

FINANCIAL PROJECTIONS

FEBRUARY 24, 2025



FORECASTS ANALYTICS

- A powerful financial planning tool that can be used for:
 - Development of a multi-year financial plan
 - Scenario comparisons and “what-if” analysis
 - Detailed budget and performance analysis
 - Budget preparation and upload to accounting system
 - Budget distribution and stakeholder reporting

DATA ELEMENTS

- Five Years of Audited Annual Financial Reports
 - Revenues, Expenses and Fund Balances
- FY24-25 Current Budget (with adjustments)
- Tax Levy / Extensions / Rates / Referendum
- Equalized Assessed Valuation / New Property
 - Enrollment Projections
 - District Assumptions
 - Current scattergram
 - Current Collective Bargaining Agreements
 - Salary & Benefit assumptions
 - Other contractual agreements

2024-2025 REVENUE ADJUSTMENTS

- **Local**
 - CPPRT - \$50K decrease
 - Tuition - \$75K decrease (due to PFA grant)
 - Food Service - \$30K increase
- **State**
 - Private Facility - \$115K decrease (proration after final budget)
 - Orphanage - \$200K increase (one time - unexpected claim)
 - Preschool for All - \$350K increase
- **Federal**
 - National School Lunch Program - \$30K decrease

2024-2025 EXPENDITURE ADJUSTMENTS

- Educational Fund
 - Salaries - \$34K increase
 - .5FTE for PreK Admin Assistant for PFA
 - .8FTE for PreK Family Engagement Liaison for PFA
 - Purchased Services- \$30K decrease for legal fees
 - Supplies - \$25K increase for PFA
- Transportation
 - Supplies - \$30K decrease for gasoline for buses

2024-2025 CAPITAL PROJECTS FUND

- As previously discussed with the Board of Education, the projects financed through the bond funds will end \$1.0M-\$1.2M over budget due to:
 - Projects not included in original scope of referendum:
 - Glen Crest front office renovation
 - Locksets for entire district
 - Nine ceiling mounted heating/cooling cassette units at Park View
 - Scope of kitchen at Glen Crest
 - Mechanical Bid at Briar Glen came in roughly \$800K over anticipated budget
- One-time transfer from operating funds in 2024-25 to cover deficit balance in Capital Project Fund

KEY REVENUE ASSUMPTIONS

PROPERTY TAX REVENUE

- Tax Levy Assumptions
 - CPI (Consumer Price Index) 1% change = +/- \$300,000
 - 12/31/23 CPI – 3.4% (2024 levy collected in CY 2025)
 - 12/31/24 CPI – 2.9% (2025 levy collected in CY 2026)
 - All other years estimated at 2.5%
 - New Property
 - \$2.5M for levy year 2024 through 2029
 - EAV Increase
 - 3.0% per year
- Tax Collection Rate – 99.7% of D89 residents pay their tax bills

KEY REVENUE ASSUMPTIONS LOCAL REVENUE

- Tuition
 - Additional Reduction of \$50K in 2025-26 due to outplaced student
- Investment Income
 - Reductions of \$90K per year 2025-26 through 2027-28
 - Additional reduction of \$55K in 2028-29 ending in \$500K budget in operating funds (comparable to pre-pandemic)
 - Predicting interest rates will continue to decrease as Feds continue to “normalize” economy
- Other Local Revenue
 - Tuition, Student Fees and Other – 1-3% increases per year 2025-26 through 2029-30

KEY REVENUE ASSUMPTIONS

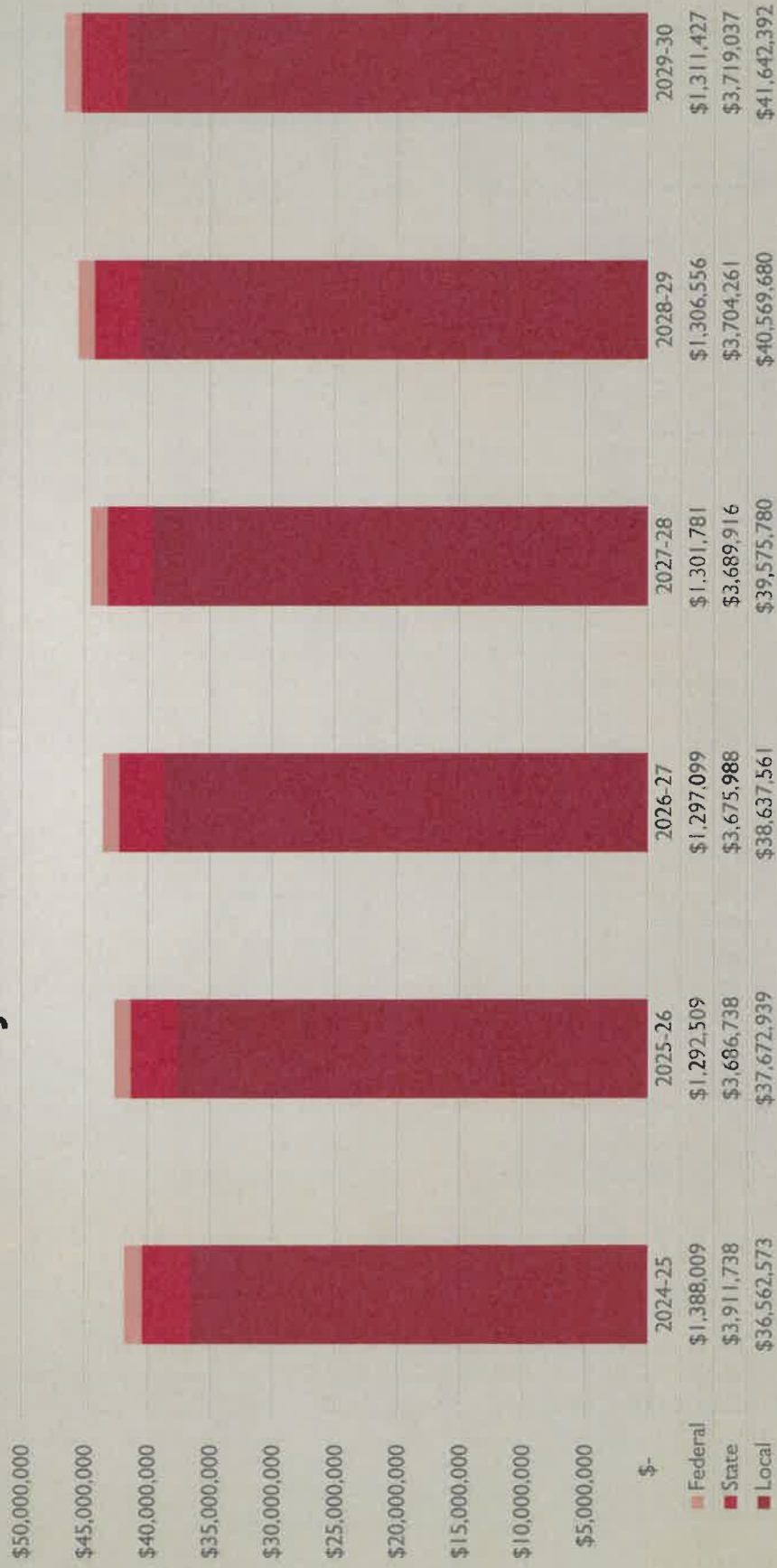
STATE REVENUE

- Evidence-Based Funding
 - Level funding projected
 - Tier 4 – state increases do not affect our allocation
- Orphanage Reimbursement
 - Reduction of \$150K in 2025-26
 - Return to expected enrollment after 2023-24
- Private Facility Reimbursement
 - Dependent on enrollment in private facilities each year
 - Trending increase in enrollment last few years
 - Increase of \$50K for FY2025-26
 - 3% increase per year after 2025-26 due to corresponding increase in enrollment

KEY REVENUE ASSUMPTIONS FEDERAL REVENUE

- National School Lunch Program
 - 2% increases per year after 2024-25 adjustment
- Title Funding
 - Maintained 2024-25 level funding
- IDEA Grant
 - Maintained 2024-25 level funding
- ESSER III Funding
 - Expiration of grant – reduction of \$100K in 2025-26

PROJECTED REVENUES BY SOURCE



KEY EXPENDITURE ASSUMPTIONS

SALARIES

- Teachers
 - CPI of 3.4% for 12/31/23 tied to 2025-26 salary schedule
 - CPI of 2.9% for 12/31/24 tied to 2026-27 salary schedule
 - CPI for 2027-28 through 2029-30 estimated at 2.5%
- Retirement Cost Savings
 - 12.0 FTE known retirements over next four years
 - 1.0 FTE estimated retirement in 2028
- Lane Changes:
 - Estimated at \$125K per year for 2025-26 through 2027-28
 - Estimated at \$100K for 2028-29 and 2029-30

KEY EXPENDITURE ASSUMPTIONS

SALARIES

- **Administrative**
 - 3.0% – 3.5% raises 2025-26 through 2029-30
 - Retirement savings
 - 3.0 FTE over next five years
 - Estimated \$125K savings
- **Support Staff**
 - New Support Staff Association (SPA) Contract (3-year)
 - 2025-26 - 4.25%
 - 2026-27 - estimated at 3.5% (tied to CPI)
 - 2027-28 through 2029-30 – estimated at 3.0%

KEY EXPENDITURE ASSUMPTIONS BENEFITS

- Health/Medical Insurance
 - 2025-26 – 4.5% increase based on preliminary renewal numbers
 - 7.0% increase for PPO
 - 0.3% increase for HMO
 - 2026-27 through 2029-30 estimated at 6.5% increases
- Dental Insurance
 - 2025-26 – 4.1% increase based on preliminary renewal numbers
 - 2026-27 through 2029-30 – estimated at 5.0% increases

KEY EXPENDITURE ASSUMPTIONS PURCHASED SERVICES

- Education Fund
 - 1.0% annual increases
- Operations & Maintenance Fund
 - Custodial Contract – 2.9% increase for 2025-26 (CPI)
 - 2.5% annual increases 2026-27 through 2029-30
- Transportation Fund
 - Decrease of \$25K for ESSER III grant
 - 4.5% increases for 2025-26 and 2026-27 (part of rebid)
 - 4.0% increases for 2027-28 through 2029-30

KEY EXPENDITURE ASSUMPTIONS SUPPLIES

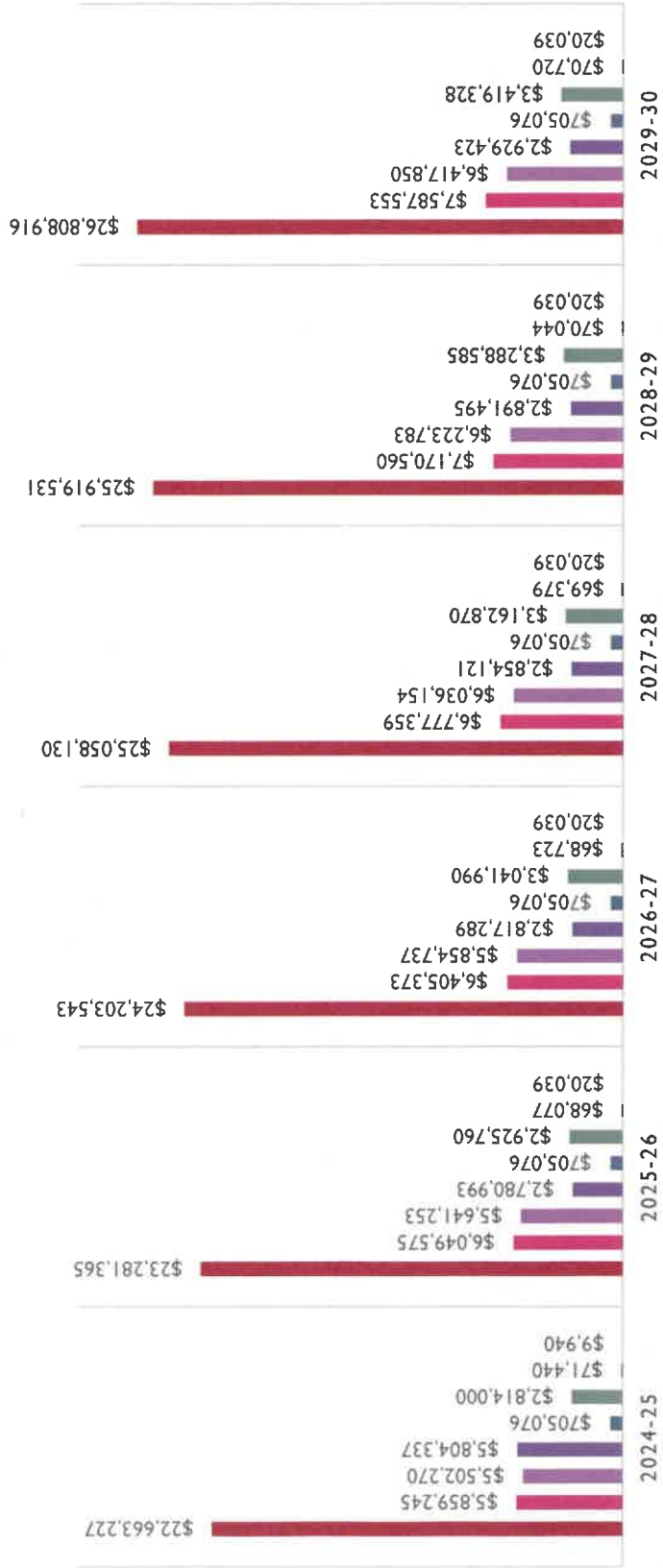
- Education Fund
 - Reduction of \$30K for ESSER III grant
 - 1.0% annual increases
- Operations & Maintenance Fund
 - Reduction of \$30K for ESSER III grant
 - 2.0% annual increases
- Transportation Fund
 - Maintained 2024-25 expenditures (after adjustment)

KEY EXPENDITURE ASSUMPTIONS CAPITAL OUTLAY AND OTHER

- Capital Outlay
 - Education Fund - no increases
 - O&M Fund
 - \$650K level expenditures
 - Parking lots and Kitchen renovations which were not covered from referendum bonds
- Other
 - Special Education Tuition
 - 4.0% annual increases 2025-26 through 2029-30

EXPENSES BY OBJECT

- Salaries
- Benefits
- Purch Services
- Supplies
- Cap Outlay
- Other Objects
- Non-Cap Equip
- Term Benefits



Aggregate Revenue and Expenditure Projections – February, 2024

	BUDGET		PROJECTED		PROJECTED		PROJECTED		PROJECTED		PROJECTED	
	FY 2024	FY 2025	% Δ	FY 2026	% Δ	FY 2027	% Δ	FY 2028	% Δ	FY 2029	% Δ	% Δ
REVENUE												
Local	\$35,146,547	\$36,404,409	3.58%	\$37,420,929	2.79%	\$38,389,030	2.59%	\$39,383,358	2.59%	\$40,404,850	2.59%	2.59%
State	\$3,480,713	\$3,450,116	-0.88%	\$3,502,297	1.51%	\$3,556,044	1.53%	\$3,611,402	1.56%	\$3,668,421	1.58%	1.58%
Federal	\$1,611,303	\$1,261,723	-21.70%	\$1,267,251	0.44%	\$1,272,890	0.44%	\$1,278,642	0.45%	\$1,284,509	0.46%	0.46%
Other	\$0	\$0		\$0		\$0		\$0		\$0		
TOTAL REVENUE	\$40,238,563	\$41,116,248	2.18%	\$42,190,477	2.61%	\$43,217,964	2.44%	\$44,273,402	2.44%	\$45,357,779	2.46%	
EXPENDITURES												
Salary and Benefit Costs	\$27,533,868	\$28,358,239	2.99%	\$29,582,653	4.32%	\$30,890,872	4.42%	\$31,943,358	3.41%	\$33,085,383	3.58%	3.58%
Other	\$10,916,030	\$11,732,540	7.48%	\$12,073,813	2.91%	\$12,425,733	2.91%	\$12,761,224	2.70%	\$13,108,068	2.72%	2.72%
TOTAL EXPENDITURES	\$38,449,899	\$40,090,779	4.27%	\$41,656,466	3.91%	\$43,316,605	3.99%	\$44,704,582	3.20%	\$46,193,450	3.33%	
SURPLUS / DEFICIT	\$1,788,664	\$1,025,468		\$534,011		(\$88,641)		(\$431,180)		(\$835,671)		
OTHER FINANCING SOURCES / USES												
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		
Other Financing Uses	(\$110,767)	(\$110,767)		(\$110,767)		(\$110,767)		(\$110,767)		(\$110,767)		
TOTAL OTHER FIN. SOURCES / USES	(\$110,767)	(\$110,767)		(\$110,767)		(\$110,767)		(\$110,767)		(\$110,767)		
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$1,677,897	\$914,701		\$423,244		(\$209,408)		(\$541,947)		(\$946,438)		
BEGINNING FUND BALANCE	\$22,002,098	\$23,679,995		\$24,594,697		\$25,017,941		\$24,808,533		\$24,266,586		
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0		\$0		\$0		\$0		\$0		
PROJECTED YEAR END BALANCE	\$23,679,995	\$24,594,697		\$25,017,941		\$24,808,533		\$24,266,586		\$23,320,148		
FUND BALANCE AS % OF EXPENDITURES	61.59%	61.35%		60.06%		57.27%		54.28%		50.48%		
FUND BALANCE AS # OF MONTHS OF EXPEND.	7.39	7.36		7.21		6.87		6.51		6.06		

AGGREGATE REVENUE AND EXPENDITURE PROJECTIONS – CURRENT

Educational | O & M | Transportation | IMRF / SS | Working Cash | Tort

	BUDGET FY 2025	PROJECTED FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	PROJECTED FY 2030
REVENUE						
Local	\$36,562,573	\$37,672,939	\$38,637,561	\$39,575,780	\$40,569,680	\$41,642,392
State	\$3,911,738	\$3,686,738	\$3,675,988	\$3,689,916	\$3,704,261	\$3,719,037
Federal	\$1,388,009	\$1,292,509	\$1,297,099	\$1,301,781	\$1,306,556	\$1,311,427
Other	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$41,862,320	\$42,652,186	\$43,610,648	\$44,567,476	\$45,580,497	\$46,672,856
EXPENDITURES						
Salaries	\$22,663,227	\$23,291,365	\$24,203,543	\$25,058,130	\$25,919,531	\$26,808,916
Benefits	\$5,859,245	\$6,049,575	\$6,405,373	\$6,777,359	\$7,170,560	\$7,587,553
Purchased Services	\$5,502,270	\$5,641,253	\$5,854,737	\$6,036,154	\$6,223,783	\$6,417,850
Supplies And Materials	\$2,804,337	\$2,780,993	\$2,817,289	\$2,854,121	\$2,891,495	\$2,929,423
Capital Outlay	\$705,076	\$705,076	\$705,076	\$705,076	\$705,076	\$705,076
All Other Objects	\$2,895,380	\$3,013,876	\$3,130,753	\$3,252,288	\$3,378,668	\$3,510,088
TOTAL EXPENDITURES	\$40,429,535	\$41,482,137	\$43,116,771	\$44,683,128	\$46,289,113	\$47,958,905
SURPLUS / DEFICIT	\$1,432,785	\$1,170,049	\$493,877	(\$115,651)	(\$708,616)	(\$1,286,049)
OTHER FINANCING SOURCES / USES						
Other Financing Sources	\$50,000	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	(\$1,160,767)	(\$160,767)	(\$160,767)	(\$160,767)	(\$160,767)	(\$160,767)
TOTAL OTHER FIN. SOURCES / USES	(\$1,110,767)	(\$160,767)	(\$160,767)	(\$160,767)	(\$160,767)	(\$160,767)
SURPLUS/DEFICIT INCL. OTHER FIN. SOURCES	\$322,018	\$1,009,283	\$333,110	(\$276,418)	(\$869,383)	(\$1,446,816)
BEGINNING FUND BALANCE	\$25,205,442	\$25,527,461	\$26,536,743	\$26,869,853	\$26,593,436	\$25,724,053
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0	\$0	\$0	\$0	\$0
PROJECTED YEAR END BALANCE	\$25,527,461	\$26,536,743	\$26,869,853	\$26,593,436	\$25,724,053	\$24,277,237
FUND BALANCE AS % OF EXPENDITURES	63%	64%	62%	60%	56%	51%
FUND BALANCE AS # OF MONTHS OF EXPEND.	7.58	7.68	7.48	7.14	6.67	6.07

POTENTIAL ISSUES FACING FINANCES

- Property Tax Freeze / Relief
- TRS cost phase-in
 - 0.5% per year
 - Each 0.5% costs D89 an additional \$125K per year