



**PROSPECT HEIGHTS DISTRICT 23
BOARD OF EDUCATION
ACTION ITEM**

Date: September 18, 2025

Title: FY2026 Final Budget for Approval

Contact: Amy McPartlin, Assistant Superintendent for Finance & Operations

BACKGROUND:

The fiscal 2025-26 budget has been prepared in conjunction with building principals, directors, assistant superintendent and superintendent, utilizing a zero-based approach.

The budget, as has been the case, is prepared by reviewing the actual expenditures in the District's major operating funds (Education, Operations and Maintenance, Transportation and Working Cash) plus the Debt Service fund, taking into account expenditure alignment with programmatic goals. Amounts have been adjusted for grant related considerations as well as actual FY2025 expenditures and historical spend.

As discussed previously with the Board, the District experienced an approximate 8% increase in health insurance costs through EBC. Salaries have increased in accordance with negotiated agreements, an amount of 2.9% for the 2025-26 school year.

Local property taxes make up approximately 80% of the District's overall revenues. While property tax revenues were back on schedule last year, the 2024 tax year has already been delayed, which may result in lesser than anticipated interest revenues. As estimation and timing continue to stabilize, this budget now reflects tax revenues at 96% within the fiscal year. It takes a largely very conservative approach in both expenditures and revenues. All State and Federal grant payments have been fully allocated.

Budgetary adjustments that were shared with the Board in March have been implemented in this FY2026 Budget. All operating fund line items have been reviewed and discussed with the Finance Committee.

In accordance with the included ISBE FY2026 Budget document, our projected Operating funds (Education, Operations & Maintenance, Transportation & Working Cash) revenues for the 2025-26 budget are currently estimated at \$29,797,790. Projected Operating and expenditures for the 2025-26 budget are currently estimated at \$27,728,935 for a balanced FY2026 Budget.

RECOMMENDED BOARD ACTION:

That the Board of Education approves the proposed 2026 fiscal year budget, as presented.