

**UNION SCHOOL
DISTRICT #81**

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Board of Education,

The philosophy of the Union School District 81 Board of Education and administration has been to prioritize the needs of the district in accordance with school code and responsible leadership. This new forecast should allow the Union School District 81 Board of Education to set policy to meet those goals. As is the case whenever you are predicting future events, circumstances may change that cause the Board of Education to reconvene and adjust their plan. The Board's priorities have been:

- Provide a safe and nurturing school environment that promotes the best academic and social opportunities for our students to succeed.
- Engage the school community to become partners in education.
- Run an ethical and efficient district that meets student needs while being responsible to the taxpayers.

I have seen this District grow tremendously during my 10 year tenure. We have a Board of Education that is committed to academic success and fiscal responsibility. We have retained and hired staff that is committed to our students and we have engaged parents and other stakeholders so they are our partners in education.

This year is the year for my anticipated last financial forecast. In looking back at our goals that were set in the 2015-16, and updated in 2020 Fiscal year, we have achieved far greater financial success than was originally planned for. There are a few major factors that led to those gains.

First, we made adjustments to our staffing levels. Not only did we save money by doing that, but our academic success increased.

Second, we brought in Quest Food Management. That move allowed us to provide quality food to our staff and students, quality food to neighboring districts (30 schools in total) and financial stability in our kitchen. Over 5,000 meals are served daily.

Third, we have had a philosophy of finding ways to save money when we wanted to move forward on new spending projects. Always trying to offset the cost of new projects allows us to remain financially solvent. Since our 2015-16 financial forecast, we have spent over \$1.6 million on school construction projects that have provided a better and safer environment for learning. These projects were all covered without increasing our debt.

Fourth, we have seen an increase in our tax base. Although there are some disadvantages to the increase in industrial growth, we have been the recipient of substantial additional revenue.

At the time of our 2015-16 financial forecast compared to the last year of this forecast, we have made great gains. Here is a look at our progress:

	<u>2016</u>	<u>2021</u>
Fund Balance	\$1,140,593	\$3,627,141
Cash on Hand	195 days	300 days
Long Term Debt	\$5,639,083	\$2,189,083
Borrowing Limit/Capacity	\$6,115,214 (7.78%)	\$8,437,508 (74%)
Financial Rating/Score	Recognition/ 3.7	Recognition/ 3.9
Money Market	\$0	\$1,917,000
Tax Rebate	\$60,000 (10%)	\$415,000 (65%)

As the Board of Education is aware, the board employs the superintendent, and delegates staffing decisions to him/her. This board has allowed me to staff our school and supported the recommendations I have made. I appreciate the relationship we have and the trust you show in me to make those decisions. I think the academic and financial success we've seen has shown your trust was deserved.

Below is the staffing plan for the next school year. Due to the Director of SOWIC resigning unexpectedly, we will most likely have an opportunity to have our Special Education Program Director position filled in-house. Our ultimate goal would be to handle special education in-house and keep our outsourced students closer to home. I will discuss my recommendation and plan for this, and all other positions, at this meeting.

2022-23 Educational Staffing Plan

Pre-K/Aide

Kindergarten

1st Grade

2nd Grade

3rd Grade

4th Grade

5th Grade

6th-8th Science/Social Studies

6th-8th Math

6th-8th ELA

Resource/Intervention Program Director

Resource/One-on-one

P.E.

Music/Library

Social Worker

.2 Psychologist

(3) Resource/Interventions (with other duties as assigned)

Main Goals/Projections for 2022-2027 Fiscal Years

- 2022-23 Major construction for the building should be completed for the foreseeable future. Although we will always have upkeep and new projects to help students achieve great gains, we should consider allocating \$200,000 per year for roof repairs.
- Our Debt Certificates are paid off! Those funds come from our Operating Budget, meaning we will save approximately \$200,000 annually from that fund. We saved over \$161,000 in interest by paying off early.
- If our Expenditures/Revenues track as we expect, we should be able to rebate approximately \$524,000 (72.5%) to our Homestead Exempt residents during this fiscal year.
- Our goal is to remain at a financial rating of Recognition with a score of 3.9 out of 4.
- Our Money Market/Additional Education account should see at balance in fall of 2023 of approximately \$2,100,000.
- This is the first year of a new Collective Bargaining Agreement with our teachers.
- 2023-24 If our Expenditures/Revenues track as we expect, we should be able to rebate approximately \$577,739 (80%) to our Homestead Exempt residents during this fiscal year.
- Our goal is to remain at a financial rating of Recognition with a score of 3.9 out of 4.
- Our Money Market/Additional Education account should see at balance in fall of 2024 of approximately \$2,600,000.
- The Levy for our Alternative Revenue Bonds should be completed in December 2023. If we stay the course and don't incur any additional debt, our district should be debt free with this final Levy.

- 2024-25 If our Expenditures/Revenues track as we expect, we should be able to rebate approximately \$649,956 (90%) to our Homestead Exempt residents during this fiscal year.
- Our goal is to achieve a financial rating of Recognition with a score of 4 out of 4.
- Our Money Market account should see at balance in fall of 2025 of approximately \$2,800,000.
- 2025-26 This is the final year of my contract. I will present to the Board of Education, well in advance, my recommendations for the district post my employment.
- With the district being debt free, all taxpayers (commercial/industrial/residential) should see an approximate decrease of 17% in the portion of the tax bill going to Union 81.
- If our Expenditures/Revenues track as we expect, we should be able to rebate approximately \$599,403 (100%) to our Homestead Exempt residents during this fiscal year.
- Our goal is to remain at a financial rating of Recognition with a score of 4 out of 4.
- Our Money Market account should see at balance in fall of 2026 of approximately \$3,100,000.
- 2026-27 The new administration will be in place. This is also the final year of the Teacher's Collective Bargaining Agreement.
- If our Expenditures/Revenues track as we expect, we should be able to rebate approximately \$629,374 (100%) to our Homestead Exempt residents during this fiscal year.
- Our goal is to remain at a financial rating of Recognition with a score of 4 out of 4.
- Our Money Market account should see at balance in fall of 2026 of approximately \$3,500,000.

The Board of Education should have opportunities during this five year term to consider other options with the money that is in the Money Market account. These options could include short term borrowing to other districts that could pay a higher interest rate and guarantee the loan with tax anticipation warrants.

As you can see, this Board of Education has overseen tremendous growth both academically and financially. We have gone from being a district that performed in the bottom 10% academically and had the worst financial rating possible with needing to borrow money to pay bills to excelling academically and having the top financial rating while providing a truly free public education for our families and all residential taxpayers.

Upon my retirement at the end of the 2025-26 school year, I plan on leaving my successor with a first tier staff, students performing at their highest capability and fund balances that provide for every school need while giving the taxpayers the most efficiently-run governmental body anywhere.

As always, I want to thank you for the support you have given me and the opportunity to work in such an incredible district.

Respectfully,

Timothy Baldermann
Superintendent

Possible Programs/Projects to Consider

1. Work with attorney to provide waivers for allocation of funds to cover out-of-district enrollment in extra curricular programs. Example: \$250 per student = approximately \$27,500
2. _____
3. _____
4. _____
5. _____
6. _____