



Amended FY2017 Budget – Board Meeting

December 7, 2016

Amended FY2017 Operating Budget



- Original Approved Operating Budget proposed **\$5.459 Billion** of revenues and expenses
- The tentative CTU contract adds \$55 million in costs this fiscal year
 - \$45 million related to Steps and Lanes
 - \$8 million Charter equivalent
- Additional TIF revenue of \$55 million will cover the additional FY2017 expenses associated with the new contract
- The Amended FY2017 budget will be balanced at **\$5.514 Billion**



Amended Budget Adds \$55M in Appropriation



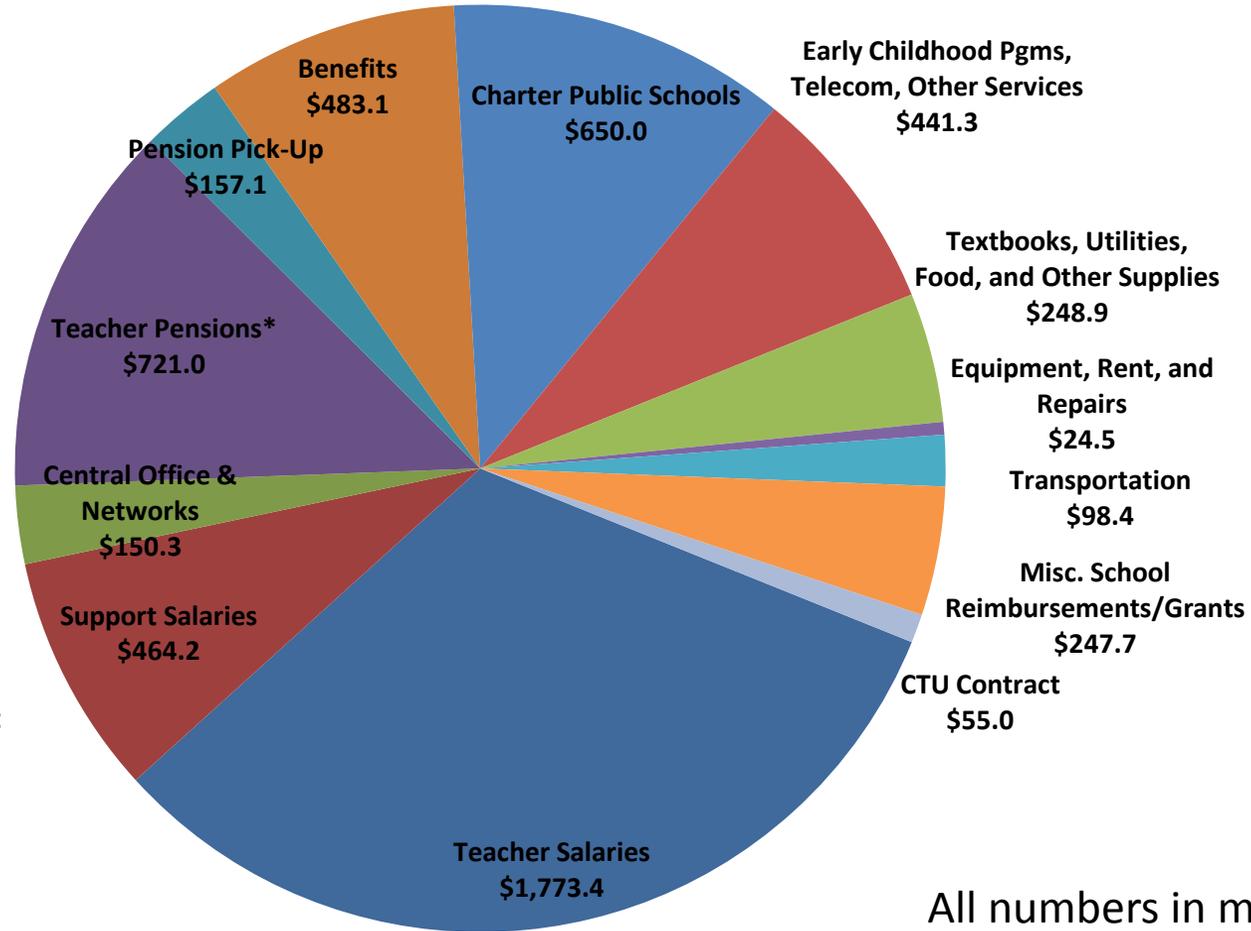
- FY2017 Original Budget: \$5.459 billion
- FY2017 Amended Budget: \$5.514 billion



FY2017 Amended Budget Identical to Approved Budget with \$55M for CTU Contract



FY2017 Amended Budget by Type of Spending
\$5,514M



Note: Support Salaries Includes: Principals, Clerks, Food Service, Security, Custodial, Engineers and other direct service personnel.

All numbers in millions

*CPS is the only district in the State required to pay its legacy pension costs; all other districts' pension costs are fully funded by the State.



FY2017 - Cost impact of CTU Contract



Major components of the CTU Contract and their associated FY2017 impact include:

- CTU members will receive steps and lanes in FY2017 which is expected to cost \$45M
- Charter equivalent share is estimated at \$8M
- Health insurance plan changes reducing the number of plan options is expected to save \$11M in FY2017
- Teachers who are laid off will be placed in a reassigned teacher pool for up to 10 months which is expected to cost \$7 million
- Other contract terms including additional support for K-2 classes with over 32 students, sick leave payout and the elimination of the wellness penalty will cost \$6 million



\$215 Million Partial State Pension Parity



- The FY2017 budget includes \$215M in partial pension parity, as promised by the State
- We are working on a legislative solution to ensure that the State honors its commitment to provide \$215 million of “normal” pension costs, like every other District in the State
- If Illinois does not honor its commitment, we will vote on an additional amended budget at the January 25th Board Meeting



Amended FY2017 Capital Budget



- The CPS Capital Budget funds long-term investments in the District, such as the construction of new schools, renovations to existing schools, and other major projects
- The amended FY2017 capital budget will include up to \$600 million in capital projects in addition to the \$338 million in the original budget
- Projects will be funded primarily by bonds secured by the Capital Improvement Tax (CIT), approved by the City Council in Fall 2015, and outside sources
- CIT funds can be used only for capital improvements and will have no impact on CPS' operating budget
- Three public hearings were held on Monday, December 5

