Tentative Budget 2025-26

Northbrook School District 27

Presentation Agenda

A review of the following…

- ***WRAP UP*** *- 2024-25* fiscal year end review
- Review of Fiscal Year Financial Calendar
- Review of 2025-26 Budget Timeline
- Review of 2025-26 Budget
  - *Financial & Economic Categories monitored*
  - *Key Revenue Financial Assumptions 2025-26*
  - *Key Expenditure Financial Assumptions 2025-26*
  - *Summary of 2025-26 Tentative Budget*
- Review of Fund Balance Projection
- Next steps to reach final budget recommendation

WRAP UP

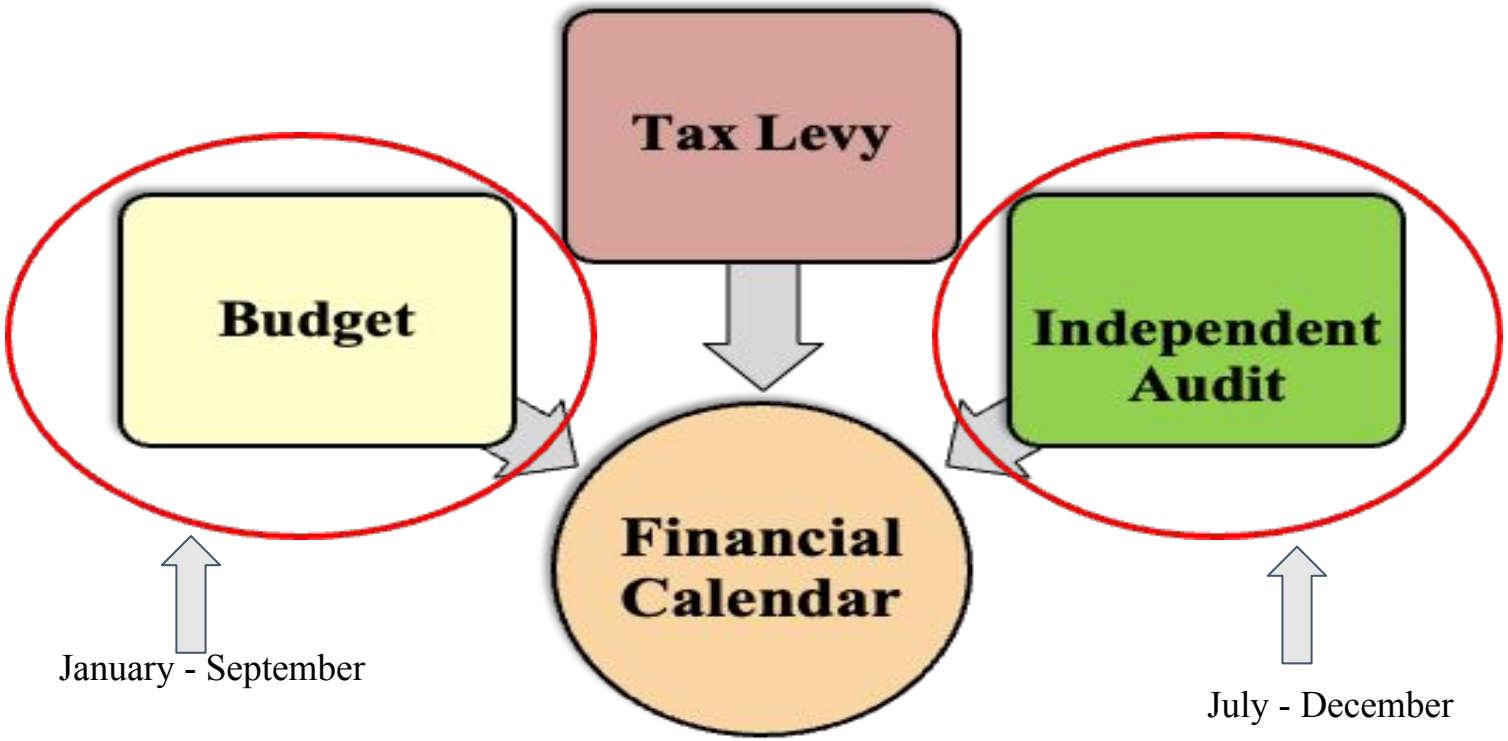
2024-25 Fiscal Year End Outcome

Fiscal Year End June 30, 2025

FUND	BEGINNING FUND BALANCE	TOTAL RECEIPTS TO DATE	TOTAL DISBURSEMENTS TO DATE	CLOSING FUND BALANCE
EDUCATION	$ 6,462,303.38	$31,473,062.61	$30,136,963.36	$ 4,998,402.63
OPERATIONS & MAINTENANCE	$ 4,800,276.58	$3,375,014.26	$7,316,114.13	$ 3,659,176.71
TRANSPORTATION	$ 549,807.50	$1,992,902.14	$2,552,077.97	$ (9,368.33)
IMRF	$ 1,127,566.14	$471,982.26	$913,287.82	$ 686,260.58
WORKING CASH	$ 3,999,724.33	$10,195.00	$0.00	$ 4,009,919.33
TOTAL	$ 16,939,677.93	**$37,323,156.27**	**$40,918,443.28**	**$13,344,390.92**

- Ended FY25 at $13.3M - 37% reserve level
  - *$300K better than projected*
- Closing fund balance includes $3.7M in payout costs for summer 2024 Hickory Point HLS work, HLS amendments and design/construction management fees for future capital improvement projects

Fiscal Year Financial Calendar



Fiscal Year Financial Calendar

Annual Budget

Illinois School Code mandates:

- ❑ Tentative Budget must be developed and approved
- ❑ Tentative Budget is put on display for public inspection 30 days prior to final adoption
- ❑ Publication in newspaper - the public notice details that the tentative budget is on display and the date of the public hearing
- ❑ Final budget must be approved and filed by end of first quarter (September)
- ❑ Final budget must be posted on the school district's website

2025-26 Tentative Budget Balanced

Balanced budget @ $36.2M

2025-26 Budget

Budget Review

Budget Approval Timeline:

- ❏ Board Review - July 31, 2025
- ❏ Recommendation - Tentative Budget approval July 31, 2025
- ❏ Legal Notice - Published on July 17, 2025 - Pioneer North
- ❏ Legal Budget - available for inspection August 1, 2025 through September 18, 2025
- ❏ Public Hearing - September 4, 2025
- ❏ Recommendation - Final Budget adoption September 18, 2025

Financial & Economic Categories

Three overall categories are continuously monitored as part of the District's financial planning process:

- ***Category 1 – Financial Condition of the Local Tax Base***
- ***Category 2 – Financial Condition of the State of Illinois***
- ***Category 3 – Rate of Inflation***

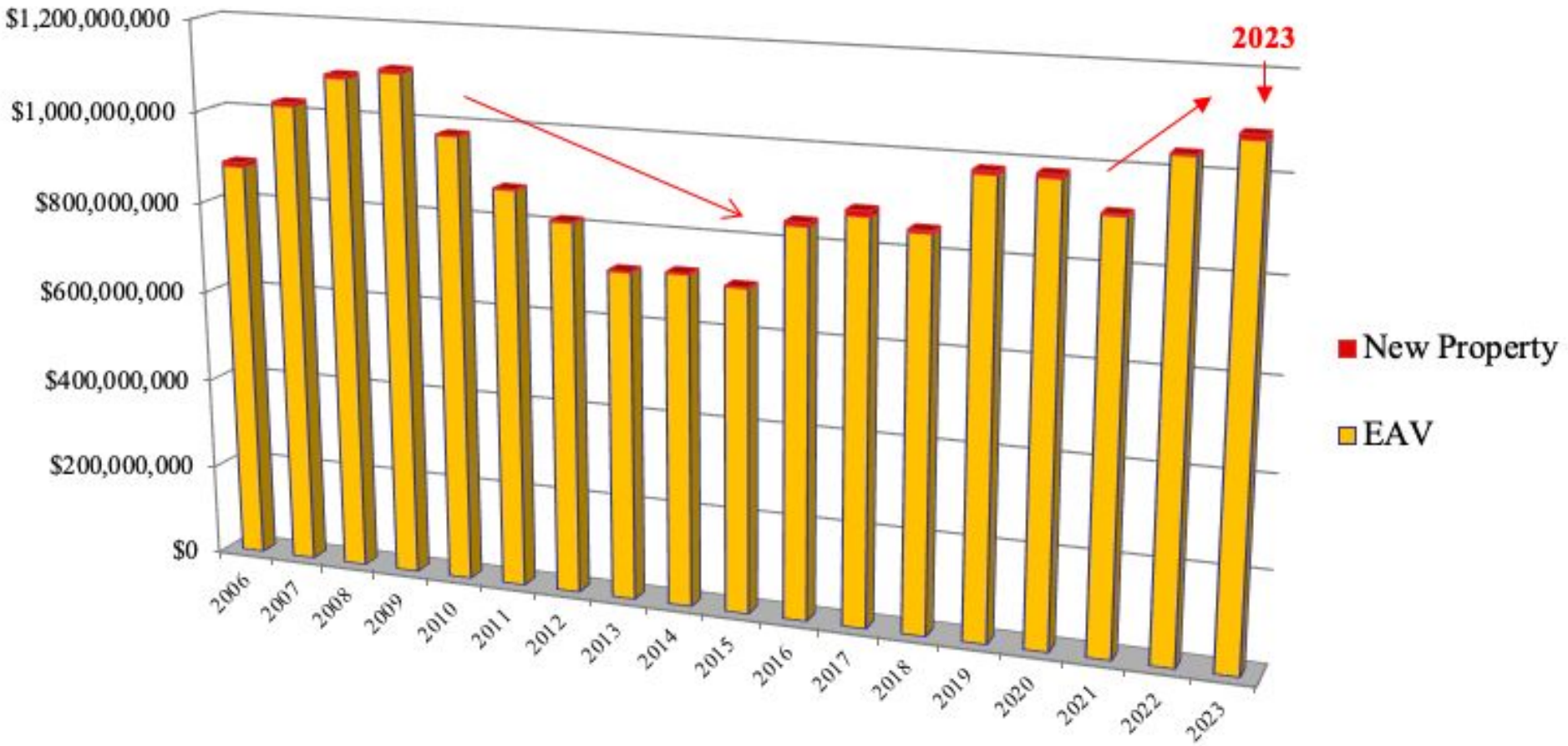
Category 1 – Financial Condition of our Local Tax Base

- Property tax collections:
  - 2nd installment 2023 collections @ 99%
  - 1st installment 2024 collections @ 96%
  - Property tax appeals will continue; FY26 @ $650,000
- Monitoring of Property Value: 2024 Data Not Released
  - 2023 Equalized Assessed Valuation (EAV) @ 1.075B
    - *Increase of 3.73% from 2022 @ 1.037B*
  - New Property – increase from $2.5M to $10.2M

NOTE: August 1 property tax bills expected to be delayed at least one month due to technical issues at Assessor's Office

Category 1 – Financial Condition of our Local Tax Base

Key Financial Indicator – Assessed Valuation



Category 1 – Financial Condition of our Local Tax Base

Key Financial Indicator – Assessed Valuation

EAV Division by Class - SHIFT IN TAX BURDEN

Tax Year	Total Valuation	Residential		Commercial		Industrial		Farm	
*1995	467,161,613	257,137,356	55.0%	76,589,171	16.4%	133,429,519	28.6%	5,567	0.001%
1996	471,892,583	262,027,048	55.5%	76,133,880	16.1%	133,720,489	28.3%	11,166	0.002%
1997	478,482,663	262,756,691	54.9%	77,630,141	16.2%	138,090,232	28.9%	5,599	0.001%
*1998	508,521,550	281,444,293	55.3%	86,806,363	17.1%	140,265,295	27.6%	5,599	0.001%
1999	529,897,578	294,454,476	55.6%	89,516,502	16.9%	145,921,001	27.5%	5,599	0.001%
2000	524,517,499	293,343,786	55.9%	88,127,348	16.8%	143,040,766	27.3%	5,599	0.001%
*2001	627,025,169	368,882,291	58.8%	99,650,698	15.9%	158,486,581	25.3%	5,599	0.001%
2002	664,011,465	397,834,524	59.9%	103,817,791	15.6%	162,353,551	24.5%	5,599	0.001%
2003	663,906,173	401,382,249	60.5%	101,578,249	15.3%	160,945,675	24.2%	0	0.000%
*2004	774,444,120	483,363,652	62.4%	117,791,252	15.2%	173,190,116	22.4%	0	0.000%
2005	878,137,114	523,326,426	59.6%	179,675,355	20.5%	175,135,333	19.9%	0	0.000%
2006	887,273,667	530,647,387	59.8%	182,365,986	20.6%	174,260,294	19.6%	0	0.000%
*2007	1,025,423,217	631,240,975	61.6%	201,863,556	19.7%	192,318,686	18.8%	0	0.000%
2008	1,091,931,110	681,355,886	62.4%	209,619,513	19.2%	200,955,711	18.4%	0	0.000%
2009	1,109,608,241	730,917,026	65.9%	197,884,831	17.8%	180,806,384	16.3%	0	0.000%
*2010	979,479,577	633,076,712	64.6%	169,211,040	17.3%	177,191,825	18.1%	0	0.000%
2011	871,867,278	571,138,484	65.5%	148,787,698	17.1%	151,941,096	17.4%	0	0.000%
2012	811,848,178	530,314,974	65.3%	140,316,819	17.3%	141,216,385	17.4%	0	0.000%
*2013	716,710,855	466,217,426	65.0%	122,768,505	17.1%	127,724,924	17.8%	0	0.000%
2014	722,768,849	472,728,361	65.4%	135,327,261	18.7%	114,713,227	15.9%	0	0.000%
2015	704,462,372	458,876,540	65.1%	132,955,412	18.9%	112,630,420	16.0%	0	0.000%
*2016	842,978,968	573,381,001	68.0%	144,547,694	17.1%	125,050,273	14.8%	0	0.000%
2017	872,246,804	583,186,852	66.9%	158,281,309	18.1%	130,778,643	15.0%	0	0.000%
2018	847,821,734	568,185,479	67.0%	147,489,192	17.4%	132,147,063	15.6%	0	0.000%
*2019	974,611,953	623,465,158	64.0%	183,865,724	18.9%	167,281,071	17.2%	0	0.000%
2020	976,106,658	626,954,613	64.2%	172,631,972	17.7%	176,520,073	18.1%	0	0.000%
2021	910,939,681	578,417,518	63.5%	170,850,820	18.8%	161,671,343	17.7%	0	0.000%
*2022	1,037,042,175	684,298,561	66.0%	174,153,185	16.8%	178,590,429	17.2%	0	0.000%
2023	1,075,742,878	706,213,387	65.6%	182,375,424	17.0%	187,154,067	17.4%	0	0.000%

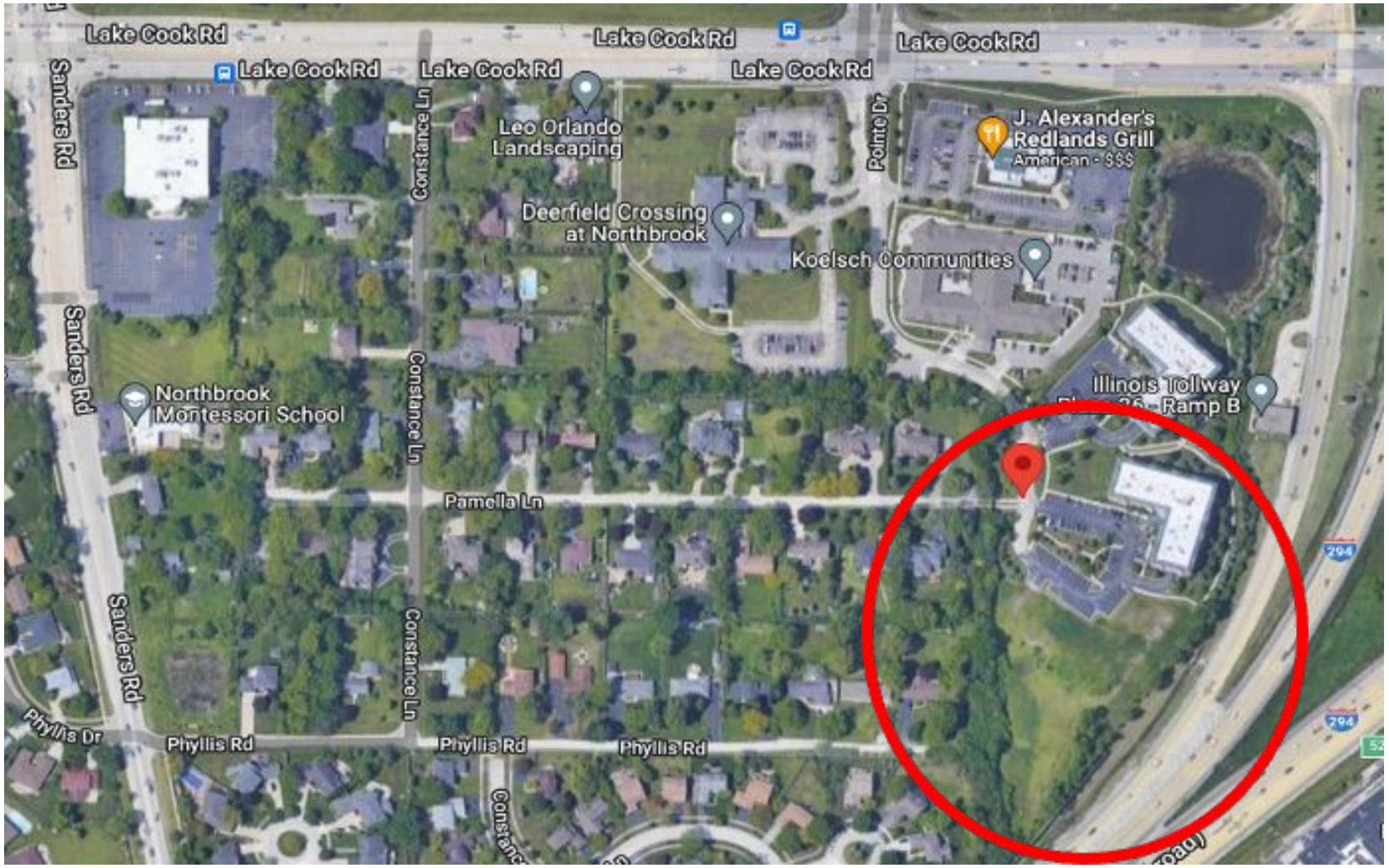
Property Development

3700 Dundee Road & 175 Pointe Drive

3700 Dundee Road



175 Pointe Drive



175 Pointe Drive

175 Pointe Drive – 34 Unit Rental Townhome Development

On February 28, 2023, the Village Board of Trustees approved the redevelopment of a vacant privately owned parcel located at 175 Pointe Drive. The approved project includes 34 rental townhomes to be constructed, including 5 affordable townhome units. The developer has also proposed to include solar panels on one of the cluster of townhome units. The timeline for groundbreaking has not yet been determined.



Category 2 – Financial Condition of the State of Illinois

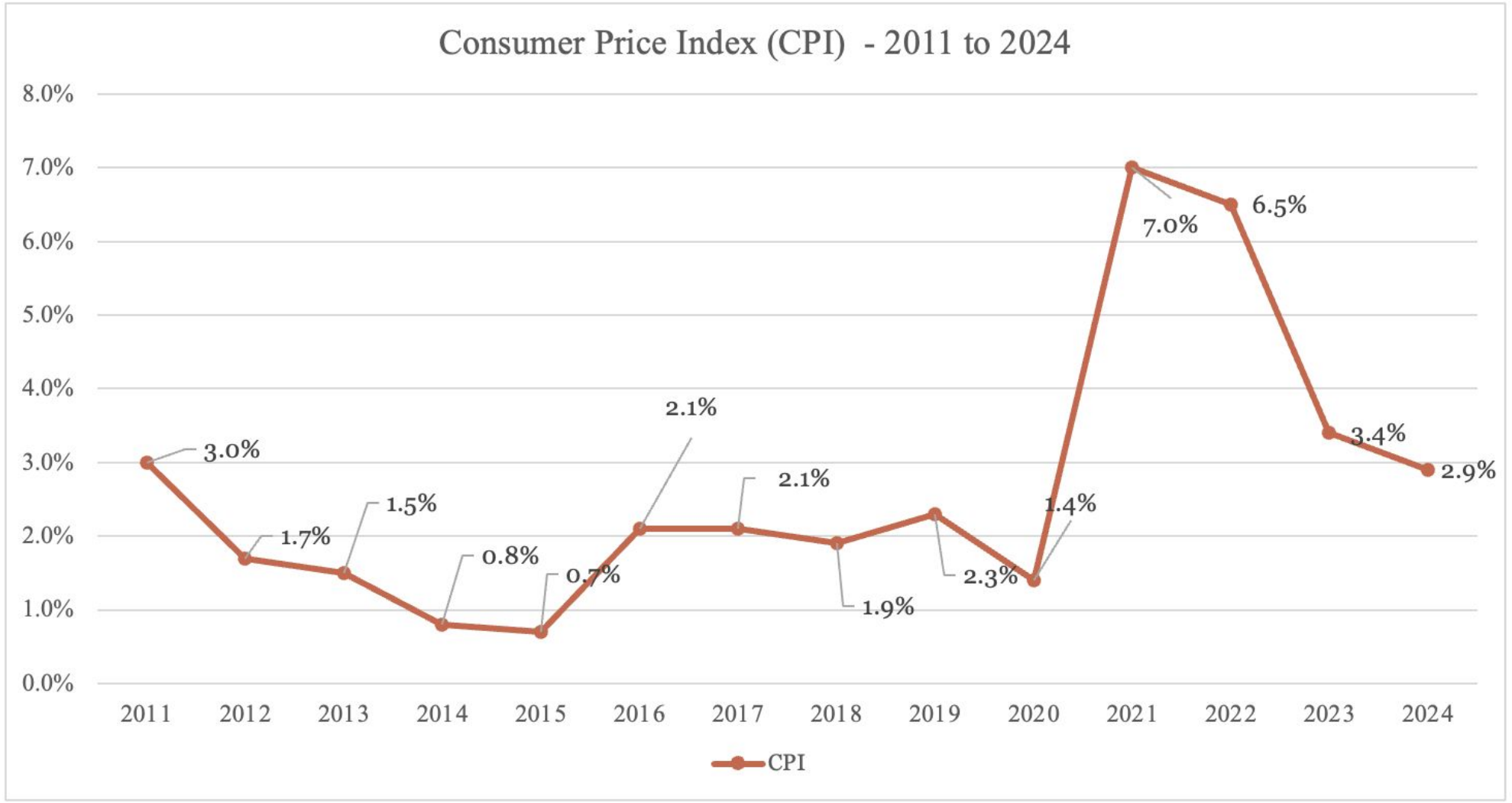
- Effective with fiscal year 2018, the distribution of General State Aid to Illinois public schools was replaced with the Evidence-Based Funding Model.

- Evidence-Based Funding has combined five previous grant programs into a single program: General State Aid, Special Education Personnel, Funding for Children Requiring Special Education Services, Special Education Summer School and English Learner Education.

- The District received, from the State, all 22 payments under the Evidence-Based Funding Model for fiscal year 2024-25.

Category 3 – Rate of Inflation

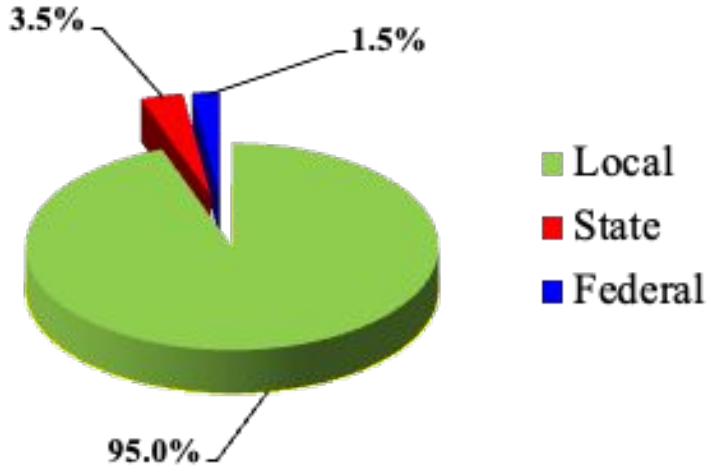
- The inflation rate dictates the rate of growth in real estate tax revenues allowed under the tax cap



2023 CPI funds the 2025-26 fiscal year
(*Budget includes two tax collection cycles over two levy years - 2nd installment 2024 and 1st installment 2025; using prior year CPI from last levy year)*

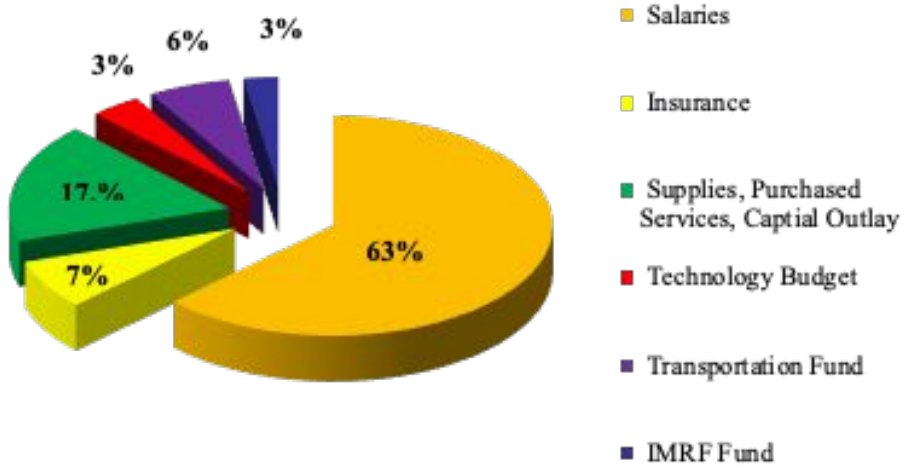
Key Revenue Financial Assumptions
Operating Budget - $36.2M

- Property tax collection rate:
  - 96% for 2024 2nd installment and 2025 1st installment
- Interest Earnings:
  - $500,000
- Property tax appeals:
  - $650,000
- State Revenues:
  - $785,000 – Evidence-Based Funding (Hold Harmless)
- Federal Revenues:
  - $460,000 – IDEA Grant, Title Grants, Special Milk



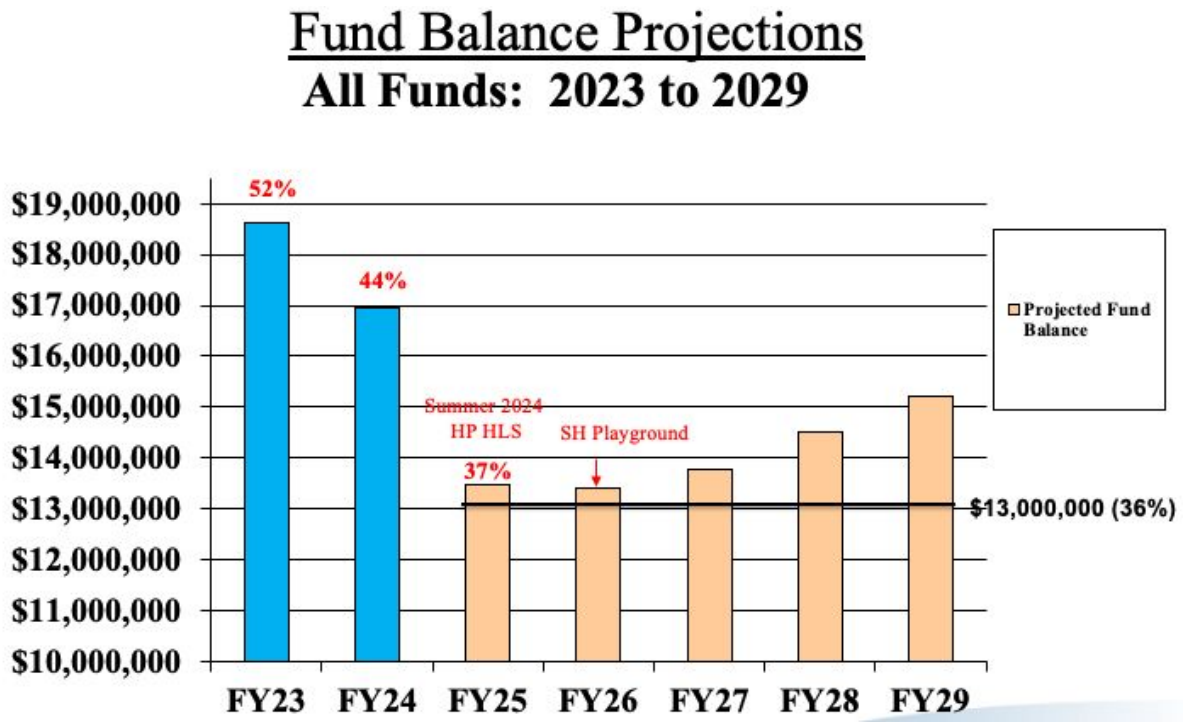
Key Expenditure Financial Assumptions
Operating Budget - $36.2M

- Salaries – avg rate at 2.5%
- Insurance Premiums – projected premium increases
  - 10% for medical
  - 5% for dental
- Supplies, Purchased Services, Capital Outlay – $4.9M budget allocation (all funds)
- Technology Budget – $1.3M
- Transportation – $2.0M
- IMRF Actuarial Rate Contribution –
  - 9.00% for 2025 and 9.00% for 2026
- Contingencies General Funds
  - $300,000



Fund Balance Projection
All Funds: 2023 to 2029

District 27
Financial Projection



2025-26 Tentative Budget Balanced

- Balanced budget @ $36.2M
- Contingencies included in the budget of $300,000
- Fund balance reserve at $13.3M - 37% reserve level

2025-26 Budget
Budget Development Process

NEXT STEPS

Items to review and monitor:

- ❑ Adjustments to staffing pattern
- ❑ Adjustments to State sources of revenue
- ❑ Adjustments to Federal sources of revenue
- ❑ Adjustments based on changes in legislation
- ❑ Public Hearing - September 4, 2025
- ❑ Recommendation - Final Budget adoption September 18, 2025

Tentative Budget 2025-26

Northbrook School District 27