

STRATEGIC 2020 VISION

VISION

Embracing Today - Inspiring Tomorrow



MISSION

Arlington Heights School District 25 cultivates innovative learners within a nurturing and collaborative community to thrive in an ever changing world.

BROAD GOALS

STRATEGIC 2020 VISION



1. BROADEN BEST PRACTICES
2. EXPLORE PROGRAM EXPANSION
3. STRENGTHEN COMMUNITY RELATIONS
4. ENHANCE STAFF SUPPORT
5. MAINTAIN & ENHANCE HIGH QUALITY FACILITIES

5.A) Establish Process to annually evaluate district space needs



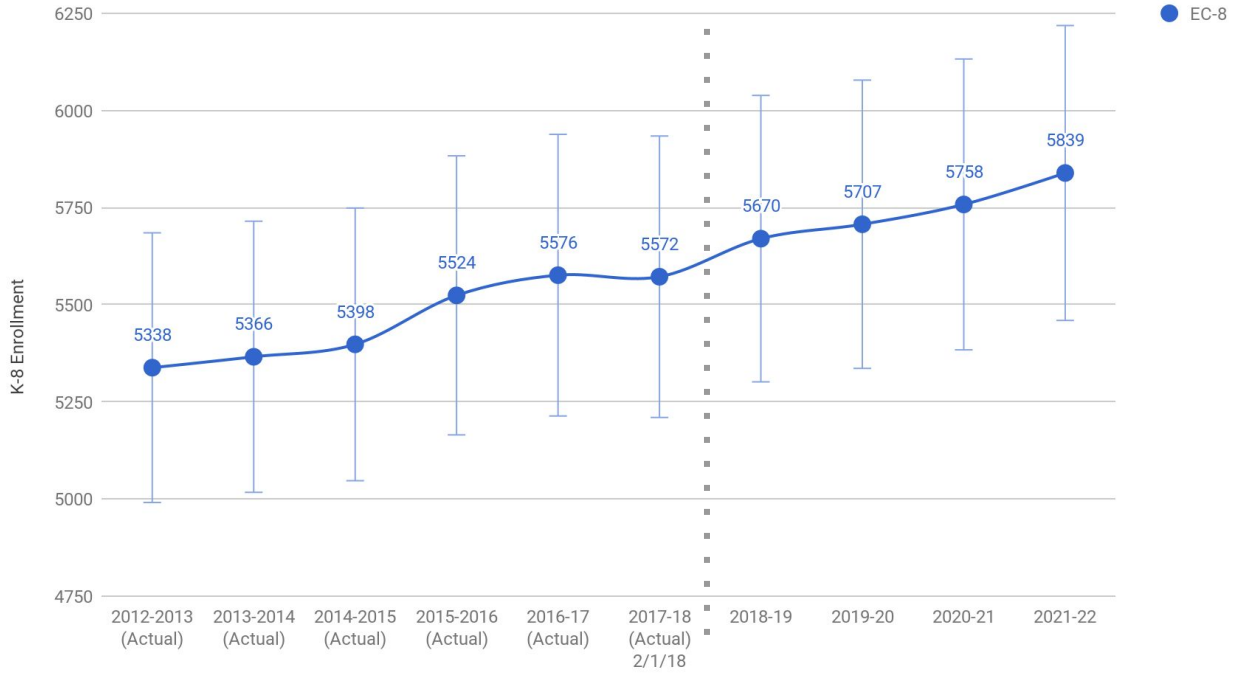
Facilities

Portfolio Gross Building Square Footage

	'15 - '16	'16 - '17	'17 - '18	'18 - '19
Rand Rental Facility	83,000	83,000	83,000	83,000
Miner Rental Facility	79,000	79,000	79,000	79,000
Dunton Administration Building	32,000	32,000	32,000	32,000
Greenbrier Elementary School	58,207	58,207	58,207	66,585
Patton Elementary School	54,934	54,934	54,934	54,934
Dryden Elementary School	61,101	61,101	61,101	61,101
Olive-Mary Stitt Elementary School	62,643	83,293	83,293	83,293
Windsor Elementary School	68,346	68,346	80,602	80,602
Ivy Hill Elementary School	60,388	77,088	77,088	77,088
Westgate Elementary School	74,000	74,000	74,000	74,000
South Middle School	146,013	146,013	146,013	146,013
Thomas Middle School	124,000	124,000	144,270	144,270
District Gross sf Total	903,632	940,982	973,508	981,886

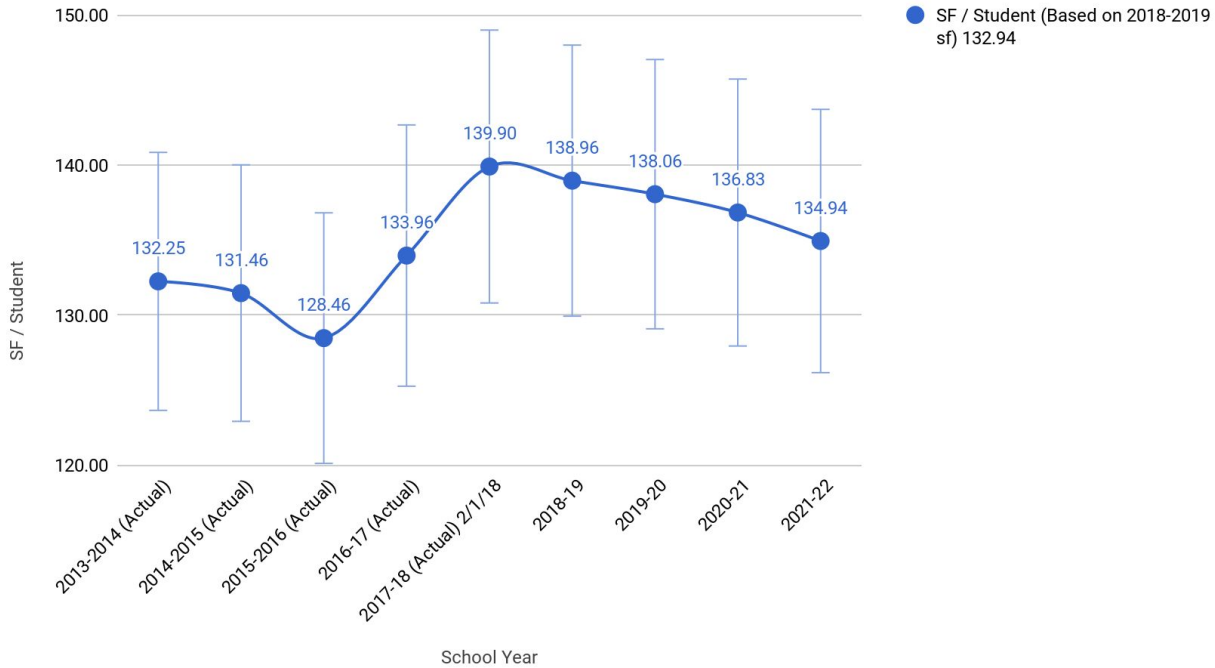
Demographics

EC-8 Enrollment Projections - Series B (w/ Error Bars)

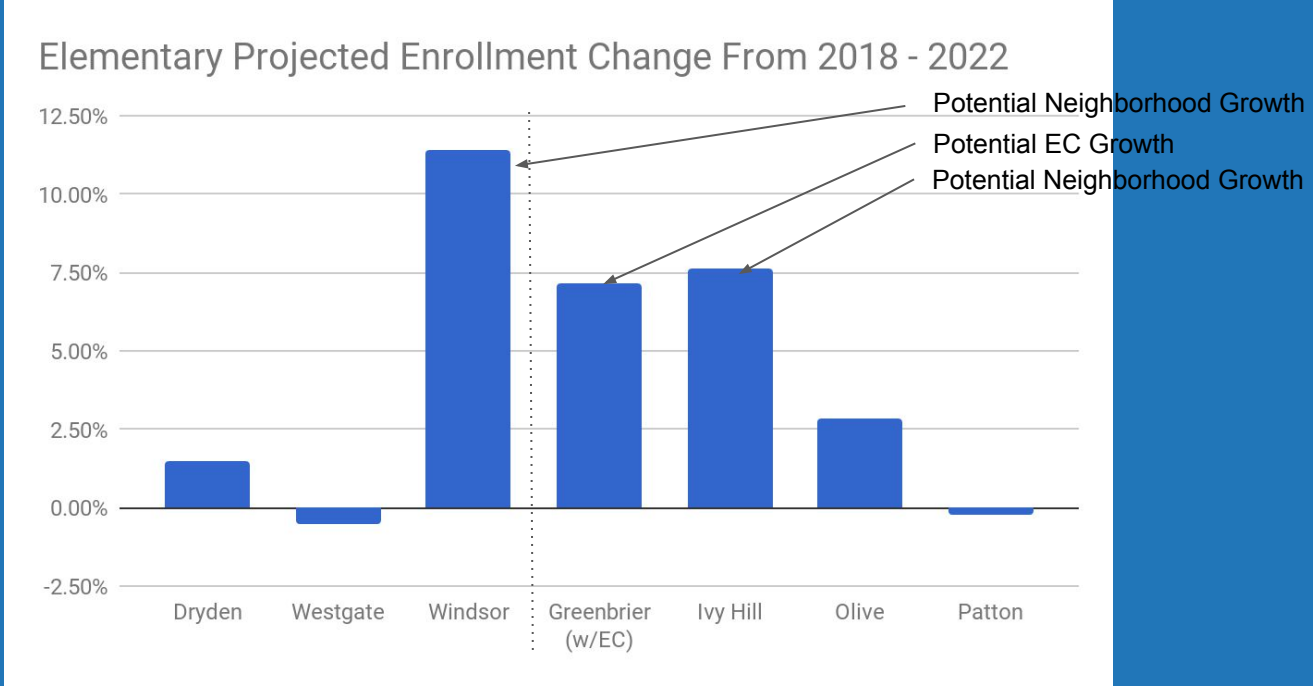


Demographics

District Gross Square Footage per Student



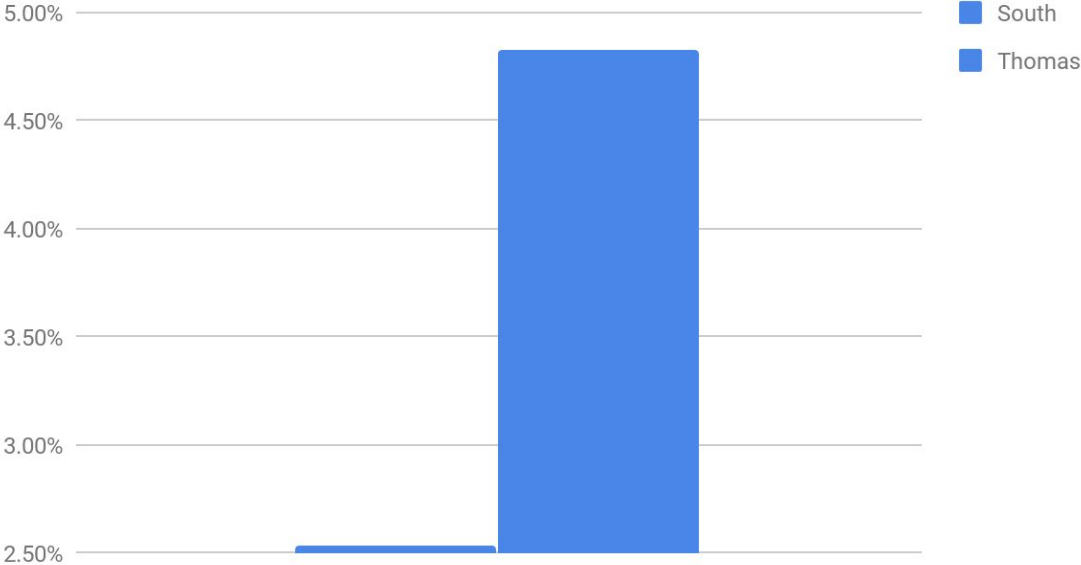
Demographics



Dryden	Westgate	Windsor	Greenbrier (w/EC)	Ivy Hill	Olive	Patton
1.47%	-0.50%	11.42%	7.18%	7.60%	2.87%	-0.23%

Demographics

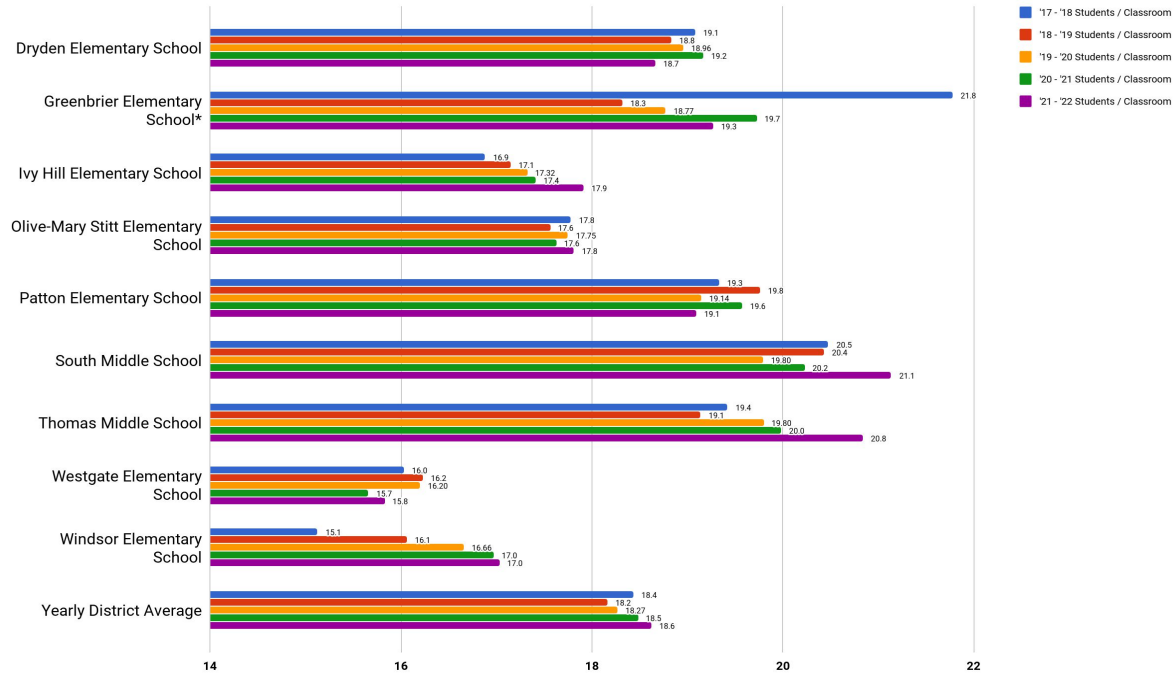
Middle School Projected Enrollment Change from 2018 - 2022



South	Thomas
2.54%	4.83%

Facilities

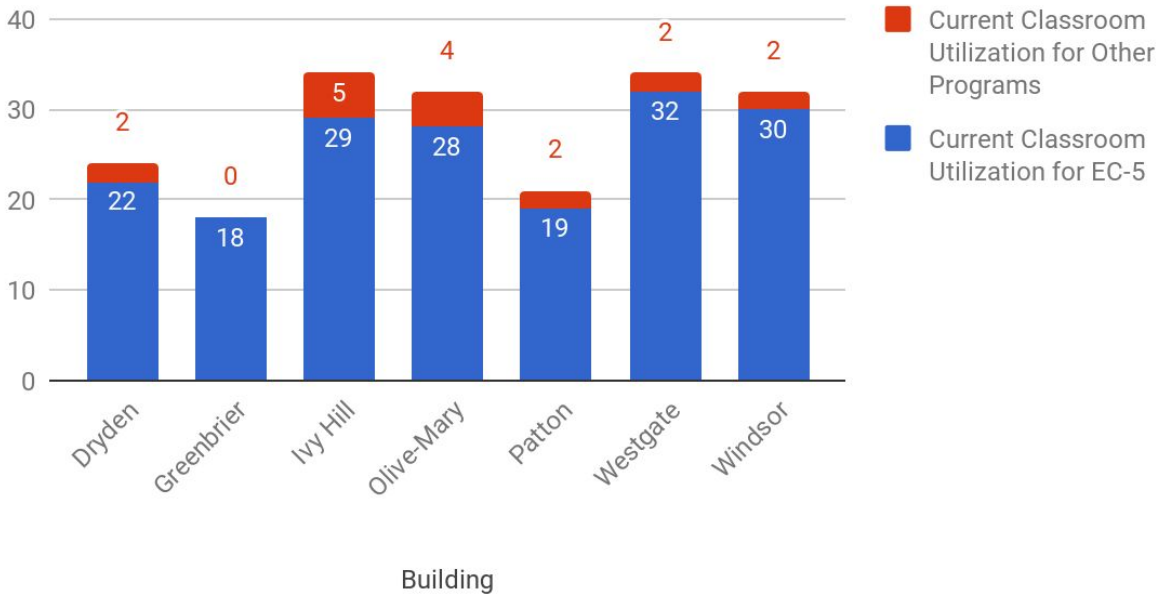
Students / Available Classrooms



Classroom Counts

Building	2017-18 Classrooms	2018-19 Classrooms
Dryden Elementary School	24	24
Greenbrier Elementary School*	18	22
Ivy Hill Elementary School	34	34
Olive-Mary Stitt Elementary School	32	32
Patton Elementary School	21	21
South Middle School	44	44
Thomas Middle School	50	50
Westgate Elementary School	34	34
Windsor Elementary School	32	32

Current Classroom Utilization for EC-5 and Current Classroom Utilization for Other Programs



Facilities

District Space Usage Inventory

Buildings / [AHS_D_Thomas Middle School](#) / [AHS_D_Thomas ES_Level 1.pdf](#) CURRENT VIEW

110 - [Rename](#) [Copy](#) [Move](#) [Delete](#)
Pin Type (Room): [Room/Unit](#)
[View Work Orders and Notes](#)

Name
Commons

Type
General Use Facilities

Space Category
Assembly

Grade Level
N/A

Subject or Use
Commons

Occupant
Enter Occupant here

Square Feet
4591

Floor Type
Tile-W/Finish

Flooring Condition Assessment

Custodian
Enter Custodian here

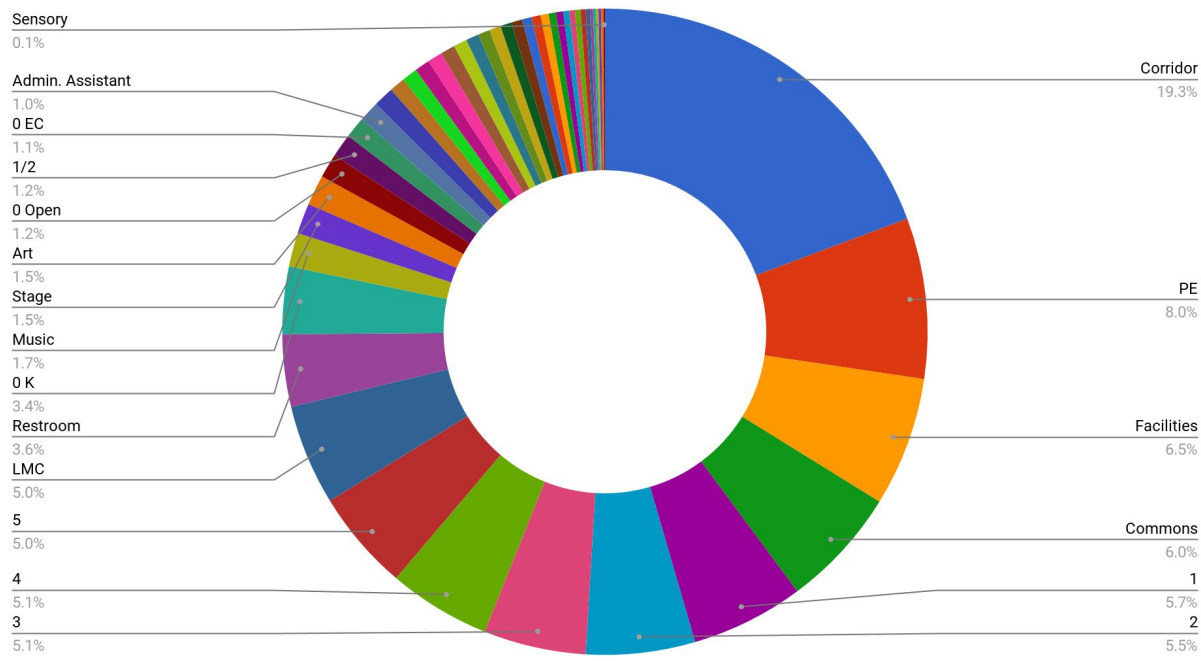


Programs and Space Use - Elementary Schools

- EC
- K
- Open
- 1
- 1/2
- 2
- 3
- 3/4
- 4
- 5
- A.L.F.
- Admin. Assistant
- Art
- Assistant Principal
- Band
- Break Room
- CAP
- Commons
- Conference Room
- Corridor
- E.L.L
- Elevator
- Facilities (Storage, Mechanical, Custodial, etc)
- Food Service
- LMC
- Literacy
- Math
- Music
- Nurse
- OT
- PE
- PT
- PT/OT
- PTA
- Principal
- Psychologist
- Resource
- Restroom
- Social Worker
- Speech
- Stage
- Student Services
- Tech25
- Work Room

Programs and Space Use - Elementary Schools

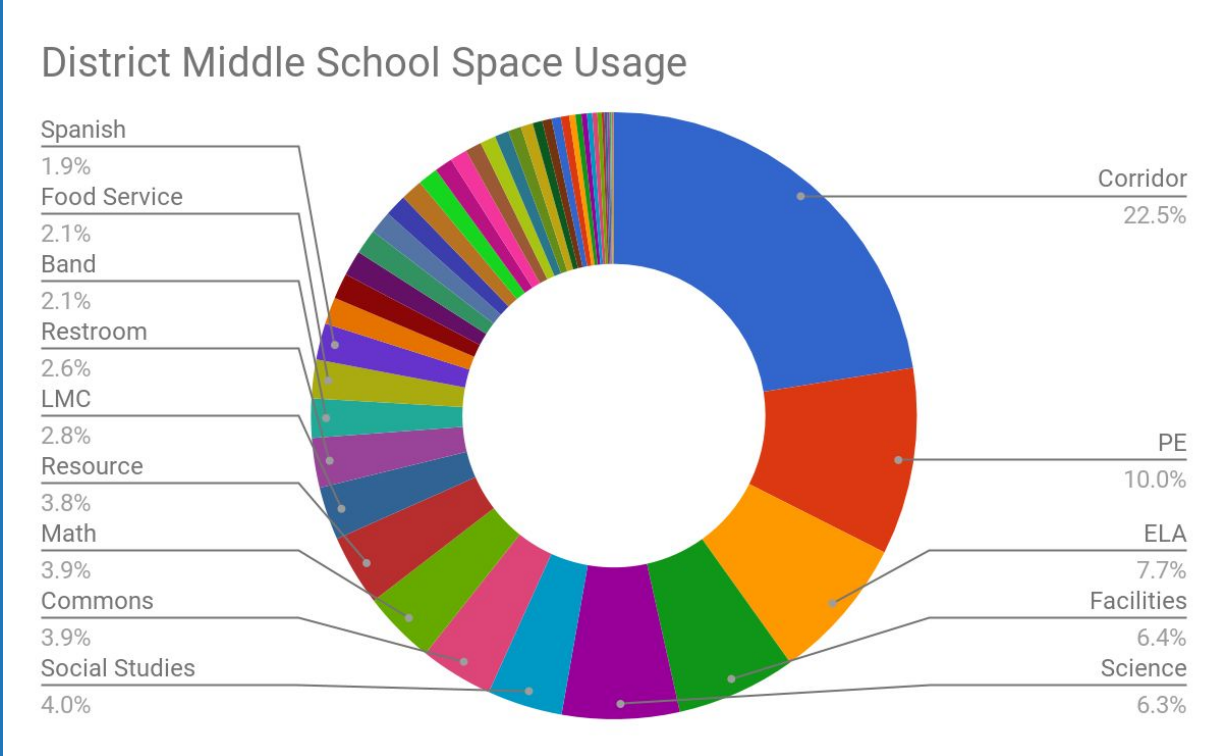
District Elementary Overall Space Usage



Programs and Space Use - Middle Schools

- ALA
- ALF
- Admin Assistant
- Art
- Assistant Principal
- Band
- Break Room
- CMA
- Commons
- Conference Room
- Corridor
- DAD
- Drama
- ELA
- ER
- Elevator
- Facilities
- Fitness Center
- Food Service
- French
- Health
- Individualized Learning
- Italian
- LMC
- Literacy
- Locker Room
- Math
- Music
- Nurse
- PE
- Physical Therapist
- Principal
- Psychologist
- Reading
- Resource
- Restroom
- STEM
- Science
- Showers
- Social Studies
- Social Worker
- Spanish
- Speech
- Stage
- Tech25
- Technology
- Work Room

Programs and Space Use - Middle Schools



Program Changes Through 2022

Added Space Needs (+)

Reduced Space Needs (-)

No Major Changes Projected at this Time

Arlington Heights School District 25 Five Year Financial Projections

February 8, 2018

Presented By

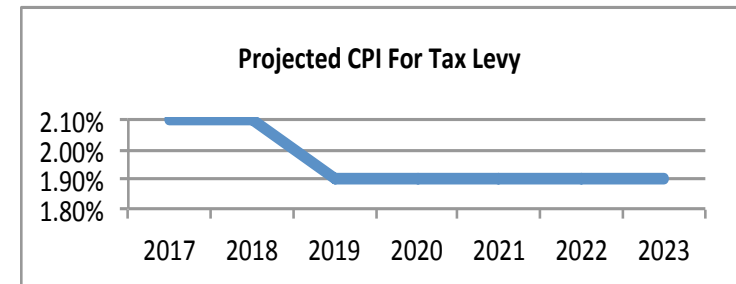
Stacey Mallek

Asst Superintendent For Business/CSBO

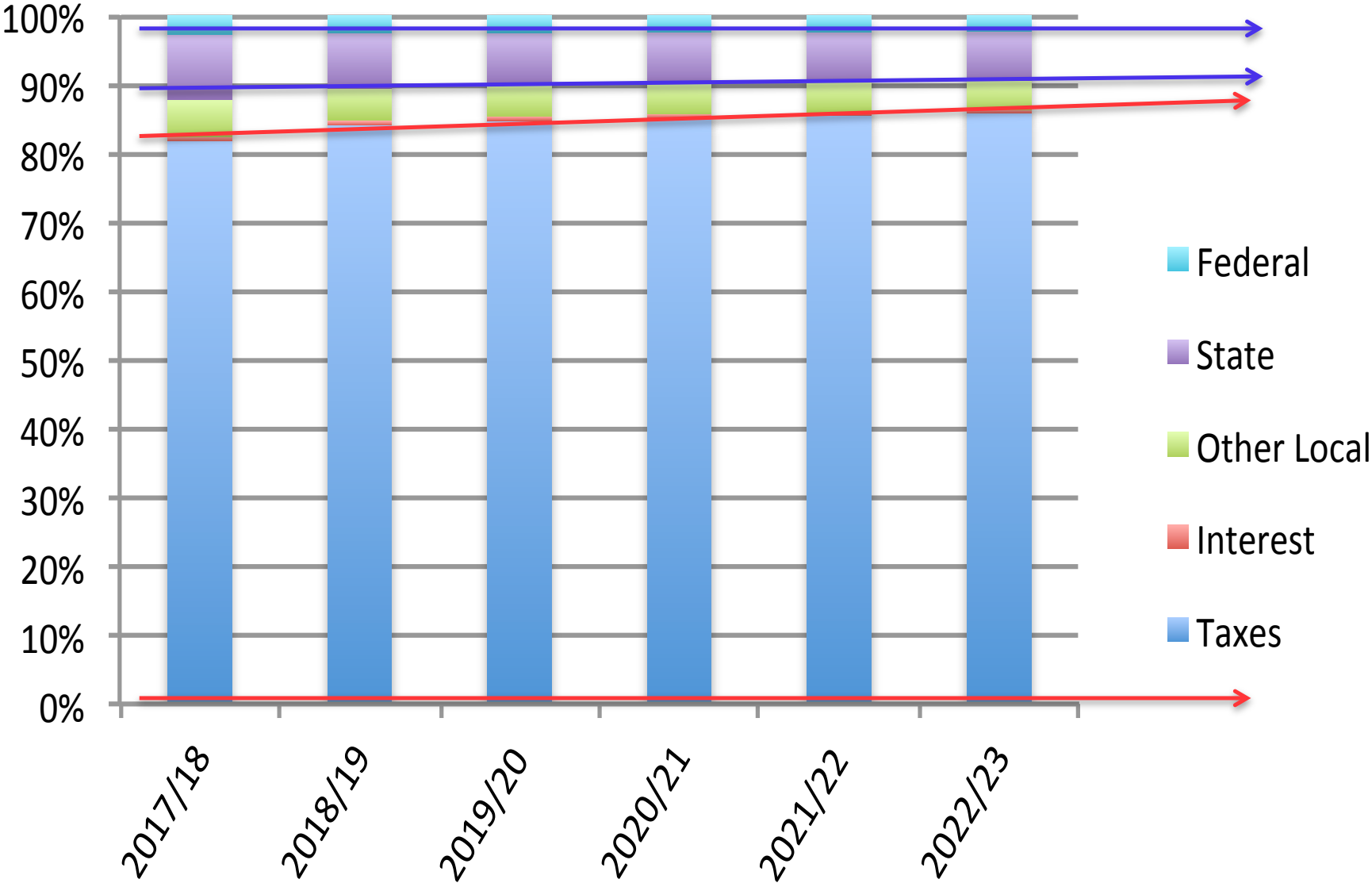
Assumptions

Revenues

- Property Taxes
 - < 1% new growth annually
 - Tax refunds of \$426,000 annually
- State
 - Evidence Based Funding
- Federal
 - IDEA, SPED, ESSA
- No significant change in local revenue
- Interest income projections are 1.0% of prior year fund balance



D25 Projected Revenues





Assumptions - Expenditures

Education Fund


- **Salaries**
 - Current staff levels and negotiated agreement
 - CPI
 - 3 retirements annually
- **Benefits**
 - Health insurance costs increase 6% annually
 - Pension costs based on current rates and projected salaries
 - State pension cost will be shifted by legislature to local districts – an additional 0.5% of total TRS salaries per year (i.e. 0.5%, 1.0%, 1.5%, etc) beginning in 2018/19
- **Purchased services/Supplies**
 - Software system maintenance contracts/licenses, auditors, legal counsel, staff development, mileage reimbursement, postage, etc.
 - Middle School Chromebook 1:1 replacement cycle starts 18/19
- **Tuition**
 - Drop in 2018/19, then remain same
- **Transfers**
 - To Capital Projects Fund from O&M and Working Cash (bond proceeds)
- **Contingencies**
 - 5 FTE for certified staff, 6 FTE for non-certified staff
 - \$100,000 for non-staff emergencies



Assumptions - Expenditures

Operations & Maintenance Fund

- Salaries
 - Current staff and negotiated agreement
- Benefits
 - Health insurance costs increase by 6%
 - Pension costs based on actual rates and projected salaries
- Purchased Services
 - Telephone, sanitation, water/sewer, landscape maintenance, building automation system contract, repair and maintenance contracts, property/liability insurance, etc.
 - Increase by 1% annually
- Supplies
 - Custodial and maintenance supplies, natural gas, electricity, mulch, salt, etc.
 - Increase by 1.5% annually
- Capital Outlay
 - \$50,000/yr for District vehicle replacement



Assumptions - Expenditures

Debt Service Fund


- Bonds issued in 2015

Transportation Fund

- 5.0% for 2018/19 and 3.0% increase for 2019/20 based on contract
- Annual increase for bus transportation costs based on past history of 3%

IMRF/Social Security Fund

- Pension costs increase in relationship to related salaries



Assumptions - Expenditures

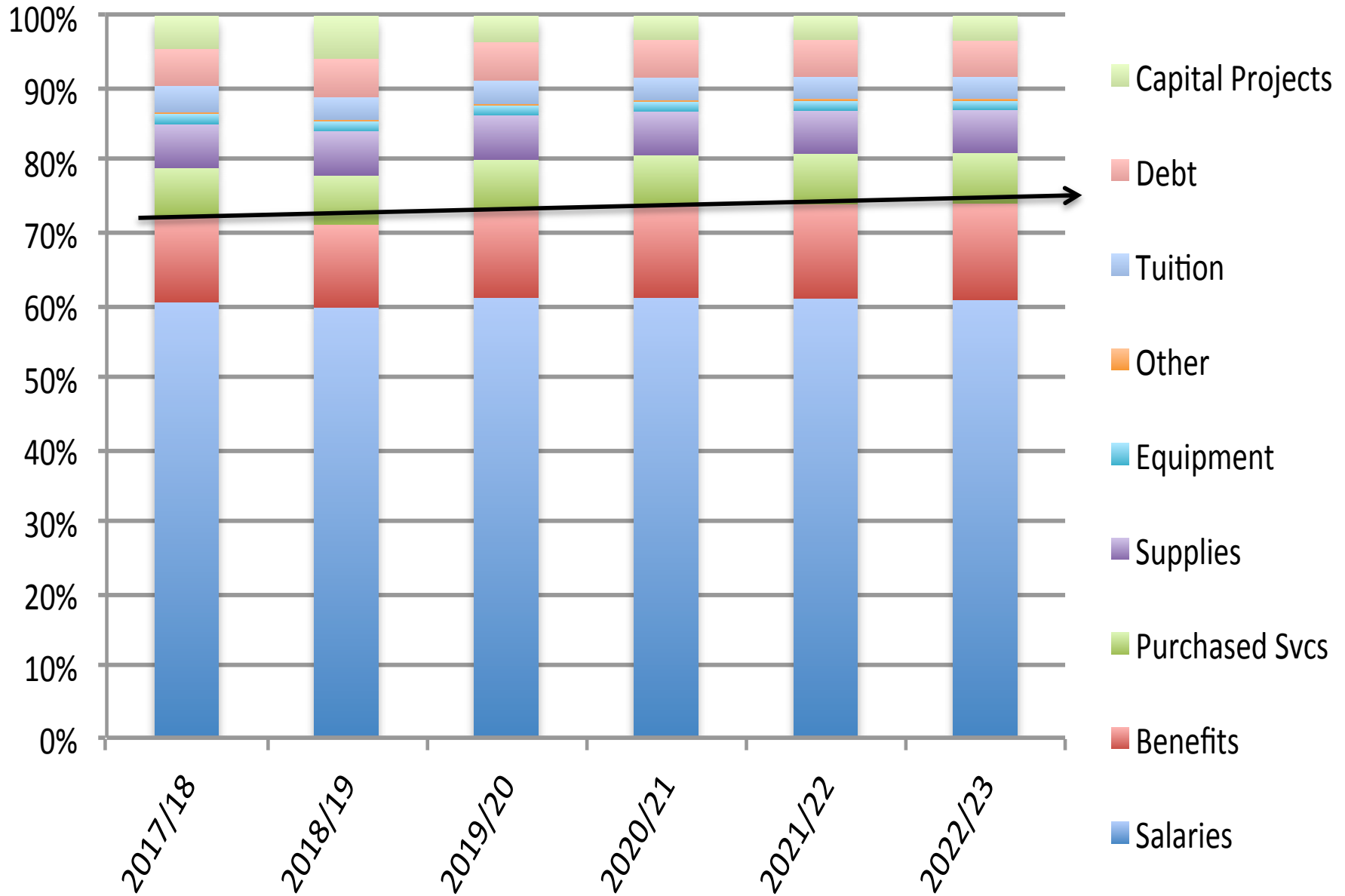
Capital Projects Fund

- Based on Five-Year Facilities Master Plan presented to the Board in October
- Total of about \$15 million for building projects (paving, flooring, projects, roofs, HVAC, etc.) including some 10-year life safety survey items

Life Safety Fund

- \$1 million over next 5 years for life safety work
 - Based on 10-year life safety survey

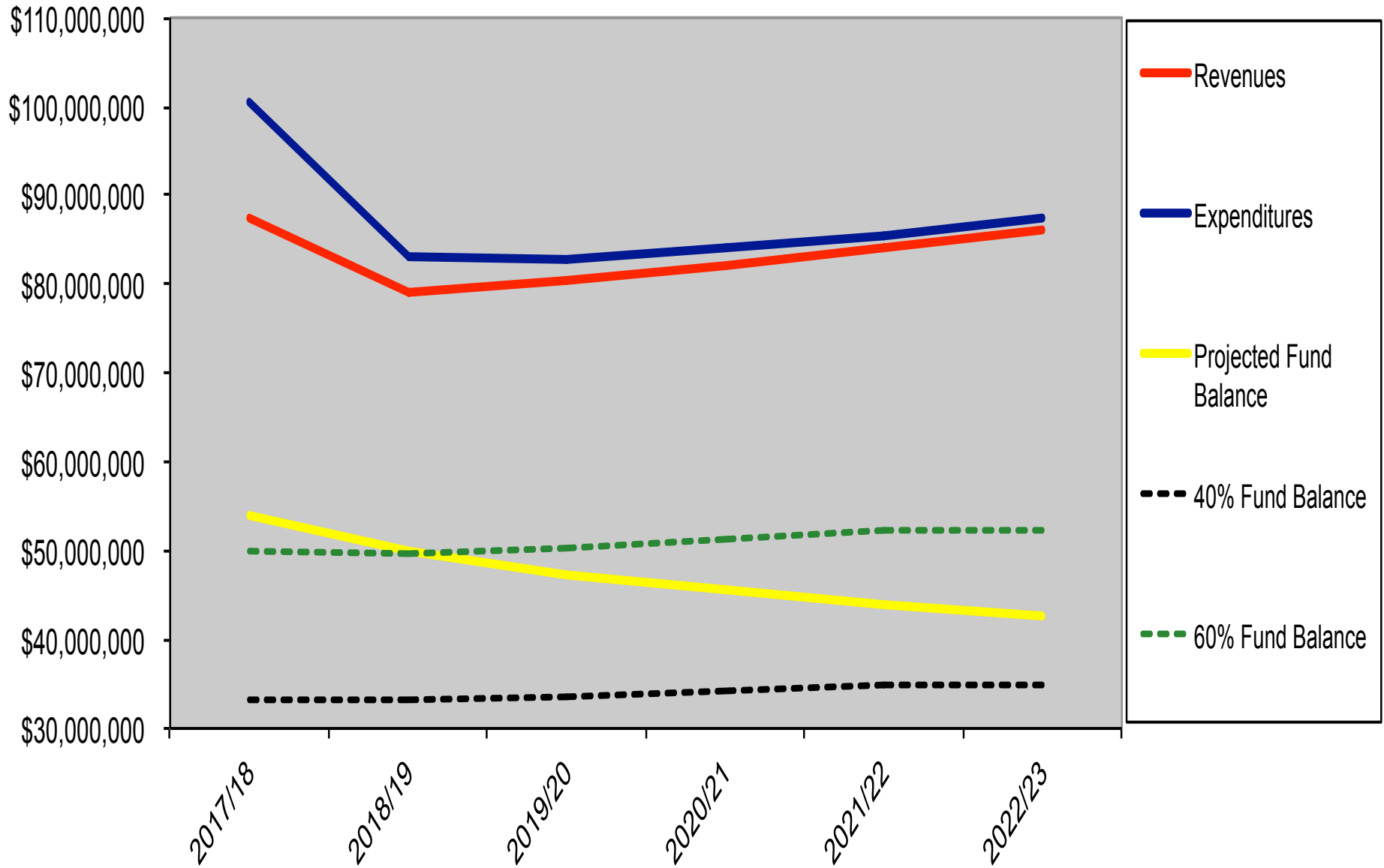
D25 Projected Expenditures



Financial Summary: All Funds

	Budget 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23
Revenues						
Property Taxes	\$ 64,012,711	\$ 65,574,152	\$ 67,259,774	\$ 69,061,167	\$ 70,937,377	\$ 72,932,971
CPPRT	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621
Interest	\$ 518,700	\$ 564,100	\$ 529,200	\$ 490,100	\$ 456,200	\$ 440,000
Food Service	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500
Rentals	\$ 966,600	\$ 981,099	\$ 995,815	\$ 1,010,753	\$ 1,025,914	\$ 1,041,303
Other Local (tuition,fees, etc.)	1,652,588	1,027,680	1,027,680	1,027,680	1,027,680	1,027,680
Bonds	8,059,751	-	-	-	-	-
State	7,447,148	6,368,562	6,067,910	6,067,910	6,067,910	6,067,910
Federal	2,262,307	2,050,079	2,050,079	2,050,079	2,050,079	2,050,079
Total Revenues	\$87,363,926	\$79,009,793	\$80,374,579	\$82,151,809	\$84,009,281	\$86,004,064
Expenditures						
Salaries	48,731,662	49,629,738	50,471,540	51,304,994	52,154,331	53,019,853
Employee Benefits	9,567,091	9,578,795	10,095,470	10,615,010	11,137,904	11,664,856
Purchased Svcs	5,507,924	5,666,311	5,783,068	5,902,749	6,025,434	6,151,204
Supplies	4,908,808	5,081,206	5,098,019	5,115,084	5,132,405	5,149,986
Capital Outlay	1,126,667	1,126,667	1,126,667	1,126,667	1,126,667	1,126,667
Other	209,425	209,425	209,425	224,425	254,425	224,425
Tuition	2,935,523	2,641,523	2,641,523	2,641,523	2,641,523	2,641,523
Debt	4,100,213	4,383,337	4,376,562	4,378,062	4,367,512	4,382,737
Sub-Total Expenditures	\$77,087,313	\$78,317,002	\$79,802,274	\$81,308,514	\$82,840,201	\$84,361,252
Sub-Total Surplus/(Deficit)	\$ 10,276,613	\$ 692,791	\$ 572,305	\$ 843,296	\$ 1,169,080	\$ 1,642,811
Construction/Life Safety	23,489,535	4,893,930	2,984,690	2,714,660	2,764,500	2,963,285
Total Surplus/(Deficit)	\$(13,212,922)	\$(4,201,139)	\$(2,412,385)	\$(1,871,364)	\$(1,595,420)	\$(1,320,474)
Ending Fund Balance	54,054,169	49,853,029	47,440,645	45,569,280	43,973,861	42,653,387
Less: Debt Service FB	(1,170,541)	(1,384,582)	(1,416,009)	(1,422,387)	(1,435,500)	(1,459,909)
Net Fund Balance	52,883,628	48,468,447	46,024,636	44,146,893	42,538,361	41,193,478
% of next yr's budget	67.1%	61.8%	57.8%	54.3%	51.3%	48.9%

Arlington Heights School District 25 Projected Revenues, Expenditures and Fund Balance



Current Fund Balance Goal = 60%

- Taxes collected in March/April and not again until August/September (no longer December)
- Fund Balance as of 6/30 must provide cash flow for expenditures until 2nd installment of property taxes is received

Month Taxes Are Received	Months that Reserves will cover Expenditures	# Months	% of Fiscal Year
October	Jul - Sep	3	25%
November	Jul - Oct	4	33%
December	Jul - Nov	5	42%



But what If.....

The legislature passes a 2 year property tax freeze?

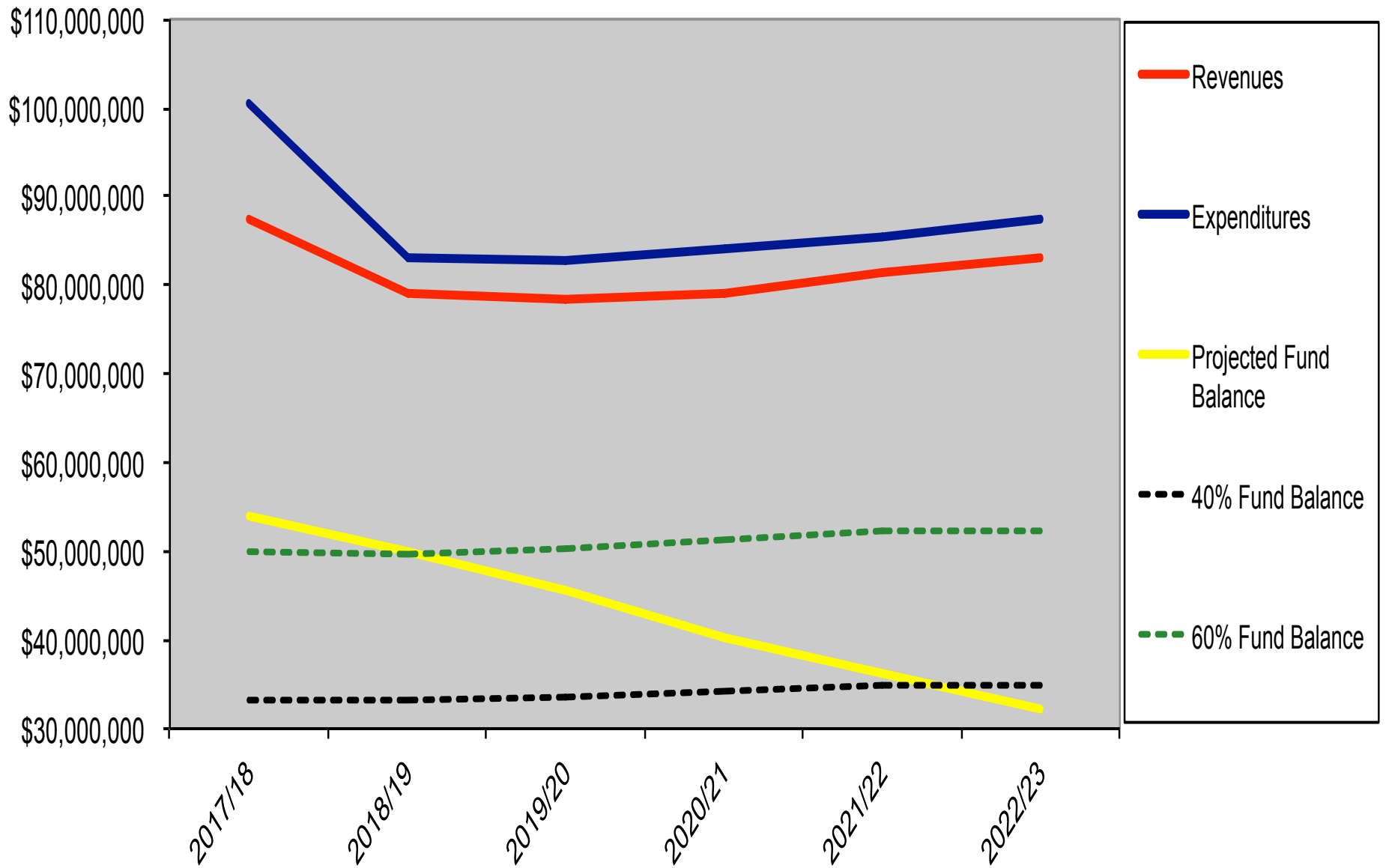
Shifts the State TRS pension costs on to school district?

Financial Summary: All Funds w/ 2 Year Property Tax Freeze

	Budget 2017/18	Projected 2018/19	Projected 2019/20	Projected 2020/21	Projected 2021/22	Projected 2022/23
Revenues						
Property Taxes	\$ 64,012,711	\$ 65,574,152	\$ 65,267,093	\$ 65,901,364	\$ 68,335,951	\$ 70,255,072
CPPRT	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621	\$ 798,621
Interest	\$ 518,700	\$ 564,100	\$ 529,100	\$ 468,500	\$ 404,300	\$ 361,700
Food Service	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500	\$ 1,645,500
Rentals	\$ 966,600	\$ 981,099	\$ 995,815	\$ 1,010,753	\$ 1,025,914	\$ 1,041,303
Other Local (tuition,fees, etc.)	1,652,588	1,027,680	1,027,680	1,027,680	1,027,680	1,027,680
Bonds	8,059,751	-	-	-	-	-
State	7,447,148	6,368,562	6,067,910	6,067,910	6,067,910	6,067,910
Federal	2,262,307	2,050,079	2,050,079	2,050,079	2,050,079	2,050,079
Total Revenues	\$87,363,926	\$79,009,793	\$78,381,798	\$78,970,406	\$81,355,955	\$83,247,865
Expenditures						
Salaries	48,731,662	49,629,738	50,471,540	51,304,994	52,154,331	53,019,853
Employee Benefits	9,567,091	9,578,795	10,095,470	10,615,010	11,137,904	11,664,856
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Other	209,425	209,425	209,425	224,425	254,425	224,425
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Debt	4,100,213	4,383,337	4,376,562	4,378,062	4,367,512	4,382,737
Sub-Total Expenditures	\$77,087,313	\$78,317,002	\$79,802,274	\$81,308,514	\$82,840,201	\$84,361,252
Sub-Total Surplus/(Deficit)	\$ 10,276,613	\$ 692,791	\$ (1,420,476)	\$ (2,338,107)	\$ (1,484,246)	\$ (1,113,387)
Construction/Life Safety	23,489,535	4,893,930	2,984,690	2,714,660	2,764,500	2,963,285
Total Surplus/(Deficit)	\$(13,212,922)	\$ (4,201,139)	\$ (4,405,166)	\$ (5,052,767)	\$ (4,248,746)	\$ (4,076,672)
Ending Fund Balance	54,054,169	49,853,029	45,447,864	40,395,096	36,146,350	32,069,678
Less: Debt Service FB	(1,170,541)	(1,384,582)	(1,416,009)	(1,422,387)	(1,435,500)	(1,459,909)
Net Fund Balance	52,883,628	48,468,447	44,031,855	38,972,709	34,710,851	30,609,769
% of next yr's budget	67.1%	61.8%	55.3%	48.0%	41.8%	36.3%

Arlington Heights School District 25

Projected Revenues, Expenditures and Fund Balance (w/ 2 Year Tax Freeze)





Take Aways

- ☹️ Largest revenue source predicted to grow at 10-year CPI average of 1.9% each year (used to be 2.4%)
- ☹️ Can't control all expenditures
 - ☹️ (utility costs, benefits, State mandates, gas prices, out-of-district tuition)
- ☹️ Property tax reform?
- ☹️ Unfunded mandates
- 😊 All salaries tied to CPI
- 😊 New State funding formula – will the hold harmless remain?
- 😊 Pension reform - anticipated
- 😊 Contingency funds use
- 😊 Tax refunds
- 😊 Fund Balance & Time