



COMMUNITY CONSOLIDATED SCHOOL DISTRICT 15

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Diana McCluskey, Chief School Business Official • Business & Auxiliary Services

DATE: February 9, 2026

TO: Board of Education
Dr. Laurie Heinz, Superintendent of Schools

FROM: Diana McCluskey, Chief School Business Official; Anthony Fashoda, Director of Fiscal Services

RE: 5-Year Financial Forecast

The 5-year forecast presented tonight is the result of many meetings over the last several weeks with our consultant at Forecast 5, with Elizabeth Hennessy, Managing Director at Raymond James, Dr. Laurie Heinz, and the Finance Committee of the Board of Education.

The FY26 Budget numbers have been adjusted, making the revised projected deficit increase from \$6.4M to \$10M to reflect actual health insurance costs coming in over budget and reduced interest income, cost of TAW issuances and loss of investment income, roughly \$2M, due to the delay in Cook County property tax distributions.

Forecasted revenues are based on the December 2025 CPI of 2.7% and then 2.5% in succeeding years. Illinois Evidence-based Funding (EBF) is anticipated to increase each year by \$250,000 based on trend. All other revenues remain flat.

On the expenditure side, FY27 staffing and associated salaries reflect a reduction in 43 FTE that Cabinet identified through careful analysis. Health insurance costs are estimated to increase by 6% for each year moving forward. A new bus replacement schedule is included in Capital Outlay, anticipated between \$800K and \$1M each year. Expenses reflect a 10% cut to department and building budgets for FY27.

Operating fund balance is forecasted between 20% to 23% of operating expenditures over the next 4 years, which is below the recommended 25% the Illinois State Board of Education strongly recommends schools maintain. The team will continue to look for ways to restore fund balance levels to 25% or greater through careful monitoring of revenues and expenditures and ongoing diligence as fiscal stewards of our taxpayers.

Projection Summary 2/9/26

Educational | O & M | Transportation | IMRF / SS | Working Cash | Tort
Palatine CCSD 15

| As of 2/9/26 | BUDGET FY 2026 | PROJECTED FY 2027 | PROJECTED FY 2028 | PROJECTED FY 2029 | PROJECTED FY 2030 | PROJECTED FY 2031 | | | | | |
|---|-----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-------------|----------------------|-------------|----------------------|-------------|
| REVENUE | | | | | | | | | | | |
| Local | \$168,683,715 | \$175,736,099 | 4.2% | \$181,467,351 | 3.3% | \$185,320,154 | 2.1% | \$190,197,096 | 2.6% | \$195,178,191 | 2.6% |
| State | \$24,517,280 | \$24,767,280 | 1.0% | \$25,017,280 | 1.0% | \$25,267,280 | 1.0% | \$25,517,280 | 1.0% | \$25,767,280 | 1.0% |
| Federal | \$11,928,071 | \$11,348,071 | -4.9% | \$11,348,071 | 0.0% | \$11,348,071 | 0.0% | \$11,348,071 | 0.0% | \$11,348,071 | 0.0% |
| Other | \$0 | \$0 | | \$0 | | \$0 | | \$0 | | \$0 | |
| TOTAL REVENUE | \$205,129,066 | \$211,851,450 | 3.3% | \$217,832,702 | 2.8% | \$221,935,505 | 1.9% | \$227,062,447 | 2.3% | \$232,293,542 | 2.3% |
| EXPENDITURES | | | | | | | | | | | |
| Salaries | \$138,299,817 | \$136,700,497 | -1.2% | \$139,412,939 | 2.0% | \$140,899,541 | 1.1% | \$143,824,346 | 2.1% | \$146,829,340 | 2.1% |
| Benefits | \$40,454,414 | \$41,640,420 | 2.9% | \$43,774,336 | 5.1% | \$45,944,086 | 5.0% | \$48,333,594 | 5.2% | \$50,860,145 | 5.2% |
| Purchased Services | \$14,049,301 | \$14,330,287 | 2.0% | \$14,616,892 | 2.0% | \$14,909,230 | 2.0% | \$15,207,415 | 2.0% | \$15,511,563 | 2.0% |
| Supplies And Materials | \$12,004,622 | \$10,244,715 | -14.7% | \$10,449,609 | 2.0% | \$10,658,601 | 2.0% | \$10,871,773 | 2.0% | \$11,089,209 | 2.0% |
| Capital Outlay | \$1,607,400 | \$1,832,400 | 14.0% | \$2,247,400 | 22.6% | \$1,732,400 | -22.9% | \$1,884,900 | 8.8% | \$2,057,400 | 9.2% |
| All Other Objects | \$5,617,305 | \$5,617,305 | 0.0% | \$5,617,305 | 0.0% | \$5,617,305 | 0.0% | \$5,617,305 | 0.0% | \$5,617,305 | 0.0% |
| TOTAL EXPENDITURES | \$212,032,859 | \$210,365,623 | -0.8% | \$216,118,482 | 2.7% | \$219,761,163 | 1.7% | \$225,739,333 | 2.7% | \$231,964,962 | 2.8% |
| SURPLUS / DEFICIT | (\$6,903,792) | \$1,485,827 | | \$1,714,220 | | \$2,174,342 | | \$1,323,114 | | \$328,580 | |
| OTHER FINANCING SOURCES / USES | | | | | | | | | | | |
| Other Financing Sources | \$6,000,000 | \$6,700,000 | | \$5,000,000 | | \$5,000,000 | | \$5,000,000 | | \$5,000,000 | |
| Other Financing Uses | (\$9,180,000) | (\$9,880,000) | | (\$8,180,000) | | (\$8,180,000) | | (\$8,180,000) | | (\$8,180,000) | |
| TOTAL OTHER FIN. SOURCES / USES | (\$3,180,000) | (\$3,180,000) | | (\$3,180,000) | | (\$3,180,000) | | (\$3,180,000) | | (\$3,180,000) | |
| SURPLUS/DEFICIT INCL. OTHER FIN. SOURCES | (\$10,083,792) | (\$1,694,173) | | (\$1,465,780) | | (\$1,005,658) | | (\$1,856,886) | | (\$2,851,420) | |
| BEGINNING FUND BALANCE | \$58,165,222 | \$48,081,430 | | \$46,387,256 | | \$44,921,476 | | \$43,915,818 | | \$42,058,932 | |
| AUDIT ADJUSTMENTS TO FUND BALANCE | \$0 | \$0 | | \$0 | | \$0 | | \$0 | | \$0 | |
| PROJECTED YEAR END BALANCE | \$48,081,430 | \$46,387,256 | | \$44,921,476 | | \$43,915,818 | | \$42,058,932 | | \$39,207,512 | |
| FUND BALANCE AS % OF EXPENDITURES | 23% | 22% | | 21% | | 20% | | 19% | | 17% | |
| FUND BALANCE AS # OF MONTHS OF EXPEND. | 2.72 | 2.65 | | 2.49 | | 2.40 | | 2.24 | | 2.03 | |

Fund Balances - Historical and Projected 2/9/26

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