



Downers Grove Grade School District 58

We Envision. We Seek. We Believe.

Financial Plan for Fiscal Years: 2025 - 2029

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1. Introduction

The idea of an annual approval of a financial plan is to formalize and memorialize a process that a district administration does every year: reviewing the available resources to focus on the short and long-term impact on the District's ability to meet the needs of the community's children. The plan will help develop the following year's budget and illustrate needs and decision points for the community as it involves the use of resources.

The benefit of a three- to five-year plan is to measure the District's ability to maintain current program levels over the long term and to illustrate using realistic expenditure patterns and conservative revenue projections, deficits, and surpluses so as to allow time for the District to adjust either side of that equation to meet its needs.

The District has a long history of using five-year projection models in the spring of each year. The financial plan is the next evolution in the process of effective resource management. The plan is developed and formally approved by the Board of Education annually prior to the next year's budget. Whereas the five-year projection shows the impact of a potential budget and spending patterns for the foreseeable future, the financial plan presents the Board of Education's design and plan that the next year's budget will be based on. It also demonstrates the impact of the current spending, and next year's program plan on the following fiscal years. The plan approved must meet the Board of Education's policy requirements.

The budget for Illinois schools is often adopted after the fiscal year has started. Illinois school districts are the only units of local government, by State law, that can start the fiscal year without a budget and spending plan in place. They must adopt a budget by the end of the first quarter of the fiscal year.

Communities and students always have more needs than a local government has resources to match, each year the District is required to review current program needs and the resources available and focus and prioritize those resources to meet student needs, the legal requirements of the District and in accordance with its mission, vision and goals.

Additionally, the projection of the current program format for multiple years against conservative revenue growth can highlight where adjustments are needed in the current or future years to maintain a balanced budget. One important aspect of the planning process is, before rolling out a new program or continuing other programs, to determine whether the District has the resources to sustain its programming for the foreseeable future.

This format allows the administration to bring to the Board of Education a plan that is balanced and meets the policies the Board has approved. This means that between the initial projection and the final submission of the plan, changes may occur to balance expenditures to resources. In some cases, increases in revenue become known, such as the CPI for the upcoming levy year (which is the Spring collection for the next fiscal year). Hopefully, with conservative estimates of revenue and reasonable estimates of expenditures, clarity of some program costs or changes in costs for the upcoming year will reduce pressure on the upcoming budget. If updates in revenue, and reductions in expenditure projections of continuing programs still create an unbalanced plan, the administrative team will review programs and expenditures to determine adjustments to create a balanced plan for Board approval.

2. District Mission

The mission of District 58, in partnership with families and community, is to challenge and engage each child by providing quality educational programs and support services in a safe, nurturing and child-centered environment in order to prepare all students to be lifelong learners and contributing members of a global society.

3. Guiding Principles

- Each student is capable of learning and deserves to be educated and challenged to reach his/her highest potential.
- Education is the foundation for success, both in academic achievement and social-emotional development.
- Within each child, we will cultivate the social awareness, self-management and responsible decision-making skills necessary to be a contributing member of society.
- Educators, students, families and community members should work together to support the healthy development of all students.
- The school environment should be engaging, with opportunities for creative, collaborative and meaningful learning experiences.
- The school environment should be safe, friendly and nurturing, where everyone comes to learn, and grow.

4. Executive Summary

A public school district will always have greater needs than our community will have funding for. There will always be the need for additional resources. For this reason, it is imperative for the District to prioritize the resources it has. Unlike many school districts that use the spring tax receipts for the next fiscal year, Downers Grove District 58 uses the spring (or early) collection in the current fiscal year and historically has had low fund balances during the spring prior to those early property tax receipts.

To ensure that the District has funds on hand during the low cash point, the Board approved a fund balance policy that ensures sufficient funding. The fund balance policy, effective starting the fiscal year 2021-2022 and forward, requires the operating fund budget approved by the Board of Education to be at least 35% of the budgeted operating expenditures.

The District administrative team developed a balanced plan after reviewing updated revenue projections as well as considering staffing needs. The staffing presented at the March Board meeting is taken into account in the financial plan.

Highlighted below are some of the items and programs funded in the financial plan:

- Meet the Board policy of at least 35% of expenditure fund balance through the next three years.
- Annual transfer of \$750,000 from operating funds to the Capital Fund to assist with the capital needs of the District in updating facilities.
- Staffing for current programs and enrollment.
 - Equity among schools
- Capital funding and expenditure for the remaining playground projects are largely funded by State DCEO grants and community donations, as well as District funds.
- Capital work is based on the bond funds approved by the November 2022 referendum.
- Increase in debt service for new bond payments due to the referendum bonds.

5. Background

Below are some key milestones in the creation of the foundation of this current financial planning process and the development of the current direction to ensure appropriate fund balances to meet the needs of the community and the large capital needs of the District.

2012	District develops a comprehensive facility assessment report of the capital needs of all the schools, playgrounds, and administrative facilities.
September 2018	Board of Education approves the present strategic plan after a year of community involvement in developing the plan.
2018-2019	District Curriculum Council developed a curriculum update schedule, now included annually in the financial plan to allocate resources toward updating the curriculum.
2018-2019	District creates Facility Planning Council, to review the facilities and capital needs of the District to result in a master facility plan (MFP) to be presented to the Board of Education.
August 2019	Board of Education is presented with the draft master facility plan estimated at \$245 million.
October 2019	Board of Education creates Citizen Task Force to review master facility plan.
Winter 2019-2020	Citizen Task Force meets and reduces the \$245 million in MFP to \$178 million for consideration of referendum for community input. Items not included in the \$178 million are: <ul style="list-style-type: none">• Playground updates• Lighting and energy updates• Reduced the funding of preventative maintenance projects from 12 years to 8 years.• Future focused classroom costs, which include updated furniture for classrooms.• Administrative facility updates or consolidation (this item was noted in the master facility planning that it needed to be addressed; however, there was not a dollar amount or a specific plan to address the issue in the MFP).
Summer 2022	Board of Education placed a question on the ballot for a \$179 million bond referendum.
November 2022	Voters approved the \$179 Bond referendum for updates to District facilities by a 2/3 approval vote.
December 2022	District issues \$140 million in bonds for referendum work, with the intent to borrow the remainder of bonds once the initial funds are spent down.
Winter/Spring 2023	District begins planning for updates to facilities to go to bid in the fall of 2023 for initial work to begin in the spring of 2024.
November 2023	Board of Education approves the current strategic plan.
2023/2024	Board approves middle school capital bids and Phase 1 Elementary schools work to be done summer of 2024.
March 2024	The District starts capital projects during spring break 2024.

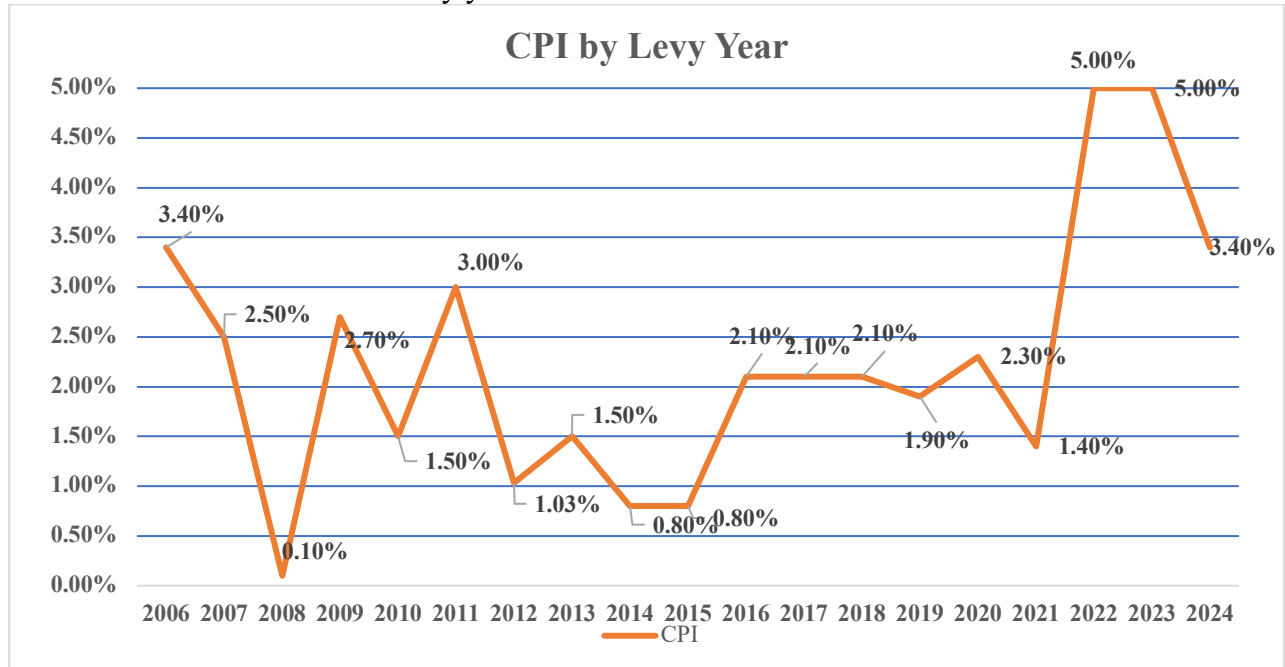
The financial plan is an instrument approved by the Board of Education using realistic conservative revenue projections early in the budget planning process that allows the Board the opportunity to reduce expenditures to balance the budget. As a service industry, the majority of expenditure and 90% of discretionary spending is in salary and benefits.

Revenue

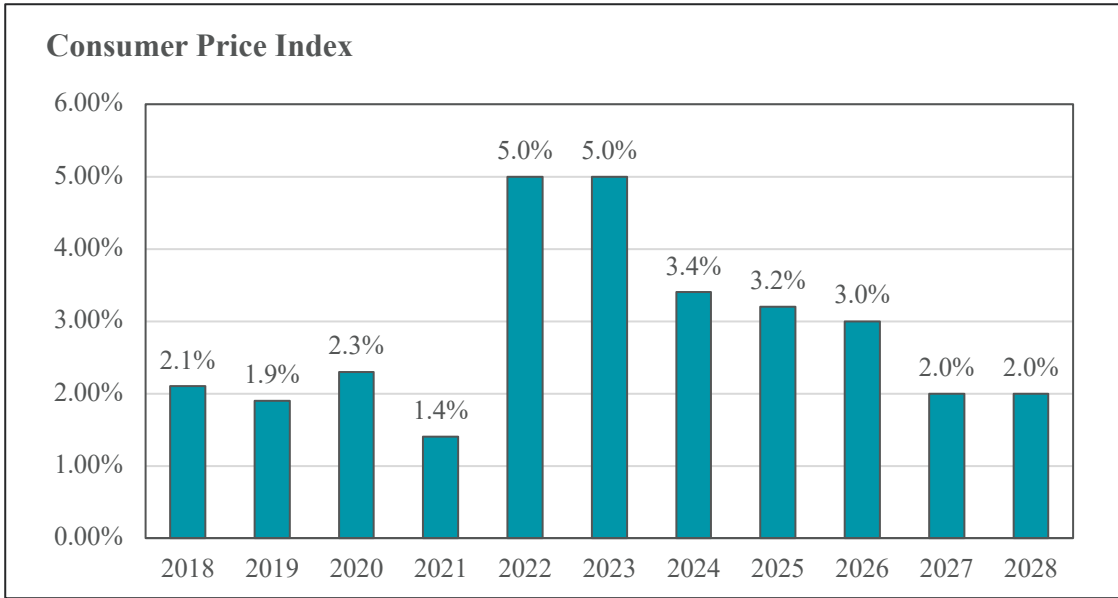
The largest source of funding for the District is property taxes. Property taxes are limited by the Tax cap legislation which allows for an annual increase due to inflation (Consumer Price Index or CPI) and new property. The District over the last several years has had a continued strong growth in new construction which has allowed the District to continue to support programs and salary increases over the CPI. The historical CPI is on the chart below. Over the last several years the District that has seen an increase in property taxes due to two consecutive years of high inflation, which increased by 5% per year, and the dissolution of the Downers Grove downtown TIF district has substantially increased the new property for the 2021 taxes paid in 2022. These increases are allowing for an increase in local property taxes in the financial plan above prior trends. The CPI for 2023 which impacts the 2024 tax levy collected in calendar year 2025, is 3.4%.

Additionally, the real estate market for residential property has remained very high in the area has allowed a continual process of residential redevelopment. The former Longfellow School property sold by the District and subsequently redeveloped into 12 homes will also be added as full value in the 2023 and 2024 tax levy cycles, add an estimated \$5 million in assessed new property value, and is estimated to increase the operating funds of the District \$100,000 a year.

Below is the CPI rate used for levy years 2006-2024



The five-year projection includes projected CPI rates 2025 3.0%, 2026 2.5%, 2027 2.0%, 2028 2.0%.



The District will use its last allocation of federal ESSER III funds in fiscal year 2024, though the final collection will occur, on a cash basis, in FY 2025.

The financial plan assumes an annual increase of 1.95-3.05% in state funds and a return to pre-COVID Federal funding after fiscal year 2024. It also presumes a return to normal funding systems by the state and federal governments after 2024; this includes prorations of transportation reimbursement from the state and the end of COVID funds.

State Revenue increases are driven more by reimbursement of categoricals than from an increase in the Evidence-based funding (EBF). EBF increased by \$5,000 between FY 23 and FY 24. State funding for Transportation and special education costs are in always a year in arrears and prorated dependent on state appropriation. The revenue increases are based on the continual increase in expenditures the year before receipt of the revenue. It is worth noting that a reason for the fund balance policy is to allow the district funds to manage the increased expenses a year before receipt of any level of state reimbursement which could be limited to 80-90% of the State's committed reimbursement.

An example of private placement funding and reimbursement:

Cost of private placement for a student \$80,000.

District requirement: 2 times district tuition costs (tuition is est. \$20,000) = \$40,000

Submitted for State reimbursement \$40,000.

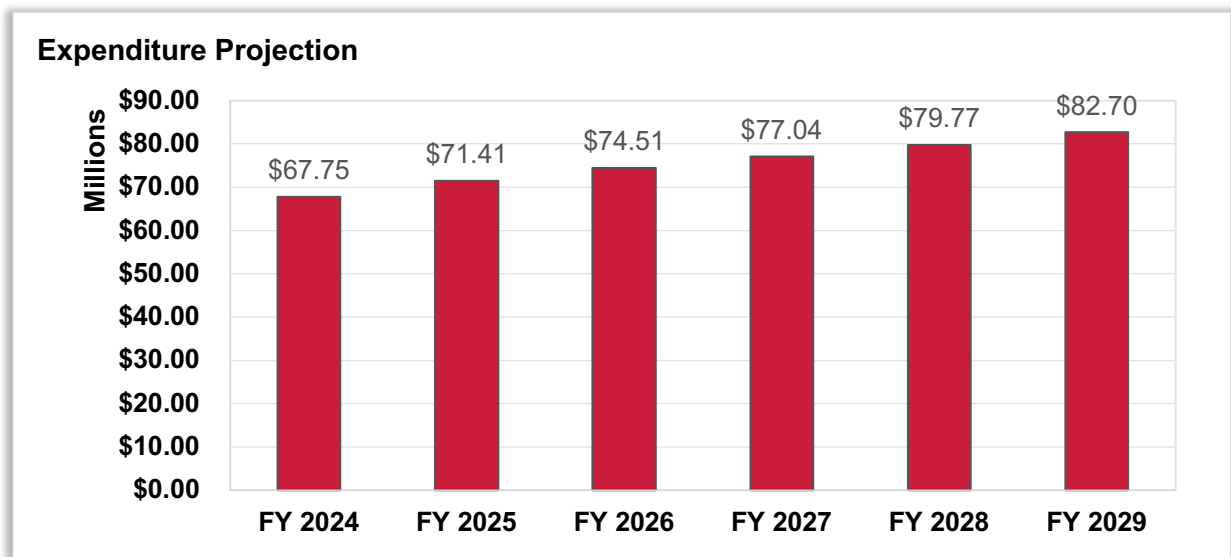
Prorated 85% \$34,000 reimbursement to the District paid following fiscal year.

Expenditure

The financial plan includes inflationary increases for supplies and services at the same level of revenue. Staffing is based on current staffing with adjustments as noted above. The District has adjusted, taking into account known retirements of certified staff. Additionally, the District has reduced outplacement and payments to SASSED to adjust for the continual inclusion of special education students into District 58 programs. The receipt and expenditure of ESSER III funds in the

fiscal year 2024 to address learning loss caused by or exacerbated by the pandemic is \$800,000 for 2024. There is a 3.0 FTE reduction in FY 25 to adjust for the loss of ESSER III funds. There is an increase in operations planning for electric rates in FY 2025 with the expiration of rate locks, as well as another increase in the Operations Fund budget starting in FY 27 for added HVAC and square footage.

	Projected FY 2024	PROJECTED FY 2025	% Δ	PROJECTED FY 2026	% Δ	PROJECTED FY 2027	% Δ	PROJECTED FY 2028	% Δ	PROJECTED FY 2029	% Δ
Salaries	\$48,678,983	\$51,288,941	5.36%	\$53,534,870	4.38%	\$55,368,342	3.42%	\$57,375,477	3.63%	\$59,550,795	3.79%
Benefits	\$9,635,828	\$10,146,655	5.30%	\$10,632,566	4.79%	\$11,081,929	4.23%	\$11,556,930	4.29%	\$12,051,252	4.28%
TOTAL SALARIES & BENEFITS	\$58,314,811	\$61,435,596	5.35%	\$64,167,436	4.45%	\$66,450,271	3.56%	\$68,932,407	3.74%	\$71,602,048	3.87%
Purchased Services	\$3,094,617	\$3,187,456	3.00%	\$3,283,079	3.00%	\$3,283,079	0.00%	\$3,283,079	0.00%	\$3,283,079	0.00%
Supplies And Materials	\$2,157,473	\$2,316,347	7.36%	\$2,362,674	2.00%	\$2,375,938	0.56%	\$2,375,938	0.00%	\$2,375,938	0.00%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0	
Other Objects	\$4,182,000	\$4,474,740	7.00%	\$4,698,477	5.00%	\$4,933,401	5.00%	\$5,180,071	5.00%	\$5,439,074	5.00%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0	
Provision For Contingencies	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL ALL OTHER	\$9,434,090	\$9,978,543	5.77%	\$10,344,230	3.66%	\$10,592,418	2.40%	\$10,839,088	2.33%	\$11,098,091	2.39%
TOTAL EXPENDITURES	\$67,748,902	\$71,414,138	5.41%	\$74,511,667	4.34%	\$77,042,689	3.40%	\$79,771,495	3.54%	\$82,700,139	3.67%



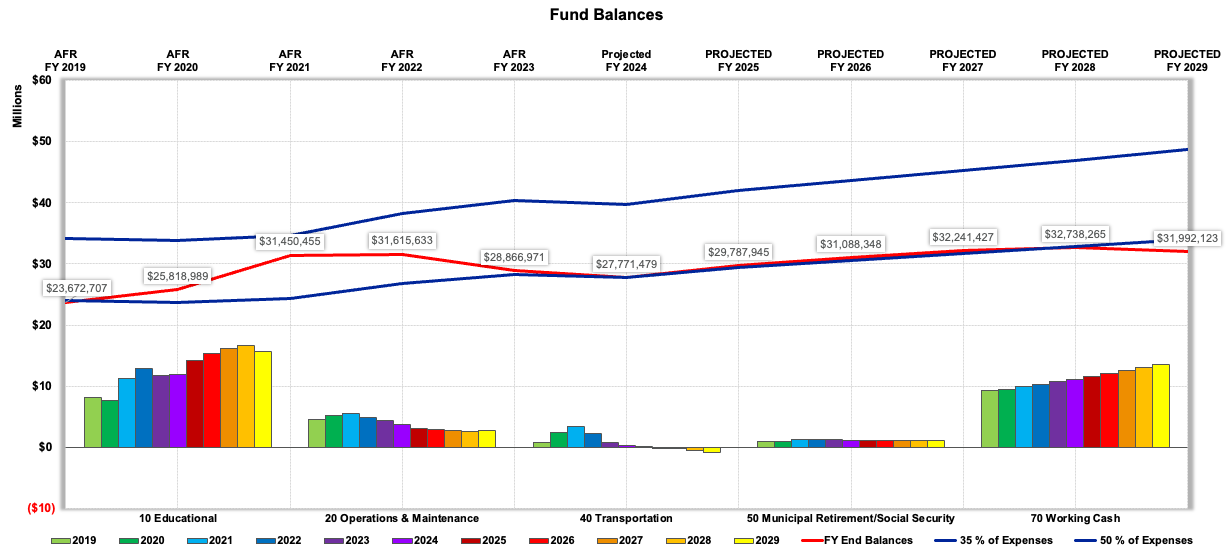
Fund Balance

Below are the tables and graphs that note the fund balance projections for the financial plan. The projected fund balance for Fiscal years 2024 through 2026 is at or above the Board’s policy of 35%.

Ending Fund Balance (Cash Basis)										
	Education	O/M	Trans	IMRF/Soc Sec	Working Cash	Ending Operating Fund Balance	Change in Oper.	% Change	Operating budget	% of Budget exp
FY 18	7,922,481	3,585,679	354,271	928,253	9,805,045	22,595,729			65,155,016	34.7%
FY 19+	5,874,065	4,424,902	256,146	889,277	9,340,684	20,785,074	(1,810,655)	-8.01%	66,952,188	31.0%
FY 20	3,379,236	5,115,742	1,885,751	968,185	9,507,630	20,856,544	71,470	0.34%	69,573,059	30.0%
FY 21*	1,689,971	5,053,241	2,811,278	1,056,104	9,937,785	20,548,379	(308,165)	-1.48%	68,940,796	29.8%
FY 22**	7,591,344	4,695,077	1,934,651	1,161,022	10,208,245	25,590,339	5,041,960	24.54%	73,915,401	34.6%
Fy 23	6,827,494	4,341,447	376,636	1,102,562	10,686,929	23,335,068	(2,255,271)	-8.81%	79,098,296	29.5%
FY 24***	11,873,301	3,683,286	222,036	1,128,154	11,134,702	28,041,479	4,706,411	20.17%	79,372,928	35.3%
FY 25***	14,268,949	3,004,065	54,337	1,136,313	11,594,281	30,057,945	2,016,466	7.19%	83,884,252	35.8%
FY 26***	15,295,190	2,893,097	(84,226)	1,133,159	12,071,129	31,308,349	1,250,404	4.16%	87,375,211	35.8%
FY 27***	16,245,015	2,715,346	(248,072)	1,133,964	12,565,174	32,411,427	1,103,078	3.52%	90,511,008	35.8%
FY 28***	16,623,510	2,566,851	(478,460)	1,121,876	13,074,489	32,908,266	496,839	1.53%	93,856,117	35.1%
FY 29***	15,627,314	2,672,631	(815,241)	1,080,274	13,597,146	32,162,124	(746,142)	-2.27%	97,324,117	33.0%

	Ending Fund Balance (cash)	Ending Balance (accrual)	Diff between cash and accrual
FY 18	22,595,729	22,776,626	180,897
FY 19+	20,785,074	22,210,121	1,425,047
FY 20	20,856,544	23,252,614	2,396,070
FY 21*	20,548,379	29,453,099	8,904,720
FY 22**	25,590,339	29,996,560	4,406,221
Fy 23	23,335,068	28,997,053	5,661,985
FY 24***	28,041,479		
FY 25***	30,057,945		
FY 26***	31,308,349		
FY 27***	32,411,427		
FY 28***	32,908,266		
FY 29***	32,162,124		

The table below is a chart of the operating funds ending fund balance for Fiscal Year 2019 through 2029. Fiscal years 2019 through 2023 are based on the annual financial reports which are on an accrual basis. The projected 2024-2029 projections are based on the cash basis the District uses for budgeting and reporting every month. The red line is the ending cash balance, and the two blue lines are 35% and 50% levels of the operating budget. The District works under a Board of Education policy that requires the ending balance to be at least 35% of the operating expenditures. This financial plan has a projected fund balance at that level for fiscal years 2025-2028. Fiscal year 2029 is currently projected to dip below that level; however, the District each year works to budget the following year to meet the 35% policy to maintain an appropriate fund balance long-term.



Revenue

The majority of funding for the District is from local sources, namely property taxes. For the last 10 years, the CPI, which has a significant impact on property tax revenue growth, has ranged from the low end of 0.08% to as high as 3%. This has limited both the District’s borrowing capacity and operational dollars during that time and limited the District’s ability to meet growing demands both on curriculum and facility needs. The tax levy for 2022 payable in 2023 is based on a CPI of 5%. The actual CPI was 7% and exceeded the 5% limit. The District also gets credit for new property added each year, which has over the same period allowed the District to increase funds.

Because of its strong local tax base, the District’s revenue over the next several years is projected to continue to grow and be in good shape.

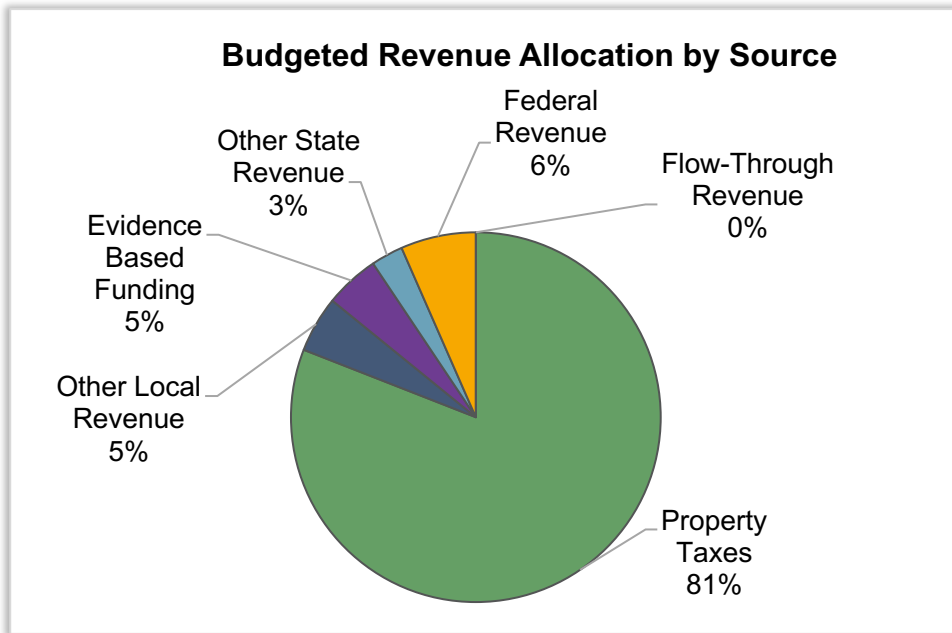
The plan anticipates a 2% increase in state funding for each fiscal year in the plan. Interest income has also increased.

Below are the projected revenue table and graphs for the fiscal years 2024-2029 for operating funds.

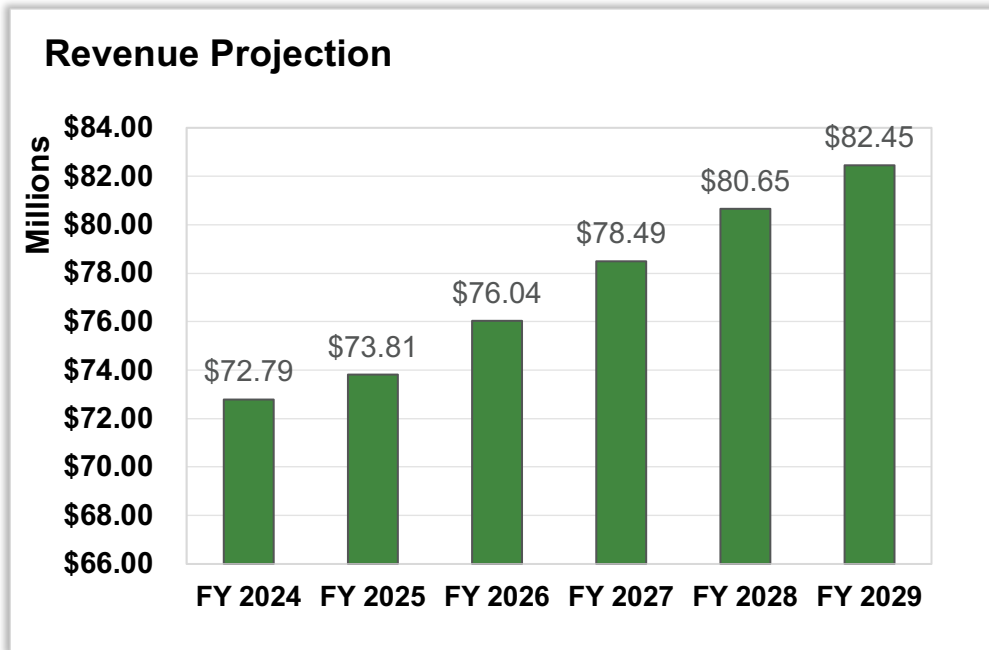
Revenue Projection Fiscal Year 2024-2029

	Projected	PROJECTED			PROJECTED		PROJECTED		PROJECTED		
	FY 2024	FY 2025	% Δ	FY 2026	% Δ	FY 2027	% Δ	FY 2028	% Δ	FY 2029	% Δ
LOCAL											
Property Taxes	\$58,920,748	\$61,419,282	4.24%	\$63,804,898	3.88%	\$66,169,987	3.71%	\$68,224,094	3.10%	\$69,966,704	2.55%
Other Local Revenue	\$3,579,942	\$4,035,486	12.72%	\$4,064,746	0.73%	\$4,104,944	0.99%	\$4,129,930	0.61%	\$4,161,145	0.76%
TOTAL LOCAL REVENUE	\$62,500,690	\$65,454,767	4.73%	\$67,869,644	3.69%	\$70,274,931	3.54%	\$72,354,024	2.96%	\$74,127,849	2.45%
STATE											
Evidence Based Funding	\$3,465,019	\$3,470,019	0.14%	\$3,470,019	0.00%	\$3,470,019	0.00%	\$3,470,019	0.00%	\$3,470,019	0.00%
Other State Revenue	\$2,041,000	\$2,007,000	-1.67%	\$2,082,845	3.78%	\$2,132,165	2.37%	\$2,172,399	1.89%	\$2,202,527	1.39%
TOTAL STATE REVENUE	\$5,506,019	\$5,477,019	-0.53%	\$5,552,864	1.38%	\$5,602,184	0.89%	\$5,642,418	0.72%	\$5,672,546	0.53%
TOTAL FEDERAL REVENUE	\$4,788,000	\$2,878,000	-39.89%	\$2,615,400	-9.12%	\$2,615,400	0.00%	\$2,653,548	1.46%	\$2,653,548	0.00%
FLOW-THROUGH REVENUE	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$72,794,709	\$73,809,786	1.39%	\$76,037,908	3.02%	\$78,492,514	3.23%	\$80,649,990	2.75%	\$82,453,943	2.24%

Breakdown of Revenue by Source Fiscal Year 2024



Revenue Projections for Fiscal years 2024-2029



- **Local Revenue**

- **Property taxes**

The Board of Education annually adopts the property tax levy. Property taxes consist of 83% of the District’s total revenue. Based on the 2022 valuation, 83% is split into 65% residential and 18% non-residential. In the State of Illinois, property taxes are the largest funding source for most local governments, including schools. Local units of government establish an annual tax levy, which is filed with the County Clerk’s Office before the last Tuesday in December. The tax levy is split between two fiscal years. Many school districts accrue the spring tax collection to the following school year’s budget. District 99 has this model. District 58 does not have the level of funding to permit this, which means when it develops the budget for a fiscal year, the District is estimating two tax levies, the one that comes in the spring will have the fall collection, and the next fiscal year.

The District works on a 50/50 split. And since the audit is modified accrual, this means that some of the revenue that comes in July may be accrued back to the prior fiscal year so that the prior fiscal year reaches the 50% threshold. This also means that the increase in tax levy is split between two fiscal years.

- **Assessed Value, New Property CPI**

The District is subject to the Property Tax Extension Limitation Law (PTELL), and is limited in the amount it can increase its levy from one year to the next by the Consumer Price Index for all urban goods (CPI-U) and the assessed value of new property within the District. The CPI-U that will be used for the 2023 levy collected in the calendar year 2024 is 5.0%. The CPI for 2024 levy collected in 2025 is 3.4%. The remaining projections for the plan are as follows: 2025 3.0%, 2026 2.5%, 2027 2.0%, 2028 2.0%.

The District’s budgets are based on realistically conservative estimates of new property based on historical trends and any known shifts from those trends; however, the annual levy request must consider any unknown shifts that could occur with the addition of new property.

- **Fees**

- **Registration fees**

Included in the financial projection is the increase in fees previously approved by the Board, and includes inflationary increases per year for the remainder of the plan years.

- ***State Revenue***

- **Unrestricted State aid**

The District received unrestricted evidenced-based funding (EBF). The current plan includes an annual increase in EBF for each year of the plan. The current funding level is \$3.40 million.

Reimbursements

Special education reimbursements are estimated at the current \$1 million. Because this is a reimbursement of costs, as the District continues to work to reduce outplacement when appropriate, the reimbursement may reduce and the revenue shrink.

Transportation is a reimbursement that will have another adjustment for the next fiscal year as transportation expenditures return to a predictable format. Because the District receives reimbursement the following year, expenditures in the prior year have an impact on the revenue for the next.

- ***Federal Revenue***

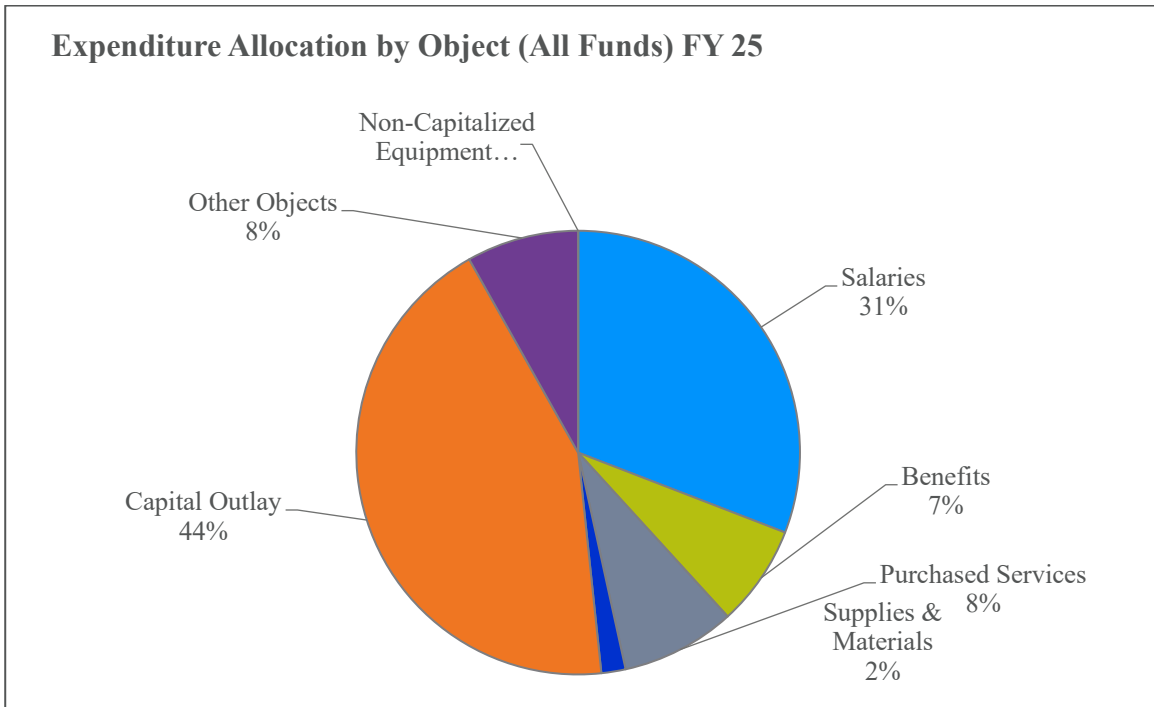
Fiscal year 2024 will be the last year that funds from COVID will be used. While some of the expenditure and revenue will appear, on a cash basis, in fiscal year 2025, the funds are planned to be exhausted in fiscal year 2024. This will have an impact of a reduction of \$1.9 million in federal funds from Fiscal Year 2024 to 2025.

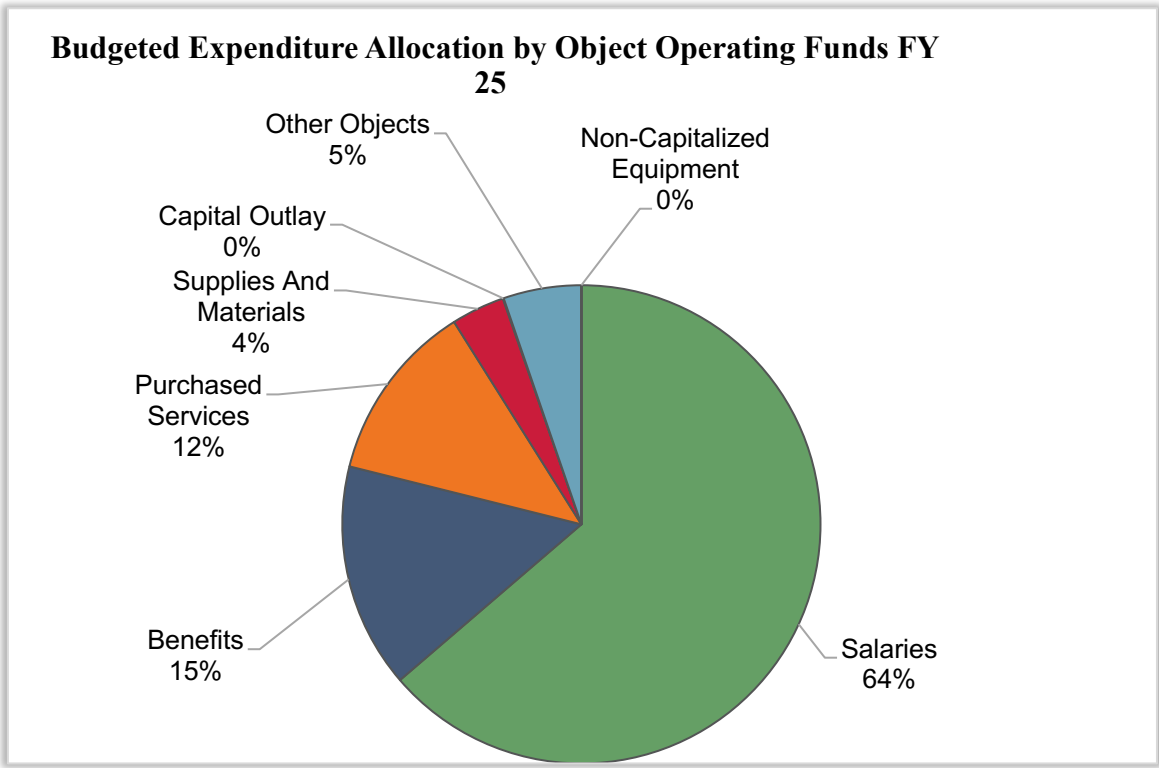
- **Title Grants**

Title funds are anticipated to have a small annual increase through the financial plan. Title funds are limited to specific needs and are to supplement programs already offered and funded by either state or local funds. The District continues to see increases in these funds due to shifts in demographics.

6. Expenditure

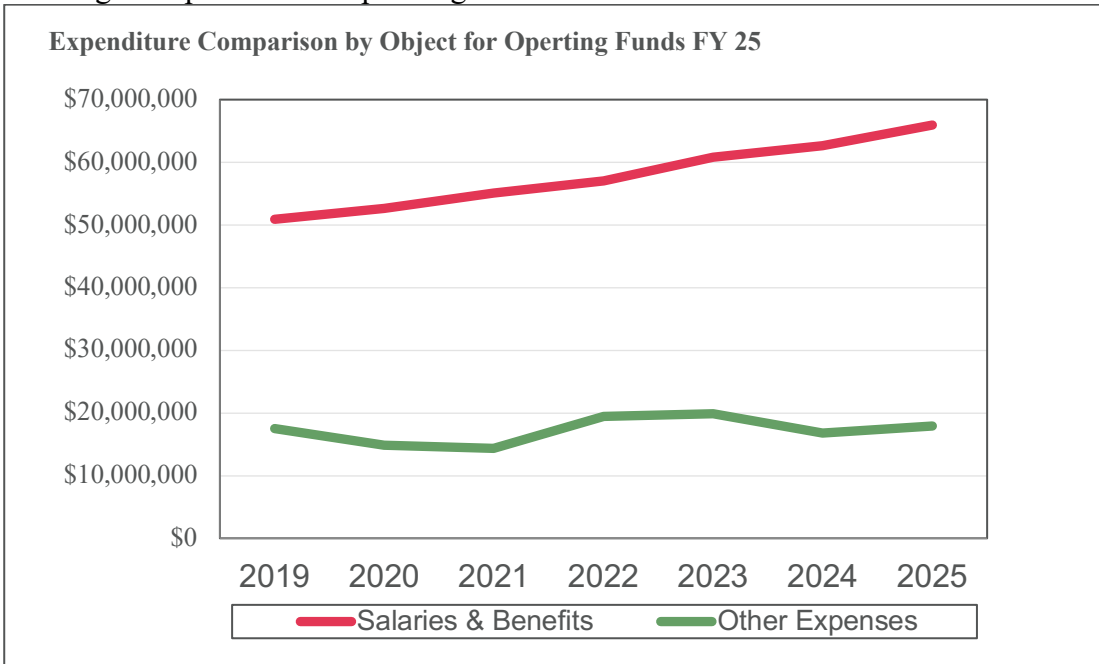
The graph below is the breakdown by object for all funds for FY 2025. This includes the Capital Fund.





○ **Salary and Benefits**

The largest expense in the operating funds



The table below is the estimated salary costs by fund and job function. The District accounts for known retirements and uses inflation estimates based on CPI for those years the District does not have a set increase by contract.

Educational	2024	2025	2026	2027	2028	2029
Teachers	\$40,175,665	\$42,538,641	\$44,438,534	\$45,956,307	\$47,673,320	\$49,554,387
Admin	\$4,254,120	\$4,488,097	\$4,708,013	\$4,871,705	\$5,033,457	\$5,209,628
Aide	\$2,316,503	\$2,409,163	\$2,505,530	\$2,605,751	\$2,696,952	\$2,791,345
Clerical	\$1,282,299	\$1,333,591	\$1,386,935	\$1,442,412	\$1,500,108	\$1,552,612
Sub pay	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000	\$1,100,000
Other support*	\$1,438,821	\$1,513,003	\$1,581,088	\$1,652,237	\$1,713,638	\$1,773,615
Total	\$50,567,408	\$53,382,494	\$55,720,100	\$57,628,412	\$59,717,476	\$61,981,587
O&M	2024	2025	2026	2027	2028	2029
O&M	\$1,560,334	\$1,607,144	\$1,679,466	\$1,755,041	\$1,825,243	\$1,889,127
Total	\$1,560,334	\$1,607,144	\$1,679,466	\$1,755,041	\$1,825,243	\$1,889,127
All Funds	2024	2025	2026	2027	2028	2029
Total	\$52,127,742	\$54,989,638	\$57,399,565	\$59,383,453	\$61,542,719	\$63,870,714

*Other support includes RN, Tech staff, and District OT

There is not a staffing adjustment for the switch to the 6-8 middle school as we do not yet know the impact on staffing. There is a 5.0 contingency budgeted for added staff for the fiscal year 2025 above fiscal 2024 if needed for enrollment.

o **District 58 Curriculum Timeline**

This timeline includes the assumption that the Illinois Learning Standards will remain consistent throughout the years depicted here. The table has been updated to reflect the current update timeline. The financial plan has estimates of curriculum updates based on the updates timeline below:

English/Language Arts

Adoption 2018-19 school year
 5-year Review 2022-23 school year
Potential Renewal or Adoption 2024-25 school year
Next 5-year review 2030-31 school year

Science

Adoption 2019-20 school year
 5-year Review 2024-25 school year
Potential Renewal or Adoption 2026-27 school year

Math

Adoption 2020-21 school year
 5-year review 2026-27 school year
Potential Renewal or Adoption 2028-29 school year

Social Studies

Adoption 2021-22 school year (6-8)/ 2022-23 school year (K-5)

5-year review
Potential Renewal or Adoption

2028-29 school year
 2030-31 school year

Social-Emotional Learning

5-year review
Recommendations

2018-19 school year
 2019-20 school year

5-year review
Potential Renewal or Adoption

2025-26 school year
 2027-28 school year

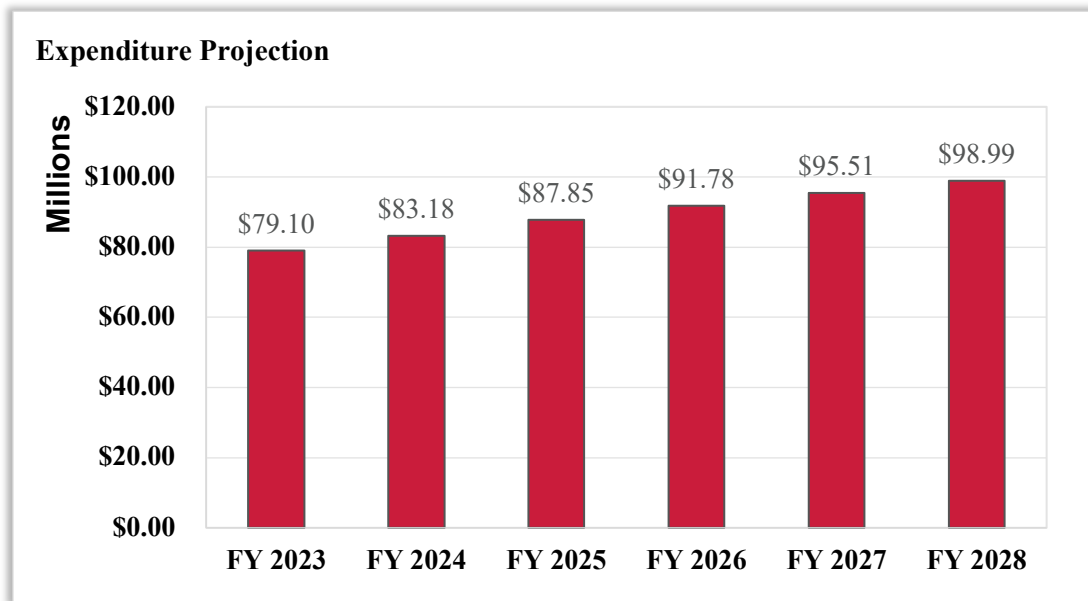
Curriculum Adoption Calendar													
	Fiscal Year												
Curriculum	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
English/ Lang arts	X						X						X
Science		X							X				
Math			X								X		
Social Studies*				X	X								X
Social-Emotional										X			
* K-5 and 6-8 Split													
Other non-major updates													
Music				X									
Art													
Band/ Orchestra								X					
Dual Language													
Gifted						X							
Pre-School													
Health								X					
Library skills													
English Learners								X					

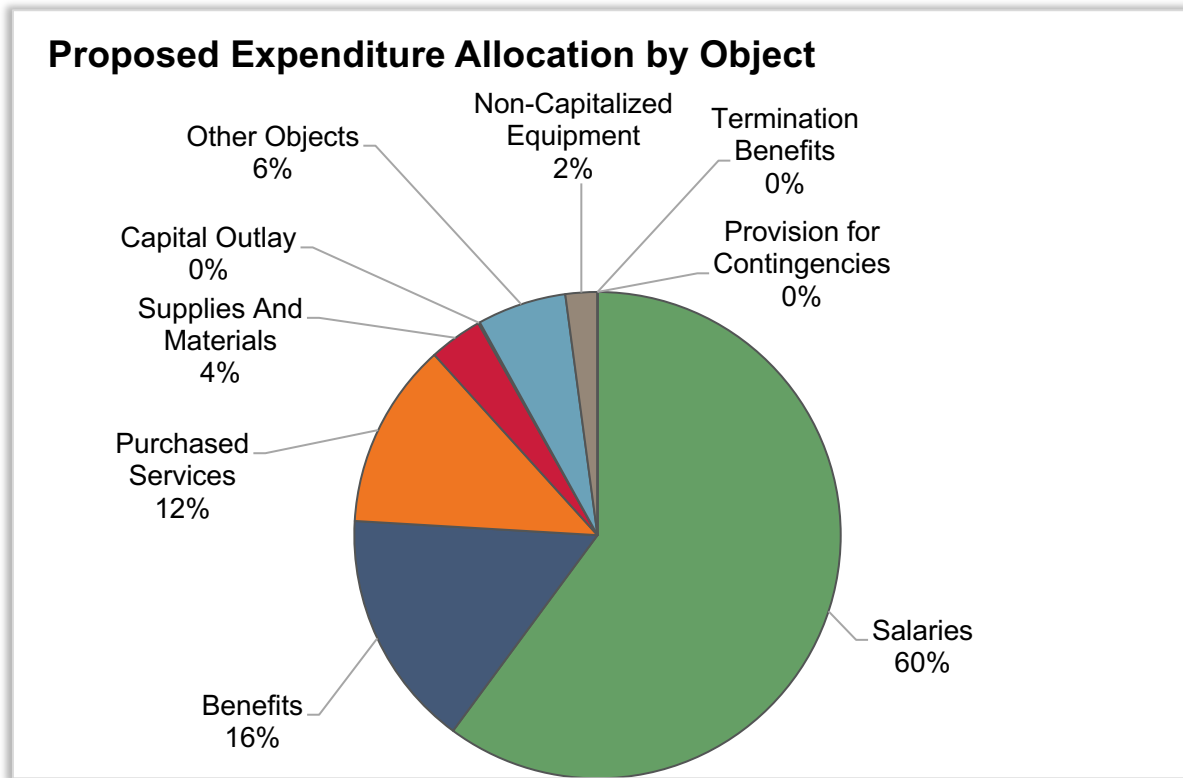
o **Technology Updates**

The District has developed a replacement cycle for technology equipment.

Fiscal Year	Network	User Devices
FY25	LAN Switches Phone Server	7th Grade Chromebooks Perpetual Staff Devices Life Cycle
FY26	LAN Swithces Phone System Router	Kindergarten iPads 3rd Grade iPads 7th Grade Chromebooks Perpetual Staff Devices Life Cycle
FY27	Phone POE Switches	Kindergarten iPads 3rd Grade iPads 6th Grade Chromebooks Perpetual Staff Devices Life Cycle
FY28	Storage and Virtual Machine Hosts	Kindergarten iPads 3rd Grade iPads 6th Grade Chromebooks Perpetual Staff Devices Life Cycle
FY29	Firewall	

- **Expenditure review**

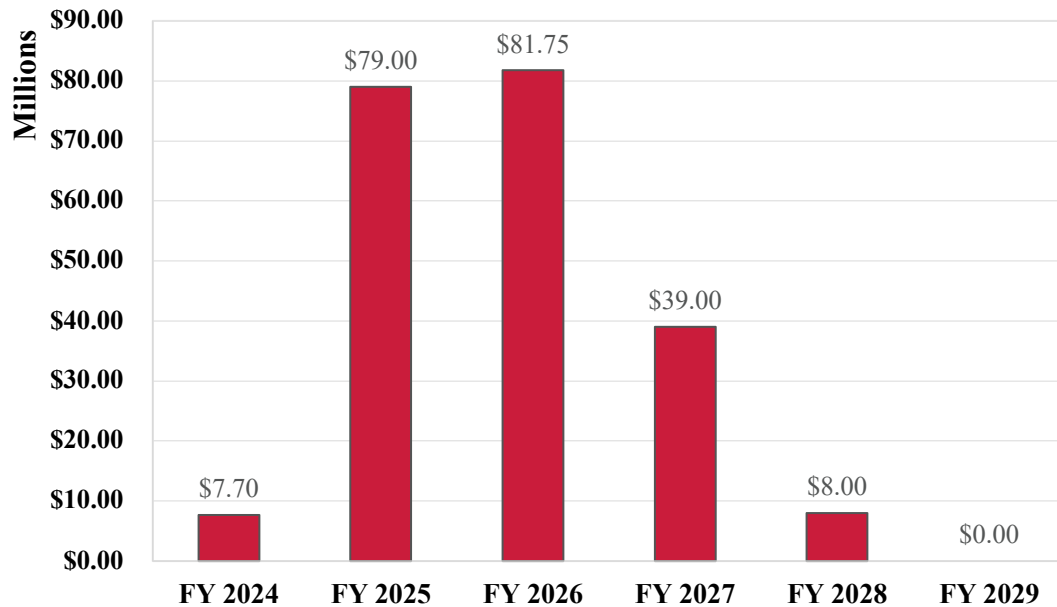




• Capital Projects

The District has approved a capital plan and is currently in a capital campaign after the passage of a referendum. Capital work will be done starting the spring break of 2024 and will be performed during the 2024, 2025, and 2026 summers. The current budget for the work is \$209 million, most of which is funded by bonds. The District will also continue to transfer operating funds into the Capital Fund for capital projects after the completion of the current work. The estimates below are based on when the expected payments for the work will be paid. Additionally, the table below notes the overall revenue, expenditure and fund balance for the Capital Fund. The District has issued a portion of the referendum bonds approved in November of 2022; the remaining issue will come once most of the current balance has been spent. Currently, the projected spending has an anticipated bond issue in fiscal year 2026.

Expenditure Projection



	Projected FY 2024	PROJECTED FY 2025	% Δ	PROJECTED FY 2026	% Δ	PROJECTED FY 2027	% Δ	PROJECTED FY 2028	% Δ	PROJECTED FY 2029	% Δ
REVENUE											
Local	\$7,265,000	\$7,265,000	0.00%	\$3,265,000	-55.06%	\$1,765,000	-45.94%	\$765,000	-56.66%	\$565,000	-26.14%
State	\$1,100,000	\$200,000	-81.82%	\$0	-100.00%	\$0		\$0		\$0	
Federal	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$8,365,000	\$7,465,000	-10.76%	\$3,265,000	-56.26%	\$1,765,000	-45.94%	\$765,000	-56.66%	\$565,000	-26.14%
EXPENDITURES											
Salary and Benefit Costs	\$0	\$0		\$0		\$0		\$0		\$0	
Other	\$7,700,000	\$79,000,000	925.97%	\$81,750,000	3.48%	\$39,000,000	-52.29%	\$8,000,000	-79.49%	\$0	-100.00%
TOTAL EXPENDITURES	\$7,700,000	\$79,000,000	925.97%	\$81,750,000	3.48%	\$39,000,000	-52.29%	\$8,000,000	-79.49%	\$0	-100.00%
SURPLUS / DEFICIT	\$665,000	(\$71,535,000)		(\$78,485,000)		(\$37,235,000)		(\$7,235,000)		\$565,000	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$500,000	\$750,000		\$54,750,000		\$750,000		\$750,000		\$750,000	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL OTHER FIN. SOURCES / USES	\$500,000	\$750,000		\$54,750,000		\$750,000		\$750,000		\$750,000	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$1,165,000	(\$70,785,000)		(\$23,735,000)		(\$36,485,000)		(\$6,485,000)		\$1,315,000	
BEGINNING FUND BALANCE	\$145,119,872	\$146,284,872		\$75,499,872		\$51,764,872		\$15,279,872		\$8,794,872	

As part of the financial plan, the District anticipates a transfer of \$500,000 in FY 2024 and \$750,000 for the years after from operations to capital. This transfer will assist in addressing some of the many capital issues and deferred maintenance in the District. The plan does not have an expenditure marked for these funds as of yet. The funds transferred will be used after all of the referendum bonded work is completed.

7. Year-end Operating Fund Balance

	Projected FY 2024	PROJECTED FY 2025	% Δ	PROJECTED FY 2026	% Δ	PROJECTED FY 2027	% Δ	PROJECTED FY 2028	% Δ	PROJECTED FY 2029	% Δ
REVENUE											
Local	\$71,486,492	\$75,556,170	5.69%	\$78,343,003	3.69%	\$81,119,108	3.54%	\$83,578,225	3.03%	\$85,630,071	2.46%
State	\$8,034,847	\$8,216,547	2.26%	\$8,467,212	3.05%	\$8,679,579	2.51%	\$8,871,183	2.21%	\$9,044,355	1.95%
Federal	\$4,788,000	\$2,878,000	-39.89%	\$2,615,400	-9.12%	\$2,615,400	0.00%	\$2,653,548	1.46%	\$2,653,548	0.00%
Other	\$0	\$0		\$0		\$0		\$0		\$0	
TOTAL REVENUE	\$84,309,339	\$86,650,718	2.78%	\$89,425,614	3.20%	\$92,414,087	3.34%	\$95,102,956	2.91%	\$97,327,974	2.34%
EXPENDITURES											
Salary and Benefit Costs	\$62,576,523	\$65,940,605	5.38%	\$68,874,060	4.45%	\$71,344,918	3.59%	\$74,016,400	3.74%	\$76,874,785	3.86%
Other	\$16,741,405	\$17,443,647	4.19%	\$18,501,151	6.06%	\$19,166,090	3.59%	\$19,839,717	3.51%	\$20,449,332	3.07%
TOTAL EXPENDITURES	\$79,317,928	\$83,384,252	5.13%	\$87,375,211	4.79%	\$90,511,008	3.59%	\$93,856,117	3.70%	\$97,324,117	3.70%
SURPLUS / DEFICIT	\$4,991,411	\$3,266,466		\$2,050,404		\$1,903,079		\$1,246,838		\$3,858	
OTHER FINANCING SOURCES / USES											
Other Financing Sources	\$0							\$0		\$0	
Other Financing Uses	(\$500,000)	(\$750,000)		(\$750,000)		(\$750,000)		(\$750,000)		(\$750,000)	
TOTAL OTHER FIN. SOURCES / USES	(\$500,000)	(\$750,000)		(\$750,000)		(\$750,000)		(\$750,000)		(\$750,000)	
SURPLUS / DEFICIT INCL. OTHER FIN. SOURCES	\$4,491,411	\$2,516,466		\$1,300,404		\$1,153,079		\$496,838		(\$746,142)	
BEGINNING FUND BALANCE	\$23,335,068	\$27,826,479		\$30,342,945		\$31,643,348		\$32,796,427		\$33,293,265	
PROJECTED YEAR END BALANCE	\$27,826,479	\$30,342,945		\$31,643,348		\$32,796,427		\$33,293,265		\$32,547,123	
FUND BALANCE AS % OF EXPENDITURES	35.08%	36.39%		36.22%		36.23%		35.47%		33.44%	
FUND BALANCE AS # OF MONTHS OF EXPEND.	4.21	4.37		4.35		4.35		4.26		4.01	

The table above notes the revenue and expenditures and fund balance projection. The current projection has revenue over expenditures for fiscal years 2024 through 2028, and a deficit in fiscal 2029, though we expect to eliminate that deficit as we continue the 5-year financial process each year.

8. Conclusion and Recommendation

The current financial plan, as in prior years, includes schedules and plans for continual updates of technology and curriculum, as well as assumptions of increase in costs of current programs, and known realistic revenue assumptions.

Recommendation: It is recommended that the Board of Education approve the 2025-2029 financial plan, which will be used to develop the 2025 budget.