



FY17 Budget Recap

Structural Budget Improvement

CPS' budget deficit has declined from \$1.1B in FY16 to a \$544M beginning deficit in FY18

This is despite various cost increases which have been managed down through internal efficiencies

CPS also secured \$454M in new revenues in FY17 from state and local resources

- \$250M new pension levy which will grow based on EAV

- \$102M new Equity Grant from the State within GSA

- \$74M GSA hold harmless which would continue with SB1

- \$28M increase in the Early Childhood Grant

These incremental revenues are structural in nature which permanently reduces the budget deficit

With the passage of SB1, CPS anticipates further *structural* reductions to the deficit

FY18 Budget Overview

FY18 Budget includes \$5.75B in spending and \$5.75B in resources

This budget protects investments in the classroom and provides a 5% increase in per-pupil funding to schools compared to FY17

Budget includes an additional \$300M of state revenue as proposed in Senate Bill 1 and \$269M of new local resources



FY18 Budget Protects Academic Achievements

In a landmark study of statewide educational outcomes, the University of Illinois – Chicago found that CPS students are outperforming their peers in every major racial and ethnic group throughout the state.

In its academic progress report, CPS reported dramatic improvements since 2011 on key metrics including participation in the arts, math and reading growth, graduation rates, freshman on-track to graduate, attendance, and dropout rates. For SY15-16, the freshman on-track rate hit an all-time high of 87.4 percent, the dropout rate was cut in half to 6.8 percent and the attendance rate was 93.4 percent.

CPS students have achieved a record high graduation rate, with 73.5 percent of students earning a diploma. The graduation rate has steadily risen over the past six years, growing more than 16 percentage points since 2011 when just over half of CPS students earned a high school diploma.

FY18 Budget Protects Academic Achievements

CPS students outpace nationwide peers in graduation rate growth. While students nationally achieved a record high graduation rate of 83.2 percent for the 2014-15 school year, CPS students are outpacing their peers with a graduation rate that is growing more than three times faster than the national rate.

The national graduation rate for African American students grew 7.6 points, while CPS' rate went up 12.6 points.

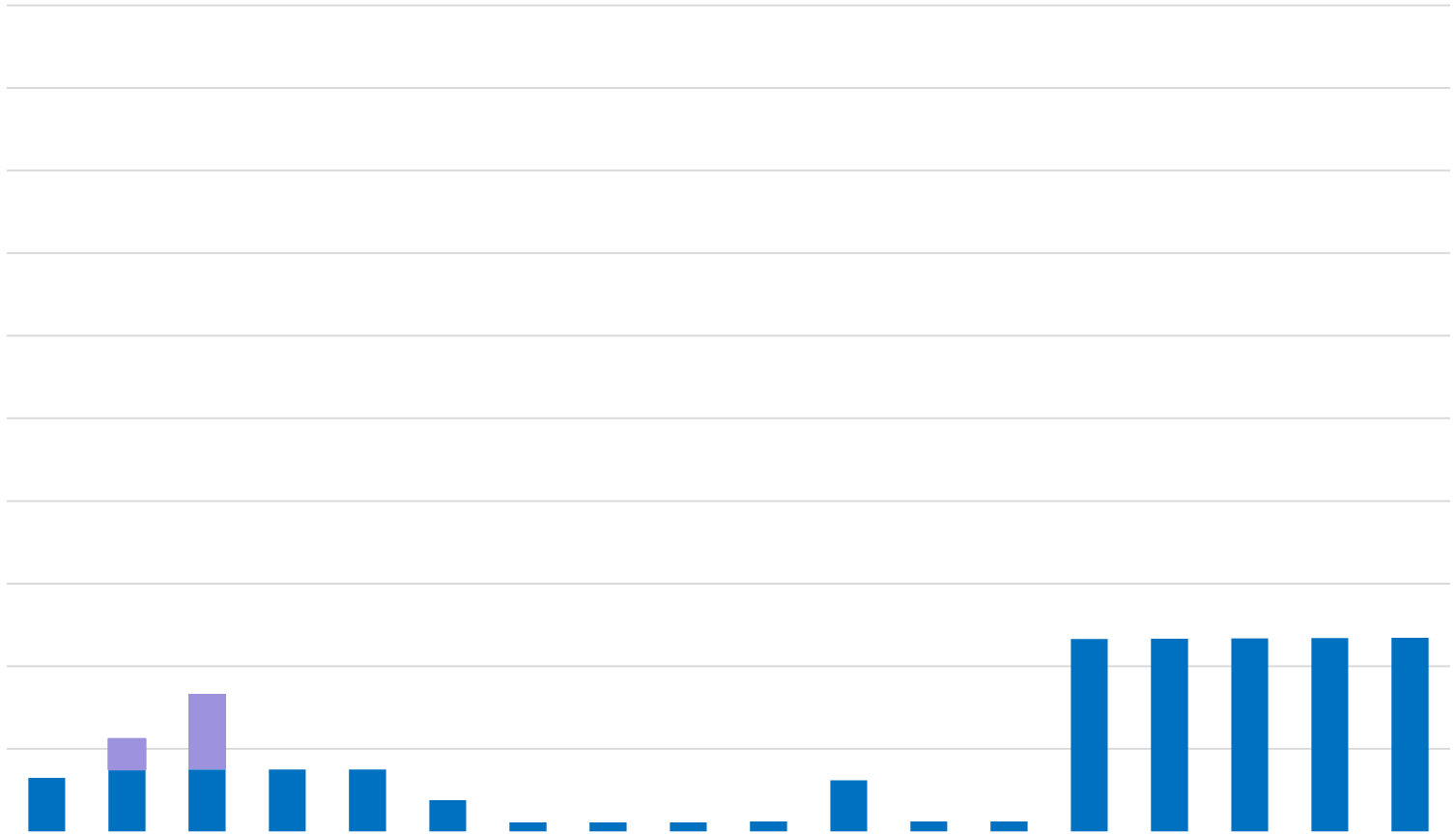
The national rate for Hispanic students went up 6.6 points while CPS' rate went up 14.3 points.

According to a University of Chicago study, roughly 42 percent of CPS graduates enroll in a four-year college or university – quickly approaching the national average of a 44 percent college enrollment rate.

U.S. News and World Report heralded seven CPS high schools among the top ten schools in Illinois. Five of those schools were also ranked nationally.

FY18 Budget by Type of Spending

CPS Required Pension Contributions Grow Dramatically



FY18 Capital Budget

The FY18 capital budget is \$136M of largely emergency facilities repair and deferred maintenance

In FY17, the Board approved a \$938M multi-year capital plan

This capital plan included \$194M of deferred maintenance projects, currently in the works

CPS may seek to approve a supplemental capital plan

Additional clarity around SB1 and the other City local resources will help determine funding sources