



Structural Deficit Reduction Plan (SDRP) Phase III Continued Discussion

November 17, 2025



EVANSTON/SKOKIE
SCHOOL DISTRICT 65

Every Child, Every Day, Whatever it Takes



Tonight's Agenda



- Review Updated 2-School Closing Scenarios
- Review Updated Financial Models based on 11/3/2025 Board discussion:
 - Right Sizing Facilities (School closing scenarios)
 - Financial Sustainability (Structural deficit)
 - Reinvesting in Buildings (Deferred and future capital projects)
- Next steps

Financial Projections Baseline



Operating Fund Projections Baseline

Operating Funds	FY25 Estimated	FY26 Budgeted	FY27 Projected	FY28 Projected	FY29 Projected	FY30 Projected
Revenues	168,376,918	175,485,091	179,466,529	184,018,518	188,669,262	193,419,508
Expenditures	168,704,887	175,682,880	183,874,315	192,461,333	198,914,719	205,389,354
Net Change in Fund Balance	(327,969)	(197,789)	(4,407,786)	(8,442,815)	(10,245,457)	(11,969,846)
Fund Balance Transfer	(915,610)	(3,954,038)	(8,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Other Sources/(Uses)	915,610	2,314,585	-	-	-	-
Beginning Fund Balance	50,114,571	49,786,601	47,949,359	35,541,573	25,098,758	12,853,301
Ending Fund Balance	49,786,601	47,949,359	35,541,573	25,098,758	12,853,301	(1,116,546)
Days Cash on Hand >90 Days	107	99	70	47	24	-2

Summarization of the Board Discussion: Action Steps



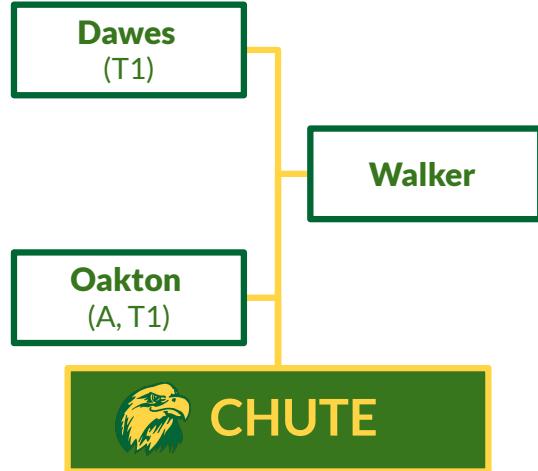
- Continue to refine scenarios 2D (Closing Kingsley and Willard) and 2F Closing Kingsley and Lincolnwood) testing or applying the following:
 - Scenario boundaries in full effect for the 2026-27 school year except:
 - Test for the feasibility of allowing current fourth graders to continue at their current school for 5th grade as long as it remains open.
 - Test for the feasibility of current 6th and 7th graders to continue at their current school through graduation (up to 2 years).
 - Apply the previously Board defined option for current kindergarten through fourth grade students at Bessie Rhodes families to be automatically enrolled in Foster School for the 2026-27 school year.
 - Kindergarten through third grade students who live in the Foster boundaries attend Foster for the 2026-27 school year.
 - TWI students attend the TWI program at their home school or the TWI program in the student's feeder pattern.
- Survey families that live in the 5th Ward about intentions to attend the Foster School (non-committal survey for information gathering purpose only) and survey Bessie Rhodes families that do not live in the Fifth ward to about intentions to attend the Foster School (non-committal survey for information gathering purpose only).



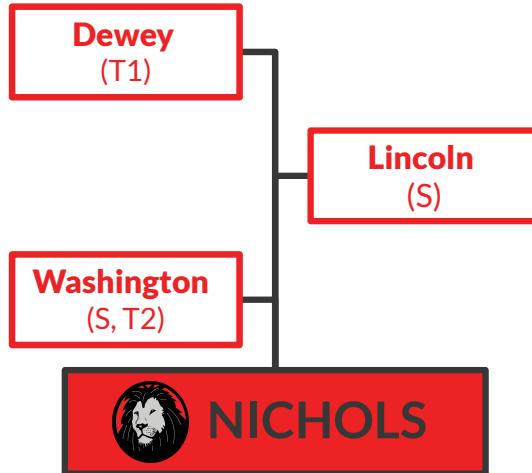
D65 Elementary School Feeder Pattern 2026-2027

Scenario 0 (Foster Baseline) with Program Designations

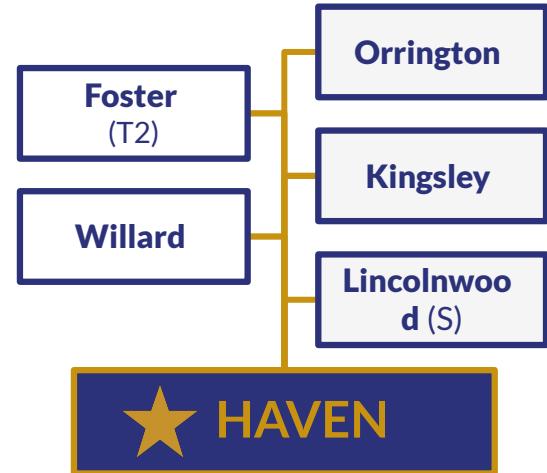
Chute Feeder Pattern



Nichols Feeder Pattern



Haven Feeder Pattern



Specialty Schools/Programs

Park

Rice

JEH ECC



KING ARTS (M, R)

Program Key
A - ACC
T - TWI
S - STEP
R - RISE
M - Magnet

Utilization by Feeder Pattern - 2026-27



Middle School Feeder Pattern (2026-27 School Year)	Average Elementary School Utilization Rate Per Feeder Pattern
Chute (Dawes(T1), Oakton(T1), Walker(T1))	73%
Haven (Kingsley, Lincolnwood, Orrington, Willard, and Foster(Projected T1))	50%
Nichols (Dewey, Lincoln, Washington(T1)) <i>District 65 schools that do not follow an elementary/middle school feeder pattern:</i> Dr. Bessie Rhodes School of Global Studies, Dr. Martin Luther King Jr. Literary and Fine Arts School, Joseph E. Hill Early Childhood Center, Park School, and Rice Children's Center	68%



2 School Closure Scenarios

2D-R2 and 2F-R2

Objectives for Scenario Modeling

- Minimize distance of walkable blocks (More emphasis)
- Minimize Transportation (More emphasis)
- Maintain FY27 boundaries (lesser relative to others)
- Utilization - max value at 90

General Notes for Both Scenarios (2D-R2 & 2F-R2)



- Both scenarios include movement as a result of Bessie Rhodes closing, Foster opening, and the named schools closing.
- Regardless of modeling with a focus on increasing walkability and decreasing transportation, both models require students to cross Green Bay.
- K-5 utilization rates have become increasingly balanced with a range from 63% to the mid 80% for both scenarios.
- STEP program is relocated in both scenarios which will require limited capital improvements and professional learning investment.
- Willard TWI section is closed and all Haven feeder pattern TWI students will attend the Foster TWI strands.
- Orrington remains open despite being the smallest building and lot with limited parking and basement classrooms.
- Impact of the closures are largely absorbed by the 6th, 7th wards as well as portions of the 5th and 1st ward.
- Closed buildings can be used for program relocation or as swing schools during buildings renovations.
- Boundaries should be reviewed in no later than the 5-year requirement. Greater options for increasing walkability will be available after the Board commitments for Foster and Rhodes sunset.

Scenarios: Two-School Closure

2D-R2

Close Kingsley and Willard (75%*)

Kingsley and Willard close after the 2025-26 school year.

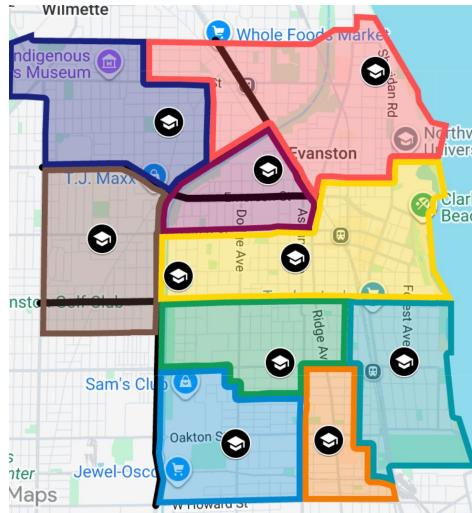
- Close TWI Section at Willard Elementary
- STEP moves to Lincoln

Strengths

- Kingsley and Willard communities largely stay together
- Maintains centrally located school west of Green Bay
- Avoids closing adjacent schools and maintains a Haven feeder school south of Central in addition to Foster
- Reduction in annual operating cost (\$14K) with the closure of the larger school (Willard)

Challenges

- Closes two buildings (Kingsley and Willard) that are ADA accessible, more recently renovated (Willard), and have the highest building functionality scores leaving Foster as the only fully accessible school in the Haven feeder pattern
- Results in busing 243 additional students
- Highest number of available classroom seats reduced due to closing Willard



Scenarios: Two-School Closure

2F-R2

Close Lincolnwood and Kingsley (75%*)

Close Lincolnwood and Kingsley after the 2025-26 school year.

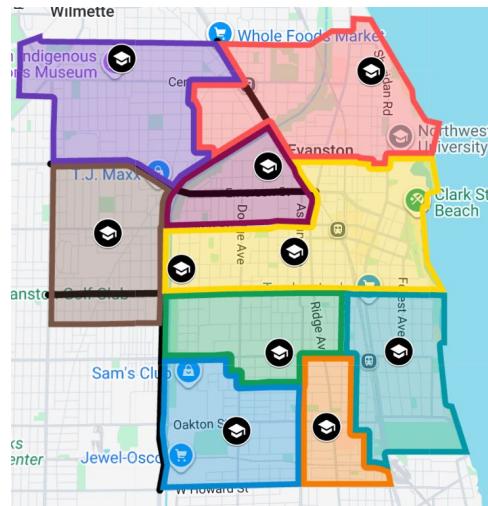
- Move STEP to Lincoln
- Close TWI Section at Willard Elementary

Strengths

- Aligns with scorecard data as it closes the two lowest-scoring individual schools and the overall lowest-scoring 2-school pair
- Maintains an ADA compliant school open (Willard), which is a larger and more recently renovated building
- The remaining three Haven schools (Foster, Willard, Orrington) are evenly spread across the boundaries.
- Students within 0.75 miles and students crossing hazards is slightly less in this scenario.

Challenges

- Uncertainty about the ability to lease Lincolnwood if closed (under review)
- Closes adjacent schools and leaves feeder schools north of central or south of McCormick.





Community Surveys

Community Surveys (Initial as of 11/14/25)



Future Foster Students Preference to Stay in Current School (K-4)

(Sent to the families of 294 students with 13.2% response rate)

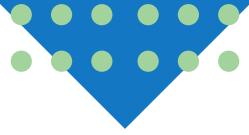
Surveys
remain open
until 12/1/25

Current Bessie Rhodes Students that Do Not Live in Foster Preference for Foster

(Sent to the families of 98 Students with a 15.3% response rate)

Option (Foster Boundary Families)	Percent	Number
My child will attend Foster School	13%	5
I will submit a Permissive Transfer Application for my child to remain at their current school	77%	30
I am undecided at this time	10%	4

Option (Bessie Rhodes)	Percent	Number
My child will attend Foster School	73%	11
I will submit a Permissive Transfer Application for my child to remain at their current school	13%	2
I am undecided at this time	13%	2



Boundary Parameter Testing

Consideration of Boundary Exceptions



Boundary Parameter Testing

Overview: To analyze the feasibility of exceptions to a two school closure, administration ran a systematic parameter sweep to assess school utilization and capacity constraints under various policy scenarios. The analysis runs **14,641 total scenarios** to evaluate whether schools have sufficient capacity to accommodate different policy combinations with varying participation rates (0-100% in 10% increments).

Previous Exception	2D Recommendation	2F Recommendation	Explanation
Bessie Rhodes Exception	Yes	Yes	Kindergarten through fourth grade Bessie Rhodes students are assigned to Foster School through fifth grade. Families may complete a return to home school request if they wish to exit Foster. (Bessie Rhodes Resolution, 6/10/24)
Foster Exception	Yes	Yes	Students who live in Foster but attend another D65 K-5 elementary school during the 25-26 school year will be assigned to Foster school for 26-27 and a family may complete a permissive transfer to stay at their 25-26 school and the District is to accept this request. (Board recommendation and commitment, 3/7/22 and 3/14/22)

Note: For scenario 2D, the Foster and Bessie Rhodes exceptions need to be accepted together. If only the Rhodes exception moves forward, Foster capacity may exceed recommendations.

Boundary Parameter Testing



Overview: To analyze the feasibility of exceptions to a two school closure, administration ran a systematic parameter sweep to assess school utilization and capacity constraints under various policy scenarios. The analysis runs **14,641 total scenarios** to evaluate whether schools have sufficient capacity to accommodate different policy combinations with varying participation rates (0-100% in 10% increments).

Exception	2D Recommendation	2F Recommendation	Explanation
5th Grade Legacy	No	No	<p>Legacy status would allow current fourth graders to remain at their current school for the fifth grade year before moving to the middle school in the feeder pattern when they live. This would apply to any fourth grade student in the District that would be assigned to a new school for the 2026-27 school year.</p> <p>Alternative: Families apply for a <u>permissive transfer</u> and the District does a randomized selection for space available for permissive transfer.</p>
7th and 8th Grade Legacy	Yes	Yes	Legacy status would allow current seventh and eighth graders to remain at their current middle school through graduation.

SDRP Phase III

Based on
11/3/2025 Board Discussion

FINANCIAL MODELS



EVANSTON / SKOKIE
SCHOOL DISTRICT 65



Financial Model Assumptions

1. **Right-Size Facilities:** 0 to 2-school closings plus Bessie Rhodes
2. **Financial Sustainability:** Financial model parameters
 - a. Maintain 90 days cash on hand
 - b. Balanced budget
 - c. Multi year reductions
 - d. Refined financial levers
 - e. Limited use of working cash
3. **Reinvest in Buildings Strategically:** CapX, Life Safety, DSEB, Future Referendum

Financial Projections Baseline



Operating Fund Projections Baseline

Operating Funds	FY25 Estimated	FY26 Budgeted	FY27 Projected	FY28 Projected	FY29 Projected	FY30 Projected
Revenues	168,376,918	175,485,091	179,466,529	184,018,518	188,669,262	193,419,508
Expenditures	168,704,887	175,682,880	183,874,315	192,461,333	198,914,719	205,389,354
Net Change in Fund Balance	(327,969)	(197,789)	(4,407,786)	(8,442,815)	(10,245,457)	(11,969,846)
Fund Balance Transfer	(915,610)	(3,954,038)	(8,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Other Sources/(Uses)	915,610	2,314,585	-	-	-	-
Beginning Fund Balance	50,114,571	49,786,601	47,949,359	35,541,573	25,098,758	12,853,301
Ending Fund Balance	49,786,601	47,949,359	35,541,573	25,098,758	12,853,301	(1,116,546)
Days Cash on Hand >90 Days	107	99	70	47	24	-2

Financial Model Projections: D1



Assumptions: Balanced Budget, 90 Days Cash on Hand, **\$2M W/C for Foster**, \$2.7M Capital Projects, Multi Year Reductions

SDRP Phase III Model Assumptions - Financial Model D.1						
Budget Reduction	Category	FY27-Proj	FY28-Proj	FY29-Proj	FY30-Proj	
FY27 SDRP Operating Fund Reductions	Expenditures	5,500,000	5,775,000	5,948,250	6,126,698	
FY28 SDRP Operating Fund Reductions	Expenditures		6,000,000	6,300,000	6,615,000	
FY29 SDRP Operating Fund Reductions	Expenditures			1,750,000	1,802,500	
FY30 SDRP Operating Fund Reductions	Expenditures				1,250,000	
Total Expenditure Reductions		5,500,000	11,775,000	13,998,250	15,794,198	
Operating Fund Projections with Model Assumptions						
Operating Funds	FY25-Est	FY26-Bud	FY27-Proj	FY28-Proj	FY29-Proj	FY30-Proj
Revenues	168,376,918	175,485,091	179,466,529	184,018,518	188,669,262	193,419,508
Expenditures	168,704,887	175,682,880	178,374,315	180,686,333	184,916,469	189,595,157
Net Change in Fund Balance	(327,969)	(197,789)	1,092,214	3,332,185	3,752,793	3,824,351
Fund Balance Transfer (Assumes \$2M for Foster in FY27)	(915,610)	(3,954,038)	(4,700,000)	(2,700,000)	(2,700,000)	(2,700,000)
Other Sources/(Uses)	915,610	2,314,585	-	-	-	-
Beginning Fund Balance	50,114,571	49,786,601	47,949,359	44,341,573	44,973,758	46,026,551
Ending Fund Balance	49,786,601	47,949,359	44,341,573	44,973,758	46,026,551	47,150,902
Days Cash on Hand >90 Days	107	99	90	90	90	90

Financial Model Levers: D1



#	SDRP Levers	0	1A.	1B.	2F.	2D.
1	Facility Right Sizing	\$ 50,000	\$ 1,662,529	\$ 1,830,483	\$ 3,368,012	\$ 3,235,277
2	Revenue Levers	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
3	Expenditure Levers	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000
4	Programming/Staffing Levers	\$ 3,670,000	\$ 2,057,471	\$ 1,889,517	\$ 351,988	\$ 484,723
		Total	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000	\$ 5,500,000
#	Facility Right Sizing	0	1A.	1B.	2F.	2D.
1	Non-Salary & Benefit Savings		\$ 180,087	\$ 155,377	\$ 335,464	\$ 349,079
2	Salary & Benefit Savings		\$ 1,132,442	\$ 1,325,106	\$ 2,457,548	\$ 2,311,198
3	Foster School Net Savings	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
4	Transportation Savings		\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000
5	Section Savings		\$ 150,000	\$ 150,000	\$ 225,000	\$ 225,000
		Total	\$ 50,000	\$ 1,662,529	\$ 1,830,483	\$ 3,368,012
						\$ 3,235,277

Board and Admin Input: Operating Fund Levers



#	Revenue Levers	FY27
1	Paid Before and After School Care (Right at School)	\$ 100,000
2	Seek Funding from Local University	\$ 250,000
	Total	\$ 350,000
#	Expenditure Levers	FY27
1	Reduce Transportation	\$ 500,000
2	Reduce Purchased Services	\$ 500,000
3	Reduce Non-Instruction Consultants	\$ 100,000
4	Consolidate Low Enrollment Classes	\$ 300,000
5	Reduce Technology Licenses	\$ 30,000
	Total	\$ 1,430,000

Financial Model Projections: D2



Assumptions: Balanced Budget, 90 Days Cash on Hand, **\$0M W/C for Foster**, \$2.7M Capital Projects, Multi-year Reductions

SDRP Phase III Model Assumptions - Financial Model D.2						
Budget Reduction	Category		FY27-Proj	FY28-Proj	FY29-Proj	FY30-Proj
FY27 SDRP Operating Fund Reductions	Expenditures		4,500,000	4,725,000	4,866,750	5,012,753
FY28 SDRP Operating Fund Reductions	Expenditures			6,250,000	6,562,500	6,890,625
FY29 SDRP Operating Fund Reductions	Expenditures				2,500,000	2,575,000
FY30 SDRP Operating Fund Reductions	Expenditures					1,250,000
Total Expenditure Reductions			4,500,000	10,975,000	13,929,250	15,728,378
Operating Fund Projections with Model Assumptions						
Operating Funds	FY25-Est	FY26-Bud	FY27-Proj	FY28-Proj	FY29-Proj	FY30-Proj
Revenues	168,376,918	175,485,091	179,466,529	184,018,518	188,669,262	193,419,508
Expenditures	168,704,887	175,682,880	179,374,315	181,486,333	184,985,469	189,660,977
Net Change in Fund Balance	(327,969)	(197,789)	92,214	2,532,185	3,683,793	3,758,531
Fund Balance Transfer (Assumes \$0M for Foster in FY27)	(915,610)	(3,954,038)	(2,700,000)	(2,700,000)	(2,700,000)	(2,700,000)
Other Sources/(Uses)	915,610	2,314,585	-	-	-	-
Beginning Fund Balance	50,114,571	49,786,601	47,949,359	45,341,573	45,173,758	46,157,551
Ending Fund Balance	49,786,601	47,949,359	45,341,573	45,173,758	46,157,551	47,216,082
Days Cash on Hand >90 Days	107	99	91	90	90	90

Financial Model Levers: D2



#	SDRP Levers	0	1A.	1B.	2F.	2D.
1	Facility Right Sizing	\$ 50,000	\$ 1,662,529	\$ 1,830,483	\$ 3,368,012	\$ 3,235,277
2	Revenue Levers	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000
3	Expenditure Levers	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000	\$ 1,430,000
4	Programming/Staffing Levers	\$ 2,670,000	\$ 1,057,471	\$ 889,517	\$ (648,012)	\$ (515,277)
		Total	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000	\$ 4,500,000
#	Facility Right Sizing	0	1A.	1B.	2F.	2D.
1	Non-Salary & Benefit Savings		\$ 180,087	\$ 155,377	\$ 335,464	\$ 349,079
2	Salary & Benefit Savings		\$ 1,132,442	\$ 1,325,106	\$ 2,457,548	\$ 2,311,198
3	Foster School Net Savings	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
4	Transportation Savings		\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000
5	Section Savings		\$ 150,000	\$ 150,000	\$ 225,000	\$ 225,000
		Total	\$ 50,000	\$ 1,662,529	\$ 1,830,483	\$ 3,368,012
						\$ 3,235,277

Financial Model Summary



#	Model Overview (Decision for reductions to be made)	FY27 (Jan-2026)	FY28 (Jan-2027)	FY29 (Jan-2028)	FY30 (Jan-2029)	Total
A.1	Foster: \$2M Working Cash/Bessie Rhodes Sale, CapX: \$2.7M	\$ 11,250,000				\$ 11,250,000
A.2	Foster: \$0M Working Cash/Bessie Rhodes Sale, CapX: \$2.7M	\$ 10,800,000				\$ 10,800,000
D.1	Foster: \$2M Working Cash/Bessie Rhodes Sale, CapX: \$2.7M	\$ 5,500,000	\$ 6,000,000	\$ 1,750,000	\$ 1,250,000	\$ 14,500,000
D.2	Foster: \$0M Working Cash/Bessie Rhodes Sale, CapX: \$2.7M	\$ 4,500,000	\$ 6,250,000	\$ 2,500,000	\$ 1,250,000	\$ 14,500,000

Note: All models assume 90 days cash on hand and a balanced budget through FY30. These reductions would need to be identified prior to the beginning of

Reinvesting in Buildings Overview



Category	2022-2026 Projects	2022-2030 Projects
All Projects Indexed for Inflation Less Completed	\$62,932,562	\$175,508,996
Less Bessie Rhodes	(2,667,885)	(12,114,220)
Less CapX Amount		(10,800,000)
Revised Subtotal	\$60,264,677	\$152,594,776
Less A/C Enhancements	(25,047,052)	(73,228,359)
Revised Total	\$35,217,625	\$79,366,417

Below is an overview of the district's capital projects based on the 2022 Master Facility Plan data:

- As of **FY27**, the district will have deferred maintenance of:
 - \$62.9M for all projects indexed, less completed projects to date
 - \$35.2M if we remove Bessie Rhodes and A/C projects, less completed projects to date
- As of **FY30**, the district will have capital needs of:
 - \$175.5M for all projects indexed, less completed projects to date
 - \$79.4M if we remove Bessie Rhodes and A/C projects, less completed projects to date and capital transfers

Note: This info will be updated in February. It does not account for any school closings beyond Bessie Rhodes.

SCS Recommendation



1. Right-Size Facilities to Align with Enrollment: 2-school closing plus Bessie Rhodes
2. Adopt a Strategic Reduction Financial Model: Models D.1 or D.2
3. Preserve Financial Sustainability:
 - a. 90 days cash on hand
 - b. Limit use of working cash
 - c. Balanced budget
4. Finalize All Levers in Alignment with Financial Parameters
5. Continue Transparency and Communication with Stakeholders
6. Reinvest in Buildings Strategically: Life Safety Funding, DSEB and/or Future Referendum

Public Hearing Information



If the board decides to move forward with commencing public hearings, they have been tentatively scheduled to give the community as much planning time as possible.

DEC

3

Public Hearing #1

DEC

8

Public Hearing #2

DEC

10

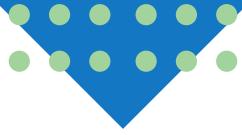
Public Hearing #3



Find scenarios, FAQ, meeting details, and more:

district65.net/sdrp





Thank you