

# FINANCIAL REPORT 2024

## BUDGET

*The budget is planned to guide the District to accomplish the goals set by the Board of Education. On an annual basis, the budget is required to be approved by the Board of Education no later than September 30. The development and monitoring of the budget is a year-round process that is regulated through local and state policy. Due to the structure of Illinois school funding, the majority of revenues are generated from local tax dollars. Expenses are examined annually aligned with needs of the district and established strategic goals. The District’s staff and administrators are mindful when expending funds to ensure educational goals are met with responsible fiscal stewardship.*

### TAXING DISTRICTS\* BUDGET AND TAX LEVY CYCLE

AUGUST: A tentative district budget is prepared by the Fremont School District 79 Board of Education (the taxing district).

The district budget notice is published and public hearings are conducted by the school board.

SEPTEMBER: The budget ordinance is approved by the FSD79 Board of Education.

NOVEMBER: The tax levy request is published and a public hearing is held by FSD79.

DECEMBER: The tax levy is certified with the Lake County Clerk.



### ASSESSMENT VALUATION AND TAX BILL PROCESS

Assessors for each township determine a value estimate for each home/property within the township. *Note: The Township Assessor’s Office is a taxpayer’s best resource for information on the assessed value of your property.*

The Lake County Chief County Assessment Office applies township equalization factor to assessor values and mails assessment notices to all homeowners.

The Lake County Board of Review holds assessment appeal hearings during this time for homeowners contesting their home valuation.

The Lake County Clerk applies the state equalization factor and calculates the tax rate based upon budget and levy requests from all 231 independent taxing districts.\*

The Lake County Treasurer mails tax bills to homeowners and collects tax revenues for all taxing districts in Lake County.

\* **Taxing Districts:** There are 231 independent taxing districts (government entities) in Lake County including schools, municipalities, Lake County government, libraries, etc.

## AWARDS



**Meritorious Budget Award**—In Fiscal Year 2023, the District was awarded the Meritorious Budget

Award from Association of School Business Officials International for **excellence in building an accessible and accurate budget to share with all stakeholders.** This report is an extensive and comprehensive budget report containing past, current and future financial data.



**ISBE Financial Designation**—Our Fiscal Year 2023 Illinois State Board of Education **financial**

**rating was a 4.0, the highest designation a school can receive.** The rating is based on fund balance/revenue ratio, expenditure/revenue ratio, cash on hand, short-term debt and long-term debt. Due to responsible fiscal management, the District has continued to maintain a 4.0 designation.



**Moody’s Rating**—Due to the careful stewardship of the Board of Education and staff, Fremont is

in a sound financial position. The District continues to maintain a Aa1 Moody’s Investment Service rating. This is higher than the school district median of Aa3 and **ranks FSD79 one of the 10% of school districts nationally to be rated Aa1 or higher.**

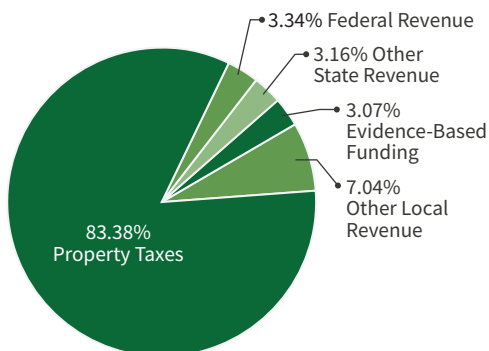
# FISCAL YEAR 2024 BUDGET HIGHLIGHTS

The District has maintained a balanced budget for many years, which has resulted in a healthy reserve of funds. The reserve funds not only generate additional interest income, but support the recent capital improvement projects and provide a solid resource to address unexpected expenses the District could incur.

The Fiscal Year 2024 budget also includes funds to address market adjustments needed to increase our ability to recruit and retain the best quality staff for our students. Although salary and benefits are the largest portion of our budget, the Board of Education is committed to maintaining a balanced budget while responding to the ever-changing educational job market.

## FISCAL YEAR 2024 REVENUES: \$37,628,747.00

### Proposed Revenue Allocation by Source

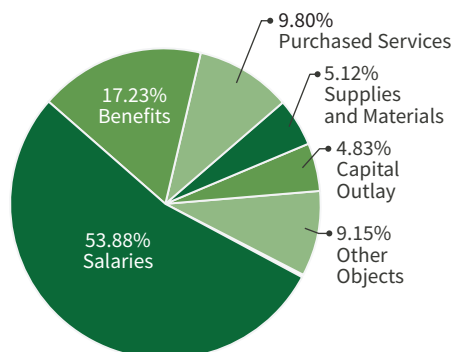


Fremont School District’s primary source of revenue is from property taxes. Approximately 83.38% of the District’s revenue is generated from this source, as the chart to the left illustrates. The District receives 13.5% of revenue from state and federal sources.

However, due to economic conditions in the state and federal governments, future availability of revenue from both entities is uncertain. Therefore, the District closely monitors the revenue to ensure expenditures remain within the District’s means.

## FISCAL YEAR 2024 EXPENDITURES: \$37,284,395.00

### Budgeted Expenditure Allocation by Object



The budget priorities are driven by the goal to provide the highest quality education to all our students. Salaries and benefits—composed primarily of teachers—make-up approximately 71% of the District’s expenditures.

Additionally, a portion of the instructional budget is to support a safe environment for students to learn. Security, building improvements and continuous investments in technology for our students comprise 4.83% percent of the budget.

# FINANCIAL STEWARDSHIP

The Board of Education recognizes its obligation to taxpayers in fulfilling its stewardship of the District finances and reserve funds to preserve the financial integrity of Fremont School District 79. Prudent financial planning and sound fiscal management have positioned the District with a healthy financial reserve balance. These funds are used for cash flow, economic downturns, revenue shortfalls, unexpected emergencies, and capital needs. In December 2022, the Board of Education approved an abatement of the Debt Service Fund that will bring an additional \$700,000 in savings to taxpayers over a three-year span.

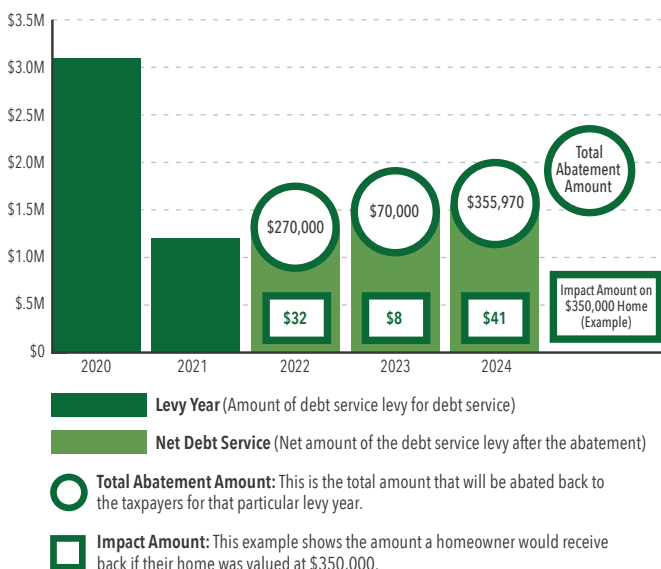
## BOND PAYOFFS

In 2015 and 2016, the District refinanced the 2006 General Obligation Bonds, which resulted in approximately \$2.5M savings to local taxpayers. The Series 2016 General Obligation Bond was paid off in fiscal year 2022, and the Series 2015 General Obligation Bond will be paid off in fiscal year 2026.

## TAX ABATEMENTS

At the December 2022 meeting, the Board of Education approved a tax abatement (i.e. reduction) payable from the debt service fund in the amount of \$700,000. Consequently, over a three-year span, taxpayers are receiving a reduction in the bond portion of their tax payment. This equates to an overall savings of approximately \$80 on a home valued at \$350,000.

### Debt Service Fund Tax Abatement



## SCHOOL PROJECT MAINTENANCE & TEACHER VACANCY GRANTS

In Fiscal Year 2024, the District was awarded the School Project Maintenance Grant from the State of Illinois. Funds from this grant will be used to repair an area of exterior brick work at the Elementary School. FSD79 also is a recipient of the Illinois Teacher Vacancy Grant. The District allocated a portion of the \$109,000 award toward a new licensure pathway program, via a partnership with BloomBoard.

## TAX RATES

FSD79 is subject to PTELL, the Property Tax Extension Limitation Law or known as “tax capped.” Legislation was passed in 1991 to control the growth of property taxes and limit the increase to the consumer price index (no more than 5%), excluding new property. The District has been diligent in monitoring the expenditures to keep the tax rate to one of lowest in the area compared to other surrounding elementary school districts.

### Local School Districts Tax Rate Comparison (2022)

| School District           | Tax Rate  |
|---------------------------|-----------|
| ★ Fremont District 79     | 3.0511% ★ |
| Libertyville District 70  | 3.0811%   |
| Lincolnshire District 103 | 3.2980%   |
| Aptakisic District 102    | 3.6975%   |
| Big Hollow District 38    | 3.7063%   |
| Hawthorn District 73      | 4.0174%   |
| Kildeer District 96       | 4.1388%   |
| Mundelein District 75     | 4.6354%   |
| Diamond Lake District 76  | 4.7373%   |
| Grayslake District 46     | 5.0495%   |



**FREMONT**  
SCHOOL DISTRICT 79

**FREMONT SCHOOL DISTRICT 79**

28855 North Fremont Center Road, Mundelein, IL 60060

[www.FSD79.org](http://www.FSD79.org) | (847) 566-0169

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Lincoln Early Learning Center • Fremont Elementary School

Fremont Intermediate School • Fremont Middle School

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