on public display for 30 days prior to public hearing and final budget adoption.
	September 10, 2012	<ul style="list-style-type: none"> • Board reviews final draft of 2012–13 budget. • Board conducts a public hearing on the 2012–13 final budget prior to budget adoption on September 24.
	September 24, 2012	<ul style="list-style-type: none"> • Board adopts the 2012–13 budget.
	October 22, 2012	<ul style="list-style-type: none"> • Board reviews the 2012 tentative tax levy • Board sets date of Public Hearing for the 2012 tax levy.
	November 12, 2012	<ul style="list-style-type: none"> • Board conducts a public hearing for the 2012 tax levy.
	December 10, 2012	<ul style="list-style-type: none"> • Board adopts the 2012 tax levy.

2012-13 Tentative Operating Fund Budget Recap

Revenues:

Overall, operating fund revenues are expected to show a reduction of \$17,477 or 0.0%. Tentative information regarding the 2011 tax extension has been received by Cook County. Modifications will be made in future budget drafts when the Illinois State Board of Education (ISBE) confirms the final allocations of state funds.

Expenses:

During a collective bargaining period two methods can be used for budgeting: budget per the previous negotiated agreement or to use the zero based approach. Therefore, for this draft of the budget the zero based method for salary component has been used. The salary category has been adjusted only for retirement savings; new positions approved by the Board; new positions to accommodate changing enrollment; and the Maine Township Special Education Program (MTSEP) dissolution.

The education fund has been reduced by \$70,000 in the areas of substitute teachers, staff development and educational consultants per Board direction to offset the cost of the instructional technology coaches.

In addition, capital improvements have been transferred from the operations and maintenance fund to the capital projects fund. ISBE requires this modification.

Overall, with no increase for salaries, the operating fund expenditures are expected to decrease by 0.1%.

Highlights of the 2012-13 Tentative Operating Fund Budget

REVENUES

Real Estate Property Taxes:

Since 1994, schools in Cook County have been subject to the Property Tax Extension Limitation Law (tax cap). Unfortunately, the tax cap formula does not take into account changes in a school district's budgetary needs, but limits the increase in taxes to the lesser of 5% or the rate of inflation as measured by the Consumer Price Index (CPI-U) issued by the Department of Labor. In addition, the tax cap formula allows for an increase above the CPI-U for new construction.

Tax Year	CPI-U (Tax year previous December)
2006	3.4
2007	2.5
2008	4.1
2009	0.1
2010	2.7
2011	1.5
2012	3.0

The following chart demonstrates that the 2010 tax levy is pacing at the same level of tax collections in prior years.

Tax Year	% of Tax Collections
2003	99.1%
2004	98.2%
2005	98.5%
2006	98.7%
2007	98.1%
2008	98.8%
2009	98.9%
2010	98.5%

Corporate Personal Property Replacement Taxes (CPPRT):

Funds that have personal property replacement taxes as a revenue source are the educational and the municipal retirement/social security fund. CPPRT is driven by the health of the state’s economy. The following table identifies the most recent collections of CPPRT:

Fiscal Year	CPPRT
2007-08	\$1,327,617
2008-09	\$1,163,859
2009-10	\$926,354
2010-11	\$1,192,124
2011-12 <i>(as of May 31)</i>	\$1,051,421

During the State budget process, last year, the Governor transferred CPPRT funds to pay for the Regional Offices of Education which is the reason for the loss of CPPRT funds during the 2011-12 fiscal year.

Other Local Revenue:

The elementary lunch supervision fee has been eliminated, but all other student fees remain at the same level as 2011-12.

TIF revenue is currently being projected at the same level as 2011-12 less the \$90,000 loan repayment from the City of Park Ridge.

State Revenue:

The General State Aid (GSA) formula is designed to ensure that all students in Illinois have access to educational services valued at a basic “foundation level.” The GSA formula factors a local school district’s wealth (Equalized Assessed Valuation per student) and then categorizes each Illinois school district into one of three classifications:

GSA Classification	Number of Schools in Illinois Per Classification
Foundation Formula	735 Schools (77.94%)
Alternate Formula	147 Schools (15.59%)
Flat Grant	61 Schools (6.47%)

The 2011-12 foundation level was \$6,619; ISBE prorated this amount by 95%. District 64 is an alternate formula district and receives approximately \$385 per student (based on the prior year's average daily attendance). The state is once again discussing the proration of this amount; currently it is projected at an estimated reduction of about \$150,000.

The State's cash-flow continues to create problems for local schools. Currently the State is one (June) categorical payment behind. These revenues are due and payable in the 2012-13 fiscal year.

Federal Revenue:

The Education Fund currently receives the following federal revenue: Special Milk; IDEA; Title II Teacher Quality, and Medicaid.

EXPENSES

During a collective bargaining period two methods can be used for budgeting: budget per the previous negotiated agreement or to use the zero based approach. Therefore, for this draft of the budget the zero based method for salary component has been used. The salary category has been adjusted only for retirement savings; new positions approved by the Board; new positions to accommodate changing enrollment; and the Maine Township Special Education Program (MTSEP) dissolution.

In addition, capital improvements have been transferred from the operations and maintenance fund to the capital projects fund. ISBE requires this modification.

Community Consolidated School District 64
Estimated 2012-13 Statement of Position (August 6, 2012)

Fund	Unaudited Beginning Cash & Investment Balance July 1, 2012	Add Tentative Budgeted Revenues	Less Tentative Budgeted Expenditures	Excess / Deficiency of Revenues Over Expenditures	Estimated Ending Cash & Investments Balance June 30, 2013
Education	\$22,413,161	\$54,981,834	\$53,946,331	\$1,035,503	\$23,448,664
Tort Immunity	1,578,955	656,500	663,994	(7,494)	1,571,461
Operations & Maintenance	(1,362,924)	8,651,356	5,889,931	2,761,425	1,398,501
Transportation	2,849,726	1,894,484	1,637,528	256,956	3,106,682
Retirement	1,806,613	2,018,461	2,302,714	(284,253)	1,522,360
Capital Projects	2,642,071	302,500	2,900,000	(2,597,500)	44,571
Working Cash	13,316,712	740,600	240,100	500,500	13,817,212
Total - Operating Funds	\$43,244,314	\$69,245,735	\$67,580,598	\$1,665,137	\$44,909,451
<i>**Fund Balance as a Percentage of Expense Budget</i>	63.6%				66.5%
Debt Service	3,417,654	2,928,261	2,809,488	118,773	3,536,427
Total - All Funds	\$46,661,968	\$72,173,996	\$70,390,086	\$1,783,910	\$48,445,878

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***Fund Balance Policy: The District's operating fund balances shall end each fiscal year with four (4) months of operating expenditures for the fiscal year ended. Expenses shall be measured against a cumulative total operating funds that include: education, operations and maintenance, transportation Illinois municipal retirement and working cash.*

ALL FUND BUDGET DRIVERS

The following analysis provides notes to the detailed tables of revenues (Tab 1) and expenditures (Tab 2) by objects. Comparison percentages are measured against the 2011-12 unaudited actuals.

Educational Fund (10)

Purpose: The most varied and the largest volume of transactions will be recorded in the Educational Fund. This is due mostly because the Educational Fund covers transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instruction, health and attendance services, lunch programs, all costs of administration and related insurance costs. Certain other revenues that must be credited to this fund include educational tax levies, tuition and textbook rentals.

Revenue Review

- Total Education Fund revenues are anticipated to increase by 0.7% or \$363,050.
- Property taxes have the greatest impact on the variance and are expected to increase by 3.2%. As previously mentioned, property taxes are restricted by the tax cap legislation.
- Corporate Personal Property Replacement Taxes (CPPRT) is expected to remain at the 2011-12 collection rate.
- The elementary lunch supervision fee has been eliminated.
- All other student fees are anticipated to remain at the 2011-12 level.
- The decrease in other local income is caused by a reduction in tuition paid by other local districts. In addition, the loss of revenue (\$346,660) for the elementary lunch supervision fee is recorded in this area
- General state aid is estimated to decline by \$150,055 as a result of the State prorating District allocations.
- Other state revenue will decline by \$542,223 as a result of the State's failure to fund programs previously funded.
- IDEA funding and Medicaid are responsible for the increase in federal revenue.
- Consistent with past practice an interest transfer totaling \$249,361 is budgeted from the debt service and the working cash funds.

Expenditure Review

- **Salary:**

There are several methodologies to use for budgeting during a collective bargaining period: budget per the previous negotiated agreement or to use the zero based approach. For this draft of the budget the zero based method for salary component will be used. The salary category has been adjusted only for retirement savings; new positions approved by the Board; new positions to accommodate changing enrollment; and the Maine Township Special Education Program (MTSEP) dissolution.

- **Benefits:**

The benefit area is the second largest category of the education fund budget. The benefit line item accounts for 11.6% of the total education fund budget and is anticipated to increase by 10.4% or \$587,070. The insurance renewal is contributing to this increase.

- **Purchased Services, Supplies and Capital Outlay:**

The areas of purchased services, supplies and capital outlay account for 7.8% of the total educational fund budget and are expected to increase by approximately \$641,159.

Purchase services pay for staff development, the food service contract, and legal fees.

As directed by the Board of Education on July 9, all purchase service line items will be held at the 2011-12 actual expenditure level and a contingency line item has been created (\$481,793) to allow for flexibility as the fiscal year progresses.

Supplies and capital outlay provide the needed resources for student learning.

As directed by the Board of Education on July 9, all supply line items will be held at the 2011-12 actual expenditure level and a contingency line item has been created (\$185,835) to allow for flexibility as the fiscal year progresses.

- **Other Objects**

The other object category accounts for 4.0% of the total educational fund budget and is expected to decrease by 30.6% as a result of the MTSEP dissolution. The major expenditure (\$2,067,000) in this category is special education tuition.

Operations & Maintenance Fund (20)

Purpose: *All costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school purposes, or for the payment of premiums for insurance on school buildings are charged to the Operations and Maintenance Fund and paid from the tax levied for that purpose.*

Revenue Review

- The anticipated increase is 3.2% or \$264,215. Property taxes have the greatest impact on the variance, and, as previously mentioned, are restricted by the tax cap legislation.
- The reduction of revenue is driven by the elimination of the funds due from the FAA for sound abatement projects.

Expenditure Review

For a fair comparison of the ongoing expenses in the operations & maintenance fund the following analysis is net of capital outlay (construction).

	2011-12 Actual	2012-13 Tentative Budget	% Increase
Total Budget	\$10,386,503	\$5,889,931	-43.3%
Less: Building Improvement	(\$2,473,535)	(\$300,000)	-87.9%
Less: Architect, Construction Manager and other Engineering Fees	(\$230,661)	(\$230,661)	0.0%
Less: Transfer to Capital Projects	(\$3,000,000)	(\$300,000)	-90.0%
Net Operations & Maintenance Budget	\$4,682,307	\$5,059,270	8.1%

- **Salary**

There is no increase in salaries calculated into budget draft #4.

- **Benefits**

The increase for employee benefits is driven by the increased rates for health insurance.

- **Purchased Services**

In addition to architect, and other engineering fees, the purchased service area covers the following types of expenses: repair and maintenance of equipment, telephones, water fees and crossing guards.

As directed by the Board of Education on July 9, all purchase service line items will be held at the 2011-12 actual expenditure level and a contingency line item has been created (\$107,321) to allow for flexibility as the fiscal year progresses.

- **Supplies**

The supply area covers the following types of expenses: gasoline for District vehicles, natural gas, electricity, and custodial and maintenance supplies.

As directed by the Board of Education on July 9, all supply line items will be held at the 2011-12 actual expenditure level and a contingency line item has been created (\$102,277) to allow for flexibility as the fiscal year progresses.

- **Capital Outlay**

The capital outlay area covers the expenses for equipment and furniture.

- **Other Expense**

The other object category covers the transfer of funds to the capital project fund.

Debt Service Fund (30)

Purpose: *Bonds are generally issued to finance the construction of buildings, but may also be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay related interest. To protect the bondholders, these tax collections must be accounted for in the Debt Service Fund and maintained in separate bond and interest accounts for each bond issue.*

Revenue Review

The levy in this fund has been reduced to correspond to the debt repayment schedule. The District's current obligations will be retired with a final payment in fiscal year 2016-17.

Expenditure Review

The expenditures from the debt service fund are for the principal and interest on outstanding debt.

Consistent with past practice, an interest transfer of \$11,600 to the educational fund is budgeted.

Transportation Fund (40)

Purpose: *Costs of transportation, including the purchase of vehicles and insurance on buses, are to be paid from this fund. Moneys received for transportation purposes from any source must be deposited into this fund.*

Revenue Review

- Revenues are anticipated to decline by 26.3% or \$676,981. Property taxes have the greatest impact on the variance, and, as previously mentioned, are restricted by the tax cap legislation.
- The state transportation reimbursement claim has two separate reimbursement formulas, one for regular education and one for special education transportation. Governor Quinn's budget eliminates regular transportation as a funding source.

Expenditure Review

- The expenditure budget is expected to increase by 4.4% or \$69,216.

Municipal Retirement / Social Security Fund (50)

Purpose: *This fund is created if a separate tax is levied for the school district's share of municipal retirement / social security benefits for covered employees or a separate tax is levied for the purpose of providing resources for the district's share of Social Security and/or Medicare only payments for covered employees. If any of these taxes are not levied, payments for such purposes shall be charged to the fund where the salaries are charged.*

Revenue Review

- Revenues are anticipated to decrease by 6.2% or \$133,056. All revenues, property taxes, CPPRT and interest income are expected to be reduced.

Expenditure Review

- The Medicare portion of the Social Security rate is charged to all certified staff.
- Illinois Municipal Retirement Fund (IMRF) and social security are charged to all support staff.
- The IMRF rate includes a "catch-up" factor for the loss of investment income over the last several years.

Capital Projects Fund (60)

Purpose: *If a capital improvement tax is levied in accordance with Section 17-2.3 of the Illinois School Code (105 ILCS 5/17-2.3). The moneys received from such levy shall be accumulated until spent for the capital improvements described in the resolution and on the ballot, per Section 17-2.3.*

Revenue Review

- A fund transfer of \$3,000,000 from the Operations & Maintenance Fund occurred in June. An additional transfer of \$300,000 will be made during fiscal year 2012-13.

Expenditure Review

- Expenditures which would ordinarily be charged to the Operations and Maintenance Fund, but which may be charged to the Capital Projects Fund, include the actual construction costs, builder's risk insurance, purchase of land and other site costs, landscaping, parking lots, sidewalks, utility connections, etc., and other items directly related to the construction project.

Working Cash Fund (70)

Purpose: *If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this fund shall be created. Cash available in this fund may be loaned to any fund for which taxes are levied.*

Revenue Review

- The 2011 levy included a tax levy in this fund.

Expenditure Review

- Consistent with past practice, an interest transfer of \$240,100 to the educational fund is budgeted.

Tort Immunity Fund (80)

Purpose: *This fund is created if taxes are levied or bonds are sold for tort immunity or tort judgment purposes. The tort immunity fund provides for the risk management activities of the District. Insurance policies such as workers compensation, property casualty, and school board legal liability are the major expenditures of this fund.*

Revenue Review

- Revenues in the tort immunity fund are expected to decrease by over 10.3% or \$75,352.

Expenditure Review

- The tentative budget will increase by 7.8% or \$48,264.

Board of Education – Budget Actions

October 2011 through July, 2012

Revenue Actions

- **Certificate of Tax Levy –**
 - 2011 levy adopted totaling \$64,086,264 (December 19, 2011)
- **Educational Fund**
 - Approved the 2012-13 Student Fees (April 23, 2012)
 - Approved Jefferson After-school Program Fees (May 21,2012)

Expense Actions

Educational Fund

- Appointment of Assistant Superintendent for Student Learning (February 27, 2012)
- Appointment of Assistant Superintendent for Human Resources (March 12, 2012)
- Authorization of 2012-13 Staffing Plan (March 12, 2012)
- Approved copy machine leases (December 12, 2011)
- Approved the Food Service Contract Renewal (March 12, 2012)
- Adoption of the 2012-13 Health Insurance Rates (April 23, 2012)
- Approved Agreement with District 62 for Vision Services (April 23, 2012)
- Approved 2012-13 Strategic Plan and other District priorities (April 23,2012)
- Appointment of Lincoln Middle School Principal (May 21, 2012)
- Appointment of Carpenter Elementary School Principal (May 21, 2012)
- Awarded contract for the 2012-13 Physical Education uniform purchase (May 21, 2012)
- Approved Agreement with District 207 for Assistive Technology Services (May 21, 2012)

Operations & Maintenance Fund

- Acceptance of District Maintenance Plan (December 19, 2011)
- Approval to Design and Bid 2012 Capital Projects (December 19, 2011)
- Approval for Environ to Act as the District's Environmental Engineer for Asbestos/Environmental Issues at Carpenter (January 23, 2012)
- Approved Bid results for Natural Gas (February 27, 2012)
- Awarded Contract for Carpenter Asbestos Removal Project (March 12, 2012)

- Awarded Contract for Carpenter Site Improvements (May 7, 2012)
- Awarded Contract for Carpenter Electrical Upgrade (May 7, 2012)
- Awarded Contract for Carpenter Mechanical Upgrade (May 7, 2012)
- Authorized Administration to negotiate fees with Environ International Corp. (May 7, 2012)
- Awarded Contract for Roosevelt Track (May 21, 2012)
- Authorized the transfer of \$3 million to the Capital Projects Fund (May 21, 2012)
- Awarded Custodial Supply Bid (June 11, 2012)
- Approved Environmental Consultant fees (June 11, 2012)

Transportation Fund

- Approved Transportation Contract Extension and Assignment with SEPTRAN (February 27, 2012)
- Approved Contract Renewal with Illinois Central Bus (May 21, 2012)
- Approved Hazardous Routes (June 25, 2012)

Investments in Student Learning

- District 64 will enter the third year of implementation of its Strategic Plan, "Journey of Excellence." The five strategies include: accelerating the use of advanced technology; building a model for personal student goals; collaboration with our partnership; expectations for student learning and instructional practices; and providing support and tools for change. In 2012-13, Strategic Plan implementation activities will be embedded within the District's overall initiatives.
 - The main priority for all staff will be the implementation of Priority Standards (developed through the Strategic Plan) /Common Core State Standards with technology integrated into the instruction of these standards, and the professional development needed to support this work. A total of seven instructional technology coaches (three continuing from the 2011-12 pilot plus four newly authorized) will provide job-embedded coaching to teachers.
 - Work on the other Strategic Plan strategies also will continue through specific committees.
- The District will continue to invest in technology to maintain, refresh, and provide additional resources for student learning. Additional SmartBoards will be added throughout the District as we continue this initiative, which began three years ago. Based on the success of the iPads in 2011-12, the District will provide additional iPads for each building to support the Strategic Plan goal of accelerating the use of advanced technology. The technology budget will also include funds to support and monitor a robust infrastructure in order to provide for a reliable network for student learning.
- The District continues to expand the number of on-line subscriptions that are used to support student learning. All of our core textbooks now have on-line resources associated with them for both student and teacher use. Additional supplemental resources such as *Study Island* and *Raz Kids* provide students dynamic and differentiated opportunities to practice instructional skills during school hours as well as at home. Digital media tools such as *CCC Video Streaming* and *World Book Online* provide teachers and students with current resources connected to their curricular studies. We have also continued to expand the number and scope of iPad applications that are purchased to support student learning.
- Building upon the investments that have previously been made to implement the District 64 Reading Framework, funds will be used next year to purchase additional differentiated reading materials and to expand the amount of non-fiction text our students are exposed to (a key component of the Common Core Reading Standards).

- In conjunction with the new Priority Standards/ Common Core Standards for Mathematics, we will begin to examine new math textbooks for possible adoption in 2013-14. For the 2012-13 school year, some supplemental materials will be purchased to support standards related to Number Sense and Computational Fluency.
- New textbooks will be piloted for the middle school French program at 7th and 8th grades.
- New textbooks will be adopted for the middle school Social Studies program at 6th, 7th and 8th grades.

In accordance with the Strategic Plan parameter to always maintain safe, supportive learning environments, the District will continue to invest in facilities in the following ways:

- A two-year Facility Master Plan was initiated in 2011-12 to provide comprehensive data about the interior and exterior conditions at all District 64 schools and the central office. In year two, pending Board of Education approval, planning will focus on comparing curriculum needs with facilities.
- To continually refresh the learning environment, the District will replace classroom desks/chairs, and re-paint and carpet selected areas.
- Asbestos pipe insulation will be removed from the attic at Carpenter School in summer 2012 in preparation for a new HVAC system.
- ***Pending Board of Education approval***, three additional projects will be undertaken at Carpenter School: site upgrades, including water detention, will be completed; the electrical system throughout the building will be upgraded; and, a new HVAC system, including air conditioning, will be installed in the north gym/lunch room.
- ***Pending award of a matching \$50,000 grant from the Illinois State Board of Education***, upgrades and repairs will be completed at Field School, including: installation of handicap knobs on all doors; replacement of the south flat roof; and installation of a new gutter system on the original building.

Fund Balance Policy

As stated in Board Policy 4:20: The District's operating fund balances shall end each fiscal year with four (4) months of operating expenditures for the fiscal year then ended. Expenses shall be measured against a cumulative total of operating funds that include: educational, operations and maintenance, transportation, Illinois municipal retirement/social security and working cash.

The tentative budget projects an operating fund balance of 66.5% as of June 30, 2013 or almost \$44.9 million.

Other Financial Indicators

Illinois State Board of Education Financial Profile

The goal of the financial profile is to objectively assess the financial health of all school districts in order for the public to gain a better understanding of where their schools rank in comparison to others. This is done through a process of benchmarking five indicators for school districts. The highest ranking given by the state board is "4.0 Recognition". Park Ridge-Niles District 64 was awarded this highest designation in the spring of 2012.

Fiscal Year	ISBE Financial Profile Designation	ISBE Financial Profile Score
2011	Financial Recognition	4.00
2010	Financial Recognition	4.00
2009	Financial Recognition	4.00
2008	Financial Recognition	3.90
2007	Financial Recognition	3.55
2006	Financial Review	3.45
2005	Financial Early Warning	2.75

Rating Services

- Standard & Poor's (S&P) long-term bond rating affirmed as AA/Stable (January 2012)
- Moody's has moved to the Global Rating System, meaning that they are now rating issuers on the likelihood of default, not their more stringent municipal rating. As of August 2011, Moody's has reaffirmed District 64's rating of "Aa2" with a positive outlook.

Cash Flow Projection for 2012-13

The cash flow projection will be included in the final budget presentation in September 2012.

Financial Projections

Update financial projections will be included in the final budget presentation in September 2012.