



CFAC

5 YEAR FINANCIAL FORECAST PACKET

**PRESENTED TO DISTRICT 34 BOARD OF
EDUCATION**

FEBRUARY 13, 2024

CFAC

Complete 5 Year Financial Forecast

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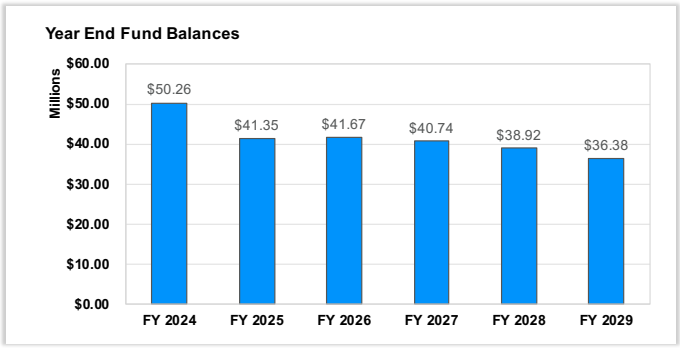
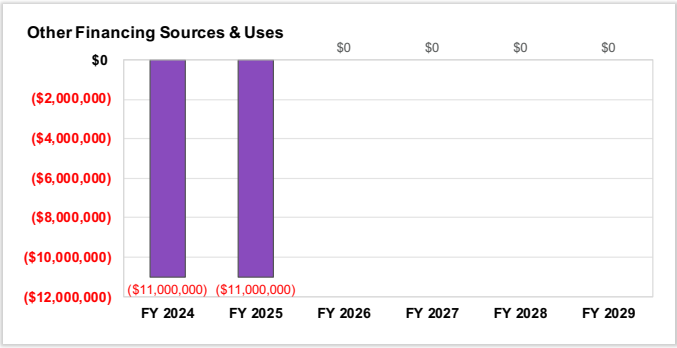
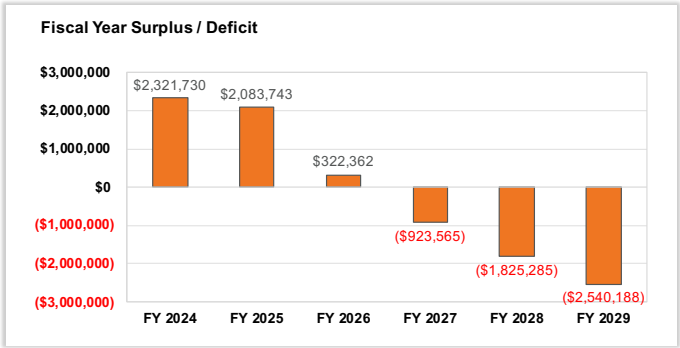
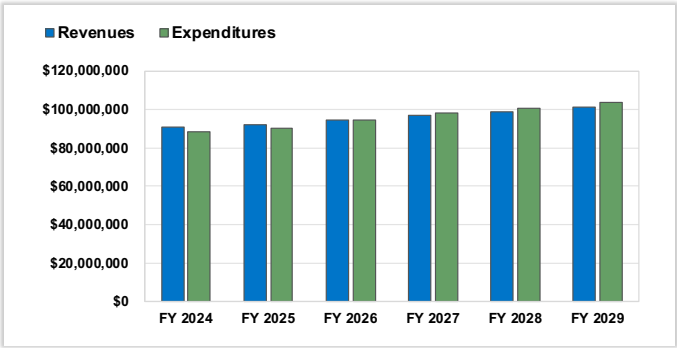
Educational | O & M | Transportation | IMRF / SS | Working Cash | Tort

Glenview CCSD 34 | Base Scenario - Revised

Projection Summary

	BUDGET FY 2024	PROJECTED FY 2025	% Δ	PROJECTED FY 2026	% Δ	PROJECTED FY 2027	% Δ	PROJECTED FY 2028	% Δ	PROJECTED FY 2029	% Δ
REVENUE											
Local	\$80,428,268	\$82,014,861	1.97%	\$84,521,452	3.06%	\$86,919,754	2.84%	\$88,827,233	2.19%	\$91,155,076	2.62%
State	\$7,110,176	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%
Federal	\$3,376,000	\$3,176,000	-5.92%	\$3,176,000	0.00%	\$3,176,000	0.00%	\$3,176,000	0.00%	\$3,176,000	0.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$90,914,444	\$92,301,037	1.53%	\$94,807,628	2.72%	\$97,205,930	2.53%	\$99,113,409	1.96%	\$101,441,252	2.35%
EXPENDITURES											
Salary and Benefit Costs	\$68,601,758	\$70,805,996	3.21%	\$73,737,610	4.14%	\$76,028,662	3.11%	\$78,467,025	3.21%	\$81,120,394	3.38%
Other	\$19,990,956	\$19,411,298	-2.90%	\$20,747,656	6.88%	\$22,100,833	6.52%	\$22,471,669	1.68%	\$22,861,046	1.73%
TOTAL EXPENDITURES	\$88,592,714	\$90,217,293	1.83%	\$94,485,266	4.73%	\$98,129,495	3.86%	\$100,938,694	2.86%	\$103,981,440	3.01%
SURPLUS / DEFICIT	\$2,321,730	\$2,083,743		\$322,362		(\$923,565)		(\$1,825,285)		(\$2,540,188)	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$11,000,000)	(\$11,000,000)		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES / USES	(\$11,000,000)	(\$11,000,000)		\$0		\$0		\$0		\$0	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$8,678,270)	(\$8,916,257)		\$322,362		(\$923,565)		(\$1,825,285)		(\$2,540,188)	
BEGINNING FUND BALANCE	\$58,939,631	\$50,261,361		\$41,345,105		\$41,667,467		\$40,743,901		\$38,918,616	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0		\$0		\$0		\$0		\$0	
PROJECTED YEAR END BALANCE	\$50,261,361	\$41,345,105		\$41,667,467		\$40,743,901		\$38,918,616		\$36,378,429	
FUND BALANCE AS % OF EXPENDITURES	56.73%	45.83%		44.10%		41.52%		38.56%		34.99%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	6.81	5.50		5.29		4.98		4.63		4.20	

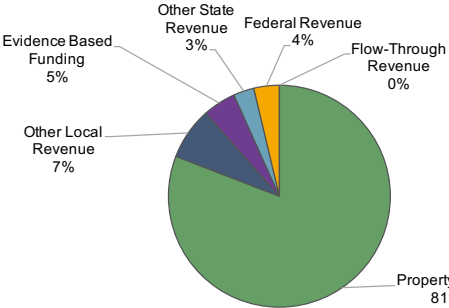
Projection Summary



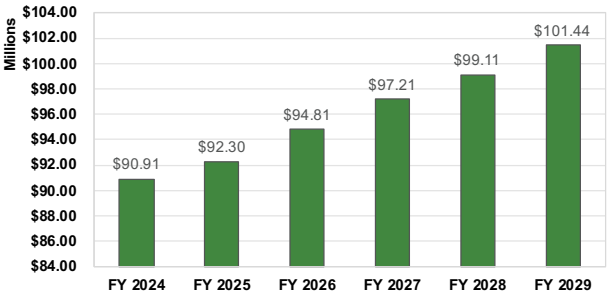
Revenue Analysis

	BUDGET	PROJECTED		PROJECTED		PROJECTED		PROJECTED		PROJECTED	
	FY 2024	FY 2025	% Δ	FY 2026	% Δ	FY 2027	% Δ	FY 2028	% Δ	FY 2029	% Δ
LOCAL											
Property Taxes	\$73,508,335	\$77,694,928	5.70%	\$80,351,519	3.42%	\$83,099,821	3.42%	\$85,357,300	2.72%	\$87,685,143	2.73%
Other Local Revenue	\$6,919,933	\$4,319,933	-37.57%	\$4,169,933	-3.47%	\$3,819,933	-8.39%	\$3,469,933	-9.16%	\$3,469,933	0.00%
TOTAL LOCAL REVENUE	\$80,428,268	\$82,014,861	1.97%	\$84,521,452	3.06%	\$86,919,754	2.84%	\$88,827,233	2.19%	\$91,155,076	2.62%
STATE											
Evidence Based Funding	\$4,376,826	\$4,376,826	0.00%	\$4,376,826	0.00%	\$4,376,826	0.00%	\$4,376,826	0.00%	\$4,376,826	0.00%
Other State Revenue	\$2,733,350	\$2,733,350	0.00%	\$2,733,350	0.00%	\$2,733,350	0.00%	\$2,733,350	0.00%	\$2,733,350	0.00%
TOTAL STATE REVENUE	\$7,110,176	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%	\$7,110,176	0.00%
TOTAL FEDERAL REVENUE	\$3,376,000	\$3,176,000	-5.92%	\$3,176,000	0.00%	\$3,176,000	0.00%	\$3,176,000	0.00%	\$3,176,000	0.00%
FLOW-THROUGH REVENUE	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$90,914,444	\$92,301,037	1.53%	\$94,807,628	2.72%	\$97,205,930	2.53%	\$99,113,409	1.96%	\$101,441,252	2.35%

Budgeted Revenue Allocation by Source



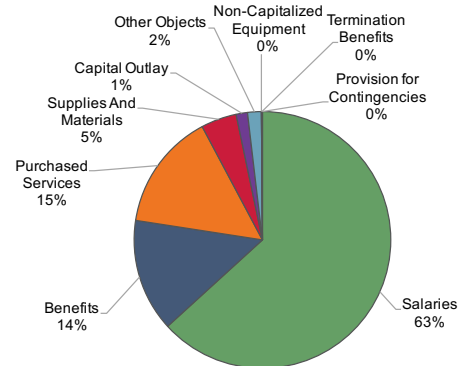
Revenue Projection



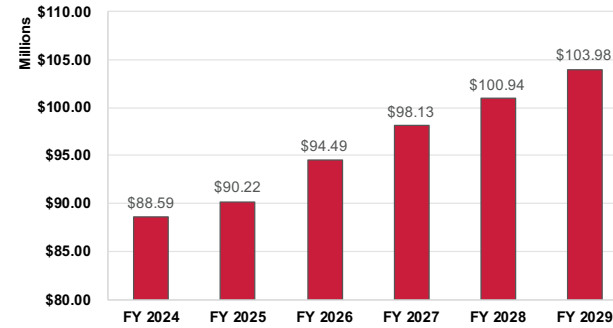
Expenditure Analysis

	BUDGET FY 2024	PROJECTED FY 2025	% Δ	PROJECTED FY 2026	% Δ	PROJECTED FY 2027	% Δ	PROJECTED FY 2028	% Δ	PROJECTED FY 2029	% Δ
Salaries	\$56,023,080	\$57,274,032	2.23%	\$59,604,268	4.07%	\$61,164,949	2.62%	\$62,720,977	2.54%	\$64,525,036	2.88%
Benefits	\$12,578,678	\$13,531,964	7.58%	\$14,133,342	4.44%	\$14,863,713	5.17%	\$15,746,048	5.94%	\$16,595,358	5.39%
TOTAL SALARIES & BENEFITS	\$68,601,758	\$70,805,996	3.21%	\$73,737,610	4.14%	\$76,028,662	3.11%	\$78,467,025	3.21%	\$81,120,394	3.38%
Purchased Services	\$13,099,105	\$11,419,447	-12.82%	\$12,755,805	11.70%	\$14,108,982	10.61%	\$14,479,818	2.63%	\$14,869,195	2.69%
Supplies And Materials	\$3,972,820	\$3,972,820	0.00%	\$3,972,820	0.00%	\$3,972,820	0.00%	\$3,972,820	0.00%	\$3,972,820	0.00%
Capital Outlay	\$1,268,755	\$2,368,755	86.70%	\$2,368,755	0.00%	\$2,368,755	0.00%	\$2,368,755	0.00%	\$2,368,755	0.00%
Other Objects	\$1,535,276	\$1,535,276	0.00%	\$1,535,276	0.00%	\$1,535,276	0.00%	\$1,535,276	0.00%	\$1,535,276	0.00%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$115,000	\$115,000	0.00%	\$115,000	0.00%	\$115,000	0.00%	\$115,000	0.00%	\$115,000	0.00%
Provision For Contingencies	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL ALL OTHER	\$19,990,956	\$19,411,298	-2.90%	\$20,747,656	6.88%	\$22,100,833	6.52%	\$22,471,669	1.68%	\$22,861,046	1.73%
TOTAL EXPENDITURES	\$88,592,714	\$90,217,293	1.83%	\$94,485,266	4.73%	\$98,129,495	3.86%	\$100,938,694	2.86%	\$103,981,440	3.01%

Budgeted Expenditure Allocation by Object



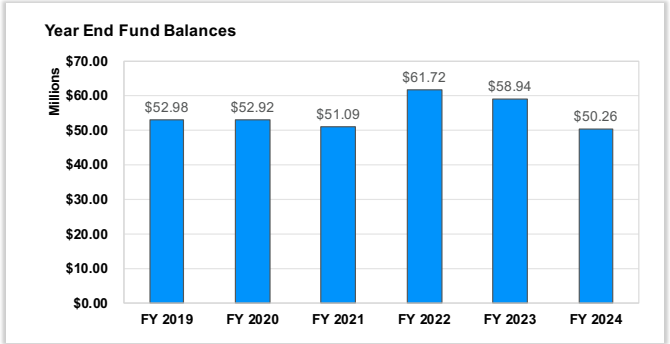
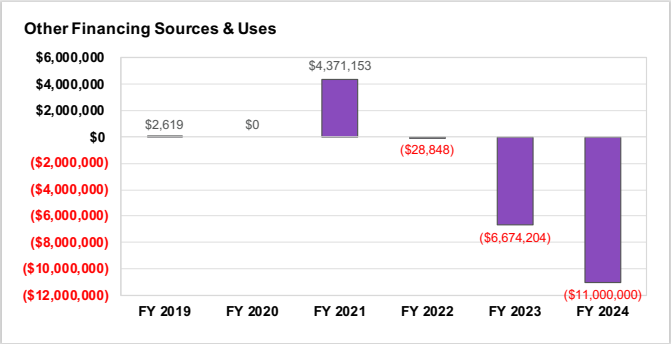
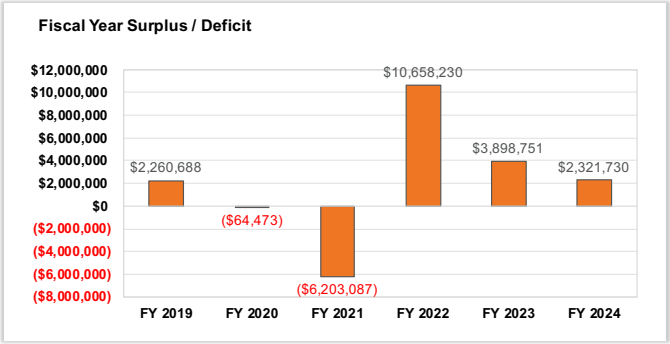
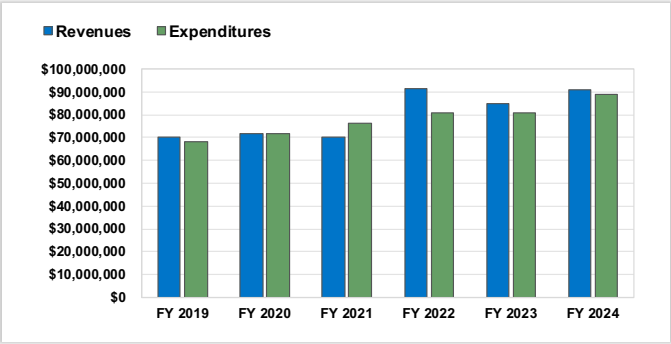
Expenditure Projection

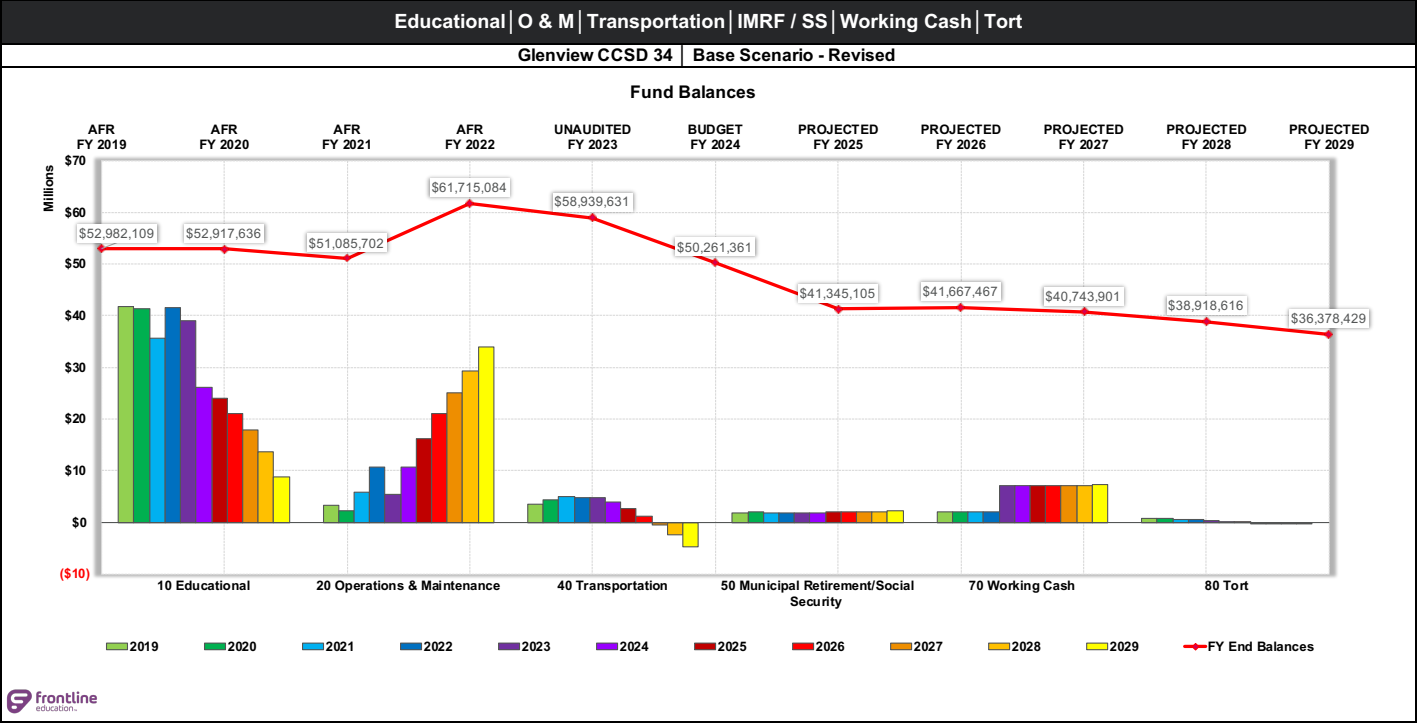


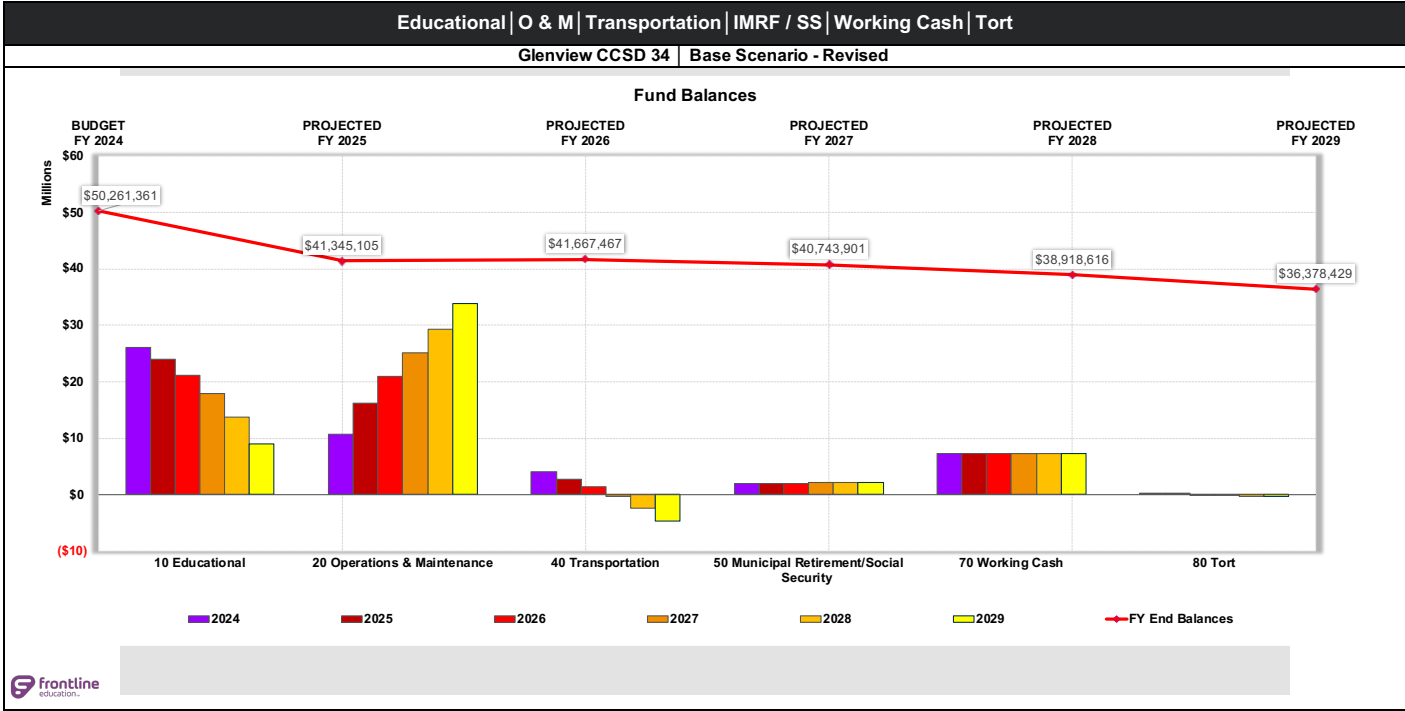
Historical Summary

	AFR FY 2019	AFR FY 2020	% Δ	AFR FY 2021	% Δ	AFR FY 2022	% Δ	UNAUDITED FY 2023	% Δ	BUDGET FY 2024	% Δ
REVENUE											
Local	\$60,922,670	\$61,797,551	1.44%	\$58,651,754	-5.09%	\$76,857,854	31.04%	\$71,981,598	-6.34%	\$80,428,268	11.73%
State	\$6,501,063	\$6,370,566	-2.01%	\$6,408,883	0.60%	\$6,833,204	6.62%	\$7,823,360	14.49%	\$7,110,176	-9.12%
Federal	\$2,989,304	\$3,700,098	23.78%	\$4,915,668	32.85%	\$7,511,051	52.80%	\$5,030,424	-33.03%	\$3,376,000	-32.89%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$70,413,037	\$71,868,215	2.07%	\$69,976,305	-2.63%	\$91,202,109	30.33%	\$84,835,381	-6.98%	\$90,914,444	7.17%
EXPENDITURES											
Salary and Benefit Costs	\$52,299,611	\$56,164,101	7.39%	\$60,350,049	7.45%	\$63,478,533	5.18%	\$65,021,954	2.43%	\$68,601,758	5.51%
Other	\$15,852,738	\$15,768,587	-0.53%	\$15,829,343	0.39%	\$17,065,346	7.81%	\$15,914,676	-6.74%	\$19,990,956	25.61%
TOTAL EXPENDITURES	\$68,152,349	\$71,932,688	5.55%	\$76,179,392	5.90%	\$80,543,879	5.73%	\$80,936,630	0.49%	\$88,592,714	9.46%
SURPLUS / DEFICIT	\$2,260,688	(\$64,473)		(\$6,203,087)		\$10,658,230		\$3,898,751		\$2,321,730	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$19,611,533	\$0		\$4,371,153		\$0		\$13,674,204		\$0	
Other Financing Uses	(\$19,608,914)	\$0		\$0		(\$28,848)		(\$20,348,407)		(\$11,000,000)	
TOTAL OTHER FIN. SOURCES / USES	\$2,619	\$0		\$4,371,153		(\$28,848)		(\$6,674,204)		(\$11,000,000)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$2,263,307	(\$64,473)		(\$1,831,934)		\$10,629,382		(\$2,775,453)		(\$8,678,270)	
BEGINNING FUND BALANCE	\$50,718,802	\$52,982,109		\$52,917,636		\$51,085,702		\$61,715,084		\$58,939,631	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0		\$0		\$0		\$0		\$0	
YEAR END BALANCE	\$52,982,109	\$52,917,636		\$51,085,702		\$61,715,084		\$58,939,631		\$50,261,361	
FUND BALANCE AS % OF EXPENDITURES	77.74%	73.57%		67.06%		76.62%		72.82%		56.73%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	9.33	8.83		8.05		9.19		8.74		6.81	

Historical Summary







Core Revenue and Expenditure Assumptions for FY25-FY29 based on FY24 budget

Glenview School District 34					
Revenue Items		Key Assumptions		Key Sensitivites/Notes	
Federal Funding:					
FY24 = \$3.4M (budget) I.D.E.A Preschool and Flow through = \$1.3M School Breakfast and Lunch Program = \$700K Medicaid Revenue = \$525K ESSER Grants = \$200K Title Grants = \$620K		FY25-FY29 = \$3.2M (decrease due to elimination of \$200K ESSER funds)	1% = \$34K		
State Funding:					
FY24 = \$7.1M (budget) Evidence Based Funding = \$4.8M Transportation Reimbursement = \$2.35M		FY25 - FY29 = Remains Flat at \$7.1M	1% = \$71K		
Local Funding:					
FY24 = \$80.4M (budget) LY21 OP Property Taxes = \$73.5M Corporate Personal Property (CPP) = \$2M TIF Surplus in FY24 = \$1M		Increases in property taxes are driven by CPI-U prior calendar year CPI - LY23= 5.0%, LY24= 3.5%, LY25=3.1%, LY26-2.5%, LY27-LY28= 2.3% New property values also increase the property tax extension: LY23= \$52M; LY24-28= \$15M. Property Tax Collection Rate: 100% each year CPPRT- FY25: \$1.5M; FY26: \$1.35M; FY27: \$1M; FY28-FY29: \$650K Removed TIF Surplus of \$1M in FY25-FY29	Each 1% of CPI = \$735K in additional revenue Each \$5M increase in new property = \$130k		
Student Fees = \$713K; Food Service Fees = \$1M; Interest Income = \$776K; Transportation Fees = \$76K; Facility Rentals = \$50K; Other Income = \$100K; Full Day KDG = \$1.1M		FY25 - FY29 = Decrease fees to a total of \$2.8M			

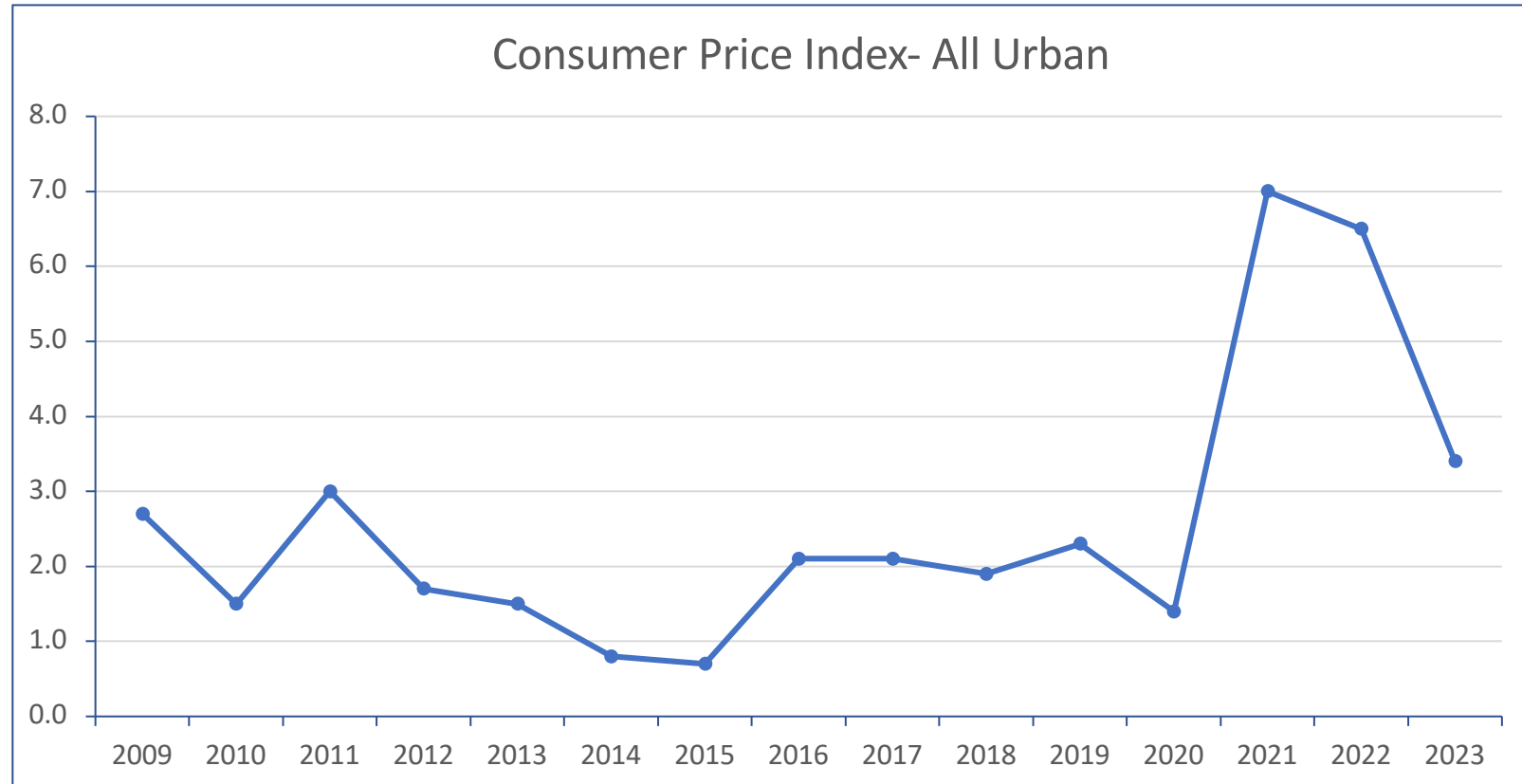
Expenditure Items		Key Assumptions		Key Sensitivites/Notes	
Salaries:					
FY24 = \$56M	Certified FTE- FY25: 456.1 FY26: 455.7, FY27: 454, FY28: 459.3 FY29: 459.3	Salary increase: FY24, 2.65% to the BA and MA lanes; and in FY25, 2.75% to the BA and MA lanes in addition to the cost of the step (which increased by 1% for BA steps 8-O through 8-2+6 in FY24 and FY25) FY26: 5%; FY27: 3%; FY28: 3%; FY29: 3%		New Hire Certified and Retiree Replacement Salary is \$64K	
Certified Staff = \$38.9M Administration & Exempt Staff = \$7M		Classified Staff: FY25-FY29: increase tied to CPI, floor of 2% and a ceiling of 4%; GPA, Exempt and Admin Increases FY25-29: 3% FTE: FY25-FY29: 252.6		Avg Non-Certified staff salary is \$27K	
Non-Certified Staff (Cooks, Techs, Custodians and B&G Staff) = \$3.4M Teaching and Health Associates = \$4M Subs, stipends, extra duties & OT = \$2.6M		Retirees: FY24- 4; FY25- 6; FY26- 5; FY27- 13.1 Underutilized budgeted in salaries in FY25-FY29: \$750K annual			
Benefits:					
FY24 = \$12.5M	CY25 - CY30 max board health exposure for unionized employees is 6.25% over prior year board spend.	Premium equivalent in FY26 = \$14,909.21			
All Other:					
FY24 = \$19.9M					
Purchased Services = \$13M	Buildings and Grounds (water, refuse, repairs and maint) - \$607K Liability & Property Ins, Unemployment & Workers Comp - \$570K Expenses remain flat in FY25-FY29 FY24 - \$3M in O&M building construction expense. FY25- \$1M; FY26- \$2M; FY27-29- \$3M Special Education Transportation (Safeaway) - FY24 = \$2.1M FY25 - FY29 - increase of 5% Regular Transportation (Alltown) - FY23 = \$3.4M FY25 - FY29 = increase of 5%	1% of transportation - \$55K			
Supplies and Materials = \$4M Capital Outlay = \$1.3M Other Objects (misc, dues and fees) = \$1.7M	Supply and material costs remain flat in FY25 - FY29 \$1.1M in District Office Expense in FY25 - FY29				
Fund Balance Contribution per Referendum promise & Construction Expense					
Original Promise Projection	FY24- (\$7,000,000) (\$11,000,000)	FY25- (\$6,000,000) (\$11,000,000)	FY26- (\$8,000,000)		

Consumer Price Index (CPI-U)

Historic Actuals and Projected Assumptions Glenview School District 34

Levy Year	CPI-U
2009	2.7
2010	1.5
2011	3.0
2012	1.7
2013	1.5
2014	0.8
2015	0.7
2016	2.1
2017	2.1
2018	1.9
2019	2.3
2020	1.4
2021	7.0
2022	6.5
2023	3.4
2024	3.0
2025	3.1
2026	2.5
2027	2.3
2028	2.3

3 Year Avg.	5.6
5 Year Avg.	4.1
10 Year Avg.	2.8



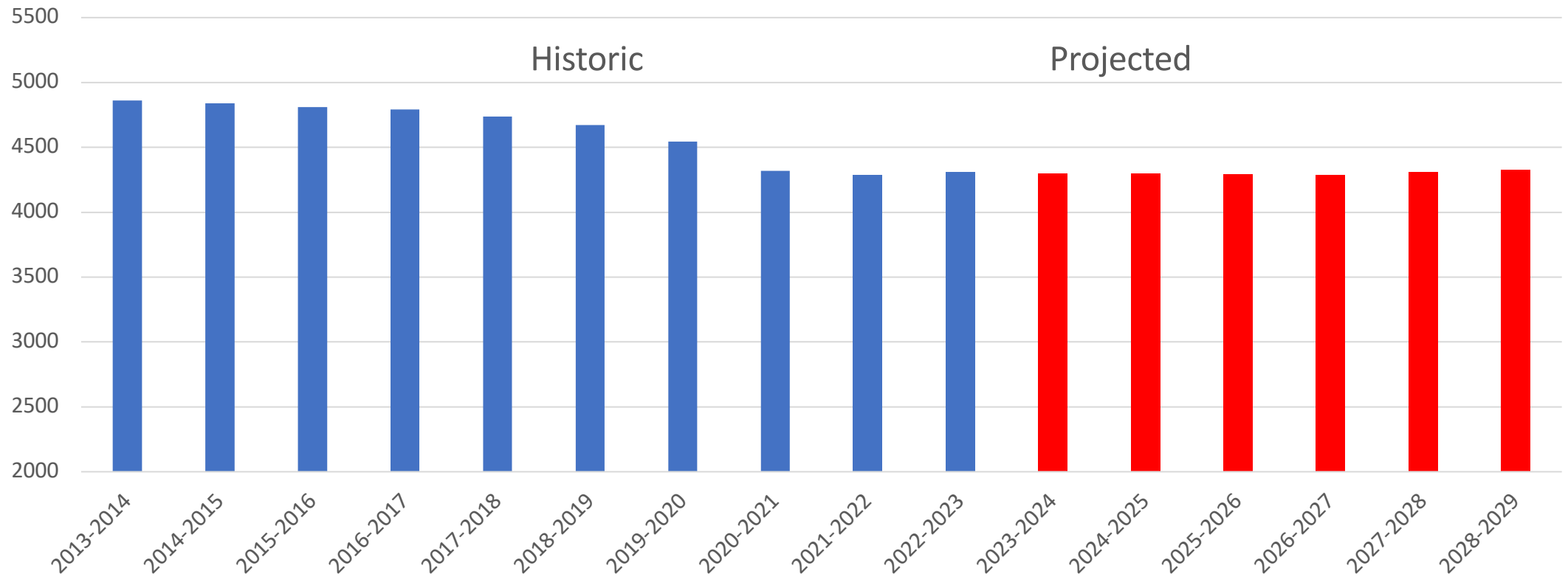
Historic and Projected Student Enrollment

Glenview School District 34

Historical Enrollment												Projected Enrollment				
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029
Glen Grove	531	524	531	520	500	473	460	433	436	415	427	409	434	449	482	477
Henking	509	483	474	448	439	447	441	416	423	457	466	441	433	423	424	424
Hoffman	585	599	561	559	531	534	503	484	491	482	484	508	518	527	498	491
Lyon	464	466	473	463	452	444	443	393	415	389	415	409	433	444	453	457
Pleasant Ridge	543	538	534	514	537	555	529	492	468	493	449	458	419	443	437	461
Westbrook	517	518	483	531	514	508	490	470	457	508	528	558	555	544	542	541
Springman	841	847	865	881	889	858	844	842	802	786	790	790	793	749	763	763
Attea	872	866	891	877	875	854	833	789	794	779	739	724	709	710	712	711
Total	4,862	4,841	4,812	4,793	4,737	4,673	4,543	4,319	4,286	4,309	4,298	4,297	4,294	4,289	4,311	4,325

Historic and Projected Student Enrollment

Glenview School District 34





Citizens Finance Advisory Committee

Financial Forecast Update

Presented to District 34 Board of Education
February 13, 2024



Agenda

- Introduction
 - C.F.A.C Members
 - C.F.A.C Charge
- Base Forecast
- Analysis
- Recommendations

C.F.A.C. Members

Elaine Berens, GPA President

Amy Kahhat, Community Member

Alex Kamilewicz, BOE Representative

Marvin Lutz, Community Member

Nan Ross-Meridith, GEA President

Gina Milanesio, Community Member

Rahul Sharma, Community Member

Mike Weeks, Community Member

Dane Delli, Superintendent

Rita Esho, Coordinator for Business Services

Eric Miller, Assistant Superintendent for Business Services

C.F.A.C. Charge

Primary Charge:

Based on key inputs and assumptions, the committee will present a five-year financial forecast to the Superintendent.

Caveat:

Forecast may be impacted by Board action/intervention and/or unforeseen circumstances. This is a projection, not a prediction.

Scope:

Five year financial forecast covers operating funds only, not capital, debt service or the health life safety funds. Some capital spending occurs in the operating funds.

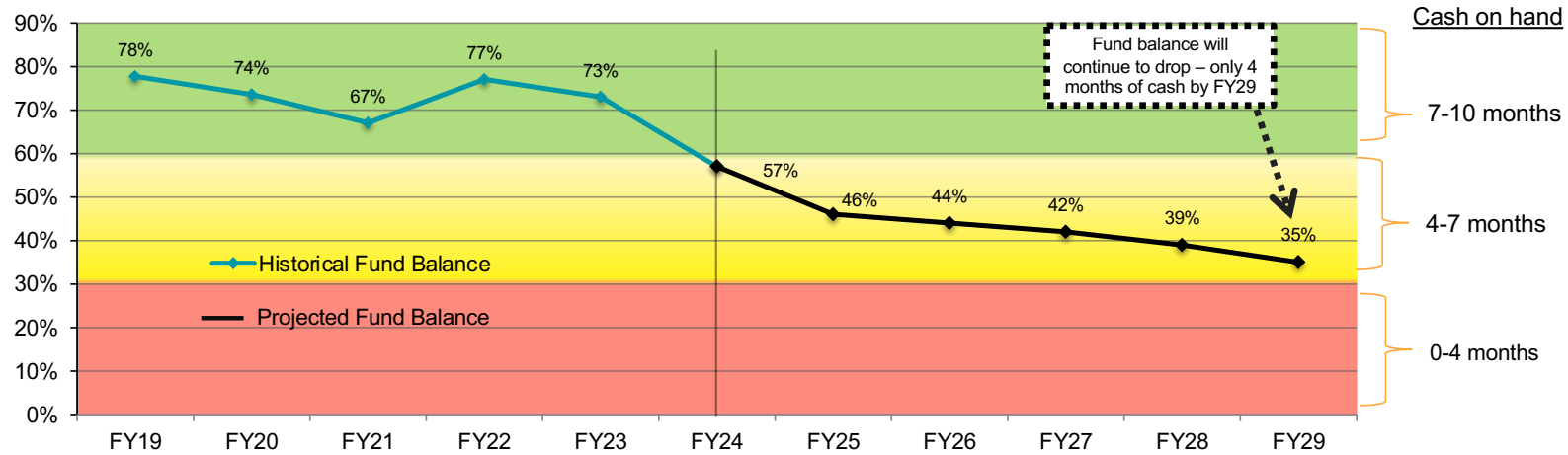
Base Forecast – Key Themes

- The Board has now committed to a \$34M operating fund balance contribution (incorporated in the projections). Such a contribution will drop the operating fund balance to 35% (of annual operating expenses) at the end of the 5-year forecast period
- At the end of the five-year period, the District is projected to have a “structural operating deficit” (which will complicate board efforts to improve the fund balance)
- CFAC recommends that the Board begin to investigate potential mitigations

Summary of Key Ongoing Assumptions

1. Property tax increases by CPI (LY23- 5%, LY24-3.5%, LY25-3.1%, LY26-2.5%, LY27-LY28- 2.3%) as forecasted, in addition to new property.
2. All salary increases loosely tied to CPI
3. Board benefit cost increases up to 6.25% per year
4. \$3M in building maintenance expense in FY24, FY25- \$1M, FY26- \$2M, FY27-FY29- \$3M
5. Updated staffing projections based updated student enrollment projections
6. 98% fill rate on all budgeted positions (\$750K reduction)

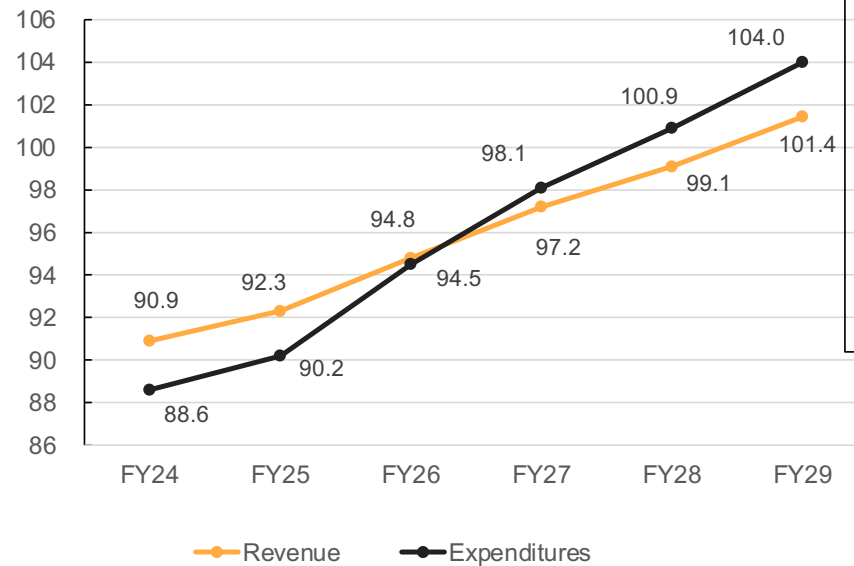
Fund Balance % of Expenditures



	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29
OP Surplus/Deficit	(\$1.8M)	\$10.7M	\$3.9M	\$2.3M	\$2.0M	\$322K	(\$923K)	(\$1.8M)	(\$2.5M)
Capital Contribution			(\$12M)	(\$11M)	(\$11M)				
Net Change including other fin sources/uses	(\$1.8M)	\$10.7M	(\$2.7M)	(\$8.7M)	(\$8.9M)	\$322K	(\$923K)	(\$1.8M)	(\$2.5M)
Ending Fund Balance	\$51.1M	\$61.7M	\$58.9M	\$50.2M	\$41.3M	\$41.6M	\$40.7M	\$38.9M	\$36.4M
% of OP Expenditures	67%	77%	73%	57%	46%	44%	42%	39%	35%

FY25 – FY29 Structural Deficits

Projection: Expenditures Grow Faster Than Revenues, Leading To A Deficit



Annual Growth Rates (FY27 – FY29)

Revenues (% of total):

Local: 2.1 – 2.9% (88%)

State: 0% (8%)

Federal: 0% (4%)

Total: 1.9 - 2.5%

Expenditures (% of total):

Salaries: 2.5 – 2.9% (63%)

Benefits: 5.2 – 5.9% (14%)

Other: 1.7 – 6.5% (23%)

Total: 2.9 – 3.9%

Gap = 1% to 1.4% per year

Variables

- New \$1-3M annual funding for ongoing building maintenance
- Significantly lower CPPRT (Corporate Personal Property Replacement Tax) following the pandemic
- Future actual student enrollment / related staffing
- Future residential developments
- Consumer Price Index (CPI-U)

Potential Mitigations

(this is a non-exhaustive list)

Revenue:

- Explore revenue enhancement opportunities
 - Investigate operating rate referendum to reset revenues
 - Consider lobbying Springfield for relief on the CPI cap on property taxes
- Consider annual CPI increases for miscellaneous revenues/fees (note: CPI of 5% = \$125K in add'l revenue)

Expense:

- Investigate ways to link growth rates for major expenses (e.g. staffing costs) to revenue growth rates
- Investigate ways to reduce ongoing operational expenses
- Investigate feasibility of reducing capital contributions (e.g. reduced construction scope, leverage additional debt)

*Highlighted bullet points have already been established

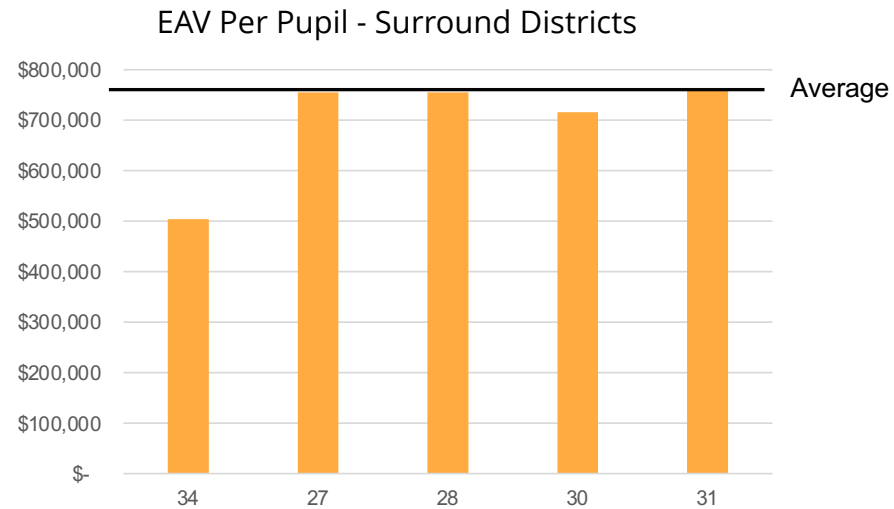
Property Tax Formula

***Equalized Assessed Valuation (EAV) Per Pupil x Tax Rate =
Property Tax Extension**

*D34's Property Value (EAV) is
48% less than the average of
surrounding districts

District	2020 Capped Tax Rate
34*	2.4%
27	2.8%
28	2.7%
30	2.7%
31	2.5%

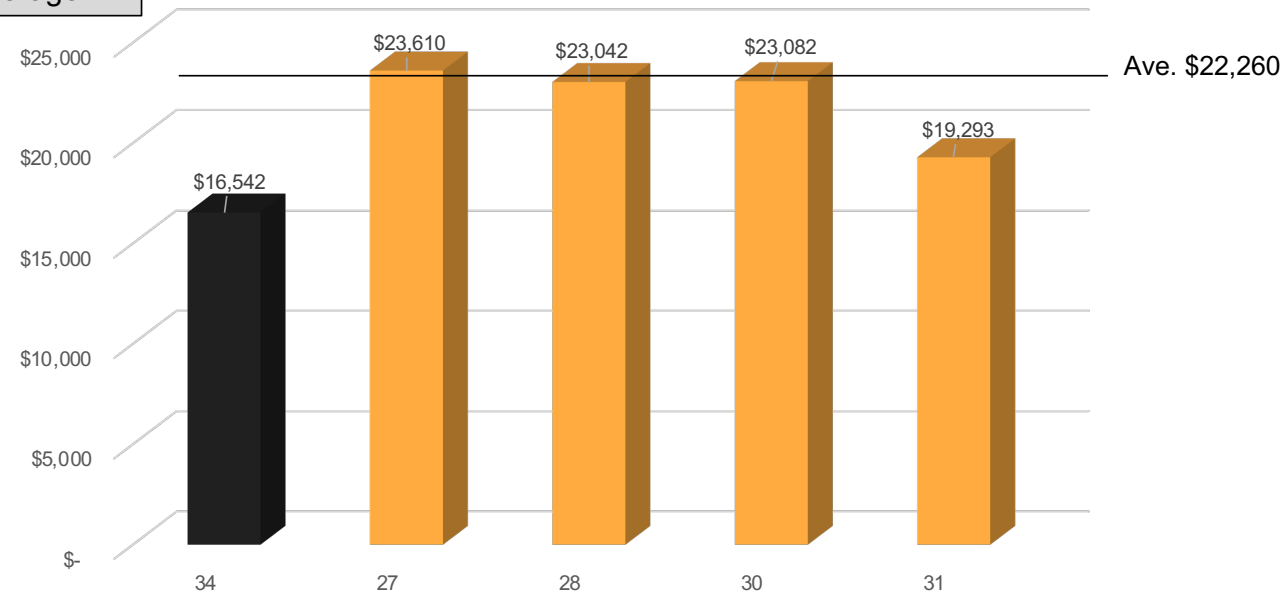
*D34 rate is 10% less than the
average



Property Taxes

District 34's property taxes per pupil are 34% less than the average

Property Taxes Per Pupil



Recommendation

- **Short Term:**

- FY25 Tentative Budget, presented this May, to reflect movement away from a structural deficit.

- **Long Term:**

- Develop a plan that avoids a scenario where the operating fund balance drops below 30%, and ideally below 50%
- Or develop a plan that recovers the operating fund balance to an acceptable level within a reasonable amount of time, for example: above 50% by 2033 and above 60% (i.e. the “green zone”) by 2038

Discussion

Questions?

This presentation completes CFAC's 5-Year financial forecast charge for 2024-2025