



## **Information and Action Item: FY17 Tentative Amended Budget Approval**

TO: School Board  
Dr Trisha Kocanda, Superintendent

FROM: Greg Kurr, CFO

March 21, 2017

### **Overview & Background**

It is anticipated that the Board will approve a Debt Restructuring Plan at the March 21, 2017 regular meeting. The anticipated magnitude of the effect of the debt restructuring is such that best practice would suggest that an amended budget be filed with the state to reflect the effects of the restructuring. In particular the purpose is to demonstrate to the state that after reflecting the effects of implementing the plan that the financial condition of the District is not adversely affected. The only change to the FY17 budget as originally filed will be to reflect the effects of the approved Debt Restructuring Plan.

The requirements for filing an amended budget are the same as those required to file the original budget. The District must submit an approved amended fiscal year budget to the Illinois State Board of Education no later than 30 days after it is approved. Other requirements include, after approval by the Board to do so, placing a Tentative Amended Budget on display for public review for at least 30 days prior to a Budget Hearing. The date of the Budget Hearing must be advertised in prescribed format in a paper of general circulation, also at least 30 days in advance of the Hearing. After the Hearing, the Board approves a Final Budget for filing with the state.

The effects of the anticipated Debt Restructuring under different assumed models are reflected in the attached Schedule showing the changes to the FY17 Budget from debt restructuring. These represent the changes that will be made to the Original FY17 Budget to prepare the FY17 Tentative Amended Budget. Once a final debt restructuring is approved, the budget affects per the Schedule will be referenced for review by the Board. A FY17 Tentative Amended Budget state form, prepared assuming a \$30 million refunding, is also attached for reference purposes. After the Board's review and discussion regarding the FY17 Tentative Amended Budget, the Board will be asked to authorize Administration to place the FY17 Tentative Amended Budget, as may be amended by Board direction, on public display and advertise the April 25, 2017 Hearing regarding the Budget at least 30 days in advance of the April 25, 2017 Budget Hearing.

## **Recommendation**

The recommendation is to authorize Administration, as required by School Code, to place the FY17 Tentative Amended Budget on public display and to have a notice of a Budget Hearing to be held at 7:00 p.m. on April 25, 2017, at Crow Island School, published in a locally distributed newspaper, at least 30 days in advance of the Budget Hearing.

## **Attachments**

Schedule of Changes to the FY17 Budget

Tentative Amended FY17 Budget; \$30m Refunding