McLean County Unit District No. 5

FY 2027 Proposed Budget

August 19, 2026

The Budget Process

July 1, 2026

- New fiscal year begins

August 2026

- CPPRT estimate released by the Illinois Department of Revenue
- EBF allocations released by ISBE
- Notice published in the newspaper for public hearing on tentative budget
- Tentative budget available for public review

September 2026

- Public hearing on tentative budget
- Board takes action on tentative budget

October 2026

- Consult with the County Supervisor of Assessments on property values

CPPRT - Corporate Personal Property Replacement Tax
EBF - Evidence-Based Funding

The Budget Process

November 2026	December 2026	January 2027	March 2027	May/June 2027
• Present proposed 2026 Tax Levy to the Board	• Board action to approve the 2026 tax levy, which includes revenue for current year budget	• District administration meets with building Principals to plan for the following year budget	• Final tax extension confirmed	• Receive first half of the 2026 levy year taxes

FY 2026 Unaudited Results

Fund	Total Revenue	Total Expenditures	Net Change
Education	174,768,089	162,044,232	12,723,857
Operations & Maintenance	17,380,718	16,990,731	389,987
Transportation	** 23,726,006	23,075,382	650,624
Tort	6,632,518	6,336,632	295,886
Debt Service	16,321,879	17,218,868	-896,989
Municipal Retirement / SS	5,086,817	5,711,283	-624,466
Capital Projects	3,594,541	1,053,701	2,540,840
Working Cash	3,269,666	10,500,000	-7,230,334
Fire Prevention & Safety	1,777,839	8,909,364	-7,131,525

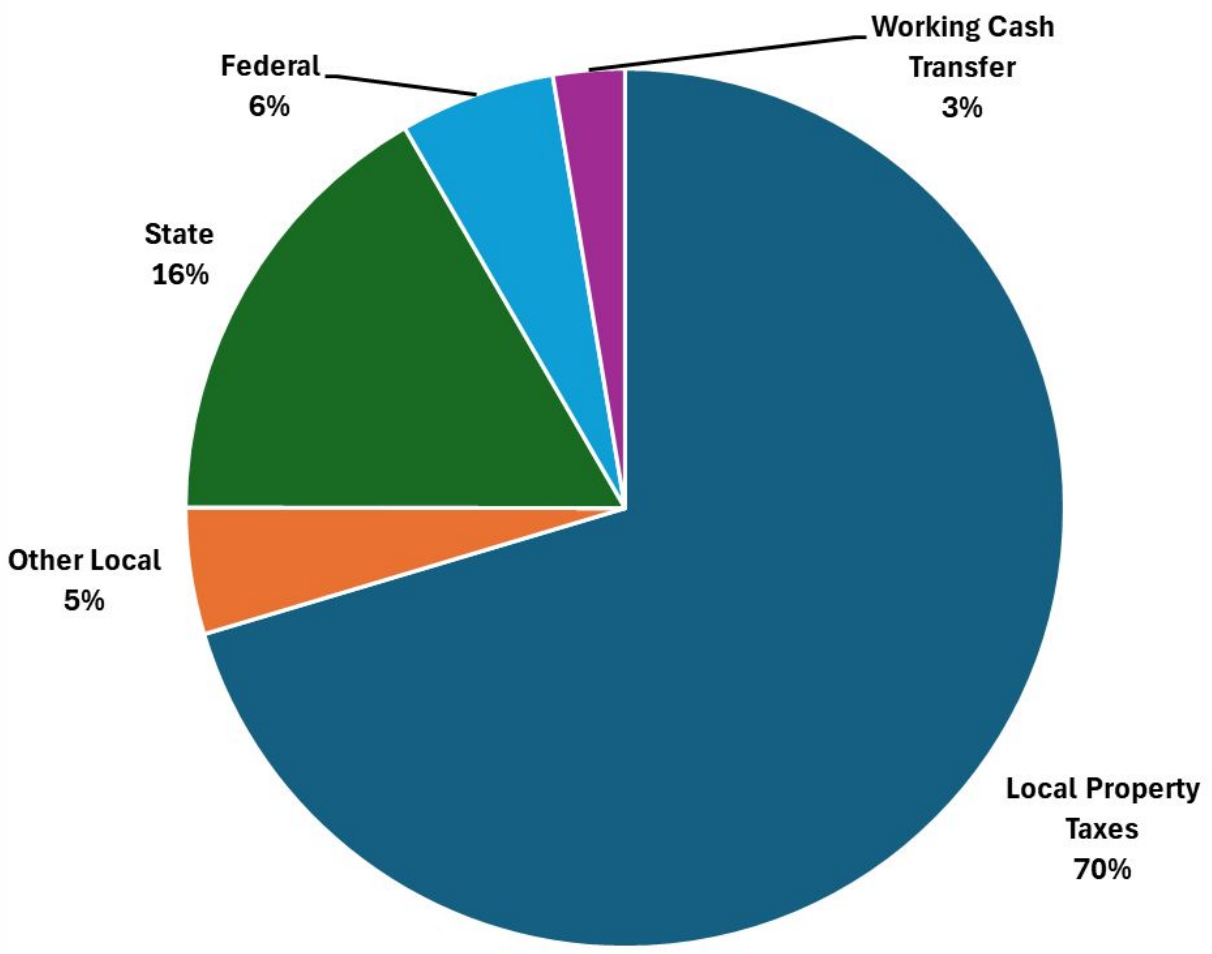
*** Operating funds are highlighted in gray.**

**** Includes Working Cash transfer of $10.5 million.**

FY 2027 Revenue Mix

Education, Operations & Maintenance, Transportation and Tort Funds

Source	Amount	Percent
Local Property Taxes	159,919,141	70.4%
Other Local	10,579,736	4.7%
State	37,750,540	16.6%
Federal	13,001,654	5.7%
Working Cash Transfer	6,000,000	2.6%
Total	**227,251,071**	



Major Revenue Assumptions

Education, Operations & Maintenance, Transportation and Tort Funds

Local Revenue

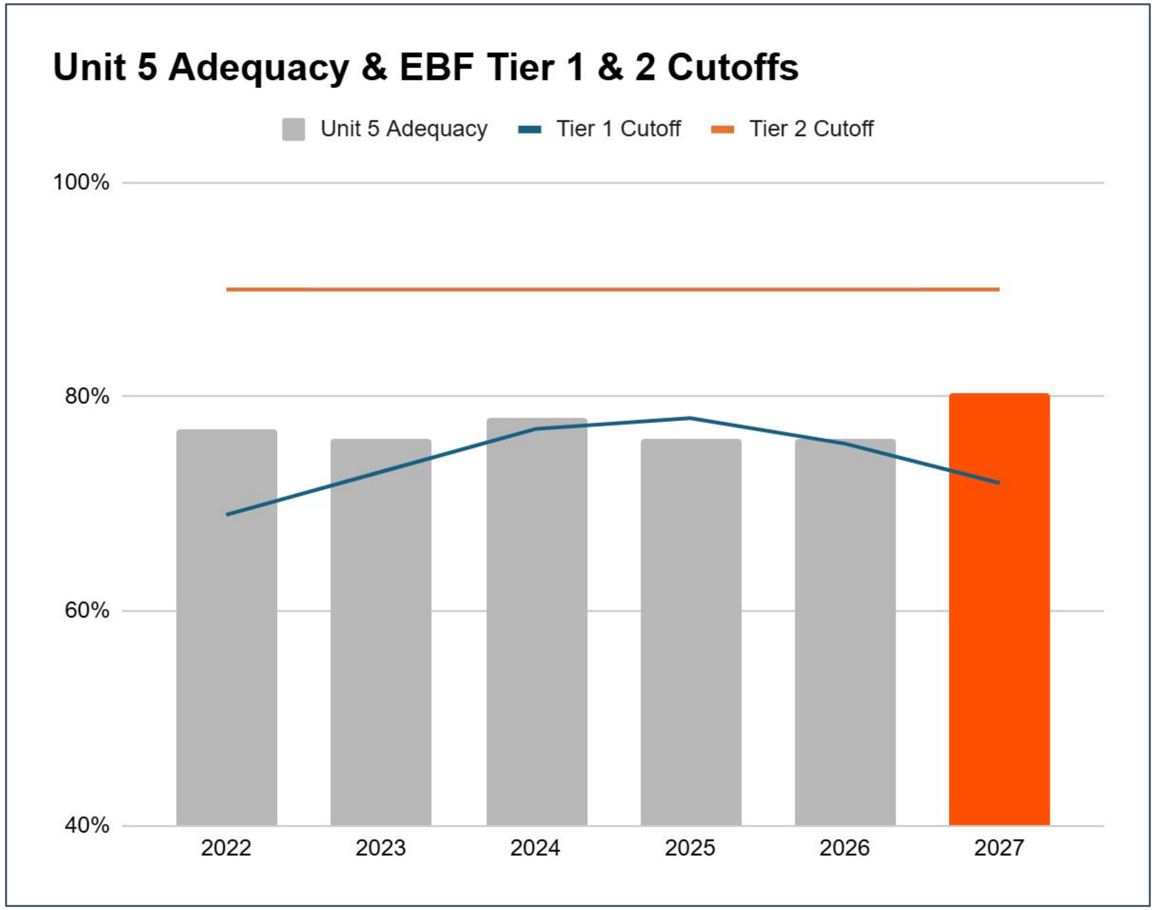
- Property Tax revenue is projected to increase 9.3% ($13.6M) over FY 2026.
  - **This <u>does not</u> mean that property tax bills are increasing by 9.3%**. FY 2027 Property Tax revenue reflects two levy years: half is based on the 2025 Levy, where EAV increased 7.3%, and half is based on the 2026 Levy, when EAV is projected to increase 4.5%.
  - Significant risk due to Rivian's 2025 assessment appeal before the Property Tax Appeal Board (PTAB).
- Corporate Personal Property Replacement Tax (CPPRT) revenue is projected to increase about 13.6% ($327K) over FY 2026.

Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

State Revenue

- Evidence-Based Funding (EBF) projected to increase 1.3% ($333K) over FY 2026.
  - Unit 5 remains in Tier 2 for FY 2027 at 80.4% of adequacy; the Tier 1 cutoff is 72%.

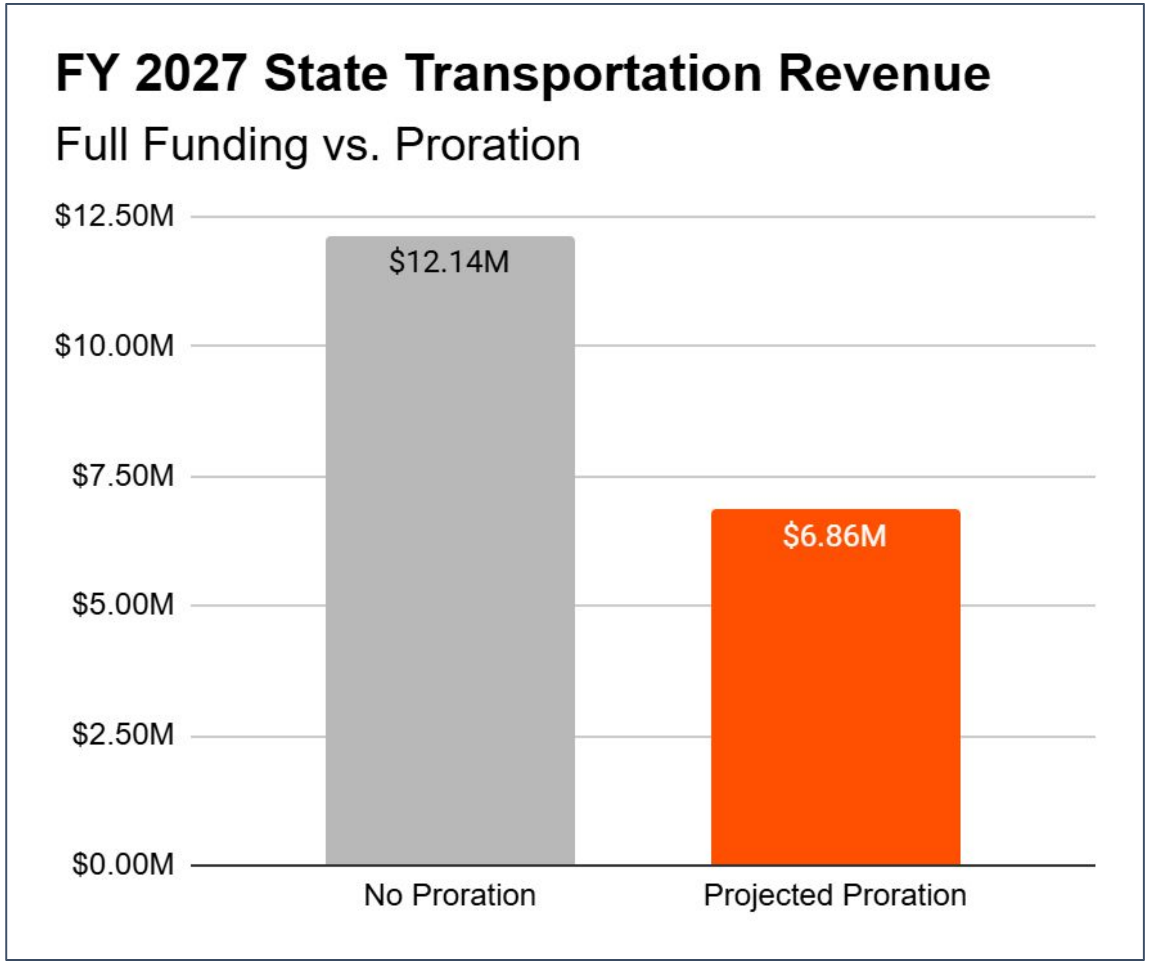


Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

State Revenue (cont'd)

- Transportation revenue is expected to increase about 3% ($201K) over FY 2026.
  - Estimated proration of 73% (79% FY26) for regular ed and 52% (69% FY26) for special ed.
    - **Estimated $5.3M** less in revenue than the District would receive if transportation were fully funded
  - Final proration from the State will come out sometime in November.



Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

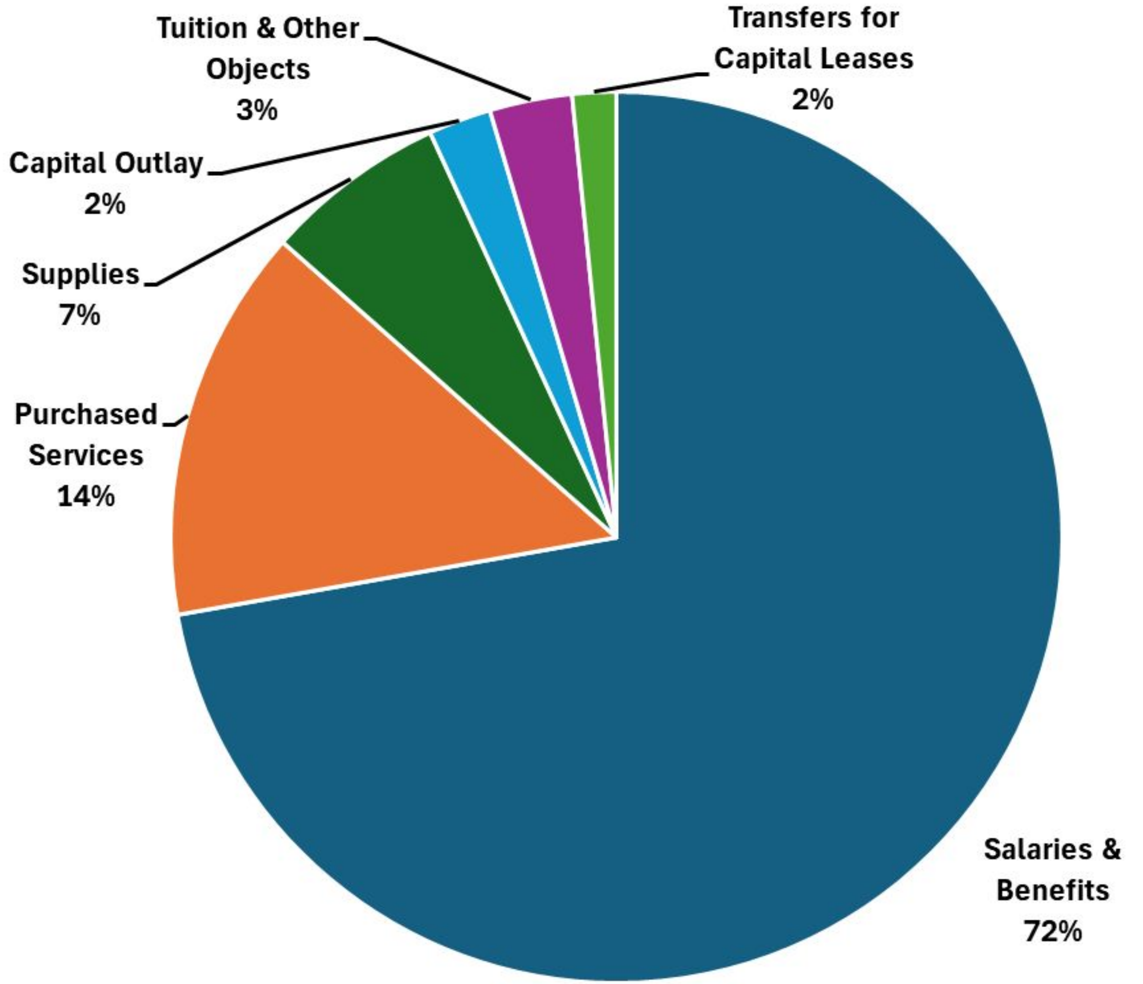
Federal Revenue

- Individuals with Disabilities Education Act (IDEA) revenue is projected to decrease compared to FY26.
  - Decrease reflects the use of carryover funds in FY 2026
- All other federal revenue projected to be flat compared to FY26.

FY 2027 Expenditure Mix

Education, Operations & Maintenance, Transportation and Tort Funds

Source	Amount	Percent
Salaries & Benefits	155,401,066	72.2%
Purchased Services	30,790,052	14.3%
Supplies	14,206,455	6.6%
Capital Outlay	4,903,438	2.3%
Tuition & Other Objects	6,440,694	3.0%
Transfers for Capital Leases	3,431,113	1.6%
Total	**215,172,818**	



Major Expenditure Assumptions

Education, Operations & Maintenance, Transportation and Tort Funds

Salaries & Benefits

- Salaries are expected to increase 5.7% ($6.8M) over FY 2026.
    - Increase includes raises for existing staff and new positions.
- Benefits are expected to increase 11.3% ($3.0M) over FY 2026, primarily due to increases in TRS and Board-paid health insurance.
- Budget assumes all positions are filled for the entire year.

Major Expenditure Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

Other Expenditures

- Increase Educational Fund department budgets by 3% on average.
  - Increased food costs
  - Increased special education tuition costs
  - Increased costs for supplies and services
  - School budgets increased by 3%
  - Utility budgets increased by 10%
  - First Student transportation services increased by 10%

Working Cash Transfers

Transfer **$6M** to the Transportation Fund for ongoing operations in FY 2027.

Initial Position

-$6,328,375

Net Change **without** Working Cash

Mitigation

+$6,000,000

Working Cash Transfer

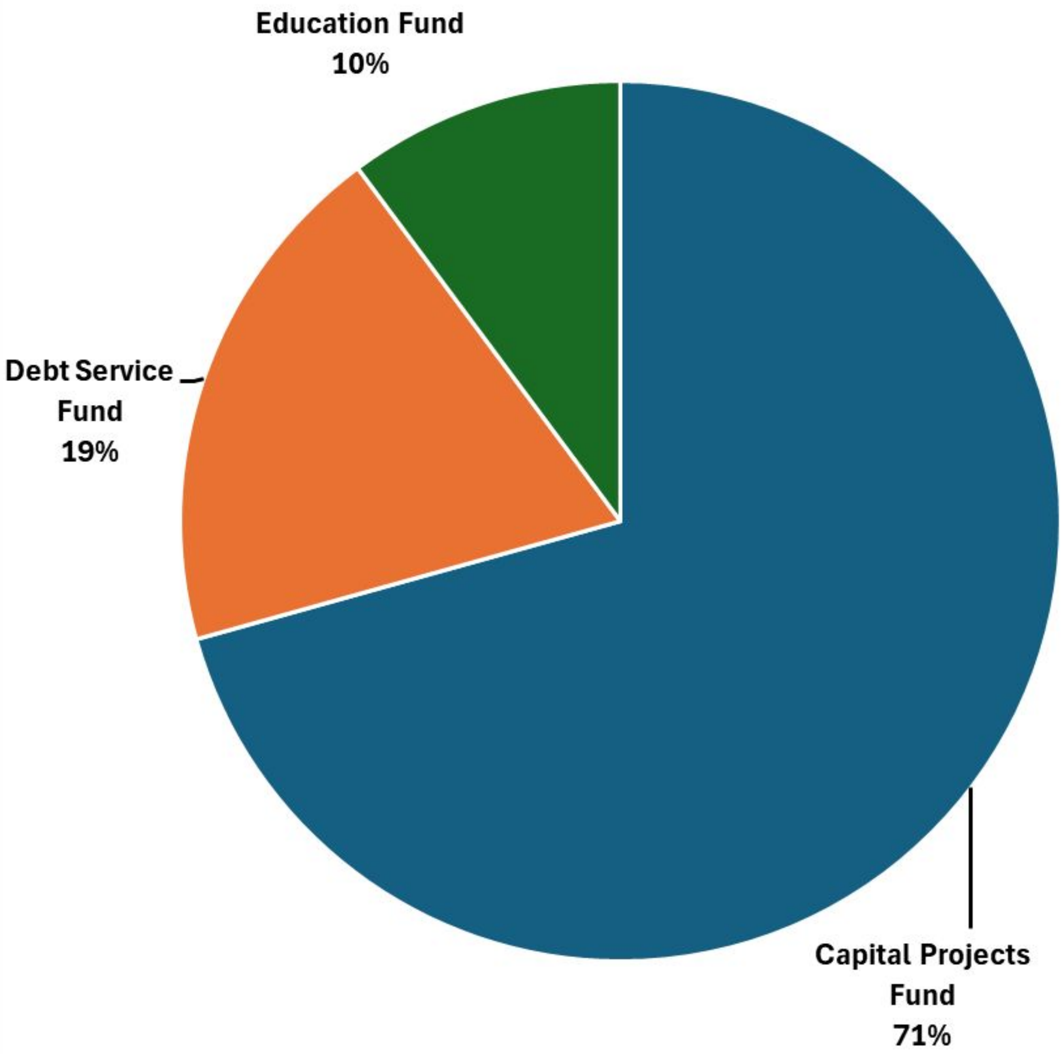
Adjusted Outlook

-$328,375

FY27 Net Change

County Facilities Sales Tax (CFST) Revenue

- The School Facility Sales Tax is estimated to generate $14.6M.
    - $2.8M for abating existing bond payments (Debt Service Fund).
    - $1.5M for SROs, psychologists, social workers and counselors (Educational Fund).
    - $10.3M for capital projects (Capital Projects Fund).

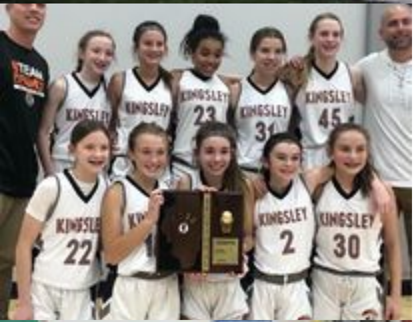


FY 2027 Proposed Budget

Fund	Total Revenue	Total Expenditures	Net Change
Education	184,790,794	169,733,366	15,057,428
Operations & Maintenance	18,567,558	18,364,345	203,213
Transportation	** 19,884,912	20,213,287	-328,375
Tort	6,106,887	6,861,821	-754,934
Debt Service	6,376,613	9,701,513	-3,324,900
Municipal Retirement / SS	5,841,865	6,272,282	-430,417
Capital Projects	10,328,650	12,000,000	-1,671,350
Working Cash	2,752,247	6,000,000	-3,247,753
Fire Prevention & Safety	1,777,247	3,000,000	-1,222,753

*** Operating funds are highlighted in gray.**

**** Includes Working Cash transfer of $6 million.**



McLEAN COUNTY
UNIT 5

Questions?

www.unit5.org

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