



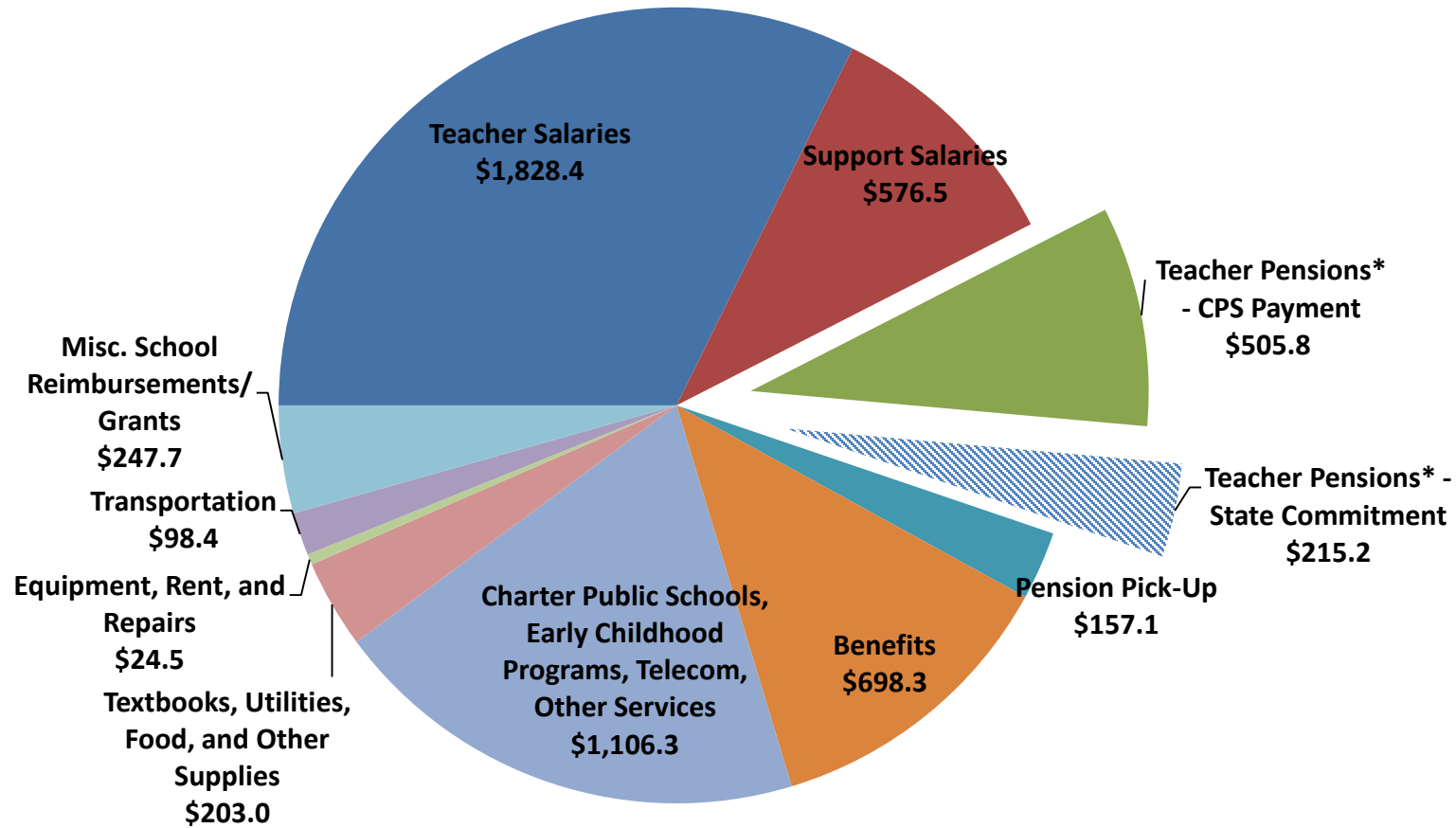
# Amended FY17 Budget – Board Update

February 22, 2017

# CPS' Unfair Pension Burden Means \$1 out of every \$6 Goes to Pensions



**FY17 Budget by Type of Spending  
\$5.41 Billion**



Draft & Confidential \*CPS is the only district in the State that has to pay the teachers pension payment – which totals \$721 million in FY17





## Amended FY 2017 Operating Budget

Governor Rauner's veto created a \$215 million midyear hole in CPS' budget.

In order to protect teachers' pensions and prevent teacher layoffs, CPS made the hard choice of reducing non-personnel spending instead.

Cuts Resulting From Governor Rauner's Veto	Savings (in Millions)
4 Furlough Days (Previously Announced)	\$35
Non-Personnel District-Run School Freeze	46
Centrally Controlled Professional Development Cut	5
<u>Charter Share of Above Reductions</u>	<u>18</u>
<b>Total Expense Reductions</b>	<b>\$104</b>
Original Budgeted State Revenue	\$215
<u>-Less Expense/Revenue Reductions Above</u>	<u>104</u>
<b>State Revenue OR Additional Savings Initiatives</b>	<b>\$111</b>

- Based on school feedback, we have set up an appeals process to reduce impact of cuts on certain schools



## Amended Budget Reduces \$104M in Spend



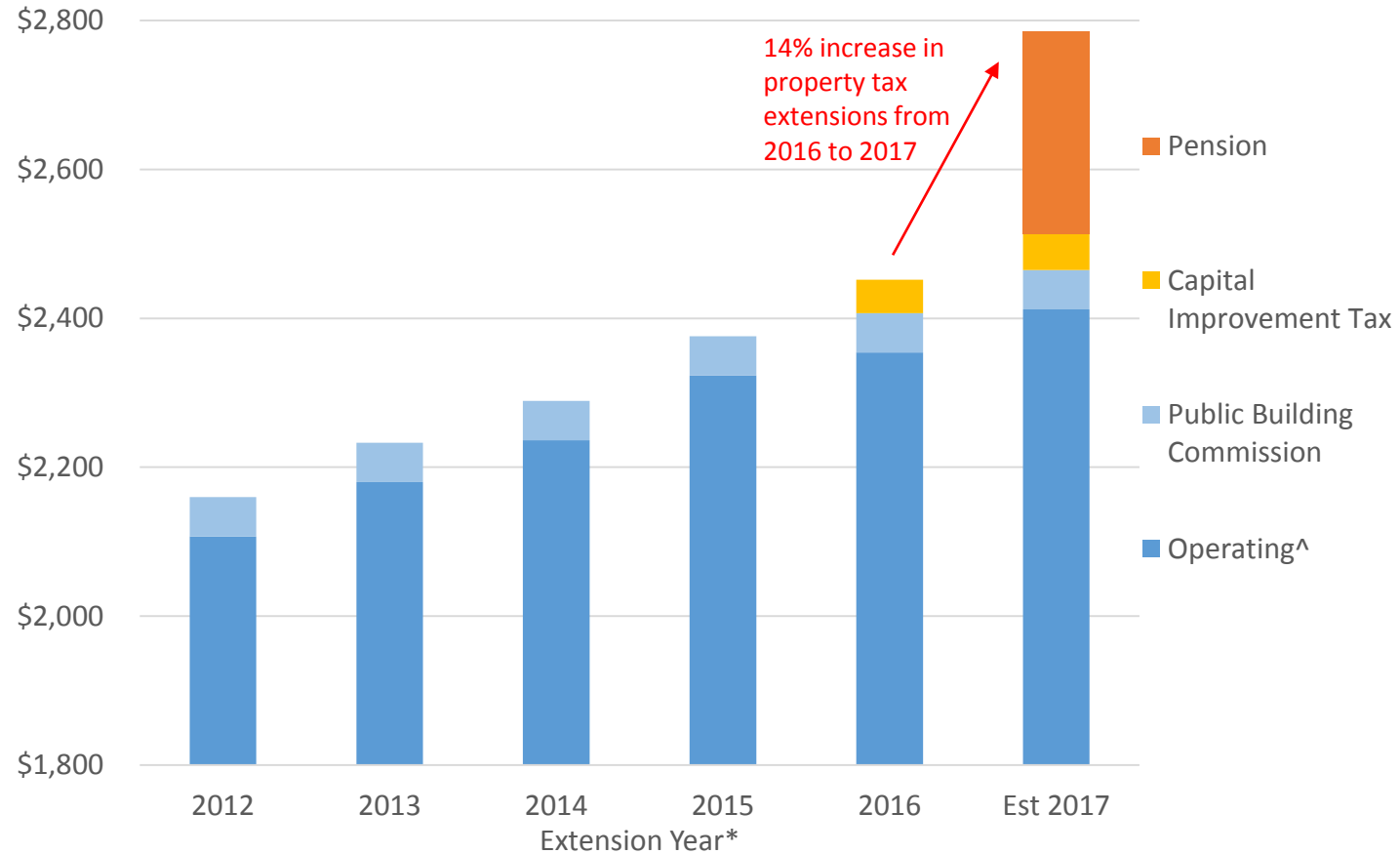
- Current FY2017 Budget:  
\$5.514 billion
- FY2017 Amended Budget:  
\$5.411 billion



# Chicago Taxpayers & Board of Education Stepped Up with Largest Increase in Property Taxes in Recent CPS History



CPS Property Tax Extensions (\$ in Millions)



\* Extension year is the calendar year when taxes are billed; it is not the same as CPS' fiscal year

^ Subject to PTELL Tax Caps

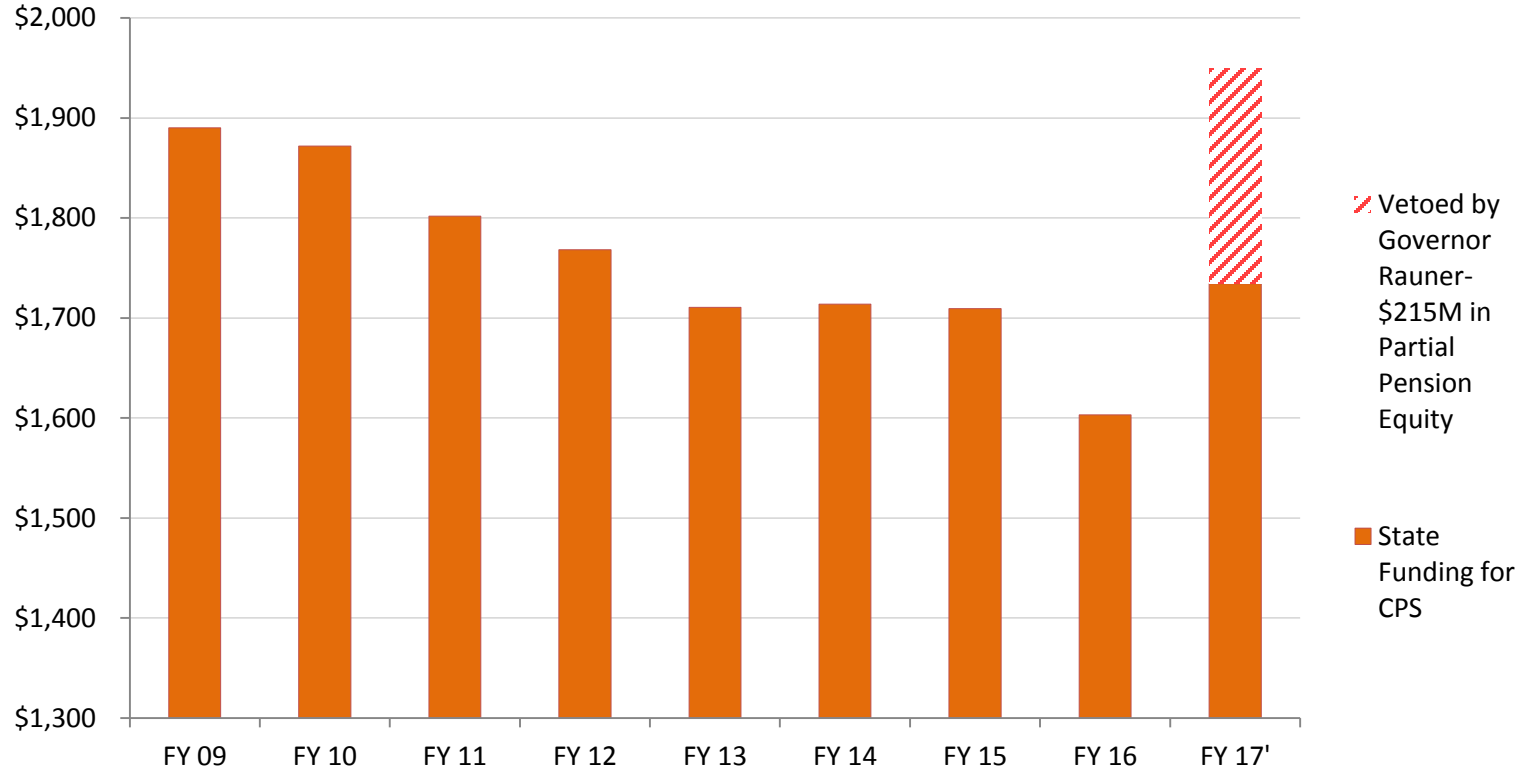


# Thanks to Advocacy of Parents, Principals, CPS and Teachers, State Promised CPS \$345M More in FY17



Yet mid-year, Governor Rauner Vetoed \$215M of the \$345M increase CPS was relying on for teacher pensions

**State Funding for CPS; GSA/Equity Grant, Block Grants, Bilingual, and Pensions  
(\$ in millions)**



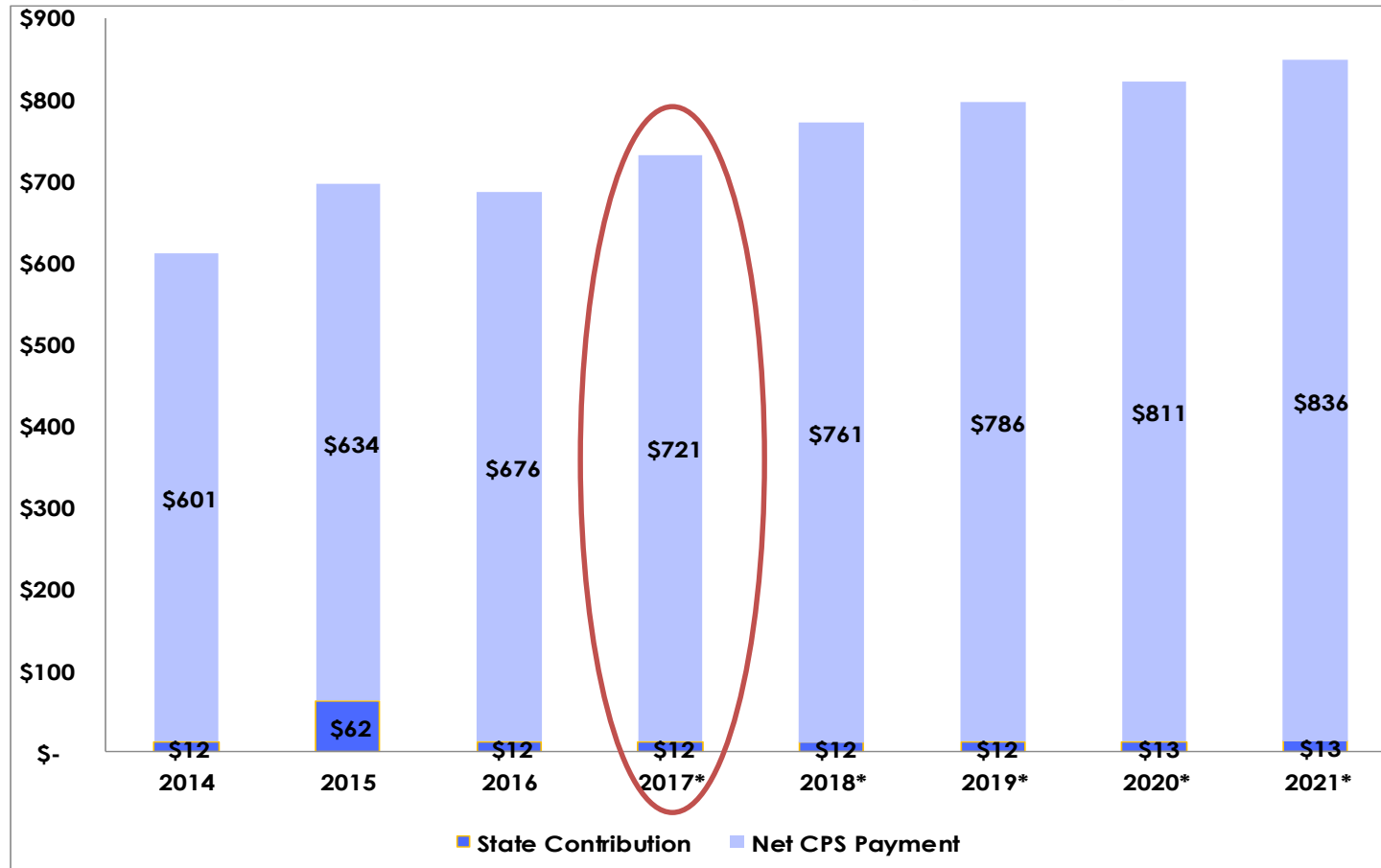
**\* Projected end-of-year; includes GSA hold-harmless and Equity Grant; \$215M**



# While CPS' State Revenue Has Generally Been Declining, CPS' Required Pension Payments Continue to Grow



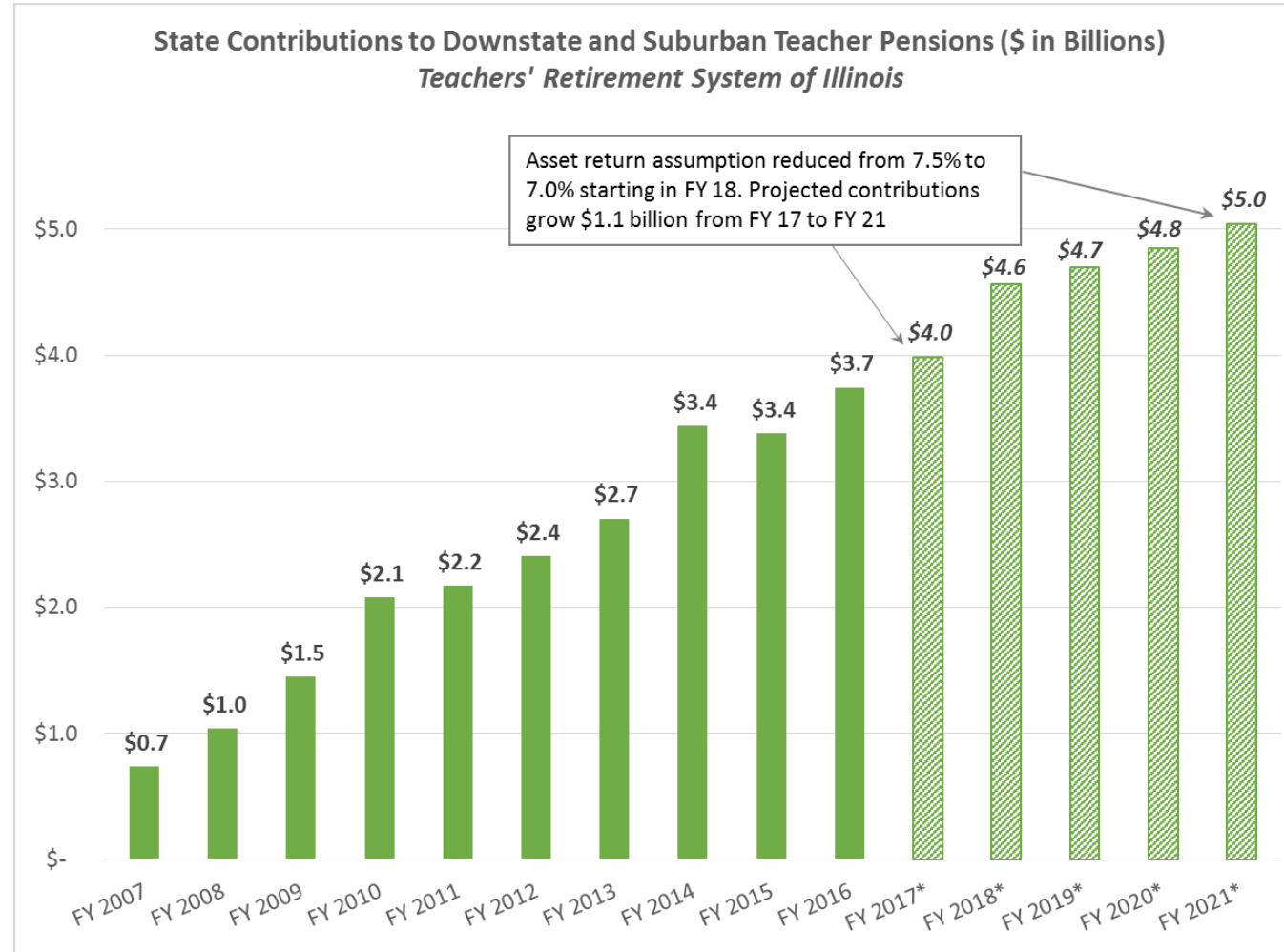
CPS Annual Pension Contributions (\$ in Millions)



\*Projected  
 Sources: 6/30/16 actuarial valuation; FY 17 certified + projections  
 Assumes CPS nets state contribution from payment



# Meanwhile, State Continues to Divert More Resources Towards All Other District Pensions, EXCEPT Chicago Public Schools



\*Projected

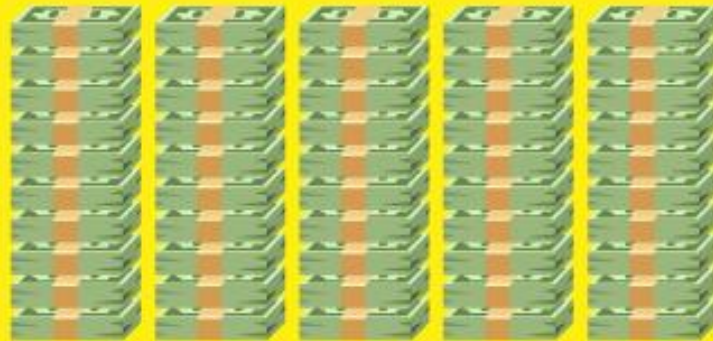




**In FY 2017, CPS Will Pay \$1,891/Pupil for its Teachers' Pensions, While All Other School Districts Will Only Pay \$86/Pupil for Their Teachers' Pensions**



**Illinois will require CPS to spend \$1,891 per student on Chicago pensions this year.**



**\$1,891**  
**per CPS student**

**Non-Chicago school districts will spend on \$86 per student on pensions.**



**\$86** per student  
**for all other districts**



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20% FOR 20%

FAIRNESS IN EDUCATION

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Fix Illinois'

**SEPARATE AND UNEQUAL**  
education funding system.  
Our children deserve better.

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MORE

EN  
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TAKE ACTION