



UNDERSTANDING DISTRICT 211 FINANCIAL RESERVES

Township High School District 211



What are financial reserves?

Revenue in excess of expenditures at the end of each fiscal year become reserves (savings) for future use

Why does D211 have reserves?

Board Policy

- Equal to 4 months of next year's expenditures
- Established to avoid short-term borrowing; financial stability

Board of Education Policy- Operating Fund Balance (DCA)

- Targets 33% (4 months) of next year's expenditures for the combined operating funds (Educational, Operations/Maintenance, Transportation, IMRF, and Working Cash) and also for the Educational Fund individually
- Measured as of June 30 each year
- Provides stability due to timing of property tax receipts (avoid the need to issue debt if tax bills are distributed late)
- Ensures long-term financial stability with savings in hand

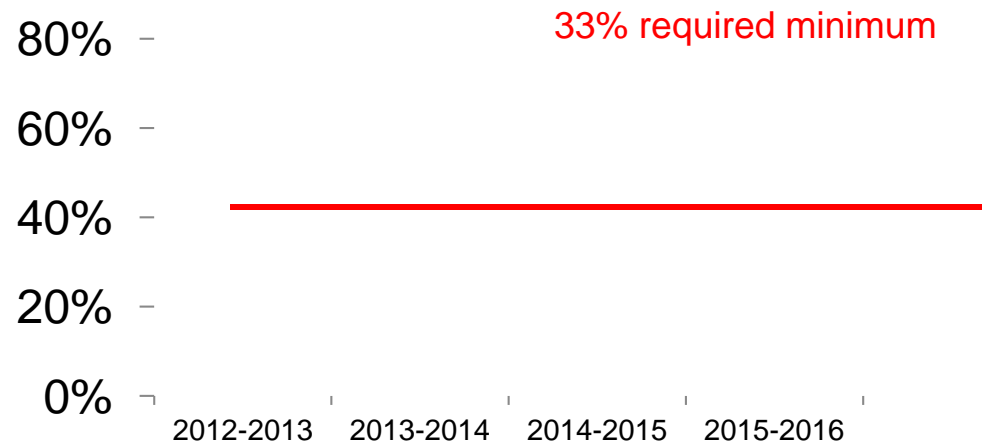


D211 Reserve History

- Acquired through prudent financial management
- Prior budget reductions implemented to generate savings for future use
- Recent reserves have funded \$50 million in capital improvement projects without the need to issue debt

Operating Fund Reserves

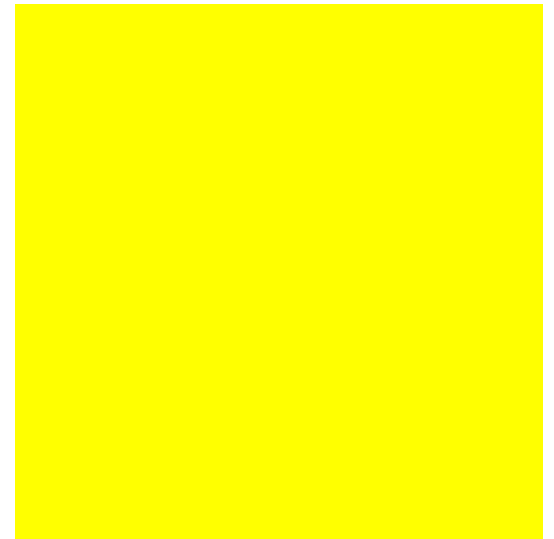
Reserves have been intentionally utilized to fund major capital improvements over the past several years





District 211 Financial Reserves

(As of June 30, 2015)



Future Planning

**Use Future
Reserves to
Fund Capital
Improvements**

