



MEMORANDUM

To: Board of Education and Administration
From: Rob Grossi
Date: October 18, 2019
Re: Presentation of Financial Forecast to Board of Education

On Tuesday, October 29th, I will be presenting the financial forecast to the Board of Education. The Board of Education has several major decisions to make over the next few months and it is critical that these decisions are made under the lens of their long-term impact on the District's financial condition and future budgets that provide the resources to address the many needs of your students.

Earlier in the month, I made this same presentation to FORC, at which time I believe all members were present. The purpose of the presentation was to share with them the projections and to solicit a recommendation regarding the next two major decisions that must be made by the Board: the adoption of the 2019 tax levy and the issuance of phase two of the referendum bond issue. At the conclusion of the FORC meeting, the members voted to recommend that the Board of Education maximize the 2019 tax levy by capturing the new tax dollars available from the expiring TIF districts and to proceed with issuing the second phase of the referendum bonds by January/February of 2020.

To summarize my perspective of the District's long-term financial condition, absent legislative action in Springfield in the form of a property tax freeze or a pension shift, I believe that the successful passage of the referendum combined with the additional revenues generated from the expiring TIF's gives this District a unique opportunity to maintain balanced budgets and healthy fund balance reserves for many years. This will also give the District the opportunity to address all or a portion of its non-referendum capital projects over the next five years without having to issue additional debt.

Concerning Board action involving the passage of the 2019 tax levy, A more detailed discussion on the tax levy will occur during the November Board meeting, when the Board will be presented with the tentative tax levy. Further discussion, a public hearing and a decision on the levy will be made at the December board meeting.

If you have any questions or desire any additional information or clarity before the meeting, please contact Dr. Kelley and I will respond accordingly.