



Geneseo Community Unit School District #228
Geneseo, IL
Henry County, IL
Whiteside County, IL

Fiscal Year 2017 Adopted Budget

Geneseo Community Unit School District
648 North Chicago Street
Geneseo, Illinois 61254
www.geneseoschools.org

Geneseo Community Unit School District # 228
Geneseo, Illinois

Fiscal Year 2017 Adopted Budget

Detailed Budget Analysis

Effective
July 1, 2016 to June 30, 2017
As Adopted September 8, 2016

Issued by the Central Office Administration Office:

Mr. Scott Kuffel, Superintendent
Mr. Tim Gronski, Chief School Business Official



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The *Pathway* to the Meritorious Budget Award is presented to

GENESEO COMMUNITY UNIT SCHOOL DISTRICT NO. 228

For excellence in the preparation and issuance of its budget
for the Fiscal Year 2015-2016.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, reading 'Brenda Burkett'. The signature is written in a cursive, flowing style.

Brenda R. Burkett, CPA, CSBA, SFO
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive, flowing style.

John D. Musso, CAE, RSBA
Executive Director



The Honorable Board of Education
Geneseo Community Unit School District #228
648 North Chicago Street
Geneseo, IL 61254

Dear School Directors:

The budget for the fiscal year 2016-17 for the Geneseo Community Unit School District #228 is attached. The District Superintendent and the Chief School Business Official assume responsibility for data accuracy and completeness.

Not only are we proud of the accomplishments of our students, staff, and administrators, we are also proud to publish and disseminate budget information to the Board of Education and the Geneseo Community. We welcome the opportunity to discuss operational plans and the related financial impact with all stakeholders.

The information included in this budget document is structured to meet the requirements of the Meritorious Budget Award (MBA). The MBA is the highest form of recognition in budgeting for public school Districts, and is awarded by the Association of School Business Officials International (ASBO). The award is made after comprehensive review by a panel of independent budget professionals using extensive criteria.

The most important concern of this budget document and process is to improve the quality of information for our community about District 228's educational programs and services for the 2016-17 school year.

Respectfully,

Tim Gronski
Chief School Business Official Geneseo CUSD #228

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Introductory Section

Fiscal Year 2017 Budget



Geneseo Community Unit School District #228

Executive Summary

Achievements

The following is a list of significant accomplishments throughout the Geneseo CUSD #228 in recent years. The list reflects the dedication and hard work of all District 228 employees, students, volunteers, families, and school board members.

- 1st place designation in the Top 10 Digital Districts in the nation award.
- Pathway to the Meritorious Budget Award winner.
- Named District of Distinction by District Administration magazine.
- Digital Content and Curriculum Achievement Award.
- U.S. News and World Report Silver Medalist as one of the top high schools in the nation, and Geneseo High School ranked #2 in Illinois downstate high schools.
- Named to the College Board's 4th Annual Advanced Placement Honor Roll.
- Geneseo High School was recognized by the National Federation of High School Association as one the 37 Elite Schools.
- 26 students from Geneseo High School were named Illinois State Scholars, 1 student was awarded the National Merit Scholarship.
- 44 Students received the Presidential Award for Educational Excellence.
- 17 Students were named AP Scholars.
- 13 All-State individuals in Band, Choir, and Orchestra this past school year.
- 56 consecutive winning seasons and 40 state football playoff appearances in varsity football, state records.
- 22 individual athletes qualify for state competition in Boys and Girl Track, Boys and Girls Tennis, Girls Golf, Boys and Girls Cross Country, and Wrestling.
- 5 National Board Certified Teachers, 29 teachers are current candidates for National Board Certification.

School Board and Central Administration

Board of Education

Mr. Doug Ford, President, 2003

Mr. John Puentes, Secretary 1999

Mrs. Christy Coleman, 1989

Mr. Alan VanDeWoestyne, 1989

Mr. Barry Snodgrass, 1997

Mrs. Heather DeBrock, 2013

Mrs. Diane Olson, 2015

Central Office Administration

Mr. Scott Kuffel, Superintendent

Mr. Tim Gronski, Chief School Business Official

Board Goals and Priorities

- To create academic targets for the entire District that provide comprehensive standards rooted in the Common Core based k-12 curriculum, which will be followed District-wide in all schools.
- Engage the community in such a way to create a Job Description for a 21st Century School District and the governance team is prepared to respond and “apply” for the position.
- Celebrate completion of 1 year of Performance Evaluation Reform Act (PERA) implementation and will be ready to act on strategies for improved processes.
- Celebrate a successor contract to the 2014-17 Professional Agreement with the GEA following their ratification meeting.
- The use of data and evidence will more formally be incorporated into Board policy (policies) for monitoring, evaluating, and communicating results.

Budget at a Glance

Fiscal Year 17

The budget process in District 228 is a collaborative effort, which involves several stakeholders at a variety of different levels. The process begins in the early fall after the upcoming fiscal year (FY) budget is adopted by the Board of Education at the September Board Meeting. The budget calendar outlines and summarizes the entire budgeting process throughout the year and the benchmark dates in which significant financial decisions are made.

Key Budget Assumptions and Drivers

- The Fiscal Year 17 (FY 17) budget will include roughly \$15,000,000 in construction and remodel work which is financed via the voted bond referendum and the 1-cent county sales tax revenues.
- None of the current instructional or extracurricular programs are reduced or eliminated.
- Historical averages are budgeted for expenditures in all operating funds.
- District enrollment based on historical cohort survival averages is projected to increase slightly, +1.14% from prior year.
- Given the historical uncertainty with the State budget and k-12 funding, the District will budget General State Aid (GSA) “flat” from Fiscal Year 17.
- A \$1,000,000 abatement from the Working Cash Fund to the Education Fund is budgeted.
- Transportation costs will increase by 1.9% per negotiated contract with Pink’s Bus Service.
- Regular transportation State reimbursement is budgeted at \$800,000 which is a 69% proration level of the District transportation entitlement.
- \$60,000 investment in a new k-8 science curriculum is budgeted to incorporate new state science standards.
- A -\$828,492 Education Fund deficit is budgeted for Fiscal Year 17.
- An overall -\$2,700,000 deficit is expected in the District operating funds (Education Fund, Operations & Maintenance Fund, Transportation Fund, and Working Cash Fund).

Geneseo CUSD #228 at a Glance

District Location

The Geneseo CUSD #228 is located 20 miles east of the Quad City Metropolitan area, and approximately 150 miles west of Chicago. The Quad City Metro area is home to a combined statistical population of approximately 475,000 individuals, and includes the cities of: Moline, IL, Rock Island, IL, Bettendorf, IA, and Davenport, IA. The last census revealed that 6,850 reside in Geneseo, IL.

Who do we serve?

The District is a k-12 school district that also serves grant funded pre-k programs. All of the District kindergarten programs are full-day. The Geneseo CUSD #228 will serve 2,579 children this school year.

Buildings

School	Geneseo High School	Geneseo Middle School	Southwest Elementary	Northside Elementary	Millikin Elementary
Grades	9-12	6-8	k-5	Pre-k-5	k-5
Enrollment 2016-17	831	678	341	327	402

How are we governed?

The School Board is the governing body of the Geneseo CUSD #228. This elected school board is created under the authority of the Illinois School Code, Article 10.

Who approves the budget?

The budget is approved by the School Board every September. A tentative budget is announced and presented to the Board of Education in August, and this tentative budget is on public display for 30 days prior to the formal and final budget adoption in September.

District 228 Annual Budget Work Organization

July: New fiscal year begins. The Superintendent and Chief School Business Official enter initial budget draft numbers for the upcoming fiscal year budget draft.

August: Tentative budget is presented to the Board of Education. Budget is on display for public viewing for 30 days.

September: By law the Board of Education must publicly adopt their budget by September 30.

October: Tentative Tax Levy is prepared.

November: Present estimate of property tax levy to the Board of Education.

December: The Board adopts the annual tax levy. A Truth in Taxation Public Hearing is held if estimate of taxes to be levied is more than 105% of the prior year's tax extension.

January: Educational Support Personnel (ESP) salary parameters are presented to the Board of Education. District student enrollment for the upcoming school year is analyzed using December 1 enrollment figures and historical cohort survival data.

February: Statement of Economic Interests is filed with the county clerk.

March: The Board determines staffing numbers for the following school year by reducing personnel in what is termed as Reduction in Force.

April: Present 3rd quarter financial report to the Board of Education.

May: The Board designates person or persons to prepare budget in tentative form.

June: General State Aid Entitlement claim and Transportation Claims are worked on and filed.

All Funds Summary

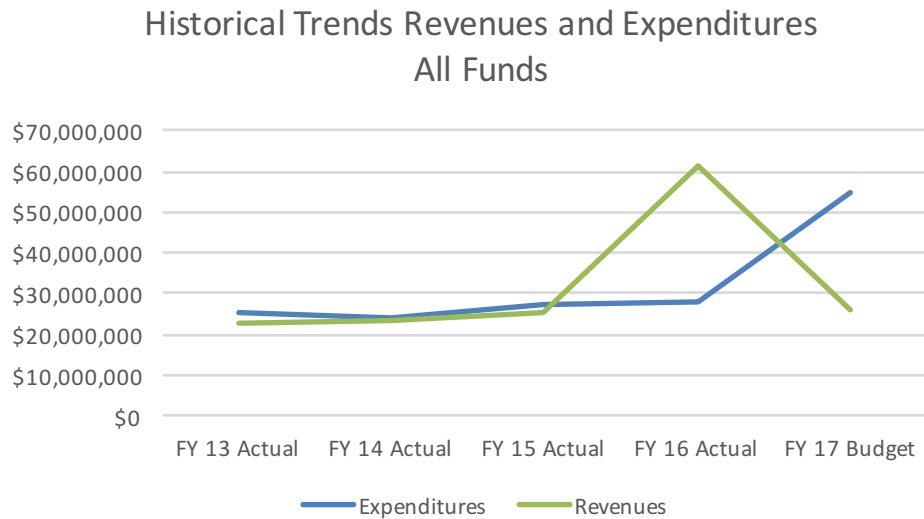
	FY 16	FY 17
Total Revenue by Fund	Actual Estimate	Budget
Education	\$17,184,144	\$16,873,982
Operations & Maintenance	\$2,052,993	\$1,857,500
Debt Service	\$3,059,572	\$3,102,000
Transportation	\$1,657,748	\$1,664,900
IMFRF/SS	\$834,329	\$828,000
Capital Projects	\$28,651,965	\$895,000
Working Cash	\$86,775	\$82,000
Tort	\$520,360	\$551,000
Health Life Safety	\$7,598,541	\$66,000
Totals	\$61,646,427	\$25,920,382

	FY 16	FY 17
Total Expenditures by Fund	Actual Estimate	Budget
Education	\$16,798,827	\$17,662,344
Operations & Maintenance	\$1,919,377	\$2,380,550
Debt Service	\$2,066,600	\$3,770,493
Transportation	\$1,856,507	\$2,009,000
IMFRF/SS	\$606,699	\$726,120
Capital Projects	\$2,622,879	\$21,185,000
Working Cash	\$1,000,000	\$1,000,000
Tort	\$485,312	\$665,200
Health Life Safety	\$364,029	\$4,980,000
Totals	\$27,720,230	\$54,378,707

	FY 16	FY 17
Surplus/(Deficit) All Funds	Actual Estimate	Budget
Education	\$385,317	-\$788,362
Operations & Maintenance	\$133,616	-\$523,050
Debt Service	\$992,972	-\$668,493
Transportation	-\$198,759	-\$344,100
IMFRF/SS	\$227,630	\$101,880
Capital Projects	\$26,029,086	-\$20,290,000
Working Cash	-\$913,225	-\$918,000
Tort	\$35,048	-\$114,200
Health Life Safety	\$7,234,512	-\$4,914,000
Totals	\$33,926,197	-\$28,458,325

Historical Revenues & Expenditures All Funds

The graph below indicates that prior to FY 16 revenues and expenditures in all funds have been fairly stable and consistent. FY 16 revenues peaked from the capital projects voted bond referendum, and as the graph indicates expenditures of these bond proceeds begin to take place in the FY 17 budget year.



Historical Revenues & Expenditures All Funds

The Fiscal Year 17 Budget is projected to produce an operating funds deficit of -\$2,642,920 and an overall deficit of -\$27,778,240. It is important to note that the District operates on a cash basis for accounting meaning that revenues are recorded when received, and expenses are recorded when incurred. The bond proceeds for capital projects were received in FY 16, the projects will be expensed throughout FY 17, explaining the large aggregate deficit. When considering the operating funds deficit, it is also important to note that the operating funds consist of the Education Fund, Operations & Maintenance Fund, Transportation Fund, and the Working Cash Fund. The FY 16 estimated actual figures show an operating fund surplus of roughly \$1,400,000, however this includes a \$2,000,000 working cash bond issue which offset actual deficits. In other words, the District borrowed to cover operating deficits, and without the "borrowed" dollars the District would have exhibited an actual deficit of -\$600,000.

Over the past several years the District has deficit spent in its operating funds on average of approximately -\$1.5 million dollars per year. These deficits are a product of decreased state funding in both General State Aid (GSA) which typically is deposited into the Education Fund and decreased funding for Transportation. GSA was over \$6,000,000 several years ago, today GSA is \$4,300,000. Currently, the Education Fund tax rate is \$2.35 per \$100 of equalized assessed property valuation. This \$2.35 rate is not adequate to cover the Education fund deficits, and combined with nearly a \$2,000,000 shortfall in GSA the District continues to deficit spend in operating funds.

Individual Fund Analysis Budget Detail

Education Fund

The Education Fund is the most significant of all funds in the District. In a typical year roughly 2/3 of all revenues and expenditures are found within the Education Fund. Examples of common expenditures that are expensed from the Education Fund are teacher salaries, administrative salaries, expenses related to curriculum & instruction, all technology expenses, and food service.

The -\$788,362 deficit budgeted for FY 17 includes a \$1,000,000 transfer from the Working Cash Fund.

Revenues	Amount	Expenditures	Amount
Local Sources/Property Tax	\$10,184,780	Salaries	\$11,771,224
State Sources	\$4,922,310	Benefits	\$2,020,510
Federal Sources	\$766,392	Purchased Services	\$791,400
Inter-fund Transfers	\$1,000,000	Supplies and Materials	\$1,413,060
		Capital Outlay	\$90,800
		Other Objects	\$1,342,350
		Non-Capital Equipment	\$233,000
		Termination Benefits	
		Transfers	
On-Behalf Payments	\$3,750,000	On-Behalf Payments	\$3,750,000
Total Revenue	<u>\$20,623,482</u>	Total Expenditures	<u>\$21,412,344</u>

Beginning Fund Balance at 07/01/16	\$4,628,981
Net Gain (Loss)	<u>(\$788,362)</u>
Projected Fund Balance at 06/30/17	<u>\$3,840,619</u>

Operations and Maintenance Fund

One of the four operating funds, the Operations and Maintenance Fund (O & M) is where all costs associated with maintaining buildings and grounds are located. Typical expenses associated with the O & M Fund are custodial and maintenance salaries, utilities expenses, and expenses for cleaning supplies.

Revenues	Amount	Expenditures	Amount
Local Sources/Property Tax	\$1,707,500	Salaries	\$869,000
State Sources		Benefits	\$134,550
Federal Sources		Purchased Services	\$335,000
Sale of Fixed Assets	\$150,000	Supplies and Materials	\$854,000
		Capital Outlay	\$153,000
		Other	\$0
		Non-Capital Equipment	\$35,000
		Termination Benefits	
		Transfers	
Total Revenue	<u>\$1,857,500</u>	Total Expenditures	<u>\$2,380,550</u>
Beginning Fund Balance at 07/01/16			\$3,100,624
Net Gain (Loss)			<u>(\$523,050)</u>
Projected Fund Balance at 06/30/17			<u><u>\$2,577,574</u></u>

Debt Service Fund

All expenditures related to paying principal and interest on debt instruments are located in the Debt Service Fund. These principal and interest payments are determined by bond counsel and levied by the County Clerk each year.

Revenues	Amount	Expenditures	Amount
Local Sources/Property Tax	\$2,302,000	Salaries	
State Sources		Benefits	
Federal Sources		Purchased Services	
Inter-fund Transfer	\$800,000	Supplies and Materials	
		Capital Outlay	
		Bond principal and interest	\$3,770,493
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	
Total Revenue	<u>\$3,102,000</u>	Total Expenditures	<u>\$3,770,493</u>
Beginning Fund Balance at 07/01/16			\$3,468,172
Net Gain (Loss)			<u>(\$ 668,493)</u>
Projected Fund Balance at 06/30/17			<u><u>\$2,799,679</u></u>

Transportation Fund

The District is legally obligated to provide transportation to and from school for all students within District boundaries that live 1.5 miles or further from their school. Currently, the District outsources this transportation function to a private vendor. Major expenses are contract costs to the transportation provider and costs for bus fuel. Revenues come from both local taxpayers and the State of Illinois in the form of Transportation categorical payments.

Revenues	Amount	Expenditures	Amount
Local Sources/Property Tax	\$679,900	Salaries	\$7,500
State Sources	\$985,000	Benefits	
Federal Sources		Purchased Services	\$1,750,500
		Supplies and Materials	\$216,000
		Capital Outlay	
		Other	\$35,000
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	
		On-Behalf Payments	
Total Revenue	<u>\$1,664,900</u>	Total Expenditures	<u>\$2,009,000</u>
Beginning Fund Balance at 07/01/16			\$2,386,376
Net Gain (Loss)			<u>(\$344,100)</u>
Projected Fund Balance at 06/30/17			<u>\$2,042,276</u>

Illinois Municipal Retirement Fund

Expenses related to District contributions to the Illinois Municipal Retirement Fund (IMRF) are the major expenses in the IMRF Fund. Also, District contributions for Social Security and Medicare payments are also included.

Revenues	Amount	Expenditures	Amount
Local Sources/Property Tax	\$828,000	IMRF Pension Contr.	\$356,542
State Sources		Social Security	\$166,349
Federal Sources		Medicare Only PMTS.	\$203,229
		Supplies and Materials	
		Capital Outlay	
		Dues, Fees, and Tuition	
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	
		On-Behalf Payments	
Total Revenue	<u>\$828,000</u>	Total Expenditures	<u>\$726,120</u>
Beginning Fund Balance at 07/01/16			\$735,825
Net Gain (Loss)			<u>\$101,880</u>
Projected Fund Balance at 06/30/17			<u><u>\$837,705</u></u>

Capital Projects Fund

Only expenditures for capital projects can be expensed out of the Capital Projects Fund. There is no tax levy for this fund, revenues come from the 1-cent county sales tax referendum that was past two years ago, and also voted bond referendum proceeds for capital projects.

Revenues	Amount	Expenditures	Amount
Local Sources/Sales Tax	\$895,000	Salaries	
State Sources		Benefits	
Federal Sources		Purchased Services	\$1,560,000
		Supplies and Materials	\$875,000
		Capital Outlay	\$17,900,000
		Other	\$850,000
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	
		On-Behalf Payments	
Total Revenue	<u>\$895,000</u>	Total Expenditures	<u>\$21,185,000</u>
Beginning Fund Balance at 07/01/16			\$29,426,110
Net Gain (Loss)			<u>(\$20,920,000)</u>
Projected Fund Balance at 06/30/17			<u>\$9,136,110</u>

Working Cash Fund

The Working Cash Fund is the District “rainy day” fund/savings account. No direct expenditures are made from this fund, only transfers to funds in need are made. There are two sources of revenue for the Working Cash Fund, the local tax levy and Working Cash Bonds.

Revenues	Amount	Expenditures	Amount
Local Sources	\$82,000	Salaries	
State Sources		Benefits	
Federal Sources		Purchased Services	
		Supplies and Materials	
		Capital Outlay	
		Dues, Fees, and Tuition	
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	\$1,000,000
		On-Behalf Payments	
Total Revenue	<u>\$82,000</u>	Total Expenditures	<u>\$1,000,000</u>
Beginning Fund Balance at 07/01/16			\$2,801,819
Net Gain (Loss)			<u>(\$918,000)</u>
Projected Fund Balance at 06/30/17			<u><u>\$1,883,819</u></u>

Tort Fund

The Tort fund covers all expenditures related to risk management and liability. Typical expenditures associated with the Tort Fund are liability insurance payments, workers compensation insurance payments, security cameras, and any other costs associated with student safety can be expensed from the Tort Fund.

Revenues	Amount	Expenditures	Amount
Local Sources	\$551,000	Salaries	\$79,700
State Sources		Benefits	\$12,000
Federal Sources		Purchased Services	\$533,500
		Supplies and Materials	
		Capital Outlay	
		Dues, Fees, and Tuition	
		Non-Capital Equipment	\$40,000
		Termination Benefits	
		Transfers	
		On-Behalf Payments	
Total Revenue	<u>\$551,000</u>	Total Expenditures	<u>\$665,200</u>
Beginning Fund Balance at 07/01/16			\$544,002
Net Gain (Loss)			<u>(\$114,200)</u>
Projected Fund Balance at 06/30/17			<u>\$429,802</u>

Health Life Safety Fund

Projects that are placed on the District 10-year Health Life Safety Survey which is validated by the District architect are expensed from the Health Life Safety Fund, or projects that go through the formal state amendment process. Typically, projects that are approved in the Health Life Safety Survey are those projects that bring the District up to building codes.

Revenues	Amount	Expenditures	Amount
Local Sources	\$66,000	Salaries	
State Sources		Benefits	
Federal Sources		Purchased Services	
		Supplies and Materials	
		Capital Outlay	\$4,980,000
		Dues, Fees, and Tuition	
		Non-Capital Equipment	
		Termination Benefits	
		Transfers	
		On-Behalf Payments	
Total Revenue	<u>\$66,000</u>	Total Expenditures	<u>\$4,980,000</u>
Beginning Fund Balance at 07/01/16			\$7,868,505
Net Gain (Loss)			<u>(\$4,914,000)</u>
Projected Fund Balance at 06/30/17			<u><u>\$2,954,505</u></u>

Significant Trends in District 228

Student Demographics

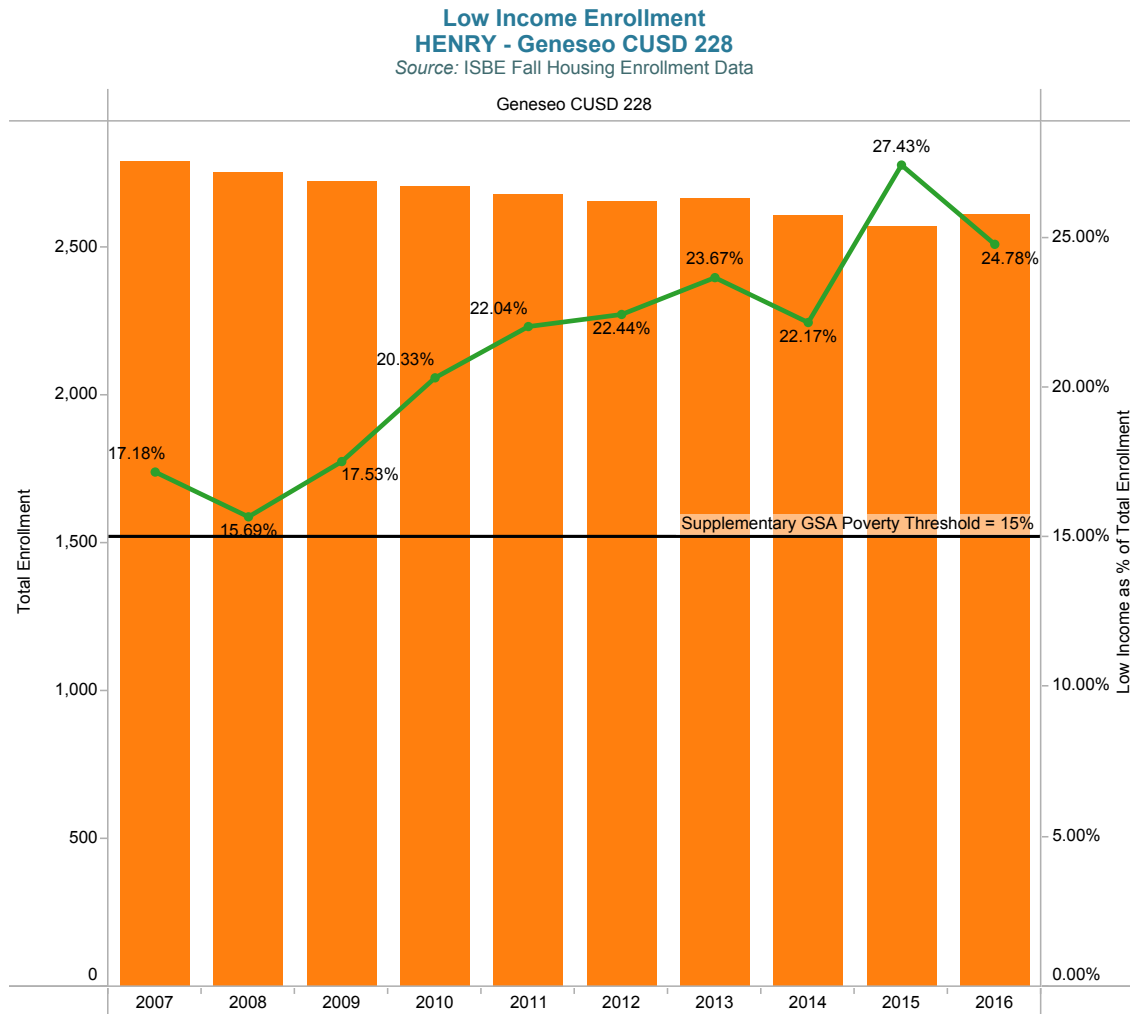
Beginning in 2008, District 228, along with the majority of school Districts around the state of Illinois, experienced a significant increase in the number of low-income students as a percent of total enrollment. This trend due primarily to adverse economic conditions at both state and national levels and a prolonged economic recession has created challenges for all stake-holders in the Geneseo CUSD #228. Children that come from homes with limited resources present new challenges to our teachers and staff, and over the past several years school leaders have implemented numerous academic, social/emotional, and behavioral interventions in order to best meet the needs of our changing student demographics.

The following graph is a historical trend of the low-income children as a percent of total District enrollment. It is noteworthy to observe the steep increase in low-income percentages from 2008-2013 throughout the District. This increase of students from low-income families during 2008-2013 correlates with state and national economic recessionary periods. These adverse economic conditions and overall declines in total student enrollment have increased the ratio of low income students as a percentage of total enrollment dramatically in the District over the past several years.

As enrollment declined slightly in FY 15 the percent of students from low-income families as a percent of total enrollment peaked for the District. Last year, as enrollment increased slightly this ratio fell to where 24.78% of all students in the District are from low-income households. To put the District low-income ratio in perspective however, in Illinois roughly 51% of all students are considered to come from low-income families.

Student Demographics

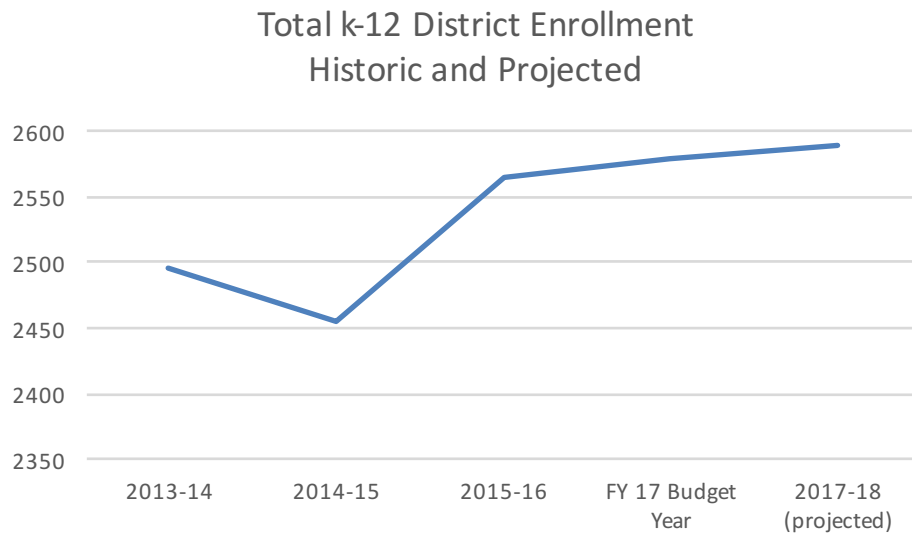
Low Income Enrollment Trend



Enrollment

Since 2006 the Geneseo CUSD # 228 has experienced steady declines in overall student enrollment. However, the last 2 years has shown enrollment leveling off and last year the District saw a small increase in enrollment for the first time in several years from 2014-15.

Using 3-year cohort survival data, the District is projecting an approximate 1% increase in total k-12 enrollment for the 2016-17 school year. Student enrollment is a key driver for decisions involving staffing, facility usage, and program offerings. Enrollment figures are also important drivers of the amount of General State Aid the District ultimately receives. The projected small 1% increase however is not significant enough to have an impact on any staffing or program offerings, nor will enrollment projections have any significant bearing on General State Aid.

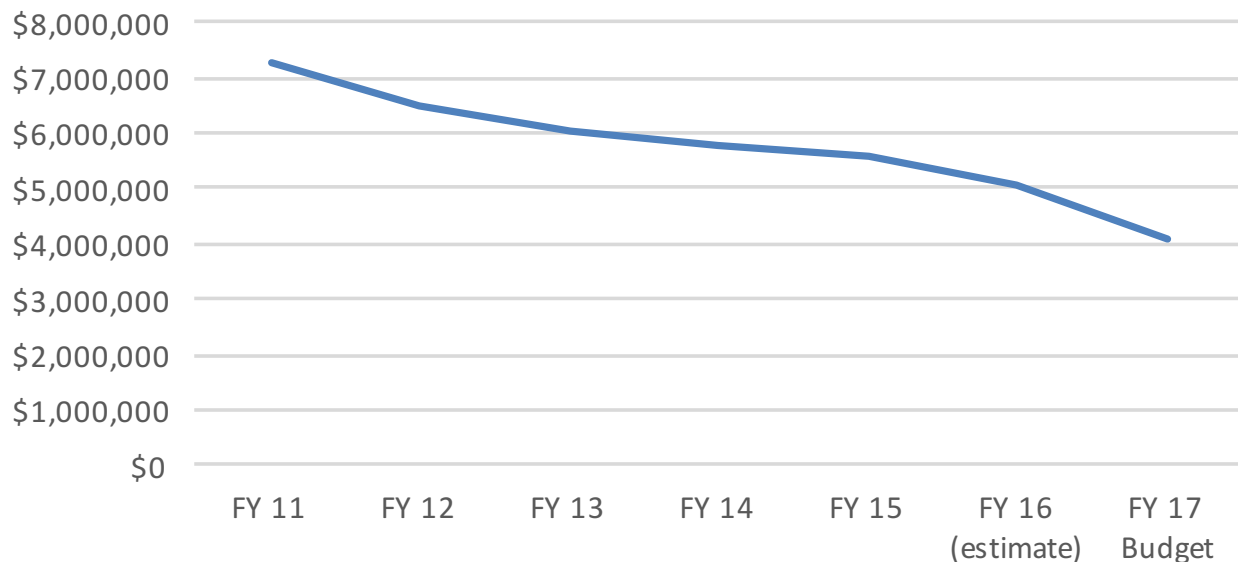


Revenue Trends

Over the past several years District #228 has seen a significant decline in total state funding. Since Fiscal Year 2011 the District has received roughly -23% less revenue on an inflation adjusted basis. This negative trend in state revenues has been the catalyst for deficit spending throughout the District, primarily in the Education Fund where approximately 90% of all state revenues are deposited. In order to continue District operations in this declining state revenue environment, working cash bonds have been issued to offset the revenue gap created by this lack of state funding.

Throughout Illinois the topic of funding schools has been widely discussed, debated, and publicized. The current consensus and the fact that Illinois ranks last in the country for funding public education is that school finance reform is a top priority for legislators. The political process in the state capital has added to the complexity of this problem making it difficult to estimate/budget with any certainty state funding levels for the upcoming FY 17 budget. Currently in Illinois 60% of all school districts deficit spend, and the State of Illinois has announced it has a -\$8,000,000,000 deficit.

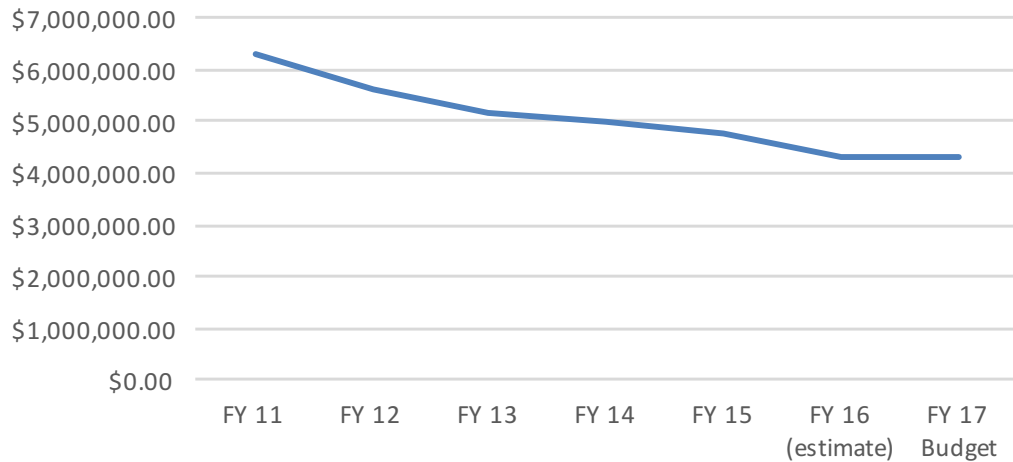
State Revenue Trend Geneseo CUSD #228



Revenue Trends

General State Aid (GSA) is “unrestricted” revenue and it can be used for any purpose to expend funds. The reality is the District places 100% of GSA into the Education Fund. The state allocates GSA in inverse proportion to Districts local ability to raise funds from the property tax. GSA, like many other state programs, has not been fully funded in recent years and as a result the state has not appropriated the dollars necessary to fully fund District General State Aid claim amounts. Since FY 12, the state shortfall resulted in GSA payments of only 89% of the amount owed to District 228. Since FY 11 the District has seen its General State Aid payments decrease by over -24% in inflation adjusted dollars, and the net cumulative effect is roughly a -\$9,000,000 shortfall in GSA revenues over this time period.

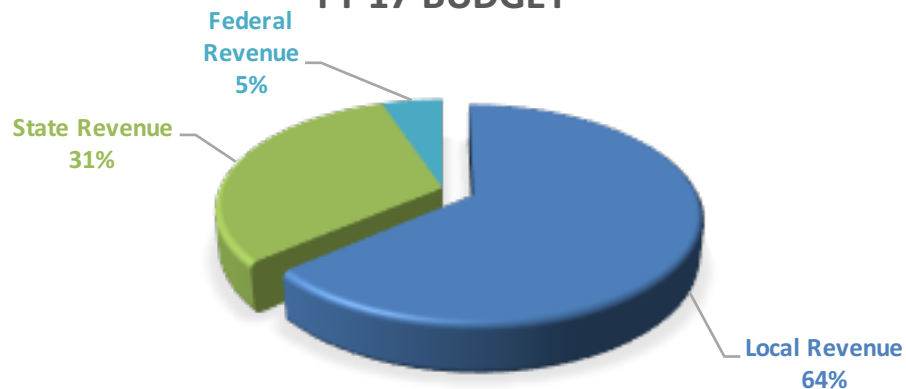
General State Aid Trend
Geneseo CUSD #228



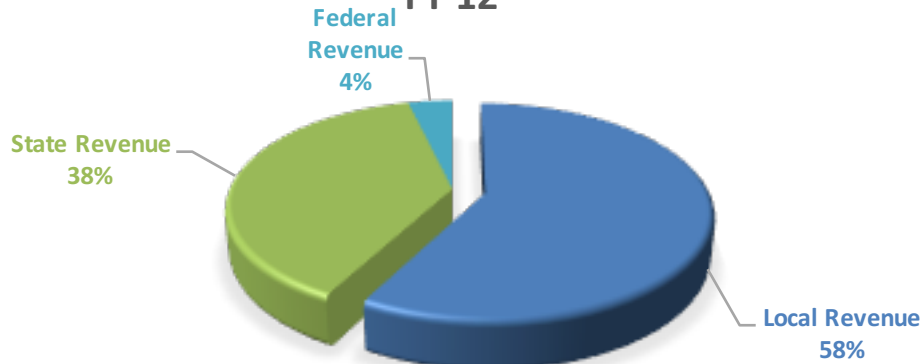
Revenue Trends

The decrease in state revenue over the past several years has placed a burden on the local taxpayers in District 228. The following pie charts demonstrate how local taxpayers are providing an ever increasing percentage of the overall revenues to finance the education of students in the District. This is a common trend for school districts across Illinois as the state struggles financially, local taxpayers are being asked to fund a greater proportion of educational programs. The current FY 17 Budget estimates local taxes will provide 63% of the funding to support its schools, compared to 58% just 5 years ago. As the burden to fund schools shifts to the local level, the state portion of funding education in the District shrinks to 31% for FY 17 compared to 38% 5 years ago.

**REVENUE SOURCES
FY 17 BUDGET**



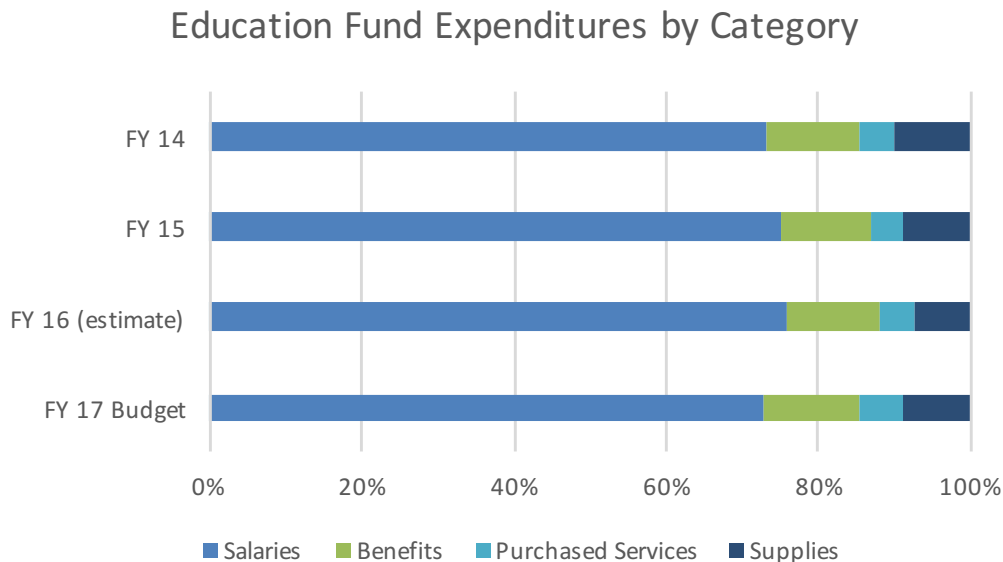
**REVENUE SOURCES
FY 12**



Expenditure Trends

As state revenues continue to decline, the District has had to implement cost control measures in order to contain expenses, especially in the largest of all funds, the Education Fund. The graph below highlights the 4 major expenditure objects (salaries, benefits, purchased services and supplies) within the Education Fund over the past 4 years. As the graph indicates, these expenditure objects have been relatively stable as a percent of the Education Fund expenditures over the past 4 years.

The FY 17 Education Fund budgeted expenditures indicate a small percent decreases in salaries. This decrease comes from the District shifting portions of high school administration salary to the Tort Fund based on the District Risk Management Plan, and also shifting custodian salaries to the Operations and Maintenance Fund.



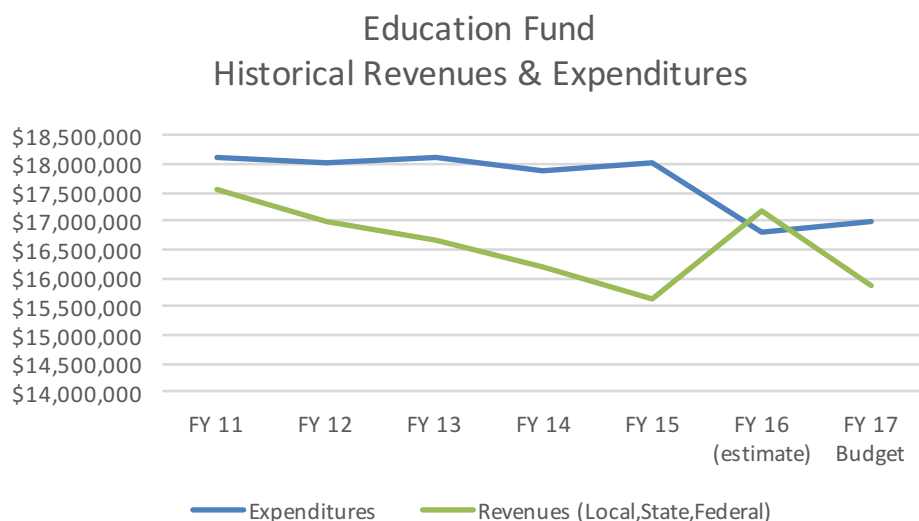
Challenges that lie ahead for District 228 for long-term budget sustainability in the Education fund include the upcoming teacher contract negotiations in FY 17, uncertainty in the Illinois Congress regarding the future of school funding, and the potential for a property tax freeze across the state based on recent proposed legislation.

Revenue and Expenditure Trend Comparisons Education Fund

The following graph is a historical representation of the revenue expenditure gap in the Education Fund over time. The revenues are a total of all sources; local, state, and federal dollars. This would include local tax levy dollars, General State Aid payments, state categorical revenue for special programs, inter-fund transfers to the Education Fund, and dollars received for the National School Lunch Program.

It is important to note that the estimated FY 16 revenue/expenditure figures indicate a small surplus, this is a result of a \$1,000,000 permanent transfer of funds from the District Working Cash Fund, and a \$560,000 shift of custodial salaries from the Education Fund to the Operations and Maintenance Fund. The custodial salary shift also explains the sharp decrease in overall Education Fund expenditures in comparison to FY 15 and prior years.

The District will continue to deficit spend in the Education Fund for FY 17. The current revenue stream in the Education Fund is not adequate to maintain expenditure levels. Since 2011 in inflation adjusted dollars, the District has seen its state revenue decline by -23% in the Education Fund, while over the same time period Education Fund expenditures, adjusted for inflation, have declined by -3%. It is evident that the deficit spending in the Education Fund in the present and past is directly correlated to a lack of funding from the State of Illinois, and the overall fiscal crisis the state is currently battling.



Tax Base and Rate Trends

The table below is a summary of the Geneseo CUSD #228 tax base and rate trend over the past 4 years along with a projected 2016 tax rate and equalized assessment value (EAV). A 2.20% EAV increase estimate will be used in the upcoming tentative tax levy in December of 2016. Historically, the District maximizes legal rates in the Education, Operations & Maintenance (O & M), Special Education, and Transportation levies.

	Maximum Legal Rate	2016 Levy Projected Rate	Actual 2015 Rate	Actual 2014 Rate	Actual 2013 Rate	Actual 2012 Rate
Educational	2.3500	2.3500	2.3500	2.3106	2.3500	2.3483
O & M	.50000	.5000	.5000	.4917	.5000	.4997
Transportation	.20000	.2000	.2000	.1967	.2000	.1999
Debt Services	None	.5581	.5637	.6114	.5997	.5901
Municipal Retirement	None	.1042	.1232	.0999	.1034	.0937
Social Security	None	.1265	.1292	.0878	.0861	.0781
Tort	None	.2044	.1322	.11271	.1284	.1405
Leasing	.05000	.0000	.0031	.0227	.0454	.0500
Special Education	.04000	.0400	.0400	.0394	.0400	.0400
Fire Prevention and Safety	.05000	.0000	.0500	.0046	.0032	.0079
Working Cash	.05000	.0500	.0500	.0492	.0047	.0079
	Total District Tax Rate	4.2058	4.1917	4.0411	4.0609	4.0561

Rate Setting Equalized Assessed Property Values				
2016 Projected	2015	2014	2013	2012
\$342,625,513	\$332,856,121	\$330,532,161	\$320,368,018	\$320,462,306

Debt Structure Changes

In the spring of 2013 the Henry County School Sales Tax Referendum was voted on and passed by the voters of Henry County. This new 1 cent “sales tax revenue” that generates nearly \$1,000,000 per year for the District began a series of community engagement sessions (Project Leaf). The goal of these community engagement sessions was to determine the best use of this new revenue stream within the limits of the law meaning that the revenue can only be used for: 1. Abating existing debt. 2. Facilities and Grounds.

The Project Leaf community engagement sessions led to the consensus that the best use of the 1 cent sales tax revenue was to: 1. Renovate and remodel the 3 existing elementary buildings. 2. Renovate and remodel the athletic stadium and fine arts area of the high school. The total estimated costs of these projects was roughly \$35,000,000, well beyond the annual \$1,000,000 of sales tax revenue, thus a referendum was required.

The referendum passed April 7, 2015 and below is a summary of the different finance and debt structures that will be used to finance the Project Leaf construction and remodel projects:

- Voted Referendum Bonds = \$16,500,000
- Alternate Revenue Bonds = \$11,000,000
- Life Safety Bonds = \$9,000,000

Total Debt to finance Project Leaf = \$36,500,000

Currently, there are 3 construction projects in progress, and a 4th project will begin in the summer of 2017.

- Working Cash Bond Issue, February 2016, \$2,000,000. This revenue will be used to offset Education Fund Deficits.

Section 5/19-1 of the Illinois School Code limits the amount of qualifying debt to 13.8% of the latest equalized assessed value. The equalized assessed value of the Geneseo Community Unit School District #228 as of January 1, 2016 was \$332,856,121. The following table is a 3-year comparison of the changes in legal debt margin of the District. To calculate the FY 17 legal debt margin an estimated equalized assessed value of \$337,213,300 is used.

Legal Debt Margin Calculations

	FY 15	FY 16	FY 17
Legal Debt Limit	\$44,084,513	\$45,613,438	\$46,535,446
Less Qualifying Debt	\$ 6,975,000	\$5,190,000	\$27,493,527
Legal Debt Margin	\$37,109,513	\$40,428,438	\$19,042,119

Alternate revenue bonds do not count against the District's debt limit because property taxes are not extended to pay back the bonds. The principal and interest on the bonds are paid with sales tax revenue streams.

Three-Year Financial Forecast

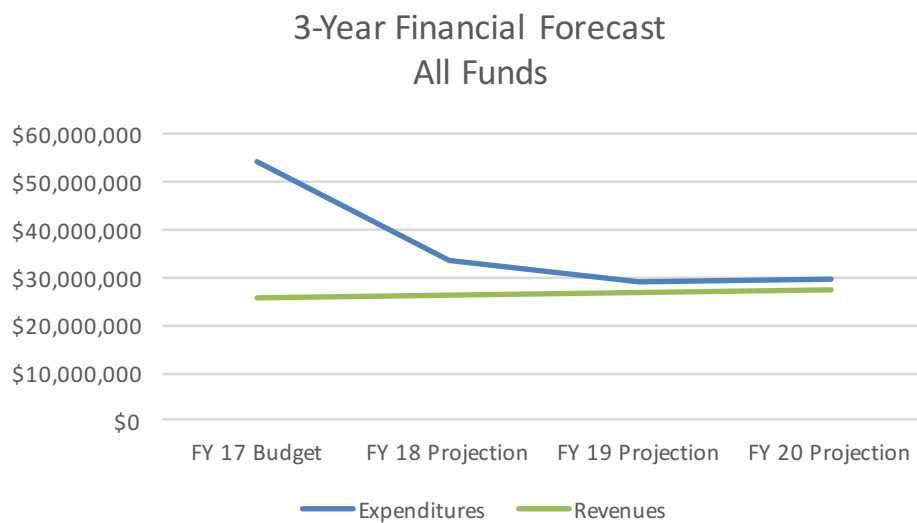
Significant Assumptions and Drivers

- State revenues were forecasted assuming a 0% change over the FY 18 budget, then 1% increases in overall state funding for fiscal years 19 & 20. Uncertainty with the Illinois Legislature and historical declines in state revenues over the past years were used as rationale when projecting state revenues over the next 3 years.
- 2% increase in local revenues was used in the three-year forecast. These revenues are a combination of tax levy revenues and student registration/participation fees. However, it is important to note, if property tax freeze legislation discussion in Springfield becomes law, this revenue forecast will have to be re-adjusted which will have a negative impact on the 3-year local revenue forecast.
- Transportation costs are projected to remain at a 2% historic annual increase with state reimbursement remaining at 72% proration.
- Certified salaries are projected to increase at 1% for FY 18, then a 2% decline in FY 19 and FY 20 from staff attrition and retirements,
- Operations and Maintenance costs are projected to remain at historical levels of 2% annual increases during the 3-year forecast.
- District wide supplies and travel costs are forecasted at 5% annual decrease.
- Federal revenues are forecasted at a 1% increase each year of the 3-year forecast.

Three-Year Financial Forecast All Funds Revenue and Expenditures

The graph below is an aggregate financial projection of all funds in the District. The FY 17 Budget year indicates a significant deficit where expenditures are budgeted to well above revenues. This is due to Project Leaf and the multiple capital construction projects currently underway and where a majority of costs will be expensed in FY 17, while all revenues for these capital projects were recorded and received in FY 16.

The FY 18, FY 19, and FY 20 all funds projection indicates an overall District deficit.



Three-Year Financial Forecast Operating Funds

Operating Funds consist of four funds vital to the on-going financial health of the District in day-to-day operations. These operating funds are the Education Fund the Operations & Maintenance Fund, the Transportation Fund, and the Working Cash Fund. It is important to monitor operating fund balances and future projections as activity in the operating funds is the core of all financial activity in the District.

	FY 17 Budget	FY 18 Projected	FY 19 Projected	FY 20 Projected
Beginning Fiscal Year Balance	\$11,680,045	\$8,877,635	\$6,400,226	\$4,475,360
Revenues	\$20,344,302	\$22,905,712	\$23,145,484	\$23,620,073
Expenditures	\$23,137,222	\$25,383,121	\$25,070,351	\$24,819,913
Surplus (deficit)	(-2,792,920)	(-2,477,409)	(-\$1,924,866)	(-\$1,199,839)
Ending Operating Funds Balance	\$8,887,125	\$6,400,226	\$4,475,360	\$3,275,521
Operating Fund Balance % of Expenditures	38.00%	25.21%	17.85%	13.19%

The three-year forecast indicates **declining operating fund balances** will require the Board of Education to consider staff reductions in the Education Fund, a bond issue, or possibly a tax rate referendum. Fiscal Year 2019 forecasts operating fund balances to continue to decline, the most significant impact will be in the Education Fund, and balances will become historically low as a percentage of expenditures.

State funding has decreased over the past 6 years with no indication of a reversal of this trend. The decline in state funding, along with tax levy limiting legal rates has put the Board in a position to make decisions on future expenditure levels in order to attain a balanced operating budget. Current property tax freeze legislation that is being proposed in the state legislature will create new challenges for the District moving forward if enacted into law. A property tax freeze would essentially hold local revenues flat from year to year placing even more downward pressure to reduce operating fund expenditures.

Human Resources Allocation Changes for Fiscal Year 2017

The following bullet list summarizes the human resources changes for Fiscal Year 2017, and the 2016-17 school year.

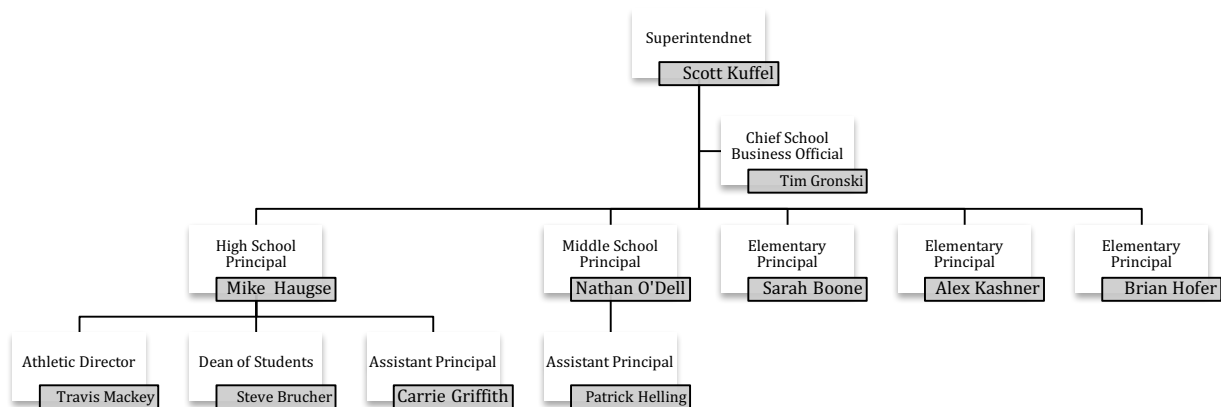
- 10 certified staff personnel changes occurred from FY 16 to FY 17. Total District costs for certified staff are budgeted to increase by 1.02%.
- 2 certified staff retirements were recognized at the end of the 2015-16 school year, along with 2 non-certified staff retirements at the end of the 2015-16 school year. The retirements saved the District roughly \$65,000 in salary and benefits.
- A new District Bookkeeper was hired in August of 2016, replacing the retired District Bookkeeper. This will reduce salary expenditures on fiscal services by 61%.
- Overall, the total number of District 228 employees decreased from 303 to 300 for FY 16.

School District Leadership Organization

Geneseo District #228 is organized as a Unit District serving the needs of children in grades Pre-Kindergarten to 12 and others as required by the Illinois School Code.

Illinois school law requires all school Districts to be governed by a locally elected school board. School boards typically consist of 7 members, and Illinois Statute sets board member terms to 4 years. However, there is no limit to the number of terms a school board member may be elected to serve as a board member. In the Geneseo CUSD #228 there are 7 elected board members, the majority of whom have served on the Board for over 10 years. Illinois law provides that school boards are to adopt and enforce all necessary rules for the management and government of the public schools of their District. The rules adopted by a school board are to be filed for public inspection in the administrative office of the District.

Organizational Chart for Administration



Common Budget Questions

What is the average teacher salary?

\$47, 472. This average teacher salary does not include fringe benefits such as board paid TRS, insurance benefits, etc.

What is the average cost per pupil and how is it determined?

There are several ways you can think about average cost per pupil. One way is to simply look at the Education Fund, which is the primary fund used to capture expenditures directly related to educating students (teachers, books, and materials). The District spends roughly \$6,200 per pupil out of the Education Fund, however this number does not give a true measure of the total costs of educating a student in District 228. When buildings, maintenance, and transportation are taken into consideration this “operating cost” per pupil is roughly \$8,540. The average operating cost per pupil in Henry County is \$8,875 for k-12 school Districts.

Does the state fully-fund all of the programs and services it mandates?

No. Not even close. In fact, Illinois ranks last of all states in regards to equity in school funding. Historically, the Geneseo CUSD #228 has seen its share of state revenue decline nearly significantly over the past 6 years, costing the District roughly well over \$7 million dollars over this time. These state revenue declines have been significant in recent years in general state aid payments, special education, and transportation.

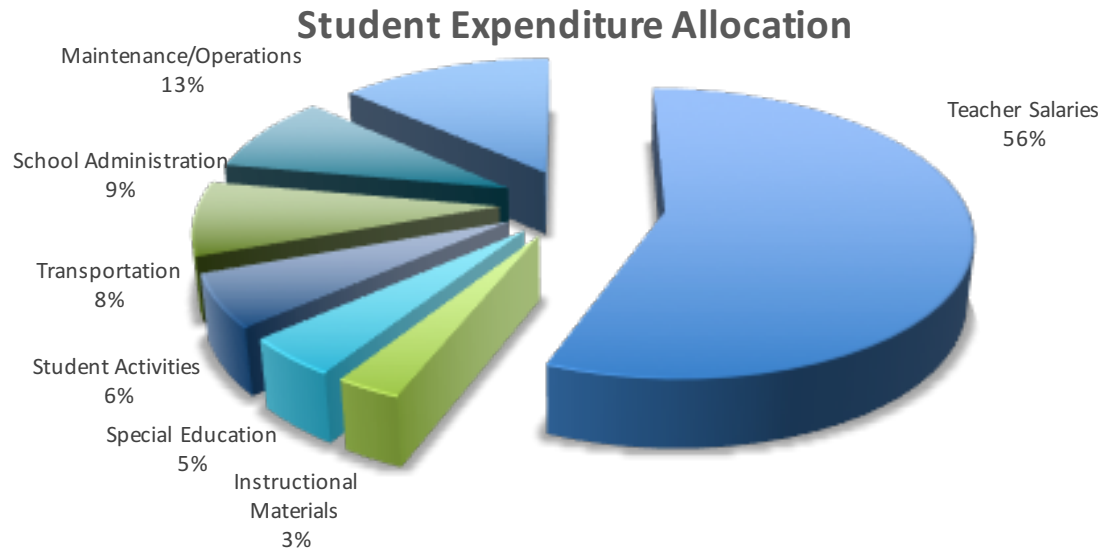
How much of the budget is used for athletics, fine arts, and other extra-curricular activities?

Roughly \$820,000 is spent on extra-curricular activities every year, which equates to around \$543 per student in District 228 (grades 6-12). The Geneseo CUSD #228 is a District that prides itself on student involvement in extra-curricula's, this is evident by the 75% participation rate at the high school in athletics, fine arts, clubs, and all other extra-curricular activities.

Common Budget Questions

How Does the Typical Student Use \$8,540?

Another way of analyzing expenditures is to study how the “operating costs” per student are distributed in order to educate a child in District 228. These operating costs capture salaries paid to all employees in the District that have either a direct or indirect impact on educating a student. Also captured in operating costs are the costs of transporting students, maintaining and operating school buildings, and the costs associated with instructional support. The graph below shows how operating expenses are used to support a typical student.



Description of Categories

Teacher Salaries: benefits and related expenses for regular classroom teachers, regular resource teachers, and regular teacher assistants.

Instructional Materials: Textbooks, instructional materials, and instructional equipment, which includes technological equipment.

Special Education: Salaries, benefits, and related expenses for special education teachers and assistants.

Student Activities: All costs associated with athletic programs, officials, fine arts, and all other student activities.

Transportation: All expenses related to the transport of students to and from school.

School Administration: Salaries, and benefits for school administrators, clerical staff, security staff, office supplies and equipment, and related expenses for administration of school services.

Maintenance/Operations: Salaries and benefits for maintenance and custodial staff, utilities, and repairs to buildings, also the overall costs associated with facilities.

Organizational Section

Fiscal Year 2017 Budget



Geneseo Community Unit School District #228

District and Community Entity

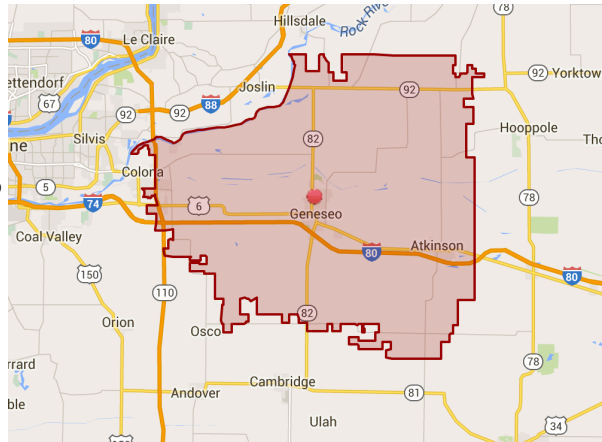
Community Overview

The city of Geneseo was founded in 1836 and the community has a reputation for family values and a progressive approach to community development. Geneseo is a rural community of 6,480 people and is 150 miles west of Chicago. Twenty miles to the west are The Quad Cities, a metropolitan area of roughly 400,000 people and an international airport.

District Size and Scope

The Geneseo Community Unit School District #228 is a k-12 District that was formed in 1949. It assumed its current 261 square mile area in 1988 with the annexation of the former Atkinson School District. The District operates five school buildings, which are all located within the Geneseo city limits. Students in grades k-5 attend elementary schools in the District. Geneseo Middle School serves grades 6, 7, and 8, while Geneseo High School serves grades 9-12.

The District serves approximately 2,579 students, k-12. The staff includes 159 certified teachers, 131 support staff, and 11 administrators. 55% of the certified staff holds advanced degrees.



District and Community Entity

Legal Autonomy

The legal name of the District is Geneseo Community Unit School District #228. The Illinois Constitution requires the State to provide for an efficient system of high quality public education institutions and services in order to achieve the educational development of all persons to the limits of their capabilities.

The General Assembly has implemented this mandate through the creation of school Districts. The Geneseo Community Unit School District #228 is governed by the laws for school Districts having a population of not fewer than 1,000 and not more than 500,000.

The Geneseo Community Unit School District #228 constitutes a body corporate that possesses all the usual powers of a corporation for public purposes, and in that name may sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized by law. IL Constitution, Art. X, Sec. 1.

Fiscal Independence

The Geneseo Community Unit School District #228 is fiscally independent. The District has the legal authority to develop a budget and the legal authority to levy local taxes in order to raise revenue and support school operations.

Special Programs

Special programs in the District begin with the Ladders to Learning program for pre-kindergarten children which is funded with federal grant dollars. The District also supports an early childhood education (ECE) pre-school program. Special Education programs are offered at all levels along with Title 1 Reading services which are provided to elementary students. Accelerated programs are offered in the core content areas of Math, Science, Social Studies and English in grades 6-12. Certified specialists in all grades teach art, music, and physical education.

District and Community Entity

Elementary Education: Grades K-5

District #228 maintains three elementary schools: Millikin Elementary School, Southwest Elementary School, and Northside Elementary School. The Ladders to Learning Pre-School and ECE programs are also housed within the elementary buildings. All elementary buildings have a full-time certified nurse on staff, along with art, music, and physical education teachers.

Middle School: Grades 6-8

The middle school program provides a transition from the elementary to the high school. Geneseo Middle School serves over 640 students divided into "houses" to increase student/teacher interaction. Students are offered electives in music, art, technology, and family and consumer science.

High School Education: Grades 9-12

Geneseo High School offers a wide variety of courses in the vocational/technical, academic, and fine arts disciplines. Students have the opportunity to avail themselves of not only core academic classes, but also a wide-ranging selection of elective courses to meet students' particular interests and career goals. Geneseo High School's extra-curricular programs in music and athletics are known throughout the State of Illinois for their excellence. There are currently 11 Advanced Placement courses available for students, and Geneseo High School has recently been placed on the AP Honor Roll for academic excellence.

Response to Intervention (Rtl)

Changes in federal and state laws have directed schools to focus more on helping all children learn by addressing problems earlier within the general education setting. These new laws emphasize the importance of providing high quality, scientifically based instruction and interventions, and hold schools accountable for the adequate yearly progress of all students.

This process of providing interventions to students who are at risk for academic or behavioral problems is called Rtl (Response to Intervention). While the interventions are taking place, school staff monitors any progress that these students are making in their problem areas. These progress-monitoring techniques used within the Rtl process provide information that allows teachers to better evaluate student needs and match instruction, resources and interventions appropriately.

District and Community Entity

Special Education Services

Geneseo Community Unit School District #228 offers a range of programs within its special services department. The District is a member of the Henry-Stark Counties Special Education District which provides various additional special education services within its cooperative region including an alternative school that services students k-12 in Atkinson, IL. Northside Elementary School houses an early childhood classroom which offers services to children ages 3-5 with special education needs for a half day morning or afternoon class. The middle and high schools offer resource and instructional special education programs including Life Skills and Cross Categorical rooms. All special needs students may be eligible for speech, social work, occupational or physical therapy services in addition to special education classroom services. The areas of disability that are serviced within the District and in conjunction with the Henry-Stark Counties Special Education District are: mental impairments, visual or hearing impairments, specific learning disabilities, emotional disturbances, speech and language impairments, orthopedic impairments, other health impairments, multiple disabilities, developmental delays and autism.

Technology

The District has received numerous awards for excellence in school technology, the latest being a national award presented by the Center for Digital Education. Currently, the District has invested in the following technology and will continue to commit resources to support educational technology in the future through leasing contracts or the School Technology Revolving Loan Program for hardware and software.

- 9 iMac labs Intel Based running 10.8.2 (approximately 30 units per lab).
- 2 PC labs Intel Based running windows 7 Professional.
- 11 MacBook Mobile Labs running 10.8.2 (20 units per mobile lab).
- 4 iPad cart Labs High School (30 units per iPad cart).
- 4 iPad cart Labs Middle School (30 units per iPad cart).
- 34 iPad carts located at the Elementary Schools (30 units per iPad cart).
- All Teachers have an Intel based MacBook Pro 13 inch running 10.8.2.
- All classrooms have a mounted projector and document camera.
- Wireless access is available in the entire District.
- 1000 ipads were purchased in the spring of 2011 and have been deployed to classrooms.
- 1084 Chromebook devices.
- 900 iPad mini's are in service in the 3 elementary buildings.
- Wireless 802.11AC District Wide (Aruba Wireless).

District and Community Entity

Basis of Accounting

The financial statements of the Geneseo Community Unit School District #228 are prepared on the cash basis of accounting that demonstrates compliance with the regulatory basis prescribed by the Illinois State Board of Education (ISBE). A cash basis of accounting requires the District to recognize revenues when received, and to record expenditures when incurred.

System of Classifying Revenues and Expenditures

Revenues for the District are classified by source as defined by the Illinois State Board of Education. Key revenue sources are: (1) Local sources: property tax, student fees, and investment income, (2) State sources: General State Aid, Transportation reimbursements, and various categorical programs funded by the state, and (3) Federal sources: The National School Lunch program, Title I and Title II revenues.

Expenditures are classified according to fund, location, function, object and source. The system for classifying expenditures is in compliance with the Illinois School Accounting Manual.

Fund Types

Government Funds are those of which most governmental functions of the District are financed. The acquisition, use, and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

The Education Fund is the general operating fund for the District. It is used to account for all financial resources that are not previously accounted for in another fund.

The Debt Services Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

District and Community Entity

Fund Types

The Operations and Maintenance Fund, Transportation Fund and the Illinois Municipal Retirement/Social Security Fund are used to account for cash received from specific sources that are legally restricted to cash disbursements for specified purpose.

The Working Cash Fund accounts for financial resources held by the District to be used for temporary inter-fund loans to other funds.

The Tort Fund accounts for financial resources held by the District to be used for tort immunity and tort judgment purposes.

The Fire Prevention and Safety Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Budget and Financial Policies

Budget Planning

The District's fiscal year is from July 1 until June 30. The Superintendent or Chief School Business Official presents to the Board, no later than the first regular meeting in August, a tentative budget with appropriate explanation. This budget represents the culmination of an on-going process of planning for the fiscal support needed for the District's educational program. The District's budget is entered upon the Illinois State Board of Education's "School District Budget Form."

Fund Balances

The Superintendent or Chief School Business Official work to maintain fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses. The Superintendent or Chief School Business Official informs the Board whenever the District must draw upon its reserves or borrow money. **The School District seeks to maintain year-end fund balances no less than the range of 20-25 percent of the annual expenditures in each fund.**

Revenue

The Superintendent or Chief School Business Official is responsible for making all claims for property tax revenue, State Aid, special State funds for specific programs, federal funds, and categorical grants.

Investments

The Superintendent serves as the Chief Investment Officer. Money that is not required for current operations is invested in short-term liquid asset accounts in accordance Illinois State law. Safety of capital, liquidity, and return are considerations of highest priority when investment decisions are made.

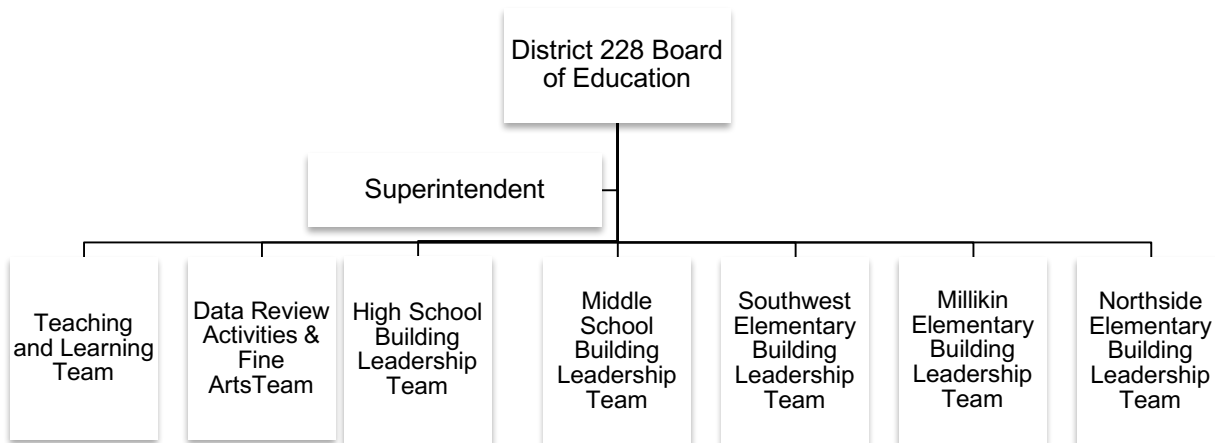
Organizational Charts

Geneseo Community Unit School District #228 is structured around a system to utilize the talents of building leaders and provide the best educational programs for our entire student body. Beginning with the 2009-10 school year, leaders of District #228 changed the leadership/management model from a traditional top-down approach to more of collaborative, flat model, which utilizes building leadership teams (BLT) and District wide teams in several areas. These teams are empowered to make decisions and set the direction of the District in a collaborative format.

District 228 Organizational Charts

Board of Education

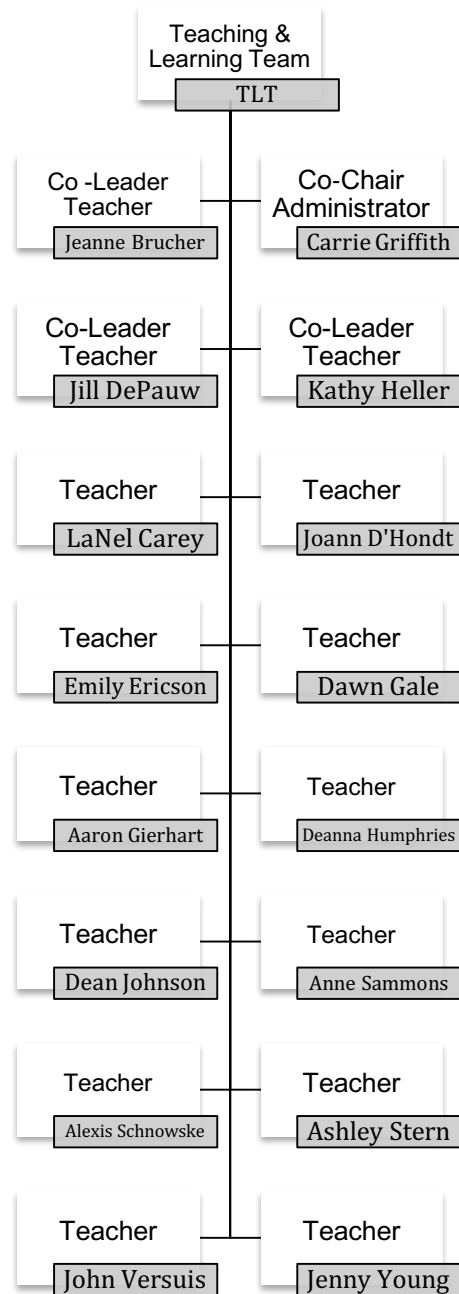
- Mr. Doug Ford, President, 2003
- Mr. John Puentes, Secretary 1999
- Mrs. Christy Coleman, 1989
- Mr. Alan VanDeWoestyne, 1989
- Mr. Barry Snodgrass, 1997
- Mrs. Heather DeBrock, 2013
- Mrs. Diane Olson, 2015



Organizational Charts

Teaching and Learning Team (TLT)

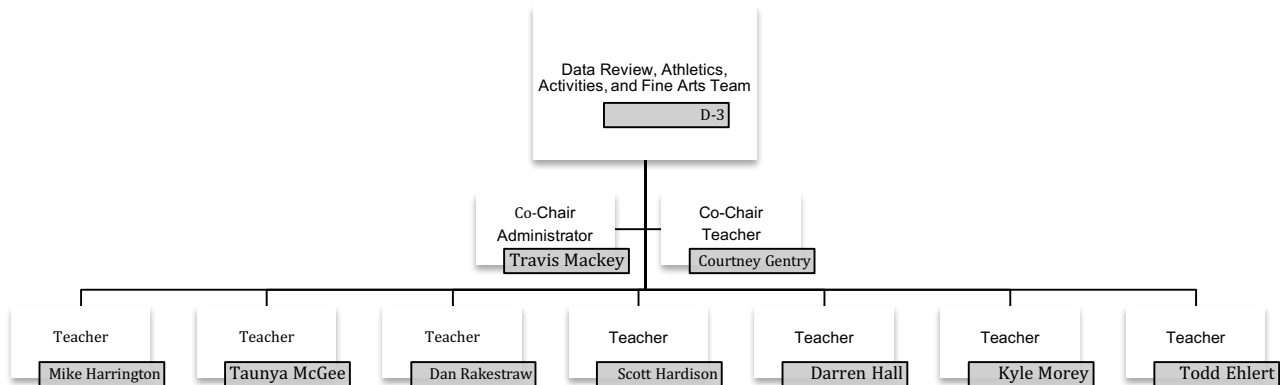
- Identify and recommend programs to improve the quality of instruction, and the professional development activities associated with instructional knowledge and pedagogical improvement.



Organizational Charts

Data Review, Athletics, Activities, and Fine Arts Team (D-3)

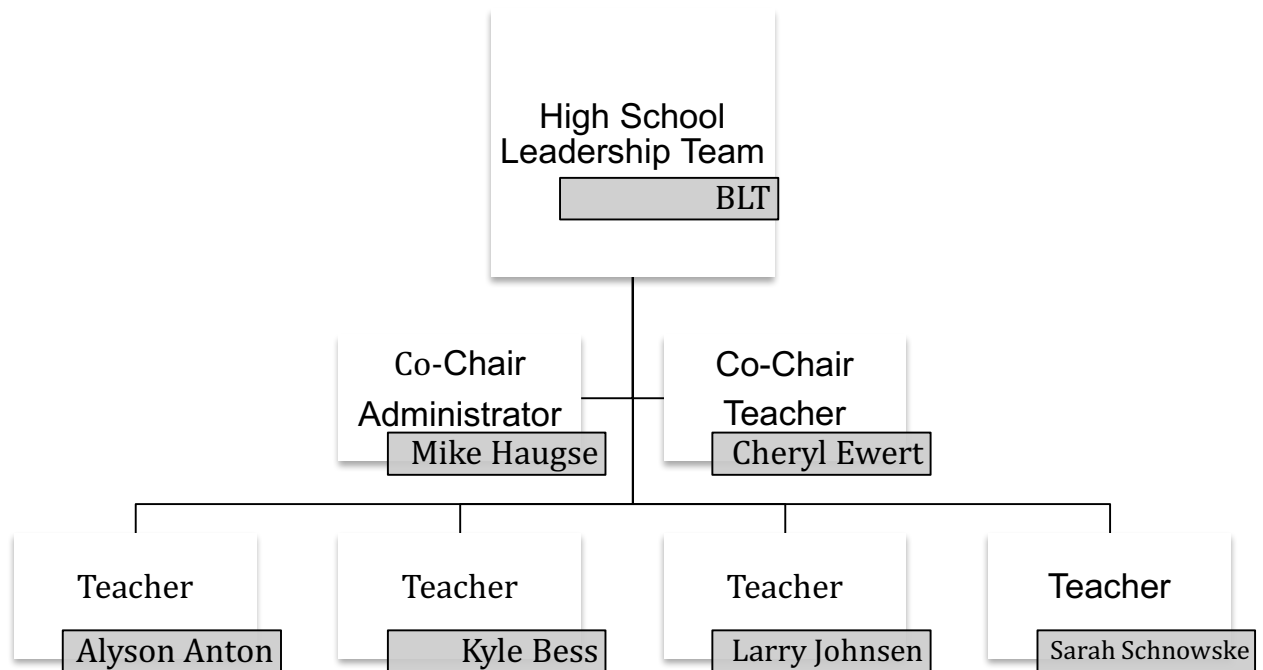
- Identify the necessary information that may assist faculty and leadership teams and format the data into useable reports. Monitor and evaluate District initiatives and produce an annual report of data that informs and inspires leaders.



Organizational Charts

High School Building Leadership Team (BLT)

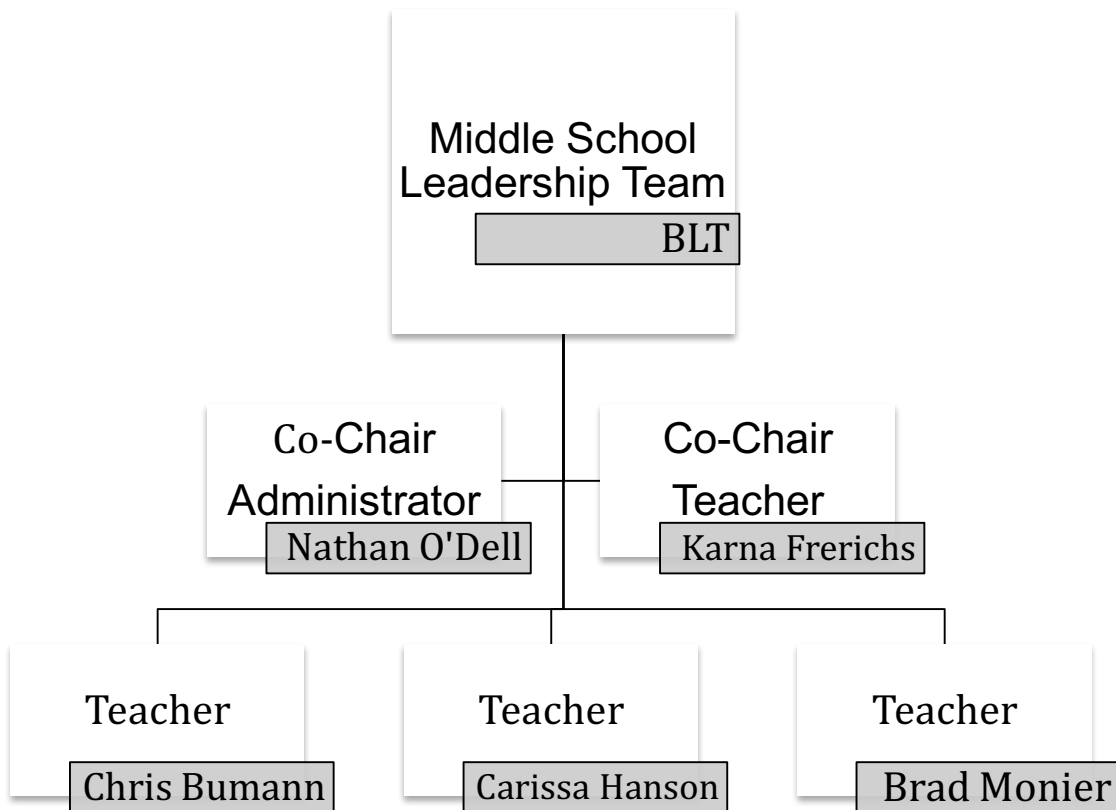
- The Geneseo High School Building Leadership Team will work to achieve individual smart goals aligned with District 228 core values and review graduation requirements to align academic and social needs with fiscal accountability.



Organizational Charts

Middle School Building Leadership Team (BLT)

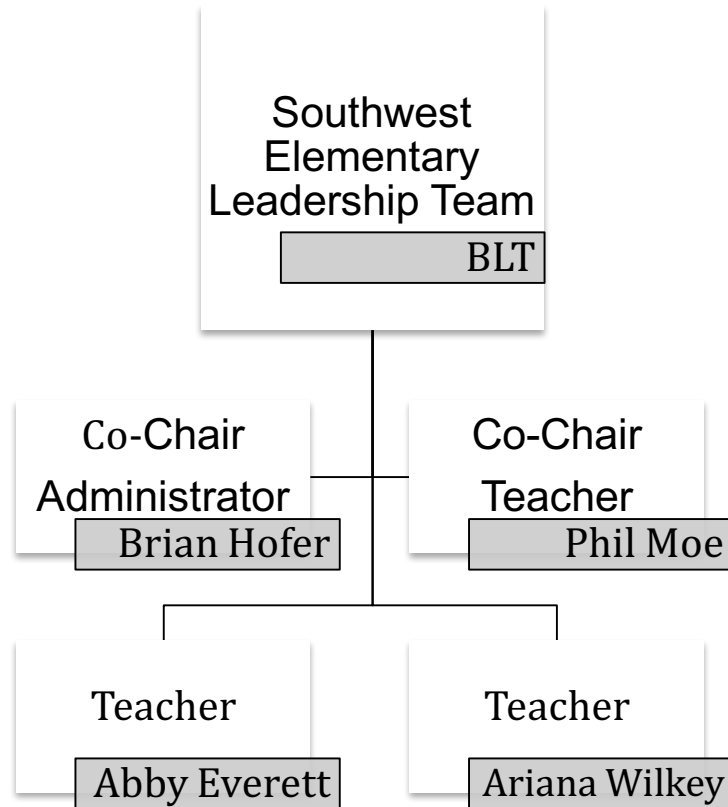
- Geneseo Middle School will establish clear and stable practices through continual development of the GMS Operating Practices.



Organizational Charts

Southwest Elementary Building Leadership Team (BLT)

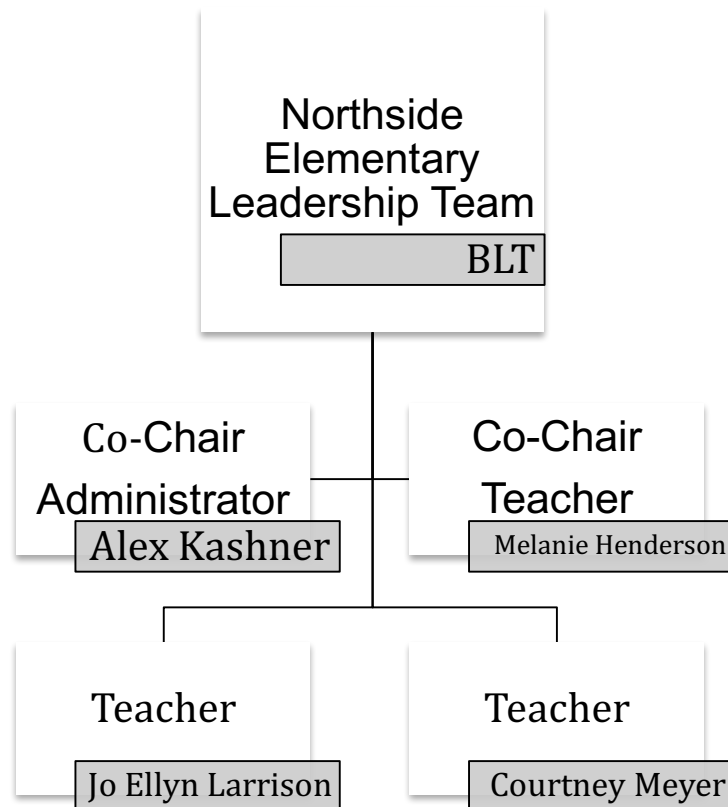
- Southwest Elementary will create Common Core writing expectations and communicate with staff regarding “Learning Walks” throughout the school year.



Organizational Charts

Northside Elementary Building Leadership Team (BLT)

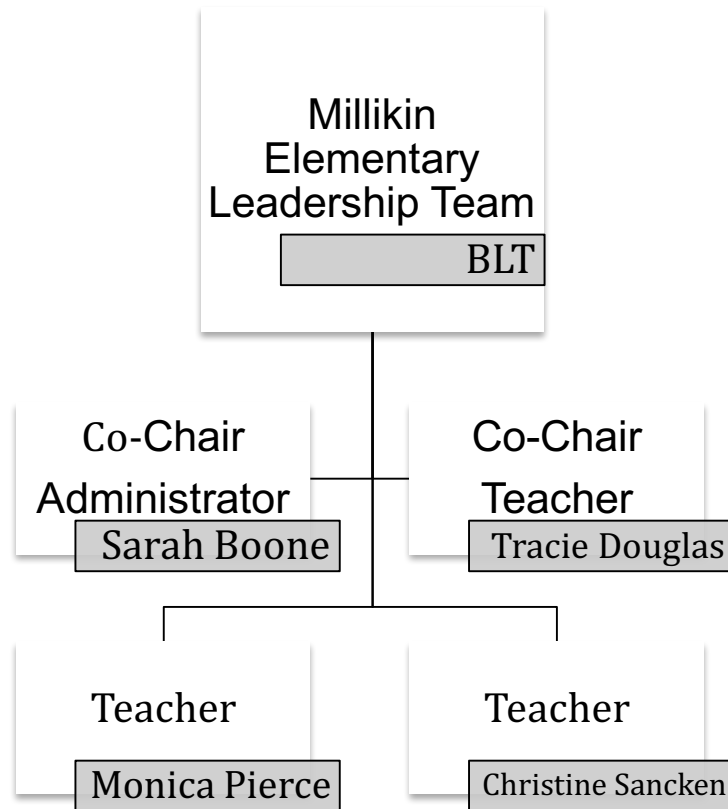
- Northside Elementary will work to achieve benchmark goals in Discovery Education and direct building focus on evaluation rubrics.



Organizational Charts

Millikin Elementary Building Leadership Team (BLT)

- Millikin Elementary will continue work with the response to intervention (RTI) process and develop a viable character education curriculum.



Core Values

The Geneseo Community Unit School District #228 is committed to the following core values:

1. High Expectations for Academic Achievement.
2. A Safe and Caring Environment.
3. Effective and Efficient Operations.
4. Communicate Effectively.

Vision Statement

The School Board has adopted a simple mission/vision statement that captures these core values which drives the purpose of the Geneseo Community Unit School District #228.

Teach. Learn. Care.

Mission and Purpose Statement

Geneseo CUSD 228 is a District of quality that strives for a progressive approach while improving productivity. Outcomes are driven by the needs of students, staff and the school community, and a variety of data and information informs whether or not desired results are achieved. We respect tradition while keeping sight of the present and remembering that our work today shapes our future.

Our greatest work is to develop a community of thinking and caring people. Academic foundation is established on literacy, numeracy, creativity, communication, and an understanding that learning is not always sequential and should never be simply rote or episodic.

We are professional, which means that we recognize that there is a complex system of teaching, learning and caring. Each person must work within roles in subsystems that are effective and efficient to make the overall system the best it can be. All employees of the District must teach, learn and care. Everyone teaches, everyone learns! Student growth and attainment are integral to shaping changes that make our teaching even better. Student growth and attainment become important in measuring academic, athletic, and artistic work. Growth and attainment also apply to the level of quality instruction that teachers and administrators develop. Teaching and learning is best done in an environment that demonstrates caring, commitment, and cooperation to promote social, emotional and physical wellness. We know that we are better when we work together, and collaboration and collegiality help identify relevant and necessary work and help get the work done most effectively.

Improvement of all aspects of the District is a frequent part of monitoring and we follow some general operating principles and values, which lead to formalized procedures that guide the daily work. We engage in self-reflection to ensure that we are focused and intentional in the way we work and learn.

We respect and appreciate the support of the community and work diligently to steward the financial resources shared, and ultimately we know that we are a service organization. We are mindful and advocate for balance in life, and our programs demonstrate balance as well, as students are expected to be proficient, prepared, and active in the areas of academics, arts, athletics and activities. We demonstrate this commitment by providing venues for learning in all these areas that are safe and caring, and where expectations for performance and participation are high for everyone. The results and rewards can be even greater than simply grades, trophies, certificates and ribbons, and are valued because of the relationships and lessons that contribute to developing the whole child.

We teach, we learn, we care.

-Scott Kuffel, Superintendent Geneseo CUSD #228

Major Goals and Objectives

Goals and Objectives

Adequate financial support is necessary to operate the schools and to provide a quality educational program. To make that support as effective as possible, the School Board will attempt to:

- Operate on a fiscally responsible basis within a balanced budget whenever possible in order to maximize student achievement (budgetary goal).
- Require maximum efficiency in the expenditure of funds and in accounting and reporting.
- Provide a clean, comfortable, safe environment, which facilitates the educational process.
- Provide an adequate supply of material and equipment needed in all teaching programs.
- Communicate to the community in order to improve understanding and support of the fiscal requirements of a strong school program.

Budget Development Process

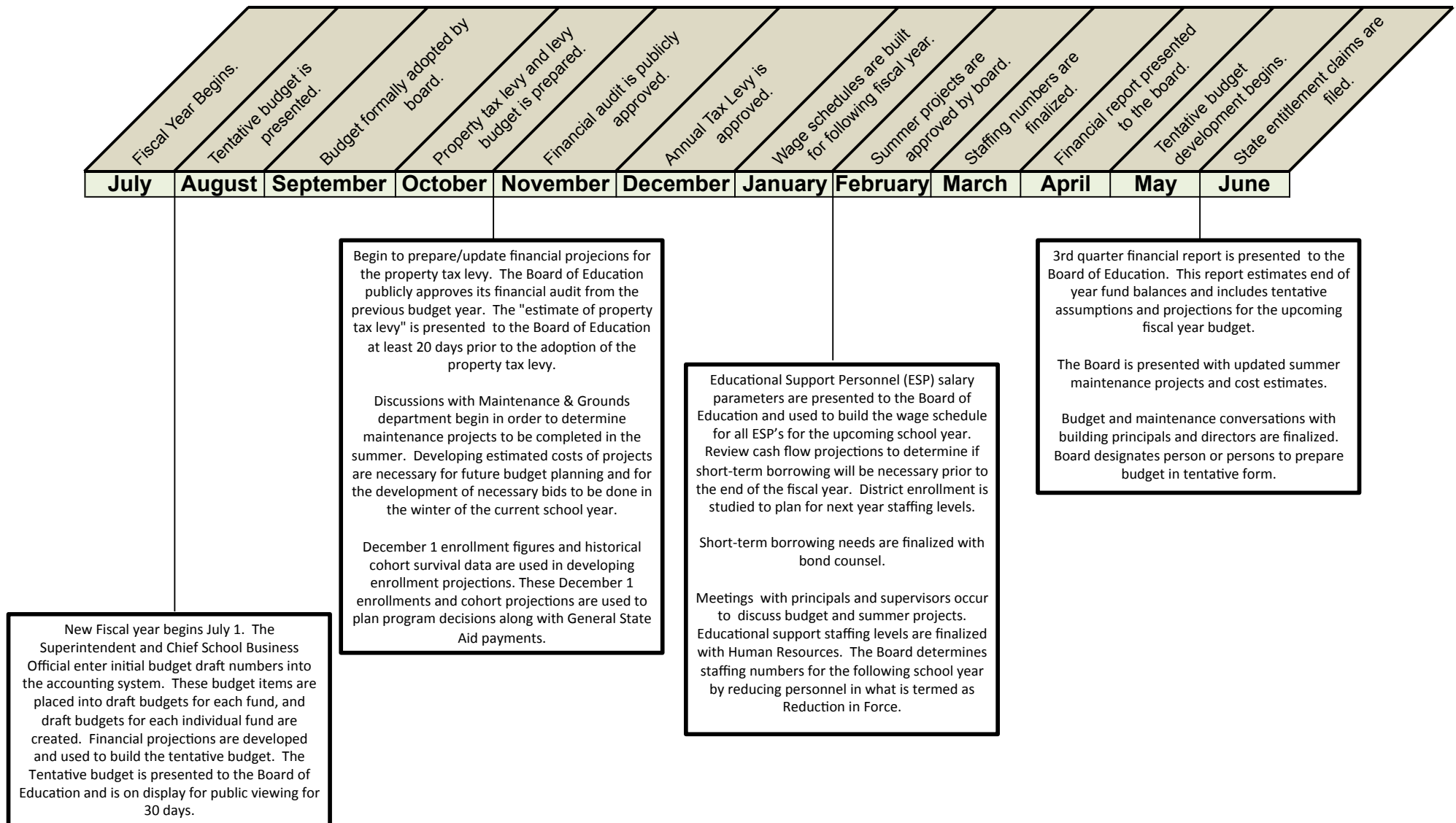
The budget development process is an ongoing, fluid process that begins well before the next fiscal year begins. The overall budget process is both a centralized office function and a collaborative decision making effort with various stakeholders. In the most general terms, the very nature of the budget development process is the process itself is a teaching and communication tool with principals and staff. The budget is used to teach cost control, resource allocation, and program evaluation among all 5 buildings in the District. This year long budget process in essence bridges planning, financial management, and evaluation of results.

Key factors that affected the development of this year's budget include:

- Flat state revenues based on the recent state “stop-gap” budget passed in the Illinois Legislature.
- All certified staff receive a \$1,000 pay increase per negotiated contract.
- Major maintenance projects and summer work is budgeted at minimal levels as the District continues to manage major construction projects which began in the summer of 2016 as outlined in the Project Leaf community engagement sessions.
- Capital Budget Process. The District is currently involved in 4 construction projects, and the costs of these projects are built into the FY 17 Budget based on general contractor and architectural expenditure draw down estimates and timelines.
- Concerns at the State level which could negatively impact District finances this year and in the near future include:
 - Pension reform and pension cost shifts.
 - Delayed State payments.
 - State budget deficit and overall fiscal crisis at the State level.
 - Uncertainty of property tax freeze proposed legislation.

The following page is a graphical representation of the budget development process. It is important to note that the budget is developed over several months with a variety of important financial deadlines and reporting requirements that ultimately lead up to a finished and adopted budget.

Budget Timeline & Calendar



Budget Administration and Management Process

Annual Audit

The School District's accounting and audit services comply with the Illinois Program Accounting Manual, as adopted by the Illinois State Board of Education and State law. The Superintendent or the Chief School Business Official, in addition to other assigned financial responsibilities, report monthly on the District's financial performance, both income and expense, in relation to the financial plan represented in the budget.

At the close of each fiscal year, the Superintendent arranges an audit of the District funds, accounts, statements, and other financial matters. The audit is performed by an independent certified public accountant designated by the Board and conducted in conformance with prescribed standards and legal requirements. A complete and detailed written audit report is provided to each Board member and to the Superintendent. The Superintendent annually, on or before October 15, submits an original and one copy of the audit to the Regional Superintendent of Schools.

Annual Financial Report

The Superintendent or Chief School Business Official annually prepare and submit the Annual Financial Report on a timely basis using the form adopted by the Illinois State Board of Education. The Superintendent reviews and discusses the Annual Financial Report with the Board before it is submitted.

Expenditure Control and Approvals

The Superintendent: (1) designates a custodian for each revolving fund and petty cash fund, (2) obtains a bond for each fund custodian, and (3) maintains the funds in compliance with this policy, State law, and Illinois State Board of Education rules. A check for the petty cash fund may be drawn payable to the designated petty cash custodian. All District 228 revolving funds are maintained in a bank that has been approved by the Board and established in an amount approved by the Superintendent consistent with the annual budget. All expenditures from these bank accounts must be directly related to the purpose for which the account was established and supported with documentation, including signed invoices or receipts. All deposits into these bank accounts must be accompanied with a clear description of their intended purpose. The Superintendent or Chief School Business Official include checks written to reimburse revolving funds on the Board's monthly listing of bills indicating the recipient and including an explanation at each monthly Board of Education Meeting.

Budget Administration and Management Process

Control Requirements for Checks

The Board must approve all bank accounts opened or established in the District's or a District school's name or with the District's Federal Employer Identification Number. All checks issued by the School District must be signed by either the Treasurer or Board President, except that checks from an account containing student activity funds and revolving accounts may be signed by the respective Account custodian.

Internal Controls

The Superintendent and Chief School Business Official are primarily responsible for establishing and implementing a system of internal controls for safeguarding the District's financial condition; the Board, however, will oversee these safeguards. The control objectives are to ensure efficient business and financial practices, reliable financial reporting, and compliance with State law and Board policies, and to prevent losses from fraud, employee error, misrepresentation by third parties, or imprudent employee action. The Superintendent or Chief School Business Official annually audits the District's financial and business operations for compliance with established internal controls and provide the results to the Board.

Financial Section

Fiscal Year 2017 Budget

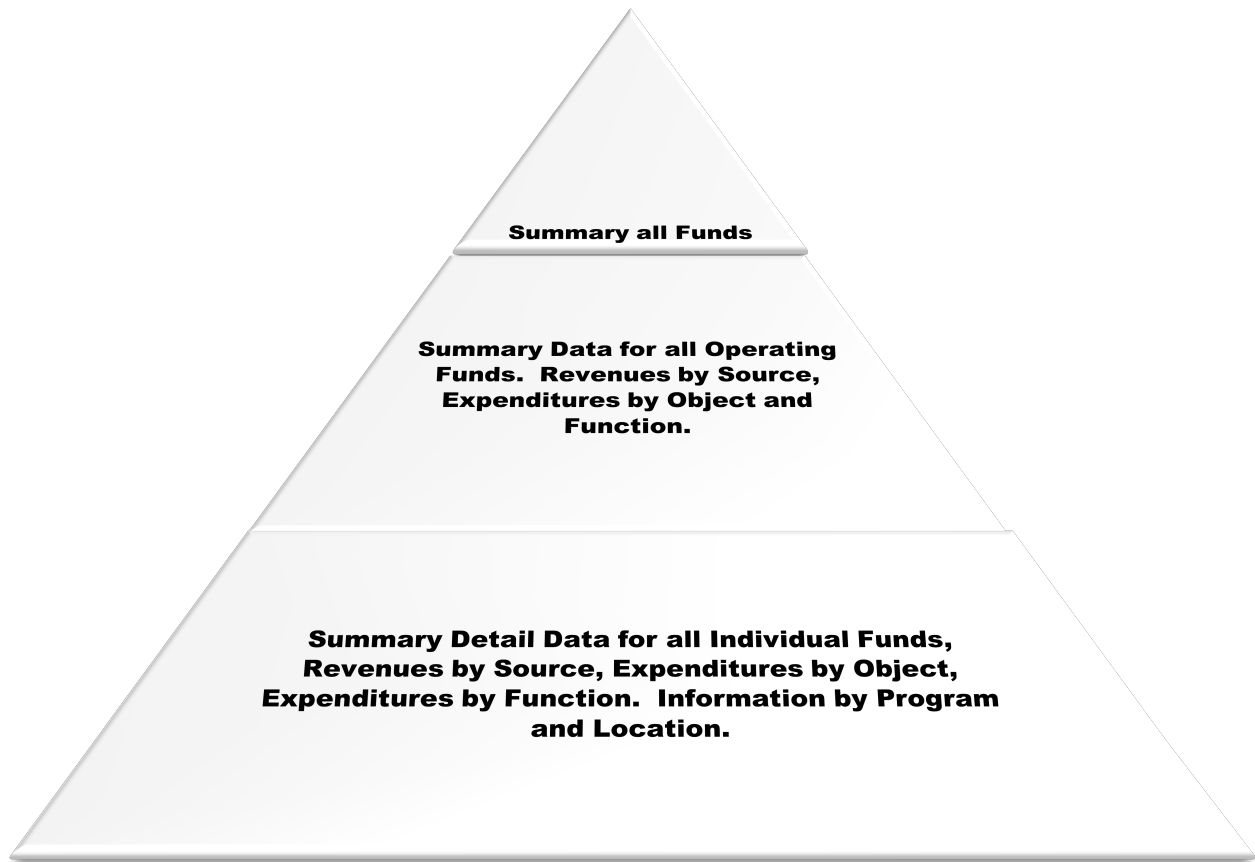


Geneseo Community Unit School District #228

Description of Data Layout and Format

The following information in the Financial section will include data utilizing a “pyramid approach” which begins with a general overview of financial data and drills down to more finite levels of data and detail.

Pyramid Data Approach



Description of Data Layout and Format

The data sets will contain 3 prior years of actual audited data, the current year estimated actual data, the proposed Fiscal Year 17 budget year data, and 3 years of forecasted projections.

A consistent color scheme will be used to easily identify data. The current actual estimated Fiscal Year will be shaded in blue, all upcoming budget projected figures for Fiscal Year 17 are shaded in orange, and all projected figures are shaded in grey. Historical actual data will not be in a color or a shaded format

Below is an example of the general layout for data and the color scheme that is used throughout the Financial section.

FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection

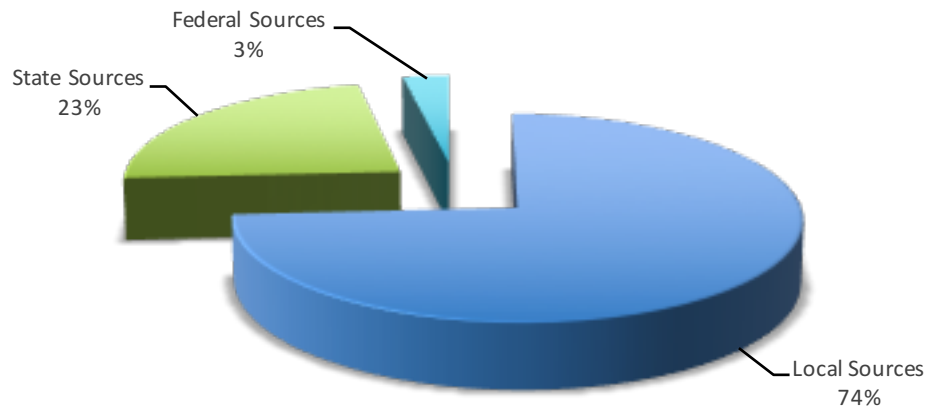
Financial Overview

The Financial section contains detailed information on the Geneseo Community Unit School District revenues and expenditures. The initial portions of this section will focus on summary type data and eventually into detail data and narratives.

Revenues that are used to fund the education of Geneseo students all derive from three basic sources, local, state, and federal.

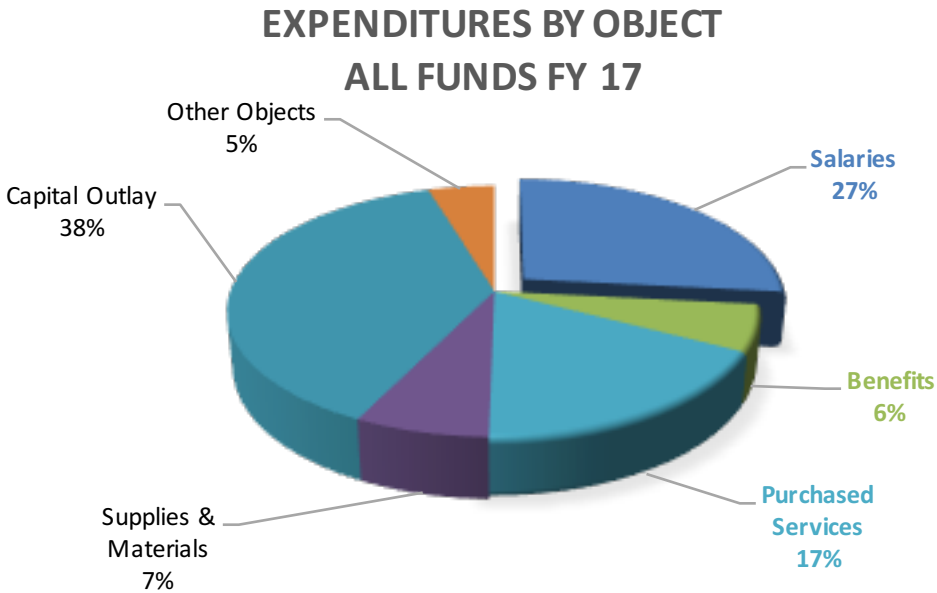
Although the Illinois School Accounting manual may add other layers of revenue sources, ultimately all revenue sources schools received are classified as either local, state, or federal. The FY 17 revenue chart below shows that 74% of all the anticipated revenue for the upcoming fiscal year will come from local sources, well up from only several years ago when local revenues comprised roughly 58% of total revenues.

REVENUES BY SOURCE ALL FUNDS FY 17



Financial Overview

Historically, the Education Fund would comprise of roughly 75% of all expenditures for the entire District Budget. However, with the several construction projects currently underway the Capital Projects fund will produce the largest percentage of expenditures in FY 17. Roughly \$20,000,000 will be spent on capital improvement projects this upcoming budget year. This \$20,000,000, in a normal fiscal year would be close to the total District expenditures in all funds.



Summary Data for All Funds

A “fund” is a division of the budget for specific activities and objectives. Each fund is subject to laws and regulations to assure that money in that fund is used for the purposes specified for it in the law and the school district budget. It is important to realize that a fund is not the same as a bank account. The District’s bank accounts and investments co-mingle and include all funds, in other words the Districts bank accounts are one large basket of money, while the accounting system divides funds among the Districts various funds.

Revenues

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Total Revenue by Fund	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education	\$16,439,077	\$16,302,206	\$17,929,094	\$17,184,144	\$16,873,982	\$17,217,710.33	\$17,562,064.54	\$17,825,495.51
Operations & Maintenance	\$1,670,918	\$1,652,646	\$1,675,464	\$2,052,993	\$1,857,500	\$1,889,077.50	\$1,926,859.05	\$1,955,761.94
Debt Service	\$1,917,310	\$1,988,558	\$1,905,609	\$3,059,572	\$3,102,000	\$3,154,734.00	\$3,217,828.68	\$3,266,096.11
Transportation	\$1,996,335	\$1,951,065	\$1,369,031	\$1,657,748	\$1,664,900	\$1,693,203.30	\$1,727,067.37	\$1,752,973.38
IMFRF/SS	\$614,000	\$649,084	\$753,656	\$834,329	\$828,000	\$842,076.00	\$858,917.52	\$871,801.28
Capital Projects	\$0	\$135,274	\$1,018,597	\$28,651,965	\$852,000	\$866,484.00	\$883,813.68	\$897,070.89
Working Cash	\$31,866	\$105,011	\$170,504	\$86,775	\$82,000	\$83,394.00	\$85,061.88	\$86,337.81
Tort	\$432,208	\$419,579	\$422,613	\$520,360	\$496,000	\$504,432.00	\$514,520.64	\$522,238.45
Health Life Safety	\$18,830	\$14,388	\$96,026	\$7,598,541	\$66,000	\$67,122.00	\$68,464.44	\$69,491.41
Totals	\$23,120,545	\$23,217,812	\$25,340,593	\$61,479,319	\$25,878,302	\$26,318,233	\$26,844,598	\$27,247,267

Expenditures

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Total Expenditures by Fund	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education	\$17,663,059	\$17,728,980	\$17,961,863	\$16,798,827	\$17,758,394	\$18,060,287	\$18,421,492	\$18,697,815
Operations & Maintenance	\$1,515,292	\$1,679,242	\$1,909,167	\$1,919,377	\$2,380,550	\$2,428,161	\$2,476,724	\$2,526,259
Debt Service	\$1,881,215	\$1,906,035	\$2,010,300	\$2,066,600	\$3,770,493	\$3,770,493	\$3,770,493	\$3,770,493
Transportation	\$1,830,652	\$1,783,936	\$1,816,057	\$1,856,507	\$2,009,000	\$2,049,180	\$2,090,164	\$2,131,967
IMFRF/SS	\$703,928	\$697,549	\$662,514	\$606,699	\$726,120	\$738,464	\$753,233	\$764,532
Capital Projects	\$0	\$0	\$365	\$2,622,879	\$21,185,000	\$4,000,000	\$100,000	\$100,000
Working Cash	\$1,250,000	\$0	\$2,300,000	\$1,000,000	\$1,000,000	\$1,017,000	\$0	\$800,000
Tort	\$502,453	\$539,695	\$614,448	\$485,312	\$663,200	\$676,464	\$689,993	\$703,793
Health Life Safety	\$160,004	\$40,243	\$39,218	\$364,029	\$4,980,000	\$1,000,000	\$1,000,000	\$100,000
Totals	\$25,506,603	\$24,375,681	\$27,313,931	\$27,720,230	\$54,472,757	\$33,740,049	\$29,302,100	\$29,594,858

Summary Data for All Funds

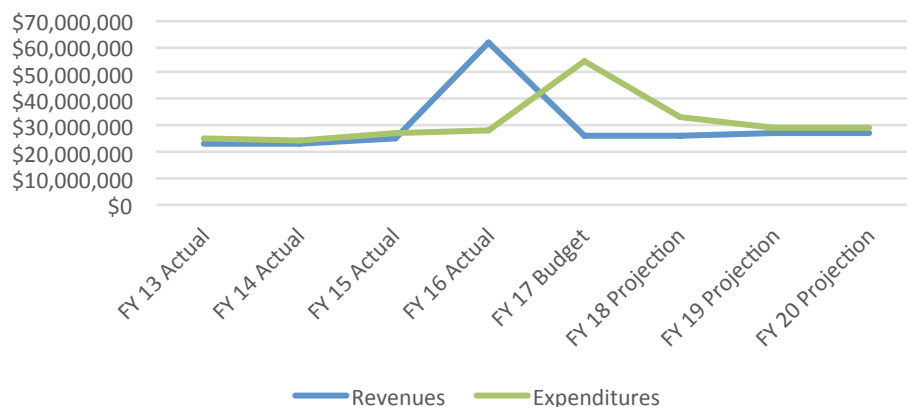
Surplus/(Deficit)

The District overall has run budget deficits for the past several years, and another deficit is projected for FY 17. The \$2,000,000 working cash bond issue and the building bond referendum revenues received in FY 16 created surpluses overall and in the core operating funds. However, looking into the future and once the capital fund projects are completed District deficits will continue if the current revenue patterns remain and District spending levels remain at their historic average levels.

Surplus/(Deficit) All Funds	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Education	-\$1,223,982	-\$1,426,774	-\$32,769	\$218,209	-\$828,492	-\$842,576	-\$859,428	-\$872,319
Operations & Maintenance	\$155,626	-\$26,596	-\$233,703	\$133,616	-\$523,050	-\$539,084	-\$549,865	-\$570,497
Debt Service	\$36,095	\$82,523	-\$104,691	\$992,972	-\$668,493	-\$615,759	-\$552,664	-\$504,397
Transportation	\$165,683	\$167,129	-\$447,026	-\$198,758	-\$344,100	-\$355,977	-\$363,096	-\$378,993
IMFRF/SS	-\$89,928	-\$48,465	\$91,142	\$227,630	\$101,880	\$103,612	\$105,684	\$107,269
Capital Projects	\$0	\$135,274	\$1,018,232	\$26,029,086	-\$20,333,000	-\$3,133,516	\$783,814	\$797,071
Working Cash	-\$1,218,134	\$105,011	-\$2,129,496	-\$913,225	-\$918,000	-\$933,606	\$85,062	-\$713,662
Tort	-\$70,245	-\$120,117	-\$191,835	\$35,048	-\$167,200	-\$172,032	-\$175,473	-\$181,555
Health Life Safety	-\$141,174	-\$25,854	\$56,808	\$7,234,511	-\$4,914,000	-\$932,878	-\$931,536	-\$30,509
Totals	-\$2,386,058	-\$1,157,869	-\$1,973,338	\$33,759,088	-\$28,594,455	-\$7,421,816	-\$2,457,502	-\$2,347,592

The spike in total revenue in FY 16 along with the spike in total expenditures in the FY 17 Budget are due to referendum bond proceeds (revenue) and the associated capital building projects (expenditures). Bond revenue was received in FY 16, and a majority of those bond proceeds will be expensed in FY 17.

Historical Summary All Funds Revenues and Expenditures



Summary Data for All Funds

Fund Balances

End of Fiscal Year cash fund balances will play a critical role in determining future borrowing needs and long-term budget sustainability. It is evident from the below chart that fund balances become dangerously low, and even negative by FY 20 if projections hold. This is due to two factors: 1. The current \$2.35 tax rate in the Education Fund is insufficient to generate necessary local revenues to support educational programs. 2. State revenue sources have declined over recent years and are now at a level which contribute to District deficit spending. These “revenue problems” are a contrast to the overall District spending levels which have decreased by -1.8% from last fiscal year (excluding bond referendum capital spending) and in the more distant past overall spending has traditionally increased at approximately 1.5% per year.

Simply, the shortfalls or legal limitations in revenues cannot be matched with the current reductions in spending in the long-term to create a balanced budget. A more aggressive approach must take place on either the revenue side or the expenditure side to reduce deficits and the projected negative ending cash balances.

End of Fiscal Year Fund Balances	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Fund	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education	\$4,901,972	\$3,480,813	\$4,201,937	\$4,590,300	\$3,801,938	\$3,010,471	\$2,221,384	\$1,433,668
Operations & Maintenance	\$2,748,298	\$2,817,402	\$2,618,700	\$2,753,094	\$2,230,044	\$1,546,071	\$850,986	\$144,597
Debt Service	\$1,671,141	\$1,753,664	\$1,648,973	\$3,468,173	\$2,799,680	\$3,411,260	\$3,480,312	\$4,082,650
Transportation	\$1,980,349	\$2,147,748	\$1,738,139	\$1,539,380	\$1,411,280	\$1,242,294	\$1,047,193	\$820,731
IMRF	\$445,006	\$397,536	\$489,020	\$735,826	\$837,706	\$941,114	\$1,046,074	\$1,152,607
Capital Projects	\$0	\$135,274	\$1,153,506	\$27,601,534	\$7,311,534	\$2,215,034	\$2,233,919	\$2,261,475
Working Cash	\$3,739,166	\$3,844,176	\$1,714,681	\$2,801,819	\$1,883,819	\$1,053,819	\$3,222,819	\$2,390,819
Tort	\$765,543	\$662,791	\$494,720	\$569,583	\$455,383	\$298,963	\$90,155	-\$142,000
Health Life Safety	\$518,040	\$492,186	\$548,994	\$7,868,506	\$2,954,506	\$1,747,379	\$1,290,686	\$1,084,655
Totals	\$16,769,515	\$15,731,590	\$14,608,670	\$51,928,215	\$23,685,890	\$15,466,405	\$15,483,527	\$13,229,203

Summary Data for Operating Funds

While it is prudent when analyzing the District budget and financial operations to focus on all funds, it is perhaps more advantageous to study the District Operating Funds in isolation from the other funds. Operating funds consist of four funds that are at the core of the entire Geneseo School District function. The operating funds, which are the Education Fund, Operations & Maintenance Fund, Transportation Fund, and the Working Cash Fund account for the most significant sources of revenues and expenditures vital to educating students on a daily basis.

Revenues

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Total Operating Fund Revenues								
Education	\$16,439,077	\$16,302,206	\$17,929,094	\$17,017,036	\$16,929,902	\$17,217,710	\$17,562,065	\$17,825,496
Operations & Maintenance	\$1,670,918	\$1,652,646	\$1,675,464	\$2,052,993	\$1,857,500	\$1,889,078	\$1,926,859	\$1,955,762
Transportation	\$1,996,335	\$1,951,065	\$1,369,031	\$1,657,748	\$1,664,900	\$1,693,203	\$1,727,067	\$1,752,973
Working Cash	\$31,866	\$105,011	\$170,504	\$2,087,137	\$82,000	\$83,394	\$85,062	\$86,338
Totals	\$20,138,197	\$20,010,928	\$21,144,093	\$22,814,914	\$20,534,302	\$20,883,385	\$21,301,053	\$21,620,569

Expenditures

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Total Operating Fund Expenditures								
Education	\$17,663,059	\$17,728,980	\$17,961,863	\$16,798,827	\$17,758,394	\$18,060,287	\$18,421,492	\$18,697,815
Operations & Maintenance	\$1,515,292	\$1,679,242	\$1,909,167	\$1,919,377	\$2,380,550	\$2,428,161	\$2,476,724	\$2,526,259
Transportation	\$1,830,652	\$1,783,936	\$1,816,057	\$1,856,507	\$2,009,000	\$2,049,180	\$2,090,164	\$2,131,967
Working Cash	\$1,250,000	\$0	\$2,300,000	\$1,000,000	\$1,000,000	\$1,017,000	\$0	\$800,000
Totals	\$22,259,003	\$21,192,159	\$23,987,086	\$21,574,711	\$23,147,944	\$23,554,628	\$22,988,380	\$24,156,040

Surplus/(Deficit)

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Operating Fund Surplus/(Deficit)								
Education	-\$1,223,982	-\$1,426,774	-\$32,769	\$218,209	-\$828,492	-\$842,576	-\$859,428	-\$872,319
Operations & Maintenance	\$155,626	-\$26,596	-\$233,703	\$133,616	-\$523,050	-\$539,084	-\$549,865	-\$570,497
Transportation	\$165,683	\$167,129	-\$447,026	-\$198,758	-\$344,100	-\$355,977	-\$363,096	-\$378,993
Working Cash	-\$1,218,134	\$105,011	-\$2,129,496	\$1,087,137	-\$918,000	-\$933,606	\$85,062	-\$713,662
Totals	-\$2,120,807	-\$1,181,230	-\$2,842,994	\$1,240,204	-\$2,613,642	-\$2,671,243	-\$1,687,327	-\$2,535,472

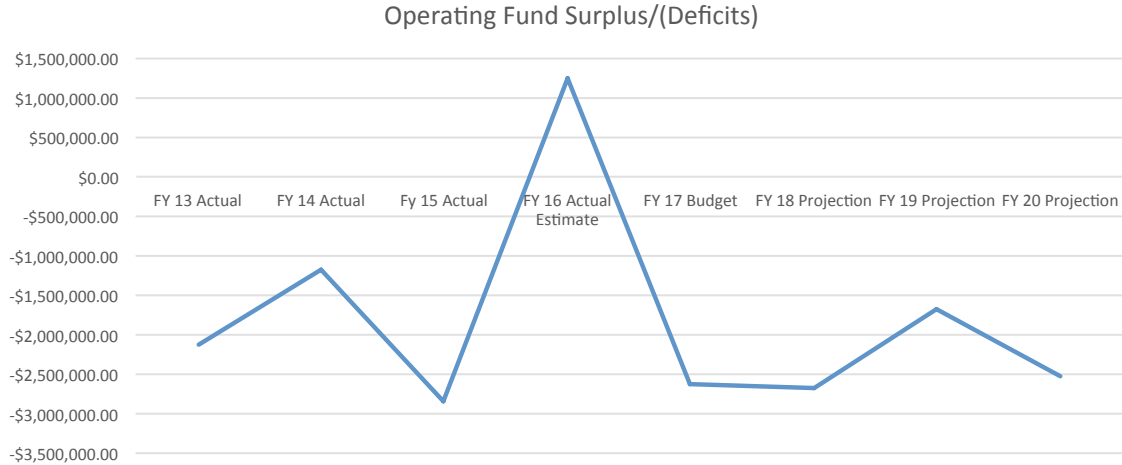
Summary Data for Operating Funds

It is critical to note the trend in Operating Fund overall deficits and the direction of future for ending cash balances. Without a significant working cash bond issue, which is what this data is showing, Operating Fund cash balances will decrease by -48% from FY 17 to FY 20.

End of Fiscal Year Cash Balances

End of Fiscal Year Fund Balances	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
Operating Funds	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education	\$4,901,972	\$3,480,813	\$4,201,937	\$4,590,300	\$3,801,938	\$3,010,471	\$2,221,384	\$1,433,668
Operations & Maintenance	\$2,748,298	\$2,817,402	\$2,618,700	\$2,753,094	\$2,230,044	\$1,546,071	\$850,986	\$144,597
Transportation	\$1,980,349	\$2,147,748	\$1,738,139	\$1,539,380	\$1,411,280	\$1,242,294	\$1,047,193	\$820,731
Working Cash	\$3,739,166	\$3,844,176	\$1,714,681	\$2,801,819	\$1,883,819	\$1,053,819	\$3,222,819	\$2,390,819
Totals	\$13,369,785	\$12,290,139	\$10,273,457	\$11,684,593	\$9,327,081	\$6,852,655	\$7,342,382	\$4,789,815

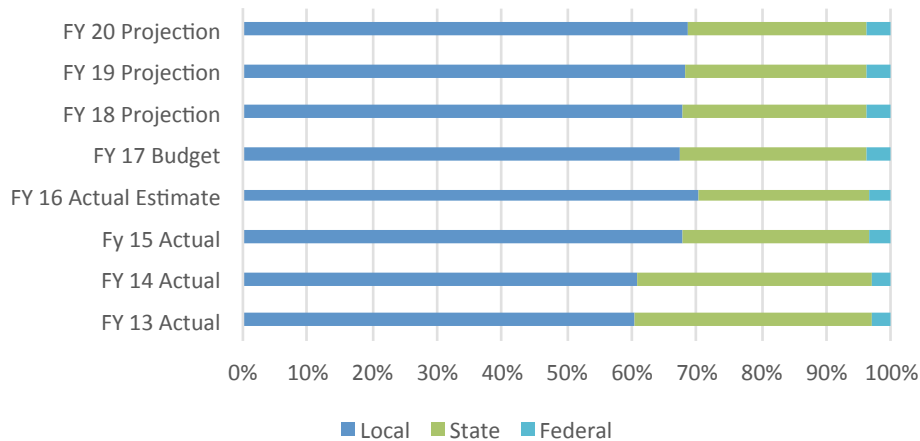
The below graph displays Operating Fund deficits both historical and projected with the exception of FY 16. The FY 16 surplus was a direct result of a \$2,000,000 Working Cash bond issue.



Summary Data for Operating Funds

The majority of Operating Fund revenues come from local sources, mainly the annual tax levy and Working Cash bond issues, which are classified as local sources. Federal sources are a very insignificant revenue source in the Operating Funds, the National School Lunch Program and roughly \$225,000 in Title I (federal grant money to support low income children) and Title II (federal grant money to support professional development in teaching) make up the majority of federal revenue sources. Any revenue received from the State will be found within any one of the four Operating Funds. This includes General State Aid, Transportation Fund reimbursement payments, special education state reimbursement, and any other State categorical funds.

Operating Funds Revenue by Source

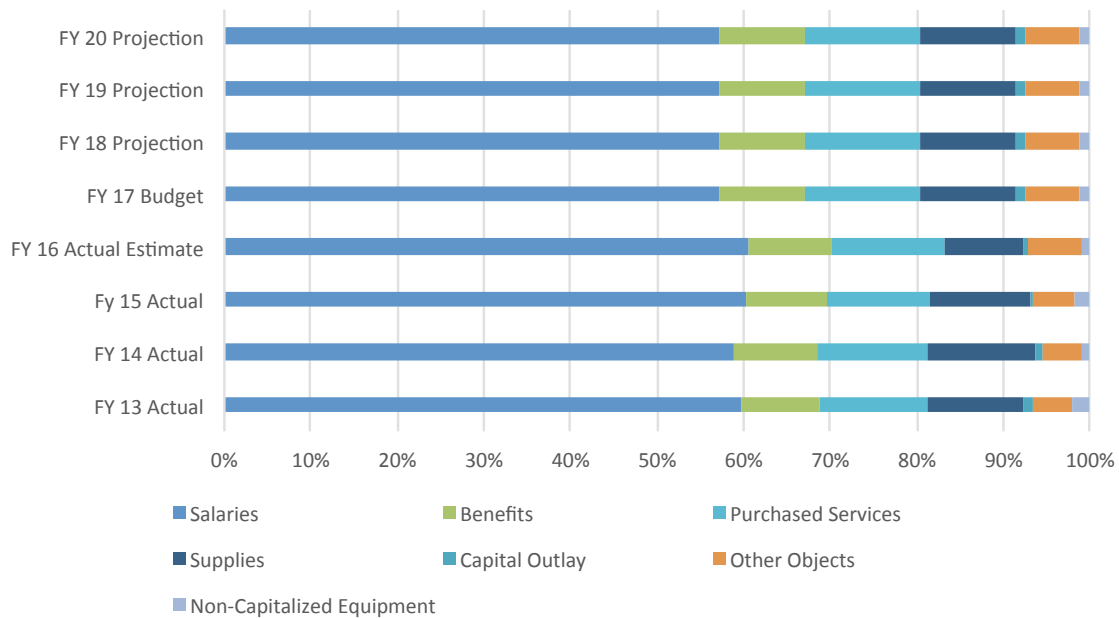


Summary Data for Operating Funds

Operating Funds Expenditures by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Salaries	\$12,515,180	\$12,397,238	\$12,734,071	\$12,441,432	\$12,662,499	\$12,852,436	\$13,045,223	\$13,240,901
Benefits	\$1,942,489	\$2,035,528	\$1,981,024	\$1,986,908	\$2,155,060	\$2,187,386	\$2,220,197	\$2,253,500
Purchased Services	\$2,613,635	\$2,632,820	\$2,569,217	\$2,664,961	\$2,958,150	\$3,002,522	\$3,047,560	\$3,093,273
Supplies	\$2,303,481	\$2,668,033	\$2,420,853	\$1,892,792	\$2,483,060	\$2,520,306	\$2,558,110	\$2,596,482
Capital Outlay	\$212,442	\$142,989	\$68,844	\$121,540	\$243,800	\$247,457	\$251,169	\$254,936
Other Objects	\$1,005,154	\$964,012	\$1,050,968	\$1,247,769	\$1,377,350	\$1,398,010	\$1,418,980	\$1,440,265
Non-Capitalized Equipment	\$416,572	\$206,885	\$362,110	\$219,282	\$268,000	\$272,020	\$276,100	\$280,242
Totals	\$21,008,953	\$21,047,505	\$21,187,086	\$20,574,686	\$22,147,919	\$22,480,138	\$22,817,340	\$23,159,600

Salaries and benefits, as to be expected, account for the majority of all Operating Fund expenditures. Because the largest fund deficits are found in the Education Fund, the District will continue to seek opportunities to “shift” salaries and benefits from the Education Fund which has a legal maximum tax rate to the Tort Fund which does not have legal rate restrictions. The percentages of salaries and benefits that can be shifted to the Tort Fund are found in the District Risk Management Plan. Currently, \$70,000 worth of salaries and benefits are budgeted to be shifted to the Tort Fund for FY 17.

Operating Funds Expenditures by Object



Summary Data for Operating Funds

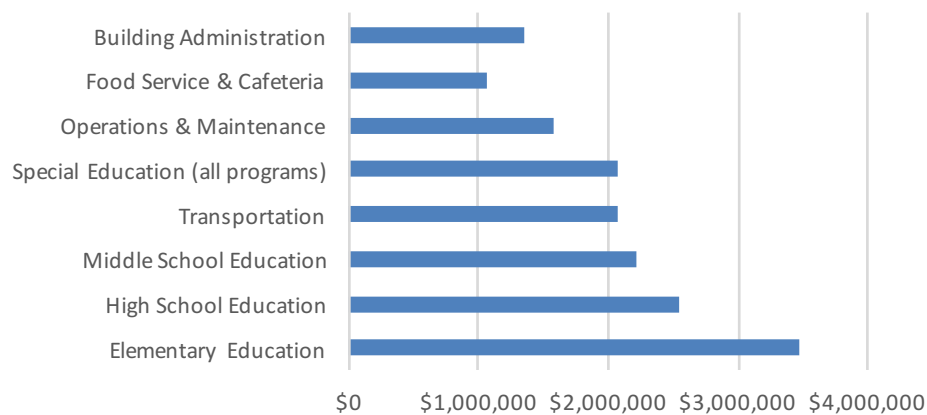
Operating Funds Expense by Function	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Architectural Services	\$23,482	\$77,093	\$44,068	\$3,401	\$25,000	\$25,500	\$26,010	\$26,530
Athletics	\$593,342	\$607,028	\$645,839	\$647,023	\$679,946	\$693,545	\$707,416	\$721,564
Band	\$138,984	\$123,524	\$136,835	\$129,537	\$158,091	\$161,253	\$164,478	\$167,767
Board of Education	\$224,353	\$250,484	\$258,998	\$287,874	\$246,200	\$251,124	\$256,146	\$261,269
Building Administration	\$945,621	\$972,596	\$954,216	\$1,047,070	\$1,110,855	\$1,133,072	\$1,155,734	\$1,178,848
Capital Lease Interest Payments	\$0	\$140,000	\$0	\$0	\$0	\$0	\$0	\$0
Chorus	\$4,098	\$3,969	\$5,401	\$5,486	\$5,375	\$5,483	\$5,592	\$5,704
Community Services	\$119,133	\$103,000	\$98,575	\$112,028	\$123,414	\$125,882	\$128,400	\$130,968
Competition Speech & Academic Clubs	\$25,055	\$13,561	\$13,898	\$17,262	\$16,849	\$17,186	\$17,530	\$17,880
Computer Technology	\$268,775	\$293,932	\$304,923	\$335,017	\$296,304	\$302,230	\$308,275	\$314,440
Copiers & Printers	\$1,240	\$1,210	\$1,299	\$1,621	\$1,825	\$1,862	\$1,899	\$1,937
Curriculum & Professional Development	\$321,809	\$177,859	\$190,606	\$225,567	\$325,463	\$331,972	\$338,612	\$345,384
Custodial	\$307,891	\$371,223	\$333,624	\$310,962	\$400,000	\$408,000	\$416,160	\$424,483
District & Building Leadership Teams	\$887,821	\$846,343	\$802,794	\$795,315	\$906,665	\$924,798	\$943,294	\$962,160
Driver Education	\$153,432	\$149,264	\$147,887	\$144,123	\$147,235	\$150,180	\$153,183	\$156,247
Elementary Education	\$5,150,521	\$5,297,532	\$5,422,703	\$5,057,572	\$5,286,975	\$5,392,715	\$5,500,569	\$5,610,580
Fiscal Services	\$386,057	\$334,527	\$340,880	\$347,998	\$357,546	\$364,697	\$371,991	\$379,431
Food Service & Cafeteria	\$2,298,330	\$2,277,828	\$2,309,899	\$2,355,822	\$2,517,075	\$2,567,417	\$2,618,765	\$2,671,140
Gifted Education	\$15,896	\$15,379	\$13,561	\$15,406	\$15,535	\$15,846	\$16,163	\$16,486
Guidance Counseling	\$371,945	\$376,836	\$383,327	\$339,235	\$337,275	\$344,021	\$350,901	\$357,919
Health Services	\$11,825	\$10,938	\$15,758	\$49,183	\$47,170	\$48,113	\$49,076	\$50,057
High School	\$840,718	\$850,860	\$869,170	\$806,066	\$887,190	\$904,934	\$923,032	\$941,493
Library and Media	\$404,917	\$432,014	\$452,146	\$475,144	\$385,977	\$393,697	\$401,570	\$409,602
Middle School Education	\$2,531,841	\$2,532,680	\$2,637,679	\$2,621,046	\$2,575,701	\$2,627,215	\$2,679,759	\$2,733,355
Operations & Maintenance	\$1,413,470	\$1,431,728	\$1,302,373	\$1,179,145	\$1,599,550	\$1,631,541	\$1,664,172	\$1,697,455
Payments for Regular Tuition	\$1,084	\$1,345	\$1,298	\$2,467	\$2,500	\$2,550	\$2,601	\$2,653
Payments for Special Education COOP	\$965,090	\$911,029	\$930,420	\$1,041,664	\$1,125,000	\$1,147,500	\$1,170,450	\$1,193,859
Payments to other Governmental Units	\$0	\$0	\$2,591	\$7,096	\$8,000	\$8,160	\$8,323	\$8,490
Permanent Transfer of Funds	\$4,045	\$4,011	\$3,298	\$5,235	\$4,600	\$1,000,000	\$1,000,000	\$1,000,000
Permanent Transfer of Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Pre-Kindergarten Program	\$27,033	\$36,689	\$26,303	\$23,193	\$32,180	\$32,824	\$33,480	\$34,150
Private Tuition for Residential Facility	\$0	\$942	\$0	\$0	\$0	\$0	\$0	\$0
Regular District Programs	\$887,860	\$894,698	\$911,796	\$860,873	\$960,400	\$979,608	\$999,200	\$1,019,184
Remedial Programs	\$305,954	\$343,897	\$361,753	\$180,984	\$187,010	\$190,750	\$194,565	\$198,457
Social Work Service	\$122,291	\$125,024	\$125,572	\$129,455	\$128,900	\$131,478	\$134,108	\$136,790
Special Education & Learning Disability	\$539,027	\$527,283	\$435,731	\$420,577	\$471,981	\$481,421	\$491,049	\$500,870
Student Information Services	\$106,420	\$111,497	\$116,766	\$114,558	\$114,700	\$116,994	\$119,334	\$121,721
Summer School	\$5,337	\$5,370	\$5,129	\$4,726	\$5,400	\$5,508	\$5,618	\$5,731
Superintendence Office	\$143,833	\$125,374	\$125,612	\$154,955	\$136,102	\$138,824	\$141,601	\$144,433
Teaching Mentor and Induction	\$1,250,000	\$0	\$2,800,000	\$1,000,000	\$1,000,000	\$1,020,000	\$1,040,400	\$1,061,208
Transportation	\$513,088	\$539,686	\$516,782	\$564,337	\$568,425	\$579,794	\$591,389	\$603,217
Vocational Education	\$236,328	\$229,466	\$241,063	\$247,079	\$273,071	\$278,532	\$284,103	\$289,785
Totals	\$22,547,944	\$21,547,718	\$24,290,573	\$22,066,101	\$23,471,485	\$24,936,223	\$25,414,947	\$25,903,246

Summary Data for Operating Funds

Significant Operating Expense Functions

It is not surprising that the most significant Operating Fund expense function are costs associated with Elementary Education. The Elementary function serves nearly half of the District student body, and each building has a full-time music, art, and physical education teacher on campus. The District believes that a strong elementary focus translates into strong academic performance in later years.

FY 17 Operating Expense Functions
Most Significant



Summary Data for Individual Funds

There are 9 major funds listed in the state budget form, and the District has utilized all 9 funds since Fiscal Year 14. Revenues, such as property taxes are allocated to all of the funds according to tax rates determined by law, actions of the District Board of Education, and in some instances by voters in a referendum. Some form of State revenues, mainly General State Aid can be placed in any fund the District deems appropriate. The reality, however, is that 100% of General State Aid revenues received are deposited into the Education Fund.

The following pages describe financial data in detail for each of the District's current nine funds, beginning with an overall summary and drilling down to revenue sources and expenses by object.

The Education Fund

The Education Fund is the most significant fund of Geneseo CUSD 228 as it supports all of the educational programs, and encompasses approximately 75% of the District's financial activity. Teacher salaries, administrative salaries, curricular materials, student programs, and athletics are all examples of expenditures budgeted in the Education Fund. The Fund consists of two sub-funds, each with its own tax levy, the Lease Technology Fund and Special Education Fund.

- Grants: Funding on both the Federal and State grants has been significantly reduced, and the predictability of the State of Illinois making its obligations has become even more challenging.
- Property Tax Revenue: This is the District's largest source of revenue and the largest source of revenue for the Education Fund.
- Curriculum: The District is leading professional development to align instructional goals and objectives according to the Common Core State Standards. The District continues to develop and refine practices for Response to Intervention (RtI) and student assistance.

Education Fund Summary	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Beginning Fund Balance	\$5,891,421	\$4,887,230	\$3,466,036	\$4,243,663	\$4,628,981	\$3,840,619	\$3,049,152	\$2,260,065
Revenues	\$16,658,868	\$16,303,042	\$18,739,490	\$17,184,144	\$16,873,982	\$17,143,477	\$17,426,227	\$17,715,874
Expenditures	\$17,663,059	\$17,724,236	\$17,961,863	\$16,798,827	\$17,662,344	\$17,934,944	\$18,215,314	\$18,503,590
Surplus/(Deficit)	-\$1,004,191	-\$1,421,194	\$777,627	\$385,317	-\$788,362	-\$791,467	-\$789,087	-\$787,716
Ending Fund Balance	\$4,887,230	\$3,466,036	\$4,243,663	\$4,628,981	\$3,840,619	\$3,049,152	\$2,260,065	\$1,472,349

Education Fund Revenue Sources

Overall revenue sources in the Education Fund are forecasted to increase by 2% per year, with the majority of the increase coming from local sources, primarily the tax levy based on modest increases in property valuations. Also, built into the Education Fund local revenue model is \$1,000,000 of Working Cash Fund transfers beginning in the FY 17 budget and into FY 20.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education Fund Revenues Local Sources								
General Levies	\$7,549,317	\$7,622,248	\$7,567,425	\$8,178,495	\$8,240,000	\$8,446,000	\$8,657,150	\$8,873,579
Lease Levy	\$152,674	\$108,236	\$39,277	\$4,881	\$10,000	\$10,250	\$10,506	\$10,769
Special Ed. Levy	\$128,543	\$129,858	\$128,917	\$139,212	\$135,437	\$138,823	\$142,293	\$145,851
Corporate Personal Property Tax Replacement Tax	\$430,051	\$451,248	\$474,656	\$436,830	\$514,147	\$527,001	\$540,176	\$553,680
Summer School Tuition/Parents	\$10,888	\$8,093	\$7,630	\$7,337	\$8,000	\$8,200	\$8,405	\$8,615
Interest on Investments	\$15,851	\$10,103	\$7,069	\$9,420	\$7,117	\$7,295	\$7,477	\$7,664
Student Lunches	\$796,045	\$778,537	\$684,577	\$725,481	\$710,000	\$727,750	\$745,944	\$764,592
Sales to Excel	\$33,147	\$32,873	\$31,333	\$32,996	\$34,000	\$34,850	\$35,721	\$36,614
School Lunch/Misc	\$1,716	\$1,376	\$4,717	\$498	\$2,000	\$2,050	\$2,101	\$2,154
School Activities	\$12,147	\$10,892	\$10,234	\$11,851	\$26,300	\$26,958	\$27,631	\$28,322
School Activities	\$68,288	\$60,093	\$75,157	\$58,221	\$78,000	\$79,950	\$81,949	\$83,997
Pupil Activities - Fees	\$520	\$1,170	\$950	\$2,250	\$580	\$595	\$609	\$625
Blended Learning	\$1,525	\$1,525	\$975	\$925	\$1,000	\$1,025	\$1,051	\$1,077
S.A.F.E.	\$123,565	\$84,649	\$103,622	\$133,234	\$108,864	\$111,586	\$114,375	\$117,235
Book Rental	\$60,344	\$64,893	\$63,643	\$63,996	\$66,000	\$67,650	\$69,341	\$71,075
Book Rental	\$39,950	\$42,370	\$42,470	\$47,179	\$44,618	\$45,733	\$46,877	\$48,049
Book Rental	\$71,983	\$71,133	\$67,271	\$72,233	\$71,000	\$72,775	\$74,594	\$76,459
Textbooks sales-Other	\$152	\$527	\$684	\$539	\$717	\$735	\$753	\$772
Contributions & Donations	\$200,605	\$90,059	\$166,312	\$145,215	\$63,000	\$64,575	\$66,189	\$67,844
Leafprints Communic Revenue	\$7,258	\$8,462	\$4,942	\$2,070	\$5,100	\$5,228	\$5,358	\$5,492
Services Provided Other LEA's				\$2,898	\$2,000	\$2,050	\$2,101	\$2,154
Refund of Prior Yrs Expnd	\$28,068	\$27,027	\$39,948	\$36,255	\$41,000	\$42,025	\$43,076	\$44,153
Driver Ed Fees	\$7,958	\$7,500	\$7,400	\$19,567	\$7,700	\$7,893	\$8,090	\$8,292
Payments from other Districts			\$2,805	\$8,353	\$2,000	\$2,050	\$2,101	\$2,154
Sale of Vocational Project	\$203,876	\$0	\$212,807	\$186,687	\$0	\$0	\$0	\$0
Other Revenues	\$0	\$5,804	\$5,863	\$2,857	\$6,000	\$179	\$184	\$189
Other Revenues			\$800	\$200	\$200	\$0	\$0	\$0
TOTAL LOCAL SOURCES	\$9,944,472	\$9,618,676	\$9,751,480	\$10,329,682	\$10,184,780	\$10,433,224	\$10,694,055	\$10,961,406

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education Fund Inter-Fund Transfers								
Perm Trans Frm Working Cash	\$0	\$0	\$2,300,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Perm Transfer	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0
Sale Of Fixed Assets	\$960	\$115,835	\$400	\$0	\$500	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$960	\$115,835	\$2,800,400	\$1,000,000	\$1,000,500	\$1,000,000	\$1,000,000	\$1,000,000

Education Fund Revenue Sources

State sources of revenue are projected to continue to decline or at best hold flat based on Illinois politics and past history. The forecast model used for State sources of revenue holds General State aid flat for the next three years, and less than a 1% increase in other State revenue categories. Federal sources of revenue are forecasted at historical annual increases, roughly 2% per year.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education Fund Revenues State Sources								
General State Aid	\$5,161,132	\$5,020,197	\$4,669,551	\$4,355,072	\$4,300,000	\$4,300,000	\$4,300,000	\$4,300,000
Spec Ed Private Facility	\$383	\$0	\$69	\$4,057	\$3,000	\$3,030	\$3,060	\$3,091
Spec Ed Extraordinary	\$435,884	\$409,248	\$231,441	\$307,379	\$231,000	\$233,310	\$235,643	\$238,000
Spec Ed - Personnel	\$185,797	\$227,407	\$129,251	\$164,520	\$129,250	\$130,543	\$131,848	\$133,166
Spec Ed Orphanage-Individ	\$8,593	\$1,889	\$9,126	\$20,168	\$9,125	\$9,216	\$9,308	\$9,401
Voc Ed - Secondary Prog	\$44,399	\$45,073	\$47,053	\$47,843	\$47,000	\$47,470	\$47,945	\$48,424
Voc Ed - Ag Educ	\$1,998	\$1,449	\$2,017	\$1,368	\$2,000	\$2,020	\$2,040	\$2,061
IL Free Lunch & Breakfast	\$7,667	\$5,037	\$3,381	\$2,366	\$3,500	\$3,535	\$3,570	\$3,606
Driver Education	\$42,621	\$32,640	\$42,836	\$37,033	\$42,835	\$43,263	\$43,696	\$44,133
Early Child-Preschool	\$171,035	\$141,035	\$153,418	\$120,035	\$153,000	\$154,530	\$156,075	\$157,636
State Library Grant	\$3,170	\$1,955	\$1,689	\$1,528	\$1,600	\$1,616	\$1,632	\$1,648
Other Revenue - State	\$0	\$0	\$98,149	\$0	\$0	\$0	\$0	\$0
TOTAL STATE SOURCES	\$6,062,679	\$5,885,930	\$5,387,981	\$5,061,369	\$4,922,310	\$4,928,533	\$4,934,818	\$4,941,167

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Education Fund Revenues Federal Sources								
Natl School Lunch	\$311,621	\$299,559	\$328,817	\$305,875	\$335,000	\$341,700	\$348,534	\$355,505
School Breakfast	\$65,873	\$65,234	\$69,955	\$68,262	\$66,000	\$67,320	\$68,666	\$70,040
Title I Low Income	\$139,435	\$165,101	\$190,301	\$189,965	\$155,000	\$158,100	\$161,262	\$164,487
Sp Ed-Idea-Room & Board	\$2,156	\$0	\$55,605	\$120,700	\$50,000	\$51,000	\$52,020	\$53,060
ARRA Educ Jobs Fund Program	\$8,592	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Medicaid Matching	\$10,527	\$872	\$0	\$0	\$0	\$0	\$0	\$0
Title II Teacher Quality	\$61,666	\$52,731	\$65,396	\$36,264	\$68,000	\$69,360	\$70,747	\$72,162
Medicaid Match-Admin Outreach	\$4,525	\$21,172	\$34,983	\$15,881	\$36,392	\$37,120	\$37,862	\$38,619
Medicaid Match-Fee For Service	\$20,106	\$39,615	\$11,988	\$25,176	\$22,000	\$22,440	\$22,889	\$23,347
Step Grant	\$26,256	\$38,317	\$42,584	\$30,970	\$34,000	\$34,680	\$35,374	\$36,081
TOTAL FEDERAL SOURCES	\$650,758	\$682,601	\$799,629	\$793,093	\$766,392	\$781,720	\$797,354	\$813,301

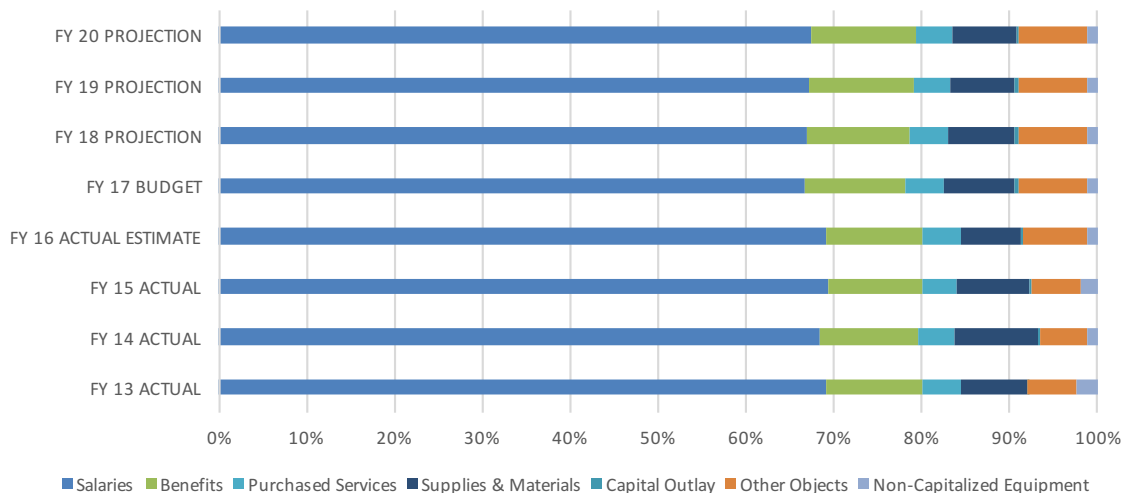
Education Fund Expenditures by Object

The charts below forecast the dollar amounts that will be spent in Education Fund by object over the next 3 years. The forecasted revenue table by source anticipates no significant relief from the state over the next 3 years which will require the District to implement a long-range budget sustainability plan that will have to focus on expenditure reductions.

Education Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Salaries	\$12,221,782	\$12,110,120	\$12,443,468	\$11,598,350	\$11,771,224	\$12,006,648	\$12,246,781	\$12,491,717
Benefits	\$1,919,892	\$2,009,084	\$1,953,780	\$1,866,677	\$2,020,510	\$2,081,125	\$2,143,559	\$2,207,866
Purchased Services	\$760,084	\$729,600	\$682,131	\$713,945	\$791,400	\$775,572	\$760,061	\$744,859
Supplies & Materials	\$1,331,440	\$1,668,907	\$1,504,529	\$1,151,919	\$1,413,060	\$1,384,799	\$1,357,103	\$1,329,961
Capital Outlay	\$17,350	\$37,188	\$7,876	\$42,440	\$90,800	\$88,984	\$87,204	\$85,460
Other Objects	\$1,005,154	\$964,012	\$1,042,968	\$1,239,816	\$1,342,350	\$1,362,485	\$1,382,923	\$1,403,666
Non-Capitalized Equipment	\$407,357	\$205,325	\$327,110	\$185,680	\$233,000	\$235,330	\$237,683	\$240,060
Totals	\$17,663,059	\$17,724,236	\$17,961,863	\$16,798,827	\$17,662,344	\$17,934,944	\$18,215,314	\$18,503,590

The following assumptions were used to forecast Education Fund Expenditures for the next 3 years into FY 20: Salaries increase 2% based on local teacher union contract. Benefits to increase 3%, uncertainty with pension reform from state legislators and the impact on school budgets is the rationale for increasing benefits by 3%. Purchased Services and Capital Outlay are projected to decrease slightly as the District does not foresee any major expenditures or investments in these objects in the near future. Other Objects are projected to increase 1.5% per year due to increasing contract costs with the Henry Stark Special Education Cooperative which the District partners with for special education services. Non-Capitalized equipment is expected to increase modestly at 1% per year due to minor upgrades of technology throughout the District.

Education Fund Expenditures
by Object



The Operations & Maintenance Fund

The Operations and Maintenance Fund (O&M) is one of the District's largest operating funds. It contains approximately 6% of the District's financial activity. The fund supports the daily operations of all 5 school buildings, the District Unit Office, and the Athletic Facility. Examples of common expenditures from the Operations and Maintenance Fund include:

- Energy Costs. Typically, energy costs comprise roughly 20%-25% of the entire Operations and Maintenance budget.
- Salary expenditures for all custodial, and maintenance employees.
- Equipment and Repairs, such as HVAC rooftop replacements, general roof repairs, and repairs to the boiler system.

O & M Fund Summary	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Beginning Fund Balance	\$2,499,103	\$2,640,803	\$2,773,353	\$2,984,072	\$3,100,624	\$2,577,574	\$1,870,764	\$1,152,499
Revenues	\$1,656,992	\$1,671,792	\$1,619,886	\$2,035,930	\$1,857,500	\$1,710,275	\$1,735,929	\$1,761,968
Expenditures	\$1,515,292	\$1,539,242	\$1,409,167	\$1,919,377	\$2,380,550	\$2,417,086	\$2,454,194	\$2,491,885
Surplus/(Deficit)	\$141,700	\$132,550	\$210,720	\$116,552	-\$523,050	-\$706,811	-\$718,265	-\$729,917
Ending Fund Balance	\$2,640,803	\$2,773,353	\$2,984,072	\$3,100,624	\$2,577,574	\$1,870,764	\$1,152,499	\$422,582

The District has shifted all custodial salaries to the Operations & Maintenance Fund beginning in FY 16. This equates to roughly \$565,000 per year that the Operations & Maintenance Fund will now have to absorb, and as the chart indicates projected ending fund balances decrease significantly from budget year FY 17. The District will most likely need to utilize the Capital Project Fund which is flush with cash from the 1 cent sales tax referendum and recent bond issue to expense building and equipment upgrades in order to prevent the Operations & Maintenance Fund balance from getting into lower than desired levels.

Operations & Maintenance Fund Revenue Sources

O & M Fund Revenues Local Sources	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Tax Levy	\$1,606,325	\$1,621,792	\$1,610,214	\$1,740,103	\$1,685,000	\$1,710,275	\$1,735,929	\$1,761,968
Interest On Investments	\$7,556	\$7,434	\$8,023	\$8,419	\$7,000	\$7,105	\$7,212	\$7,320
Other Rentals	\$24,766	\$23,420	\$16,564	\$8,620	\$15,000	\$15,225	\$15,453	\$15,685
Other Rentals	\$43,569	\$45,000	\$0	\$0	\$0	\$0	\$0	\$0
Sale of Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Refund of Prior Yrs Expnd	\$0	\$700	\$0	\$780	\$0	\$0	\$0	\$0
Other Revenues	\$31,604	\$0	\$30,991	\$24	\$0	\$0	\$0	\$0
Other Revenues	\$0	\$0	\$0	\$0	\$500	\$508	\$515	\$523
TOTAL LOCAL SOURCES	\$1,713,821	\$1,698,346	\$1,665,792	\$1,757,947	\$1,707,500	\$1,733,113	\$1,759,109	\$1,785,496

O & M Fund Revenues State Sources	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
School Infrastructure & Maintenance Grant	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL STATE SOURCES	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0

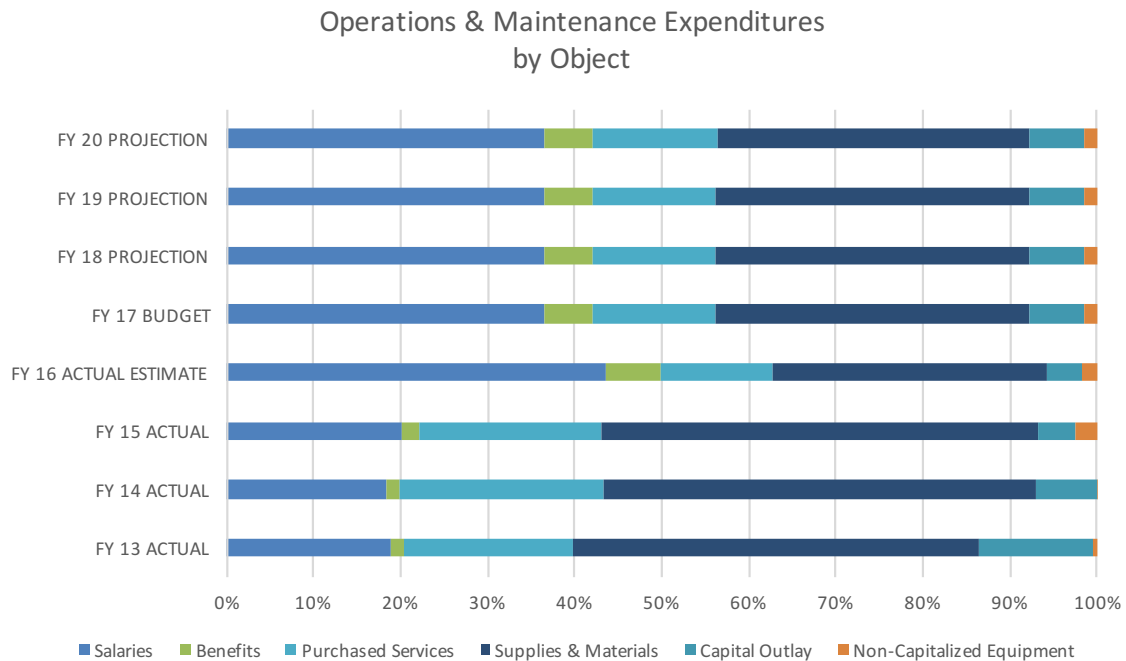
O & M Fund Inter-Fund Transfers	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Sale of Fixed Assets	\$667	\$0	\$9,672	\$295,826	\$150,000	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$667	\$0	\$9,672	\$295,826	\$150,000	\$0	\$0	\$0

Significant recent revenue sources from FY 16 and also for the budgeted FY 17 are proceeds from District surplus property sales. However, these are non-recurring revenues are therefore are not included in any projections beyond FY 17. Revenue projections are based on an annual 2% increase coming from the local tax levy and interest on investments. No sale of equipment or surplus properties are anticipated for future projections.

Operations & Maintenance Fund Expenditures by Object

O & M Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Salaries	\$286,527	\$281,237	\$284,091	\$835,503	\$869,000	\$882,035	\$895,266	\$908,695
Benefits	\$22,597	\$26,444	\$27,244	\$120,231	\$134,550	\$135,896	\$137,254	\$138,627
Purchased Services	\$292,518	\$358,978	\$295,744	\$250,257	\$335,000	\$341,700	\$348,534	\$355,505
Supplies & Materials	\$709,342	\$765,222	\$706,120	\$600,684	\$854,000	\$866,810	\$879,812	\$893,009
Capital Outlay	\$195,092	\$105,801	\$60,968	\$79,100	\$153,000	\$155,295	\$157,624	\$159,989
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$9,216	\$1,560	\$35,000	\$33,603	\$35,000	\$35,350	\$35,704	\$36,061
Totals	\$1,515,292	\$1,539,242	\$1,409,167	\$1,919,377	\$2,380,550	\$2,417,086	\$2,454,194	\$2,491,885

The chart and graph illustrate the \$565,000 custodial salary shift into the Operations & Maintenance Fund beginning in FY 16. Supplies and materials are a significant portion of the Operations & Maintenance Fund. These supplies typically are for janitorial cleaning products, materials to keep buildings operating smoothly, and general maintenance needs. Projections for all Operations & Maintenance expenditures were forecasted using an annual 1.5% increase.



The Debt Service Fund

The Debt Service Fund allocates revenue and expenditures for all of the District's long and short-term debt. The debt is usually in the form of principal and interest payments for prior bond issuances. The county clerk extends the necessary taxes each year to satisfy the District debt obligations based on the board approved resolutions that were filed when the debt was issued.

Debt Service Fund Summary	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Beginning Fund Balance	\$1,635,045	\$1,671,140	\$1,753,664	\$1,648,972	\$3,468,172	\$2,799,679	\$3,411,259	\$3,480,311
Revenues	\$1,917,310	\$1,988,558	\$1,905,609	\$3,885,800	\$3,102,000	\$3,200,980	\$3,301,000	\$3,301,000
Expenditures	\$1,881,215	\$1,906,035	\$2,010,300	\$2,066,600	\$3,770,493	\$2,589,400	\$3,231,948	\$2,698,662
Surplus/(Deficit)	\$36,095	\$82,523	-\$104,691	\$1,819,200	-\$668,493	\$611,580	\$69,052	\$602,338
Ending Fund Balance	\$1,671,140	\$1,753,664	\$1,648,972	\$3,468,172	\$2,799,679	\$3,411,259	\$3,480,311	\$4,082,649

Debt Service Fund Revenue Sources

Revenues received for the Debt Service Fund come from the annual tax levy and are monitored by the County Clerk in order for the District to meet its legal principal and interest payments on bonds outstanding. Each the year the Debt Service Fund will receive a transfer payment from the Capital Projects Fund in order to pay alternative revenue bond principal and interest payments.

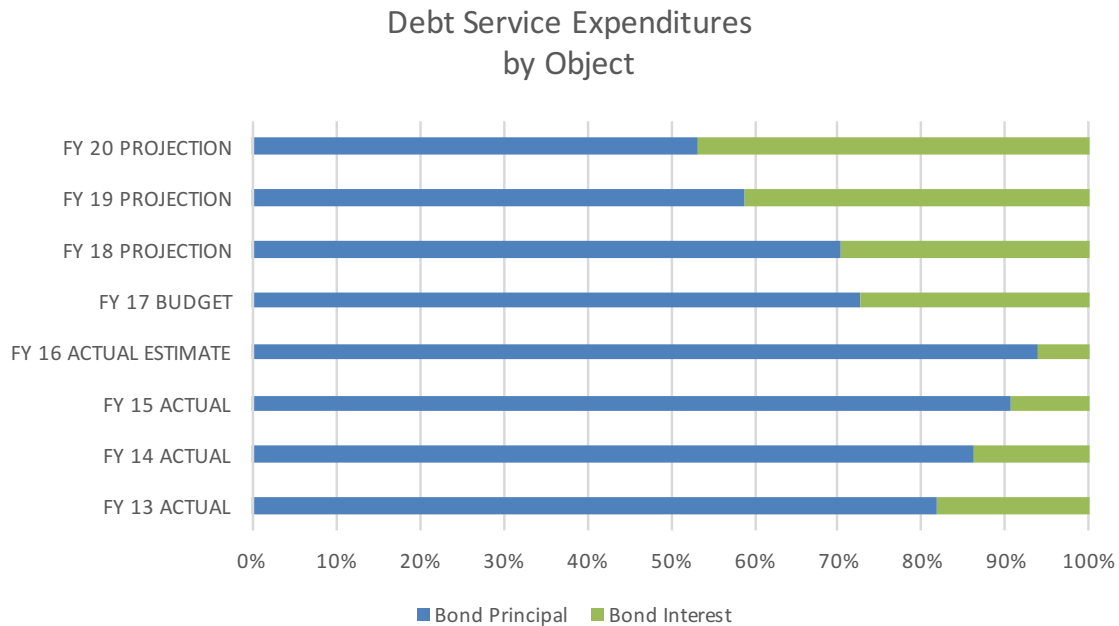
	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Debt Service Fund Revenues Local Sources								
Bond and Interest Tax Levy	\$1,913,021	\$1,983,487	\$1,900,397	\$2,251,979	\$2,300,000	\$2,400,000	\$2,500,000	\$2,500,000
Interest on Investments	\$4,290	\$5,071	\$5,212	\$8,925	\$2,000	\$980	\$1,000	\$1,000
TOTAL LOCAL SOURCES	\$1,917,310	\$1,988,558	\$1,905,609	\$2,260,904	\$2,302,000	\$2,400,980	\$2,501,000	\$2,501,000

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Debt Service Fund Inter-Fund Transfers								
Principal on Bonds Sold	\$0	\$0	\$0	\$826,228	\$0	\$0	\$0	\$0
Other Sources - Sales Tax Transfer	\$0	\$0	\$0	\$798,668	\$800,000	\$800,000	\$800,000	\$800,000
TOTAL INTER-FUND TRANSFERS	\$0	\$0	\$0	\$1,624,896	\$800,000	\$800,000	\$800,000	\$800,000

Debt Service Fund Expenditures by Object

Debt Service Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Bond Principal	\$1,539,995	\$1,645,000	\$1,820,000	\$1,940,000	\$2,735,000	\$1,820,000	\$1,900,000	\$1,440,000
Bond Interest	\$341,220	\$261,035	\$190,300	\$126,600	\$1,035,493	\$769,400	\$1,331,948	\$1,258,662
Totals	\$1,881,215	\$1,906,035	\$2,010,300	\$2,066,600	\$3,770,493	\$2,589,400	\$3,231,948	\$2,698,662

All District principal and interest payments are made out of the Debt Service Fund, including an \$11,000,000 alternative revenue bond issue that is backed by the roughly \$920,000 of sales tax revenue that is accounted for in the Capital Projects Fund. Every year a journal entry is made to transfer roughly \$850,000 into the Debt Service Fund in order to make the principal and interest payments on the alternative revenue bond for which there is no taxes levied, unlike the other debt instruments the District is currently paying.



The Transportation Fund

The Transportation Fund supports the student transportation program. Revenue from the fund is received via property taxes and state reimbursement for transportation. Over the years, the Transportation Fund balance has decreased due primarily from a decrease in levels of state funding for reimbursement, which is currently prorated by the state at approximately 72%. The District outsources the transporting of students to and from school and most extra-curricular events to Pink's Bus Service, a local private company. This past school year District 228 children were transported over 457,000 miles on 30 different bus routes.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Transportation Fund Summary								
Beginning Fund Balance	\$1,214,666	\$2,243,048	\$2,644,350	\$2,444,944	\$2,386,376	\$2,042,276	\$1,873,289	\$1,678,188
Revenues	\$2,596,335	\$1,951,335	\$1,406,447	\$1,657,748	\$1,664,900	\$1,659,099	\$1,653,770	\$1,648,910
Expenditures	\$1,567,954	\$1,550,033	\$1,605,853	\$1,716,317	\$2,009,000	\$1,828,085	\$1,848,871	\$1,875,372
Surplus/(Deficit)	\$1,028,382	\$401,303	-\$199,406	-\$58,569	-\$344,100	-\$168,987	-\$195,101	-\$226,462
Ending Fund Balance	\$2,243,048	\$2,644,350	\$2,444,944	\$2,386,376	\$2,042,276	\$1,873,289	\$1,678,188	\$1,451,727

Transportation Fund balances are projected to continue to decline due primarily to State reimbursement pro-ration. Currently, the State of Illinois reimburses Districts at only 71% of their transportation entitlement. The District fortunately has experienced cost savings in the form of unleaded fuel and bus diesel fuel, however this saving is minimal compared to the roughly \$300,000 per year that the State shortfalls the District.

Transportation Fund Revenue Sources

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Transportation Fund Revenues Local Sources								
Transportation Tax Levy	\$642,561	\$648,753	\$644,117	\$696,039	\$674,000	\$684,110	\$694,372	\$704,787
Reg Transp From Pupils	\$2,392	\$1,355	\$1,017	\$1,131	\$1,900	\$1,929	\$1,957	\$1,987
Interest on Investments	\$5,649	\$5,823	\$5,679	\$5,788	\$4,000	\$4,060	\$4,121	\$4,183
Contributions & Donations	\$0	\$270	\$0	\$0	\$0	\$0	\$0	\$0
Refund of Prior Yrs Expnd	\$0	\$0	\$37,417	\$0	\$0	\$0	\$0	\$0
TOTAL LOCAL SOURCES	\$650,602	\$656,201	\$688,231	\$702,959	\$679,900	\$690,099	\$700,450	\$710,957

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Transportation Fund Revenues State Sources								
Reg Transportation	\$974,662	\$919,625	\$582,076	\$781,852	\$800,000	\$784,000	\$768,320	\$752,954
Special Education Transportation	\$371,071	\$375,509	\$136,141	\$172,938	\$185,000	\$185,000	\$185,000	\$185,000
TOTAL STATE SOURCES	\$1,345,733	\$1,295,134	\$718,217	\$954,790	\$985,000	\$969,000	\$953,320	\$937,954

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Transportation Fund Inter-Fund Transfers								
Perm Transfer from Working Cash	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

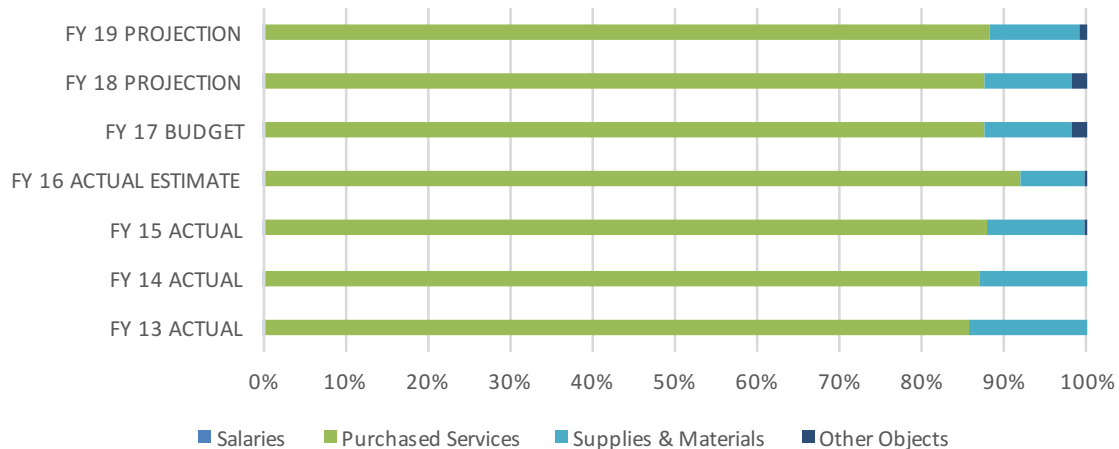
In FY 13 the District was forced to transfer funds into the Transportation Fund. Any further reductions in Transportation reimbursements from the state would most likely force the District to make fund transfers. Another key factor for the Transportation Fund are fuel prices. Increases in fuel prices will negatively impact the Transportation Fund and ending fund balances. The District currently bids out both diesel and regular bus fuel annually.

Transportation Fund Expenditures by Object

Transportation Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Salaries	\$6,871	\$5,791	\$6,511	\$7,605	\$7,500	\$7,575	\$7,651	\$7,727
Purchased Services	\$1,561,082	\$1,544,242	\$1,591,342	\$1,700,759	\$1,750,500	\$1,785,510	\$1,821,220	\$1,857,645
Supplies & Materials	\$262,698	\$233,903	\$210,203	\$140,190	\$216,000	\$220,320	\$224,726	\$229,221
Other Objects	\$0	\$0	\$8,000	\$7,954	\$35,000	\$35,000	\$20,000	\$10,000
Totals	\$1,830,652	\$1,783,936	\$1,816,057	\$1,856,507	\$2,009,000	\$2,048,405	\$2,073,597	\$2,104,593

The District contracted transportation provider is the single largest contract in the District outside of the teacher negotiated union contract. The contract for transportation services is negotiated every year, and typically the District pays an average 2% increase year-to-year. This 2% increase for purchased services is used in the 3 year projections, along with a 2% increase in supplies and materials (fuel). Other objects within the Transportation Fund consist of bus camera lease to own payments which will conclude in FY 19.

Transportation Expenditures
by Object



The Illinois Municipal Retirement Fund

There are two sub-funds in the Retirement Fund of Geneseo CUSD 228. They are the Illinois Municipal Retirement Fund and F.I.C.A./Medicare Fund. They are organized into two separate funds to coincide with the tax levy. This supports the pension program for all non-certified employees. The District is required to contribute to this program if an employee works over 600 hours per year. Each year the contribution rate is set based on employee experience, and in Fiscal Year 17 the employer rate is 12.36%, up from 11.82% in Fiscal Year 16.

Revenues for the Illinois Municipal Retirement Fund come from the local tax levy and also a percentage set by law of Corporate Personal Property Replacement Taxes (\$30,000 annually).

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
MRF Fund Summary								
Beginning Fund Balance	\$1,635,045	\$1,945,132	\$1,897,658	\$1,989,142	\$2,235,947	\$2,337,827	\$2,441,235	\$2,546,194
Revenues	\$1,014,015	\$650,079	\$753,998	\$853,504	\$828,000	\$840,420	\$853,026	\$865,822
Expenditures	\$703,928	\$697,553	\$662,514	\$606,699	\$726,120	\$737,012	\$748,067	\$759,288
Surplus/(Deficit)	\$310,087	-\$47,474	\$91,484	\$246,805	\$101,880	\$103,408	\$104,959	\$106,534
Ending Fund Balance	\$1,945,132	\$1,897,658	\$1,989,142	\$2,235,947	\$2,337,827	\$2,441,235	\$2,546,194	\$2,652,728

The Illinois Municipal Retirement Fund Revenue Sources

Revenue sources for the IMRF fund come primarily from the annual tax levy. The District levies an appropriate dollar amount based on fund balances and historical actual expenditures. It has been recommended by the District auditor to maintain a one-year balance in the IMRF fund in order to hedge against any unforeseen legislation changes to the pension system. This practice of maintaining a one-year balance prevents the District from addressing cost increases with steep levy tax rate increases.

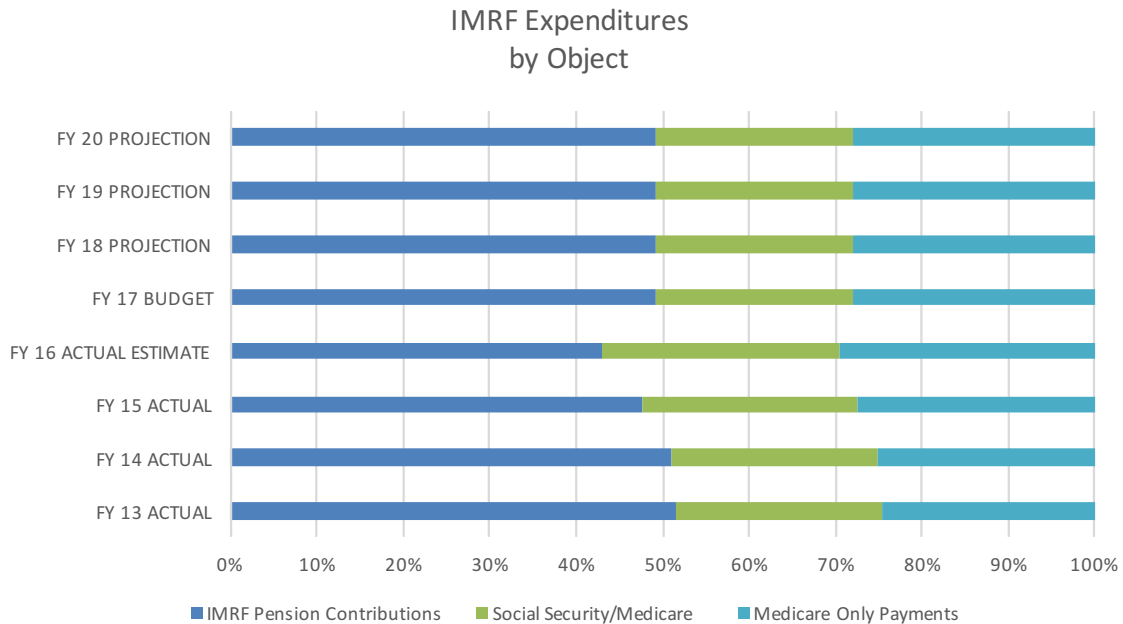
	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
IMRF Fund Revenues Local Sources								
IMRF Levy	\$317,985	\$332,212	\$365,072	\$391,773	\$380,000	\$385,700	\$391,486	\$397,358
SS/Medicare Levy	\$264,897	\$284,836	\$357,567	\$429,626	\$415,000	\$421,225	\$427,543	\$433,957
Corporate Personal Property Tax Replacement Tax	\$30,000	\$30,900	\$30,000	\$27,769	\$33,000	\$33,495	\$33,997	\$34,507
Interest on Investments	\$1,118	\$1,136	\$1,016	\$1,695	\$0	\$0	\$0	\$0
Refund of Prior Years EXPND	\$15	\$995	\$0	\$2,642	\$0	\$0	\$0	\$0
Payments from other Districts	\$0	\$0	\$342	\$0	\$0	\$0	\$0	\$0
TOTAL LOCAL SOURCES	\$614,015	\$650,079	\$753,998	\$853,504	\$828,000	\$840,420	\$853,026	\$865,822

	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
IMRF Fund Inter-Fund Transfers								
Perm Transfer from Working Cash	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$400,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Illinois Municipal Retirement Fund Expenditures by Object

IMRF Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
IMRF Pension Contributions	\$362,894	\$356,774	\$315,940	\$260,751	\$356,542	\$361,890	\$367,318	\$372,828
Social Security/Medicare	\$166,937	\$164,896	\$165,153	\$167,042	\$166,349	\$168,844	\$171,377	\$173,948
Medicare Only Payments	\$174,096	\$175,883	\$181,421	\$178,905	\$203,229	\$206,277	\$209,372	\$212,512
Totals	\$703,928	\$697,553	\$662,514	\$606,699	\$726,120	\$737,012	\$748,067	\$759,288

Expenditures by object within the IMRF Fund are fairly consistent over time due to legislation that determines the amount of District payment requirements for employees that qualify for eligibility for the Illinois Municipal Retirement Fund. Currently, the District must contribute 12.36% of every IMRF eligible employee's annual salary for the pension contribution. Social Security and Medicare contributions are set by federal statute.



The Capital Projects Fund

The Capital Projects Fund will be used for financing major capital projects, which have been approved by the Board of Education, or for the abatement of existing debt. A recent \$16,000,000 voted bond referendum along with the 1-cent countywide sales tax referendum that was passed in 2014 will be the source of revenue for this fund. The District is currently managing three different construction projects simultaneously along with undergoing a series of architectural design meetings for the final phase in the District construction and remodel. The majority of expenditures for construction projects will come due in the FY 17 fiscal year, while the revenues for these construction projects were received in FY 16 through a series of bond issues.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Capital Projects Fund Summary								
Beginning Fund Balance	\$0	\$0	\$135,274	\$1,153,871	\$29,426,110	\$9,136,110	\$4,039,610	\$4,058,495
Revenues	\$0	\$135,274	\$1,018,597	\$29,070,908	\$895,000	\$868,500	\$868,885	\$877,556
Expenditures	\$0	\$0	\$0	\$798,668	\$21,185,000	\$5,965,000	\$850,000	\$850,000
Surplus/(Deficit)	\$0	\$135,274	\$1,018,597	\$28,272,240	-\$20,290,000	-\$5,096,500	\$18,885	\$27,556
Ending Fund Balance	\$0	\$135,274	\$1,153,871	\$29,426,110	\$9,136,110	\$4,039,610	\$4,058,495	\$4,086,051

All revenues attributed to the Capital Projects Fund come from the 1-cent county sales tax. The District has received on average roughly \$80,000 per month since late in FY 14 when the sales tax proceeds began. Gasoline prices play an important role in the overall sales tax revenue the District receives. A conservative approach in estimating future sales tax revenue has been used in the revenue projections. Since an alternative revenue bond has been issued against the annual sales tax cash flow it is important that the District receive at least \$800,000 per year to make principal and interest payments. Two years of historical data indicate the District should be able to continue to obtain this revenue, and there are no economic signs locally that would change these projections.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Capital Projects Fund Revenues Local Sources								
Interest on Investments	\$0	\$20	\$1,802	\$39,274	\$45,000	\$10,000	\$1,800	\$1,800
Sales Tax Income	\$0	\$135,255	\$1,016,795	\$942,691	\$850,000	\$858,500	\$867,085	\$875,756
TOTAL LOCAL SOURCES	\$0	\$135,274	\$1,018,597	\$981,965	\$895,000	\$868,500	\$868,885	\$877,556

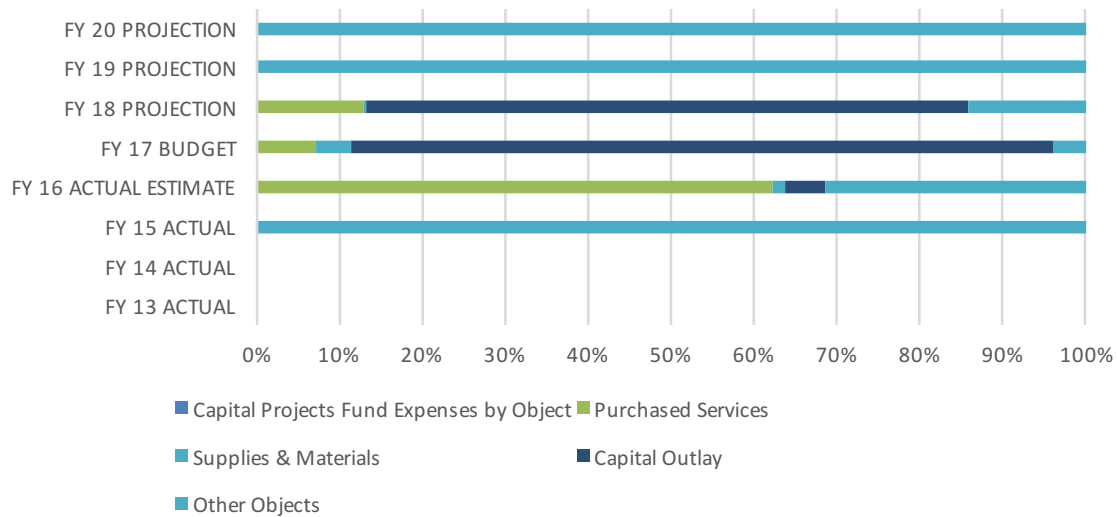
	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Capital Projects Fund Inter-Fund Transfers (bonds)								
Principal on Bonds Sold	\$0	\$0	\$0	\$28,088,943	\$0	\$0	\$0	\$0
Accrued Interest on Bonds Sold	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$0	\$0	\$0	\$28,088,943	\$0	\$0	\$0	\$0

Capital Projects Fund Expenditures by Object

Capital Projects Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Purchased Services	\$0	\$0	\$0	\$1,636,006	\$1,560,000	\$770,000	\$0	\$0
Supplies & Materials	\$0	\$0	\$365	\$36,013	\$875,000	\$25,000	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$126,672	\$17,900,000	\$4,320,000	\$0	\$0
Other Objects	\$0	\$0	\$0	\$824,189	\$850,000	\$850,000	\$850,000	\$850,000
Totals	\$0	\$0	\$365	\$2,622,879	\$21,185,000	\$5,965,000	\$850,000	\$850,000

The Capital Projects Fund will be the fund where the vast majority of the Project Leaf Construction costs will be expensed. Currently, the District is involved in 3 construction projects at the High School, Northside Elementary, and Millikin Elementary. Budgeted for FY 17 is \$21,185,000 on the \$36,000,000 District wide project. Of the \$36,000,000 project budget, roughly \$7,000,000 will involve Health Life Safety code upgrades and these costs will be expensed from the Health Life Safety Fund.

Capital Projects Expenditures by Object



The Working Cash Fund

The Working Cash Fund can be used for internal borrowing. Internal borrowing usually occurs because of late property tax collections and/or low fund balances. It is also permissible to abate or permanently transfer funds from the Working Cash Fund to the fund most in need. The District can use this fund for cash flow purposes. This fund can act like the District's "savings" account. Illinois School Code prevents any "direct expenditures" to come out of the Working Cash Fund which is why an expenditure line item is absent in the below table.

For cash flow purposes and to cover operating fund deficits, a \$3,000,000 working cash bond issue is budgeted for FY 19. Also, to offset deficits in the Education Fund, transfers from the Working Cash Fund are budgeted in FY 18, FY 19, and FY 20.

	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Working Cash Fund Summary								
Beginning Fund Balance	\$3,739,166	\$2,521,032	\$2,626,043	\$496,547	\$2,801,819	\$1,883,819	\$1,553,819	\$3,722,819
Revenues	\$31,866	\$105,011	\$170,504	\$2,087,138	\$82,000	\$170,000	\$3,169,000	\$168,000
Transfers & Debt Abatement	\$1,250,000	\$0	\$2,300,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$1,000,000
Surplus/(Deficit)	-\$1,218,134	\$105,011	-\$2,129,496	\$1,087,138	-\$918,000	-\$330,000	\$2,169,000	-\$832,000
Ending Fund Balance	\$2,521,032	\$2,626,043	\$496,547	\$2,801,819	\$1,883,819	\$1,553,819	\$3,722,819	\$2,890,819

	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Working Cash Fund Revenues Local Sources								
Working Cash Levy	\$19,818	\$94,504	\$161,065	\$78,679	\$80,000	\$165,000	\$165,000	\$165,000
Interest on Investments	\$12,048	\$10,507	\$9,439	\$8,096	\$2,000	\$5,000	\$4,000	\$3,000
TOTAL LOCAL SOURCES	\$31,866	\$105,011	\$170,504	\$86,775	\$82,000	\$170,000	\$169,000	\$168,000

	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Working Cash Fund Revenues (bonds issued)								
Principal on Bonds Sold	\$0	\$0	\$0	\$2,000,363	\$0	\$0	\$3,000,000	\$0
TOTAL INTER-FUND TRANSFERS	\$0	\$0	\$0	\$2,000,363	\$0	\$0	\$3,000,000	\$0

	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Working Cash Permanent Transfer	\$1,250,000	\$0	\$2,300,000	\$1,000,000	\$1,000,000	\$500,000	\$1,000,000	\$1,000,000

The Tort Fund

The Tort Fund is used for all liability insurance expenditures, judgments against the District, and all aspects of the District Risk Management Plan.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Tort Fund Summary								
Beginning Fund Balance	\$580,965	\$762,049	\$659,297	\$469,138	\$544,002	\$429,802	\$273,382	\$64,573
Revenues	\$687,032	\$436,943	\$424,288	\$560,176	\$551,000	\$567,500	\$584,495	\$602,000
Expenditures	\$505,948	\$539,695	\$614,448	\$485,312	\$665,200	\$723,920	\$793,303	\$834,154
Surplus/(Deficit)	\$181,084	-\$102,752	-\$190,160	\$74,864	-\$114,200	-\$156,420	-\$208,808	-\$232,155
Ending Fund Balance	\$762,049	\$659,297	\$469,138	\$544,002	\$429,802	\$273,382	\$64,573	-\$167,581

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Tort Fund Revenues Local Sources								
^ Tort Levy	\$430,450	\$417,956	\$421,414	\$519,192	\$550,000	\$566,500	\$583,495	\$601,000
^ Interest on Investments	\$1,758	\$1,622	\$1,199	\$1,169	\$1,000	\$1,000	\$1,000	\$1,000
^ Refund of Prior Years EXPND	\$4,824	\$17,365	\$1,675	\$0	\$0	\$0	\$0	\$0
TOTAL LOCAL SOURCES	\$437,032	\$436,943	\$424,288	\$520,360	\$551,000	\$567,500	\$584,495	\$602,000

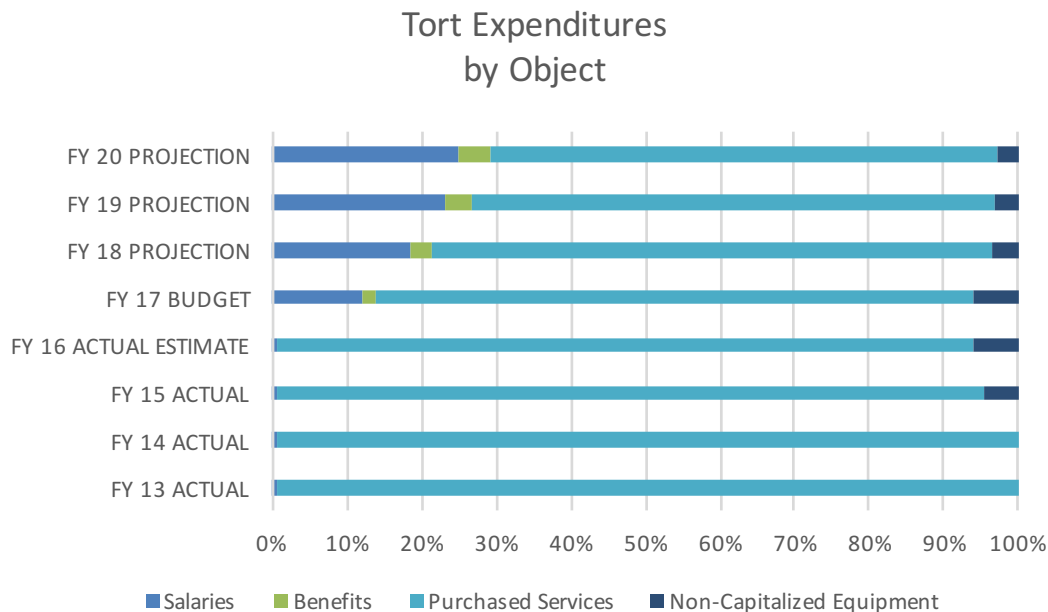
	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Tort Fund Revenues State Sources								
Other Revenue-State	\$0	\$0	\$0	\$39,816	\$0	\$0	\$0	\$0
TOTAL STATE SOURCES	\$0	\$0	\$0	\$39,816	\$0	\$0	\$0	\$0

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Tort Fund Revenues Inter-Fund Transfers								
Perm Transfer from Working Cash	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INTER-FUND TRANSFERS	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Tort Fund Expenditures by Object

In order to address deficits in the Education Fund due to legal maximum tax rate limitations, beginning in FY 17 the District will shift salaries based on the Risk Management Plan percentage guidelines into the Tort Fund. Currently, the District has shifted nearly \$80,000 in salary from the High School Assistant principals' positions into the Tort Fund. In the following years the District expects even greater salary shifts which will ultimately impact the Tort tax levy as the District will need increased revenues to accommodate the increase in expenditures. The anticipated cost increase in the Tort fund is approximately 9% over the next three years.

Tort Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Salaries	\$4,000	\$4,500	\$4,000	\$4,000	\$79,700	\$133,500	\$183,500	\$209,000
Benefits	\$0	\$0	\$0	\$0	\$12,000	\$21,250	\$29,750	\$34,000
Purchased Services	\$501,948	\$535,195	\$583,103	\$451,752	\$533,500	\$544,170	\$555,053	\$566,154
Non-Capitalized Equipment	\$0	\$0	\$27,345	\$29,560	\$40,000	\$25,000	\$25,000	\$25,000
Totals	\$505,948	\$539,695	\$614,448	\$485,312	\$665,200	\$723,920	\$793,303	\$834,154



The Health Life Safety Fund

The Health Life Safety Fund is used to budget for eligible code-required building projects that are included in the District health life safety survey conducted by contracted District architects. Only projects that go through the formal health life safety amendment process can be included in this fund. The ten-year required survey has revealed roughly \$8,000,000 worth of Health Life Safety projects to be completed over the next 10 years. \$7,500,000 worth of Health Life Safety Bonds were received in Fiscal Year 16 as part of the voter referendum.

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Health Life Safety Fund Summary								
Beginning Fund Balance	\$659,214	\$518,040	\$492,186	\$548,994	\$7,868,505	\$2,954,505	\$1,747,379	\$1,290,685
Revenues	\$18,830	\$14,388	\$96,026	\$7,683,541	\$66,000	\$67,873	\$68,307	\$68,970
Expenditures	\$160,004	\$40,243	\$39,218	\$364,029	\$4,980,000	\$1,275,000	\$525,000	\$275,000
Surplus/(Deficit)	-\$141,174	-\$25,854	\$56,808	\$7,319,511	-\$4,914,000	-\$1,207,127	-\$456,694	-\$206,030
Ending Fund Balance	\$518,040	\$492,186	\$548,994	\$7,868,505	\$2,954,505	\$1,747,379	\$1,290,685	\$1,084,655

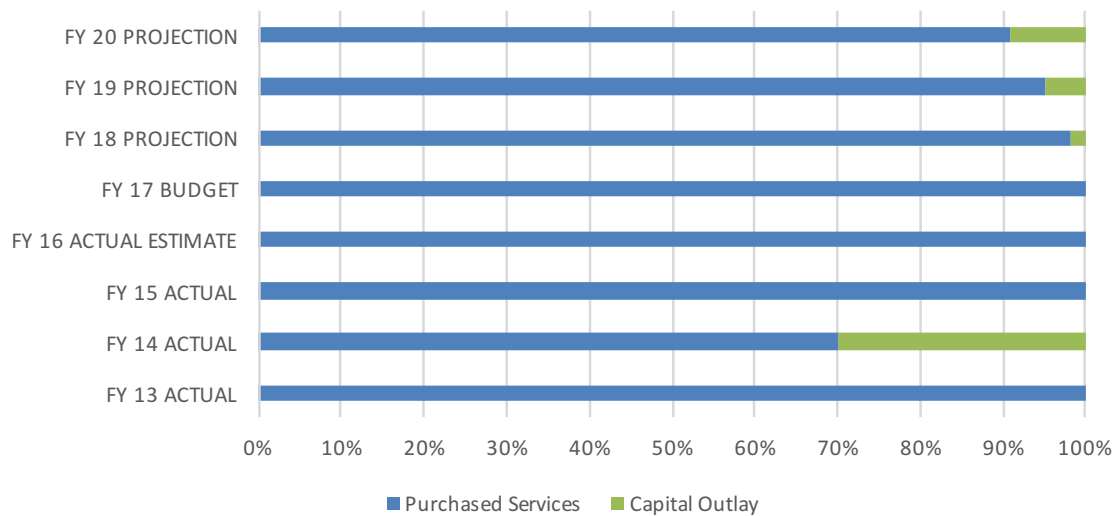
	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Health Life Safety Local Sources								
Fire Prev and Safety Levy	\$17,211	\$12,961	\$94,584	\$78,679	\$65,000	\$65,650	\$66,307	\$66,970
Interest on Investments	\$1,620	\$1,428	\$1,442	\$19,862	\$1,000	\$2,223	\$2,000	\$2,000
TOTAL LOCAL SOURCES	\$18,830	\$14,388	\$96,026	\$98,541	\$66,000	\$67,873	\$68,307	\$68,970

	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20
	Actual	Actual	Actual	Actual Estimate	Budget	Projection	Projection	Projection
Health Life Safety Inter-Fund Transfers (bonds issued)								
Principal on Bonds Sold	\$0	\$0	\$0	\$7,585,000	\$0	\$0	\$0	\$0
INTER-FUND TRANSFERS	\$0	\$0	\$0	\$7,585,000	\$0	\$0	\$0	\$0

Health Life Safety Fund Expenditures by Object

Health Life Safety Fund Expenses by Object	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Purchased Services	\$160,004	\$28,235	\$39,218	\$364,029	\$4,980,000	\$1,250,000	\$500,000	\$250,000
Capital Outlay	\$0	\$12,007	\$0	\$0	\$0	\$25,000	\$25,000	\$25,000
Totals	\$160,004	\$40,243	\$39,218	\$364,029	\$4,980,000	\$1,275,000	\$525,000	\$275,000

Health Life Safety Expenditures
by Object



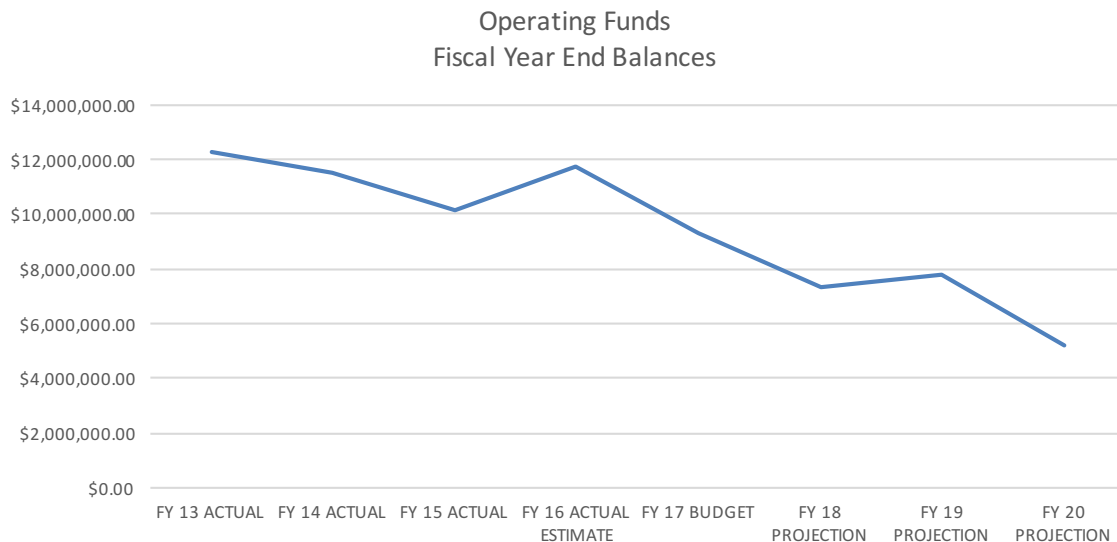
Significant Changes in Fund Balances

End of Fiscal Year Fund Balances

Fund	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Education	\$4,901,972	\$3,480,813	\$4,201,937	\$4,590,300	\$3,801,938	\$3,010,471	\$2,221,384	\$1,433,668
Operations & Maintenance	\$2,748,298	\$2,817,402	\$2,618,700	\$2,753,094	\$2,230,044	\$1,546,071	\$850,986	\$144,597
Debt Service	\$1,671,141	\$1,753,664	\$1,648,973	\$3,468,173	\$2,799,680	\$3,411,260	\$3,480,312	\$4,082,650
Transportation	\$1,980,349	\$2,147,748	\$1,738,139	\$1,539,380	\$1,411,280	\$1,242,294	\$1,047,193	\$820,731
IMRF	\$445,006	\$397,536	\$489,020	\$735,826	\$837,706	\$941,114	\$1,046,074	\$1,152,607
Capital Projects	\$0	\$135,274	\$1,153,506	\$27,601,534	\$7,311,534	\$2,215,034	\$2,233,919	\$2,261,475
Working Cash	\$3,739,166	\$3,844,176	\$1,714,681	\$2,801,819	\$1,883,819	\$1,053,819	\$3,222,819	\$2,390,819
Tort	\$765,543	\$662,791	\$494,720	\$569,583	\$455,383	\$298,963	\$90,155	-\$142,000
Health Life Safety	\$518,040	\$492,186	\$548,994	\$7,868,506	\$2,954,506	\$1,747,379	\$1,290,686	\$1,084,655
Totals	\$16,769,515	\$15,731,590	\$14,608,670	\$51,928,215	\$23,685,890	\$15,466,405	\$15,483,527	\$13,229,203

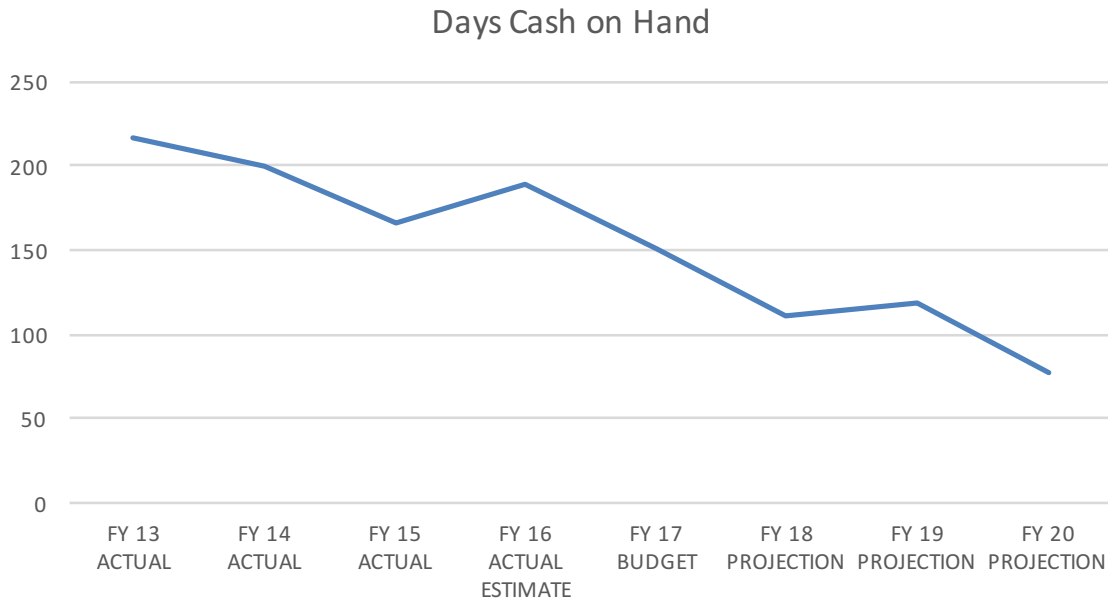
The balance in the Tort Fund decreases significantly over time and that fund balance will need to be addressed in the annual tax levy. There is no legal limit on the Tort Tax Levy so the District does have the ability to increase revenues to offset deficits in this fund.

As the chart below indicates there is cause for concern for the projected fiscal year end balances in the District operating funds. Balances become dangerously low by FY 20 within all of the operating funds, especially in the Operations and Maintenance Fund due to the shift of custodian salaries and the aging of buildings and vehicles throughout the District.



Significant Changes in Fund Balances

Another financial indicator that is cause for concern over the next three years is the level of days cash on hand available. Days cash on hand is simply the number of days the District could operate without any additional revenue from any sources. The graph below indicates that by FY 20 the District will have well below 100 days cash on hand which implies the District could not operate without some sort of short-term borrowing or new revenue stream by roughly January 1, 2020.



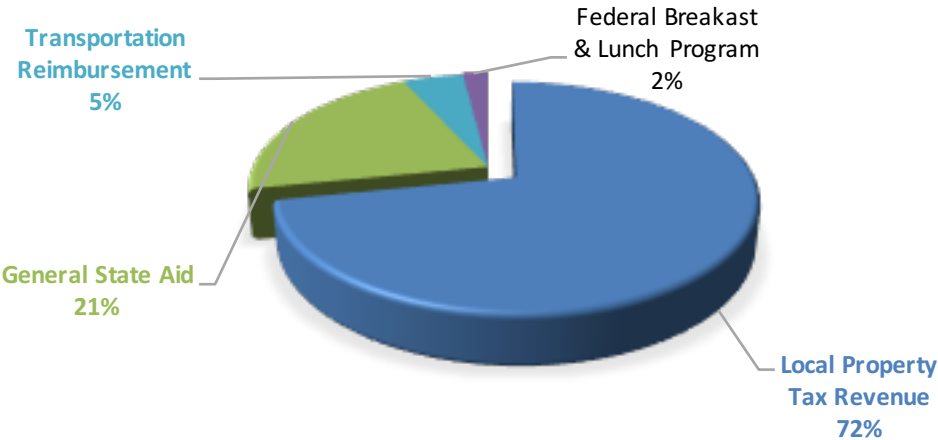
The chart below indicates that starting in FY 18 fund balances as a percent of expenditures become extremely low in the Education Fund and continue to decline in the Operations & Maintenance Fund. Board Policy is to maintain at least a 25% fund balance as a percent of expenditures, both the Education Fund and the Operations & Maintenance Fund are projected to fall well below that figure.

Fund Balance as a Percent of Expenditures	FY 13 Actual	FY 14 Actual	FY 15 Actual	FY 16 Actual Estimate	FY 17 Budget	FY 18 Projection	FY 19 Projection	FY 20 Projection
Education	27.75%	19.64%	23.39%	27.33%	21.53%	16.79%	12.20%	7.75%
Operations & Maintenance	181.37%	183.04%	185.83%	143.44%	93.68%	63.96%	34.67%	5.80%
Debt Service	88.83%	92.01%	82.03%	167.82%	74.25%	131.74%	107.68%	151.28%
Transportation	126.30%	138.56%	108.24%	89.69%	78.71%	67.96%	56.64%	43.76%
IMRF	63.22%	56.99%	73.81%	121.28%	115.37%	127.69%	139.84%	151.80%
Capital Projects	N/A	N/A	N/A	3455.95%	34.51%	37.13%	262.81%	266.06%
Working Cash	299.13%	N/A	74.55%	280.18%	188.38%	210.76%	322.28%	239.08%
Tort	151.31%	122.81%	80.51%	117.36%	68.46%	41.30%	11.36%	-17.02%
Health Life Safety	323.77%	1223.05%	1399.86%	2161.50%	59.33%	137.05%	245.84%	394.42%

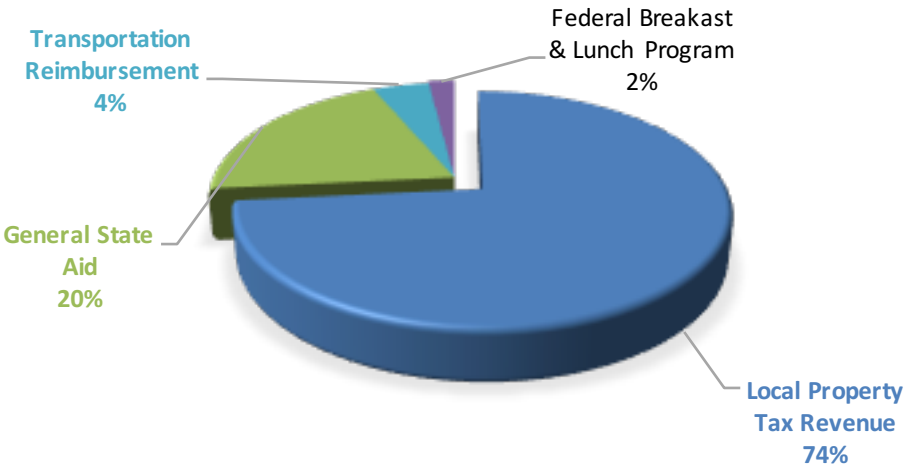
Significant Revenue Sources Categories

The most significant revenue source for the District comes from local taxpayers, and this proportion of local revenue compared to state and federal revenues continues to grow and become an even greater significance in the overall financing of the District. Over the past 4 fiscal years the percentage of local revenue as a percentage of all revenues has grown from 65% to 74%. There are two factors that have impacted this reality. The first is a steady and stable property tax base within the Geneseo community and the second is the lack of state dollars provided to the District, mainly due to the proration of General State Aid and Transportation funding.

FY 17 BUDGET
SIGNIFICANT REVENUE CATEGORIES

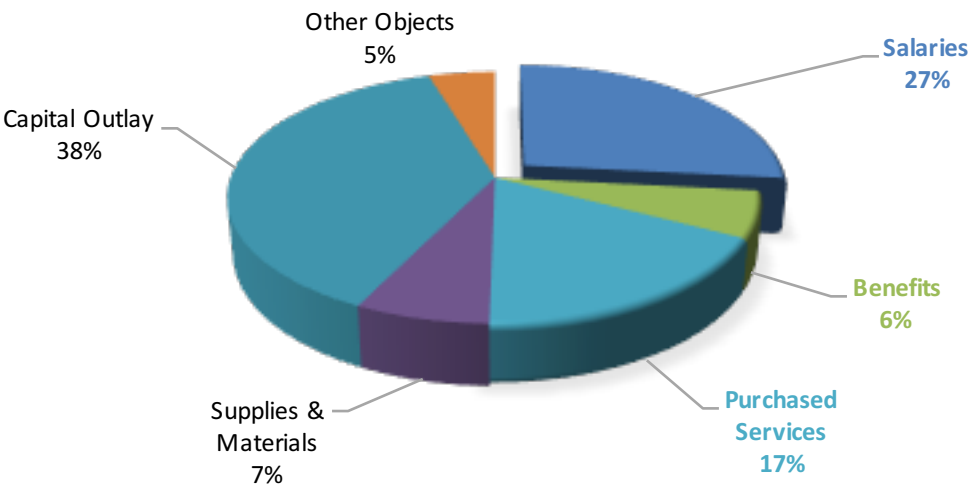


FY 20 PROJECTION
SIGNIFICANT REVENUE CATEGORIES

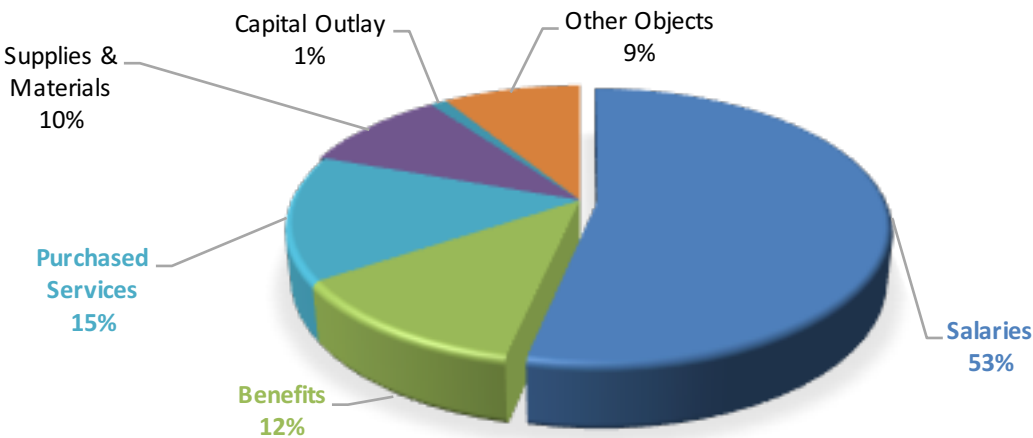


Significant Expenditure Categories

FY 17 BUDGET SIGNIFICANT EXPENDITURE CATEGORIES



FY 20 PROJECTION SIGNIFICANT EXPENDITURE CATEGORIES

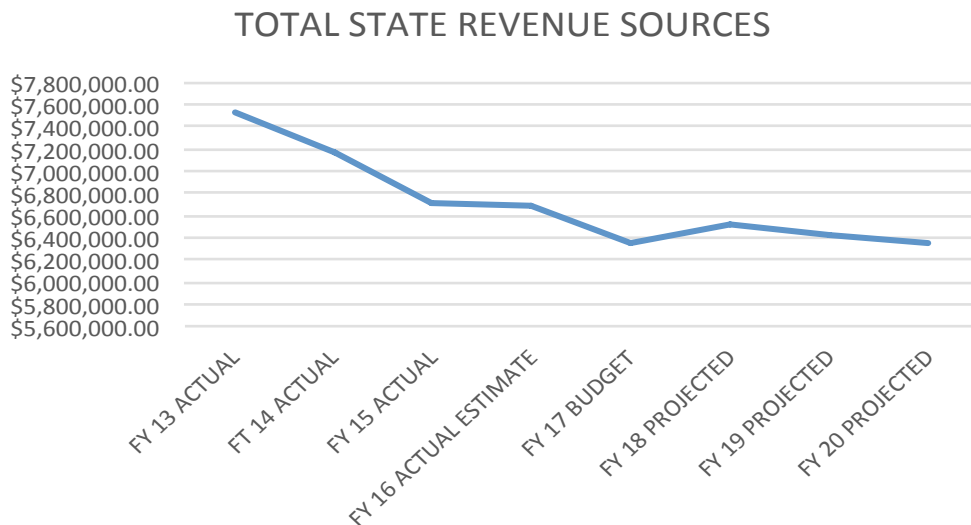


Trends in Revenue Sources and Expenditure Categories

The General State Aid formula is designed to ensure that all students in Illinois have access to educational goods and services which are valued at a so called “foundation level.” This foundation level is funded from both state aid and local property taxes through a formula that divides school districts into three categories of financial ability, each category has a different methodology for calculating aid. The current Illinois foundation level formula has been in place since 1997. The formula allocates state funds to districts in inverse proportion to their local ability to raise funds from their property tax base. In other words, districts with higher property tax bases receive proportionally less state aid in the formula compared to districts with lower property tax bases.

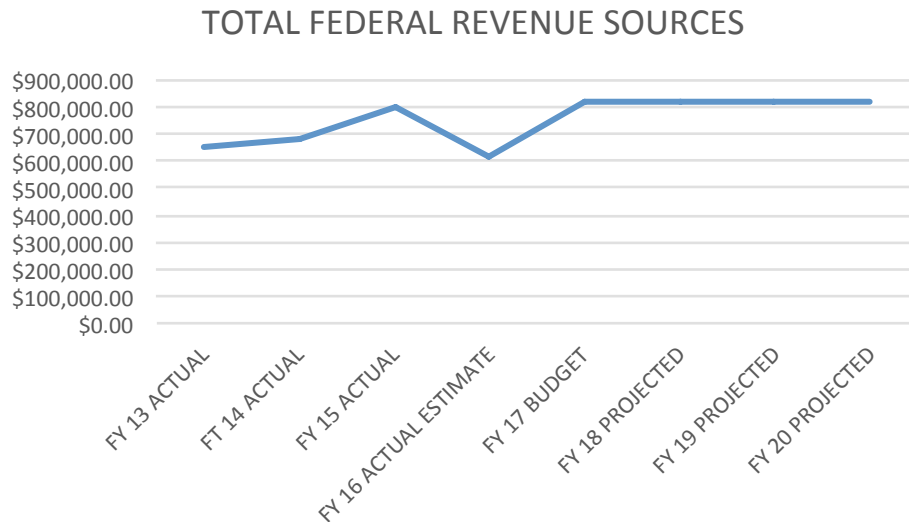
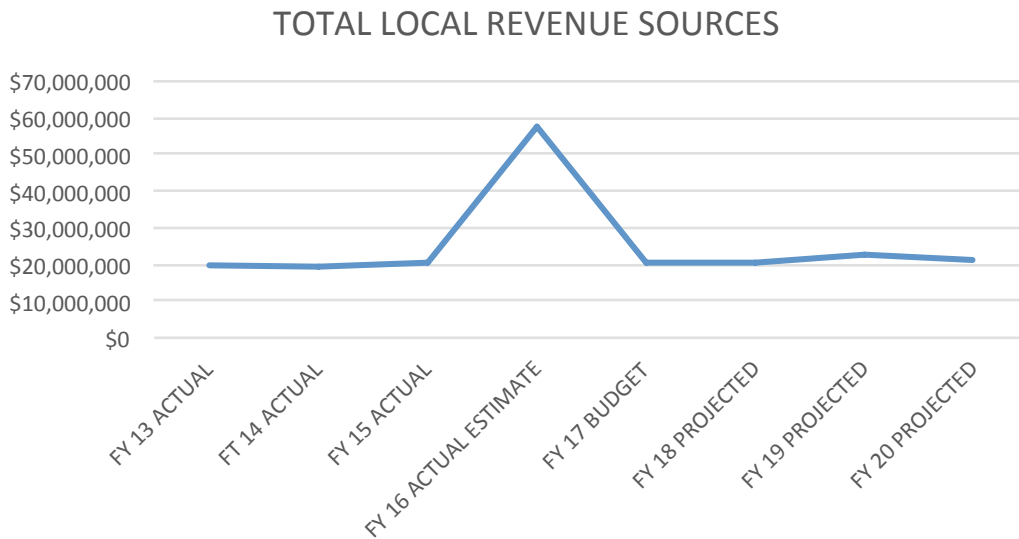
The intent of the formula is to achieve equity in funding, and it accomplishes this up to the amount of the foundation level, currently set at \$6,119 per pupil is a base amount that state legislators believe is an adequate dollar amount to educate a student in Illinois. The current \$6,119 foundation level was set by legislators during the 2009-2010 school year and remains at this level. The state aid formula is a partnership with the State and local school districts up to the foundation level figure. The formula compensates districts for amounts per pupil that they cannot raise based on the equalized assessed value of district taxable property per student. Therefore, beyond this \$6,119 foundation level, the spending power of a district is directly related to the strength of its tax base. For example, if a district has local wealth equal to \$5,0000 per student, the state aid formula would then provide the district with \$1,119 in General State Aid per student, making up the difference of the \$6,119 foundation level.

The following graph illustrates the negative trends in General State Aid and all State Revenue Sources, this trend has had a considerable negative impact on the District, reducing overall revenues by over \$2,000,000 per year.



Trends in Revenue Sources and Expenditure Categories

The trend in Local revenue is mainly a flat projection, the exception is in FY 16 where the District received \$36,000,000 in bond referendum proceeds. Unless property values or new construction development were to increase significantly in the short-term, there is no reason to assume local revenues will increase greater than the rate of inflation.



District Plan for Budget Deficit Forecast

The Board of Education has determined that a desired future outcome of the District is to establish a plan for long-term budget sustainability. Using the FY 17 Budget as a starting point, discussions by the Board of Education will most likely center on reducing costs in the operating funds over the next 4 years. The majority of expenditure reductions will most likely come out of the Education Fund where the average deficit in the past several years has averaged approximately -\$800,000.

Another consideration for long-term budget sustainability is a tax rate referendum, specifically in the Education Fund where the legal maximum tax rate is \$2.35. This legal maximum rate does not allow the district to adequately fund the Education Fund and decreases in General State Aid have created strong arguments in favor of an Education Fund tax rate referendum. Although politically an extremely difficult task, a .50 cent Education Fund tax rate referendum increase would have the potential of increasing Education Fund revenues by approximately \$1.5 million dollars each year, enough to cover current deficits in the Education Fund.

The following table serves as a starting point for discussion purposes in order to identify potential monetary savings from specific reductions in programs and staff in order to achieve long-term budget sustainability. The table incorporates projected staff retirements that are known at this time, and it also reduces expenditures over a 4-year period. Ultimately, the Board of Education will decide what cost reduction measures are best for the District and what dollar amount is necessary for long-term budget sustainability.

District Plan for Budget Deficit Forecast

Education Fund Possible Reductions	Fiscal Year Cost Reduction to be Implemented	Total Potential Cost Reduction
1 High School Teacher Retirement (not rehired)	FY 18	\$95,000
2 Middle School Teaching Positions (eliminated)	FY 18	\$70,000
4 Parapro/classroom aides (eliminated)	FY 18	\$30,000
1 Administrative Position (eliminated)	FY 19	\$85,000
Salary shifts to Tort Fund (based on Risk Management Plan)	FY 19	\$100,000
1 High School Teacher Retirement (not rehired)	FY 19	\$90,000
1 High School Principal Retire (rehire at a reduced salary)	FY 19	\$30,000
1 Elementary Teaching Position (eliminated)	FY 19	\$35,000
1 High School Vocational Teaching Position (eliminated)	FY 19	\$35,000
1 Middle School Guidance Position (eliminated)	FY 19	\$50,000
1 High School Teacher Retirement (not rehired)	FY 20	\$90,000
1 High School Teacher Retirement (not rehired)	FY 20	\$90,000
1 Elementary Teacher Retirement (not rehired)	FY 20	\$90,000
3 Middle School Teaching Positions (eliminated)	FY 20	\$115,000
1 High School Guidance Counselor (retirement rehired at beginning salary)	FY 21	\$50,000
1 Wellness Staff Member (eliminated)	FY 21	\$50,000
4 Aides/Para Pros (eliminated)	FY 21	\$40,000
5 Assistant Coaches	FY 21	\$15,000
Superintendent Retirement (rehire at a reduced salary)	FY 21	\$30,000
Leadership Team Restructure	FY 22	\$80,000
Non-personnel reductions (travel, supplies)	FY18-FY21	\$30,000
Total 4 Year Cost Reduction Operating Funds		\$1,300,000

Capital Projects

Long-Range Capital Improvement Plan

In the spring of 2013 the Henry County School Sales Tax Referendum was voted on and passed by the voters of Henry County. This new 1 cent “sales tax revenue” that generates nearly \$1,000,000 per year for the District began a series of community engagement sessions (Project Leaf). The goal of these community engagement sessions was to determine the best use of this new revenue stream within the limits of the law meaning that the revenue can only be used for: 1. Abating existing debt. 2. Facilities and Grounds.

The Project Leaf community engagement sessions led to the consensus that the best use of the 1 cent sales tax revenue was to: 1. Renovate and remodel the 3 existing elementary buildings. 2. Renovate and remodel the athletic stadium and fine arts area of the high school. The total estimated costs of these projects was roughly \$35,000,000, well beyond the annual \$1,000,000 of sales tax revenue, thus a referendum was required.

The referendum passed April 7, 2015 and below is a summary of the different finance and debt structures that will be used to finance the Project Leaf construction and remodel projects:

- Voted Referendum Bonds = \$16,500,000 (**Capital Projects Fund**)
- Alternate Revenue Bonds = \$11,000,000 (**Capital Projects Fund**)
- Life Safety Bonds = \$9,000,000 (**Health Life Safety Fund**)

Total Debt to finance Project Leaf = \$36,500,000

Currently, there are 3 construction projects in progress, and a 4th project will begin in the summer of 2017. All major capital projects are expected to be complete by the beginning of the 2018-19 school year.

Project Leaf	High School	Northside	Millikin	Southwest	
*General Contractor/Construction/Demolition	\$19,338,132	\$4,960,000	\$2,528,000	\$3,495,900	
**Total Accepted Bid	\$18,460,667	\$4,115,000	\$2,363,408	XXXX	
CM Fees/Requirements/Contingency (Estes)	\$1,322,103				
District 228 Contingency	\$500,000				
Architectural/Engineering	\$1,285,000	\$350,500	\$154,650	\$618,842	
Printing	\$50,000	\$5,000	\$2,500	\$2,500	
DFS Service	\$6,750	\$5,000	\$2,500	\$2,500	
Construction Testing	\$35,200	\$16,000	\$8,000	\$4,000	
Topographic Survey	\$18,500	\$4,500	\$1,900	\$4,000	
Geotechnical Survey	\$6,000	\$4,500	\$3,500	\$3,500	
Furniture/Fixtures/Equipment	\$1,000,000	\$183,000	\$191,000	\$282,000	
Technology	\$540,998	\$97,500	\$97,500	\$97,500	
Geothermal				\$1,200,000	
Total Original Budget all Costs	\$22,280,580	\$5,626,000	\$2,989,550	\$5,710,742	\$36,606,872
Total Current Estimated Budget all Costs	\$23,225,218	\$4,781,000	\$2,824,958	XXXX	\$30,831,176

* Includes Life Safety Work

** Includes all alternate bids

Capital Projects

Long-Range Capital Improvement Plan

There are two major components of the long-range capital improvement plan, Project Leaf which involves all present and near future construction projects and the District 10-Year Health Life Safety Survey. These two components are the planning tools for all capital projects throughout the District.

The chart below highlights the major projects that are part of the Health Life Safety Survey. All of the items highlighted in green are considered critical and will be completed within three years. The other items, based on the District architect findings, are not considered urgent and will be completed within a 5-10 year range.

The total amount of Health Life Safety work to be completed over the next 10 years is roughly \$7,857,850, which includes architectural contingency and fees.

Health Life Safety Capital Projects											
High School			Millikin Elementary			Northside Elementary			Southwest Elementary		
Lockers	\$	450,000.00	Flooring	\$	164,400.00	Flooring	\$	312,000.00	Windows	\$	100,000.00
Intercom/Clock System	\$	37,500.00	Windows	\$	155,000.00	Toilet Rooms	\$	15,000.00	Ceilings/Lighting	\$	284,000.00
Rooftop Units	\$	40,000.00	Exterior stone panels	\$	80,000.00	Backflow Preventer	\$	10,000.00	Flooring	\$	104,000.00
Parking Lot	\$	165,600.00	Parking/driveways	\$	40,800.00	Roofing	\$	424,200.00	Exterior soffit/tuckpoint		\$55,000.00
Temp Control Systems	\$	268,500.00	Backflow preventer	\$	10,000.00	Doors	\$	21,000.00	Doors		76,000.00
Fire Alarm System	\$	60,000.00	Roofing	\$	560,000.00		\$	782,200.00	HVAC System		1,200,000.00
Roofing	\$	1,300,000.00	Tuckpoint/exterior	\$	20,000.00				Roofing	\$	602,000.00
Doors and Locksets	\$	123,500.00		\$	1,030,200.00				Backflow preventer		10,000.00
Windows	\$	22,000.00	Total HLS Work included as part of Project Leaf								
Flooring	\$	35,000.00		\$	6,745,300.00						
Boiler work	\$	20,000.00									
HVAC work	\$	242,000.00									
Insulated Metal Panes	\$	10,000.00									
Exterior/Tuck Point work	\$	40,000.00									
	\$	2,814,100.00									
			Total District-Wide HLS Capital Projects with 10% contingency								
			\$ 7,857,850.00								

Capital Improvements not Included in Project Leaf or 10-Year Health Life Safety

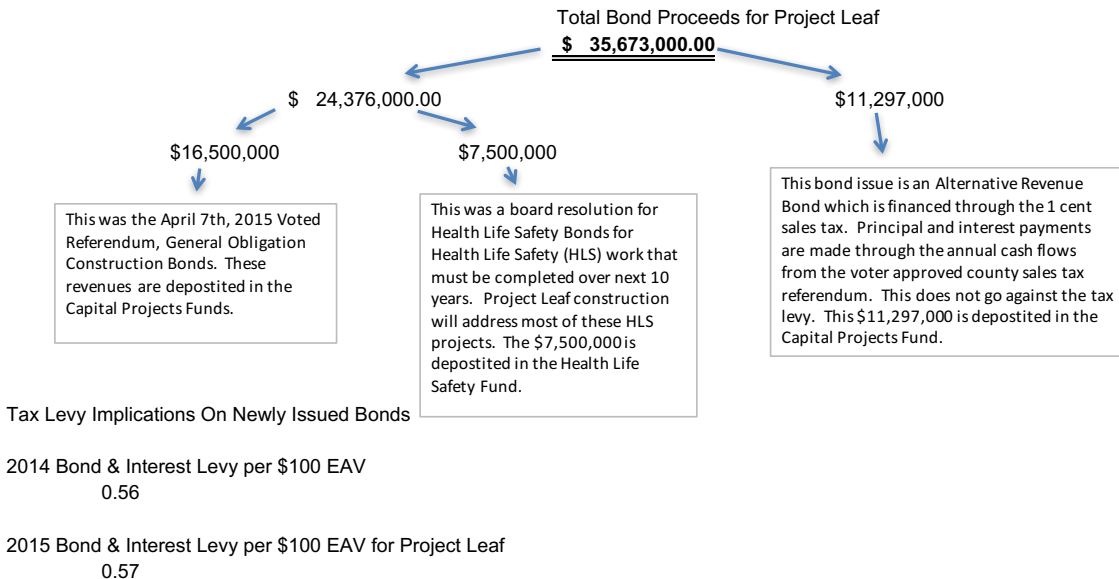
Project	Estimated Cost	Fund	Completion Date
Athletic Facility Floor	\$65,000	Capital Projects	August 2019
Storage Garage, Millikin Elementary	\$50,000	Capital Projects	August 2019
Football Stadium Concession Stand	\$200,000	Capital Projects	August 2018
Unit Office Secured Entrance	\$25,000	Tort Fund	July 2018
Estimated Totals	\$340,000		

Debt Obligations

Capital Projects Financing Summary

Current Budget for Improvements by Building, Totals for all Work Includes Contingencies

High School	\$23,225,218
Millikin	\$2,824,958
Northside	\$4,781,000
Southwest	\$5,710,000
Totals	\$36,541,176



As the above graph indicates, the newly issued debt to finance capital projects will not have an impact on tax rates or future budgets. The District retired debt in the previous year and the new debt principal and interest payments will replace the principal and interest payments on the retired debt, resulting in a minimal impact to taxpayers.

The budgetary impact of capital project funding sources on the current and future budget is that the District will show an increase in overall budget deficits in the next 3 years. This is simply due to cash basis accounting where revenues have been received in a previous fiscal year while expenditures will occur in the current and future fiscal years.

The recent debt issue for capital projects has impacted the legal debt margin of the District and its ability to borrow. Prior to the bond issue, the District legal debt margin was over \$40,000,000, compared to \$19,000,000 currently.

Classification of Fund Balances

According to Government Accounting Standards, fund balances are to be classified into five major classifications: Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance. The Regulatory Model, followed by the District, only reports Reserved and Unreserved Fund Balances. Below are definitions of the classification of fund balances as defined in the District Annual Audited Financial Report.

A. **Nonspendable Fund Balance.** Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Due to the cash nature of the District, all such items are expensed at the time of purchase, thus there is no report of Nonspendable Fund Balances.

B. **Restricted Fund Balance.** The restricted fund balance classification refers to amounts that are subject to outside restrictions not controlled by the District, such as restrictions imposed by creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are, by definition, restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories:

1. *Special Education.* Cash receipts and related cash disbursements of this restricted tax levy are accounted for in the Education Fund. Expenditures disbursed exceeded revenue received, thus there is no restricted fund balance.
2. *Leasing Levy.* Cash receipts and related cash disbursements of this restricted tax levy are accounted for in the Education Fund. Revenue received exceeded expenditures disbursed, resulting in a restricted fund balance of \$256,057.
3. *Facilities Tax.* Cash receipts for the facilities tax recorded in the Capital Projects Fund exceeded the expenditures disbursed for this purpose resulting in a restricted fund balance of \$1,298,826.
4. *State Grants.* Expenditures disbursed exceeded revenue received from state grants thus there is no restricted fund balance.
5. *Federal Grants.* Expenditures disbursed exceeded revenue received from federal grants thus there is no restricted fund balance.
6. *Social Security.* Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the IMRF Fund. Expenditures disbursed exceeded revenue received, the District however displays a restricted fund balance of \$281,196 in the IMRF Fund.
7. *Trust and Agency Funds.* Cash received for the District Self-Funded Health Insurance Trust account exceeded related expenditures resulting in a restricted fund balance of \$2,732,265. **The accrued obligation for post-employment health insurance benefits is \$36,433 as of August 31, 2016.** The District also has a trust account for memorials totaling \$119,215, as of June 30, 2016.

C. **Committed Fund Balance.** The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Geneseo CUSD 228 Board of Education. Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are record benefits for services performed during Fiscal Year 2016 amounted to \$1,684,753.

D. **Assigned Fund Balance.** The assigned fund balance classification refers to amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed.

E. **Unassigned Fund Balance.** The unassigned fund balance classification is the residual classification for amounts in the Operating Funds that have not been restricted, committed, or assigned to specific purposes. These unassigned fund balances are reported in the financial statements as unreserved fund balances in the Education Fund and the Working Cash Fund.

Informational Section

Fiscal Year 2017 Budget



Geneseo Community Unit School District #228

Assessed Value of Taxable Property

Overview of the Property Tax Cycle

The property tax cycle has two major parts. The first is the assessment process, in which both local and state agencies participate. The result of this process is the total property tax base of a school district, which is called the equalized assessed valuation (EAV).

The second part of the cycle converts the District's tax base into school revenue. This part includes the annual board of education tax revenue request (call the levy), the calculation by the county clerk of tax rates (called the extension) and the billing, collection, and distribution of tax payments by the county treasurer to the District. The chart below identifies the role of each agency involved in the property tax cycle.

Assessor Values property for taxation and hears initial appeals from property owners.
Supervisor of Assessment Makes assessment changes, sends change notices and publishes changes. Sends the tentative abstract to the Property Tax Administration Bureau.
Board of Review Hears appeals, finalizes assessments and delivers them to county clerk.
County Clerk Reports assessments to the State Property Tax Administration Bureau. Determines total Equalized Assessed Value for all taxing districts, calculates aggregate tax rate for each tax code area. Extends taxes and enters extensions in collector's books.
County Treasurer Prepares and mails tax bills to property owners. Collects 1 st and 2 nd installments and distributes receipts to taxing districts. Prepares delinquent tax list and sends notice to owner. Obtains judgment in court holds lien sale on real estate.

Assessed Value of Taxable Property

The Seasons of the Property Tax Cycle

Property taxes are always paid one year in arrears. Therefore, for example in calendar year 2016, property tax payers paid, and school districts received, the taxes based on assessments and levies that took place in calendar year 2015. When preparing the District budget, it is important to note that in calendar year 2016, which is the 2016-17 school year, District Fiscal Year 2017, the cycle of taxation will not produce its full effect until the 2017-18 school year. Below is a chart that summarizes the seasons of the property tax cycle for the District.

Spring
Assessment of property for bills payable in the following calendar year.
Following equalization, the County Clerk calculates tax rates <i>based on levies made from the previous December</i> .
Taxpayers pay first of two installments of taxes, money is distributed to schools.
Summer
Taxpayers pay their second of two installments of taxes, schools receive their final tax revenues <i>based on levies made from the previous December</i> .
Fall
County agencies issue assessment notices, hear appeals and finalize assessments.
School districts hold hearings, adopt budgets and tentative levies.
Truths in Taxation notices are published if required.
Winter
Equalization continues throughout the state for which it has not been completed.
Schools adopt the levy for taxes that will be collected in the following calendar year, and the levy is filed with the County Clerk.
Spring
The Property Tax Cycle begins again.

Assessed Value of Taxable Property

The Assessment Process and Description of Assessed Values Calculations

In Illinois, assessment is considered a local function that is performed by elected officials, usually township or county, who report to state agencies. The state of Illinois requires that property be assessed at one-third its fair market value, and all property in Henry County, except for farmland is reassessed every four years. The condition a piece of property is in on January 1 determines its assessed value for that tax year. Thus, a home that has a fair market value of \$200,000 on January 1, 2016 will have an assessed taxable value of \$66,600 ($\frac{1}{3}$ fair market value) for the 2016 tax year.

Farmland is reassessed annually and is not assessed at one-third its fair market value. Instead, farmland is assessed based on its value in agricultural use. This farmland assessment process takes into consideration in the assessment formula average land sale values and farm income over a multi-year period. The Geneseo CUSD #228 aggregate tax base is roughly 18% farmland.

Business property is assessed at its fair market value, which is a reflection of the business capitalized income flow. The capitalized value of an income property is calculated by dividing the annual income by a market interest rate. Roughly 9% of the Geneseo CUSD #228 aggregate tax base is commercial/business property.

Assessed Value of Taxable Property

Historical Assessed Values

Below is a historical chart of several years past aggregate assessed values for the District. Historically, the EAV of the District grows, on average, approximately 1.19% per year. This “steady” EAV over the years has been one of the few positive trends in revenues for the District. The EAV growth allows the District to increase net revenues by approximately \$185,000 per fiscal year.

Levy Year	Equalized Assessed Value	EAV Growth Rate From Previous Year
2001	\$240,845,454	
2002	\$248,970,159	3.37%
2003	\$254,685,327	2.30%
2004	\$250,738,840	-1.55%
2005	\$259,314,980	3.42%
2006	\$274,186,066	5.73%
2007	\$291,510,965	6.32%
2008	\$304,518,633	4.46%
2009	\$313,887,771	3.08%
2010	\$316,256,509	0.75%
2011	\$320,464,016	1.33%
2012	\$319,452,991	.32%
2013	\$330,532,161	3.47%
2014	\$332,856,121	.70%
2015	\$337,213,300	1.31%

Projected Assessed Values

Using the historical EAV growth for the District, the following chart is a projection for the upcoming December 2016 levy and the next three levy years. The 2016 EAV projection will include a \$4,000,000 increase due to an early close out of a tax increment financing district (TIF). These projections are used to budget local revenues in District budget forecast models.

EAV Projections

Levy Year	Equalized Assessed Value	EAV Growth Rate From Previous Year
2015 (actual)	\$337,213,300	1.31%
2016 (projected)	\$344,625,513	2.20%
2017 (projected)	\$351,173,339	1.19%
2018 (projected)	\$357,845,633	1.19%
2019 (projected)	\$364,644,700	1.19%

Historic Property Tax Rates and Collections

The chart below is a 3-year historical summary of the overall District aggregate tax rate and also the tax rates for individual levies. The District has historically maximized levy requests in the operational levies and the special education levy that have a legal maximum rate.

	Education Levy	Special Education Levy	Leasing Levy	Operations & Maintenance Levy	Debt Service Levy	Transportation Levy	Municipal Retirement Levy	Social Security Levy	Working Cash Levy	Tort Levy	Fire Safety Levy	Total all Levies
2013 Levy												
Assessed Valuation \$330,532,161												
Tax Rate Per \$100	2.311	0.039	0.023	0.049	0.611	0.198	0.088	0.049	0.127	0.005	0.005	4.041
Taxes Extended	7,637,276	130,230	75,031	1,625,227	2,020,874	650,157	330,202	290,207	162,622	420,106	15,204	13,357,136
Taxes Collected 98.68%	7,536,215	128,507	74,038	1,603,721	1,994,132	641,553	325,832	286,367	160,469	414,547	15,003	13,180,384
2014 Levy												
Assessed Valuation \$332,856,121												
Tax Rate Per \$100	2.350	0.040	0.003	0.500	0.564	0.200	0.123	0.129	0.050	0.132	0.050	4.141
Taxes Extended	7,822,119	133,142	10,319	1,664,281	1,876,310	665,712	410,079	430,050	166,428	440,036	166,428	13,784,904
Advance Taxes Received Prior to June 30, 2015	4,123,352	70,185	5,439	877,309	989,078	350,924	216,169	226,697	87,731	231,960	87,731	7,266,575
Taxes Received July 1, 2015 thru June 30, 2016	3,698,767	62,957	4,880	786,972	887,232	314,788	193,910	203,353	78,697	208,076	78,697	6,518,329
Taxes Collected 99.81%	7,807,278	132,890	10,299	1,661,123	1,872,750	664,450	409,301	429,235	166,112	439,200	166,112	13,758,750
2015 Levy												
Assessed Valuation \$337,213,380												
Tax Rate Per \$100	2.35	0.04	0.000	0.500	0.715	0.200	0.103	0.118	0.000	0.163	0.000	4.191
Taxes Extended	7,924,514	134,885		1,686,067	2,414,111	674,427	350,027	400,272		550,332		14,134,635
Advance Taxes Received Prior to June 30, 2016	4,480,535	76,264		953,305	1,364,943	381,322	197,906	226,315		311,159		7,991,749
Taxes Receivable	3,443,979	58,621		732,762	1,049,168	293,105	152,121	173,957		239,173		6,142,886

Henry County Aggregate Tax Rate Comparisons Unit Districts K-12

The table below is a summary of all Henry County Unit School Districts aggregate school tax rate. Unit school districts serve students in grades k-12, and these districts have different legal maximize levy rates compared to elementary districts or high school districts. The tax rates as shown below are a product of different levels of debt structures in each districts, different level of property values, and in some cases voted tax rate increase referendums that allow districts to levy more in funds where voters of their respective communities have agreed to raise the legal rate limit.

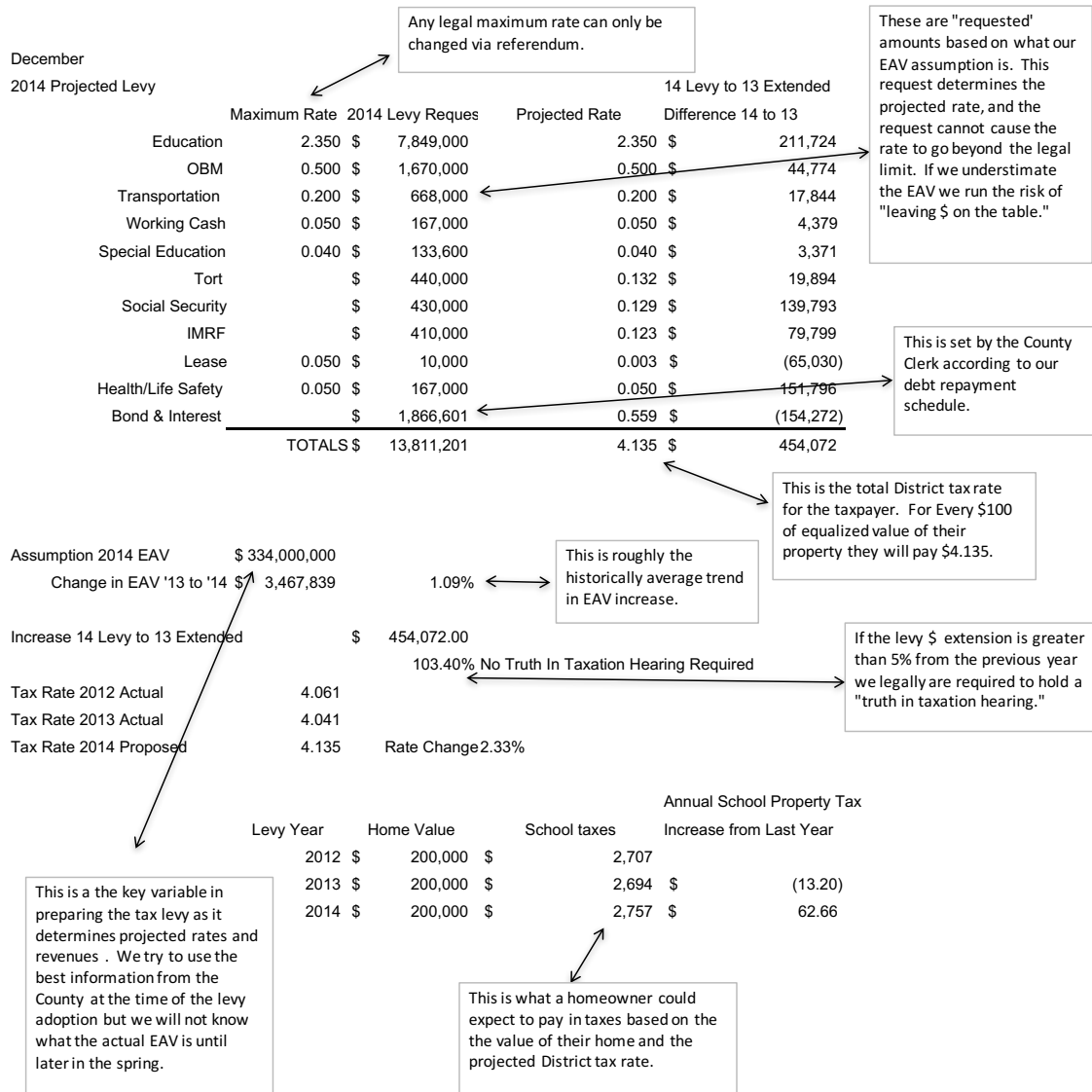
The Geneseo CUSD #228 has the lowest school tax rate of all Henry County Unit Districts, and is well below the 4.7316 average of all schools. This is due primarily for 3 reasons:

1. Geneseo property values comprise nearly 1/3 of all Henry County. This strong tax base relative to other Henry County Districts allows the Geneseo CUSD #228 to levy more dollars and a lower overall tax rate.
2. There have been no voted tax rate increase referendums in the District.
3. Debt structure. The District has issued debt in the past fiscal year, however the debt is structured as not to have an increasing impact on the aggregate tax rate, while many of the districts in Henry County have had bond referendums that have increased their tax rates considerably.

Henry County k-12 District	2009 Tax Rate	2010 Tax Rate	2011 Tax Rate	2012 Tax Rate	2013 Tax Rate	2014 Tax Rate	2015 Tax Rate
Alwood CUSD 225	5.3281	5.5824	5.5901	5.5376	5.4701	5.4584	5.4484
Annawan CUSD 226	4.2778	4.2509	4.3021	4.3109	5.3091	5.4761	5.4796
Cambridge CUSD 227	4.9856	4.9718	4.9644	5.1085	5.0101	5.0074	5.0345
Galva CUSD 224	4.7538	4.7430	4.7226	4.6939	4.4399	4.4515	4.4815
Geneseo CUSD 228	4.0454	4.0556	4.0561	4.0579	4.0380	4.1385	4.1910
Kewanee CUSD 229	4.4694	4.4666	4.3535	4.5310	4.0929	4.2893	4.3893
Orion CUSD 223	4.7244	4.7913	4.7557	4.7827	4.7734	4.7821	4.6821
Wethersfield CUSD 230	3.9747	4.4139	4.4027	4.4978	4.3467	4.3460	4.1460
Average Tax Rate	4.5699	4.6594	4.6434	4.6900	4.6850	4.7437	4.7316

Projected Tax Rate and Tax Levy

The diagram below is an illustration of a typical school tax levy and the process of how the numbers interact to arrive at an aggregate tax rate for District property owners.



Projected Tax Rate and Tax Levy

The following 2 graphs are the current 2015 Tax Levy that was adopted by the Board of Education last December, along with the upcoming levy projection for the 2016 December Levy.

The current 2015 levy indicates an increase (.0516) in the aggregate tax rate which translates into a \$23 annual tax increase for a homeowner with \$150,000 market value home. The 2015 Equalized Assessed Value is a 1.31% increase from last year, and the 2016 projected EAV is a 1.60% increase which is the best information available from the County Clerk. The County Clerk gives the District an estimate of the aggregate EAV throughout the taxing district. It is this "estimated EAV" that is used to present the tentative levy in the fall. The reality is the actual rate setting EAV is not known until well after the levy is filed with the county clerk in December.

Due to shifting portions of administrative salary to the Tort Fund, the District will request an increase of \$50,000 in the 2016 levy over the 2015 levy. All individual levies that have legal maximum rates will be levied at the full amount, which is a past practice in the District for many years. The 2015 Levy will produce \$106,665 of increased revenues over the 2014 Levy. It is important to note that although the aggregate extension increases each year and produces a net positive revenue collection from year to year, this increase in local tax revenue which averages slightly over \$150,000 per year (excluding the debt service levy) is an extremely small part of the total revenue budget which is generally \$26,000,000 to \$27,000,0000 per fiscal year.

2015 Levy				
	Maximum Rate	2015 Levy Request	Certified Rate	Increase (Decrease)
Education	2.35000	\$7,990,000	2.3500	\$167,882.00
OBM	0.50000	\$1,700,000	0.5000	\$35,720.00
Transportation	0.20000	\$680,000	0.2000	\$14,288.00
Working Cash	0.05000	\$0	0.0000	-\$166,428.00
Special Education	0.04000	\$136,000	0.0400	\$2,858.00
Tort		\$550,000	0.1618	\$109,965.00
Social Security		\$400,000	0.1176	-\$30,050.00
IMRF		\$350,000	0.1029	-\$60,078.00
Lease	0.05000	\$0	0.0000	-\$10,318.00
Health/Life Safety	0.05000	\$0	0.0000	-\$166,428.00
Bond & Interest		\$2,446,099	0.7194	\$569,790.00
		Total Levy Request		
		\$14,252,099	4.1917	\$467,201.00
		Levy w/o Bonds		
		\$11,806,000		

2015 EAV	\$337,213,380.00
Change in EAV '14 to '15	\$4,257,259.00

Projected Tax Rate and Tax Levy

Below is the projected 2016 Levy. This levy, when applying an EAV of .88% growth will produce an overall school tax rate of 4.1781, which is a 1.117% increase from the 2015 Levy. Steady tax rates from year-to-year has been a board focus over the past several years as local taxpayers have been required, do lack of state funding, to shoulder the cost of educating children in the District. Although the projected tax rate is relatively unchanged from 2015 to 2016, uncertainty in the State Legislature regarding school funding will require the district to issue working cash bonds in the near future to cover shortages of cash flow. Issuing working cash bonds will increase the bond and interest levy to .6109 from .5581.

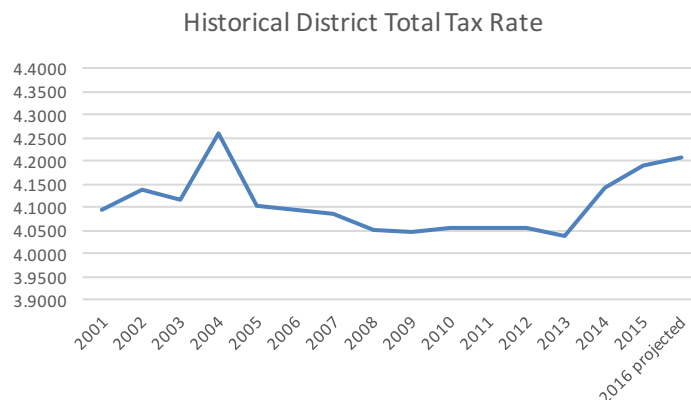
2016 Projected Levy		Maximum Rate	2016 Levy Request	Projected Rate	Increase (Decrease)
Education	2.35000		\$8,051,700	2.3500	\$127,185.13
OBM	0.50000		\$1,713,128	0.5000	\$27,060.67
Transportation	0.20000		\$685,251	0.2000	\$10,824.27
Working Cash	0.05000		\$171,313	0.0500	\$171,312.76
Special Education	0.04000		\$137,050	0.0400	\$2,164.86
Tort			\$600,000	0.1751	\$50,004.98
Social Security			\$300,000	0.0876	-\$99,935.07
IMRF			\$300,000	0.0876	-\$50,027.49
Lease	0.05000		\$5,000	0.0015	\$5,000.00
Health/Life Safety	0.05000		\$5,000	0.0015	\$5,000.00
Bond & Interest			\$2,441,848	0.7127	\$27,737.41
Total Levy Request			\$14,410,289	4.2058	\$276,327.50
Levy w/o Bonds			\$11,968,441		
Assumption 2016 EAV			\$342,625,513.00		
Change in EAV '15 to '16			\$5,412,133.00		

Analysis of Tax Rate on the Average Taxpayer

The table below is a summary of historical aggregate tax rates in the Geneseo CUSD #228 and the overall impact the school tax rate on a typical homeowner. For illustration purposes, a \$150,000 house will be used which is the average market price of a home in Geneseo.

Levy Year	Total School Tax Rate	Annual School Taxes on \$150,000 Home	Net Dollar Increase (Decrease) from Previous Year
2001	4.0961	\$2,048	
2002	4.1392	\$2,069	\$21
2003	4.1170	\$2,058	-\$11
2004	4.2600	\$2,130	\$72
2005	4.1010	\$2,050	-\$80
2006	4.0941	\$2,047	-\$3
2007	4.0851	\$2,042	-\$5
2008	4.0510	\$2,025	-\$17
2009	4.0451	\$2,022	-\$3
2010	4.0551	\$2,027	\$5
2011	4.0560	\$2,028	\$1
2012	4.0571	\$2,029	\$1
2013	4.0380	\$2,019	-\$10
2014	4.1401	\$2,070	\$51
2015	4.1917	\$2,093	\$23
2016 Projected	4.2058	\$2,100	\$7

For a 10-year period the school property tax rate was relatively flat from year to year, and the rate even decreased over 4 years during this period. The last 3 levies have resulted in tax rate increases. These rate increases are a result of the District issuing working cash bonds in order to cover deficit shortfalls in the Education Fund, and also increasing the Tort Fund levy to cover salary cost shifts into the Tort Fund.



Alternative Tax Collections

Henry County 1-Cent Sales Tax

On January 1, 2014 the 1-cent Henry County School Sales Tax became law. The law allows schools in Henry County to collect 1-cent for every dollar on the sale of certain consumer goods. This new sales tax revenue stream can only be used for capital projects or infrastructure type projects. The District received its first sales tax payment in May of 2014, and this new tax revenue stream was the genesis of a successful voted bond referendum in April of 2015.

The table below shows the sales tax revenues by month beginning with May of 2014. The District averages \$78,193 per month with this alternative tax collection.

Projected FY 17 Sales Tax Revenue: \$938,324. This is based on historical actual monthly receipts. This amount is what has been built into the FY 17 budget for capital projects.

Alternative Tax Collections
Henry County 1-Cent Sales Tax

Month/Year	Sales Tax Revenue Received
May 2014	\$66,904
June 2014	\$68,349
Fiscal Year 2014 Total Received	\$135,253
July 2014	\$75,669
August 2014	\$78,339
September 2014	\$87,977
October 2014	\$85,377
November 2014	\$79,133
December 2014	\$81,146
January 2015	\$80,229
February 2015	\$82,888
March 2015	\$80,552
April 2015	\$84,144
May 2015	\$64,765
June 2015	\$63,908
Fiscal Year 2015 Total Received	\$944,127
July 2015	\$72,660
August 2015	\$78,312
September 2015	\$83,634
October 2015	\$83,718
November 2015	\$80,163
December 2015	\$78,882
January 2016	\$82,089
February 2016	\$81,088
March 2016	\$79,131
April 2016	\$86,295
May 2016	\$63,189
June 2016	\$63,360
Fiscal Year 2016 Total Received	\$932,521
July 2016	\$82,824
August 2016	\$76,691
September 2016	\$82,544
Fiscal Year 2017 Total Received to Date	\$242,059
Total Received to Date	\$2,253,960
Average Complete Fiscal Year	\$938,324

Student Enrollment History

In order to project student enrollment, the District uses a historical cohort survival rate along with live birth data available from the Illinois Department of Public Health.

The cohort survival rate is a percentage that looks at the number of students in a grade for a given year that continues to the next grade the following year. An example of this is if there are 100 kindergarten students in 2010, and 98 first grade students in 2011, the cohort survival rate is 98%. These “survival” rates are averaged and used in tandem with live birth data to provide a projection model for what district enrollment could possibly be in any given future year.

Please note that this model does not take into account additional variables such as mobility rates, new housing starts, etc.

District 228 Cohort Survival Rate

6th Day Enrollment Figures

Grade	Budget Year					Cohort Survival Rate
	2012-13	2013-14	2014-15	2015-16	2016-17	
K	182	167	149	174	175	
1	171	173	166	184	174	0.9925
2	192	158	184	173	173	1.0381
3	194	191	163	187	192	1.0054
4	214	183	193	181	179	0.9903
5	178	205	181	200	177	1.0841
6	199	179	213	213	223	1.0164
7	228	195	196	210	214	1.0404
8	205	216	199	205	241	1.0081
9	215	198	223	198	213	1.0077
10	194	214	198	223	205	0.9820
11	242	183	207	205	219	0.9845
12	213	234	184	211	194	1.0193
Totals	2627	2496	2456	2564	2579	1.0141

Student Enrollment History

3-Year Projected Enrollment

The table below is the Kindergarten projection for the next three school years. To project Kindergarten enrollment, the total number of live births from the previous 6 years in Henry County are taken and then multiplied by a historical kindergarten to live birth ratio. The ratio used in this kindergarten projection is .45, which is the historical average over the past 10 years in the District. This .45 simply means that on average, 45% of all live births within the Henry County zip code become kindergartners in the Geneseo CUSD #228.

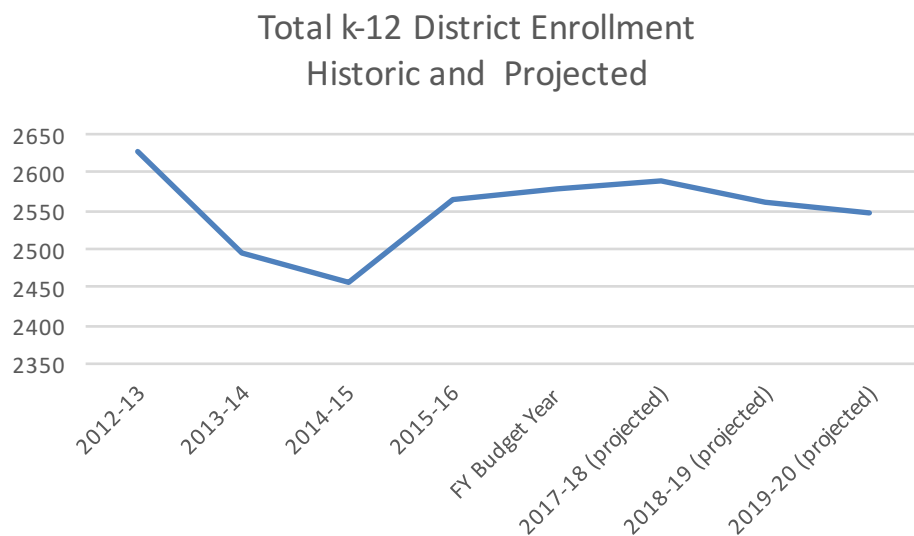
Kindergarten and Live Birth Ratios	Year of Class		
	2017	2018	2019
Number of Births	400	395	393
Historical ratio of Kindergarten to # of births	.45	.45	.45
Projected # of Kindergarten Enrolled	180	178	177

Projecting kindergarten enrollment for the given school year allows for the cohort survival ratio to be applied to each class, resulting in the 3-year projected District enrollment figures. These projections are also found in the following tables.

Student Enrollment History

The 3-year enrollment projection analysis is predicting student enrollment to flatten or decline at a slower rate than in the previous several years. This projection is based on historic cohort survival rates and the latest county live birth data. This steady enrollment rate should benefit the District in future General State Aid payments which are based on enrollment figures. The flat enrollment figures also help determine that there is no immediate or future need to add full-time staff.

Grade	3-Year Projected Enrollment		
	2017-18	2018-19	2019-20
K	180	178	177
1	179	177	176
2	185	183	182
3	186	184	183
4	185	183	182
5	200	198	197
6	203	201	200
7	212	209	208
8	213	211	210
9	215	213	211
10	211	209	208
11	208	206	204
12	212	210	208
District Totals	2590	2561	2547



Personnel Resource Allocations

Human Resources Allocation

In District #228 human resources are classified into two basic categories, Certified and Non-Certified. Certified staff includes all teachers and administrators, and salaries for these workers comprise approximately 75% of the entire salary budget expense. Non-Certified workers, also called Educational Support Personnel consists of the following categories: Custodians, Maintenance, Clerical/Supervision, Food Service, and Nurses. Non-Certified staff are hourly employees that are employed at will (not covered by a collective bargaining agreement).

The following series of tables breakdown certified staff assignments and a separate series of tables is a breakdown of non-certified employees. Three years of actual historic data is included for both basic categories along with the current budget year and projections for future human resource allocations.

Annual salary increases for certified staff are negotiated in the collective bargaining agreement which is currently in the 2nd year of a 3-year contract. The contract covers teachers; administrators are covered under individual one year contracts that are negotiated separately.

Annual salary increases for non-certified employees begins with the Board of Education approving an aggregate salary increase in the spring. This approved aggregate increase, which is usually between \$50,000 to \$75,000 is then applied across each non-certified worker category. Individual hourly wage increases are dependent on job performance and supervisor recommendation.

Personnel Resource Allocations Certified Staff

In order to achieve academic goals and objectives, the District allocates roughly 75% of the entire salary expense to curriculum and instruction. The following tables summarize the District's allocation of human resources in terms of full time employees (FTE) and the financial commitment required in each of the 5 school buildings operated by within the District. The certified staff tables drill down according to teaching area/program, and also administration utilized to implement educational programs in each building and the central office.

Current Year Budget Human Resource Allocations

Certified Staff Current Budget Year FY 17

Contract Assignment	Building		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Contract Salary	Total # FTE
	HIGH SCHOOL													
	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE		
1ST GRADE					\$111,186	3	\$76,211	2	\$120,112	2			\$307,508	7
2ND GRADE					\$139,512	3	\$91,754	2	\$68,439	2			\$299,705	7
3RD GRADE					\$103,393	3	\$74,196	2	\$110,382	3			\$287,970	8
4TH GRADE					\$109,980	3	\$124,449	2	\$109,887	3			\$344,316	8
5TH GRADE					\$115,992	3	\$74,909	2	\$136,028	3			\$326,929	8
6TH GRADE			\$350,912	7									\$350,912	7
ADMINISTRATOR	\$392,337	4	\$178,630	2	\$76,000	1	\$86,775	1	\$89,000	1	\$302,544	2	\$1,125,286	11
AGRICULTURE	\$45,687	1											\$45,687	1
ART	\$35,852	1	\$82,891	1	\$32,987	1	\$31,369	1	\$38,238	1			\$221,337	5
CAREER TECHNICAL EDUCATION	\$242,453	5	\$58,519	1									\$300,972	6
COMPUTER TECHNOLOGY			\$119,114	2									\$119,114	2
ENGLISH	\$409,060	7	\$220,377	5									\$629,437	12
FOREIGN LANGUAGE	\$113,776	3											\$113,776	3
GEOGRAPHY			\$107,528	2									\$107,528	2
GUIDANCE COUNSELOR	\$184,903	3	\$116,261	2									\$301,164	5
HISTORY			\$119,840	2									\$119,840	2
INSTRUMENTAL MUSIC	\$120,610	2	\$46,149	1									\$166,759	3
KINDERGARTEN					\$142,544	3	\$154,870	2	\$114,260	3			\$411,674	8
LIBRARY	\$69,991	1											\$69,991	1
MATHEMATICS	\$332,003	7	\$201,960	4									\$533,963	11
PHYSICAL EDUCATION	\$382,372	6	\$173,454	3	\$57,329	1	\$83,467	2	\$37,386	1			\$734,009	13
PRE-K							\$56,326	1					\$56,326	1
READING					\$40,553	1	\$71,158	1	\$87,037	1			\$198,748	3
SCIENCE	\$266,610	6	\$269,378	4									\$535,988	10
SCIENCE & TECHNOLOGY			\$72,791	1									\$72,791	1
SOCIAL SCIENCE	\$260,224	5											\$260,224	5
SOCIAL WORKER	\$72,791	1					\$61,321	1					\$134,112	2
SPECIAL EDUCATION	\$165,860	4	\$271,590	4	\$52,000	1	\$72,791	1	\$61,321	1			\$623,561	11
TECHNOLOGIST											\$95,000	1	\$95,000	1
VOCAL MUSIC	\$70,846	2	\$30,369	1	\$33,569	1	\$33,569	1	\$92,491	1			\$260,844	6
Grand Total	\$3,165,375	58	\$2,419,765	42	\$1,015,044	24	\$1,093,166	21	\$1,064,580	22	\$397,544	3	\$9,155,474	170

Personnel Resource Allocations Certified Staff

3 Year Actual Human Resource Allocations

Certified Staff Budget Year FY 13														
Contract Assignment	BUILDING HIGH SCHOOL		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Salary	Total # FTE
	Salary	# FTE	Salary	# FTE	Salary	# FTE	Salary	# FTE	Salary	# FTE	Salary	# FTE		
1st Grade					\$116,610	3	\$91,814	3	\$135,981	3			\$344,405	9
2nd Grade					\$139,553	3	\$67,289	2	\$94,837	3			\$301,679	8
3rd Grade					\$91,543	3	\$81,526	2	\$157,773	4			\$330,842	9
4th Grade					\$93,265	3	\$98,361	2	\$114,005	3			\$305,631	8
5th Grade					\$103,181	3	\$31,791	1	\$58,451	2			\$193,422	6
6th Grade			\$431,022	9									\$431,022	9
Administration	\$382,419	4	\$155,398	2	\$81,370	1	\$81,400	1	\$87,286	1	\$270,589	2	\$1,058,462	11
Art	\$33,820	1	\$98,978	2	\$29,737	1	\$32,302	1	\$34,988	1			\$229,825	6
English	\$409,229	8	\$129,854	3									\$539,083	11
FACS	\$97,160	2	\$54,969	1									\$152,129	3
Foreign Language	\$128,336	3											\$128,336	3
Guidance	\$206,091	3	\$109,161	2									\$315,252	5
Kindergarten					\$137,029	3	\$137,462	2	\$106,828	3			\$381,318	8
Library	\$66,441	1							\$51,496	1			\$117,937	2
Math	\$372,906	8	\$185,925	4									\$558,831	12
Music	\$177,563	4	\$74,086	2	\$30,319	1	\$30,319	1	\$69,241	1			\$381,529	9
PE	\$344,400	6	\$162,804	3	\$53,779	1	\$63,566	1	\$29,737	1			\$654,286	12
Pre-K							\$49,650	1					\$49,650	1
Reading					\$68,041	1	\$67,608	1	\$69,241	1			\$204,891	3
Science	\$251,426	6	\$244,845	4									\$496,271	10
Social Studies	\$262,454	5	\$251,222	4									\$513,676	9
Social Worker	\$69,241	1					\$57,771	1					\$127,012	2
Special Ed.	\$225,910	4	\$256,610	5	\$42,337	1	\$69,241	1	\$57,771	1			\$651,870	12
Vocational	\$154,145	4	\$98,360	2									\$252,505	6
Technology									\$121,970	2	\$87,985	1	\$209,955	3
Grand Total	\$ 3,181,543	60	\$ 2,253,236	43	\$ 986,764	24	\$ 960,099	20	\$ 1,189,604	27	\$ 358,574	3	\$ 8,929,820	177

Certified Staff Budget Year FY 14														
Contract Assignment	BUILDING HIGH SCHOOL		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Contract Salary	Total # FTE
	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE		
1st Grade					\$149,467	3	\$173,892	3	\$182,270	3			\$505,629	9
2nd Grade					\$205,957	3	\$61,713	2	\$138,185	3			\$405,855	8
3rd Grade					\$97,475	3	\$103,360	2	\$205,511	4			\$406,347	9
4th Grade					\$173,509	3	\$210,334	2	\$143,571	3			\$527,413	8
5th Grade					\$171,456	3	\$29,619	1	\$61,056	2			\$262,131	6
6th Grade			\$500,231	9									\$500,231	9
Administration	\$220,981	4	\$86,216	2	\$68,541	1	\$34,320	1	\$88,485	1	\$98,773.44	2	\$597,317	11
Art	\$69,741	1	\$99,360	2	\$61,213	1	\$29,725	1	\$41,436	1			\$301,477	6
English	\$376,719	8	\$142,198	3									\$518,916	11
FACS	\$67,077	2	\$69,741	1									\$136,819	3
Foreign Language	\$90,170	3											\$90,170	3
Guidance	\$145,487	3	\$60,473	2									\$205,960	5
Kindergarten					\$105,747	3	\$137,849	2	\$216,939	3			\$460,536	8
Library	\$34,625	1							\$30,819	1			\$65,444	2
Math	\$264,850	7	\$158,229	4									\$423,079	11
Music	\$283,577	4	\$105,611	2	\$31,987	1	\$55,884	1	\$69,741	1			\$546,801	9
PE	\$282,553	6	\$134,447	3	\$30,819	1	\$31,987	1	\$53,404	1			\$533,210	12
Pre-K							\$41,163	1					\$41,163	1
Reading					\$29,725	1	\$69,741	1	\$36,336	1			\$135,802	3
Science	\$394,910	6	\$161,591	4									\$556,502	10
Social Studies	\$246,182	5	\$238,024	4									\$484,206	9
Social Worker	\$58,271	1					\$68,541	1					\$126,812	2
Special Ed.	\$199,249	4	\$241,021	5	\$69,741	1	\$87,786	1	\$30,237	1			\$628,034	12
Vocational	\$207,539	4	\$89,932	2									\$297,471	6
Technology									\$136,682.33	2	\$30,236.52	1	\$166,919	3
Grand Total	\$ 2,941,931	59	\$ 2,087,075	43	\$ 1,195,640	24	\$ 1,135,916	20	\$ 1,434,672	27	\$ 129,010	3	\$ 8,924,243	176

Personnel Resource Allocations Certified Staff

3 Year Actual Human Resource Allocations

Certified Staff Budget Year FY 15														
	BUILDING		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Contract Salary	Total # FTE
Contract Assignment	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE		
1st Grade					\$120,360	3	\$95,564	3	\$139,731	3			\$355,655	9
2nd Grade					\$143,303	3	\$69,789	2	\$98,587	3			\$311,679	8
3rd Grade					\$95,293	3	\$84,026	2	\$162,773	4			\$342,092	9
4th Grade					\$97,015	3	\$100,861	2	\$117,755	3			\$315,631	8
5th Grade					\$106,931	3	\$33,041	1	\$60,951	2			\$200,922	6
6th Grade			\$442,272	9									\$442,272	9
Administration	\$387,419	4	\$157,898	2	\$82,620	1	\$82,650	1	\$88,536	1	\$273,089	2	\$1,072,212	11
Art	\$35,070	1	\$101,478	2	\$30,987	1	\$33,552	1	\$36,238	1			\$237,325	6
English	\$419,229	8	\$133,604	3									\$552,833	11
FACS	\$99,660	2	\$56,219	1									\$155,879	3
Foreign Language	\$132,086	3											\$132,086	3
Guidance	\$209,841	3	\$111,661	2									\$321,502	5
Kindergarten					\$140,779	3	\$139,962	2	\$110,578	3			\$391,318	8
Library	\$67,691	1							\$52,746	1			\$120,437	2
Math	\$326,687	7	\$190,925	4									\$517,612	11
Music	\$182,563	4	\$76,586	2	\$31,569	1	\$31,569	1	\$70,491	1			\$392,779	9
PE	\$351,900	6	\$166,554	3	\$55,029	1	\$64,816	1	\$30,987	1			\$669,286	12
Pre-K							\$50,900	1					\$50,900	1
Reading					\$69,291	1	\$68,858	1	\$70,491	1			\$208,641	3
Science	\$258,926	6	\$249,845	4									\$508,771	10
Social Studies	\$269,929	5	\$256,222	4									\$526,152	9
Social Worker	\$70,491	1					\$59,021	1					\$129,512	2
Special Ed.	\$230,910	4	\$262,860	5	\$43,587	1	\$70,491	1	\$59,021	1			\$666,870	12
Vocational	\$159,145	4	\$100,860	2									\$260,005	6
Technology									\$124,470.25	2	\$89,235	1	\$213,705	3
Grand Total	\$3,201,549	59	\$2,306,986	43	\$1,016,764	24	\$985,099	20	\$1,223,354	27	\$362,324	3	\$9,096,077	176

Certified Staff Budget Year FY 16 (actual estimate)														
	Building		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Contract Salary	Total # FTE
Contract Assignment	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE		
1st Grade					\$108,185	3	\$74,111	2	\$103,677	2			\$285,973	7
2nd Grade					\$136,311	3	\$89,653	2	\$97,914	3			\$323,878	8
3rd Grade					\$100,292	3	\$72,095	2	\$132,035	3			\$304,422	8
4th Grade					\$106,879	3	\$101,860	2	\$120,954	3			\$329,693	8
5th Grade					\$106,330	3	\$72,809	2	\$95,581	3			\$274,720	8
6th Grade			\$405,326	8									\$405,326	8
Administration	\$403,000	4	\$174,500	2	\$88,536	1	\$85,000	1	\$90,000	1	\$279,000	2	\$1,120,036	11
Art	\$34,752	1	\$71,691	1	\$31,986	1	\$30,369	1	\$37,238	1			\$206,036	5
English	\$431,425	8	\$168,178	4									\$599,603	12
FACS	\$100,660	2	\$57,418	1									\$158,078	3
Foreign Language	\$157,609	3											\$157,609	3
Guidance	\$181,602	3	\$114,061	2									\$295,663	5
Kindergarten					\$139,443	3	\$142,361	2	\$81,790	2			\$363,594	7
Library	\$68,890	1							\$53,945	1			\$122,835	2
Math	\$334,683	7	\$195,523	4									\$530,206	11
Music	\$184,822	3	\$78,785	2	\$32,569	1	\$32,569	1	\$70,491	1			\$399,236	8
PE	\$371,683	6	\$170,153	3	\$56,228	1	\$66,015	1	\$36,186	1			\$700,265	12
Pre-K							\$52,100	1					\$52,100	1
Reading					\$39,453	1	\$70,057	1	\$71,691	1			\$181,201	3
Science	\$255,209	6	\$254,642	4									\$509,851	10
Social Studies	\$274,527	5	\$270,020	4									\$544,547	9
Social Worker	\$71,691	1					\$60,220	1					\$131,911	2
Special Ed.	\$215,803	4	\$229,048	4	\$49,278	1	\$71,691	1	\$60,220	1			\$626,040	11
Technology											\$218,068	3	\$218,068	3
Vocational	\$118,607	3	\$103,060	2									\$221,667	5
Grand Total	\$3,204,964	57	\$2,292,405	41	\$995,490	24	\$1,020,910	20	\$1,051,723	23	\$497,068	5	\$9,062,560	170

Human Resources Allocation Certified Staff

The 2017-18 (FY 18) certified staff projections will most likely include 1 high school vocational teacher retired position not rehired, a new high school principal hired due to the retirement of the current high school principal. All of the salary projections assume a \$1,000 per teacher raise per collective bargaining unit. The current 3-year bargaining agreement will expire at the end of the current school year.

Certified Staff Projected FY 18 Budget Year

Contract Assignment	Building HIGH SCHOOL		MIDDLE SCHOOL		MILLIKIN		NORTHSIDE		SOUTHWEST		CENTRAL OFFICE		Total Contract Salary	Total # FTE
	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE	Contract Salary	# FTE		
1ST GRADE					\$114,186	3	\$78,211	2	\$122,112	2			\$314,508	7
2ND GRADE					\$142,512	3	\$93,754	2	\$70,439	2			\$306,705	7
3RD GRADE					\$106,393	3	\$76,196	2	\$113,382	3			\$295,970	8
4TH GRADE					\$112,980	3	\$126,449	2	\$112,887	3			\$352,316	8
5TH GRADE					\$118,992	3	\$76,909	2	\$139,028	3			\$334,929	8
6TH GRADE			\$357,912	7									\$357,912	7
ADMINISTRATOR	\$349,500	4	\$180,630	2	\$77,000	1	\$87,775	1	\$90,000	1	\$304,544	2	\$1,089,449	11
AGRICULTURE	\$46,687	1											\$46,687	1
ART	\$36,852	1	\$83,891	1	\$33,987	1	\$32,369	1	\$39,238	1			\$226,337	5
CAREER TECHNICAL EDUCATION	\$149,092	4	\$59,519	1									\$208,611	5
COMPUTER TECHNOLOGY			\$121,114	2									\$121,114	2
ENGLISH	\$416,060	7	\$225,377	5									\$641,437	12
FOREIGN LANGUAGE	\$116,776	3											\$116,776	3
GEOGRAPHY			\$109,528	2									\$109,528	2
GUIDANCE COUNSELOR	\$187,903	3	\$118,261	2									\$306,164	5
HISTORY			\$121,840	2									\$121,840	2
INSTRUMENTAL MUSIC	\$122,610	2	\$47,149	1									\$169,759	3
KINDERGARTEN					\$145,544	3	\$156,870	2	\$117,260	3			\$419,674	8
LIBRARY	\$70,991	1											\$70,991	1
MATHEMATICS	\$339,003	7	\$205,960	4									\$544,963	11
PHYSICAL EDUCATION	\$388,372	6	\$176,454	3	\$58,329	1	\$85,467	2	\$38,386	1			\$747,009	13
PRE-K							\$57,326	1					\$57,326	1
READING					\$41,553	1	\$72,158	1	\$88,037	1			\$201,748	3
SCIENCE	\$272,610	6	\$273,378	4									\$545,988	10
SCIENCE & TECHNOLOGY			\$73,791	1									\$73,791	1
SOCIAL SCIENCE	\$265,224	5											\$265,224	5
SOCIAL WORKER	\$73,791	1					\$62,321	1					\$136,112	2
SPECIAL EDUCATION	\$169,860	4	\$275,590	4	\$53,000	1	\$73,791	1	\$62,321	1			\$634,561	11
TECHNOLOGIST											\$96,000	1	\$96,000	1
VOCAL MUSIC	\$72,846	2	\$31,369	1	\$34,569	1	\$34,569	1	\$93,491	1			\$266,844	6
Grand Total	\$3,078,177	57	\$2,461,765	42	\$1,039,044	24	\$1,114,166	21	\$1,086,580	22	\$400,544	3	\$9,180,276	169

The projected FY 18 certified staff assignment and projections indicates an estimated contracted salary increase of roughly \$25,000 and one less full-time employee. This aggregate salary increase is a difficult estimate due to fact that the FY 18 bargaining agreement is not finalized and this will most likely have an impact on the annual salary increases from FY 17. The other factor is it is unknown how many staff members will advance on the pay schedule by completing advanced degrees or obtaining Master Teacher National Certification. Any changes in these two variables will likely increase the FY 18 certified contract salary projection.

Personnel Resource Allocations

Non-Certified Staff

Non-Certified Staff Budget Year (actual estimate) FY 16																								
Support Staff Category	BUILDING			High School			Middle School			Millikin			Northside			Southwest			District			Total Salary	Total # FTE	Total # PTE
	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE						
Custodian	\$185,314	7		\$129,414	4	1	\$70,490	2		\$57,190	2		\$65,080	2		\$10,243		1	\$517,730		17	2		
Maintenance																\$244,822	5		\$244,822		5			
Clerical	\$156,368	8		\$92,904	5		\$20,649	1		\$26,043	1		\$22,871	1		\$186,742	5		\$505,578		21			
Aide & Supervision	\$52,492	4	1	\$116,140	6	3	\$27,615	1	6	\$50,510	1	6	\$42,137	2	5	\$46,063	1	2	\$334,957		15	23		
Food Service	\$139,768	7	8	\$54,609	2	7	\$77,730	5	2	\$26,929	1	3	\$28,995	2	3	\$65,714	2	2	\$393,745		19	25		
Nurse	\$37,023	1		\$27,135	1		\$12,352	1		\$13,575	1		\$12,229	1					\$102,313		5			
Grand Total	\$570,965	27	9	\$420,202	18	11	\$208,835	10	8	\$174,248	6	9	\$171,313	8	8	\$553,583	13	5	\$ 2,099,144.95		82	50		

Non-Certified Staff Fiscal Year 17 Projected																								
Support Staff Category	BUILDING			High School			Middle School			Millikin			Northside			Southwest			District			Total Salary	Total # FTE	Total # PTE
	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE						
Custodian	\$226,531	8		\$123,654	5		\$ 71,810.64	2		\$66,280	2		\$66,637	2		\$11,995	1		\$566,908		20			
Maintenance																\$245,127	5		\$245,127		5			
Clerical	\$167,137	7	1	\$99,846	5		\$21,947	1		\$27,106	1		\$24,072	1		\$189,584	5		\$529,693		20	1		
Aide & Supervision	\$61,199	4	1	\$130,867	6	3	\$38,534	1	5	\$63,704	1	6	\$49,766	2	5	\$50,651	1	2	\$394,720		15	22		
Food Service	\$166,663	7	8	\$72,023	2	7	\$89,734	5	2	\$34,553	1	3	\$38,729	2	3	\$71,644	2	2	\$473,345		19	25		
Nurse	\$37,605	1		\$28,149	1		\$14,012	1		\$15,182	1		\$13,895	1					\$108,844		5			
Grand Total	\$659,135	27	10	\$454,540	19	10	\$236,038	10	7	\$206,825	6	9	\$193,098	8	8	\$569,001	14	4	\$2,318,636		84	48		

Non-Certified Staff Fiscal Year 18 Projected																								
Support Staff Category	BUILDING			High School			Middle School			Millikin			Northside			Southwest			District			Total Salary	Total # FTE	Total # PTE
	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE						
Custodian	\$224,541	8		\$123,654	5		\$71,811	2		\$66,280	2		\$66,637	2		\$11,995	1		\$564,918		20			
Maintenance																\$245,127	5		\$245,127		5			
Clerical	\$155,707	7	1	\$99,846	5		\$21,947	1		\$27,106	1		\$24,072	1		\$157,509	5		\$486,187		20	1		
Aide & Supervision	\$61,199	4	1	\$130,867	6	3	\$31,027	1	4	\$63,704	1	6	\$49,766	2	5	\$50,651	1	2	\$387,213		15	21		
Food Service	\$166,663	7	8	\$72,023	2	7	\$89,734	5	2	\$34,553	1	3	\$38,729	2	3	\$71,644	2	2	\$473,345		19	25		
Nurse	\$37,605	1		\$28,149	1		\$14,012	1		\$15,182	1		\$13,895	1					\$108,844		5			
Grand Total	\$645,715	27	10	\$454,540	19	10	\$228,531	10	6	\$206,825	6	9	\$193,098	8	8	\$536,926	14	4	\$2,265,634		84	47		

Personnel Resource Allocations Non-Certified Staff

3 Year Actual Human Resource Allocations Non-Certified Staff

Non-Certified Staff Budget Year FY 13																			
Support Staff Category	BUILDING															Total Salary	Total # FTE	Total # PTE	
	High School	Middle School	Millikin	Northside	Southwest	District													
	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE				
Custodian	\$208,931	7	1	\$112,654	3	2	\$67,411	2		\$61,880	2		\$62,237	2		\$9,795	1		
Maintenance													\$234,127	5	1	\$522,908	16	4	
Clerical	\$149,537	8		\$88,846	5		\$19,747	1		\$24,906	1		\$21,872	1		\$178,584	5		
Aide & Supervision	\$50,199	4	1	\$111,067	6	3	\$26,409	1	6	\$48,304	1	6	\$40,296	2	5	\$44,051	1	2	
Food Service	\$133,663	7	8	\$52,223	2	7	\$74,334	5	2	\$25,753	1	3	\$27,729	2	3	\$62,844	2	2	
Nurse	\$35,405			\$25,949	1		\$11,812	1		\$12,982	1		\$11,695	1		\$97,844	5		
Grand Total	\$577,735	27	10	\$390,740	17	12	\$199,713	10	8	\$173,825	6	9	\$163,829	8	8	\$529,401	13	5	
																\$2,035,242	81	52	

Non-Certified Staff Budget Year FY 14																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																					</
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Non-Certified Staff Budget Year FY 15																			
Support Staff Category	BUILDING															Total Salary	Total # FTE	Total # PTE	
	High School	Middle School	Millikin	Northside	Southwest	District													
	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE	Salary	# FTE	# PTE				
Custodian	\$215,245	7	1	\$116,059	3	2	\$69,448	2		\$63,751	2		\$64,118	2		\$10,091			
Maintenance													\$241,204	5	1	\$538,713	16	4	
Clerical	\$154,057	8		\$91,531	5		\$20,344	1		\$25,659	1		\$22,533	1		\$183,982	5		
Aide & Supervision	\$51,717	4	1	\$114,424	6	3	\$27,207	1	6	\$49,764	1	6	\$41,514	2	5	\$45,382	1	2	
Food Service	\$137,703	7	8	\$53,802	2	7	\$76,581	5	2	\$26,531	1	3	\$28,567	2	3	\$64,743	2	2	
Nurse	\$36,475	1		\$26,734	1		\$12,169	1		\$13,374	1		\$12,048	1		\$100,801	5		
Grand Total	\$595,197	27	10	\$402,550	17	12	\$205,749	10	8	\$179,078	6	9	\$168,781	8	8	\$545,402	13	5	
																\$ 2,096,756.82	81	52	

Bond Amortization Schedules and Description of Projects

The proceeds from the three bond issues, 2015 General Obligation, 2016 General Obligation, and the 2015 Alternative Revenue Bond will all be used to finance construction projects throughout the District. These specific projects are a result of a year-long series of community engagement sessions, called *Project Leaf*. The total estimated costs of these projects and the net bond issue to finance these projects is \$36.5 million dollars. The following list is a summary of the projects that will be completed throughout the Project Leaf construction and remodel phases. Work is scheduled to begin in the spring of 2016 and all projects will be completed by the start of the 2018-19 school year.

Site	Projects	Estimated Total Cost
High School	Athletic Stadium Renovations, Fine Arts New Construction, Remodel office space, cafeteria remodel, 21 st Century learning spaces, Health Life Safety work throughout building, remodel building entrance and exterior.	\$23,225,000
Northside Elementary	New cafeteria addition, gymnasium remodel, art and music rooms remodel, main office and entrance way remodel, Health Life Safety work on roofs.	\$4,700,000
Millikin Elementary	Remodel main office space and front entrance, 21 st century learning space new construction, main lobby area remodel, and Health Life Safety work throughout building.	\$2,824,000
Southwest Elementary	Remodel main office space and front entrance, 21 st century learning space remodel in all "pods," Health Life Safety work throughout building which includes new GEO Thermal heating and air system, new fire alarm system.	\$5,500,000
Total Project Leaf Costs		\$36,500,000

Bond Amortization Schedules and Description of Projects

Levy Year	Payment Date	FY Budget	Series 2015B		Series 2016A		Series 2016B		Total Levy	Series 2015A Alternate Revenue Bonds (not on levy)		
			Principal	Interest	Principal	Interest	Principal	Interest		Principal	Interest	Fiscal Year Total Debt Service
Dec-15	8/15/16	17						\$141,000				
	2/15/17	17		\$54,737	\$450,000	\$43,363		\$180,000	\$869,100	\$355,000	\$353,542	\$353,542 FY 16
Dec-16	8/15/17	18		\$303,781		\$12,143		\$180,000	\$2,441,848		\$204,700	\$769,725 FY 17
	2/15/18	18	\$930,000	\$303,781	\$520,000	\$12,143		\$180,000		\$370,000	\$204,700	
Dec-17	8/15/18	19		\$280,531		\$6,293		\$180,000	\$2,443,648		\$199,150	\$773,850 FY 18
	2/15/19	19	\$980,000	\$280,531	\$530,000	\$6,293		\$180,000		\$390,000	\$199,150	
Dec-18	8/15/19	20		\$256,031				\$180,000	\$1,902,062		\$193,300	\$782,450 FY 19
	2/15/20	20	\$1,030,000	\$256,031				\$180,000		\$410,000	\$193,300	
Dec-19	8/15/20	21		\$230,281				\$180,000	\$1,900,562		\$187,150	\$790,450 FY 20
	2/15/21	21	\$1,080,000	\$230,281				\$180,000		\$430,000	\$187,150	
Dec-20	8/15/21	22		\$215,431				\$180,000	\$1,900,862		\$180,700	\$797,850 FY 21
	2/15/22	22	\$1,110,000	\$215,431				\$180,000		\$455,000	\$180,700	
Dec-21	8/15/22	23		\$198,781				\$180,000	\$1,703,781		\$171,600	\$807,300 FY 22
	2/15/23	23	\$1,145,000					\$180,000		\$480,000	\$171,600	
Dec-22	8/15/23	24		\$170,156				\$180,000	\$1,905,311		\$162,000	\$813,600 FY 23
	2/15/24	24	\$730,110	\$645,045				\$180,000		\$510,000	\$162,000	
Dec-23	8/15/24	25		\$165,656				\$180,000	\$1,906,312		\$151,800	\$823,800 FY 24
	2/15/25	25	\$698,217	\$682,439				\$180,000		\$540,000	\$151,800	
Dec-24	8/15/25	26		\$161,156				\$180,000	\$1,902,312		\$141,000	\$832,800 FY 25
	2/15/26	26	\$1,220,000	\$161,156				\$180,000		\$570,000	\$141,000	
Dec-25	8/15/26	27		\$142,093				\$180,000	\$1,899,186		\$129,600	\$840,600 FY 26
	2/15/27	27	\$285,000	\$142,093			\$970,000	\$180,000		\$600,000	\$129,600	
Dec-26	8/15/27	28		\$136,750				\$160,600	\$1,899,700		\$117,600	\$847,200 FY 27
	2/15/28	28	\$305,000	\$136,750			\$1,000,000	\$160,600		\$635,000	\$117,600	
Dec-27	8/15/28	29		\$131,031				\$140,600	\$1,903,262		\$104,900	\$857,500 FY 28
	2/15/29	29	\$360,000	\$131,031			\$1,000,000	\$140,600		\$670,000	\$104,900	
Dec-28	8/15/29	30		\$124,281				\$120,600	\$1,899,762		\$91,500	\$866,400 FY 29
	2/15/30	30	\$410,000	\$124,281			\$1,000,000	\$120,600		\$705,000	\$91,500	
Dec-29	8/15/30	31		\$116,593				\$100,600	\$1,899,386		\$77,400	\$873,900 FY 30
	2/15/31	31	\$465,000	\$116,593			\$1,000,000	\$100,600		\$745,000	\$77,400	
Dec-30	8/15/31	32		\$107,875				\$80,600	\$1,801,950		\$62,500	\$884,900 FY 31
	2/15/32	32	\$425,000	\$107,875			\$1,000,000	\$80,600		\$785,000	\$62,500	
Dec-31	8/15/32	33		\$97,250				\$58,600	\$1,901,700		\$42,875	\$890,375 FY 32
	2/15/33	33	\$490,000	\$97,250			\$1,100,000	\$58,600		\$835,000	\$42,875	
Dec-32	8/15/33	34		\$85,000				\$36,000	\$1,902,000		\$22,000	\$899,875 FY 33
	2/15/34	34	\$1,660,000	\$85,000				\$36,000		\$880,000	\$22,000	\$902,000 FY 34
Dec-33	8/15/34	35		\$43,500				\$36,000	\$1,899,000			
	2/15/35	35	\$1,740,000	\$43,500				\$36,000				
Dec-34	8/15/35	36					\$1,830,000	\$36,000	\$1,902,000			
	2/15/36	36						\$36,000				
TOTALS			\$15,063,327	\$6,779,982	\$1,500,000	\$80,235	\$8,900,000	\$5,460,200	\$37,783,744	\$10,365,000	\$5,043,117	\$15,408,117

Performance Measures

The following data sets are used to measure performance throughout the District. The data is from the past 3-years and is used by administration to drive the decision making process in order to provide the best educational opportunities for students. The data can be categorized into standardized state scores, high school graduation rates, low income percentage trends, and teacher retention rates.

Standardized Test Scores

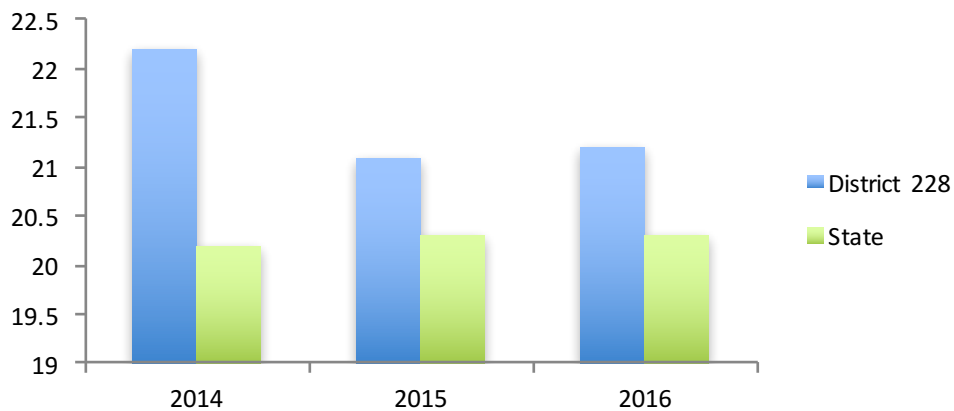
State and federal governments, either directly or indirectly mandates much of the standardized testing in Illinois. Currently in Illinois, the following standardized assessments are required for the 2016-17 school year:

- PARCC: Illinois' assessment choice to meet federal laws for annual accountability, Partnership for Assessment of Readiness for College and Careers.
- ACCESS for English Language Learners: Illinois' assessment choice to meet federal laws for English Language Learner students, Assessing Comprehension and Communication in English State-to-State.

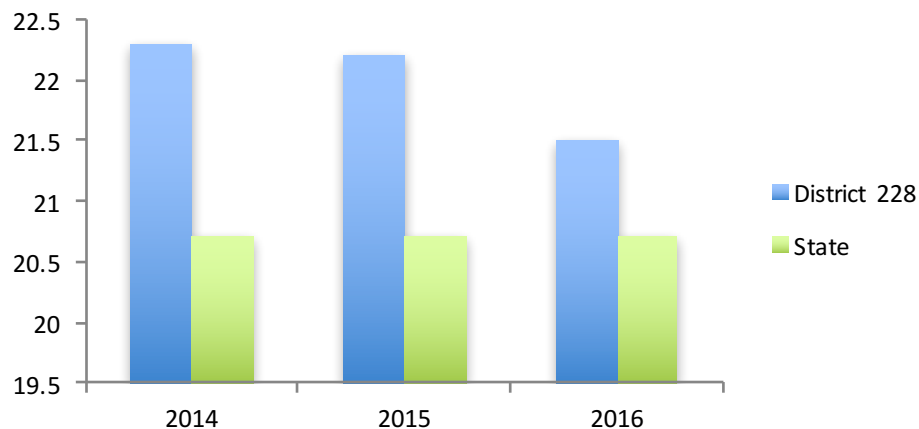
Performance Measures

Historically, the Geneseo CUSD #228 has used the ACT and the Illinois Standards Achievement Test (ISAT) as the primary student performance measure over the past 3 years. The following graphs display historical student achievement measures from the ACT, ISAT, annual Advanced Placement Exams, and the Pre-SAT (PSAT).

ACT English



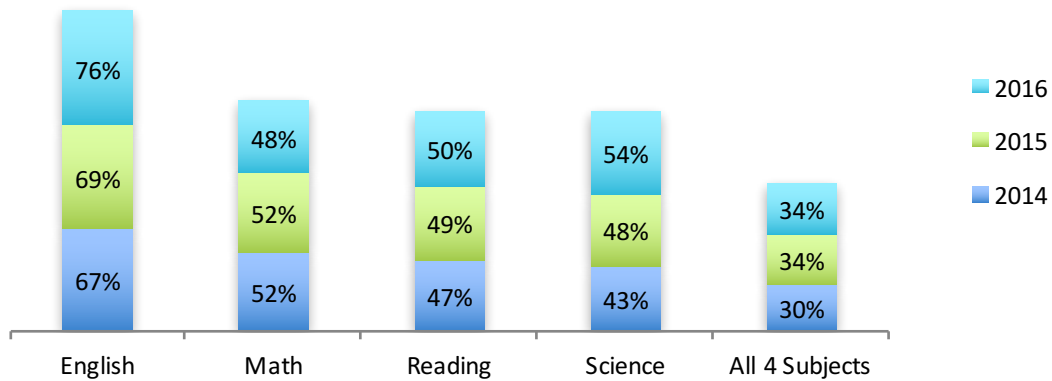
ACT Math



Performance Measures

Overall, ACT scores and trends have been very stable throughout the District, and the District consistently outperforms the state average on all standardized assessments. An aligned curriculum to state standards, along with Response to Intervention (Rtl) strategies can be attributed to the success Geneseo students have on standardized assessments.

ACT Benchmarks High School Students College Ready Geneseo CUSD #228



Performance Measures

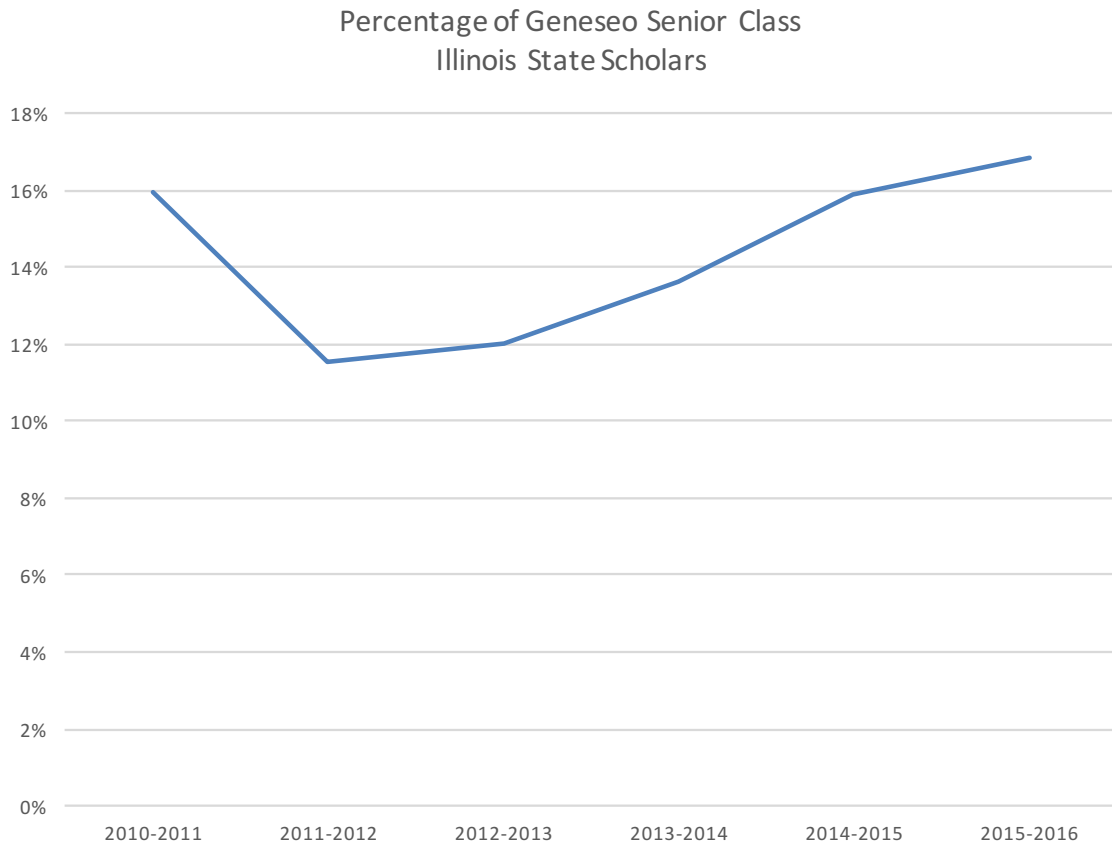
The district offers 15 different Advanced Placement (AP) courses and the graphs below show the average scores by Geneseo students and the state averages on each exam.

Geneseo High School Advanced Placement Exam Scores			
	2014	2015	2016
Calc AB	2	2.21	2.37
Calc BC	2.66	2.72	3.36
Calc BC (Subscore for AB)	3.13	3.44	3.86
Calculus AB + BC subscores	2.77	2.76	2.75
Biology	4.21		3.13
Chemistry	2.75	3.12	2.13
English Comp	4.1	3.79	3.69
English Lit	3.62	3.58	3.2
MacroEconomics			2.35
MicroEconomics			3.17
Music Theory	5	3.86	
Music Aural	5	3.79	
Music Non-Aural	4	3.79	
US Gov	2.67		4.5
US History	3.97	3.86	3.63

State Average Advanced Placement Exam Scores			
	2014	2015	2016
Calc AB	3.04	3.03	2.96
Calc BC	4.15	3.97	4.09
Calc BC (Subscore for AB)	4.38	4.33	4.27
Calculus AB + BC subscores	3.43	3.41	3.36
Biology	2.84	2.94	2.91
Chemistry	2.91	3.06	2.79
English Comp	3.07	2.94	2.96
English Lit	2.82	2.82	2.75
MacroEconomics	3.32	3.23	3.37
MicroEconomics	3.24	3.19	3.08
Music Theory	3.2	3.11	3.14
Music Aural	3.22	3.15	3.14
Music Non-Aural	3.11	3.03	3.15
US Gov	2.89	2.79	2.78
US History	3.01	2.91	2.9

Performance Measures

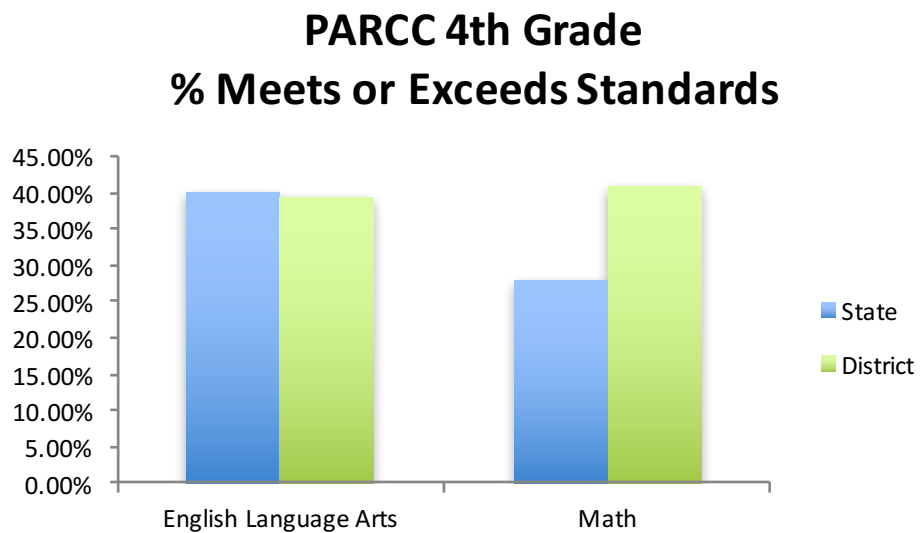
Geneseo High School has seen a steady increase in the percentage of senior students who qualify as Illinois State Scholars. Illinois State Scholars are students who are in the top 10% of all high school seniors in Illinois based on standardized test scores and class rank.



Performance Measures

Standardized State Test Scores K-8

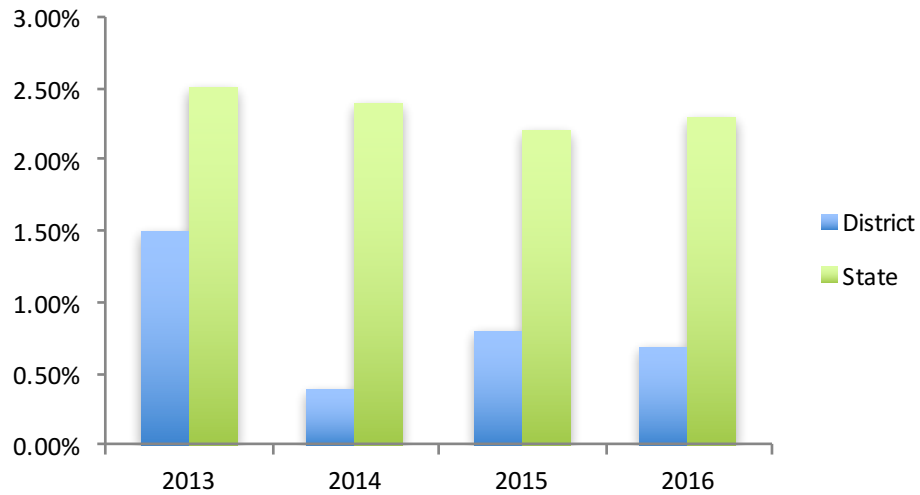
Beginning in 2016 the State of Illinois began using the PARCC exam to measure student learning and to make comparisons across Districts. Because of the limited amount of data with the PARCC exam only 4th grade results are displayed.



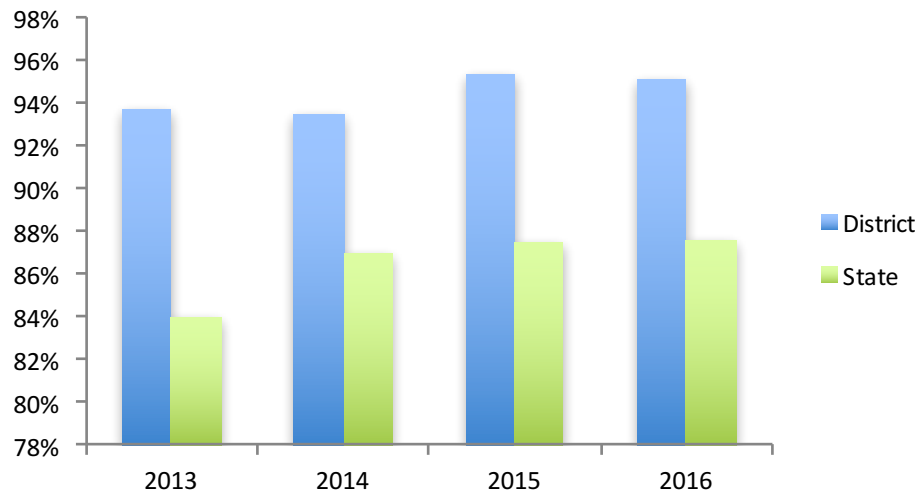
Performance Measures

High School Dropout Rate, Graduation Rate, and Low Income Trends

High School Dropout Rate

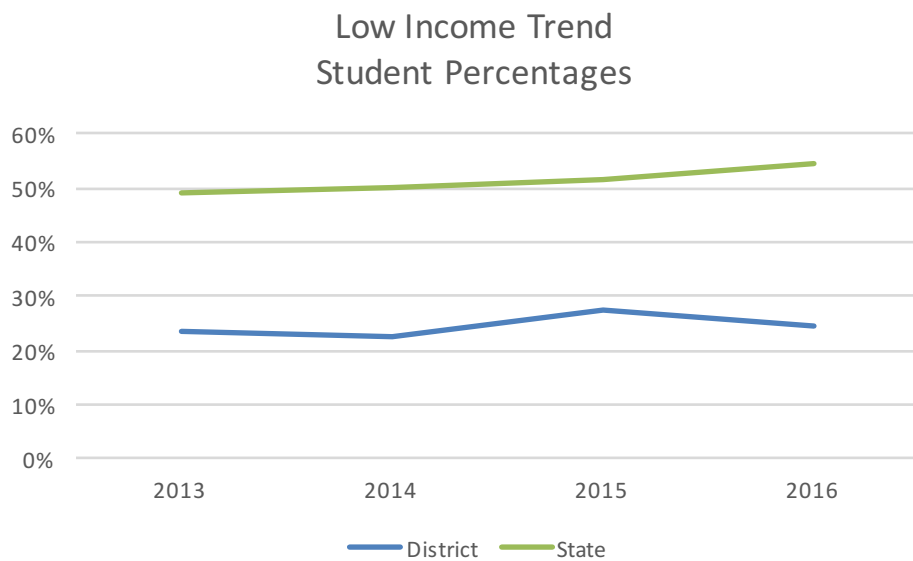


High School Graduation Rate



Performance Measures

Although the low income trend within the District is rising, it is well below the state averages, and well below the low income averages in nearby communities and school districts. The District continues to closely monitor low income trends and make necessary adjustments within our schools to meet the needs of these at-risk students.



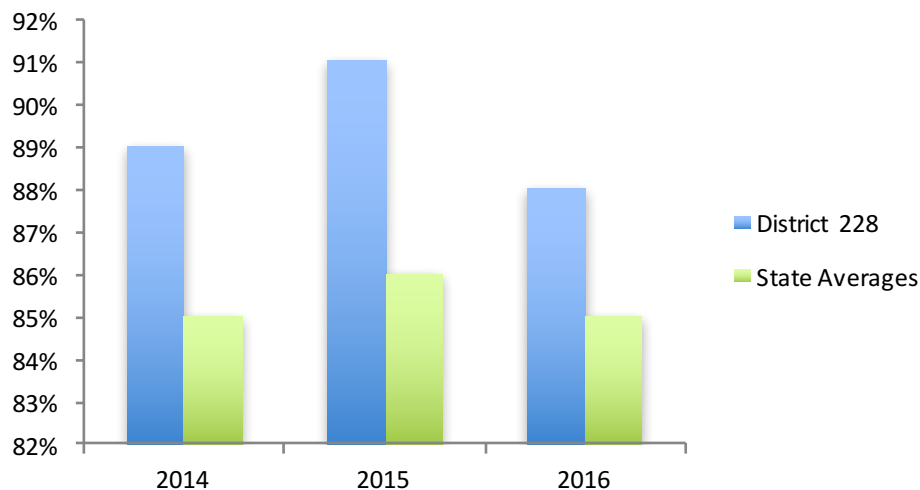
Performance Measures

Teacher Retention Rates

The graph below is an illustration of the percentage of teachers that are hired and continue employment with the District for at least 3 years from their date of hire. As the chart indicates, Geneseo CUSD #228 is well above the state average in teacher retention, although the 2015 Fiscal Year resulted in a decrease in the overall retention rate.

Although the District average starting teaching salary is below the state average, the District has been able to maintain a strong teacher retention rate. The District offers an attractive health insurance plan where single coverage premiums have no cost to the employee except for a one time \$150 enrollment fee. Other factors that lead to a strong retention rate is the overall technology found within the District. All teachers are supplied with a laptop computer, all classrooms are furnished with overhead projection systems, and all children have access to Apple ipads, Google Chromebooks, and desktop computers on a 1:1 basis.

Teacher Retention



Glossary of Commonly Used Terms

Average Daily Attendance (ADA): The number of students attending school on an average day. State funding is based on ADA.

Common Core Curriculum: A set of clear college and career ready standards for kindergarten through 12th grade in English language arts/literacy and mathematics.

Community Unit School District (CUSD): A school District that is designed for students and teachers kindergarten through 12th grade.

Discovery Education: A third party assessment system used as part of the Response to Intervention system throughout the District.

Educational Support Personnel (ESP): Employees who are non-certified and not part of the local bargaining unit.

Equalized Assessed Value (EAV): A property's valuation after county and state equalization are performed.

Fiscal Year (FY): The District fiscal year is a 12-month period beginning July 1 and ending June 30. The District's budget operates annually on this schedule.

Function: A dimension used in fund accounting that describes the action or purpose for which resources are used to perform or accomplish objectives of the school district.

Fund: A division of the budget for specific activities and objectives. Each fund is subject to regulations in order to assure money is used for the purposed defined by the law. There are 9 major funds in the Illinois School Accounting Code:

General State Aid (GSA): A formula designed by the State that distributes revenue to school Districts to ensure all students in Illinois have access to educational goods and services at a basic level.

Geneseo Education Association (GEA): The local bargaining unit/teacher union.

Illinois Municipal Retirement Fund (IMRF): The pension system for non-certified staff who work over 600 hours per year.

Learning Walks: A District leadership team initiative where teachers observe other teachers in order to increase professional practices.

Glossary of Commonly Used Terms

Levy: The amount of money the District needs for property taxes for each fund as certified in the Board of Education's annual levy resolution in December.

Object: A dimension used in fund accounting that describes the service or commodity obtained as a result of a specific expenditure.

On-Behalf Payments: District payments to the Teachers' Retirement System and to Teacher Health Insurance Security Fund "on-behalf" of employees.

Partnership for Assessment of Readiness for College and Careers (PARCC): The newly adopted standardized test given to school children in Illinois to measure learning and college and career readiness.

Project Leaf: All-encompassing District label that refers to all activities involving the voted bond referendum and new capital projects.

Performance Evaluation Reform Act (PERA): Statewide teacher evaluation reform which creates consistency in school district teacher evaluation systems.

Risk Management Plan: A written document required by state law that establishes risk management practices throughout a school district.

Title I: Federal grant money received by the District to support low income children.

Title II: Federal grant money received by the District to support the professional development of teachers and instruction.