



McLean County Unit District No. 5

FY 2026 Proposed Budget

August 20, 2025

The Budget Process



July 1, 2025

- New fiscal year begins

August 2025

- CPPRT estimate released by the Illinois Department of Revenue
- Evidence Based Funding released by ISBE
- Notice published in the newspaper for public hearing on tentative budget
- Tentative budget available for public

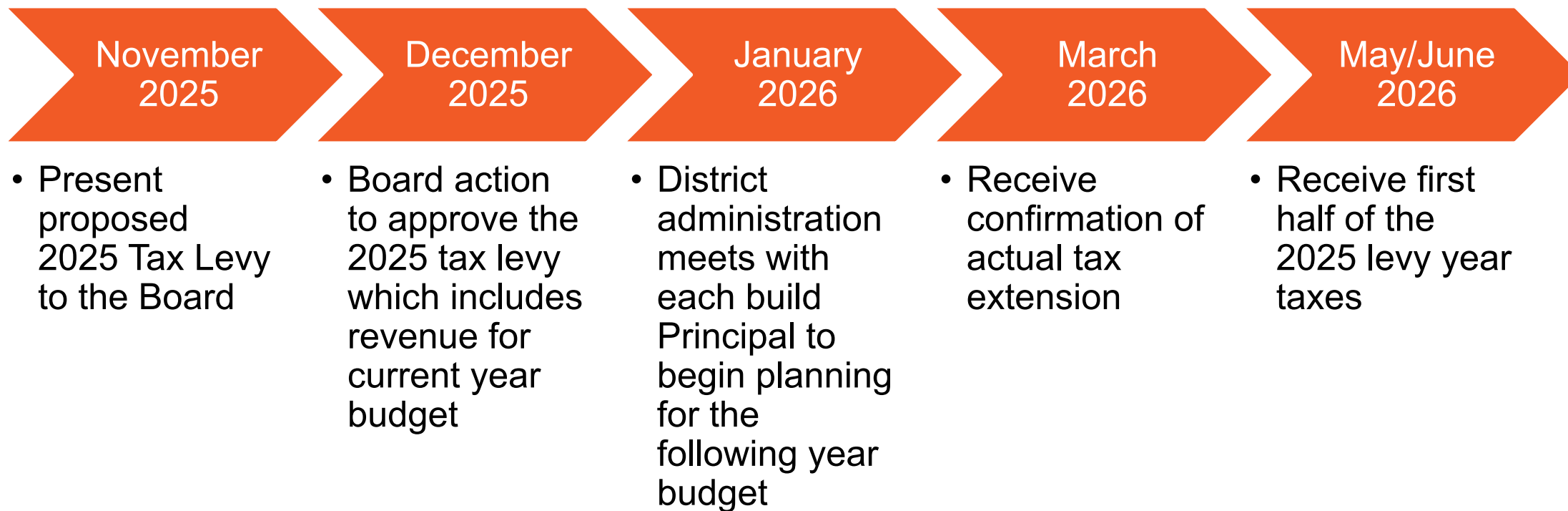
September
2025

- Public hearing on tentative budget
- Board considers adoption of tentative budget

October 2025

- Consult with the County Supervisor of Assessments for guidance on property values

The Budget Process



FY 2025 Unaudited Results



Fund	Total Revenue	Total Expenditures	Net Change
Education	157,147,805	149,763,299	7,384,507
Operations & Maintenance	17,433,527	17,107,778	325,748
Transportation	14,624,427	16,623,647	-1,999,220
Tort	6,601,151	6,415,100	186,051
Debt Service	27,430,225	38,238,627	-10,808,402
Municipal Retirement / SS	5,105,000	5,202,814	-97,814
Capital Projects	0	0	0
Working Cash	3,811,975	1,500,000	2,311,975
Fire Prevention & Safety	11,739,405	2,118,967	9,620,438

* Operating funds are highlighted in gray.

FY 2026 Proposed Budget



FY 2026 Proposed Budget Revenue Mix

Education, Operations & Maintenance, Transportation & Tort Funds

Working Cash Transfer

2.6%

Federal

6.4%

State

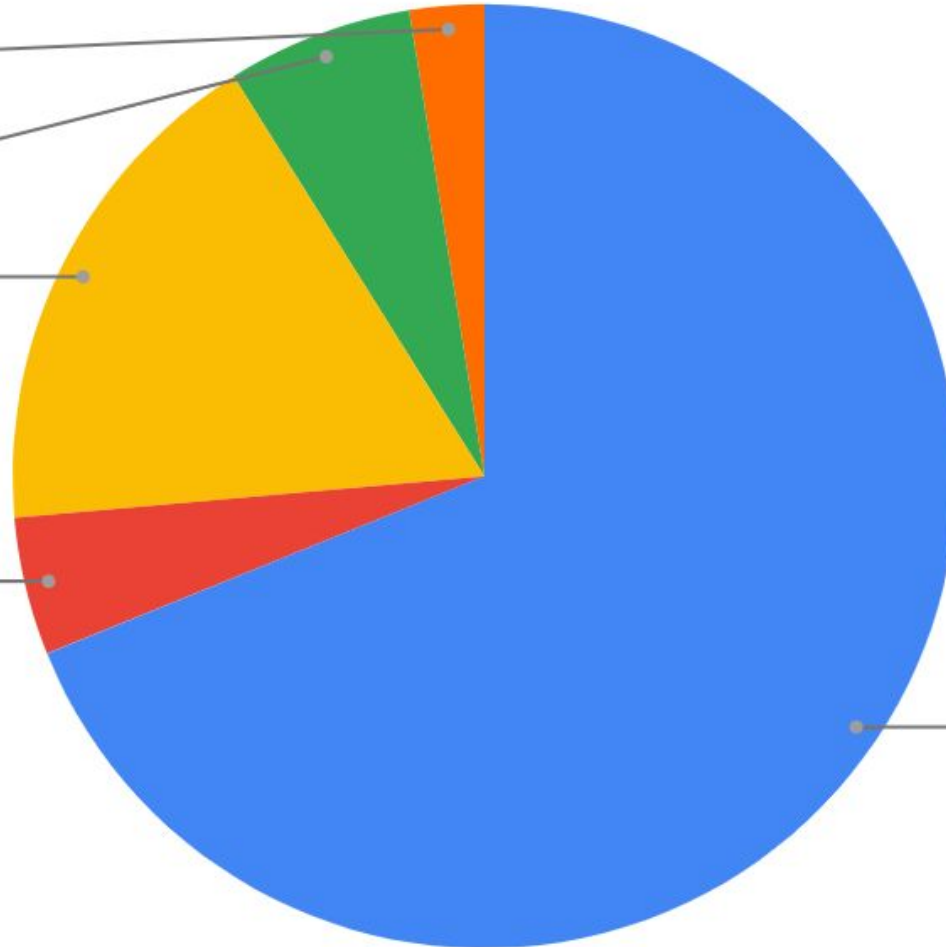
17.5%

Other Local

4.7%

Local Property Taxes

68.9%



FY 2026 Proposed Budget



Major Revenue Assumptions

Education, Operations & Maintenance, Transportation and Tort Funds

Local Revenue

- Property Tax revenue is projected to increase 19% (\$23.8M) from FY 2025.
 - FY 2026 Property Tax revenue is made up of half of the 2024 Levy where EAV actually increased 13.8% and half of the 2024 Levy where EAV is anticipated to increase 8.5%.
- The School Facility Sales Tax is estimated to generate \$9M.
 - \$6.5M for abating existing bond payments (Debt Service Fund).
 - \$1.5M for SROs, psychologists, social workers and counselors (Educational Fund).
 - \$1.0M for future capital projects (Capital Projects Fund).

FY 2026 Proposed Budget



Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

Local Revenue (cont'd)

- Corporate Personal Property Replacement Tax (CPPRT) is projected to increase about 2.1% (\$56K) from FY 2025.
- Student fees revenue is projected to be flat due to no increase in registration fees.

FY 2026 Proposed Budget



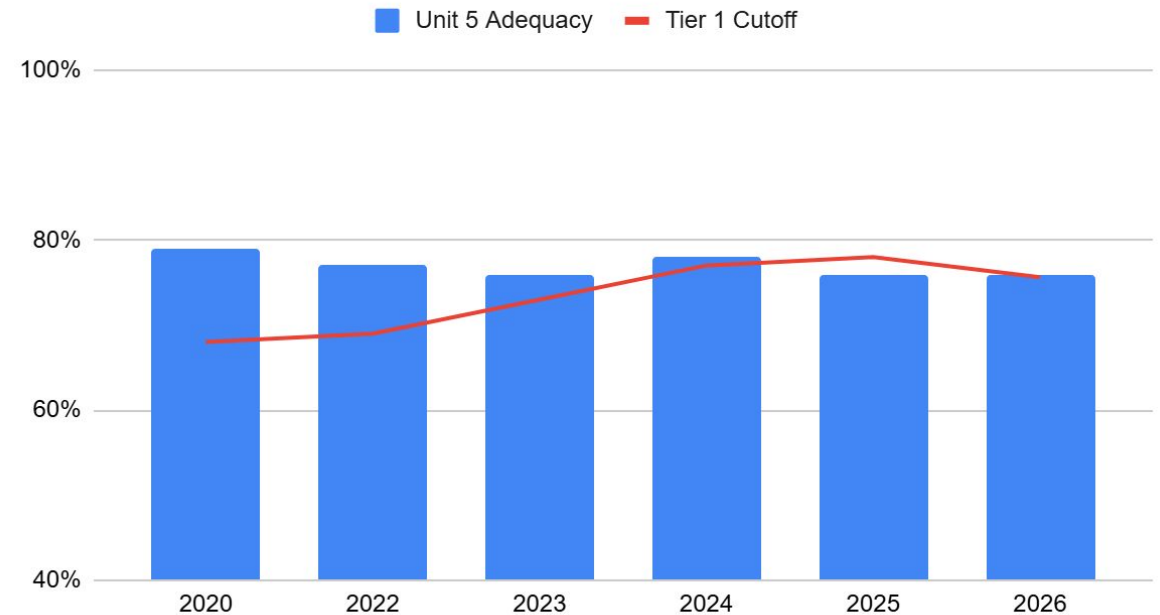
Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

State Revenue

- Evidence Based Funding (EBF) to increase 2.9% (\$714K) from FY 2025.
- The District moved from Tier 1 to Tier 2 for FY 2026. The Tier 1 cutoff for FY 2026 was 75.6% of adequacy; Unit 5 is at 76%

Unit 5 Adequacy & EBF Tier 1 Cutoff



FY 2026 Proposed Budget



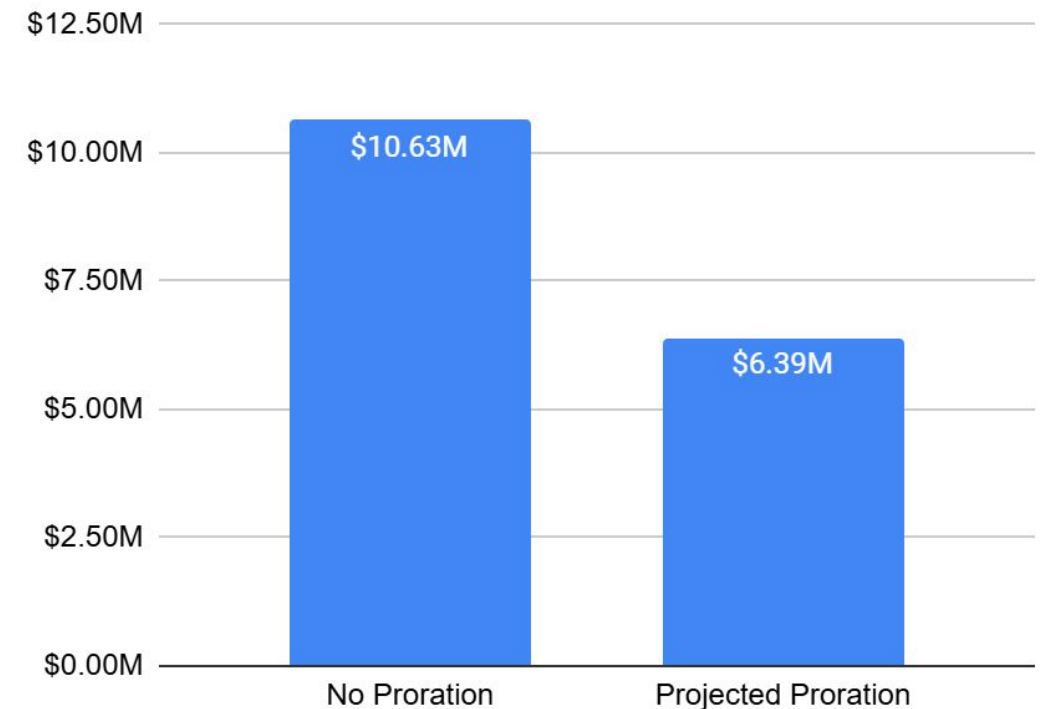
Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

State Revenue (cont'd)

- Transportation revenue is expected to decrease about 8.1% (\$562K) from FY 2025.
- Estimated proration of 73% (79% FY25) for regular ed and 61% (69% FY25) for special ed. Estimated \$4.2M in lost revenue due to proration.
- Final proration from the State will come out sometime in November.

FY 2026 Lost Transportation Revenue from Proration



FY 2026 Proposed Budget



Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

State Revenue (cont'd)

- \$1.4M Illinois EPA grant to purchase 5 electric school buses and chargers.
- There is also a federal EPA grant for \$820K. Both of these grants will cover 97% of the cost of the buses and the chargers.

FY 2026 Proposed Budget



Major Revenue Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

Federal Revenue

- Federal revenue expected to decrease by 22.4% (\$3.1M) from FY 2025.
- This decrease is due to the ESSER grants ending in FY 2025.
- All existing federal grants are expected to be flat for FY 2026.

FY 2026 Proposed Budget



FY 2026 Proposed Budget Expenditure Mix

Education, Operations & Maintenance, Transportation & Tort Funds

Tuition & Other Objects

3.4%

Capital Outlay

4.3%

Supplies

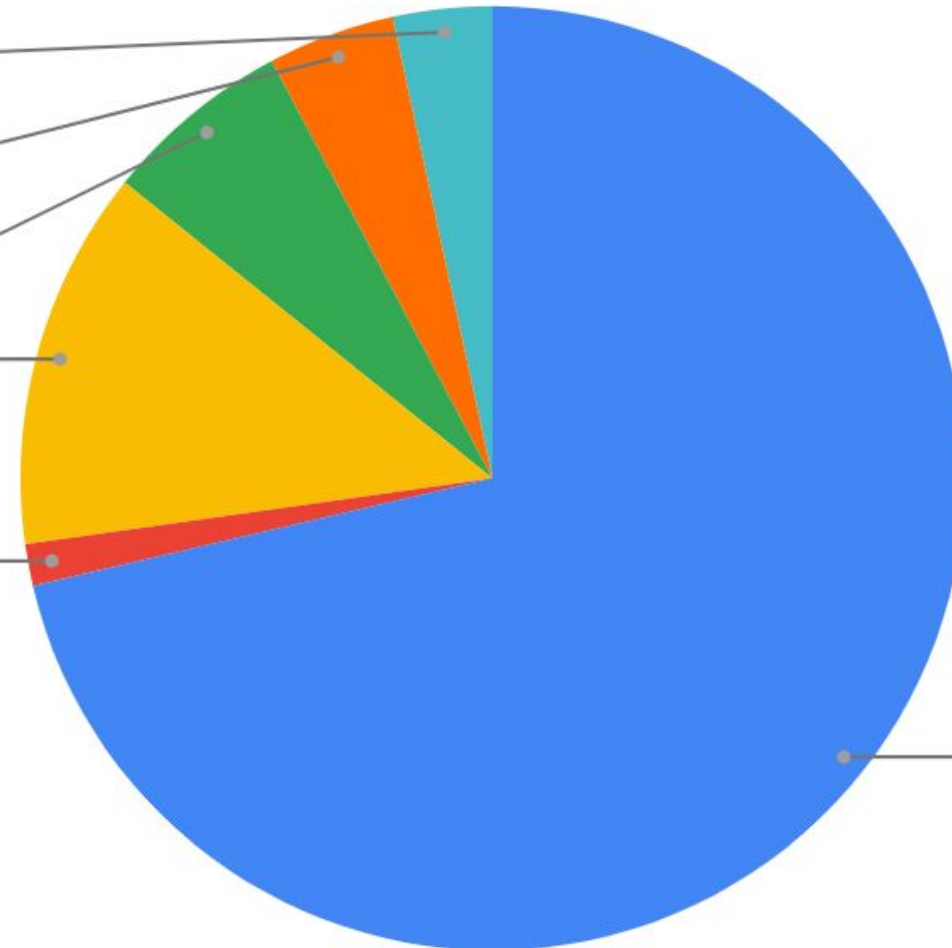
6.5%

Purchased Services

13.0%

Transfers for Capital Leases

1.4%



Salaries & Benefits

71.3%

FY 2026 Proposed Budget



Major Expenditure Assumptions

Education, Operations & Maintenance, Transportation and Tort Funds

Salaries & Benefits

- Salaries are expected to increase 8.8% (\$9.8M) from FY 2025.
- Benefits (primarily health insurance and TRS) are expected to increase 8.0% (\$1.9M) from FY 2025.
- Budget assumes all positions will be filled for the entire year.

FY 2026 Proposed Budget



Major Expenditure Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

Other Expenditures

- Increase Educational Fund department budgets by 8.4% (\$1.1M).
 - Increased food costs
 - Increased special education tuition
 - For funding for technology supplies and services
 - Implementation of electronic timesheets software
- Increase school budgets by 19% (\$217K).
- Increase utility budgets by 9.5% (\$316K) from FY 2025.
- Increase First Student services for transportation by 4% (\$641K) from FY 2025.

FY 2026 Proposed Budget



Major Expenditure Assumptions (cont'd)

Education, Operations & Maintenance, Transportation and Tort Funds

Other Expenditures (cont'd)

- Capital needs & other one-time expenses
 - Cost share of BACC renovation expense
 - New scoreboards in high school gyms
 - New interactive display panels (Smartboards) for the district
 - 5 new electric buses and chargers
 - 13 pre-owned buses
 - 3 new maintenance trucks
 - New bleachers at PJHS

FY 2026 Proposed Budget



Working Cash Transfers

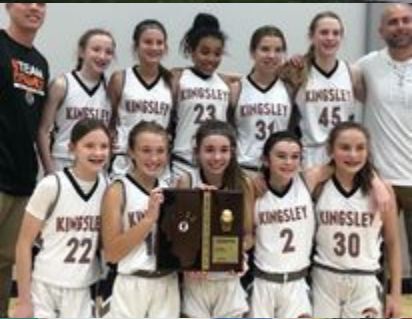
- Transfer \$5.5M to the Transportation Fund.
- \$1.4M for 13 pre-owned buses.
- \$4.1M for operations.

FY 2026 Proposed Budget



Fund	Total Revenue	Total Expenditures	Net Change
Education	172,947,204	164,724,250	8,222,954
Operations & Maintenance	17,544,084	17,225,472	318,612
Transportation	18,537,334	18,469,760	67,574
Tort	6,298,508	6,277,005	21,503
Debt Service	15,976,178	16,914,044	-937,866
Municipal Retirement / SS	4,871,196	5,657,868	-786,672
Capital Projects	1,000,000	0	1,000,000
Working Cash	3,652,133	5,500,000	-1,847,867
Fire Prevention & Safety	874,926	10,000,000	-9,125,074

* Operating funds are highlighted in gray.



Questions?

www.unit5.org

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