

# FINANCIAL REPORT 2025

## 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 2024, 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 2024 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.**

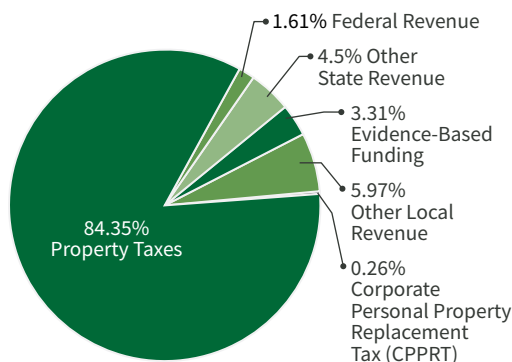
# FISCAL YEAR 2025 BUDGET HIGHLIGHTS

*Fremont School District 79 has maintained a balanced operating budget for many years, which has resulted in a healthy reserve of funds. The reserve funds not only generate additional interest income, but support recent capital improvements and provide a solid resource to address unexpected expenses the District incurs.*

*The Fiscal Year 2025 budget prioritizes investing in our staff by maintaining competitive salaries and benefits, ensuring we can continue to attract and retain top-quality educators and support personnel for our students. While salaries and benefits comprise the largest portion of our budget, the Board of Education remains committed to maintaining a balanced budget while upholding our mission, vision, and strategic plan. This includes advancing STEM studies, preparing for the Ivanhoe Village development and strengthening safety and security initiatives to support our schools and community.*

## FISCAL YEAR 2025 REVENUES: \$38,646,558

### Proposed Revenue Allocation by Source

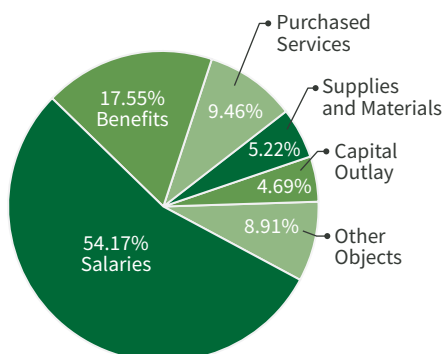


Fremont School District's primary source of revenue is from local property taxes. Approximately 84.35% of the District's revenue is generated from this source, as the chart to the left illustrates. The District receives 9.42% of revenue from state and federal sources.

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 2025 EXPENDITURES: \$37,972,522

### Budgeted Expenditure Allocation by Object



The budget priorities are driven by the goal to provide the highest quality of education to all our students. Salaries and benefits, composed primarily of teachers, comprise approximately 71.72% of the District's expenditures.

Additionally, a portion of the instruction budget is to support a safe environment for students to learn. Security, building improvements and continuous investments in technology for our students comprise 4.69% 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. To best manage the District reserves, in the fall of 2024, the Board of Education approved a fund balance plan that will maintain a healthy fund balance while managing the impending growth on the horizon. Under the plan, a minimum of 40 percent of reserve funds will be maintained for cash flow and emergencies. This allows for funds above this threshold to be allocated for facility and capital equipment needs and for operational expenses related to enrollment growth.

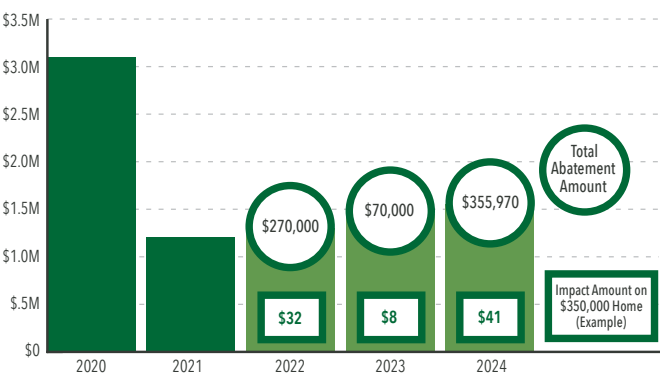
## GENERAL OBLIGATION BONDS

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. Once these bonds are retired, the District will have the opportunity to reissue bonds to fund approximately \$23 million in state-mandated Health Life Safety projects.

## 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. For the 2024 tax year, the Board of Education has approved a tax abatement of \$355,940, providing direct savings to our residents. This equates to a \$41.50 reduction for the average homeowner with a \$350,000 home.

### Debt Service Fund Tax Abatement



- Levy Year** (Amount of debt service levy for debt service)
- Net Debt Service** (Net amount of the debt service levy after the abatement)
- Total Abatement Amount:** This is the total amount that will be abated back to the taxpayers for that particular levy year.
- Impact Amount:** This example shows the amount a homeowner would receive back if their home was valued at \$350,000.

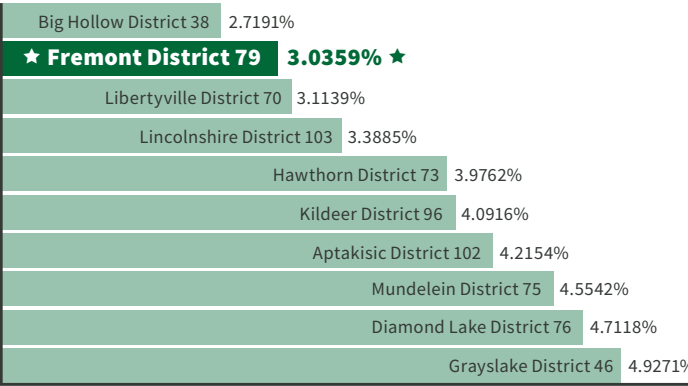
## STATE AND FEDERAL FUNDING

The District continues to monitor the ever-changing educational funding at the state and federal levels. Although there is uncertainty regarding state and federal funding, the District continues to maximize available funding opportunities. In Fiscal Year 2025, the District received the school project maintenance grant (\$50,000) and the Illinois Teacher Vacancy Grant (\$109,000). In addition to state grants, the District has increased its transportation reimbursement by approximately \$500,000 and Medicaid reimbursement by \$50,000.

## 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 the lowest in the area compared to other surrounding elementary school districts.

### Local School Districts Tax Rate Comparison (2023)





**FREMONT**  
SCHOOL DISTRICT 79

## FREMONT SCHOOL DISTRICT 79

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

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