

Agenda #6: Discussion/Informational Report

- 6.4 Presentation: 5-Year Financial Forecast by Diana McCluskey, Chief School Business Official



Long Range Financial Projections

Built on solid data and realistic assumptions:

- Project the long-term financial health of the district
- Forecasts trends and/or a range of possibilities
- Accurate for the short term



5-Year Forecast Assumptions

- CPI Dec. 2022 5%, then 2.5%, 2.0% succeeding years reflecting historical 10-year average
- Palatine Downtown TIF revenue starts FY25 - \$683K then \$2.8M
 - Rand Rd TIF rolls off FY27 - \$1.1M
 - Rolling Meadows Kirchoff/Owl rolls off FY27 - \$140K
- ARP/ESSER Funds completely spent by 6/30/23
 - Level federal and state funding there after
- Salary increases per CBA; 3% non-union employees
- 22 Full Day Kindergarten teachers for FY25 (down from 25)
- \$2.7M Debt Certificate Principal & Interest starting FY24



5-Year Forecast Assumptions

- Teacher retirements:
 - 20 in FY24
 - 9 in FY 25
 - 28 in FY26
 - 20 in FY27
- 3 Tier Bus schedule savings results in 110 drivers budgeted
- DTU ratified new contract
- No new buses purchased
- Potential fund balance increase to cover unknown M15F costs
- FY23 Budget tracking well



Palatine CCSD 15 | Updated for Jan BOE, 1.18.23

Projection Summary

	BUDGET	PROJECTED		PROJECTED		PROJECTED		PROJECTED		PROJECTED	
	FY 2023	FY 2024	% Δ	FY 2025	% Δ	FY 2026	% Δ	FY 2027	% Δ	FY 2028	% Δ
REVENUE											
Local	\$146,592,926	\$155,477,421	6.06%	\$162,887,558	4.77%	\$167,314,034	2.72%	\$170,774,842	2.07%	\$174,408,296	2.13%
State	\$22,788,077	\$23,438,077	2.85%	\$23,688,077	1.07%	\$23,938,077	1.06%	\$24,188,077	1.04%	\$24,438,077	1.03%
Federal	\$21,277,704	\$11,301,224	-46.89%	\$11,301,224	0.00%	\$11,301,224	0.00%	\$11,301,224	0.00%	\$11,301,224	0.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$190,658,707	\$190,216,722	-0.23%	\$197,876,859	4.03%	\$202,553,335	2.36%	\$206,264,143	1.83%	\$210,147,597	1.88%
EXPENDITURES											
Salary and Benefit Costs	\$151,359,610	\$154,496,225	2.07%	\$160,040,908	3.59%	\$161,960,437	1.20%	\$164,680,714	1.68%	\$169,833,491	3.13%
Other	\$37,543,155	\$24,421,848	-34.95%	\$25,124,474	2.88%	\$25,848,178	2.88%	\$26,593,593	2.88%	\$27,361,371	2.89%
TOTAL EXPENDITURES	\$188,902,765	\$178,918,073	-5.29%	\$185,165,382	3.49%	\$187,808,615	1.43%	\$191,274,307	1.85%	\$197,194,862	3.10%
SURPLUS / DEFICIT	\$1,755,942	\$11,298,649		\$12,711,477		\$14,744,720		\$14,989,836		\$12,952,735	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$4,750,000	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$9,830,862)	(\$7,780,862)		(\$7,780,862)		(\$7,780,862)		(\$7,780,862)		(\$7,780,862)	
TOTAL OTHER FIN. SOURCES / USES	(\$5,080,862)	(\$7,780,862)		(\$7,780,862)		(\$7,780,862)		(\$7,780,862)		(\$7,780,862)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	(\$3,324,920)	\$3,517,787		\$4,930,615		\$6,963,858		\$7,208,974		\$5,171,873	
BEGINNING FUND BALANCE	\$70,525,565	\$67,200,645		\$70,718,432		\$75,649,047		\$82,612,905		\$89,821,879	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0		\$0		\$0		\$0		\$0	
PROJECTED YEAR END BALANCE	\$67,200,645	\$70,718,432		\$75,649,047		\$82,612,905		\$89,821,879		\$94,993,752	
FUND BALANCE AS % OF EXPENDITURES	35.57%	39.53%		40.85%		43.99%		46.96%		48.17%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	4.27	4.74		4.90		5.28		5.64		5.78	

