

Agenda 6.1: Discussion/Informational Report

- Presentation: 5-Year Financial Forecast by Diana McCluskey, Chief School Business Official and Elizabeth Hennessy, Managing Director, Raymond James



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
- Healthy outlook impacts bond rating
 - Moody's rating Aa2 currently



5-Year Forecast Assumptions

- CPI
 - Levy 2024 is 3.4%
 - Levy 2025 estimated 3.0%
 - Levy 2026 estimated 2.75%
 - Then estimated 2.5% for Levies 2027 & 2028 reflecting historical 10-year average
- TIF's
 - Palatine Downtown TIF revenue starts FY25 - \$685K then \$2.7M
 - Rand Rd & Rolling Meadows Kirchoff/Owl rolls off FY27 \$35M in new property
- ARP/ESSER Funds completely spent by 6/30/24
 - Level federal and state funding there after
- Full day kindergarten increased enrollment minimal impact on EBF - \$200K added



5-Year Forecast Assumptions

- FY24 Fund 10 actual revenues & expenditures on track with budget as of December
- Salary increases per CBA; 3% non-union employees
 - CTC contract expires June, 2026
- 40 Additional FTE starting in FY25:
 - 22 full day kindergarten teachers
 - Remaining for middle school teachers
- Teacher retirements:
 - 10 in FY24
 - 28 in FY25
 - 23 in FY26
 - 16 in FY27
 - 25 in FY28



5-Year Forecast Assumptions

- Medical Insurance Costs
 - FY24 running over budget
 - FY24 Budget \$21,030,000 (increase of 4.9%)
 - Nov. '23 running 1.6% over budget
 - At Jan. '24 meeting, prediction 10% premium increase for FY25
 - Forecast has 8% increase for FY25; 5% each year after
- \$3.0M Alternate Revenue Bonds Principal & Interest starting FY24 coming out of Fund 20 and \$5M each year which is part of the \$93M M15F district funding
- FY25 Fund 40 includes \$800K for new buses due to aging of current fleet



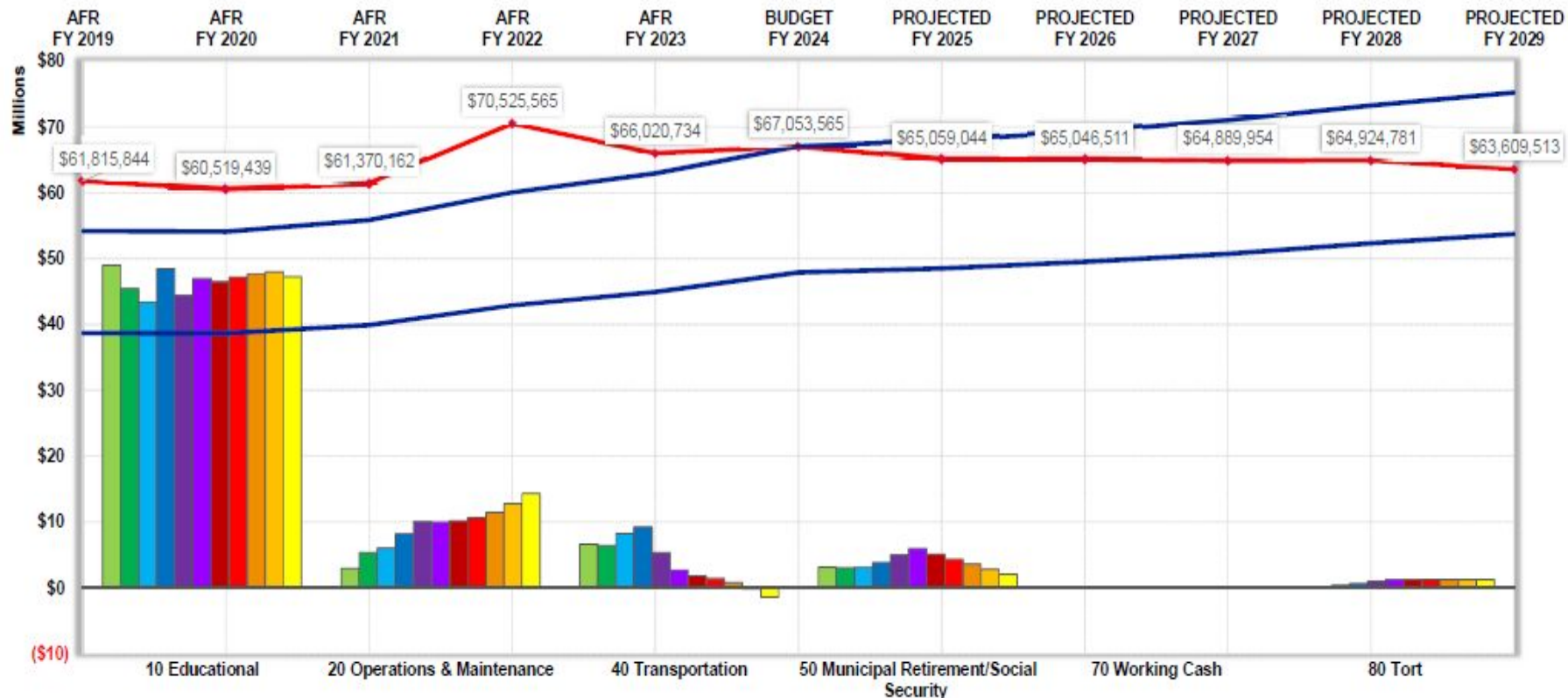
Palatine CCSD15 - 5 Year Forecast including 40 new FTE's

As of February 21, 2024

	BUDGET	PROJECTED		PROJECTED		PROJECTED		PROJECTED		PROJECTED	
	FY 2024	FY 2025	% Δ	FY 2026	% Δ	FY 2027	% Δ	FY 2028	% Δ	FY 2029	% Δ
REVENUE											
Local	\$158,506,261	\$164,942,831	4.06%	\$170,644,654	3.46%	\$175,174,370	2.65%	\$181,590,490	3.66%	\$185,722,242	2.28%
State	\$23,038,077	\$23,738,077	3.04%	\$23,938,077	0.84%	\$24,138,077	0.84%	\$24,338,077	0.83%	\$24,538,077	0.82%
Federal	\$19,206,028	\$11,484,732	-40.20%	\$11,484,732	0.00%	\$11,484,732	0.00%	\$11,484,732	0.00%	\$11,484,732	0.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$200,750,366	\$200,165,640	-0.29%	\$206,067,463	2.95%	\$210,797,179	2.30%	\$217,413,299	3.14%	\$221,745,051	1.99%
EXPENDITURES											
Salary and Benefit Costs	\$156,955,827	\$166,299,604	5.95%	\$170,348,241	2.43%	\$174,530,646	2.46%	\$180,243,307	3.27%	\$185,191,718	2.75%
Other	\$34,667,160	\$27,766,009	-19.91%	\$27,637,207	-0.46%	\$28,328,542	2.50%	\$29,040,616	2.51%	\$29,774,053	2.53%
TOTAL EXPENDITURES	\$191,622,987	\$194,065,613	1.27%	\$197,985,449	2.02%	\$202,859,188	2.46%	\$209,283,924	3.17%	\$214,965,771	2.71%
SURPLUS / DEFICIT	\$9,127,379	\$6,100,027		\$8,082,014		\$7,937,991		\$8,129,375		\$6,779,280	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$3,000,000	\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$11,094,548)	(\$8,094,548)		(\$8,094,548)		(\$8,094,548)		(\$8,094,548)		(\$8,094,548)	
TOTAL OTHER FIN. SOURCES / USES	(\$8,094,548)	(\$8,094,548)		(\$8,094,548)		(\$8,094,548)		(\$8,094,548)		(\$8,094,548)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$1,032,831	(\$1,994,521)		(\$12,534)		(\$156,557)		\$34,827		(\$1,315,268)	
BEGINNING FUND BALANCE	\$66,020,734	\$67,053,565		\$65,059,044		\$65,046,511		\$64,889,954		\$64,924,781	
AUDIT ADJUSTMENTS TO FUND BALANCE	\$0	\$0		\$0		\$0		\$0		\$0	
PROJECTED YEAR END BALANCE	\$67,053,565	\$65,059,044		\$65,046,511		\$64,889,954		\$64,924,781		\$63,609,513	
FUND BALANCE AS % OF EXPENDITURES	34.99%	33.52%		32.85%		31.99%		31.02%		29.59%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	4.20	4.02		3.94		3.84		3.72		3.55	

Palatine CCSD15 - Revised Scenario, 40 new FTES

Fund Balances



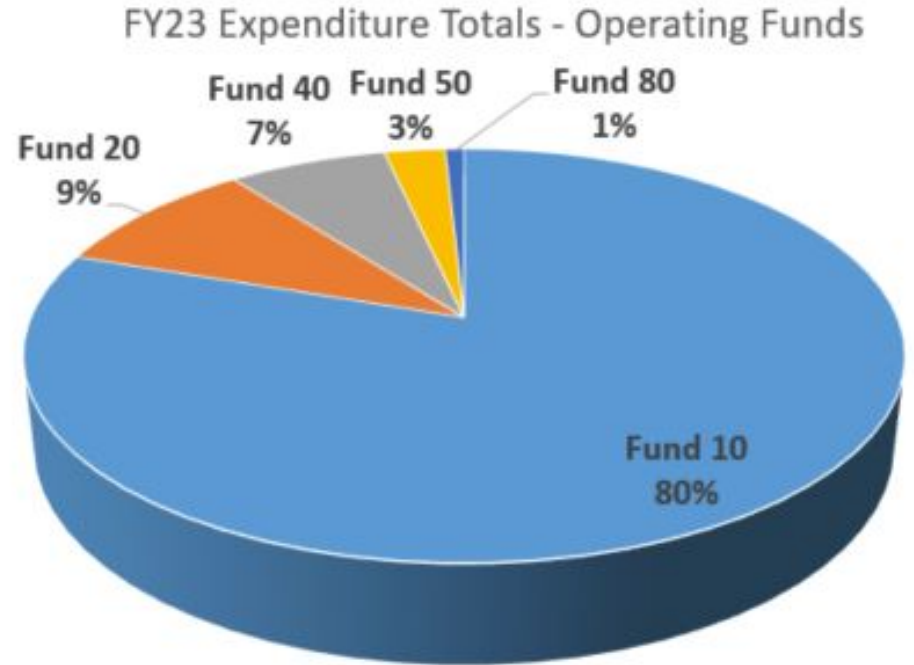
4 Year History of Per Student Costs

<u>ISBE ANNUAL FINANCIAL REPORT</u>	<u>PER CAPITA TUITION CHARGE</u>	<u>OPERATING EXPENSE PER PUPIL</u>
FY20	\$12,379.98	\$13,957.65
FY21	\$13,569.92	\$15,377.32
FY22	\$14,437.84	\$16,986.97
FY23	\$16,255.68	\$18,155.22



FY23 percent of expenses per Fund

	FY23 ACTUAL EXP		
10	\$	152,204,125.00	80%
20	\$	17,764,350.00	9%
40	\$	13,206,499.00	7%
50	\$	5,049,620.00	3%
80	\$	1,579,536.00	1%
	\$	189,804,130.00	100%



5-Year Increase in Certified FTE

Group	Annual FTE (as of 05/31)					
	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Actual	FY23 Actual	FY24 Budget
CTC	877.26	904.70	956.95	960.97	961.52	1020.00
Cabinet	7.00	8.00	9.00	9.00	9.00	10.00
Directors (Cert & Non-Cert)	9.00	5.00	11.00	14.00	14.00	17.00
Managers/Supervisors	8.00	6.00	4.00	4.00	4.00	2.00
Assistant Directors (Cert & Non-Cert)	3.00	7.00	6.00	8.00	11.00	16.00
Assistant Managers	0.00	0.00	1.00	1.00	1.00	1.00
Principals	20.00	20.00	20.00	20.00	20.00	20.00
Assistant Principals	22.00	23.00	25.00	23.00	24.00	27.00
Coordinators	19.90	20.90	24.10	25.00	26.00	25.00
Total Leadership FTE	88.90	89.90	100.10	104.00	109.00	118.00



Approximate FTE Paid with ARP ESSER

	FTE
SOCIAL WORK COORD	0.5
ASSIST. DIR. OF RELATED SVCE	1
ACADEMIC INTERVENTIONIST	6
K-6 BILINGUAL INTERVENTIONISTS	7
PERMANENT SUBS	20
SPEL CHILDHOOD PARAPROFESSIONAL	3
EXTRA DUTY PAY	
TRAUMA-INFORMED COORD	1
ASSIST. DIR. OF COMMUN. SCHOOLS	1
BILINGUAL CURRICULUM WRITER	1
504 PLAN/STUDENT RECORDS SUPERVISOR	1
At least:	
20 permanent subs	
20 interventionists	



5-Year Facility Master Plan (large items left)

CATEGORIES	FY 24 (6/30/24)	FY 25 (6/30/25)	FY 26 (6/30/26)	FY 27 (6/30/27)	TOTAL
ASPHALT	\$ 1,013,112	\$ 523,449	\$ 470,699	\$ 749,644	\$ 2,756,904
CONCRETE	\$ -	\$ 349,989	\$ 407,491	\$ -	\$ 757,481
ROOFS	\$ 1,305,740	\$ -	\$ 6,373,173	\$ 513,825	\$ 8,192,739
FLOORING	\$ 100,000	\$ -	\$ 1,309,794	\$ 1,796,312	\$ 3,206,106
GYMS	\$ -	\$ -	\$ 467,222	\$ 1,710,864	\$ 2,178,086
CAFES	\$ -	\$ -	\$ 330,571	\$ 906,692	\$ 1,237,263
HVAC	\$ 4,681,060	\$ 11,968,017	\$ 280,644	\$ 9,477,443	\$ 26,407,164
PLUMBING	\$ -	\$ -	\$ -	\$ 412,060	\$ 412,060
Overall Total By Year	\$ 7,099,912	\$ 12,841,456	\$ 9,639,595	\$ 15,566,840	\$ 45,147,802

5-Year Forecast

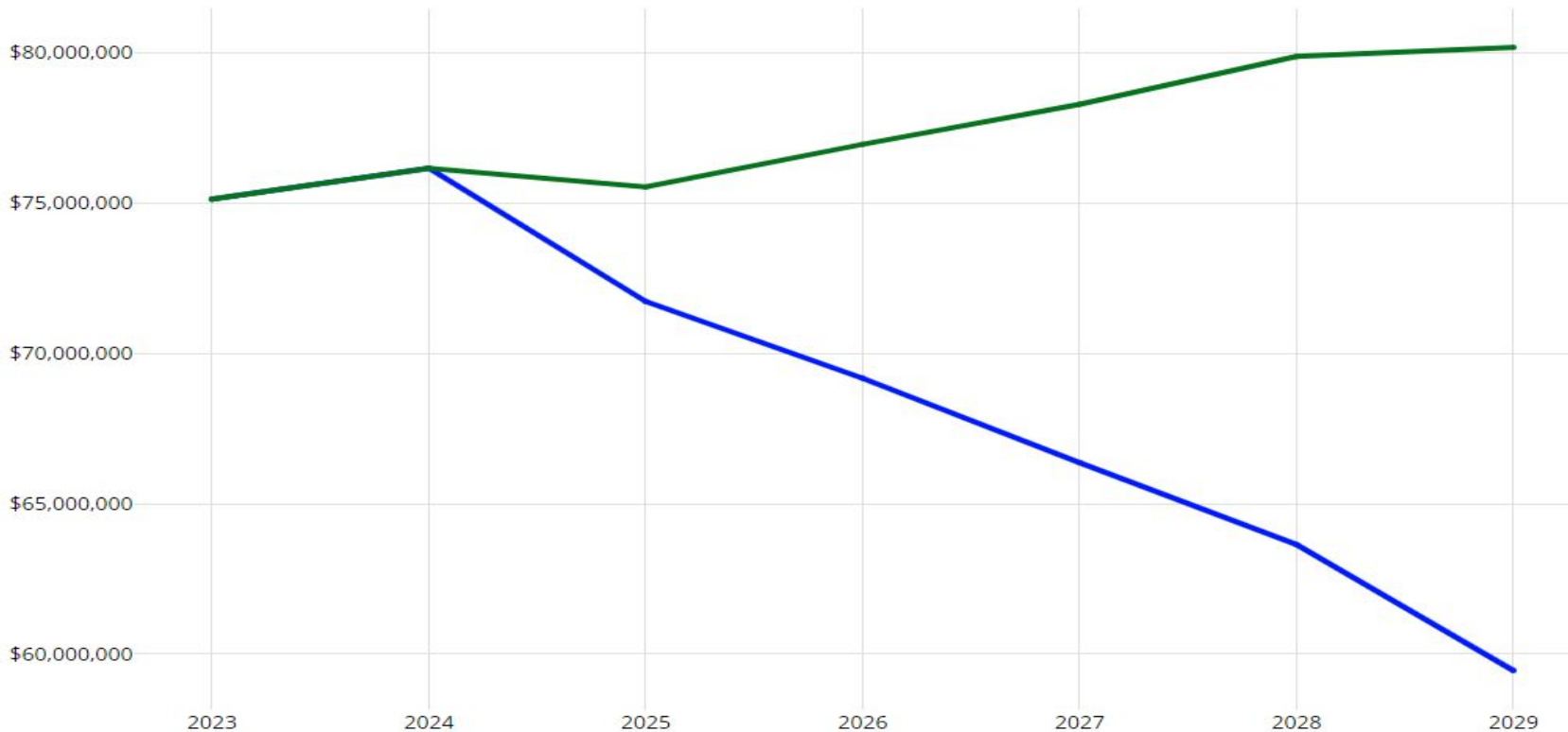
What questions do you have?



Comparison of fund balance

Green - 22 FDK teachers vs **Blue 22 FDK + 50 middle school teachers**

Fund Balance (Ed, O&M, Trans, IMRF, WC, Tort)



Comparison of surplus/deficit

Green - 22 FDK teachers vs Blue 22 FDK + 50 middle school teachers

