



**Board of Education - Finance Committee Meeting  
District Office (Viti Building)  
445 Sheridan Rd.  
Highwood, IL 60040**

**Tuesday, October 6, 2026 6:00 PM**

**Mission**

*North Shore School District 112 is a transformative learning organization where curiosity inspires minds, innovation shapes the future, and students, staff, and families engage to create a kind and connected community that is committed to excellence.*

**Agenda**

1. Call to Order/Roll Call (6:00 p.m.)
2. Approval of Agenda
3. Discussion
  - a. Internal Controls Audit Report (*Baker Tilly*)
  - b. 5-Year Financial Projections & Capital Plan
4. Public Comments
5. Other
6. Adjournment

# **5-Year Fiscal Projections**



**October 6, 2026  
Finance Committee Meeting**



# 5-Year Fiscal Projections - Background

- NSSD 112 has...
  - Utilized prior years' actual data
  - Imported the current Board-approved 2026-2027 Budget
  - Adjusted some current year revenue/expenditure line items as new information becomes available
  - Estimated future year revenues and expenditures for 5 additional fiscal years



# 5-Year Fiscal Projections - Background

- The forthcoming projections are conservative in nature, meaning...
  - Revenues are estimated on the low side.
  - Expenditures are estimated on the high side.



# Critical Assumptions: Revenues

- CPI-U (Consumer Price Index for all Urban consumers)
  - Used for tax levy limitation calculations (assumed maximum levies)
  - 2.7% for TY 2026
  - 3.4% for TY 2027
  - 3.0% for TY 2028-2031



# Critical Assumptions: Revenues

- Evidence-Based Funding/State Funding
  - Held flat in all years
- CPPRT
  - Increased to \$1M and held constant for remaining years
- Interest Income
  - Held constant at \$3.3 million in Education Fund
- Other Revenue
  - Held flat most line items
- Federal Revenue
  - Held flat with exception of HVAC/geothermal reimbursements



# Critical Assumptions: Revenues

- HVAC/Geothermal Reimbursements
  - \$5.9 million in FY28
  - \$4.9 million in FY29



# Critical Assumptions: Expenditures

- Teacher Staffing
  - Increased 1.2 FTE per year
- Support Staff
  - Held Constant
- Administrative Staff
  - Held Constant



# Critical Assumptions: Expenditures

- Payroll
  - Teachers - estimated for contractual increases
  - Support Staff - estimated for contractual increases
  - Administration - 4%



# Critical Assumptions: Expenditures

- Benefits
  - Health Insurance - 8.0% increases per year
  - Dental Insurance - 5.0% increases for trend
- Expenditures
  - 2.2% increases in all years (Federal Reserve 5-year inflation estimate) in Ed for Purchased Services and Tuition
  - 3% in O&M and Transportation Funds for Purchased Services



# Critical Assumptions: 5-Year Capital Plan

| Project                              | FY 25-26     | FY26 Fund                           | FY 26-27     | FY27 Fund  | FY 27-28     | FY28 Fund  | FY 28-29    | FY29 Fund  | FY 29-30 | FY30 Fund  | FY 30-31    | FY31 Fund  |
|--------------------------------------|--------------|-------------------------------------|--------------|------------|--------------|------------|-------------|------------|----------|------------|-------------|------------|
| Braeside Renovation                  | \$10,832,581 | Capital Budget                      | \$16,825,792 | Reserves   |              |            |             |            |          |            |             |            |
| Edgewood ADA Playground              |              |                                     |              |            |              |            | \$350,000   | O&M Budget |          |            |             |            |
| Edgewood Outdoor ADA (minor)         | \$50,000     | O&M Budget                          |              |            |              |            |             |            |          |            |             |            |
| Edgewood Painting                    |              |                                     |              |            |              |            | \$50,000    | O&M Budget |          |            |             |            |
| Edgewood Windows and Screens         |              |                                     |              |            | \$50,000     | O&M Budget |             |            |          |            |             |            |
| Green Bay Preschool Move             |              |                                     | \$50,000     | O&M Budget |              |            |             |            |          |            |             |            |
| Green Bay Tuckpointing/Brickwork     | \$34,500     | O&M Budget                          |              |            | \$75,000     | O&M Budget |             |            |          |            |             |            |
| Green Bay - Carpet                   |              |                                     |              |            | \$75,000     | O&M Budget |             |            |          |            |             |            |
| Indian Trail ADA Playground          |              |                                     |              |            |              |            | \$500,000   | O&M Budget |          |            |             |            |
| Indian Trail Painting                |              |                                     |              |            |              |            |             |            | \$25,000 | O&M Budget |             |            |
| Northwood ADA Playground             |              |                                     |              |            |              |            | \$350,000   | O&M Budget |          |            |             |            |
| Northwood Kitchen Upgrades           |              | Included in Sherwood                |              |            |              |            |             |            |          |            |             |            |
| Northwood Painting/Tiling            |              |                                     |              |            |              |            | \$50,000    | O&M Budget |          |            |             |            |
| Northwood Locker Painting            |              |                                     |              |            | \$75,000     | O&M Budget |             |            |          |            |             |            |
| Oak Terrace ADA Playground           | \$21,118     | O&M Budget                          | \$467,000    | O&M Budget |              |            |             |            |          |            |             |            |
| Oak Terrace Renovation               |              |                                     | \$2,500,000  | Reserves   | \$9,500,000  | Reserves   |             |            |          |            |             |            |
| Ravinia Parking                      |              |                                     | \$150,000    | O&M Budget |              |            |             |            |          |            |             |            |
| Sherwood ADA Playground              | \$442,000    | O&M Budget                          | \$37,000     | O&M Budget |              |            |             |            |          |            |             |            |
| Sherwood Renovation                  | \$18,209,373 | Capital Budget<br>(\$3 MM Reserves) | \$1,811,659  | Reserves   |              |            |             |            |          |            |             |            |
| Wayne Thomas ADA Playground          |              |                                     |              |            | \$500,000    | O&M Budget |             |            |          |            |             |            |
| Wayne Thomas Lockers                 |              |                                     | \$40,000     | O&M Budget |              |            |             |            |          |            |             |            |
| Wayne Thomas Renovation              | \$1,744,715  | Capital Budget                      | \$22,157,912 | Reserves   | \$6,536,583  | Reserves   |             |            |          |            |             |            |
| Various sidewalk and asphalt repairs | \$120,000    | O&M Budget                          | \$50,000     | O&M Budget | \$50,000     | O&M Budget | \$50,000    | O&M Budget | \$50,000 | O&M Budget | \$50,000.00 | O&M Budget |
| Grand Totals                         | \$31,454,286 |                                     | \$44,089,364 |            | \$16,861,583 |            | \$1,350,000 |            | \$75,000 |            | \$50,000    |            |

# Critical Assumptions: TIF Money

- The District will levy for Ravinia TIF #3 in Levy Year 2029, meaning NSSD 112 will receive the money in Fiscal Year 2030-2031.
- Current estimates of the TIF Increment are \$8.2 million.
- Based on our tax rate, this means we NSSD 112 will receive approximately \$270,000 in FY 2031. This is incorporated into the model.

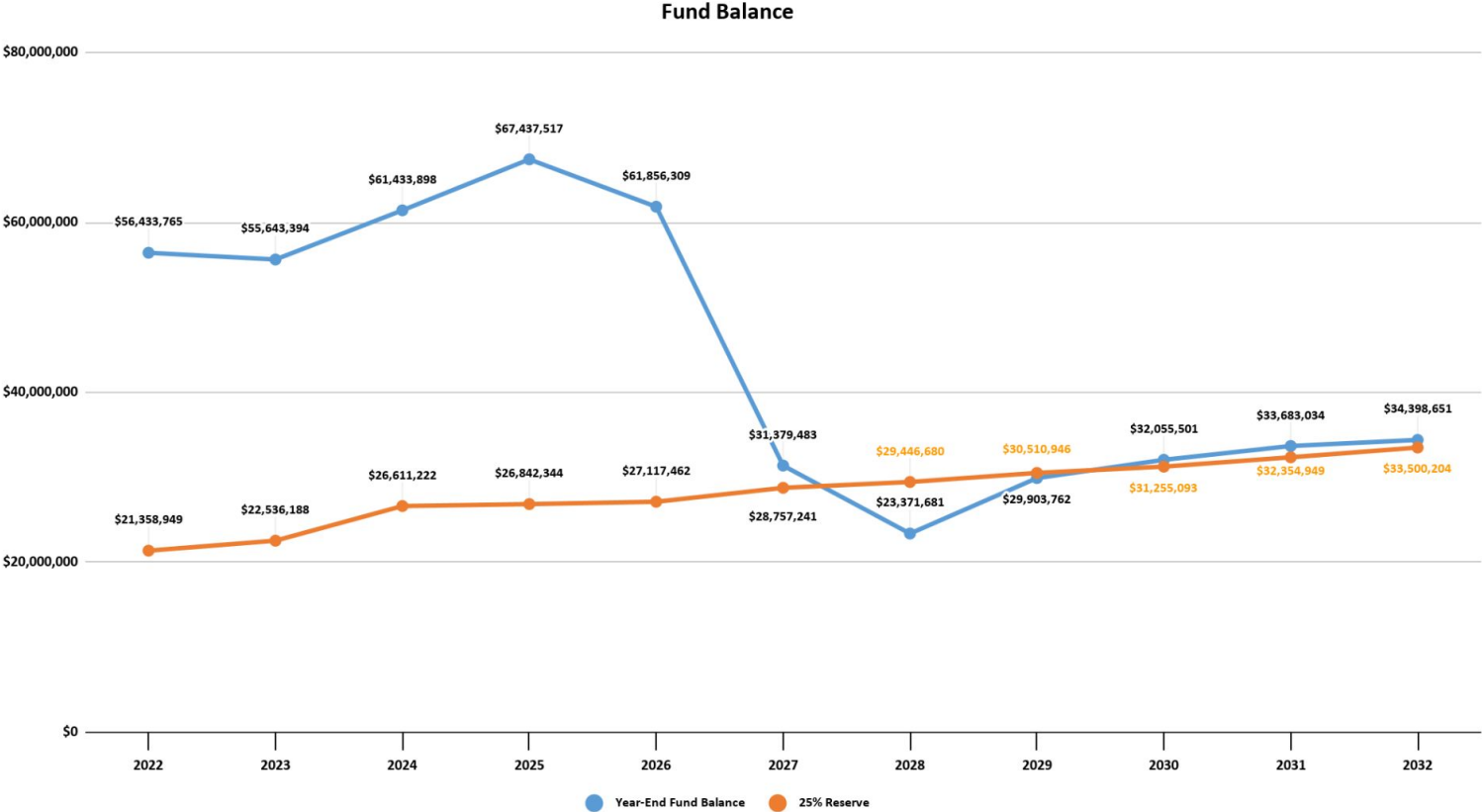


# Critical Assumptions: Debt Restructuring

- 2019 Bonds are callable on June 1, 2028, which means they cannot be refunded on a tax exempt basis until early March 2028.
- Based on current interest rates and future assumptions, we estimate we could get approximately \$17-\$18 million in additional funds without increasing the annual tax levy. Additional funds are not in the projections.



# Base Model - All Funds Except Capital Projects



## 4:20 Fund Balances

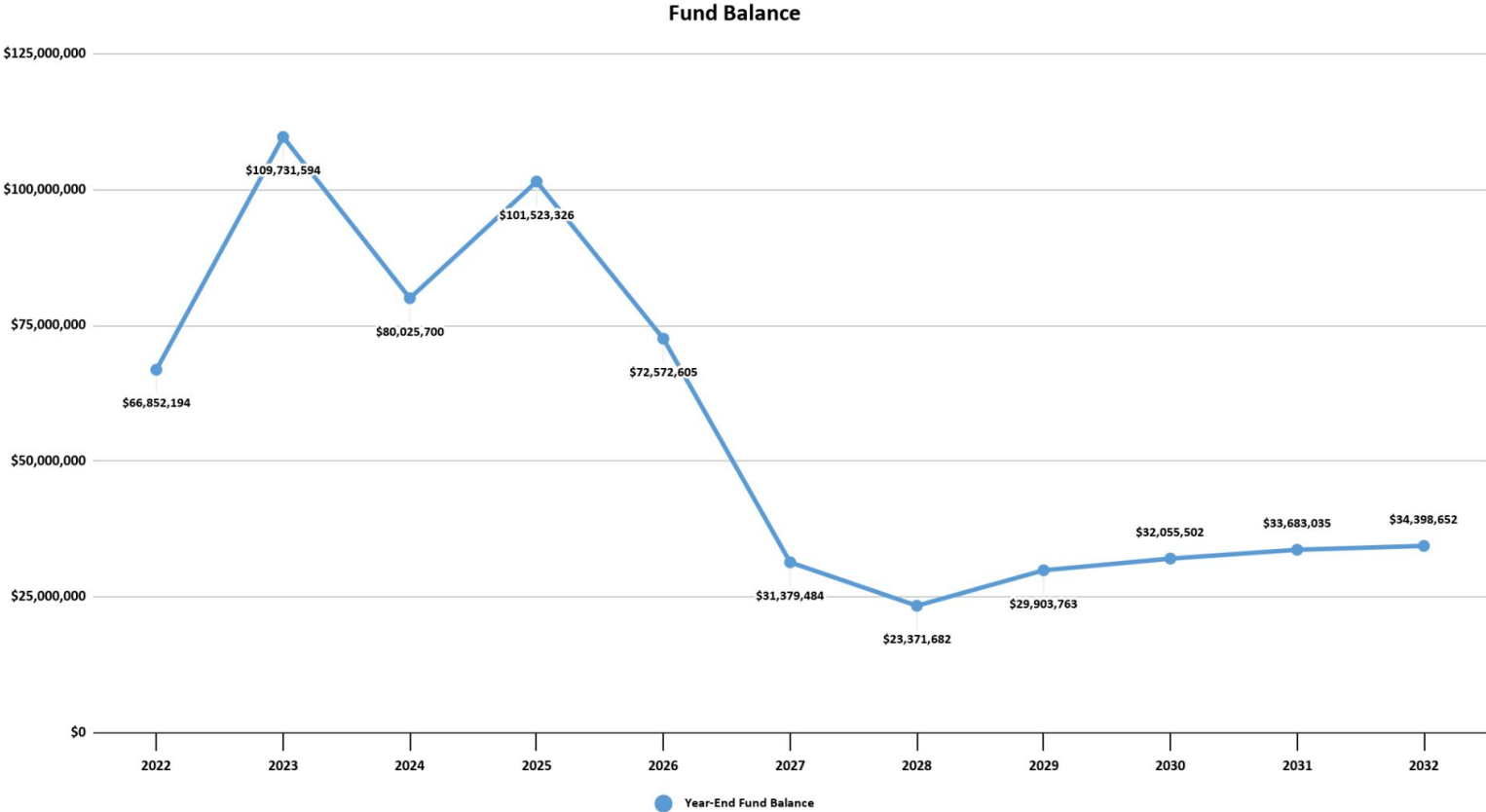
The Superintendent or designee shall maintain fund balances adequate to ensure the District's ability to maintain levels of service and pay its obligations in a prompt manner in spite of unforeseen events or unexpected expenses. The Superintendent or designee shall inform the Board whenever it should discuss drawing upon its reserves or borrowing money.

It is the expectation of the Board of Education that a fund balance of 25% in the Operating Funds shall be maintained.



**#112LEADS**

# Base Model - All Funds



# Risks & Opportunities Impacting Projections

## Risk / Headwinds

- Inflation > 5% or < 2%
- Possible loss of some geothermal tax credits
- Potential Title funding impact
- Construction overages (if any)
- Preschool Phase 3 considerations
- Admin leases Phase 3 considerations
- Transportation cost increases

## Opportunities / Tailwinds

- Inflation between 2% and 5%
- Sell vacant buildings
- Debt restructuring in FY28
- Annual surplus from conservative forecasting
- Red Oak savings \$80,000
- Construction savings (if achieved)
- Fewer buses needed post renovation



# ANY QUESTIONS?

