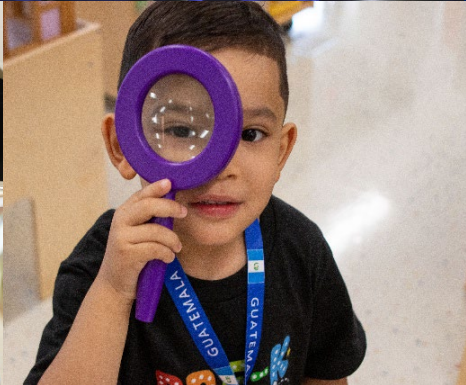




SCHOOL DISTRICT U-46

Kane, Cook and DuPage Counties, Illinois



Fiscal Year 2026 ANNUAL BUDGET

Presented to the Board of Education September 22, 2025



355 E. Chicago Street
Elgin, IL 60120
www.u-46.org

SCHOOL DISTRICT U-46

Kane, Cook and DuPage Counties,
Illinois

Fiscal Year 2026 TENTATIVE BUDGET

MISSION: U-46 will be a great place for all students to learn, all teachers to teach, and all employees to work. All means all.



School District U-46

355 E Chicago Street | Elgin, Illinois 60120 | P: (847) 888-5000

For more information, visit the District website at: www.u-46.org

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EXECUTIVE SUMMARY





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School District U-46

Dr. Frank Williams, Assistant Superintendent of Finance
Financial Services
355 E. Chicago St., Elgin, IL 60120-6543
Tel: 847.888.5000 x5765
Fax: 847.608.2777

Dr. Suzanne Johnson, Superintendent

www.u-46.org

September 22, 2025

Melissa Owens, President
Members of the Board of Education
and Community Residents of
School District U-46
Elgin, Illinois 60120

We are pleased to share the Fiscal Year 2026 (FY26) Budget for School District U-46, serving communities across Cook, Kane, and DuPage counties. The FY26 budget includes the period from July 1, 2025, through June 30, 2026, corresponding with the 2025–26 school year. This budget has been prepared on a modified accrual basis, consistent with the accounting method applied in the District’s governmental fund audited financial statements.

This budget is closely aligned with the new Strategic Plan, promising to create a safe, caring environment where every student feels a sense of belonging and joy in learning. This promise guides every decision we make, ensuring each student is not only supported but also empowered and prepared for a successful future.

The FY26 budget reflects a comparison to the FY25 budget, as final figures for FY25 will not be available until the completion of the audit. We project a slight decrease in total revenue for FY26 of 0.8% or \$685,330. Categorical payments are budgeted for four quarterly payments, consistent with past timely receipts. Evidence-Based Funding (EBF) remains our second largest revenue source, with the state approving a \$4.8 million increase for FY26.

Expenditures are expected to rise by \$106.1 million over the FY25 budget, with salaries and capital outlays representing the largest portion of this increase at \$56.7 million and \$52.7 million, respectively. This is driven by additional building projects, the continuation of the Unite U-46 projects, the adoption of new curricula, and salaries and benefits. Salaries and benefits together are budgeted to rise by \$60.4 million, or 11.9%, largely due to contractual salary obligations along with the associated pension and taxes as well as a projected increase in medical, dental, and vision benefits.

For FY26, we anticipate total revenues of \$819.4 million and expenditures of \$963.2 million. In support of our facilities and learning environment, the community approved the District’s \$179.0 million bond proposal on April 4, 2023, which will not result in a tax rate increase. In February 2024 and February 2025, the District issued \$62.1 million and \$62.0 million respectively for the bond referendum. The District will issue the remaining \$56.9 million in FY26, consistent with the Unite U-46 campaign’s commitment to maintaining a stable tax rate.



Dr. Suzanne Johnson, Superintendent

www.u-46.org

As we move forward, we remain cautious in our investments, given the uncertainties surrounding property tax limits, state pension reform, and state revenue. This budget assumes pension costs will remain unchanged for FY26, though discussions continue at the state level. Any potential shift in pension costs could have an impact on future budgets, which we are unable to predict at this time.

Our FY26 budget is focused on building strong early academic and social-emotional foundations, ensuring safety and a true sense of belonging, promoting continuous academic growth and mastery, and preparing students to confidently engage in a diverse, evolving world. These goals guide our work and reflect our unwavering commitment to student success at every stage.

This budget serves nearly 34,000 students, with a focus on equitable resource distribution and fostering academic growth from Pre-K through 12th grade. We are grateful for the dedication of U-46 staff in providing the highest-quality learning environment for our students.

With the General Assembly's approval of increased Evidence-Based Funding (EBF), we are able to make thoughtful, long-term investments in areas that directly strengthen student learning and the overall educational experience. This additional funding allows us to focus on upgrading our facilities so that all students have access to safe, modern, and welcoming spaces that support both academic and social growth. It also provides opportunities to expand professional learning for our team members, ensuring they have access to the latest strategies and tools to promote student success and meet diverse learning needs.

In addition, the increase in EBF funding supports the District's transition to a middle school model, enabling grade reconfiguration and enhancing the middle school experience with programs designed to foster both academic and social-emotional growth during these pivotal years. The funds will also expand instructional opportunities by strengthening elementary curriculum in areas such as science, art, music, and physical education, while broadening the range of electives available to secondary students. These expanded electives will give students greater opportunities to explore their passions, develop essential skills, and prepare for future academic and career pathways. Ultimately, this investment ensures our students receive a well-rounded, high-quality education that equips them for success beyond the classroom.

U-46 is firmly committed to supporting the social-emotional well-being of our students, understanding that emotional health is essential to both academic success and personal growth. To uphold this commitment, we rely on dedicated teacher leaders, school counselors, and social workers who collaborate to foster supportive learning environments across all schools. These professionals provide targeted interventions, guidance, and emotional support, helping students overcome challenges and develop critical life skills.



School District U-46

Dr. Frank Williams, Assistant Superintendent of Finance
Financial Services
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Tel: 847.888.5000 x5765
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Dr. Suzanne Johnson, Superintendent

www.u-46.org

Through the U-46 Rising, we will continue advancing instructional improvement across all 55 schools by strengthening academic teaming. This student-centered approach empowers small groups of learners to collaborate toward shared academic goals, promoting standards-based learning.

We are proud to continue serving nearly 12,200 students through our Dual Language program—one of the largest in the nation—helping students develop bilingualism and biliteracy. U-46 will also maintain its partnership with Elgin Community College to provide a full-time Dual Credit program for juniors and seniors. In May 2025, 60 students graduated from this program, with 44 earning both their high school diploma and an associate's degree.

During the 2024-25 school year, the District will continue its Unite U-46 community engagement initiative, which aims to develop recommendations to support the Board of Education's long-term vision. This vision includes transitioning middle schools to serve grades 6 through 8, expanding early childhood opportunities, and renovating or retiring older buildings to ensure equitable access to learning environments. This work will be coordinated with the Community Advisory Council, particularly on matters related to new attendance boundaries.

This budget reflects our dedication to making sure all U-46 Graduates are: empowered leaders, inquisitive thinkers, collaborative communicators, tenacious learners, and global change agents. These qualities reflect not just academic readiness, but the skills and mindsets needed to thrive in an ever-changing world. It's our collective responsibility to nurture these traits from the earliest grades through graduation. We will invest federal, state, and local resources to make this vision a reality for every U-46 student. I extend my heartfelt appreciation to our Board of Education for their commitment, time, and effort in serving our communities, families, staff, and students.

Sincerely,

A handwritten signature in black ink that reads 'Suzanne Johnson'.

Dr. Suzanne Johnson
Superintendent

ADOPTED BUDGET

July 1, 2025 – June 30, 2026

Board of Education

Melissa Owens, President
Kate Thommes, Vice President
Chanda Schwartz, Secretary Pro-Tempore
Sue Kerr, Member
Samreen Khan, Member
Dawn Martin, Member
Veronica Noland, Member
Dhanvi Dhandapani, Student Advisor

Superintendent and Executive Staff

Dr. Suzanne Johnson, Superintendent
Trisha Olson, Chief Legal Officer
Lela Majstorovic, Deputy Superintendent, Instruction
Dr. Ann Williams, Deputy Superintendent of Operations and Treasurer
Dr. Kyle VonSchnase, Deputy Superintendent of Operations
Brian Lindholm, Chief of Staff
Mark Moore, Assistant Superintendent, Human Resources
Dr. Annette Acevedo, Assistant Superintendent, Schools
Brian Tennison, Assistant Superintendent, Teaching and Learning
Dr. Leatrice Satterwhite, Assistant Superintendent, Equity and Innovation
Robyn Cornelissen, Executive Director, Finance

Official Issuing Report

Robyn Cornelissen, Executive Director of Finance

Division Issuing Report

Financial Services

Robyn Cornelissen, Executive Director of Finance
Trinette Gardner, Financial Comptroller
Diane Belton, Payroll Coordinator
Sara McGregor, Accounts Payable Manager
Christopher Martinez, Senior Accountant
Paz Pamatmat, Financial Analyst
Nancy Mercadante-Nelson, General Accountant
Berenice Toppel, Accounting Assistant

MAJOR GOALS AND OBJECTIVES

The Board of Education firmly believes that education should be driven by clear purposes rather than external pressures. As a result, the educational system in School District U-46 is designed to remain adaptable and flexible in response to an ever-evolving society. The District is dedicated to fostering the comprehensive personal development of every student, encouraging them to reach their full potential based on their unique abilities and interests. This is achieved through a thoughtfully coordinated curriculum that accommodates individual differences and promotes a sequential path to growth. The District’s strategic plan reflects the shared vision and values of U-46 employees, parents, students, and community members who contributed to its development. U-46 is committed to keeping the community informed as it continues to implement this plan for the benefit of the nearly 34,000 students and their families

School District U-46 developed its 2025–2030 Strategic Plan through a highly collaborative process. The district prioritized alignment—bringing people, programs, and structures together around a shared purpose—while also ensuring that diverse voices shaped the work. To achieve this, U-46 engaged a wide range of stakeholders, including students, families, instructional staff, administrators, community organizations, and the Board of Education. Input was collected through surveys, forums, focus groups, and structured planning sessions. Multiple teams were established to guide different aspects of the process, such as the Student Voice Team, Core Planning Team, Instructional Focus Team, Principals/Administrators Team, Alignment Team, Superintendent’s Leadership Team, and the Board. Over the course of 37 planning sessions between August 2024 and March 2025, participants contributed feedback, identified priorities, and helped ensure the plan reflected the needs and aspirations of the entire school community. This structured engagement process provided a foundation of unity, inclusivity, and shared commitment for the strategic direction of the district

We promise a safe, caring environment where every student experiences the joy of learning and is empowered and prepared for a successful future.

PORTRAIT OF A U-46 GRADUATE

Empowered Leader	Inquisitive Thinker	Collaborative Communicator	Tenacious Learner	Global Change Agent
<ul style="list-style-type: none"> » Sets goals, works hard, and takes accountability » Accepts responsibilities and challenges with integrity » Strives to reach their best and leads by example 	<ul style="list-style-type: none"> » Thinks critically, asks questions, and analyzes evidence from multiple perspectives » Approaches complex issues with curiosity and creativity » Generates innovative solutions to solve problems 	<ul style="list-style-type: none"> » Listens actively to understand the perspectives of others » Communicates ideas effectively using diverse methods » Builds trusting relationships and contributes to team success 	<ul style="list-style-type: none"> » Holds vision for future success and strives for continuous academic growth » Values feedback and learns from experience » Demonstrates resilience in the face of challenges 	<ul style="list-style-type: none"> » Embraces cultural and linguistic assets of self and others » Advocates for the wellbeing of self, others, and the environment » Takes action to advance fairness and justice for all

ELGIN, ILLINOIS
MARCH 2025

SIGNATURE STRATEGIES



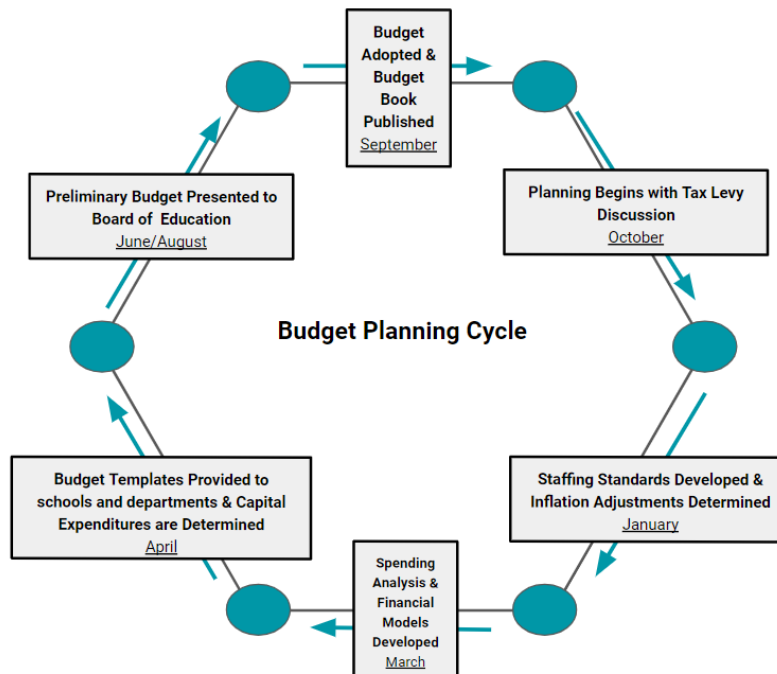
STRATEGIES FOR GOAL #1	STRATEGIES FOR GOAL #2	STRATEGIES FOR GOAL #3	STRATEGIES FOR GOAL #4
<ul style="list-style-type: none"> 1.1 Increase participation in birth-to-3 programming and pre-K classrooms across U-46 1.2 Prioritize literacy, numeracy, and student wellness in professional learning 1.3 Strengthen the home-school connection by providing families with skills and access to community resources 	<ul style="list-style-type: none"> 2.1 Nurture the social-emotional health and wellbeing of students and staff 2.2 Cultivate a sense of belonging and community for students, staff, and families 2.3 Embrace student voice and responsibility to foster a climate of personal and emotional safety 	<ul style="list-style-type: none"> 3.1 Ensure curriculum, resources, and assessments are standards-aligned, high quality, and relevant 3.2 Provide continuous professional learning to strengthen authentic student engagement 3.3 Use common assessment data to guide instruction, enrichment, and intervention across grade levels 	<ul style="list-style-type: none"> 4.1 Engage students in meaningful college, career and life experiences 4.2 Design grade-level, real-world connections to the <i>Portrait of a Graduate</i> competencies 4.3 Develop individualized plans to support each student's academic, career, and personal goals

BUDGET PROCESS

Annual budgets are adopted for all governmental fund types using the modified accrual basis of accounting, consistent with Generally Accepted Accounting Principles (GAAP). This approach ensures that the District's financial management aligns with standard accounting practices. Additionally, the District has implemented a system that tracks and measures the uncommitted budget amounts available for expenditures throughout the fiscal year, allowing for careful monitoring and fiscal responsibility. All appropriations lapse at the end of the fiscal year on June 30, and any outstanding encumbrances are canceled at that time to ensure a clean transition into the next fiscal period.

The appropriated budget is structured by fund, function, and object, ensuring detailed and organized financial planning. The Board of Education has the authority to transfer funds between functions within a given fund, provided that these transfers do not exceed 10.0% of the total fund. Should the total budget require amendments, the Board follows the same procedures used for adopting the original budget. The legal level of budgetary control is maintained at the fund level.

In June, the Financial Services Department submits a proposed budget for the upcoming school year to the Finance Committee and the Board of Education. Throughout the months of July and August, adjustments are made as more details start to emerge for revenues and expenditures. Following a review of the proposed budget, the Board holds a public hearing to gather community input. The proposed budget is then finalized and recommended for adoption. This process also encompasses budgeting for capital expenditures.



2026 BUDGET TIMELINE

- Spending analysis occurs analyzing spending at all school levels and departments. Financial models are developed using the outcome of the analysis in preparation for budget templates. March
- Financial Services team collaborates with schools and departments to establish budget priorities April
- Board Finance Committee Meeting – FY 2025 Tentative Budget discussed June 16
- Tentative Budget is presented to the Board of Education June 16
- Present the *Resolution for Display of and Public Hearing on Budget* June 16
- Adopt the *Resolution for Display of and Public Hearing on Budget* July 21
- Newspaper notice published for display of budget (must be published at least 30 days prior to public hearing) August 7
- Public Hearing of Board of Education held for Budget and Present *Resolution for Approval of Budget - ISBE form* (Work Session) September 8
- Adoption of Final Budget (must be adopted by September 30) Resolution/ISBE form, Certification of Budget, and Certification Estimate of Revenues are signed Budget is posted on U-46 website immediately after approval September 22
- Certified Adopted Budget filed with County Clerks Certified Adopted Budget filed with ROE Adopted Budget submitted electronically to ISBE including Report of Vendors Contracts of \$1,000 or More (must be filed/submitted within 30 days of adoption) September 23

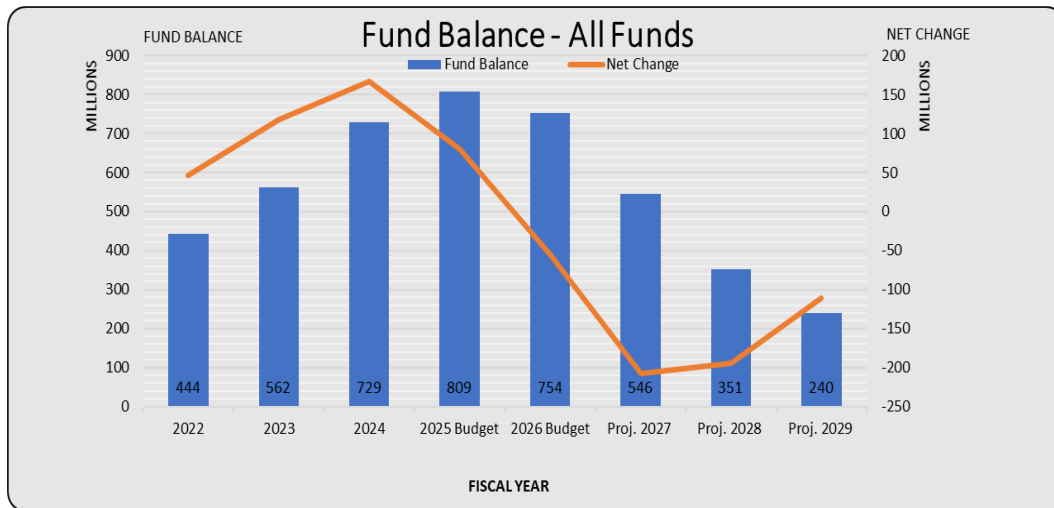
All Funds

Revenues, Expenditures and Changes in Fund Balance Revenue by Source / Expenditures by Object

All Governmental Funds									
Revenues By Source and Expenditures By Object									
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	
REVENUES									
Local Sources	\$341,785,202	\$373,407,222	\$408,246,561	\$412,870,244	\$439,973,915	\$452,616,488	\$463,835,291	\$476,536,562	
State Sources	\$251,832,057	\$275,324,348	\$312,406,102	\$335,859,454	\$342,196,915	\$353,640,867	\$365,091,243	\$376,548,167	
Federal Sources	\$68,571,487	\$103,430,767	\$56,707,202	\$71,371,506	\$37,245,044	\$37,399,304	\$37,555,107	\$37,712,467	
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUES	\$652,188,746	\$752,162,337	\$777,359,865	\$820,101,204	\$819,415,874	\$843,656,658	\$866,481,640	\$890,797,196	
EXPENDITURES									
Salary	\$323,606,418	\$335,123,007	\$361,848,368	\$383,305,092	\$439,979,764	\$450,923,484	\$461,590,712	\$472,540,942	
Employee Benefits	\$102,937,457	\$104,598,377	\$107,722,371	\$121,087,623	\$124,868,383	\$127,986,276	\$131,166,939	\$134,478,911	
Purchased Services	\$53,763,620	\$59,512,016	\$62,881,891	\$82,407,683	\$81,279,103	\$82,904,685	\$84,562,779	\$86,254,034	
Supplies and Materials	\$34,887,530	\$38,827,092	\$43,426,837	\$76,846,718	\$67,186,697	\$68,530,431	\$69,901,040	\$71,299,060	
Capital Outlay	\$26,182,218	\$34,467,405	\$45,304,607	\$133,859,103	\$186,538,635	\$257,583,296	\$249,628,850	\$172,675,316	
Other Objects	\$54,630,218	\$67,449,242	\$52,835,595	\$48,628,880	\$51,165,665	\$51,690,149	\$51,523,976	\$51,742,727	
Non-Capitalized Equipment	\$9,126,456	\$6,189,418	\$3,112,160	\$10,605,294	\$10,671,363	\$10,884,790	\$11,102,486	\$11,324,536	
Termination Benefits	\$368,252	\$250,000	\$637,336	\$295,000	\$0	\$0	\$0	\$0	
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$1,480,890	\$1,480,890	\$1,480,890	\$1,480,890	
TOTAL EXPENDITURES	\$605,501,868	\$636,416,557	\$677,769,165	\$857,035,394	\$963,170,500	\$1,051,984,001	\$1,060,957,672	\$1,001,796,416	
SURPLUS/(DEFICIT)	\$46,686,877	\$115,745,780	\$99,590,700	(\$36,934,190)	(\$143,754,626)	(\$208,327,343)	(\$194,476,032)	(\$110,999,219)	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$30,984,947	\$75,196,450	\$223,990,343	\$142,000,000	\$173,504,629	\$97,756,429	\$116,017,494	\$84,631,429	
Other Financing Uses	(\$30,765,268)	(\$72,717,067)	(\$156,827,636)	(\$25,000,000)	(\$64,631,429)	(\$97,396,318)	(\$116,017,494)	(\$64,631,429)	
TOTAL OTHER FINANCING SOURCES/(USES)	\$219,679	\$2,479,383	\$67,162,707	\$117,000,000	\$88,873,200	\$360,111	\$0	\$0	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$46,906,556	\$118,225,163	\$166,753,407	\$80,065,810	(\$54,881,426)	(\$207,967,232)	(\$194,476,032)	(\$110,999,219)	
BEGINNING FUND BALANCE	\$396,622,208	\$443,528,764	\$561,753,927	\$728,507,364	\$808,573,174	\$753,691,749	\$545,724,517	\$351,248,485	
ENDING FUND BALANCE	\$443,528,764	\$561,753,927	\$728,507,334	\$808,573,174	\$753,691,749	\$545,724,517	\$351,248,485	\$240,249,266	
FUND BALANCE AS % OF EXPENDITURES	73.25%	88.27%	107.49%	94.35%	78.25%	51.88%	33.11%	23.98%	
FUND BALANCE AS % OF MONTHS OF EXPENDITURES	8.79	10.59	12.90	11.32	9.39	6.23	3.97	2.88	

*Please note: The data presented in the budget book reflects the FY25 budget in comparison to the FY26 budget and includes unaudited financial information in certain areas.

FORECAST ASSUMPTIONS FOR ALL



For the forecast years, the Consumer Price Index (CPI) is projected to rise by 2.6% annually, with the Equalized Assessed Valuation (EAV) for each levy year also expected to grow at an average of 3.0% annually.

In terms of revenue, property tax collections are forecasted to grow by 4.5%, and state revenue is expected to increase by 1.9%. However, federal funding is expected to decline by 54.3% as the Elementary and Secondary School Emergency Relief (ESSER) funds expired in FY25.

On the expenditure side, salaries are projected to rise by approximately 14.8% annually, driven by existing contracts and current negotiations, with minimal changes in full-time equivalent (FTE) staffing levels. Benefits are forecasted to increase by 2.6% each year. Purchased services and supplies will remain steady, only slightly declining by \$1.1 million. Capital outlay will see a notable increase due to the ongoing Unite U-46 capital construction projects. Hawk Hollow, the new middle school in Bartlett, opened its doors to 7th grade students for the 25-26 school year. Construction to build two new schools in Elgin as well as additions and renovations to existing school buildings began in FY25 and are continuing through FY26, with the bulk of the construction expenses budgeted in this upcoming year. Additionally, the district remains committed to its Unite U-46 initiative by raising its capital maintenance budget by \$10.0 million annually.

All Operating Funds

Revenues, Expenditures and Changes in Fund Balance

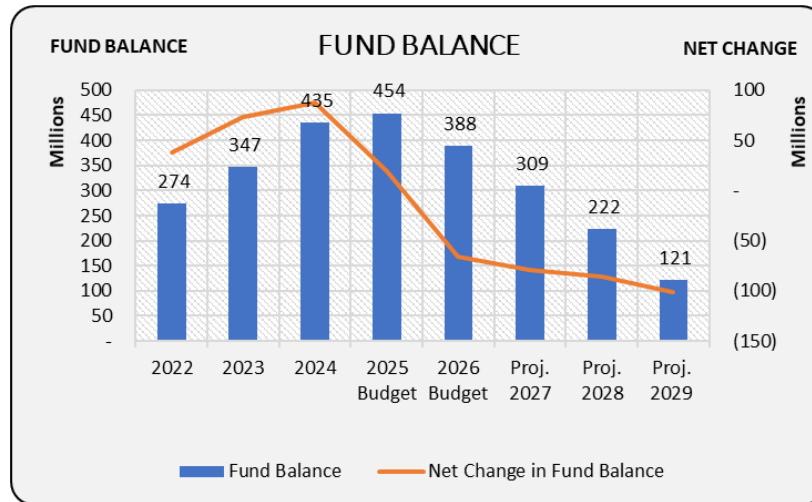
Revenue by Source / Expenditures by Object

Operating Funds

Revenues By Source and Expenditures By Object

	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029
REVENUES								
Local Sources	\$274,851,125	\$291,619,119	\$315,620,532	\$323,556,493	\$345,722,891	\$355,196,291	\$366,439,189	\$378,006,656
State Sources	\$251,832,057	\$275,324,348	\$312,406,102	\$335,859,454	\$335,196,915	\$345,040,867	\$356,591,243	\$368,048,167
Federal Sources	\$58,571,487	\$103,430,767	\$56,707,202	\$71,371,506	\$37,245,044	\$37,399,304	\$37,555,107	\$37,712,467
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$585,254,669	\$670,374,234	\$684,733,836	\$730,787,453	\$718,164,850	\$739,236,462	\$760,585,538	\$783,767,290
EXPENDITURES								
Salary	\$323,310,670	\$334,771,541	\$361,402,630	\$382,845,745	\$439,537,579	\$450,456,979	\$461,109,046	\$472,043,621
Employee Benefits	\$86,495,483	\$88,307,793	\$92,024,640	\$102,839,324	\$104,156,140	\$106,757,475	\$109,435,333	\$112,231,144
Purchased Services	\$47,894,491	\$54,432,166	\$52,586,140	\$75,175,901	\$74,472,848	\$75,962,305	\$77,481,551	\$79,031,182
Supplies and Materials	\$34,887,530	\$38,827,092	\$43,426,837	\$76,846,718	\$67,186,697	\$68,530,431	\$69,901,040	\$71,299,060
Capital Outlay	\$24,348,988	\$31,420,588	\$27,285,402	\$47,359,103	\$49,538,635	\$66,583,296	\$59,628,850	\$64,675,316
Other Objects	\$11,375,324	\$14,655,734	\$19,948,151	\$16,096,500	\$18,629,261	\$18,997,742	\$19,373,593	\$19,756,961
Non-Capitalized Equipment	\$9,126,456	\$6,189,418	\$3,112,160	\$10,605,294	\$10,671,363	\$10,884,790	\$11,102,486	\$11,324,536
Termination Benefits	\$368,252	\$250,000	\$637,336	\$295,000	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$537,807,194	\$568,854,332	\$600,423,296	\$712,063,585	\$764,192,523	\$798,173,019	\$808,031,899	\$830,361,819
SURPLUS/(DEFICIT)	\$47,447,475	\$101,519,902	\$84,310,540	\$18,723,868	(\$46,027,673)	(\$59,936,557)	(\$47,446,361)	(\$46,594,529)
OTHER FINANCING SOURCES/(USES)								
Other Financing Sources	\$343,525	\$17,462,854	\$3,895,357	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	(\$10,133,985)	(\$45,528,596)	\$0	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)
TOTAL OTHER FINANCING SOURCES/(USES)	(\$9,790,460)	(\$28,065,742)	\$3,895,357	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$37,657,015	\$73,454,160	\$88,205,897	\$18,723,868	(\$65,659,102)	(\$79,567,986)	(\$86,338,855)	(\$101,225,958)
BEGINNING FUND BALANCE	\$235,928,202	\$273,585,217	\$347,039,377	\$435,245,274	\$453,969,142	\$388,310,040	\$308,742,054	\$222,403,199
ENDING FUND BALANCE	\$273,585,217	\$347,039,377	\$435,245,274	\$453,969,142	\$388,310,040	\$308,742,054	\$222,403,199	\$121,177,241
FUND BALANCE AS % OF EXPENDITURES	50.87%	61.01%	72.49%	63.75%	50.81%	38.68%	27.52%	14.59%
FUND BALANCE AS % OF MONTHS OF EXPENDITURES	6.10	7.32	8.70	7.65	6.10	4.64	3.30	1.75

FORECAST ASSUMPTIONS FOR OPERATING



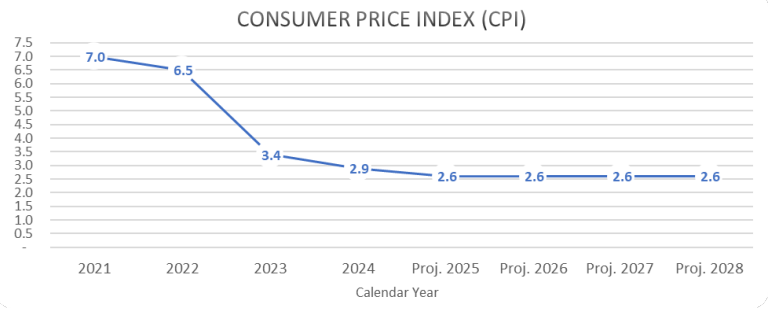
For the forecasted years, the Consumer Price Index (CPI) is expected to rise by 2.6%, while the Equalized Assessed Valuation (EAV) for each levy year is projected to increase by an average of 3.0% annually.

In terms of revenue, property tax collections are forecasted to grow by 5.6%, and state revenue is expected to decrease slightly by 0.2% or \$662,539. Federal funding will decline by 54.0% as the Elementary and Secondary School Emergency Relief (ESSER) funds expired in FY25.

On the expenditure side, salaries are projected to rise by approximately 14.8% annually, driven by existing contracts and current negotiations, with anticipated changes in full-time equivalent (FTE) staffing levels in relation to instructional needs. Benefits are forecasted to increase by 2.6% each year. Purchased services and supplies will remain steady, declining only slightly by 0.09% in comparison to last year. Capital outlay will see an increase due to the ongoing Unite U-46 capital construction projects. Hawk Hollow, the new middle school in Bartlett, opened its doors to 7th grade students for the 25-26 school year. Construction to build two new schools in Elgin as well as additions and renovations to existing school buildings began in FY25 and are continuing through FY26, with the bulk of the construction expenses budgeted in this upcoming year. Additionally, the district remains committed to its Unite U-46 initiative by raising its capital maintenance budget by \$10.0 million annually.

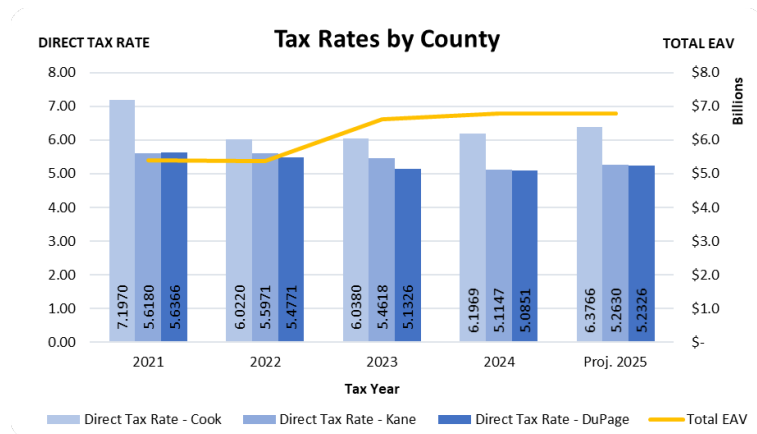
SIGNIFICANT REVENUE TRENDS

Property taxes represent the District's largest source of revenue, accounting for 47.0% of the total revenue received. Property tax revenue can grow based on the rate of inflation, as well as additional revenue generated from new construction and properties entering the tax rolls, such as those from expiring Tax Increment Financing (TIF) districts. Inflation, as measured by the Consumer Price Index (CPI), is a key metric used by District management for forecasting property tax revenue. The accompanying chart highlights the historical CPI values for each calendar year in December.



For calendar year 2022, the CPI stood at 6.5%, while for 2023, it decreased to 3.4%, and slightly dipping in 2024 to 2.9%. Looking ahead, management is projecting a 2.6% CPI for the forecasted years. In addition to CPI, the District's Equalized Assessed Value (EAV) has steadily increased since the 2015 tax year. Management anticipates this upward trend to persist, further contributing to property tax revenue growth in future years.

The EAV is a product of the assessed value of your property (both land and improvements) and the State Equalization Factor set by the Illinois Department of Revenue.



The chart to the left demonstrates the inverse correlation between the direct tax rate and the Equalized Assessed Value (EAV). As EAV increases, the direct tax rate decreases, and vice versa. This inverse relationship occurs because the direct tax rate is influenced by two key factors: 1) the property's EAV and 2) the property's share of the total taxes levied. A property's share of taxes is calculated by dividing its EAV by the aggregate

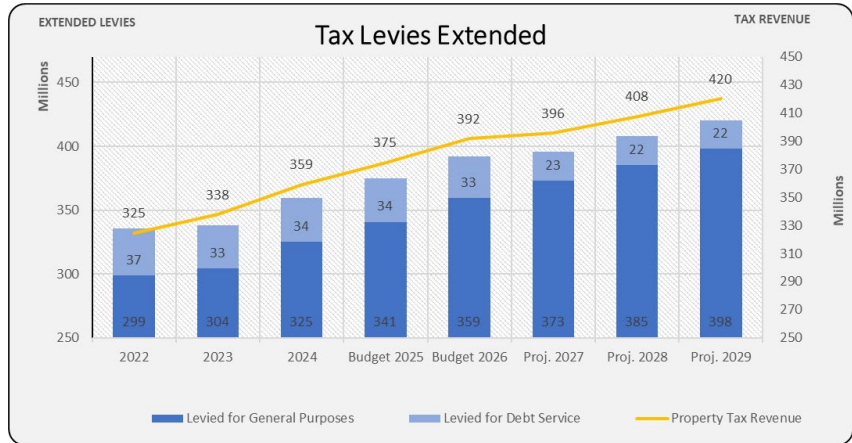
EAV for the taxing area. Once the share is determined, the direct tax rate is applied to calculate the property tax owed. While various exemptions and adjustments can impact the final tax amount, this explanation provides a high-level overview of how the direct tax rate functions in relation to EAV, helping to clarify the context of the displayed graphs.

EXECUTIVE SUMMARY

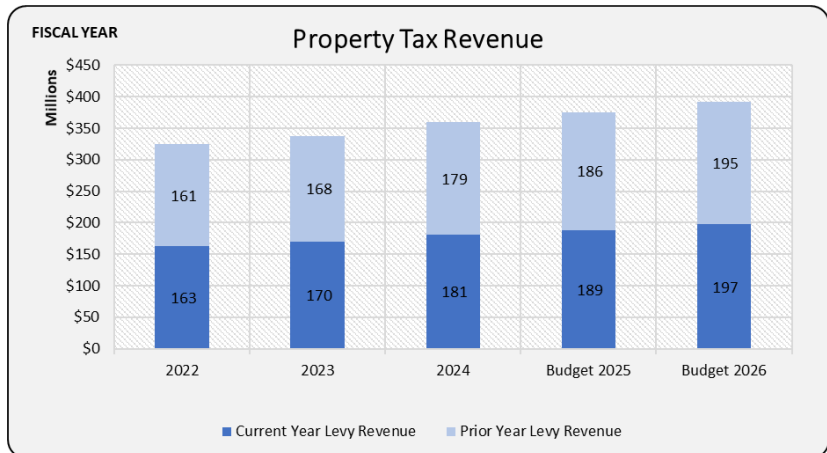
Property taxes are assessed annually on the value of all taxable real property within the District, with levies established on or before the last Tuesday in December. The Board of Education approved the 2024 tax levy on December 16, 2024, which was recorded as an enforceable lien on properties as of January 1, 2025. These taxes are due and collectible in March and August 2026 in Cook County, and in June and September 2026 in DuPage and Kane counties. The County Collector is responsible for collecting these taxes and subsequently remitting the District's share. Typically, the District receives these funds from the County Treasurer within one month of collection.

The chart to the right breaks down the amounts levied for general and debt purposes along with the total property tax revenue received.

The District has recognized, as revenue, 50.0% of the 2024 tax extension and 50.0% of the 2023 tax extension in fiscal year 2025 based on estimated collections, as this is the period for which the taxes have been levied (intended to finance).

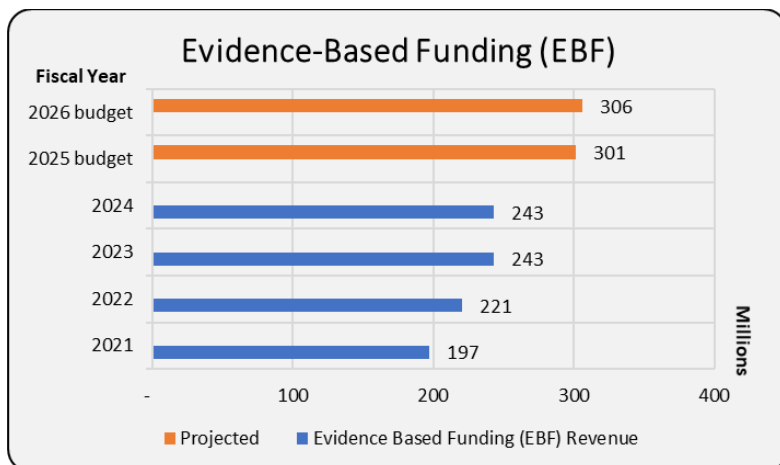


Property taxes are recorded net of estimated allowance for uncollectible accounts. The allowance for uncollectible accounts is based on collection history and is estimated at 1.3% of the total levy. The changes in the property tax revenue shown on the graph coincide with the levy extension changes after accounting for the smoothing of each levy over two fiscal years and applying the allowance factor. The District has recorded a receivable for the uncollected portion of the fiscal year 2025 taxes extended.



Since each tax year's extended levies are recognized as revenue by the District over two fiscal years, recognized property tax revenue in a fiscal year may not reflect a tax levy for any given year. The chart above reflects the revenue received for the current and prior year levies for 2022 through 2026.

EXECUTIVE SUMMARY



Evidence-Based Funding for Student Success Act (EBF) enacted on August 31, 2017, took effect in the 2017-2018 school year. This legislation replaced the previous General State Aid, which was provided through the equalization formula grant. EBF consolidates five prior grant programs into a single funding mechanism, now encompassing General State Aid and several state categorical programs: Special Education – Personnel, Special Education – Funding for Children Requiring Special Education

Services, Special Education – Summer School, and English Learner Education. EBF is designed to prioritize funding for students with the greatest needs and for school districts that are underfunded, thereby ensuring more equitable distribution of resources to support student success. For Fiscal Year 2026 (FY26), the District has reviewed its EBF allocation with a focus on fiscal equity, leading to a revised school allocation model that emphasizes support for gifted, low-income, and special needs student populations. Effective the 2025-2026 school year, the District has been reclassified by the state as a Tier 2 district. Due to this change of tier, the EBF allocation has been significantly reduced to \$4.8 million in new dollars this year. The Base Funding Minimum (BFM) is set at \$301,451,389. This amount remains consistent with prior years and guarantees that our district does not receive less funding than before. The total state contribution will be \$306.3 million.

Mandated Categorical Reimbursements (MCATs) and the funds appropriated for it are earmarked and mandated by Illinois statute for a particular purpose or population and may be used for that purpose or population only. The District is anticipating four categorical payments for FY26.

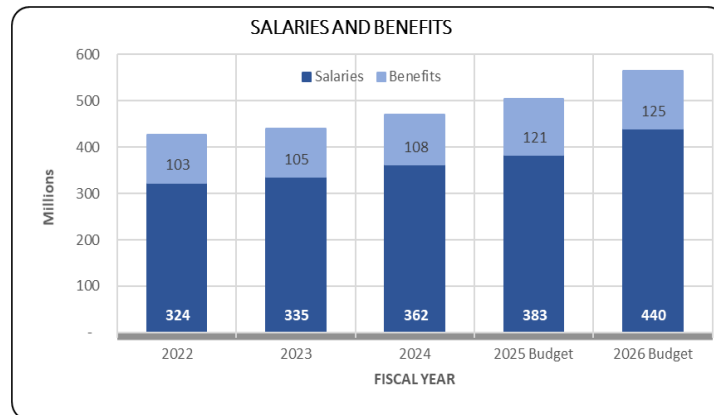
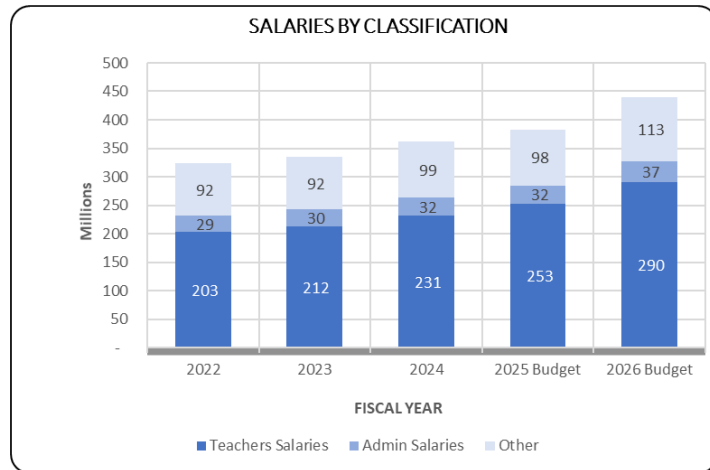
MCATs include programs such as Transportation, State Lunch and Breakfast, and Orphanage. In addition, when referring to state categorical programs, District management includes all state programs including Early Childhood Education, Special Education, Career and Technical Education and Drivers Education.

Student Activity revenue is required to be included with the District budget effective the FY21 fiscal year. According to Statement No. 84 of the Governmental Accounting Standards Board (GASB 84), this new requirement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. The District currently maintains over sixty Student Activity fiduciary accounts districtwide totaling \$4.0 million in revenue.

SIGNIFICANT EXPENDITURE TRENDS

Employee Salaries and Benefits

District management is projecting a slight increase of 3.5% in new and currently open full-time equivalency (FTE) during the FY26 fiscal year. Adjustments are being made throughout the district to accommodate the needs at each school. Salaries will increase based on contractual agreements and medical insurance and other health benefits are expected to increase 3.1%. The following two charts show salary and benefit information for the past three fiscal years and the budget 2025 and 2026 years. Several factors may impact salary and benefit projections in any given year, these include annual raises, increases and decreases in employee count, and the seniority status of the employees compared to the prior year as well as negotiations.



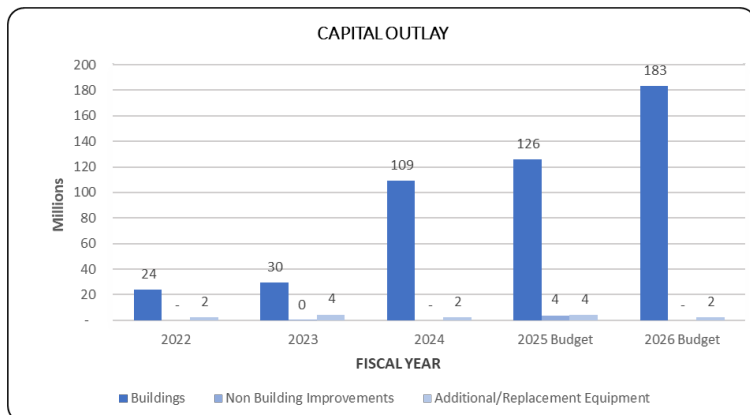
Allocation of Human and Financial Resources

As with each new school year, Management adjusts staffing throughout the district to accommodate the needs at each school evaluating specific program needs, enrollment, and class selection. Management continues to allocate resources that will assist in achieving several goals that include providing resources to the teachers to bring evidence-based practices to the classroom, providing resources to students to improve academic achievement, and integrating special education and English learner students into the general education classroom. Specific financial resource information for goals are outlined in the Organizational Section. The District has budgeted for additional certified teaching positions as a result of the implementation of the 20-minute elementary school-day extension that started this school year. Extending the elementary school day by 20 minutes will allow us to offer increased high-quality instruction and improve student learning – providing an additional 100 minutes of instruction per week – as well as offer additional “specials” classes that allow students to explore their interests.

Student Activity expenditures are required to be included with the District budget effective the FY21 fiscal year. According to Statement No. 84 of the Governmental Accounting Standards Board (GASB 84), this new requirement is to enhance the consistency and comparability of fiduciary activity reporting by state and local governments. The District currently maintains over sixty Student Activity fiduciary accounts districtwide totaling \$4.0 million in expenditures.

EXECUTIVE SUMMARY

Capital Outlay



In FY23, the taxpayers approved a \$179.0 million bond referendum (known as Unite U-46). Those funds, along with \$171.0 million of district funds, are being used for improving existing schools, acquiring land, and building new schools. The Unite U-46 campaign also promised a \$10.0 million per year increase in allocations for maintenance to facilities.

The District's capital outlay primarily focuses on building improvements, with construction projects often extending over several months and generally scheduled during the summer when school activity is minimal. Due to the extended nature of these projects and the timing of the fiscal year ending on June 30, many capital projects are planned according to the calendar year rather than the fiscal year. District management evaluates the projects and their timelines, then allocates them across the appropriate fiscal year budgets. The Capital Projects Summary table, included in the Financial Section under All Funds, details the planned projects and associated costs within the current budget. Given that the District typically has more proposed projects than available funding, management prioritizes projects throughout the year to ensure adherence to budget constraints.

The District's capital outlay primarily focuses on building improvements,

In order to maintain efficiency, safety and to operate buses which are mechanically and structurally sound, the District utilizes a bus replacement plan. Over the course of the last two fiscal years, the Transportation Department has placed an emphasis on routing optimization. On the schedule, the timing of the bus purchases is planned for the summer months, however, based on the nature of these transactions and order lag, the timing of the purchases and trade-ins may fluctuate throughout any given year. A new bus price ranges from approximately \$120,000 to \$180,000 depending on size and functionality. Management continues to monitor items such as new technology, changes in engines and emissions controls, safety features, the condition of current fleet, impending repair costs, and alternate fuel buses as part of the bus replacement plan.

Modified Summary of the Bus Replacement Plan / A & O Plan

Calendar Year Summer	Fiscal Year	No. of Large Buses		No. of Small Buses		Total No. of Buses	
		Buy	Reduce	Buy	Reduce	Buy	Reduce
2025	2026	-	-	-	-	-	-
2026	2027	46	(46)	40	(40)	86	(86)
2027	2028	-	-	-	-	-	-
2028	2029	54	(54)	33	(33)	87	(87)
2029	2030	37	(37)	35	(35)	72	(72)
2030	2031	-	-	-	-	-	-
2031	2032	20	(20)	37	(37)	57	(57)
2032	2033	21	(21)	-	-	21	(21)
2033	2034	-	-	22	(22)	22	(22)
2034	2035	-	-	-	-	-	-
2035	2036	-	-	-	-	-	-
2036	2037	-	-	4	(4)	4	(4)

Summary of Current Fleet

Fiscal Year	No. of Large Buses	No. of Small Buses	Total No. of Buses
2017	185	169	354
2018	184	167	351
2019	184	167	351
2020	178	167	345
2021	178	167	345
2022	178	167	345
2023	178	167	345
2024	178	167	345
2025	174	166	340

The summary of the bus replacement plan and the current bus fleet are outlined in the chart to the right.

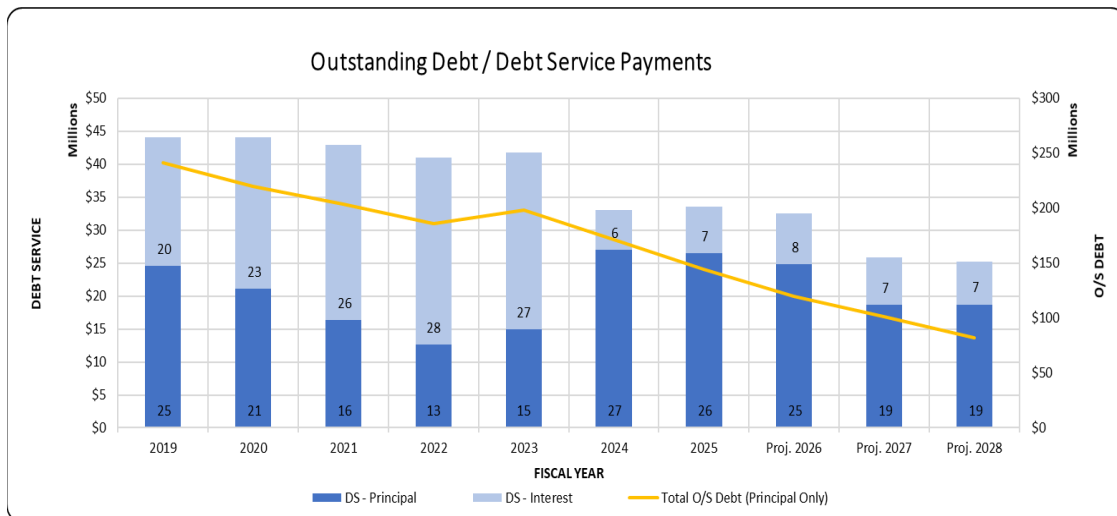
The majority of debt issued by U-46 is intended to fund capital projects along with maintaining and renovating buildings. Management assesses the District's future needs, projects revenues

DEBT MANAGEMENT

and expenditures and recommends the issuance of debt only when it is believed to be in the District's overall best interest.

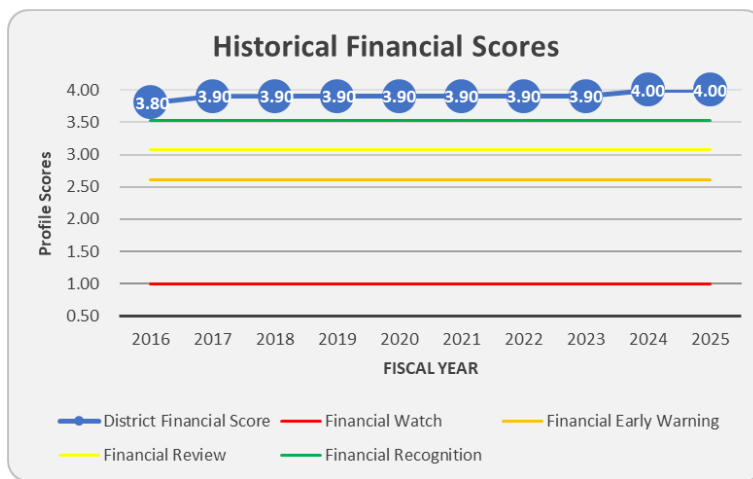
On April 4, 2023, the community approved the District's \$179.0 million bond referendum as part of the Unite U-46 campaign, enabling investments in school facilities without affecting the District's debt tax rate. In November 2023 (FY24), the District refinanced certain bonds, partially paying them off early and refunding the remaining balance to achieve significant interest savings. These actions saved district taxpayers over \$20 million in interest expenses over the life of the bonds. In February 2024 and February 2025, the District issued \$62.1 million and \$62.0 million respectively for the bond referendum. The District will issue the remaining \$56.9 million in FY26, consistent with the Unite U-46 campaign's commitment to maintaining a stable tax rate.

District management has completed a long-term capital plan for school facilities. Any new building construction would be funded by new outstanding debt. The orange line on the chart below shows the past seven years of the District's outstanding debt balance and an additional three years of projected outstanding debt. The bars represent the principal and interest portions of the debt service payments each year. NOTE: Accreted interest on debt, retirement obligations and estimated liabilities such as compensated absences, claims and adjustments are not included in this graph.



DISTRICT FINANCIAL SCORE

In 2025, based on the FY24 Annual Financial Report, the District achieved Financial Recognition status with a score of 4.00 from the Illinois State Board of Education (ISBE). This high level of recognition has been maintained since fiscal year 2012, and the District expects to continue upholding this esteemed status. The Financial Recognition benchmark assesses the District across several key indicators: the fund balance to revenue ratio, the expenditure to revenue ratio, the days cash on hand, the percentage of short-term borrowing capacity remaining, and the percentage of long-term debt margin remaining. For fiscal year 2024, among the 851 Illinois districts reporting to ISBE, 762 districts (92.4%) received "Recognition" status. In contrast, 70 districts (6.0%) were categorized as "Review," 12 districts (1.2%) were designated "Early Warning," and 7 districts (0.4%) were classified as "Watch."



The financial profile designation is as follows:

- Financial recognition – **3.54 – 4.00** – highest category of financial strength and require little or no review or involvement by ISBE.
- Financial review – **3.08 – 3.53** – districts will receive a limited review by ISBE and will be monitored for potential downward trends.
- Financial early warning – **2.62 – 3.07** – districts will be monitored closely and offered proactive technical assistance.
- Financial watch – **1.00 – 2.61** – highest risk category. ISBE will monitor these districts closely and offering them technical assistance including financial projections, cash flow analysis, budgeting, personnel inventories, and enrollment projections.

EXECUTIVE SUMMARY

Tax Rate Effect on the Average Homeowner

School District U-46 covers three counties: Cook, Kane and DuPage Counties. The graphs below show the tax base and rate trends for the average homeowner in each of the counties. The actual 2021-2024 information is based on the median value of a home as of December of that given year. The estimated 2025 median value of a home is based upon the current value at the time of publication. Forecast data was unavailable.

Analysis by Levy Year					
DuPage County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ESTIMATED 2025
Median Value of a Home	\$305,000	\$342,000	\$364,000	\$386,000	\$428,000
Average Change in Market Value		12.13%	6.43%	6.04%	10.88%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$101,667	\$114,000	\$121,333	\$128,667	\$142,667
Property Tax Rate Assessed	5.6366	5.4771	5.1326	5.0851	5.2326
Property Tax Due	\$5,731	\$6,244	\$6,228	\$6,543	\$7,465
Tax Increase/(Decrease) from Prior Year		\$513	(\$16)	\$315	\$922
% Change in Taxes from Prior Year		8.95%	-0.26%	5.06%	14.09%

Analysis by Levy Year					
Kane County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ESTIMATED 2025
Median Value of a Home	\$252,000	\$293,000	\$314,000	\$335,000	\$365,000
Average Change in Market Value		16.27%	7.17%	6.69%	8.96%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$84,000	\$97,667	\$104,667	\$111,667	\$121,667
Property Tax Rate Assessed	5.6180	5.5971	5.4618	5.1147	5.2630
Property Tax Due	\$4,719	\$5,467	\$5,717	\$5,711	\$6,403
Tax Increase/(Decrease) from Prior Year		\$748	\$250	(\$6)	\$692
% Change in Taxes from Prior Year		15.85%	4.57%	-0.10%	12.12%

EXECUTIVE SUMMARY

Analysis by Levy Year					
Cook County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024*	ESTIMATED 2025
Median Value of a Home	\$270,000	\$302,000	\$324,000	\$326,000	\$326,439
Average Change in Market Value		11.85%	7.28%	0.62%	0.13%
Assessed % of Market Value	10.00%	10.00%	10.00%	10.00%	10.00%
County Multiplier	3.0027	2.9237	3.0163	3.0355	3.0547
Taxable Value	\$81,073	\$88,296	\$97,728	\$98,957	\$99,717
Property Tax Rate Assessed	7.1970	6.0220	6.0380	6.1969	6.3766
Property Tax Due	\$5,835	\$5,317	\$5,901	\$6,132	\$6,359
Tax Increase/(Decrease) from Prior Year		(\$518)	\$584	\$231	\$227
% Change in Taxes from Prior Year		-8.88%	10.98%	3.91%	3.70%

*At time of publication, the Cook County 2024 rate is in draft status

**Student Enrollment
 Three-Year History, Budget
 And Three-Year Forecast**

**Student Enrollment
 Three-Year History, Budget
 and Three-Year Forecast**

School Year	Pre-Kindergarten		Elementary		Middle		High		Self-Cont. Spec. Ed		Total		Utilization
	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	Actual/Proj.	Capacity	
<u>Actual Enrollment (A)</u>													
2022-2023	1,103	25,000	16,359	25,000	5,024	6,900	11,625	12,800	938		35,049	55,194	64%
2023-2024	1,160	25,000	16,177	25,000	4,822	6,900	11,479	12,800	961		34,599	54,194	64%
2024-2025	1,084	25,000	16,079	25,000	4,800	6,920	11,003	12,834	1,028		33,994	44,754	76%
<u>Enrollment Budget (B)</u>													
2025-2026	1,000	22,000	15,894	22,000	4,697	8,200	10,630	12,800	1,000		33,221	43,000	77%
<u>Enrollment Forecast (C)</u>													
2026-2027	1,000	20,000	15,553	20,000	4,758	8,200	10,244	12,800	1,000		32,555	41,000	79%
2027-2028	1,000	20,000	15,326	20,000	4,750	8,200	10,005	12,800	1,000		32,081	41,000	78%
2028-2029	1,000	20,000	15,076	20,000	4,683	8,200	10,009	12,800	1,000		31,768	41,000	77%

**District Personnel Resource FTE Allocations
 Five-Year History and Budget
 By Employee Group**

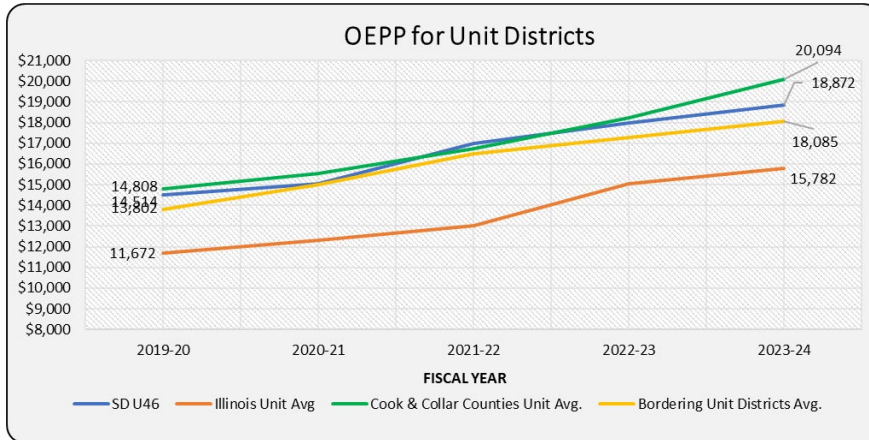
**School District U-46
 District Employment Statistics**

Staff	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Projected 2026
Certified Staff (ETA)	2,429	2,683	2,767	2,878	2,985
Noon Hour Supervisors (Part-time)	84	81	82	83	82
Educational Assistants/Paraprofessionals (DUEA)	461	516	537	579	591
Secretary/Clerical (DUSA)	240	201	208	211	225
Transportation (DUTU)	425	417	379	390	379
Custodial/Maintenance (ESSO)	161	164	170	175	174
Technical/Other (All Non-Union less Noon Hour)	353	430	494	434	440
Food Service (SEIU)	132	120	124	131	180
School Administration	192	174	173	175	172
Central Administration (Supervisors/Directors/Coordinators)	51	85	88	81	90
Divisionals	-	-	-	-	-
Superintendent/Executive staff	9	8	10	11	11
Total Staff FTE	4,538	4,879	5,032	5,148	5,329

The District has made efforts to staff open positions. These efforts include hosting many job fairs throughout the year, strategically marketing the District towards new graduates, and ensuring competitive wages. The District has budgeted for additional certified teaching positions as a result of the implementation of the 20-minute elementary school-day extension that started this school year. Extending the elementary school day by 20 minutes will allow us to offer increased high-quality instruction and improve student learning – providing an additional 100 minutes of instruction per week – as well as offer additional “specials” classes that allow students to explore their interests.

COMPARATIVE DATA

Operating Expenditures Per Pupil (OEPP)

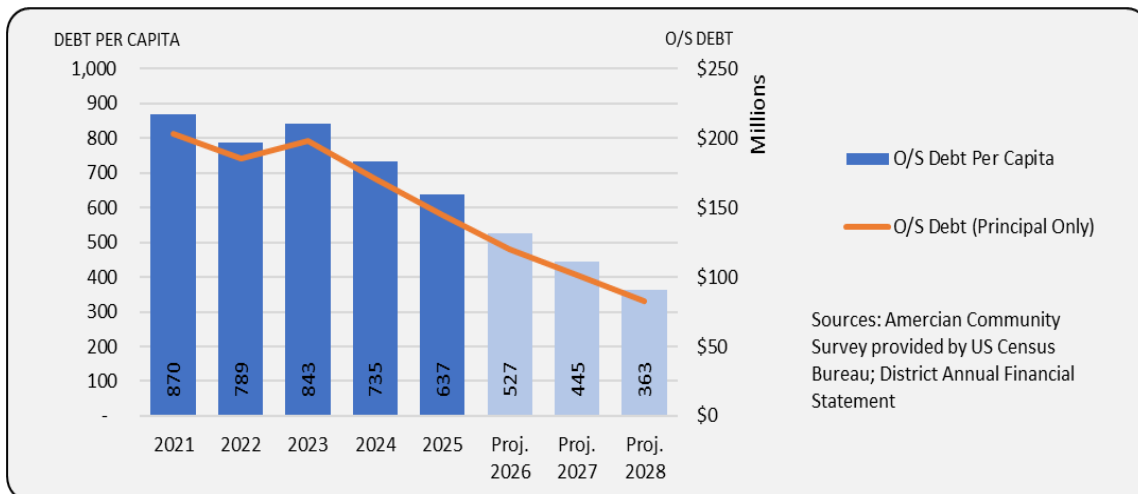


OEPP is a benchmark used by the Illinois State Board of Education to compare expenditures amongst districts. It is the gross operating cost of a school district (except for summer school, adult education, bond principal retired, and capital expenditures) divided by the nine-month Average Daily Attendance (ADA) for the regular school term.

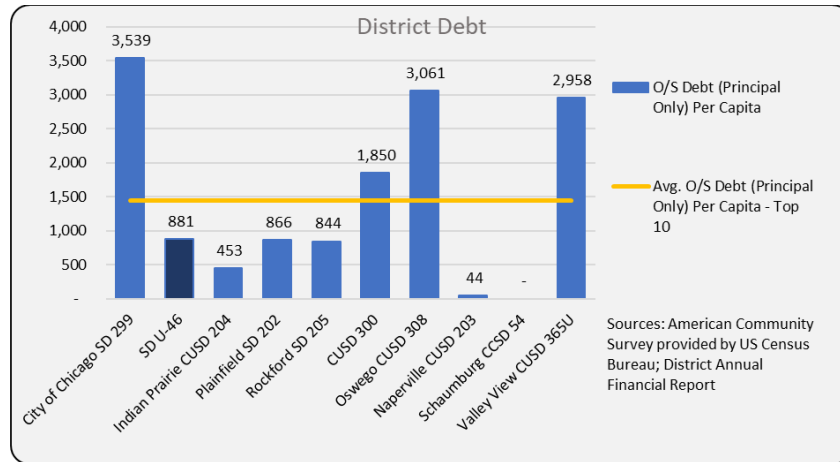
As shown above, the District has an increase similar to the bordering or collar county unit districts. The comparison with the bordering districts shows more of a genuine assessment using the typical gross operating expenditures in the region of the state versus the state unit average that includes the downstate regions.

Debt Per Capita

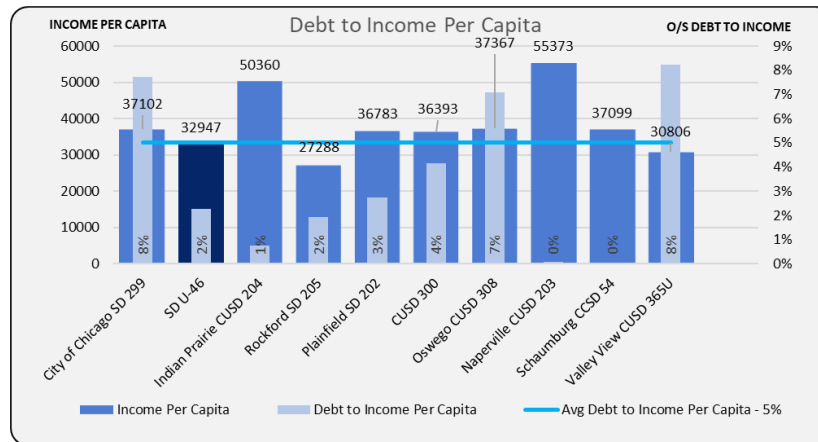
District management assesses debt levels and their relevance to the population including the population’s income. Another important factor when assessing the District’s debt load is where U-46 falls among its peers. The next four charts show the District’s outstanding debt, the history of outstanding debt per capita, how the District’s debt per capita compares to its peers, and how the District’s percentage of debt to income per capita compares to its peers. The source documents include the American Community Survey and the District Annual Financial Statement.



District Debt Per Capita – Ten Largest School Districts in Illinois



Debt to Income Per Capita – Ten Largest School Districts in Illinois



Benchmark Data – Ten Largest School Districts in Illinois (2024 data)

School District	Enrollment	Operating Exp		Student/Teacher Ratio
		Per Pupil	Avg Class Size	
City of Chicago SD 299	321,668	\$27,439	24.3	19
SD U-46	33,948	\$18,872	20.4	19
Indian Prairie CUSD 204	25,781	\$16,808	26.5	17
Plainfield SD 202	24,554	\$15,217	23.1	21
Rockford SD 205	27,268	\$19,241	22.0	21
CUSD 300	20,161	\$17,058	21.6	19
Oswego CUSD 308	16,696	\$16,517	23.9	21
Naperville CUSD 203	15,935	\$19,451	22.6	17
Schaumburg CCSD 54	15,038	\$17,897	22.7	18
Valley View CUSD 365U	14,660	\$20,108	20.5	18

*data source - Forecast 5 Analytics and ISBE FY24 OEPP report



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**


This Meritorious Budget Award is presented to:


SCHOOL DISTRICT U-46

for excellence in the preparation and issuance of its budget for
the Fiscal Year 2024–2025.

The budget adheres to the principles and standards
of ASBO International's Meritorious Budget Award criteria.




Ryan S. Stechschulte
President


James M. Rowan, CAE, SFO
CEO/Executive Director

ORGANIZATIONAL SECTION





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DISTRICT PROFILE

Legal Autonomy and Fiscal Independence

School District U-46 is organized under the School Code of the State of Illinois, as amended. The District exists as a legal entity deriving its just powers from the General Assembly of the State of Illinois through the State Board of Education for the purpose of providing a system of free public education. The District is classified as a unit school district and operates as a public-school system governed by an elected seven-member Board of Education. The District constitutes a body politic and corporate with all powers as prescribed by laws including but not limited to the power to sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized or implied by law. It has the statutory authority to adopt its own budget, levy taxes and issue bonded debt without the approval of another government and it is not considered a component unit of any other entity. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose budgets should be considered and presented with this budget.

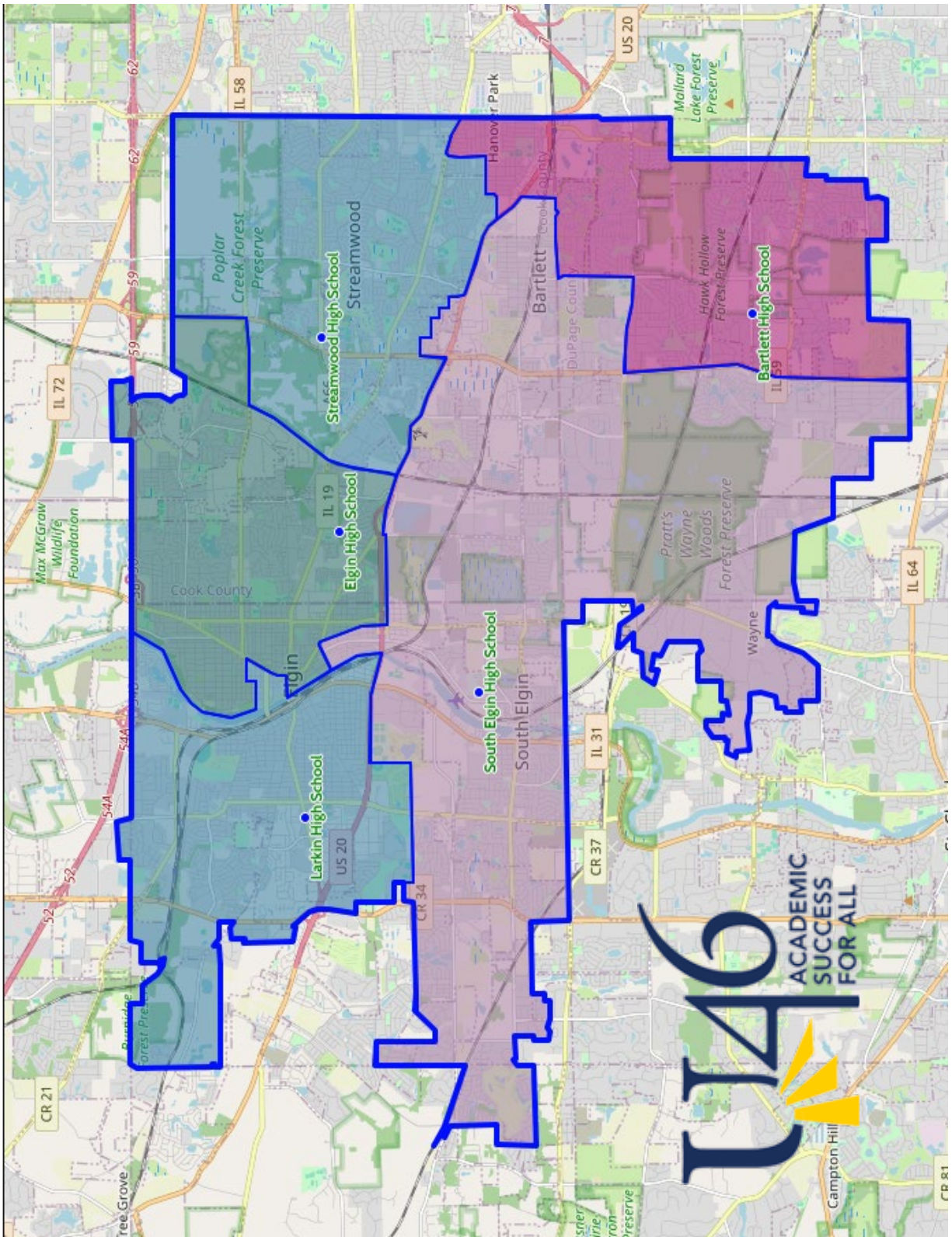
The legal authority of the Board of Education is transmitted through the superintendent or designee along specific paths from person to person as shown in the Board-approved organization chart of the District. The lines of authority on the chart represent direction of authority and responsibility. The Board of Education expects the superintendent/designee to keep the administrative structure up-to-date with the need for supervision and accountability throughout the school district.



Size and Scope

School District U-46 is the second-largest school district in Illinois. Covering 90 square miles, the District is located approximately 45 minutes northwest of Chicago. The District serves nearly 34,000 children in grades PreK-12 at the 55 school buildings throughout the communities of Bartlett, Elgin, Hanover Park, South Elgin, Streamwood, Wayne, and portions of Carol Stream, Hoffman Estates, St. Charles, Schaumburg, and West Chicago.

ORGANIZATIONAL SECTION



District report card

Each October, the Illinois State Board of Education releases a report card that assesses progress across various educational goals for the state, as well as individual schools and districts. The information provided below represents school report card data as of FY24, with the exception of the instructional and operation spending bar graph that represents FY23, which is the most current data available. You can view current and historical data on the ISBE website (www.isbe.net) or [Click here](#).

Enrollment: **By Demographics**

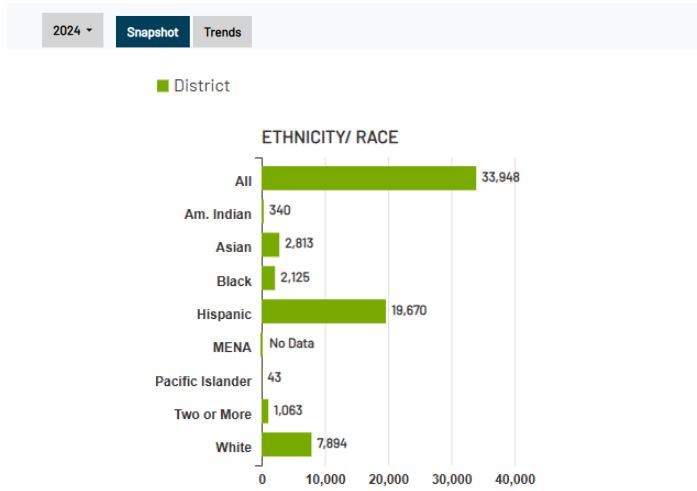
1 of 2

This graph displays the total number of students enrolled in this school by demographics for the current reporting year. The exact numbers can be listed below the graph by selecting the "Show Data Table" toggle.

The total student enrollment in the school/district is based on the enrollment as of October 1 of the reporting year. District level enrollment includes students attending a school in the district and students placed in private schools by the district and funded by the district. The student enrollment **excludes**:

- Students given vouchers to attend private schools,
- Students placed by their parents in private schools whose tuition is paid for by their parents, but who receive special education services from their home district.

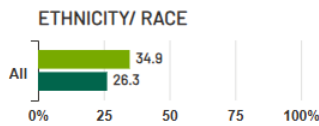
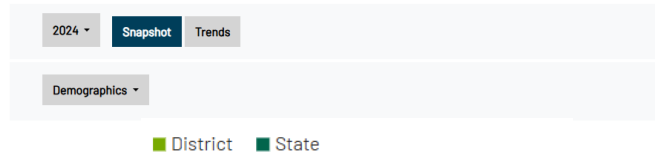
Learn More



Chronic Absenteeism: **By Demographics**

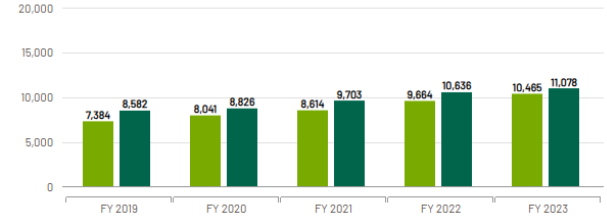
1 of 2

This graph shows the percentage of students who miss 10% percent or more of school days per year either with or without a valid excuse. [Learn More](#)

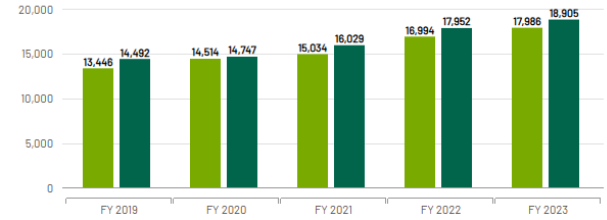


District State

Instructional Spending (\$)



Operational Spending (\$)



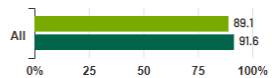
Student Attendance

This graph shows the average daily attendance at this school. [Learn More](#)



District State

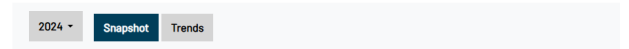
ETHNICITY/ RACE



Retention: **Overall**

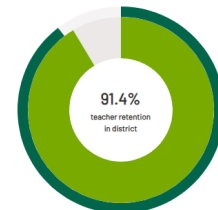
1 of 2

This display shows the district average for the 3-year average percentage of teachers returning to work at the same district. [Learn More](#)



Show Data Table

District State



SD U-46

Custom Report Card Builder

Schools In District

The following list of schools in this district allows you to click to navigate directly to the school. The grade levels served by each school are listed. [Learn More](#)

School Name	Grades	Annual Summative Designation	School Improvement Status - FY2024
ABBOTT MIDDLE SCHOOL	7 - 8	Targeted	CSI
BARTLETT ELEM SCHOOL	K - 6	Commendable	
BARTLETT HIGH SCHOOL	9 - 12	Commendable	
CANTON MIDDLE SCHOOL	7 - 8	Targeted	CSI
CENTENNIAL SCHOOL	K - 6	Commendable	
CENTURY OAKS ELEM SCHOOL	K - 6	Commendable	TSI
CHANNING MEMORIAL ELEM SCHOOL	K - 6	Targeted	CSI
CLINTON ELEM SCHOOL	K - 6	Commendable	TSI
COLEMAN ELEM SCHOOL	PK - 6	Targeted	TSI
CREEKSIDE ELEM	K - 6	Comprehensive	TSI
EASTVIEW MIDDLE SCHOOL	7 - 8	Commendable	
ELGIN HIGH SCHOOL	9 - 12	Commendable	
ELLIS MIDDLE SCHOOL	7 - 8	Commendable	CSI
FOX MEADOW ELEMENTARY SCHOOL	PK - 6	Commendable	
GLENBROOK ELEM SCHOOL	K - 6	Commendable	
HANOVER COUNTRYSIDE ELEM SCHOOL	K - 6	Commendable	TSI
HARRIET GIFFORD ELEM SCHOOL	K - 6	Targeted	
HERITAGE ELEM SCHOOL	K - 6	Commendable	TSI
HIGHLAND ELEM SCHOOL	K - 6	Commendable	TSI
HILLCREST ELEM SCHOOL	K - 6	Commendable	TSI
HILLTOP ELEMENTARY SCHOOL	PK - 6	Commendable	
HORIZON ELEM SCHOOL	PK - 6	Commendable	
HUFF ELEM SCHOOL	PK - 6	Targeted	TSI
KENYON WOODS MIDDLE SCHOOL	7 - 8	Commendable	
KIMBALL MIDDLE SCHOOL	7 - 8	Commendable	TSI
LARKIN HIGH SCHOOL	PK - 12	Commendable	
LARSEN MIDDLE SCHOOL	7 - 8	Commendable	CSI
LAUREL HILL ELEM SCHOOL	K - 6	Targeted	
LIBERTY ELEM SCHOOL	PK - 6	Commendable	
LINCOLN ELEMENTARY SCHOOL	PK - 6	Commendable	
LORDS PARK ELEM SCHOOL	K - 6	Commendable	TSI
LOWRIE ELEM SCHOOL	K - 6	Targeted	TSI
MCKINLEY ELEM SCHOOL	K - 6	Targeted	TSI
NATURE RIDGE ELEM SCHOOL	K - 6	Commendable	
OAKHILL ELEM SCHOOL	K - 6	Commendable	TSI
ONTARIOVILLE ELEM SCHOOL	PK - 6	Commendable	
OTTER CREEK ELEM SCHOOL	K - 6	Commendable	
PARKWOOD ELEM SCHOOL	K - 6	Commendable	CSI
PRAIRIEVIEW ELEMENTARY SCHOOL	K - 6	Commendable	
RIDGE CIRCLE ELEM SCHOOL	K - 6	Commendable	
RONALD D O NEAL	K - 6	Commendable	CSI
SOUTH ELGIN HIGH SCHOOL	9 - 12	Commendable	
SPRING TRAIL ELEMENTARY SCHOOL	K - 6	Commendable	
STREAMWOOD HIGH SCHOOL	9 - 12	Commendable	
SUNNYDALE ELEM SCHOOL	PK - 6	Commendable	
SYCAMORE TRAILS ELEMENTARY SCHOOL	PK - 6	Exemplary	
TEFFT MIDDLE SCHOOL	7 - 8	Commendable	CSI
TIMBER TRAILS ELEMENTARY SCHOOL	PK - 6	Commendable	
WASHINGTON ELEM SCHOOL	K - 6	Commendable	TSI
WAYNE ELEM SCHOOL	K - 6	Commendable	
WILLARD ELEM SCHOOL	K - 6	Commendable	

IAR: Grade & Demographics

The display shows the percentage of students scoring at each of the performance levels for the Illinois Assessment of Readiness (IAR). Note: If a student group has fewer than 10 students, no information is displayed. [Learn More](#)



IAR: Grade & Demographics

The display shows the percentage of students scoring at each of the performance levels for the Illinois Assessment of Readiness (IAR). Note: If a student group has fewer than 10 students, no information is displayed. [Learn More](#)



ORGANIZATIONAL SECTION

DISTRICT LEADERSHIP

BOARD OF EDUCATION

<u>Member</u>	<u>Position/Term Expires</u>
Melissa Owens	President 2029
Kate Thommes	Vice President 2027
Chanda Schwartz	Secretary Pro-Tempore 2027
Sue Kerr	Member 2027
Samreen Khan	Member 2027
Dawn Martin	Member 2029
Veronica Noland	Member 2029
Dhanvi Dhandapani	Student Advisor 2026

SUPERINTENDENT AND EXECUTIVE STAFF

Dr. Suzanne Johnson.....	Superintendent
Trisha Olson.....	Chief Legal Officer
Lela Majstorovic.....	Deputy Superintendent, Instruction
Dr. Ann Williams.....	Deputy Superintendent of Operations and Treasurer
Dr. Kyle VonSchnase.....	Deputy Superintendent of Operations
Brian Lindholm.....	Chief of Staff
Dr. Annette Acevedo.....	Assistant Superintendent, Schools
Brian Tennison.....	Assistant Superintendent, Teaching and Learning
Dr. Leatrice Satterwhite.....	Assistant Superintendent, Equity and Innovation
Mark Moore.....	Assistant Superintendent, Human Resources
Robyn Cornelissen.....	Executive Director of Finance

Board of Education

State law assigns school boards responsibility for several key areas: approving course studies and textbooks, adopting an annual budget, overseeing the construction, furnishing, and maintenance of facilities, and managing the employment and evaluation of the superintendent.

Board members are elected to serve four-year terms without compensation. To qualify for election, a candidate must: 1) be a U.S. citizen, 2) be at least 18 years old, 3) be a registered voter, 4) be a resident of Illinois, and 5) have lived in School District U-46 for at least one year immediately preceding the election.

During meetings, two U-46 administrators and one student participate alongside the Board. Superintendent Suzanne Johnson, Chief Legal Officer Trisha Olson (Board Secretary), and Student Advisor Dhanvi Dhandapani provide support but do not have voting rights.

Board meetings are typically held twice a month, on the first and third Monday at 7:00 p.m., unless adjusted due to the school calendar. These meetings are open to the public, and community members can provide comments during the Comments from the Audience section. The meeting schedule and official minutes are available on the District website.

The Board Members are as follows:



Melissa Owens, President, a resident of Bartlett, was elected to the Board of Education in 2017. She served on the Citizens' Advisory Council for seven years, chairing the Special Education Committee and the General Council. She has also held seats on the Elgin Alignment Collaborative for Education's Operating board and, most recently, the U-46 Educational Foundation board. Ms. Owens holds a BA in Business Economics and Political Science and a MA in Biology. Currently, she works for Chicago Voyagers, a Schaumburg-based nonprofit organization. Her term expires in the spring of 2029.



Kate Thommes, Vice President, an Elgin resident and former U-46 educator, was elected to the Board of Education in April of 2019. She now teaches at Elgin Community College. She earned her teaching certificate from Illinois State University and has two master's degrees; one in the art of teaching and the other in teaching English to speakers of other languages. She has also served as the tutor trainer coordinator for Literacy Connection of Elgin and as co-chair of the Specialized Student Services and Finance committees for the Citizens' Advisory Council. She has three children in U-46. Her term expires in the spring of 2027.

ORGANIZATIONAL SECTION



Chanda Schwartz, Secretary Pro-Tempore, a Bartlett resident, was elected to the Board of Education in 2023. She served on the Community Advisory Council (CAC) for five years, serving as Chair for two years, and previously as the CAC Vice-Chair and co-chair of the Specialized Student Services Committee. She also served as a community co-chair for Unite U-46 and as an Operating Board member for the Alignment Collaborative for Education (ACE). Mrs. Schwartz holds a BSE in Computer Engineering and currently works as an admissions officer. She has two children in U-46. Her term expires spring of 2027.



Susan Kerr, a resident of Bartlett, was elected to the Board of Education in 2015. She has been a member of the Citizens' Advisory Council where she has co-chaired a number of committees. Ms. Kerr worked as a computer programmer analyst at the University of Chicago Library. Ms. Kerr's term expires in 2027.



Samreen Khan, a Bartlett resident, was elected to the Board of Education in April 2023. Ms. Khan is a U-46 parent with vast experience in city and state government. Since 2002, she has assisted and advised on numerous political campaigns at Illinois's federal, state, county, and local levels of government. Ms. Khan holds a master's degree in international studies from the University of Denver and a bachelor's degree in political science from the University of Illinois at Chicago. Ms. Khan is serving her first term, which expires in the spring of 2027.



Dawn Martin, a Bartlett resident, was elected to the Board of Education in April 2021. Mrs. Martin has two children, both of whom will be in high school come fall. She has volunteered within the District for many years, including recently with the Bartlett High School Parent Committee and Boosters Club. Mrs. Martin also volunteers her time with Illinois Swimming/USA Swimming as a certified official. Mrs. Martin is serving her first term, which expires in the spring of 2029.



Veronica Noland, an Elgin resident, is active with the Channing Elementary School Parent Teacher Organization, having previously served as Vice-President. She also has been a member of both the U-46 Hispanic Parent Leadership Institute and the Citizens' Advisory Council. Ms. Noland was elected to the Board of Education in 2013 and her term expires in the spring of 2029.

Dhanvi Dhandapani, Student Advisor, is a senior at Bartlett High School. Dhanvi serves as the 2025-26 Student Advisor for the U-46 Board of Education.

ORGANIZATIONAL SECTION



Superintendent

Dr. Johnson began her career in education at U-46 nearly 27 years ago, and since July 1, 2023, has served as the district's superintendent.

A graduate of Elgin High School, Dr. Johnson, returned to her U-46 roots to teach language arts at Canton Middle School in Streamwood. Dr. Johnson's first administrative role was as a divisional at Bartlett High School. She quickly advanced into the role of associate principal and then principal prior to moving into a role in central administration in 2013, first as an assistant superintendent of teaching and learning before being promoted to the deputy superintendent position.

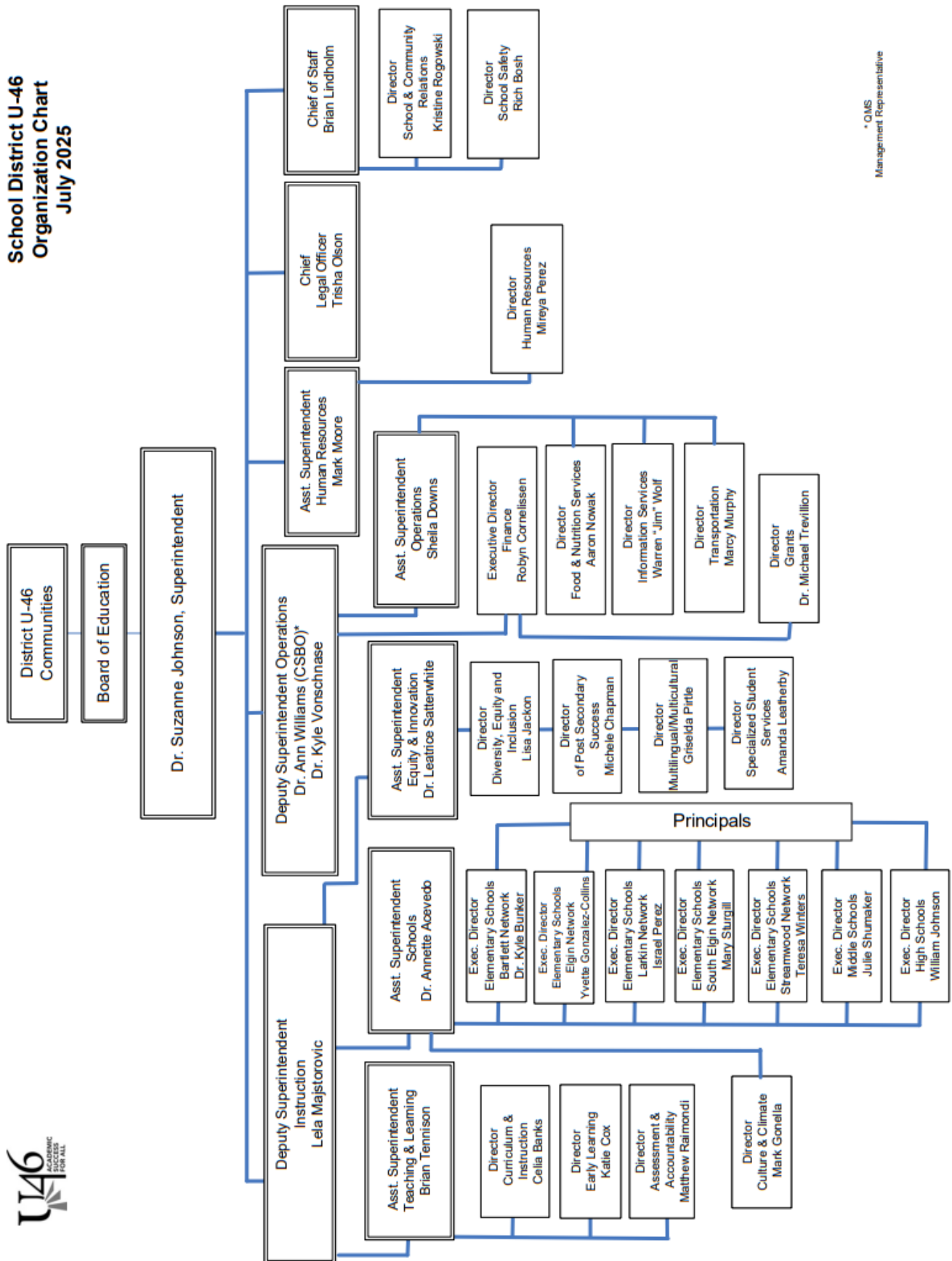
Within U-46, Dr. Johnson is known for her deep understanding of instructional practices and a commitment to fostering academic excellence.

Dr. Johnson holds her undergraduate degree from the University of Iowa, her master's degree in curriculum and instruction from DePaul University, and her doctorate in curriculum and instruction from the University of Illinois-Chicago.

Dr. Johnson is not only a dedicated education professional but also a parent in our school district, with two elementary students. Dr. Johnson and her husband, Ben, live in Streamwood. This personal connection to our community further fuels her dedication to creating an exceptional educational experience for all our students.

ORGANIZATIONAL SECTION

School District U-46 Organization Chart July 2025



* QMS Management Representative

DEPARTMENTS AND PROGRAMS

School District U-46 provides a comprehensive curriculum to children in grades preschool through twelfth grade. At every step of a child's educational journey, we're committed to ensuring that the students are equipped with the skills to become college and workplace ready. Just as students come in all shapes and sizes, activities to support student learning are designed to meet the needs of every student.

A range of support services and departments are in place to assist in fulfilling the needs of the programs and departments within the District.

The Superintendent and the Cabinet members oversee all departments, program directors and curriculum coordinators in the District. The departments and programs listed below provide specific services to students, staff, families and the community.

For more information about the District's departments and programs visit the Departments & Programs link on the District's website www.u-46.org.

STUDENT LEARNING

Assessment and Accountability

Assessment is an integral part of the educational process. It allows teachers to determine what and how students are learning. It provides information used to make decisions about teaching individual students as well as broad determinations on the effectiveness of the instructional program in a school and the overall school system.

AVID (Advanced Via Individual Determination.)

AVID is a college readiness elective program for students and the District currently offers these courses in grades seven through twelve. All middle and high schools have an AVID Site Coordinator and an active AVID Site Team. The District also has an AVID District Director that oversees the AVID College Readiness System.

ORGANIZATIONAL SECTION

Career and Technical Education Program

Coordination of Career and Technical Education (CTE) classes involves comprehensive curriculum development, continuous evaluation, and targeted staff development to ensure alignment with industry standards and emerging trends. This role is crucial for enhancing program effectiveness and fostering student readiness for the workforce.

Curriculum and Instruction

The Curriculum and Instruction Department focuses on the design of rigorous curriculum and assessments, identifying appropriate curricular resources and supporting teachers through ongoing professional development.

Dual Credit

The full-time Dual Credit program provides students the opportunity to take coursework at Elgin Community College (ECC) while earning both high school and college credit for all of their courses.

Dual Language

The Dual Language program is a form of bilingual education in which students are taught literacy and academic content in two languages. It offers a unique opportunity for students to excel academically and learn a second language.

Early Learners

The Early Learners program is a partnership of family, school and community working collaboratively to provide comprehensive services to young children. Services are provided by highly-trained early childhood professionals. Curriculum and practices that are appropriate for the child's development level are used to meet the diverse needs of young children in a culturally sensitive environment. These learning opportunities are offered to children from birth to kindergarten.



ORGANIZATIONAL SECTION

Educational Pathways

Curriculum and course sequences, consisting of core classes and electives, are designed to be cohesive and emphasize critical thinking, problem-solving, collaboration, communication, and other essential 21st-century work skills applicable across all industries. Students will gain knowledge and skills through both classroom instruction and experiential learning opportunities, equipping them for success in college, career, and life.

English Language Learners

Programs for students who are Limited English Proficient (LEP), including ELL/bilingual classes, English as a Second Language (ESL), and Dual Language, are designed to support language acquisition while integrating cultural and academic content. These programs aim to enhance students' English proficiency and academic performance, fostering their successful participation in the broader educational environment.

Equity & Diversity

At U-46, we cultivate spaces that encourage kindness. As educators, we inspire students to lead with curiosity. As a community, we build bridges that unite people of all walks of life. This department provides initiatives to celebrate our diversity and work for equity and inclusion across our schools and programs.

Fine Arts

The department offers a range of opportunities for students from elementary through high school, including chorus, music, orchestra, band, and visual arts. By encouraging creativity and self-expression, the department promotes innovative thinking, effective communication, and a deep appreciation for the arts.

Gifted Programs

The gifted programs provide a variety of programs to ensure that every high-achieving student has an opportunity to excel. Talent Development programs are

offered to students in grades two to eight as well as core gifted curriculum, dual language and enrichment clusters in math language arts.

Instructional Technology



U-46 strives to inspire individuals to be digitally literate citizens by authentically using technology to engage in 21st century skills. By supporting teachers and

employees to integrate technology, the hope is to provide experiences that will allow students to become responsible digital citizens.

Kindergarten

U-46 offers a play-based curriculum as part of our full-day kindergarten (FDK) program.

Literacy

The Literacy program provides language arts instruction for students from kindergarten through high school. The libraries in the District also provide information about the learning goals by grade level, curriculum details and resources for teachers.

Magnet Academies

Unique to U-46, our academy programs are designed to take high school students to new levels of creative, interdisciplinary learning and give them a head start on a higher education. The high school academies include the Broadcast Education and Communication Networks Academy, Gifted and Talented Academy, Science, Engineering & High Technology Academy, Visual and Performing Arts Academy and World Languages & International Studies Academy.

Mathematics

The Mathematics program strives to give students the skills and knowledge they need to think and reason mathematically and to

use what they have learned to solve problems.

MTSS (PBIS & RTI)

Multi-Tiered System of Supports (MTSS) is an integrated 3-tiered model that offers support addressing the needs of all students through a coherent continuum of research-based, system-wide practices supporting teaching and learning; academic, social-emotional and behavioral.

Observatory/Planetarium

Unique to U-46, our Observatory Planetarium provides students with astronomy lessons under the stars.

Parents as Teachers

The Parents as Teachers program is designed to help parents of children from birth to age 3 to feel more confident in their role as their child's first teacher.

P.E. & Health Education

U-46 Physical Education promotes lifelong learning recognizing the value of personal development in the physical, affective and cognitive domains.

Right at School

Right at School is a nationally recognized program that provides before-and after-school care for families.

Science

The Science Department oversees all aspects of science education for kindergarten through twelfth grade students.

Social Studies

The Social Studies curriculum prepares students to be informed, knowledgeable, and active citizens throughout their lives.

Special Education

Special Education provides a full continuum of instructional and resource programs for students with special needs. U-46 offers both self-contained education and programming that is designed to integrate special education students into general classrooms.

ORGANIZATIONAL SECTION

Specialized Student Services

Staff coordinates and provides a comprehensive program of services for students with all types of special education needs and disabilities. Includes programs in schools and early childhood centers and other sites such as Center House, Secondary Work Experience Program (SWEP) and Central Schools Program at the Educational Services Center (ESC).

Teaching & Learning

The Teaching and Learning Department oversees Assessment & Accountability, Curriculum & Instruction, Early Learners, ELL, and Special Education.

World Languages

At each of the U-46 traditional high schools, students can take French, German, Spanish, and Spanish for Heritage speakers. The district offers an innovative 4-level curriculum aligned to the world readiness standards.

SUPPORT SERVICES

Communications and Community Relations

The School and Community Relations Department supports the release of clear information to all stakeholders and promotes parent and community engagement.

District Records

District Records is responsible for critical functions such as state aid claims, attendance tracking, federal and state reports, student transfer records, high school transcripts and medical records, immigration forms and Freedom of Information Requests.

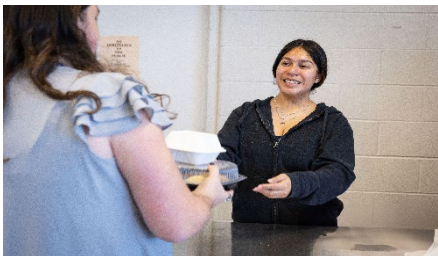
Family Welcome Center

Family Welcome Center aids with newly arrived families and elementary students, including those who speak little or no English, for enrolling in school and accessing information about the community.

Financial Operations

Financial Operations is responsible for budgets, audits, monthly financial statements, itemized bills, salary information for teachers and administrators.

The Food and Nutrition Services Department provides nutritious meals to promote student growth and development.



Health Services

The Health Services Department provides certified nurses, registered nurses, health secretaries, vision and hearing screening technicians, and homebound tutors to students and staff.

Human Resources

Human Resources strives to develop and maintain a highly-functioning, diverse workforce through effective communication and strategic human resource systems.

Information Services

Information Services provides the personnel, services, hardware and software to support the instructional and operational work of the District.

Payroll

The Payroll Department is responsible for complete and accurate payroll processing, time and attendance and related federal and state reporting.

Plant Operations and Maintenance

Plant Operations maintains 64 District buildings over 870 acres, manages utility usage, administers the District's facility rental program and processes 30,000 work orders annually.

Procurement

Procurement handles purchasing and public bidding for the District.

Project Access

Project Access provides equal access to education and programs to homeless children.

ORGANIZATIONAL SECTION

School Safety and Culture

The School Safety and Culture department is committed to the safety and security of students, staff, and visitors within U-46 facilities.

Teacher Effectiveness Initiatives

The Teacher Effectiveness Initiatives supports the District's commitment to effective teaching and learning in all classrooms by providing engaging learning opportunities, and practical support and assistance through continuous professional growth designed to positively impact student learning.

Teacher Mentor Program

The U-46/Elgin Teachers Association (ETA) Teacher Mentor Program is a nationally recognized, award winning Illinois School Board of Education (ISBE) approved employee support and assistance initiative for educators new to U-46.

Transportation



Transportation provides bus transportation for students living 1.5 miles or more from the school (as calculated by the U-46 Transportation Department). Transports nearly 23,000 students daily to 55 school buildings within the District's 90-square mile boundaries. We also transport to 27 private placement facilities.

STRATEGIC PLAN

The Board of Education believes that education should be shaped by purposes rather than by forces. Therefore, the education system of School District U-46 will maintain flexibility and adapt to an ever-changing society. It is dedicated to the total personal development of each student to the limits of his or her abilities and interests. This is to be accomplished in a sequentially coordinated curriculum which allows for individual differences.

To this end, staff members will aid in each student's intellectual, physical, moral, emotional, aesthetic, and social growth so he or she may become a useful and responsible member of home, community and society while leading a personally rewarding life.

U-46 has paved the way for student success and prepares the students to be citizens of the world. With a diverse community, the children receive specialized attention and numerous programs available to fit their needs. Some of the special offerings include an academy program at the high schools, honors and gifted programs, Dual Language program, English Language Learners program, special education for those students in need, and various sports, clubs and activities to match a wide range of student interests.

The District's strategic plan reflects the vision and values of employees, parents, students and community members who participated in its development. The District will continue to share the progress to turn this plan into reality for the community, the staff and, most importantly, the nearly 34,000 Pre-K through 12th grade students and their families.



MISSION

U-46 will be a great place
for all students to learn,
all teachers to teach,
and all employees to work.
All means all.



VISION

U-46 will inspire individuals
to convert their
dreams into realities.

VALUES

Equity	Leadership & Accountability
Innovation	Professional Development
Respect	Safe & Secure Environment



MISSION AND MAJOR GOALS

A strategic plan is a long-term roadmap for our district. It outlines our goals and the strategies we'll use to achieve them. By gathering input from the entire community, we aim to create a plan that addresses the current needs of our schools while preparing for the future. This process will help us align our resources, set clear priorities, and ensure that all students have access to the opportunities they need to succeed.


At School District U-46, we are committed to creating a student-centered strategic plan that reflects the goals and aspirations of our students, families, employees, and community. This plan will guide our district's decisions and priorities for the next five to 10 years, ensuring we continue providing an exceptional educational experience for every student. The plan was developed with feedback from administration, principals, teachers, students, and community members through multiple strategic sessions and a survey.

In 2025, the Board of Education approved the U-46 Strategic Plan, including four goals of student progress.



GOAL 1

Building Early Academic & Social-Emotional Foundations



GOAL #1: Building Early Academic & Social-Emotional Foundations

Every student in PreK-Grade 2 will demonstrate academic and social emotional skills for lifelong learning and success.

OUR EQUITY COMMITMENT

We provide every student access to rigorous, developmentally-responsive learning environments that embrace and honor the student's and family's language, culture, and background, recognizing families as a child's first teacher.

MEASURES OF STUDENT PROGRESS

- 1.A** Students acquiring foundational social emotional skills at each grade PreK-Grade 2
- 1.B** Students acquiring foundational literacy skills at each grade PreK-Grade 2
- 1.C** Students acquiring foundational numeracy skills at each grade PreK-Grade 2

Goal Overview:

The first goal emphasizes the importance of building strong academic and social-emotional foundations in the early years of education, specifically from Pre-Kindergarten through Grade 2. It sets the expectation that every student in these early grades will develop key academic and social-emotional skills that are crucial for long-term learning, well-being, and success in school and life.

Equity Commitment:

The initiative is rooted in an equity-driven approach. It pledges to give every student equal access to high-quality, developmentally appropriate learning environments. These environments are:

- Rigorous yet responsive to each child's developmental stage.
- Designed to respect and integrate students' and families' language, culture, and backgrounds.
- Built on the understanding that families are a child's first teacher, encouraging strong school-family partnerships.

This approach ensures that children from all backgrounds have the opportunity to succeed by acknowledging and building on the unique strengths they bring to the classroom.

Measures of Student Progress:

To track success and growth toward this goal, progress is measured in three key developmental areas across all grades from PreK to Grade 2:

- **1.A – Social-Emotional Skills:**
Students will acquire foundational social-emotional competencies such as self-awareness, emotional regulation, empathy, and relationship skills. These are essential for positive interactions, classroom participation, and overall mental well-being.
- **1.B – Literacy Skills:**
Students will develop critical early literacy skills including letter recognition, phonics, vocabulary, reading comprehension, and writing. These skills form the basis for effective communication and future academic achievement.
- **1.C – Numeracy Skills:**
Students will gain foundational mathematical understanding such as number recognition, counting, basic operations, and problem-solving. Early numeracy is essential for building confidence and competence in later math learning.

Signature Strategies & Key Actions

GOAL #1: Building Early Academic & Social-Emotional Foundations



SYSTEM-WIDE KEY ACTIONS

Expand Early Learning Access: Establish a district-wide plan to increase pre-K classroom spaces, ensuring adequate facilities, equipment, curriculum, and resources.

Implement Evidence-Based Instructional Practices: Incorporate evidence-based instructional strategies that support student learning and development, ensuring that classrooms are equipped with research-backed curricula, trained educators, and developmentally appropriate learning environments.

Strengthen Professional Learning for Educators: Implement targeted professional learning initiatives to empower staff and community partners in providing developmentally-responsive instruction in literacy, numeracy, and student wellness, ensuring a strong foundation for early learners.

Enhance Family Engagement: Provide families with the tools and support to enhance home-school connections through various channels, including hosting educational programs like Parent Cafés and parenting classes, and expanding district liaison services to ensure inclusivity.

Collaborate with Local Partners: Partner with local hospitals, community organizations, and the Elgin Partnership for Early Learning (EPEL) to provide early support to families, including informational sessions, in-home resources, and accessible community-based programs.

03.2025 SCHOOL DISTRICT U-46 | STRATEGIC PLAN OVERVIEW

Conclusion:

By focusing on early academic and social-emotional development through an equity-centered lens, this goal seeks to prepare all young learners for future success—both in and out of the classroom.

GOAL 2

Safety, Sense of Belonging, & Inclusion



GOAL #2: Safety, Sense of Belonging, & Inclusion

Every student will contribute to and experience a welcoming, safe, and inclusive environment that nurtures a sense of belonging.

OUR EQUITY COMMITMENT

We provide safe and inclusive environments that disrupt systemic inequities and ensure every student is valued, connected, and engaged.

MEASURES OF STUDENT PROGRESS

- 2.A Students experience and perceive a supportive school climate that emphasizes safety, inclusion, student-staff relationships, and a strong sense of belonging
- 2.B Student attendance/absenteeism
- 2.C Student participation in co-curricular/extracurricular activities

Goal Overview:

This goal emphasizes the critical role of school climate in supporting student well-being and success. It aims to ensure that every student feels safe, welcomed, and included in the school community. A positive school climate fosters strong relationships, emotional security, and an environment where students can thrive academically and socially.

Creating such an environment is essential not only for learning but also for helping students build confidence, resilience, and a strong sense of identity. The goal recognizes that students who feel like they belong are more likely to be engaged, participate actively, and reach their full potential.

Equity Commitment:

The district commits to building safe and inclusive environments that actively work to:

- Disrupt systemic inequities that may negatively impact student experiences and opportunities.
- Ensure all students feel valued, connected, and engaged, regardless of background or identity.
- Promote practices that uplift student voice, nurture diversity, and foster mutual respect between students, staff, and families.

This commitment underscores the belief that a true sense of belonging is a fundamental right of every student and a foundation for equitable education.

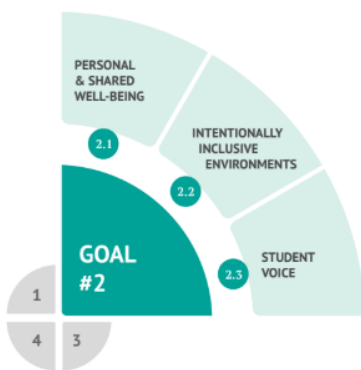
Measures of Student Progress:

To assess progress toward this goal, three key indicators are monitored:

- **2.A – Supportive School Climate Perception:**
Students report feeling safe and included at school, supported by positive relationships with peers and staff. A strong sense of belonging is cultivated through inclusive practices and a school culture that values every student.
- **2.B – Student Attendance/Absenteeism:**
Attendance patterns are a direct reflection of how connected and supported students feel. High attendance rates and low chronic absenteeism indicate that students feel motivated to attend and engage in school.
- **2.C – Participation in Co-Curricular/Extracurricular Activities:**
Active participation in school clubs, sports, and other non-academic activities is a sign of strong school connection and student engagement. These opportunities also help students build social skills, confidence, and a broader sense of community.

Signature Strategies & Key Actions

GOAL #2: Safety, Sense of Belonging & Inclusion



SYSTEM-WIDE KEY ACTIONS

Standardize Social-Emotional Learning (SEL) Support Systems: Implement a universal SEL screener for all students to assess social-emotional health in coordination with a tiered system of supports across grade levels and buildings.

Develop Belonging and Community Initiatives: Expand extracurricular activities, implement mentoring programs, and ensure all students have a trusted adult to promote a sense of belonging, and include family engagement through events and community-building initiatives.

Promote a Positive Classroom Culture: Foster an inclusive school and classroom environment with shared language and goals. Provide staff training on SEL, trauma-informed care, and restorative practices, and establish a monitoring and feedback system to ensure effective implementation.

Prioritize Student Voice in Safety and Inclusion: Gather student feedback on their physical, emotional, and psychological safety and sense of belonging, using it to guide decision-making and adjust practices. Develop clear safety plans and ensure staff and students understand their role in maintaining a safe environment.

Amplify Student Voice and Ensure Inclusive Representation: Ensure decision-making bodies reflect diverse student perspectives, promote inclusive practices, and create multiple opportunities for students, parents, staff, and the community to share their voices and be heard.

Conclusion:

By focusing on safety, belonging, and inclusion, this goal seeks to create a school environment where every student feels seen, heard, and supported. A strong and equitable school climate is essential for students' academic growth, emotional development, and lifelong success. Through intentional practices and ongoing assessment, schools can ensure all students have the foundation they need to thrive.

GOAL 3

Academic Growth & Mastery

GOAL #3: Academic Growth & Mastery

Every student will demonstrate at least a year of growth to meet or exceed standards at every grade level.

OUR EQUITY COMMITMENT

We provide every student access to a rigorous, standards-based curriculum, culturally and linguistically appropriate coursework, actionable feedback, and targeted instruction.

MEASURES OF STUDENT PROGRESS

- 3.A** Student academic growth and achievement in reading, writing, math and science on state and national assessments
- 3.B** Student performance on common assessments aligned to standards
- 3.C** Students on track for on-time graduation at each grade level (9-12)

Goal Overview:

This goal focuses on ensuring that all students make meaningful academic progress each year. It emphasizes the importance of students not only meeting grade-level standards but also demonstrating at least one full year of academic growth, regardless of their starting point. The goal applies across all subjects and grade levels, preparing students with the skills and knowledge needed for future success in school, college, careers, and life. Academic mastery is defined not just by test scores, but by a deep understanding of content, the ability to apply learning, and consistent progress toward long-term educational goals.

Equity Commitment:

To achieve this goal, the district commits to providing:

- Rigorous, standards-based instruction that challenges and engages all learners.
- Culturally and linguistically appropriate curriculum that reflects and respects students' backgrounds.
- Actionable feedback and targeted instruction to meet students' individual learning needs and accelerate growth.

This approach ensures that every student—regardless of race, language, or ability—has access to the support and high expectations necessary to thrive academically.

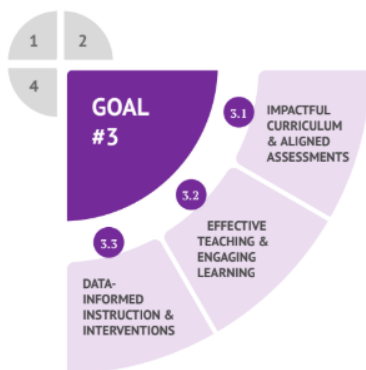
Measures of Student Progress:

Progress is measured using multiple data points that reflect growth and mastery over time:

- **3.A – Academic Growth and Achievement:**
Students show progress in core academic subjects—reading, writing, math, and science—based on performance on state and national assessments.
- **3.B – Performance on Standards-Aligned Assessments:**
Students demonstrate understanding and mastery through common assessments that are aligned with academic standards and expectations.
- **3.C – On-Track for Graduation (Grades 9–12):**
For high school students, being on track for on-time graduation at every grade level is a key indicator of academic mastery and preparedness for life after high school.

Signature Strategies & Key Actions

GOAL #3: Academic Growth & Mastery



SYSTEM-WIDE KEY ACTIONS

Develop and Implement Aligned Curriculum and Assessments: Create and implement culturally and linguistically relevant, standards-aligned curriculum and administer common assessments that measure student progress and proficiency, using data to inform curriculum design and instructional decisions.

Facilitate Data-Driven, Intentional Professional Learning: Provide tailored job-embedded professional learning for teachers grounded in the Instructional Clarity Framework, measure the impact on practice, and make continuous improvements to professional learning to systems and teams based on evidence of impact.

Foster Collaboration and Reflection: Establish regular collaborative planning time for educators to analyze student data, share best practices, and engage in reflective discussions to enhance instructional strategies and improve student outcomes.

Provide Real-Time Intervention Systems: Develop structured systems and designated times within the school day to provide immediate, targeted support based on student needs.

Leverage Student Data for Continuous Monitoring: Regularly analyze assessment data through a culturally and linguistically responsive lens to monitor progress, provide meaningful feedback to students, teachers, and families, and adjust instruction as needed.

03.2025

SCHOOL DISTRICT U-46 | STRATEGIC PLAN OVERVIEW

Conclusion:

This goal ensures that every student—regardless of background or starting point—has the opportunity to grow academically each year. With high expectations, inclusive teaching practices, and personalized support, schools can ensure students are meeting standards, making progress, and building a strong foundation for future success.

GOAL 4

Ready to Embrace a Diverse & Changing World



GOAL #4: Ready to Embrace a Diverse & Changing World

Every student will develop skills and interests for successful postsecondary transitions through life, college and/or career.

OUR EQUITY COMMITMENT

We provide every student with quality experiences and support to identify their passions and pursue success at the next level.

MEASURES OF STUDENT PROGRESS

- 4.A** Student enrollment and successful completion of a career pathway, CTE, AP, IB, Dual Credit, or State Seal of Biliteracy
- 4.B** Students in grades 6-12 completing courses, activities, or experiences aligned to the Post-Secondary and Career Expectations (PACE) framework
- 4.C** Students demonstrating growth and achievement of the Qualities in the *Portrait of a Graduate*

Goal Overview:

This goal prepares students to thrive beyond high school by equipping them with the skills, experiences, and mindset needed to navigate an ever-changing, diverse world. It emphasizes readiness for college, careers, and life, supporting students in developing a strong sense of purpose, adaptability, and real-world competencies.

By focusing on postsecondary transitions, the goal ensures that students are not only academically prepared, but also confident in pursuing meaningful paths aligned with their passions and interests. Whether entering the workforce, enrolling in higher education, or exploring other opportunities, students will be ready for success.

Equity Commitment:

To support this goal, the district commits to:

- Providing quality, inclusive learning experiences that reflect diverse pathways and opportunities.
- Supporting students in discovering their interests and strengths.
- Offering equitable access to career and college-aligned programs and targeted guidance to help every student plan for their future.

This ensures that all students—regardless of background—are empowered to explore and pursue success at the next level.

Measures of Student Progress:

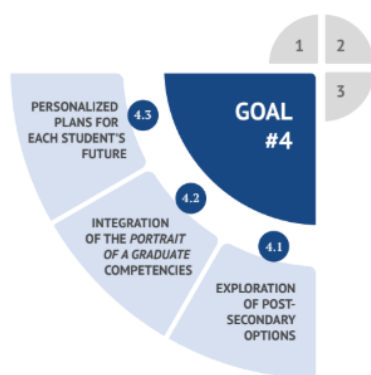
Student readiness for the future is measured through the following indicators:

- 4.A – Career and College Pathway Completion:
Students enroll in and successfully complete a career pathway, such as Career and Technical Education (CTE), Advanced Placement (AP), International Baccalaureate (IB), Dual Credit courses, or earn the State Seal of Biliteracy.
- 4.B – Participation in PACE-Aligned Experiences:
Students in grades 6–12 take part in courses, activities, or experiences aligned to the Post-Secondary and Career Expectations (PACE) framework, helping them explore real-world opportunities and prepare for future success.
- 4.C – Growth in Portrait of a Graduate Qualities:
Students demonstrate development in the Portrait of a Graduate qualities—key attributes such as critical thinking, collaboration, communication, adaptability, and global citizenship—essential for life beyond school.

Signature Strategies & Key Actions

GOAL #4:

Ready to Embrace a Diverse & Changing World



SYSTEM-WIDE KEY ACTIONS

Expand Career Pathways and CTE Programs: Optimize Career and Technical Education (CTE) offerings, ensuring students have access to pathways that align with their interests and future career goals.

Enhance Early and Ongoing Academic and Career Counseling: Provide consistent, early exposure to career counseling, helping students explore their academic interests and develop post-secondary plans that align with their aspirations.

Increase Work-Based Learning and Internship Opportunities: Increase opportunities for students to engage in internships, apprenticeships, and real-world work experiences, starting at the middle or early high school level, to build career readiness.

Integrate Portrait of a Graduate Qualities into Activities: Design and implement grade-level activities that promote the key qualities outlined in the Portrait of a Graduate, ensuring real-world connections that build critical competencies.

Create Personalized Learning Plans: Develop individualized learning plans with students and families that are tailored to each student's academic, career, and personal goals, using continuous monitoring to ensure progress and support diverse learning needs.

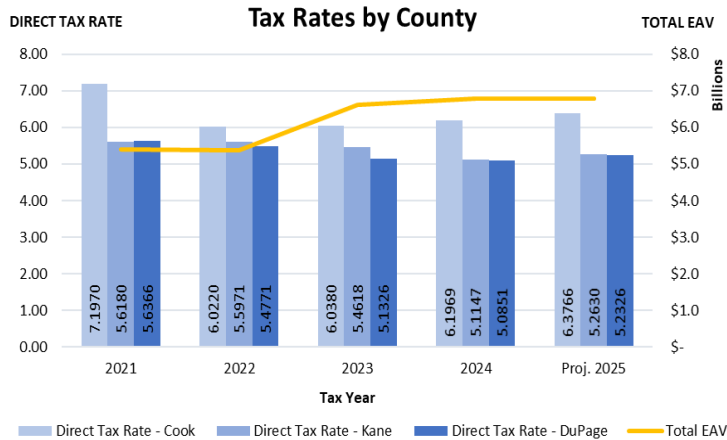
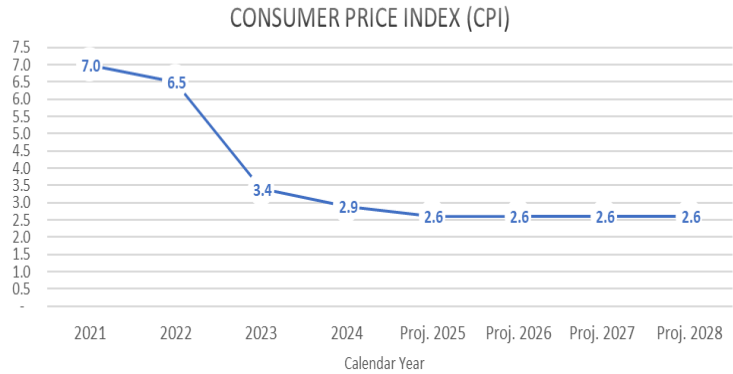
Conclusion:

This goal ensures that students are not only academically prepared but also future-ready—equipped with the skills, experiences, and self-awareness needed to navigate life, college, and career. Through personalized support and exposure to diverse pathways, students gain the confidence and capability to contribute meaningfully in a dynamic and diverse world.

KEY FACTORS AFFECTING DEVELOPMENT OF THE BUDGET

KEY REVENUES

Property taxes represent the District's largest source of revenue, accounting for 47.8% of the total revenue received. Property tax revenue can grow based on the rate of inflation, as well as additional revenue generated from new construction and properties entering the tax rolls, such as those from expiring Tax Increment Financing (TIF) districts. Inflation, as measured by the Consumer Price Index (CPI), is a key metric used by District management for forecasting property tax revenue. The accompanying chart highlights the historical CPI values for each calendar year in December. For calendar year 2022, the CPI stood at 6.5%, while for 2023, it decreased to 3.4%, and continued to decrease to 2.9% for 2024. Future projections for CPI are 2.6%. In addition to CPI, the District's Equalized Assessed Value (EAV) has steadily increased since the 2015 tax year. It is anticipated that this upward trend will persist, further contributing to property tax revenue growth in future years. The EAV is a product of the assessed value of your property (both land and improvements) and the State Equalization Factor set by the Illinois Department of Revenue.



The chart to the left demonstrates the inverse correlation between the direct tax rate and the Equalized Assessed Value (EAV). As EAV increases, the direct tax rate decreases, and vice versa. This inverse relationship occurs because the direct tax rate is influenced by two key factors: 1) the property's EAV and 2) the property's share of the total taxes levied. A property's share of taxes is calculated by dividing its EAV by the aggregate EAV for the taxing area. Once the share is determined, the direct tax rate is applied to calculate the property tax owed. While various exemptions and adjustments can impact the final tax amount, this explanation provides a high-level overview of how the direct tax rate functions in relation to EAV, helping to clarify the context of the displayed graphs.

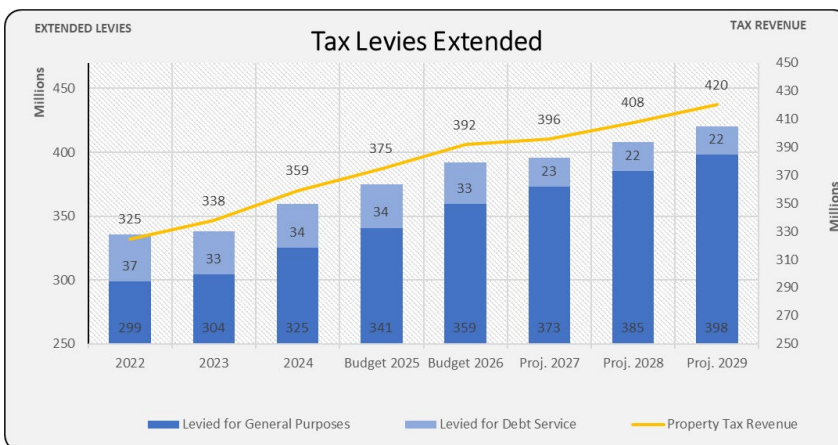
share is determined, the direct tax rate is applied to calculate the property tax owed. While various exemptions and adjustments can impact the final tax amount, this explanation provides a high-level overview of how the direct tax rate functions in relation to EAV, helping to clarify the context of the displayed graphs.

ORGANIZATIONAL SECTION

Property taxes are assessed annually on the value of all taxable real property within the District, with levies established on or before the last Tuesday in December. The Board of Education approved the 2024 tax levy on December 16, 2024, which was recorded as an enforceable lien on properties as of January 1, 2025. These taxes are due and collectible in March and August 2026 in Cook County, and in June and September 2026 in DuPage and Kane counties. The County Collector is responsible for collecting these taxes and subsequently remitting the District's share. Typically, the District receives these funds from the County Treasurer within one month of collection.

The chart to the right breaks down the amounts levied for general and debt purposes along with the total property tax revenue received.

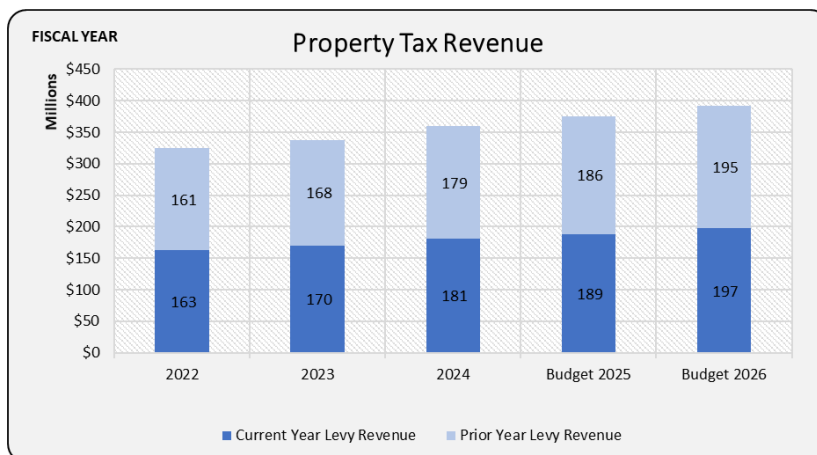
The District has recognized, as revenue, 50.0% of the 2024 tax extension and 50.0% of the 2023 tax extension in fiscal year 2025 based on estimated collections, as this is the period for which the taxes have been levied (intended to finance).

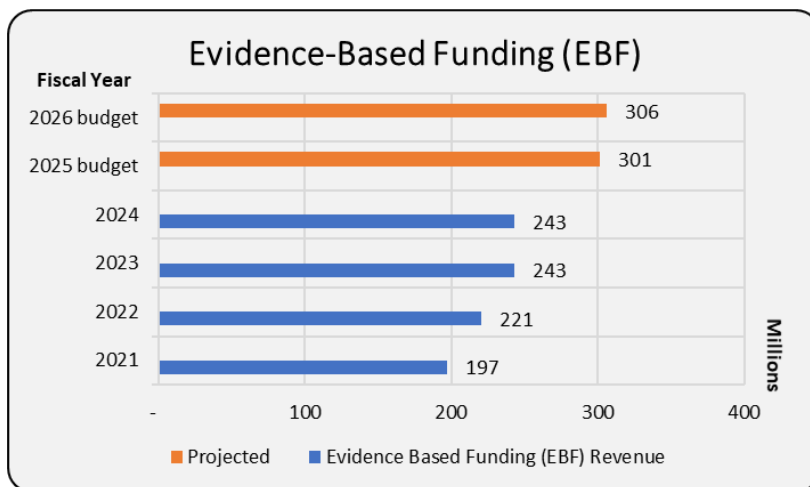


Property taxes are recorded net of estimated allowance for uncollectible accounts. The allowance for uncollectible accounts is based on collection history and is estimated at 1.3% of the total levy. The changes in the property tax revenue shown on the graph coincide with the levy extension changes after accounting for the smoothing of each levy over two fiscal years and applying the allowance factor.

The District has recorded a receivable for the uncollected portion of the fiscal year 2025 taxes extended.

Since each tax year's extended levies are recognized as revenue by the District over two fiscal years, recognized property tax revenue in a fiscal year may not reflect a tax levy for any given year. The chart above reflects the revenue received for the current and prior year levies for 2022 through 2026.





Evidence-Based Funding for Student Success Act (EBF)

EBF is designed to prioritize funding for students with the greatest needs and for school districts that are underfunded, thereby ensuring more equitable distribution of resources to support student success. For Fiscal Year 2025 (FY26), the District has reviewed its EBF allocation with a focus on fiscal equity, leading to a revised school allocation model that emphasizes support

for gifted, low-income, and special needs student populations. Effective the 2025-2026 school year, the District has been reclassified by the state as a Tier 2 district. Due to this change of tier, the EBF allocation has been significantly reduced to \$4.8 million in new dollars this year. The Base Funding Minimum (BFM) is set at \$301,451,389. This amount remains consistent with prior years and guarantees that our district does not receive less funding than before. The total state contribution will be \$306.3 million.

Mandated Categorical Reimbursements (MCATs) and the funds appropriated for it are earmarked and mandated by Illinois statute for a particular purpose or population and may be used for that purpose or population only. As of the end of June 30, 2024, the District was owed \$1.8 million for the fourth quarter. The District received that payment in July and is anticipating four categorical payments for FY25.

MCATs include programs such as Transportation, State Lunch and Breakfast, and Orphanage. In addition, when referring to state categorical programs, District management includes other state programs including Early Childhood Education, Special Education, Career and Technical Education and Drivers Education.

Transportation

FY26 Budget Amount: \$15,917,065

Expenditures are allocated by category based on the ratio of miles per category to total miles driven.

Four Categories of Transportation:

1. Regular (105 ILCS 5/29) – Student eligible for transportation reside 1.5 miles or more from the assigned attendance center, reside less than 1.5 miles with an Illinois Department of Transportation (IDOT) approved serious safety hazard, or reside less than 1.5 miles with a school board approved criminal gang activity safety hazard. Before the state provides reimbursement for regular transportation costs the local share is determined and reduces the amount of state reimbursement. The District’s Equalized Assessed Valuation (EAV) plays a role in determining the District’s local share. As EAV rises the state reimbursement is reduced. The minimum claim is \$16 times the number of eligible pupils transported.
2. Vocational – Eligible students are those who are transported 1.5 miles or more one way from their assigned attendance center to a vocation program located at: an area vocational center; another school district; or a building or other trades skill development site.

ORGANIZATIONAL SECTION

Eighty percent of the vocational transportation expenditures are reimbursed by the state and the remaining 20.0% is considered local share and is covered by local district funds.

3. Special Education (105 ILCS 5/14-13.01(b)) – Eligible students are those with Individualized Education Programs (IEPs) that require special transportation as a related service. If a special needs student does not have transportation as a related service, they are transported on regular routes.

Eighty percent of the special education transportation expenditures are reimbursed by the state and the remaining 20.0% is considered local share and is covered by local district funds.

4. Non-reimbursable – Includes students transported for regular pre-kindergarten on exclusive Pre-Kindergarten routes, regular summer school and non-curriculum-related field trips such as transporting participants or spectators to and from athletic contests, academic contests, extra-curricular and/or co-curricular activities.

Early Childhood – Block Grant

FY26 Budget Amount: \$9,374,151

This program reimburses districts and cooperatives to assist in establishing early childhood education programs. The Block Grant program includes: 1) preschool education primarily for at-risk and low-income children ages 3 years old to kindergarten enrollment age; and 2) prevention initiative for at-risk children from birth to age 3 and their families. "At risk" is defined as those children *who because of their home and community environment are subject to such language, cultural, economic and like disadvantages to cause them to have been determined as a result of screening procedures.*

This is a state funded grant where the full allotment is provided at the beginning of the fiscal year. Unused funding must be returned to the state at the end of the final reporting period.

Special Education

Public Act 100-0465 (Evidence-based funding) comprehensively changed education funding distribution to local education agencies and included significant changes to special education programs. The remaining Special Education programs are:

Special Education – Private Facility Tuition

FY26 Budget Amount: \$4,500,000

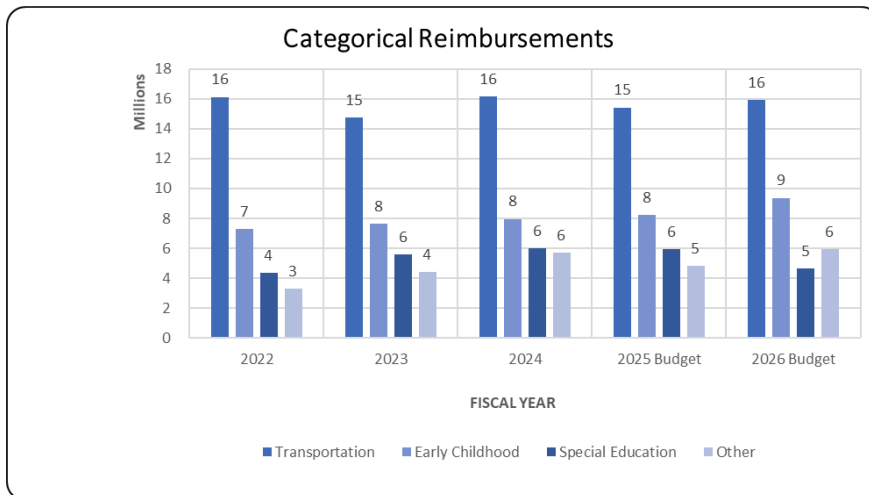
This program provides reimbursement for a portion of the private facility tuition costs incurred by the District from the prior school year.

Special Education – Orphanage Tuition

FY26 Budget Amount: \$1,050,000

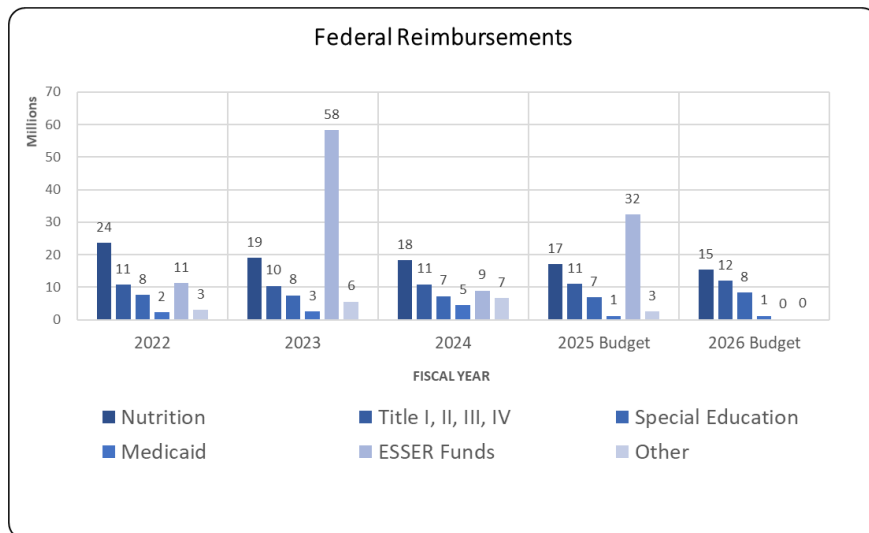
This program reimburses on a current year basis 100.0% of the tuition costs for eligible students with disabilities who are under the guardianship of a public agency or who reside in state residential facilities. This includes both regular term and summer term.

The chart below summarizes the budgeted categorical revenue and recent history. In the past three years the payments were received timely, and the FY25 and FY26 budgets reflect 100.0% of the full year expected funding.



Federal Reimbursements

Federal Assistance/Federal Aid is funding for any program, project, service, or activity provided by the federal government that directly assists domestic governments, organizations, or individuals in the areas of education, health, public safety, public welfare, and public works, among others. The District manages several programs that receive some type of federal assistance either directly or as a flow-through from a non-federal agency. Illinois State Board of Education is the flow-through agency that provides a majority of the District’s federal funding. Additional expenditure and revenue data by federal program operated by the District can be found in the District’s Schedule of Expenditures of Federal Awards (SEFA). The SEFA is included in the District’s annual single audit report which can be found on the District’s website or by clicking this link: [Financial Services Audit Reports](#).



ORGANIZATIONAL SECTION

Nutrition Programs

FY26 Budget Amount: \$15,426,000

The National School Lunch Program provides nutritionally balanced, breakfast and lunch to students at no cost. Additionally, a snack program and supper programs are available at some school sites based on need. The District receives cash subsidies indirectly from the U.S. Department of Agriculture (USDA) for operating these programs. These subsidies flow-through the Illinois State Board of Education to the District. In order to qualify for the cash subsidies, the District must serve meals and snacks that meet Federal requirements. In FY24, the District qualified for the USDA's Community Eligibility Program (CEP) allowing for breakfast and lunch to be offered at no cost to all students.

Title I - IV Programs

FY26 Budget Amount: \$12,046,294

Title I through Title IV of the Elementary and Secondary Education Act (ESEA) provide federal funding to support various educational needs, particularly in low-income schools. Title I focus on improving academic achievement for disadvantaged students by offering financial assistance to schools with high percentages of students from low-income families. Title II emphasizes improving teacher and principal quality through professional development and recruitment to ensure students receive high-quality instruction. Title III supports English language learners by providing funds for language instruction programs that help students achieve proficiency in English. Finally, Title IV promotes student academic enrichment by funding programs related to well-rounded education, safe and healthy learning environments, and the effective use of technology in schools. Together, these programs aim to enhance educational equity and student success across the country.

Special Education IDEA Program

FY26 Budget Amount: \$8,326,480

The Individuals with Disabilities Act (IDEA) is a law that makes available a free appropriate public education to eligible children with disabilities throughout the nation and ensures special education and related services to those children. The act governs how state and public agencies provide early intervention, special education, and related services to eligible infants, toddlers, children, and youth with disabilities. As a result of this act multiple funding programs have been available. This federal program is operated by the U.S. Department of Education.

ORGANIZATIONAL SECTION

Employee Salaries and Benefits*

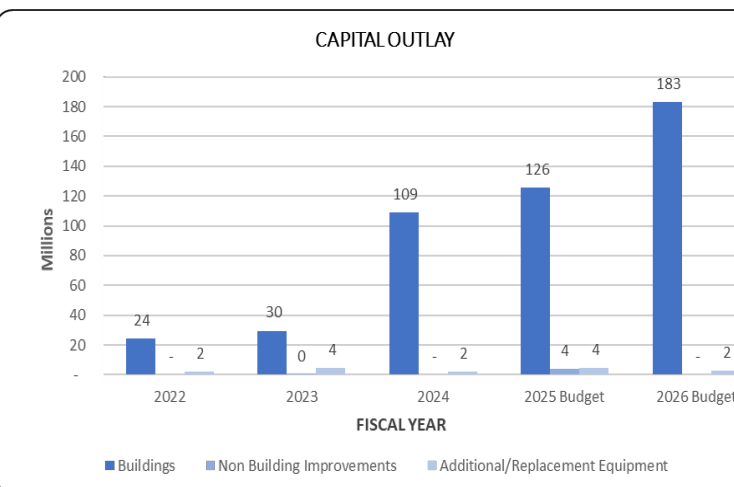
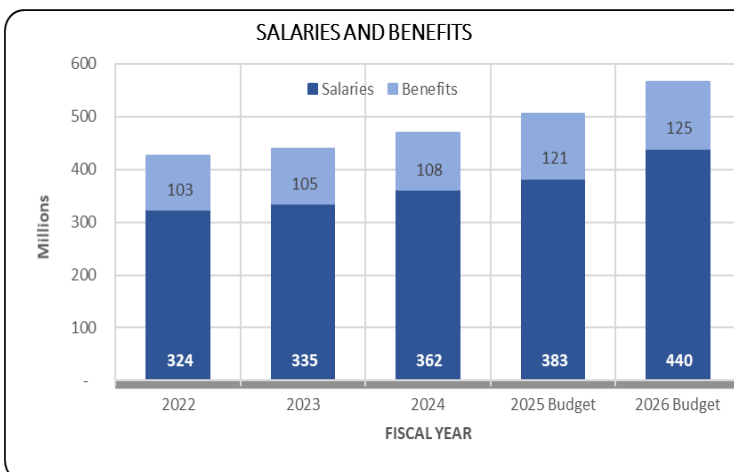
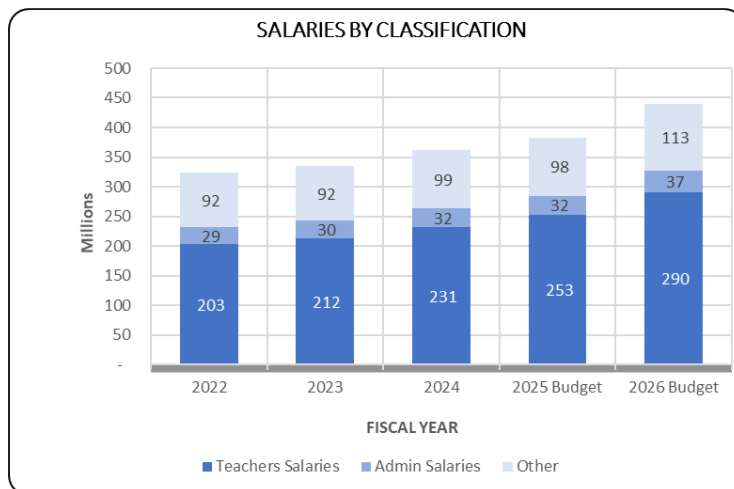
Salaries and benefits are expected to increase 11.9% compared to the prior fiscal year's budget. The two charts to the right show salary and benefit information for the past three fiscal years and the budget 2025 and 2026 years. Several factors may impact salary and benefit projections in any given year. These include annual raises, increases and decreases in employee count, the seniority status of the employees compared to the prior year, and any changes to the retirement pension required payroll contributions.

Capital Outlay

The majority of the District's capital outlay is spent on buildings construction, building improvements, vehicles and equipment. These construction projects usually span several months at a time and are typically targeted for the summer months while the schools are staffed to a minimum. Due to the nature of these construction projects and the timing of the June 30 fiscal year end, many of these capital projects are internally planned by calendar year rather than fiscal year. District management assesses the projects and their planned timing and then splits them among the appropriate fiscal year budgets. The Capital Projects Summary table included in the Financial Section under All Funds shows the upcoming planned projects and costs included in the current budget.

The chart above breaks down each type of capital outlay for a span of five fiscal years.

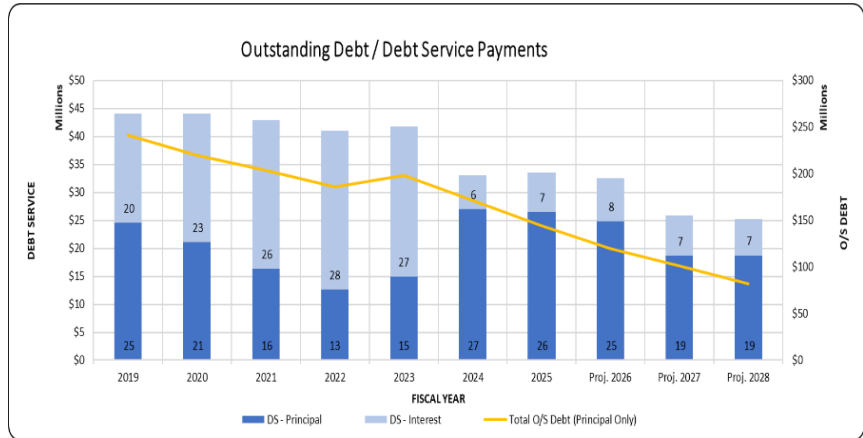
*U-46 defines benefits as retirement pensions, payroll taxes, medical, dental, vision, disability, life, and tuition reimbursement.



Debt Management

The majority of debt issued by U-46 is intended to fund capital projects and maintain existing buildings. Management assesses the District’s future needs, projects revenues and expenditures and recommends the issuance of debt only when it is believed to be in the District’s overall best interest.

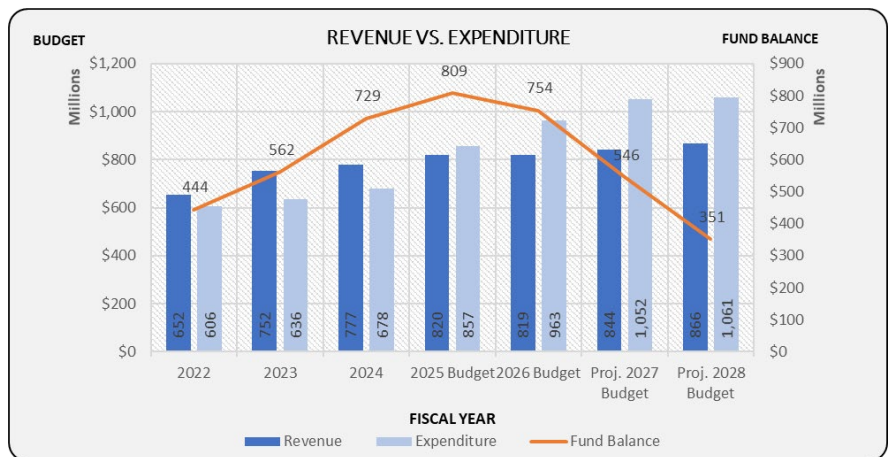
On April 4, 2023, the community approved the District's \$179.0 million bond referendum as part of the Unite U-46 campaign, enabling investments in school facilities without affecting the District’s debt tax rate. In November 2023 (FY24), the District refinanced certain bonds, partially paying them off early and refunding the remaining balance to achieve significant interest savings. These actions saved district taxpayers over \$20 million in interest expenses over the life of the bonds. In February 2024 and February 2025, the District issued \$62.1 million and \$62.0 million respectively for the bond referendum. The District will issue the remaining \$56.9 million in FY26, consistent with the Unite U-46 campaign’s commitment to maintaining a stable tax rate.



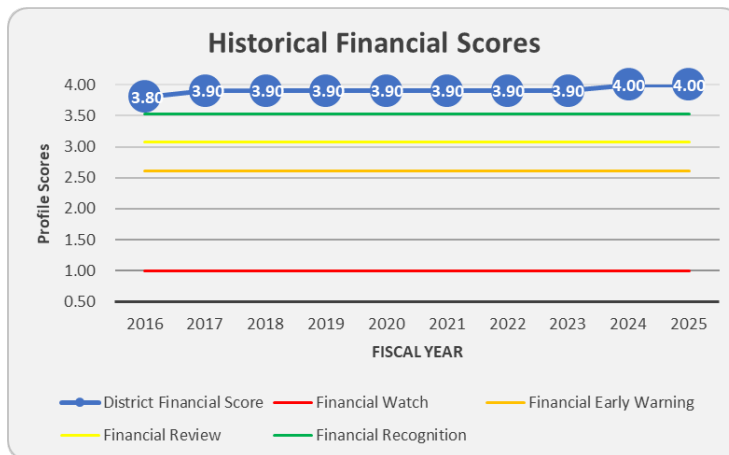
District management has completed a long-term capital plan for building replacements. Any new building construction would be funded by new outstanding debt. The orange line on the chart below shows the past seven years of the District’s outstanding debt balance and an additional three years of projected outstanding debt. The bars represent the principal and interest portions of the debt service payments each year. NOTE: Accreted interest on debt, retirement obligations and estimated liabilities such as compensated absences, claims and adjustments are not included in this graph.

SUMMARY - REVENUE, EXPENDITURES & FUND BALANCES (EXCLUDES STATE “ON-BEHALF” PAYMENTS)

The output of annual revenues and expenditures is the District fund balance. Fund Balances are the net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources). The chart to the right shows actual fund balances (which includes bond proceeds) for FY22 – FY23 and projected fund balances for FY25 – FY28. The District has a fund balance policy that seeks to maintain a year-end fund balance to revenue ratio of no less than 20.0%, as calculated under the Ill. State Board of Education’s School District Financial Profile.



In 2025, based on the FY24 Annual Financial Report, the District achieved Financial Recognition status with a score of 4.00 from the Illinois State Board of Education (ISBE). This high level of recognition has been maintained since fiscal year 2012, and the District expects to continue upholding this esteemed status. The Financial Recognition benchmark assesses the District across several key indicators: the fund balance to revenue ratio, the expenditure to revenue ratio, the days cash on hand, the percentage of short-term borrowing capacity remaining, and the percentage of long-term debt margin remaining.



For fiscal year 2024, among the 851 Illinois districts reporting to ISBE, 762 districts (92.4%) received "Recognition" status. In contrast, 70 districts (6.0%) were categorized as "Review," 12 districts (1.2%) were designated "Early Warning," and 7 districts (0.4%) were classified as "Watch."

The financial profile designation is as follows:

- Financial recognition – **3.54 – 4.00** – highest category of financial strength and require little or no review or involvement by ISBE.
- Financial review – **3.08 – 3.53** – districts will receive a limited review by ISBE and will be monitored for potential downward trends.
- Financial early warning – **2.62 – 3.07** – districts will be monitored closely and offered proactive technical assistance.
- Financial watch – **1.00 – 2.61** – highest risk category. ISBE will monitor these districts closely and offering them technical assistance including financial projections, cash flow analysis, budgeting, personnel inventories, and enrollment projection.

BUDGET MANAGEMENT

The budget serves many purposes. It presents the best forecasts of future revenues and expenditures possible with the information available at that time and is subject to change with the passage of time. It is a tool used for decision-making and a gauge in which actual performance is measured against. The budget is not a commitment to spend but rather a spending plan. The budget must be flexible throughout the year to accommodate unforeseen events whether that is loss of revenue sources, new revenue sources, actual expenditures greater than estimated or any other increase or decrease in the District's activity.

BUDGET POLICIES

State and local policies play a crucial role in shaping the goals, structures, and practices of public schools, setting priorities, providing direction, and establishing operational parameters. Board Policy 2:20, Powers and Duties of the School Board, outlines a key responsibility of the school board: "Approving the annual budget, tax levies, major expenditures, payment of obligations, annual audit, and other aspects of the District's financial operations; and ensuring the availability of a financial statement as required by State law." Below are summaries of Operational Services Policies related to the fiscal budget.

Fiscal and Business Management Goals – Policy 4:10

The Superintendent is responsible for overseeing the fiscal and business management of the School District, including preparing and presenting the annual budget to the School Board and ensuring compliance with state law. The Superintendent must ensure the efficient operation of the District's business functions, including the use of technology and electronic networks, while managing budget planning and implementation. The fiscal year runs from July 1 to June 30, and a tentative budget is presented to the Board by August, followed by public hearings and final adoption before September 30. The Superintendent is tasked with ensuring public access to the budget, filing it with the County Clerk, and submitting necessary reports to the Illinois State Board of Education (ISBE). Budget amendments follow the same procedures as the original adoption, and the Superintendent provides monthly financial updates to the Board, managing fund transfers and expenditures. The Board approves interfund loans, transfers, and the working cash fund when applicable.

Fund Balances – Policy Code 4:20

The Chief Executive Officer/Superintendent is responsible for maintaining sufficient fund balances to ensure the District can meet service levels and pay obligations despite unforeseen events or expenses. They must inform the Board if reserves need to be used or borrowing is necessary. The District aims to maintain a year-end fund balance to revenue ratio of at least 20%, in accordance with Illinois State Board of Education guidelines.

Revenues and Investments – Policy Code 4:30

The Chief Executive Officer/Superintendent or designee is responsible for submitting all claims for property tax revenue, State Aid, Evidence-Based Funding, special state funds for specific programs, federal funds, and categorical grants.

ORGANIZATIONAL SECTION

Incurring Debt – Policy Code 4:40

The Chief Executive Officer/Superintendent or designee is required to provide early notice to the Board of Education regarding the District's need to borrow funds. They must prepare necessary documents for the Board to either issue various forms of debt, such as bonds or notes, or establish a line of credit. Additionally, the Superintendent must notify the State Board of Education before issuing any debt that would exceed 75% of the District's debt limit under state law.

Accounting and Audits – Policy Code 4:80

At the end of each fiscal year, the Chief Executive Officer/Superintendent is responsible for arranging an audit of the District's finances, conducted by an independent certified public accountant in compliance with legal standards. A comprehensive audit report is provided to the Board and the Chief Executive Officer/Superintendent. By October 15, or as specified by the Regional Superintendent, the audit must be submitted to the Regional Superintendent of Schools. Additionally, the Chief Executive Officer/Superintendent prepares and submits the Annual Financial Report in accordance with ISBE guidelines, ensuring it is reviewed with the Board prior to submission.

STATE BUDGET STATUTE

Section 105 Illinois Compiled Statutes 5/17-1

(105 ILCS 5/17-1) (from Ch. 122, par. 17-1)

Sec. 17-1. Annual budget. The board of education of each school district under 500,000 inhabitants shall, within or before the first quarter of each fiscal year, adopt and file with the State Board of Education an annual balanced budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object or purpose.

The budget shall be entered upon a School District Budget form prepared and provided by the State Board of Education and therein shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in this Section shall be construed as requiring any district to change or preventing any district from changing from a cash basis of financing to a surplus or deficit basis of financing; or as requiring any district to change or preventing any district from changing its system of accounting. The budget shall conform to the requirements adopted by the State Board of Education pursuant to Section 2-3.28 of this Code.

To the extent that a school district's budget is not balanced, the district shall also adopt and file with the State Board of Education a deficit reduction plan to balance the district's budget within 3 years. The deficit reduction plan must be filed at the same time as the budget, but the State Superintendent of Education may extend this deadline if the situation warrants.

If, as the result of an audit performed in compliance with Section 3-7 of this Code, the resulting Annual Financial Report required to be submitted pursuant to Section 3-15.1 of this Code reflects a deficit as defined for purposes of the preceding paragraph, then the district shall, within 30 days after acceptance of such audit report, submit a deficit reduction plan.

The board of education of each district shall fix a fiscal year therefor. If the beginning of the fiscal year of a district is subsequent to the time that the tax levy due to be made in such fiscal year shall be made, then such annual budget shall be adopted prior to the time such tax levy shall be made. The failure by a board of education of any district to adopt an annual budget, or to comply in any respect with the provisions of this Section, shall not affect the validity of any tax levy of the district otherwise in conformity with the law. With respect to taxes levied either before, on, or after the effective date of this amendatory Act of the 91st General Assembly, (i) a tax levy is made for the fiscal year in which the levy is due to be made regardless of which fiscal year the proceeds of the levy are expended or are intended to be expended, and (ii) except as otherwise provided by law, a board of education's adoption of an annual budget in conformity with this Section is not a prerequisite to the adoption of a valid tax levy and is not a limit on the amount of the levy.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently available to public inspection for at least 30 days prior to final action thereon. At least 1 public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days

ORGANIZATIONAL SECTION

prior to the time of such hearing. If there is no newspaper published in such district, notice of such public hearing shall be given by posting notices thereof in 5 of the most public places in such district. It shall be the duty of the secretary of such board to make such tentative budget available to public inspection, and to arrange for such public hearing. The board may from time to time make transfers between the various items in any fund not exceeding in the aggregate 10.0% of the total of such fund as set forth in the budget. The board may from time to time amend such budget by the same procedure as is herein provided for its original adoption.

Beginning July 1, 1976, the board of education, or regional superintendent, or governing board responsible for the administration of a joint agreement shall, by September 1 of each fiscal year thereafter, adopt an annual budget for the joint agreement in the same manner and subject to the same requirements as are provided in this Section.

The State Board of Education shall exercise powers and duties relating to budgets as provided in Section 2-3.27 of this Code and shall require school districts to submit their annual budgets, deficit reduction plans, and other financial information, including revenue and expenditure reports and borrowing and interfund transfer plans, in such form and within the timelines designated by the State Board of Education.

By fiscal year 1982 all school districts shall use the Program Budget Accounting System.

In the case of a school district receiving emergency State financial assistance under Article 1B, the school board shall also be subject to the requirements established under Article 1B with respect to the annual budget.

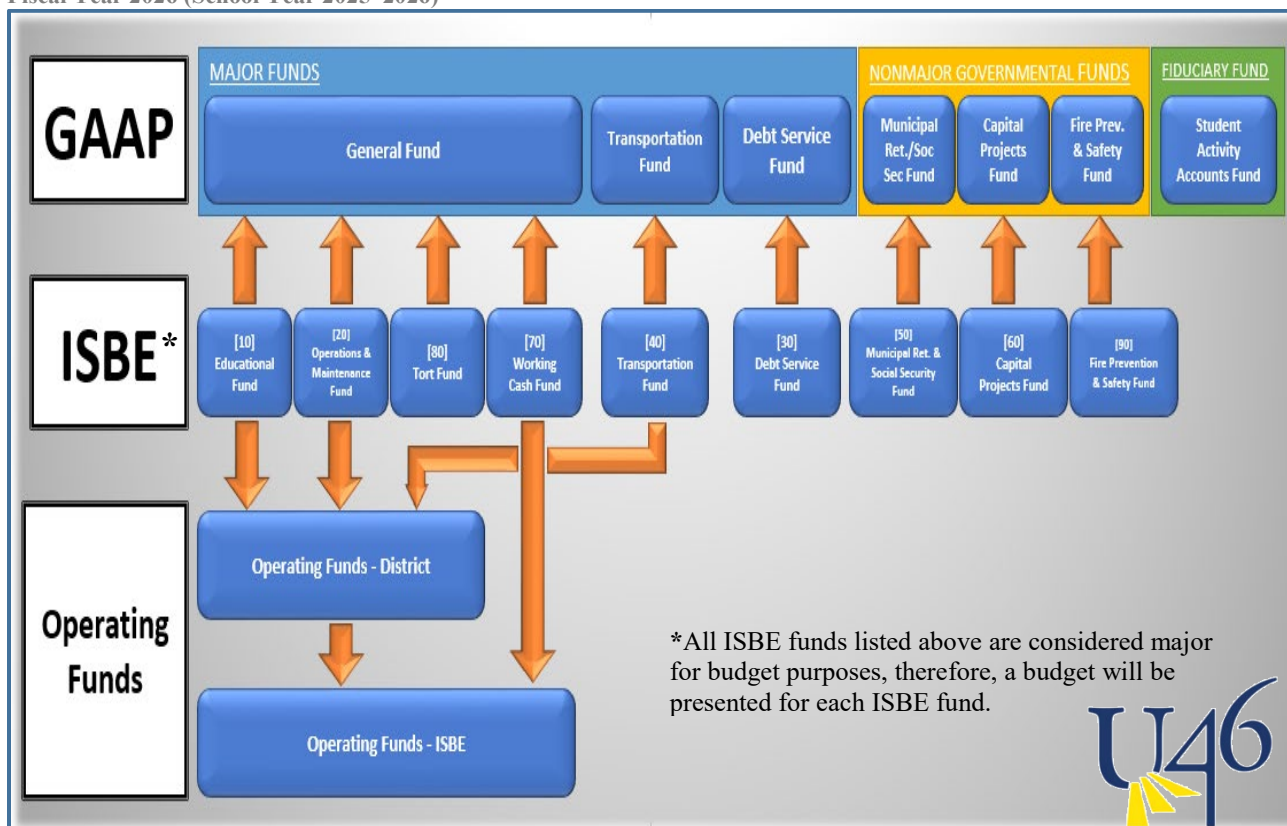
(Source: P.A. 100-465, eff. 8-31-17.)

FUND STRUCTURE

The accounts of the District are organized and operated within funds. Each fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances (fund balance), and changes therein, that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The District maintains nine individual funds required by the Illinois State Board of Education (ISBE). To maintain consistency between the budgeted funds shown below and the budget form submitted to ISBE, the District considers the nine funds listed below to be major and will present them in this document accordingly. These funds differ from the District's funds reported in the audited financial statements under GAAP which is discussed in further detail on the following page. In addition to the nine required funds, the District maintains in a fiduciary manner a Custodial Fund to account for the student activity accounts. District resources are allocated and accounted for in individual funds based upon the purpose for which they are to be spent and means by which spending activities are controlled. Annual budgets are adopted for all District funds. The budgeted funds are shown on the graphic below in the ISBE row. The graphic also shows how each ISBE designated fund rolls into GAAP and Operating Funds groups.

ORGANIZATIONAL SECTION



Budgets for the previously mentioned funds will be created and submitted to ISBE once approved by the Board of Education in the prescribed format required by ISBE.

The fund structure outlined for reporting to ISBE differs from fund reporting required by accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. Although the District does not account for financial transactions differently, the funds required by ISBE are grouped and reported in a different manner. The District's fund structure under GAAP groups certain regulatory funds into different types of funds. Under GAAP the District reports six funds, all of which are classified as governmental funds. This relationship is displayed on the graphic preceding this paragraph.

Governmental funds are generally used to account for tax-supported activities. There are five different types of governmental funds: the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. The District utilizes all of these fund types except for permanent funds. The reporting funds presented by the District under GAAP are shown on the following pages by governmental fund type:

ORGANIZATIONAL SECTION

General Fund

The General Fund is used to account for all financial resources except those required to be accounted for in another fund. It is consistent with the General Fund reported on the District's audited financial statements, however, this fund as a whole is not reported in any ISBE required submission but rather the individual funds that make up the General Fund are reported separately.

The District's General Fund consists of the following ISBE classified (regulatory) funds:

- *Educational Fund* – Direct costs of instruction and administration, including the District's food service operations are recorded in this fund. Each transaction not accommodated by another specific fund shall be processed through this fund.
- *Operations and Maintenance Fund* – All costs of maintaining, improving or repairing school buildings and property are reported in this fund. This fund is required if a tax is levied for purposes of operations and maintenance.
- *Working Cash Fund* – The fund is used to ensure the Board of Education has in its treasury at all times sufficient money to meet demands thereon for ordinary and necessary expenditures for educational purposes. This fund is required if a tax is levied or bonds are issued for working cash purposes.
- *Tort Immunity Fund* – The District's risk financing activities are reported in this fund. This fund is required if taxes are levied or bonds are sold for tort immunity or tort judgment purposes.

Special Revenue Funds

The Special Revenue Fund type is used to account for the proceeds of specific revenue sources (other than those accounted for in Debt Service, Capital Projects or Fiduciary Funds) that are legally restricted to expenditures for specified purposes. The District maintains two special revenue funds as follows:

- *Transportation Fund* – This fund accounts for all revenues and costs relating to the transportation of pupils.
- *Municipal Retirement/Social Security Fund* – The District's share of retirement benefit and social security costs for employees are recorded in this fund.

Debt Service Fund

The Debt Service Fund, formerly the Bond and Interest Fund, accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are to be used for expenditure of capital outlays, including the acquisition or construction of capital facilities and other capital assets. The District's two capital projects funds are as follows:

- *Capital Projects Fund* – This fund accounts for financial resources to be used for the acquisition, construction or renovation of major capital facilities.
- *Fire Prevention and Safety Fund* – This fund is used to account for the altering, reconstructing and repairing of the existing school buildings of the District.

ORGANIZATIONAL SECTION

Aside from governmental funds the District also maintains a fiduciary fund. Fiduciary funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support the District's own programs. Fiduciary funds can be classified into four types: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. The District utilizes the custodial fund type at each school and refers to the account as a "student activity account".

- **Student Activity Accounts** – These funds consist of resources held by the District as a trustee and are classified as custodial funds. These funds do not involve measurement of results of operations. Assets are equal to the amounts due to the student groups. Both revenue and expenditures are included in the annual budget and financial statements.

Within the governmental fund types, the District's fund balances are reported in one of the following classifications as required by GAAP:

- ***Nonspendable*** – includes amounts that cannot be spent because they are either: a) not in spendable form; or b) legally or contractually required to be maintained intact. For the District this classification typically includes inventories and prepaid expenditures.
- ***Restricted*** – includes amounts that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.
- ***Committed*** – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority. The highest level of decision-making authority rests with the District's Board of Education. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same action it employed to previously commit those amounts. The District passes formal resolutions to commit their fund balances.
- ***Assigned*** – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's Board of Education itself; or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned.
- ***Unassigned*** – includes the residual fund balances that have not been restricted, committed, or assigned within the General Fund and unassigned deficit fund balances of other governmental funds.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e. committed, assigned or unassigned fund balances) are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

ORGANIZATIONAL SECTION

The General Fund includes the Working Cash account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the educational account, of the General Fund, or abate the fund to any fund of the District most in need.

District Operating Funds

For additional analysis and comparative purposes, the District considers its operating funds to include three funds which differ from the funds used by ISBE to calculate operational metrics and benchmarks, e.g. operational expenditures per pupil (OEPP). The District's three operating funds are as follows:

- Educational Fund [10]
- Operations & Maintenance Fund [20]
- Transportation Fund [40]

The District seeks to maintain year-end fund balances no less than 20.0% of the annual expenditures to operating funds.

SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting which is the same as the District's audited financial statements. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal period. The District uses sixty days in order to capture reimbursement payments released by the State of Illinois during the month of August. The District also considers property taxes to be available if they are collected within sixty (60) days of the end of the fiscal period and intended to finance the current period.

Significant revenue sources which are susceptible to accrual include property taxes, other taxes, grants, and interest. All other revenue sources are considered to be measurable and available only when cash is received.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, termination benefits, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds.

ORGANIZATIONAL SECTION

Property taxes are levied each year on all taxable real property. Due to the timing of property tax collections, each year's levy impacts two fiscal years. In any given fiscal year, the District recognizes as revenue 50.0% of the current tax year levy and 50.0% of the prior tax year levy net of any allowance for uncollectible accounts. As an example, the current 2023 tax levy is effective for the District's fiscal year 2024 and 2025, therefore, in fiscal year 2025 the District will recognize 50.0% of the 2023 and 2024 tax year levies, net of any allowance.

Revenue from replacement taxes is recognized when collected by the state, prior to disbursement to the District.

Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis.

CLASSIFICATION OF REVENUES

The revenues of the District are classified by fund and source. Revenues are grouped into three categories: Local Sources, State Sources and Federal Sources. Below are the revenues included in the budget by source:

LOCAL SOURCES: REV SRC CODE 100000

Clean Energy Foundation	Payments in Lieu of Taxes
Corporate Personal Property Replacement Tax	Property Taxes
Fees-Bus Trips-Cocurricular	Pupil Activities
Food Sales to Students-Lunch	Receivable Fees
Instructional Materials-Student Program	School Tuition
Interest on Investments	Student Activity Accounts
Kane County Health Department	Trans Fees/Pupils/Parents
Midwest Dairy Association Grant	Transportation other revenue
Miscellaneous Other Funding Sources	U46 Educational Foundation
Mobile Home Privilege Tax	Wisdom Foundation
Other Local Revenue	

ORGANIZATIONAL SECTION

STATE SOURCES: REV SRC CODE 300000

Evidence-Based Funding

Evidence-Based Funding

Categoricals and Grants

Driver Education
Early Childhood-Block Grant
Early Childhood-Pre K
Early Childhood-Project Prepares
Family Literacy
Orphanage Tuition-18-3
Other Revenue From State Sources
Safe Schools Grant (ROE)
Special Education-Orphanage Individual
Special Education-Orphanage Summer
Special Education-Private Facility
State Free Lunch and Breakfast
State Library Grant
Transportation-Regular
Transportation-Special Education
Voc. Education Program Improvement Grant

FEDERAL SOURCES: REV SRC CODE 400000

Federal Aid and Grants

21st Century Comm Learning
Child & Adult Care Food Program
Child Nutrition Commodity/Salvage
Dept of Rehab Services
Early Childhood Expansion Grant
Emergency Immigrant Assistance
Fed-Sp Ed-IDEA Flow Through
Fed-Sp Ed-Pre-School Flow
Medicaid Fee for Service
Medicaid Administrative Outreach
National School Lunch Program
Room and Board PL 94-192 Spec Ed
School Breakfast Program
Special Milk Program
Summer Food Service Program
Title III Lang Inst Prog Lim English
Title II-Teacher Quality
Title I-Low Income
Title I-School Improvement
Voc Ed Perkins Title Iic

CLASSIFICATION OF EXPENDITURES

The expenditures of the District are classified by fund, object and function as required by the State of Illinois. The fund classification was explained previously in the Fund Structure section. The following describes the remaining classifications:

Function

The function is the action or purpose for which a person or thing is used or exists. The function number includes the activities or actions which are performed to accomplish the objectives of the school district. There are eight broad function categories as outlined below:

<u>Code</u>	<u>Description</u>
1000	Instruction
2000	Support Services
3000	Community Services
4000	Payment to Other Districts and Governmental Units
5000	Debt Service
7000	Sources of Funds
8000	Uses of Funds
9000	Other Economic Resources

Object

The object is the service or commodity obtained as the result of a specific expenditure. The object codes are also utilized to desegregate between different categories of expenditures. There are eight object categories outlined below:

<u>Code</u>	<u>Description</u>
5100	Salaries
5200	Employee Benefits
5300	Purchased Services
5400	Supplies and Materials
5500	Capital Outlay
5600	Other
5700	Non-Capitalized Equipment
5800	Termination Benefits

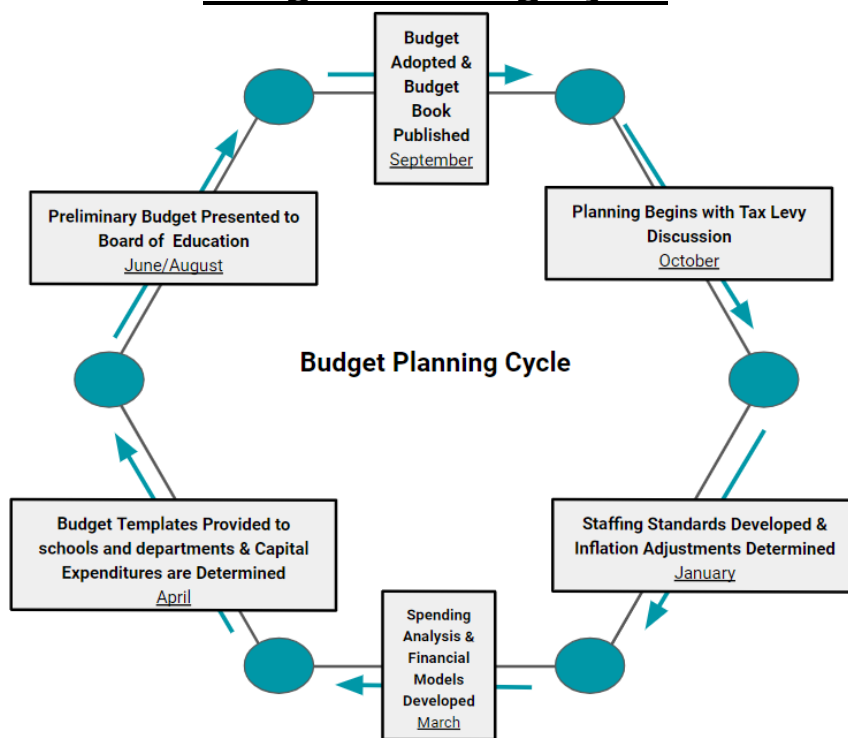
**BUDGET ADMINISTRATION AND
 MANAGEMENT PROCESS**

Annual budgets are adopted for all governmental fund types using the modified accrual basis of accounting, consistent with Generally Accepted Accounting Principles (GAAP). This approach ensures that the District's financial management aligns with standard accounting practices. Additionally, the District has implemented a system that tracks and measures the uncommitted budget amounts available for expenditures throughout the fiscal year, allowing for careful monitoring and fiscal responsibility. All appropriations lapse at the end of the fiscal year on June 30, and any outstanding encumbrances are canceled at that time to ensure a clean transition into the next fiscal period.

The appropriated budget is structured by fund, function, and object, ensuring detailed and organized financial planning. The Board of Education has the authority to transfer funds between functions within a given fund, provided that these transfers do not exceed 10.0% of the total fund. Should the total budget require amendments, the Board follows the same procedures used for adopting the original budget. The legal level of budgetary control is maintained at the fund level.

In June, the Financial Services Department submits a proposed budget for the upcoming school year to the Finance Committee and the Board of Education. Throughout the months of July and August, adjustments are made as more details start to emerge for revenues and expenditures. Following a review of the proposed budget, the Board holds a public hearing to gather community input. The proposed budget is then finalized and recommended for adoption. This process also encompasses budgeting for capital expenditures.

Budget Planning Cycle



2026 BUDGET TIMELINE

- Spending analysis occurs analyzing spending at all school levels and departments. Financial models are developed using the outcome of the analysis in preparation for budget templates. March
- Financial Services team collaborates with schools and departments to establish budget priorities April
- Board Finance Committee Meeting – FY 2025 Tentative Budget discussed June 16
- Tentative Budget is presented to the Board of Education June 16
- Present the *Resolution for Display of and Public Hearing on Budget* June 16
- Adopt the *Resolution for Display of and Public Hearing on Budget* July 21
- Newspaper notice published for display of budget August 7
(must be published at least 30 days prior to public hearing)
- Public Hearing of Board of Education held for Budget and Present *Resolution for Approval of Budget - ISBE form* (Work Session) September 8
- Adoption of Final Budget September 22
(must be adopted by September 30)
 Resolution/ISBE form, Certification of Budget, and Certification Estimate of Revenues are signed
 Budget is posted on U-46 website immediately after approval
- Certified Adopted Budget filed with County Clerks September 23
 Certified Adopted Budget filed with ROE
 Adopted Budget submitted electronically to ISBE including Report of Vendors Contracts of \$1,000 or More
(must be filed/submitted within 30 days of adoption)



Financial Section





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FINANCIAL OVERVIEW

As discussed in the Organizational Section, annual budgets are adopted for all District funds except for the Agency Fund. The budgeted funds are as follows:

1. Educational Fund [10]
2. Operations & Maintenance Fund [20]
3. Debt Service Fund [30]
4. Transportation Fund [40]
5. Municipal Retirement and Social Security Fund [50]
6. Capital Projects Fund [60]
7. Working Cash Fund [70]
8. Tort Immunity and Judgment Fund [80]
9. Fire Prevention and Safety Fund [90]

For operational purposes, the District separates the different funds into four categories: Operating Funds, Special Revenue Funds, Debt Service Fund and Capital Projects Funds. These categories differ from GAAP and ISBE reporting requirements which are discussed in the Fund Structure section of the Organizational Section.

Operating Funds include:

- Fund 10 Educational
- Fund 20 Operations & Maintenance
- Fund 40 Transportation

Special Revenue Funds include:

- Fund 50 IMRF/Social Security
- Fund 70 Working Cash
- Fund 80 Tort Immunity & Judgment

Debt Service Fund

- Fund 30 Debt Service

Capital Projects Funds include:

- Fund 60 Capital Projects
- Fund 90 Fire Prevention & Safety

*Please note: The data presented in the budget book reflects the FY25 budget in comparison to the FY26 budget and includes unaudited financial information in certain areas.

All Funds

The presentation of All Funds is not a separate budget but is a combination of all District funds.

Summary of Fund Balances
Revenues, Expenditures & Other Financing Sources/(Uses)

FY 26 Summary of Fund Balances						
All Funds - ISBE						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Other Financing Sources (Uses)	Ending Balance
Educational	\$265,077,118	\$579,475,225	\$626,002,307	(\$46,527,082)	\$0	\$218,550,037
Operations and Maintenance	\$154,640,868	\$100,858,562	\$105,867,511	(\$5,008,949)	(\$19,631,429)	\$130,000,490
Debt Service	\$27,911,365	\$32,537,809	\$32,536,404	\$1,405	\$0	\$27,912,770
Transportation	\$34,251,158	\$37,831,063	\$32,322,705	\$5,508,358	\$0	\$39,759,516
Municipal Retirement	\$6,303,613	\$19,060,895	\$20,698,722	(\$1,637,827)	\$0	\$4,665,786
Capital Projects	\$183,270,358	\$575,000	\$126,000,000	(\$125,425,000)	\$141,504,629	\$199,349,987
Working Cash	\$117,079,996	\$37,332,551	\$0	\$37,332,551	(\$33,000,000)	\$121,412,547
Tort	\$3,420,646	\$8,269,281	\$8,742,851	(\$473,570)	\$0	\$2,947,076
Life Safety	\$16,618,052	\$3,475,488	\$11,000,000	(\$7,524,512)	\$0	\$9,093,540
	\$808,573,174	\$819,415,874	\$963,170,500	(\$143,754,626)	\$88,873,200	\$753,691,749

FY 26 Summary of Fund Balances						
Operating Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Other Financing Sources (Uses)	Ending Balance
Educational	\$265,077,118	\$579,475,225	\$626,002,307	(\$46,527,082)	\$0	\$218,550,037
Operations and Maintenance	\$154,640,868	\$100,858,562	\$105,867,511	(\$5,008,949)	(\$19,631,429)	\$130,000,490
Transportation	\$34,251,158	\$37,831,063	\$32,322,705	\$5,508,358	\$0	\$39,759,516
	\$453,969,145	\$718,164,850	\$764,192,523	(\$46,027,673)	(\$19,631,429)	\$388,310,043

FY 26 Summary of Fund Balances						
All Funds - GAAP						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Other Financing Sources (Uses)	Ending Balance
General Fund						
Educational	\$265,077,118	\$579,475,225	\$626,002,307	(\$46,527,082)	\$0	\$218,550,037
Operations and Maintenance	\$154,640,868	\$100,858,562	\$105,867,511	(\$5,008,949)	(\$19,631,429)	\$130,000,490
Working Cash	\$117,079,996	\$37,332,551	\$0	\$37,332,551	(\$33,000,000)	\$121,412,547
Tort	\$3,420,646	\$8,269,281	\$8,742,851	(\$473,570)	\$0	\$2,947,076
Total General Fund	\$540,218,628	\$725,935,619	\$740,612,669	(\$14,677,050)	(\$52,631,429)	\$472,910,150
Special Revenue Funds						
Transportation	\$34,251,158	\$37,831,063	\$32,322,705	\$5,508,358	\$0	\$39,759,516
Municipal Retirement	\$6,303,613	\$19,060,895	\$20,698,722	(\$1,637,827)	\$0	\$4,665,786
Total Special Revenue Funds	\$40,554,771	\$56,891,958	\$53,021,427	\$3,870,531	\$0	\$44,425,302
Debt Service	\$27,911,365	\$32,537,809	\$32,536,404	\$1,405	\$0	\$27,912,770
Capital Projects Funds						
Capital Projects	\$183,270,358	\$575,000	\$126,000,000	(\$125,425,000)	\$141,504,629	\$199,349,987
Life Safety	\$16,618,052	\$3,475,488	\$11,000,000	(\$7,524,512)	\$0	\$9,093,540
Total Capital Projects Funds	\$199,888,410	\$4,050,488	\$137,000,000	(\$132,949,512)	\$141,504,629	\$208,443,527
Total All Funds	\$808,573,174	\$819,415,874	\$963,170,500	(\$143,754,626)	\$88,873,200	\$753,691,749

All Funds

Revenues, Expenditures and Changes in Fund Balance

Revenue by Source / Expenditures by Object

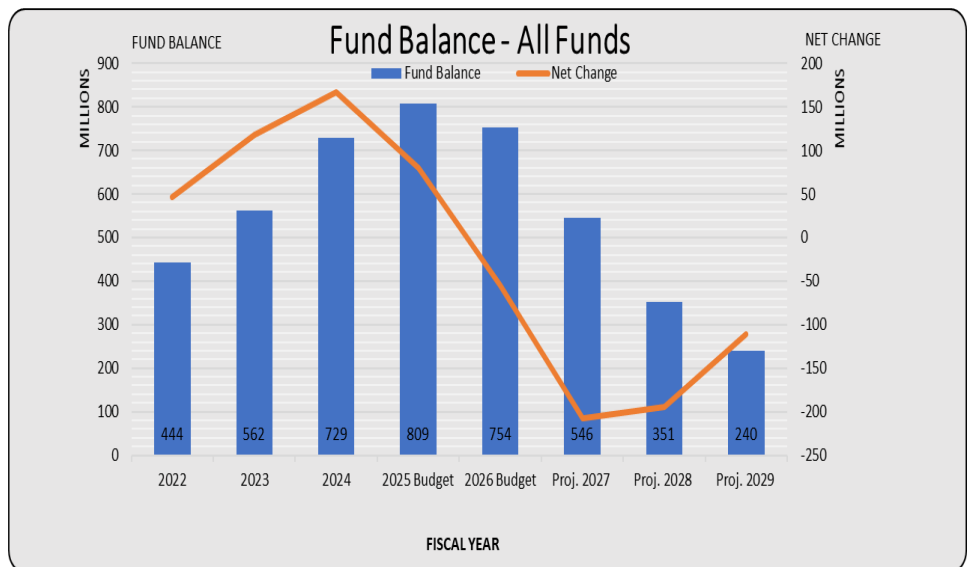
All Governmental Funds									
Revenues By Source and Expenditures By Object									
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	
REVENUES									
Local Sources	\$341,785,202	\$373,407,222	\$408,246,561	\$412,870,244	\$439,973,915	\$452,616,488	\$463,835,291	\$476,536,562	
State Sources	\$251,832,057	\$275,324,348	\$312,406,102	\$335,859,454	\$342,196,915	\$353,640,867	\$365,091,243	\$376,548,167	
Federal Sources	\$58,571,487	\$103,430,767	\$56,707,202	\$71,371,506	\$37,245,044	\$37,399,304	\$37,555,107	\$37,712,467	
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUES	\$652,188,746	\$752,162,337	\$777,359,865	\$820,101,204	\$819,415,874	\$843,656,658	\$866,481,640	\$890,797,196	
EXPENDITURES									
Salary	\$323,606,418	\$335,123,007	\$361,848,368	\$383,305,092	\$439,979,764	\$450,923,484	\$461,590,712	\$472,540,942	
Employee Benefits	\$102,937,157	\$104,598,377	\$107,722,371	\$121,087,623	\$124,868,383	\$127,986,276	\$131,166,939	\$134,478,911	
Purchased Services	\$53,763,620	\$59,512,016	\$62,881,891	\$82,407,683	\$81,279,103	\$82,904,685	\$84,562,779	\$86,254,034	
Supplies and Materials	\$34,887,530	\$38,827,092	\$43,426,837	\$76,846,718	\$67,486,697	\$68,530,431	\$69,901,040	\$71,299,060	
Capital Outlay	\$26,182,218	\$34,467,405	\$45,304,607	\$133,859,103	\$186,538,635	\$257,583,296	\$249,628,850	\$172,675,316	
Other Objects	\$54,630,218	\$57,449,242	\$52,835,595	\$48,628,880	\$51,165,665	\$51,690,149	\$51,523,976	\$51,742,727	
Non-Capitalized Equipment	\$9,126,456	\$6,189,418	\$3,112,160	\$10,605,294	\$10,671,363	\$10,884,790	\$11,102,486	\$11,324,536	
Termination Benefits	\$368,252	\$250,000	\$637,336	\$295,000	\$0	\$0	\$0	\$0	
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$1,480,890	\$1,480,890	\$1,480,890	\$1,480,890	
TOTAL EXPENDITURES	\$605,501,868	\$636,416,557	\$677,769,165	\$857,035,394	\$963,170,500	\$1,051,984,001	\$1,060,957,672	\$1,007,796,416	
SURPLUS/(DEFICIT)	\$46,686,877	\$115,745,780	\$99,590,700	(\$36,934,190)	(\$143,754,626)	(\$208,327,343)	(\$194,476,032)	(\$110,999,219)	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$30,984,947	\$75,196,450	\$223,990,343	\$142,000,000	\$173,504,629	\$97,756,429	\$116,017,494	\$84,631,429	
Other Financing Uses	(\$30,765,268)	(\$72,717,067)	(\$156,827,636)	(\$25,000,000)	(\$84,631,429)	(\$97,396,318)	(\$116,017,494)	(\$84,631,429)	
TOTAL OTHER FINANCING SOURCES/(USES)	\$219,679	\$2,479,383	\$67,162,707	\$117,000,000	\$88,873,200	\$360,111	\$0	\$0	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$46,906,556	\$118,225,163	\$166,753,407	\$80,065,810	(\$54,881,426)	(\$207,967,232)	(\$194,476,032)	(\$110,999,219)	
BEGINNING FUND BALANCE	\$396,622,208	\$443,528,764	\$561,753,927	\$728,507,364	\$808,573,174	\$753,691,749	\$545,724,517	\$351,248,485	
ENDING FUND BALANCE	\$443,528,764	\$561,753,927	\$728,507,334	\$808,573,174	\$753,691,749	\$545,724,517	\$351,248,485	\$240,245,266	
FUND BALANCE AS % OF EXPENDITURES	73.25%	88.27%	107.49%	94.35%	78.25%	51.88%	33.11%	23.98%	
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	8.79	10.59	12.90	11.32	9.39	6.23	3.97	2.88	

Major Changes in Current Year

The 2025-2026 proposed budget reflects a carefully crafted financial plan that addresses both the district’s operational needs and significant capital improvements, all while being created with a strong commitment to fiscal equity. This approach ensures that resources are allocated in a way that supports all students and staff equitably, with a focus on long-term sustainability and opportunity for every school in the district.

Total revenues for the upcoming fiscal year are projected at \$819,415,874, representing only a \$685,330 increase over the previous year’s budgeted revenues. Local property taxes, which make up approximately 47.8% of total revenue, are expected to increase by 4.5%, bringing in \$391,851,005. The second-largest source of revenue, Evidence-Based Funding (EBF), is estimated to rise by only 1.6%, totaling \$306,298,850 and constituting 37.3% of the district’s total revenues. Other state revenues are expected to increase by 4.3%, bringing the total to \$35,898,065. Federal revenues are projected at \$37,245,044, which is down 54.3% compared to last year’s budget, primarily due to the expiration of ESSER funds. Additionally, approximately \$56.9 million in referendum bonds remain to be issued, which will fund capital improvements as part of the Unite U-46 Initiative.

On the expenditure side, total projected expenses for 2025-2026 are expected to reach \$963,170,500, reflecting a significant 12.4% increase over the previous year’s budget. Salaries and benefits remain the largest expense category, accounting for roughly 58.6% of the district’s total expenditures, or \$564,848,147. This increase of approximately 11.9% aligns with recent negotiations and inflationary trends. In keeping with the district’s equity lens, the budget ensures that salary increases support equitable compensation across all levels of staff. Beyond salaries, the district is set to invest heavily in capital projects approved under the Unite U-46 Initiative. Capital outlay is projected to increase by 39.4%, totaling \$186,538,635 with \$126.0 million of this total targeted at key capital projects, such as the new middle school under construction in Bartlett, and additions and renovations at Kenyon Woods and Kimball Middle Schools. Supplies and materials will decrease by 14.3% compared to last year which had increased expenses due to the adoption of new curricula. For FY26, other objects are projected to increase by 5.2% due to higher payments for outside education placement programs and an increase in enrollment within the District’s dual degree programming with the local community college. Non-Capitalized Equipment is staying flat compared to FY25’s budget, with only a slight increase of \$66,000.



SIGNIFICANT REVENUE

Revenues are comprised of three main sources: Local, State, and Federal. The significant sources are explained below.

Local: Property Taxes– Property taxes are levied annually on all taxable real property within the District. Taxes are due and collectible in different months depending on the county: in Cook County, they are due in March and September, while in DuPage and Kane Counties, they are due in June and September. The County Collector receives these taxes and remits the District's share through the County Treasurer, usually within one month of collection.

State: Evidence-Based Funding (EBF) – The distribution of Evidence-Based Funding (EBF) to Illinois public schools is governed by Public Act 100-0465, which calculates funding in three stages: determining the cost of educating students (the Adequacy Target), assessing each district's local resources, and allocating state funds to help meet the Adequacy Target. Schools are then placed into a Tier system (1 to 4), which prioritizes funding for districts with the greatest need, with Tier 1 districts being the furthest from their Adequacy Target and receiving the most additional funds. Effective the 2025-2026 school year, the District has been reclassified by the state as a Tier 2 district. Due to this change of tier, the EBF allocation has been significantly reduced to \$4.8 million in new dollars this year. The Base Funding Minimum (BFM) is set at \$301,451,389. This amount remains consistent with prior years and guarantees that our district does not receive less funding than before. The total state contribution will be \$306.3 million.

State: Categorical Programs – Mandated categorical programs are state-funded initiatives designated by statute for specific, restricted purposes. These programs primarily support areas such as special education, early childhood education, and transportation. The funding is generally based on the demographics of the District's student population.

Federal: Grants – Federal grants are funds provided by the federal government to support various educational programs and initiatives. These grants are typically awarded to address specific needs within the education system, such as improving academic achievement, supporting low-income students, enhancing special education services, and promoting teacher development. Programs like Title I, Title II, and IDEA (Individuals with Disabilities Education Act) are examples of federal grants aimed at reducing disparities in education and providing resources to underserved populations. Federal grants come with specific guidelines on how the funds must be used to ensure they meet their intended purpose.

SIGNIFICANT EXPENSES

Expenses are broken down into objects: Salaries and Benefits, Purchased Services, Supplies and Materials, Capital Projects, Other Objects, and Non-Capital Objects.

Salaries – The District's largest expense is salaries and benefits, comprising of about 60.0% of the expense budget. Within the District there are six different unions representing 83.0% of the workforce. Their costs are determined through negotiations between labor unions and District administration, resulting in annual contractual increases. Non-union employees typically receive similar annual increases to the contractual increases.

Benefits – Benefits encompass medical, dental, vision, life, disability insurance, payroll taxes, and retirement pension payments. Medical, dental, life, and disability insurance premiums are expected to rise by 5.0% across the board. Payroll taxes and retirement pension payments will vary in line with salary increases.

Purchased Services – Purchased services involve expenditures for services from external vendors or contractors instead of in-house staff, addressing needs that cannot be fulfilled internally. The budgeted expense in this category is staying flat in comparison to last year, which

was driven primarily by higher costs for non-capital projects such as masonry, windows, roofs, building mechanicals, and playgrounds, as well as investments in essential technology.

Supplies and Materials – Supplies and materials encompass costs for items used in daily operations, including classroom supplies, instructional materials, and maintenance products, which are crucial for educational activities and facility upkeep.

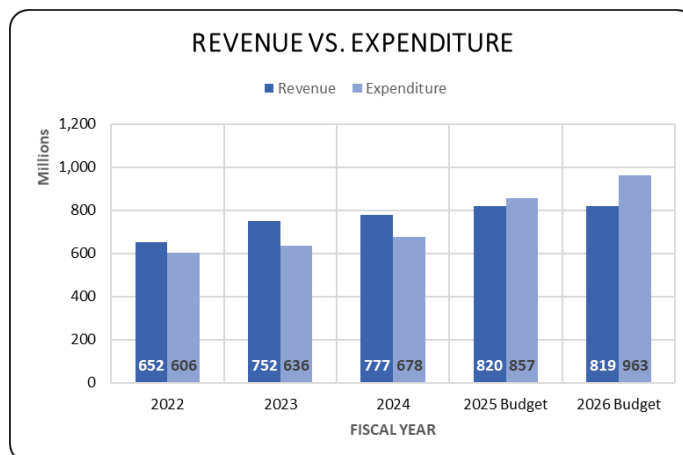
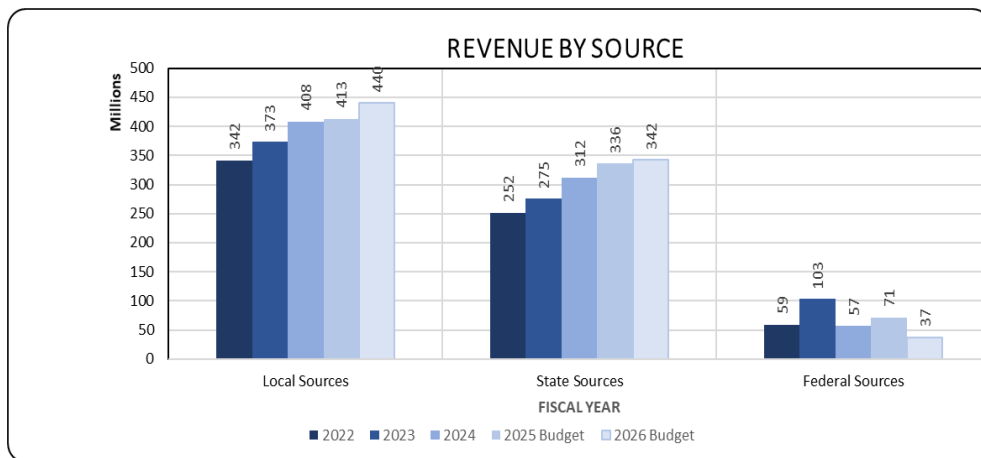
Capital Projects – Capital projects involve substantial expenditures for long-term assets like building construction, major renovations, and significant equipment purchases, aimed at enhancing or expanding physical infrastructure.

Other Objects – Other objects include miscellaneous expenditures that do not fit into standard categories like salaries, supplies, or capital projects, often covering costs such as fees, memberships, and special services.

Non-Capitalized Equipment– Non-Capital Objects are items that, while not meeting the capitalization threshold, cost more than \$500 and typically have multiple uses.

All Funds Revenue by Source Revenue vs. Expenditure

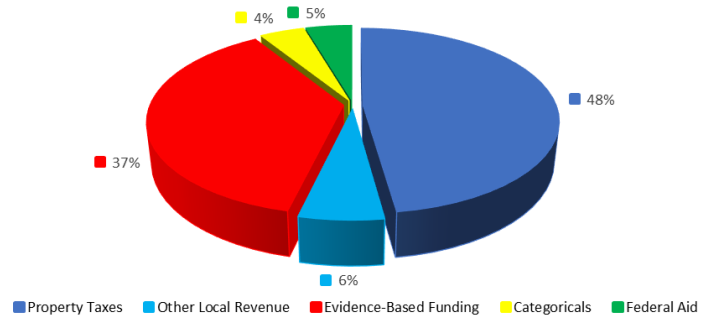
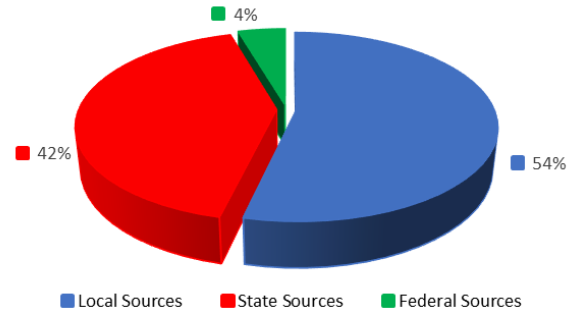
Detail revenue and expenditure reporting is available as an exhibit to this document starting on page 149.



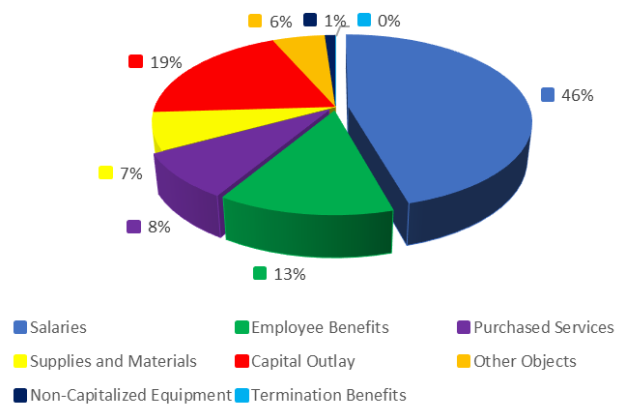
All Funds

Revenue by Source Expenditure by Object

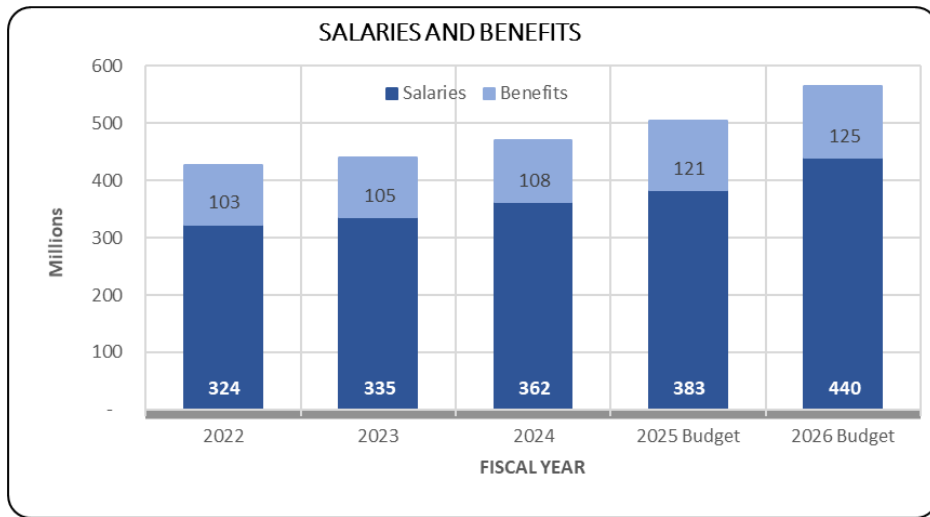
Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 391,851,005
Other Local Revenue	48,122,910
Total Local Sources	439,973,915
State Sources	
Evidence-Based Funding	306,298,850
Categoricals	35,898,065
Total State Sources	342,196,915
Federal Sources	
	37,245,044
Total Revenue	\$ 819,415,874



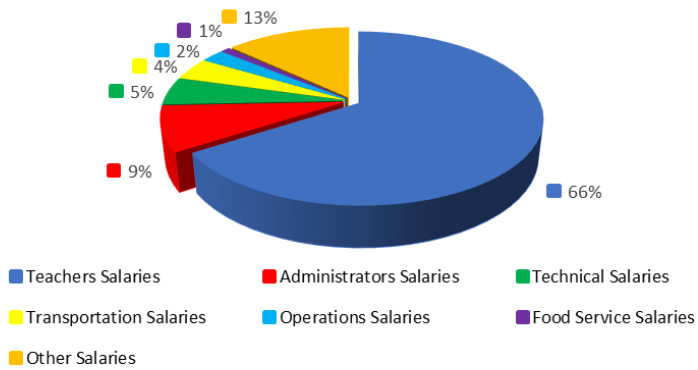
Expenditures	FY26 Budget
Salaries	\$ 439,979,764.03
Employee Benefits	124,868,383
Purchased Services	81,279,103
Supplies and Materials	67,186,697
Capital Outlay	186,538,635
Other Objects	52,646,555
Non-Capitalized Equipment	10,671,363
Termination Benefits	-
Total Expenditures	\$ 963,170,500



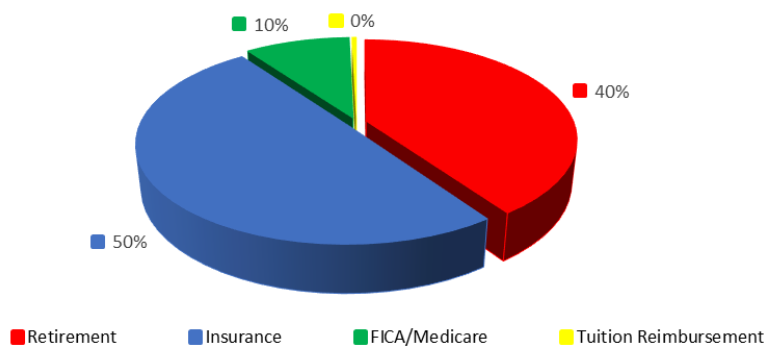
All Funds Salaries and Benefits



Salaries by Employee Type



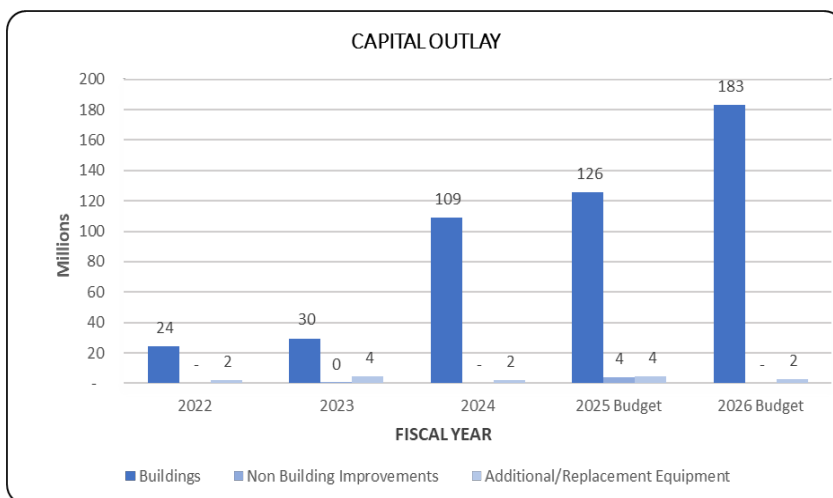
Benefits Paid by District



Capital Outlay – The majority of the District’s capital expenditures are dedicated to building construction and improvements. These projects typically span several months and are often scheduled during the summer when school operations are reduced. Due to the nature of the projects and the alignment with the June 30 fiscal year-end, capital planning follows the calendar year rather than the fiscal year. District management assesses the projects and their timelines, ensuring that costs are allocated appropriately across the relevant fiscal year budgets.

Cost savings from capital outlay expenditures on building improvements stem from reduced ongoing repair and maintenance needs. These savings include lower labor and supply costs for service calls, elimination of leaks and mold remediation, avoidance of pothole repairs in parking lots, reduced water usage, and improved energy efficiency. The District has committed to annually increasing the budget for these ongoing building improvements by \$10 million.

The chart to the right illustrates the year-over-year changes in capital outlay for Building Construction, Building Improvements, and Additional/Replacement Equipment. In FY24, the District embarked on the Unite U-46 campaign. This effort calls for retiring, replacing, or rebuilding schools. The first rebuild/building modification started in FY24 with an addition to an existing elementary school turning it



into a middle school. In addition, there are three additional major rebuild/building renovations that will continue through FY26. In FY24 the projects were in the architect and engineering phases, and in FY25 the projects moved to the construction phase and will continue in that phase through FY26. The Building Construction category reflects the budget for these major projects. For FY26, the Building Improvements category includes the replacement of generators at four schools, as well as three roof replacements, and an HVAC project. The Additional/Replacement Equipment category includes items that meet the district’s capitalization threshold of \$10,000 and includes purchases such as new maintenance vehicles and equipment as well as new networking and information technology redundancy equipment. These Additional/Replacement Equipment acquisitions are not scheduled on a long-term basis but are determined annually during the budget cycle based on departmental needs assessments.

Funding for these expenditures varies: construction projects are supported by the Operations and Maintenance Fund, Capital Projects Fund, or Fire Prevention and Safety Fund, while bus and transportation equipment are financed through the Transportation Fund. Grounds and maintenance equipment, along with maintenance vehicles, are covered by the Operations and Maintenance Fund, and any equipment not funded by these sources, or to address funding shortfalls, is covered by the Educational Fund.

SUMMER 2025 CAPITAL PROJECTS SUMMARY

The table below presents an overview of the District’s ongoing projects, initiated in fiscal year 2025 and extending into fiscal year 2026. It outlines the estimated total project cost, the budgeted amount, and the anticipated funding sources. Given the high volume of projects in relation to available resources, management prioritizes initiatives throughout the year to ensure budget compliance. These projects typically encompass roofing, parking lot paving, mechanical system repairs, and other deferred maintenance tasks.

School(s)	Project Description	Estimated Project Cost
BHS	Pathways Renovation	\$4,476,370.98
EHS	Parking Lot	\$3,756,412.50
LHS	Roof Replacement	\$3,228,400.00
LHS	Stadium	\$12,404,650.00
SEHS	Pool Renovation Phase 2	\$2,709,500.00
ESC	Dry Fire Suppression	\$2,242,800.00
Larsen MS	Domestic Water	\$3,381,425.00
Bartlett ES	Generator	\$740,155.00
Clinton ES	Generator	\$566,200.00
Coleman ES	Roof Replacement	\$1,784,725.00
Highland ES	Domestic Water	\$1,104,723.95
Hillcrest ES	Generator	\$581,425.00
Ronald D O'Neal ES	Parking Lot	\$450,928.00
Sycamore Trails ES	HVAC Turn-Key	\$4,431,920.00
High Schools	Backstop Replacement	\$916,000.00
Warehouse	Roof Replacement	\$959,875.00
EHS	Auditorium Rigging & Upgrade	\$3,403,840.00
SEHS	Water Softener & Water Heater	\$251,590.00
SEHS	Swimming Pool Mechanical Upgrade	\$1,169,400.00
Heritage ES	Switchgear and Generator Replacement	\$647,600.00
Horizon ES	Electrical Switchgear and Generator Replacement	\$741,560.00
Lords Park ES	Generator	\$566,200.00
Ronald D O'Neal ES	Ceiling and Lighting	\$928,064.00
Ronald D O'Neal ES	Intercom & Clock	\$364,757.60
U-46	6 Air Cooled Chillers	\$2,077,271.00
FY 2026 Estimated Total		\$53,885,793.03

UNITE U-46 CAPITAL PROJECTS SUMMARY

The table below provides an overview of projects identified as part of the Unite U-46 campaign. Additional capital projects, unrelated to the Unite U-46 initiative, are currently being identified.

SCHOOL	PROJECT	EST. COST	EST. COMPLETION	FUNDING SOURCE
FUNDED BEFORE UNITE U-46 PLAN				
Conversion of Elementary School to Middle School	Located at Hawk Hollow	\$58 Million	Summer 2025	District Reserves
UNITE U-46 FUNDED PROJECTS (INCLUDES RESERVES) \$380 MILLION				
New Middle School	Rohrsen Road in Elgin	\$135 Million	TBD	District Reserves, Other Sources
Addition/Renovation	Kimball Middle School in Elgin	\$65 Million	Summer 2026	District Reserves, Referendum Bonds, Other Sources
Addition/Renovation	Kenyon Woods Middle School in South Elgin	\$35 Million	Summer 2026	District Reserves, Other Sources
New Elementary School	Located in Elgin to replace McKinley	\$65 Million	TBD	Referendum Bonds
Renovation and Addition to Glenbrook Elementary	Located in Streamwood	\$30 Million	TBD	Referendum Bonds
Renovation and Addition to Century Oaks Elementary	Instead of investing in additions at Harriet Gifford and Highland	\$25 Million	TBD	Referendum Bonds
Conversion of Pre-K Center to Elementary School	Located at IL Park	\$10 Million	TBD	Referendum Bonds
Total Unite U-46 Project Cost Estimate		\$365M		

Capital Outlay: Bus Replacement - Effective management of capital outlay expenditures involve ensuring that buses remain mechanically and structurally sound for safe and efficient operation. To achieve this, District management employs and maintains an Age and Obsolescence Plan for Bus Replacement.

The Bus Replacement Plan outlines a twelve-year cycle for replacing both large and small buses within the District's fleet. If the District adheres to the annual purchase schedule, it is projected to save approximately \$1,000 per bus per year in financing costs. This savings is based on recent lease transactions and reflects the cost over the lease term rather than the entire lifespan of the bus. For example, while the District may incur financing costs for a bus over three years, the bus



itself may have a service life of ten years. If purchased outright, the total savings would amount to roughly \$3,000 per bus. New buses typically range in price from \$120,000 to \$180,000.

Despite operating some older buses beyond the recommended replacement age, all buses in service will remain mechanically

and structurally sound. This standard is ensured through rigorous review of maintenance records, with only the best-performing buses among those scheduled for replacement being retained each year.

The vast majority of the District's yellow buses are diesel-powered with only two being gas-powered, leading management to extend the replacement cycle for small buses from seven years to a maximum of twelve years. Buses slated for replacement may be retained if their operating condition and mileage warrant it, as assessed by the Director of Transportation.

While bus purchases are generally planned for the summer months, the timing of transactions and trade-ins may vary due to the nature of these purchases and potential delays in the manufacturing. In recent years, the manufacturing industry has seen a delay in producing busses. This fact is taken into consideration when considering the timeliness of orders and the expectation of delivery on July 1.

The schedule summarizing the bus replacement plan and the current fleet is provided on the following page.

**Modified Summary of the
 Bus Replacement Plan / A & O Plan**

Calendar Year Summer	Fiscal Year	No. of Large Buses		No. of Small Buses		Total No. of Buses	
		Buy	Reduce	Buy	Reduce	Buy	Reduce
2025	2026	-	-	-	-	-	-
2026	2027	46	(46)	40	(40)	86	(86)
2027	2028	-	-	-	-	-	-
2028	2029	54	(54)	33	(33)	87	(87)
2029	2030	37	(37)	35	(35)	72	(72)
2030	2031	-	-	-	-	-	-
2031	2032	20	(20)	37	(37)	57	(57)
2032	2033	21	(21)	-	-	21	(21)
2033	2034	-	-	22	(22)	22	(22)
2034	2035	-	-	-	-	-	-
2035	2036	-	-	-	-	-	-
2036	2037	-	-	4	(4)	4	(4)

Summary of Current Fleet

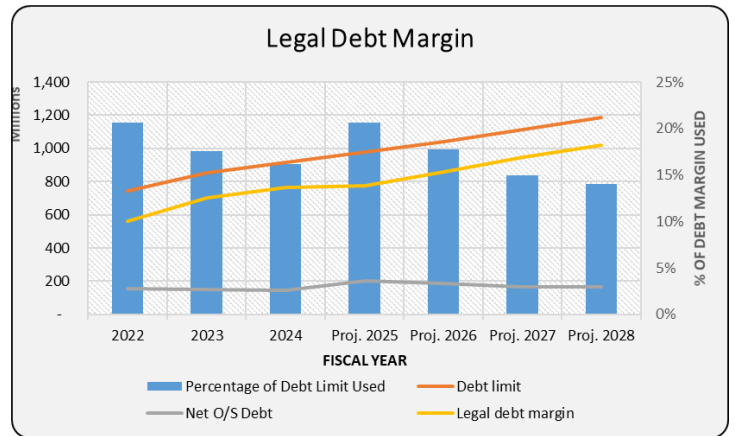
Fiscal Year	No. of Large Buses	No. of Small Buses	Total No. of Buses
2017	185	169	354
2018	184	167	351
2019	184	167	351
2020	178	167	345
2021	178	167	345
2022	178	167	345
2023	178	167	345
2024	178	167	345
2025	174	166	340
2026	174	166	340

Debt Service – The District’s debt service payments, which include both principal and interest, account for approximately 63.6% of the “Other Objects” expenditures category. Currently, principal payments are budgeted at \$24.8 million and interest payments at \$7.7 million. In April 2023, taxpayers approved a \$179.0 million bond referendum. These funds are being used for constructing a new middle school, expanding and renovating existing middle schools, and building a new elementary school. In February 2024 and February 2025, the District issued \$62.1 million and \$62.0 million respectively for the bond referendum. The District will issue the remaining \$56.9 million in FY26, consistent with the Unite U-46 campaign’s commitment to maintaining a stable tax rate.

Estimated Legal Debt Margin Calculation for EOFY 2025

Fiscal Year	2026
Assessed Value	7,080,298,833
Debt limit (13.8%) of assessed value	<u>977,081,239</u>
Debt outstanding applicable to the limit:	
General obligation bonds	233,920,000
General obligation debt certificates	-
Total debt outstanding applicable to the limit	233,920,000
Less: Amount set aside for repayment of debt	32,536,404
Total net debt applicable to the limit	<u>201,383,596</u>
Total legal debt margin	<u><u>775,697,643</u></u>

Illinois statutes limit the amount of debt an issuer can have, calculated by multiplying the Estimated Assessed Valuation (EAV) by the statutory percentage of 13.8%. The remaining capacity to issue additional debt, known as the legal debt margin, is positively influenced by an increase in the EAV. Since 2015, the District has seen an increase in the EAV and a reduction in outstanding debt, leading to a significant drop in the percentage of debt limit used. District management expects this trend to continue, with the EAV rising and the legal debt margin expanding as a result. The chart illustrates the percentage of the debt limit used, the growth in the debt limit due to increasing EAV, the reduction in net outstanding debt, and the increase in the District’s legal debt margin over the past three years and projected future trends.



All Operating Funds

The combined Operating Funds is not a separate budget but is a combination of the Educational Fund, the Transportation Fund, and the Operations and Maintenance Fund. This combination of funds makes up the Operating Fund of the District. This concept of the combined Operating Funds is also used by the Illinois State Board of Education (ISBE) for financial analysis purposes.

All Operating Funds

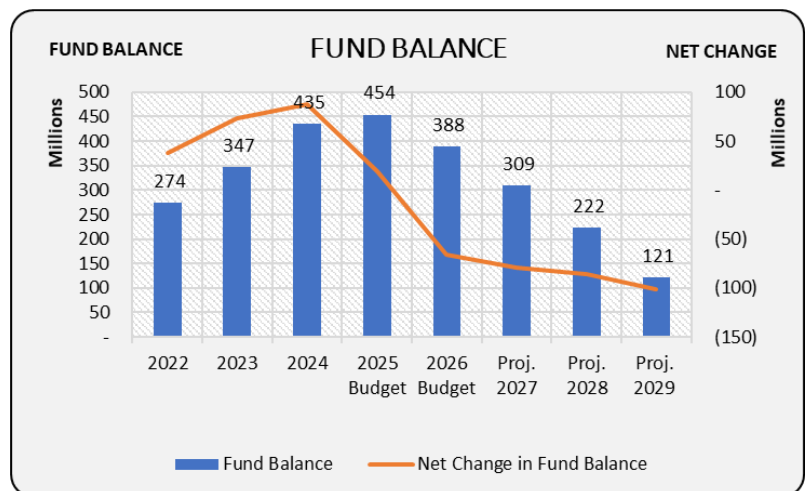
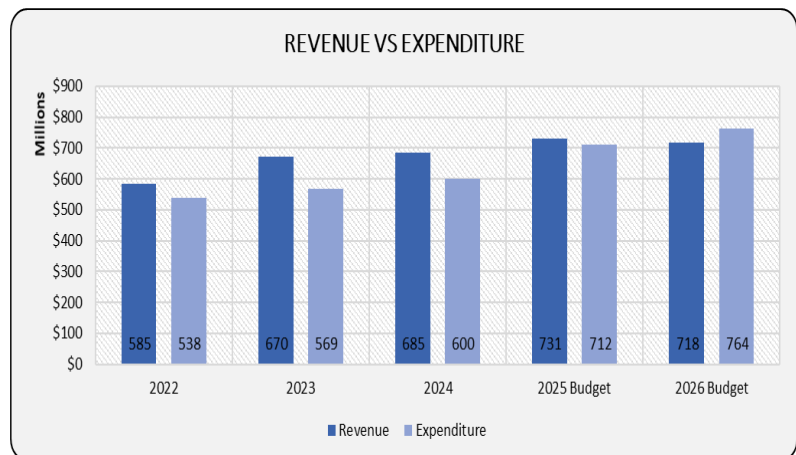
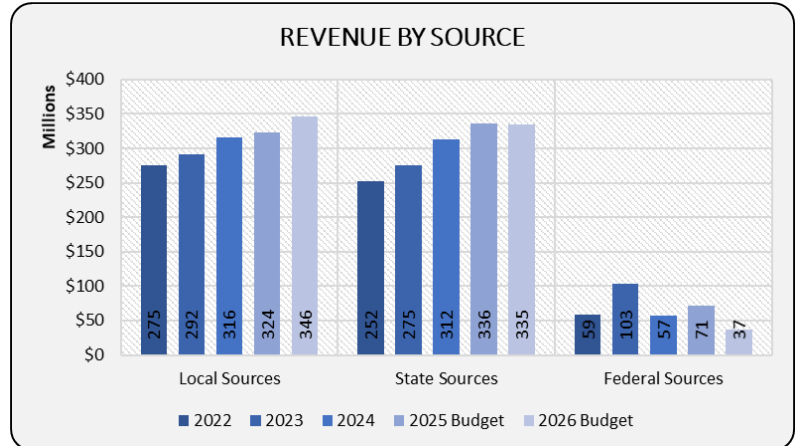
Revenues, Expenditures and Changes in Fund Balance

Revenue by Source / Expenditures by Object

Operating Funds										
Revenues By Source and Expenditures By Object										
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029		
REVENUES										
Local Sources	\$274,851,125	\$291,619,119	\$315,620,532	\$323,556,493	\$345,722,891	\$355,196,291	\$366,439,189	\$378,006,656		
State Sources	\$251,832,057	\$275,324,348	\$312,406,102	\$335,859,454	\$335,196,915	\$345,640,867	\$356,591,243	\$368,048,167		
Federal Sources	\$58,571,487	\$103,430,767	\$56,707,202	\$71,371,506	\$37,245,044	\$37,399,304	\$37,555,107	\$37,712,467		
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL REVENUES	\$585,254,669	\$670,374,234	\$684,733,836	\$730,787,453	\$718,164,850	\$738,236,462	\$760,585,538	\$783,767,290		
EXPENDITURES										
Salary	\$323,310,670	\$334,771,541	\$361,402,630	\$382,845,745	\$439,537,579	\$450,456,979	\$461,109,046	\$472,043,621		
Employee Benefits	\$86,495,483	\$88,307,793	\$92,024,640	\$102,839,324	\$104,156,140	\$106,757,475	\$109,435,333	\$112,231,144		
Purchased Services	\$47,894,491	\$54,432,166	\$52,586,140	\$75,175,901	\$74,472,848	\$75,962,305	\$77,481,551	\$79,031,182		
Supplies and Materials	\$34,887,530	\$38,827,092	\$43,426,837	\$76,846,718	\$67,186,697	\$68,530,431	\$69,901,040	\$71,299,060		
Capital Outlay	\$24,348,988	\$31,420,588	\$27,285,402	\$47,359,103	\$49,538,635	\$66,583,296	\$59,628,850	\$64,675,316		
Other Objects	\$11,375,324	\$14,655,734	\$19,948,151	\$16,096,500	\$18,629,261	\$18,997,742	\$19,373,593	\$19,756,961		
Non-Capitalized Equipment	\$9,126,456	\$6,189,418	\$3,112,160	\$10,605,294	\$10,671,363	\$10,884,790	\$11,102,486	\$11,324,536		
Termination Benefits	\$368,252	\$250,000	\$637,336	\$295,000	\$0	\$0	\$0	\$0		
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
TOTAL EXPENDITURES	\$537,807,194	\$568,854,332	\$600,423,296	\$712,063,585	\$764,192,523	\$798,173,019	\$808,031,899	\$830,361,819		
SURPLUS/(DEFICIT)	\$47,447,475	\$101,519,902	\$84,310,540	\$18,723,868	(\$46,027,673)	(\$59,936,557)	(\$47,446,361)	(\$46,594,529)		
OTHER FINANCING SOURCES/(USES)										
Other Financing Sources	\$343,525	\$17,462,854	\$3,895,357	\$0	\$0	\$0	\$0	\$0		
Other Financing Uses	(\$10,133,985)	(\$45,528,596)	\$0	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)		
TOTAL OTHER FINANCING SOURCES/(USES)	(\$9,790,460)	(\$28,065,742)	\$3,895,357	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)		
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$37,657,015	\$73,454,160	\$88,205,897	\$18,723,868	(\$65,659,102)	(\$79,567,986)	(\$86,338,855)	(\$101,225,958)		
BEGINNING FUND BALANCE	\$235,928,202	\$273,585,217	\$347,039,377	\$435,245,274	\$453,969,142	\$388,310,040	\$308,742,054	\$222,403,199		
ENDING FUND BALANCE	\$273,585,217	\$347,039,377	\$435,245,274	\$453,969,142	\$388,310,040	\$308,742,054	\$222,403,199	\$121,177,241		
FUND BALANCE AS % OF EXPENDITURES	50.87%	61.01%	72.49%	63.75%	50.81%	38.68%	27.52%	14.59%		
FUND BALANCE AS % OF MONTHS OF EXPENDITURES	6.10	7.32	8.70	7.65	6.10	4.64	3.30	1.75		

Operating Funds Revenue by Source Revenue vs. Expenditure Fund Balance

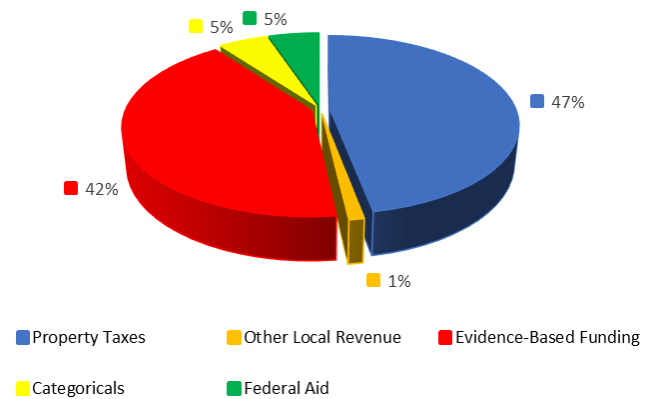
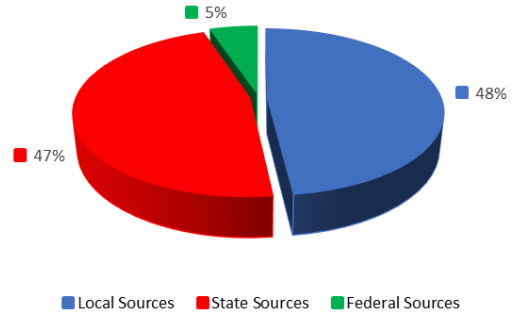
These Funds represent the majority of the District's revenue and expenditures, making it essential to understand the funding sources in order to compare revenues with expenses and assess both current and projected Fund Balances. For FY26, budgeted revenue for the Operating Funds constitutes 87.6% (\$718.2 million) of the District's total anticipated revenue of \$819.4 million, while 79.3% (\$764.2 million) of total budgeted expenses of \$963.2 million come from the Operating Funds. As such, maintaining a healthy Fund Balance is crucial because it ensures financial stability, supports effective cash flow management, and strengthens the District's ability to fund essential services and long-term projects without disruption.



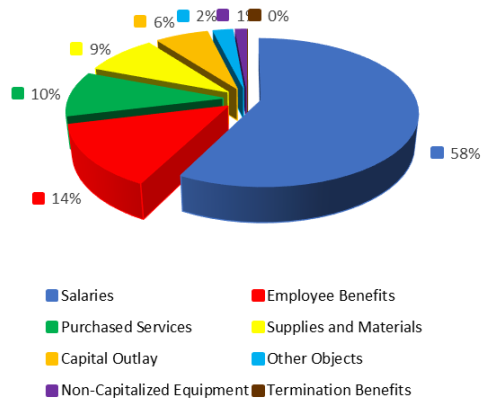
All Operating Funds

Revenue by Source Expenditure by Object

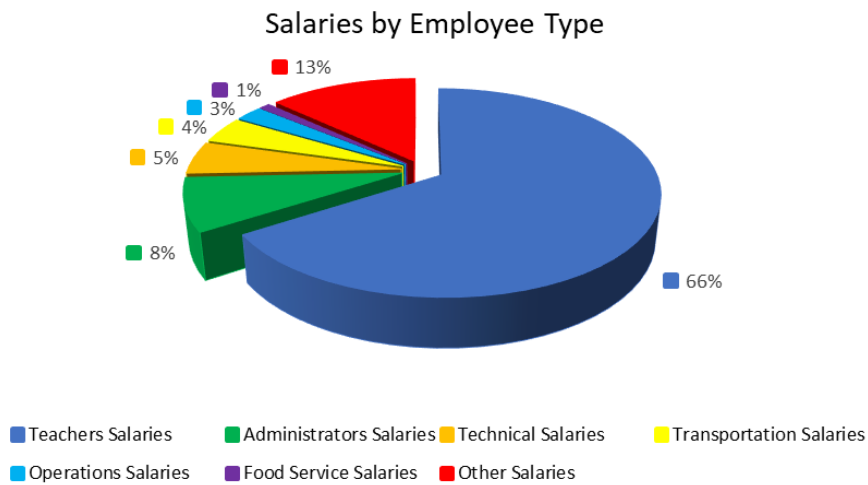
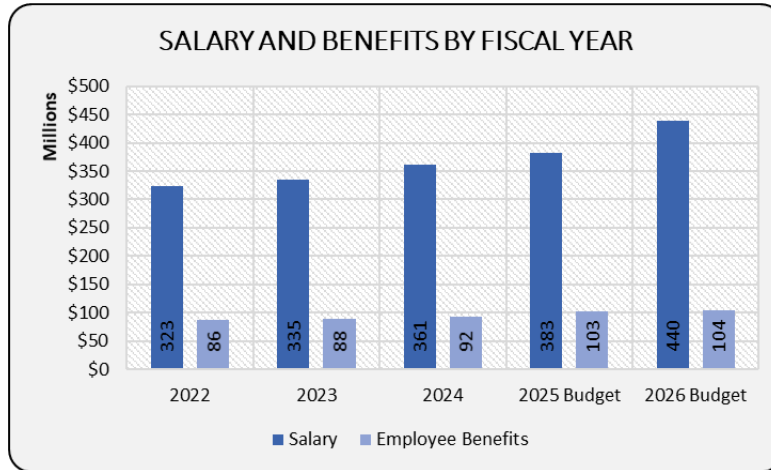
Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 337,865,891
Other Local Revenue	7,857,000
Total Local Sources	345,722,891
State Sources	
Evidence-Based Funding	299,298,850
Categoricals	35,898,065
Total State Sources	335,196,915
Total Federal Sources	37,245,044
Total Revenue	\$ 718,164,850



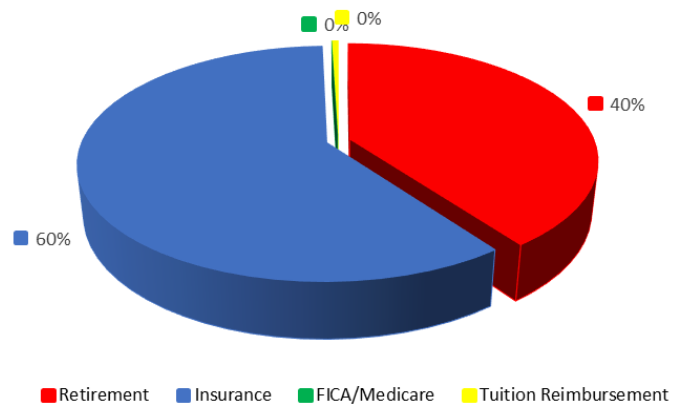
Expenditures	FY26 Budget
Salaries	\$ 439,537,579
Employee Benefits	104,156,140
Purchased Services	74,472,848
Supplies and Materials	67,186,697
Capital Outlay	49,538,635
Other Objects	18,629,261
Non-Capitalized Equipment	10,656,103
Termination Benefits	15,260
Total Expenditures	\$ 764,192,523



All Operating Funds



Benefits Paid by District



Educational Fund

The Educational Fund is the general operating fund of the District. It is used to account for all financial transactions not accommodated by another specific fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations.
[See 105 ILCS 5/17-2]

Educational Fund

Revenues, Expenditures and Changes in Fund Balance

Revenue by Source / Expenditures by Object

Educational Fund									
Revenues By Source and Expenditures By Object									
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	
REVENUES									
Local Sources	\$225,257,740	\$239,594,607	\$259,255,883	\$265,160,108	\$298,500,331	\$313,245,731	\$323,160,256	\$333,361,327	
State Sources	\$204,546,390	\$215,824,035	\$188,083,841	\$201,369,889	\$243,729,850	\$239,073,802	\$244,924,178	\$247,281,102	
Federal Sources	\$58,571,487	\$103,430,767	\$56,707,202	\$71,371,506	\$37,245,044	\$37,399,304	\$37,555,107	\$37,712,467	
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUES	\$488,375,617	\$558,849,409	\$504,046,926	\$537,901,503	\$579,475,225	\$589,718,837	\$605,639,540	\$618,354,896	
EXPENDITURES									
Salary	\$298,728,436	\$308,666,552	\$335,019,592	\$353,896,013	\$407,564,138	\$417,308,738	\$427,077,748	\$437,104,763	
Employee Benefits	\$79,863,137	\$81,145,378	\$85,111,834	\$95,581,555	\$96,434,422	\$98,650,608	\$100,924,131	\$103,295,411	
Purchased Services	\$32,575,244	\$38,018,598	\$35,555,986	\$45,555,332	\$41,802,831	\$42,638,888	\$43,491,665	\$44,361,499	
Supplies and Materials	\$25,219,144	\$27,016,063	\$29,559,647	\$61,168,926	\$49,863,997	\$50,861,277	\$51,878,502	\$52,916,073	
Capital Outlay	\$1,775,265	\$3,915,211	\$4,574,879	\$6,380,753	\$2,233,050	\$2,277,711	\$2,323,265	\$2,369,731	
Other Objects	\$11,365,894	\$14,643,104	\$19,870,884	\$16,090,500	\$18,424,061	\$18,792,542	\$19,168,393	\$19,551,761	
Non-Capitalized Equipment	\$8,874,157	\$5,518,480	\$2,425,641	\$9,361,786	\$9,679,808	\$9,873,404	\$10,070,872	\$10,272,290	
Termination Benefits	\$368,252	\$250,000	\$637,336	\$295,000	\$0	\$0	\$0	\$0	
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENDITURES	\$458,769,529	\$479,173,386	\$512,755,799	\$588,329,865	\$626,002,307	\$640,403,169	\$654,934,577	\$669,871,526	
SURPLUS/(DEFICIT)	\$29,606,088	\$79,676,023	(\$8,708,873)	(\$50,428,362)	(\$46,527,082)	(\$50,684,332)	(\$49,295,037)	(\$51,516,630)	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$43,525	\$2,382,307	\$3,814,867	\$0	\$0	\$0	\$0	\$0	
Other Financing Uses	(\$9,605,212)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL OTHER FINANCING SOURCES/(USES)	(\$9,561,687)	\$2,382,307	\$3,814,867	\$0	\$0	\$0	\$0	\$0	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$20,044,401	\$82,058,330	(\$4,894,006)	(\$50,428,362)	(\$46,527,082)	(\$50,684,332)	(\$49,295,037)	(\$51,516,630)	
BEGINNING FUND BALANCE	\$218,296,755	\$238,341,156	\$320,399,486	\$315,505,480	\$265,077,118	\$218,550,037	\$167,865,705	\$118,570,668	
ENDING FUND BALANCE	\$238,341,156	\$320,399,486	\$315,505,480	\$265,077,118	\$218,550,037	\$167,865,705	\$118,570,668	\$67,054,037	
FUND BALANCE AS % OF EXPENDITURES	51.95%	66.87%	61.53%	45.06%	34.91%	26.21%	18.10%	10.01%	
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	6.23	8.02	7.38	5.41	4.19	3.15	2.17	1.20	

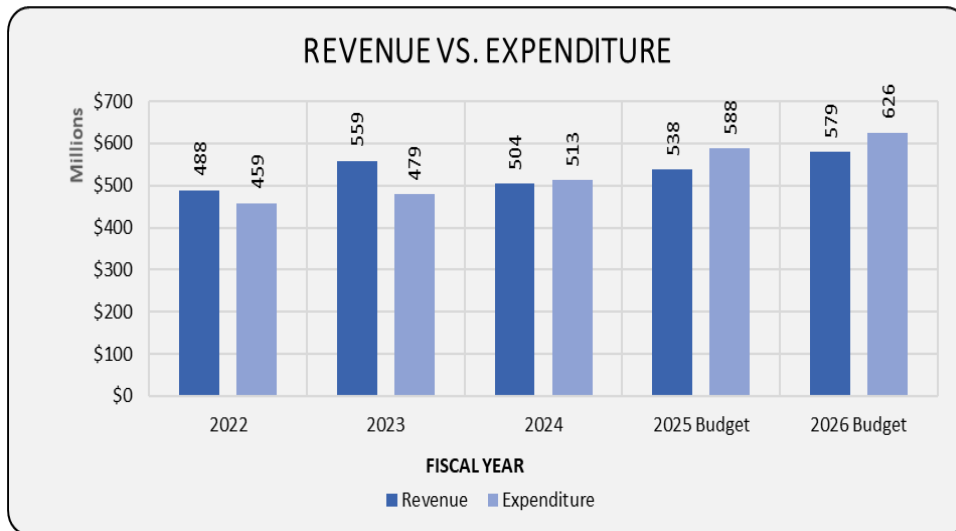
Revenue

The Educational Fund serves as the District’s primary revenue stream, encompassing 70.7% of total revenue. It receives funding from local, state, and federal sources. For the current fiscal year, local revenue is projected to constitute approximately 51.5% of the Educational Fund’s total revenue, with property tax revenue being the largest component at \$294.0 million, reflecting a \$30.0 million increase from the previous year. Additional local revenue sources, including interest income and donations, are expected to contribute \$4.5 million. State revenue accounts for 42.1% of the fund’s revenue, with Evidence-Based Funding (EBF) projected to increase by \$4.8 million over FY25 budget amounts. Federal funding, derived from approximately 15 programs such as Title I, IDEA, and others, is expected to decrease by 47.8% or \$34.1 million.

Expenditures

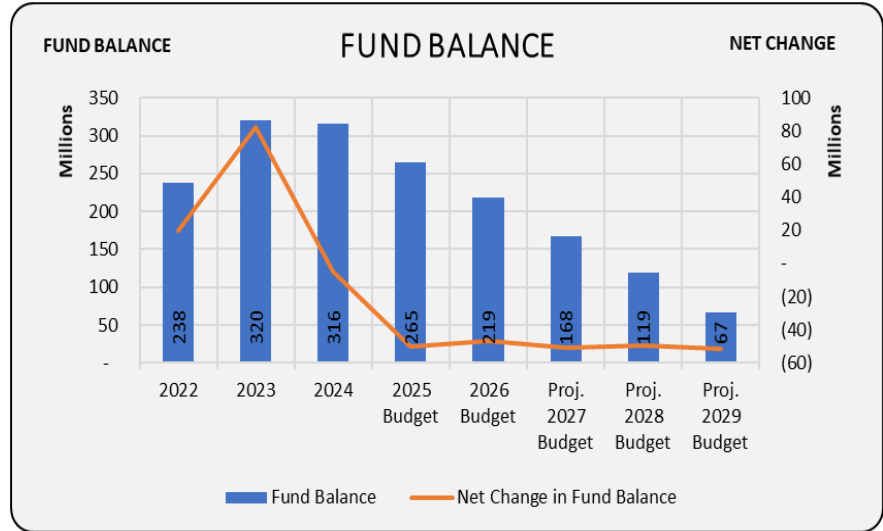
Budgeted expenditures in the fund have increased \$37.7 million or 6.4% over the prior year’s budget. Over the prior year’s budget, the largest increase is \$53.7 million or 86.8% in Salaries. Other increases include other objects that are budgeted to increase by \$2.3 million or 12.67%.

The chart below compares the revenue and expenditures (including other financing sources and uses) for five years reflecting two budget years and three actual years.



Fund Balance

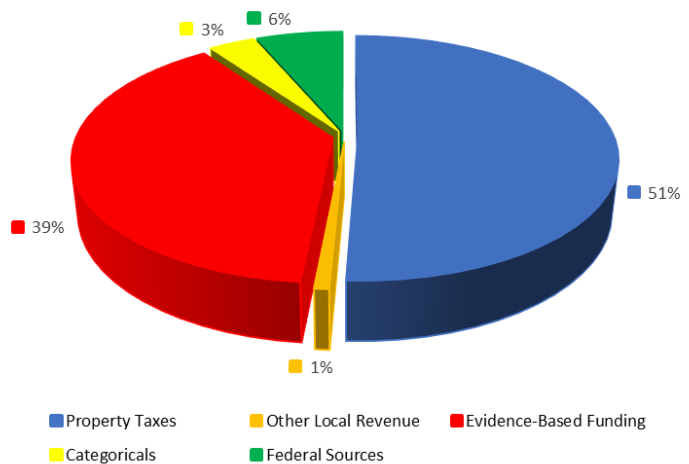
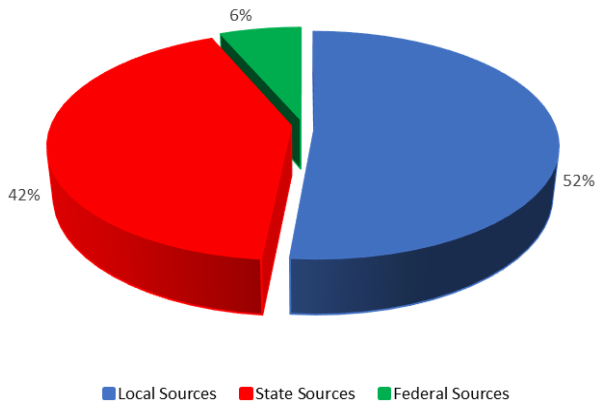
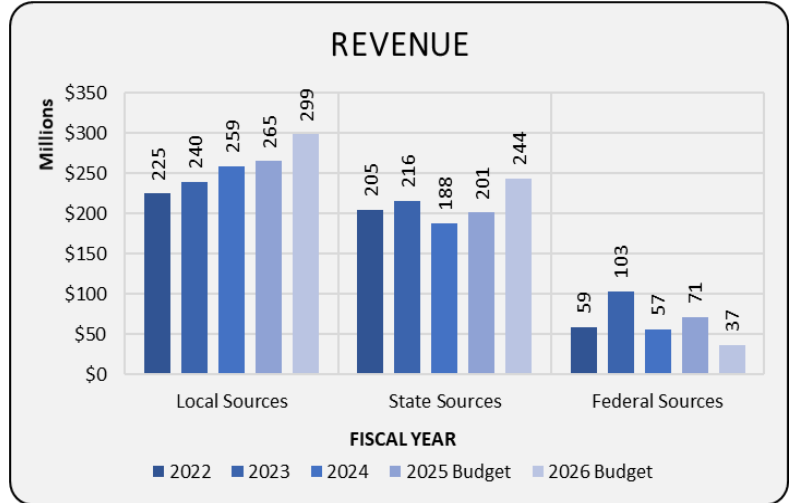
The Educational Fund balance is projected to decrease by \$46.5 million, primarily due to increased expenditures for Curriculum and Instruction and efforts to update classrooms where modifications were delayed during COVID. The chart to the right provides a year-over-year comparison of the fund balance, highlighting the net change in overall financial performance.



Fund 10 is budgeted to decrease in comparison to FY 25 budget due to the strategic reallocation of state funding to Operations and Maintenance to pay for capital construction and maintenance projects. As capital projects conclude, we will reexamine state funding allocation.

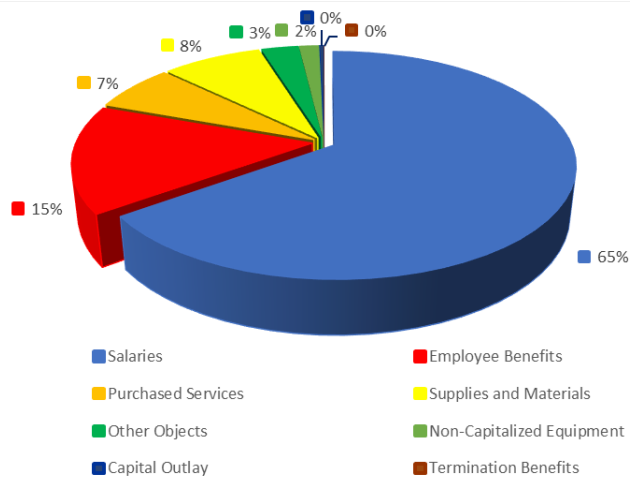
Educational Fund Revenue by Source

Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 294,044,331
Other Local Revenue	4,456,000
Total Local Sources	298,500,331
State Sources	
Evidence-Based Funding	223,798,850
Categoricals	19,931,000
Total State Sources	243,729,850
Federal Sources	37,245,044
Total Revenue	\$ 579,475,225



Educational Fund Expenditures by Object

Expenditures	FY26 Budget
Salaries	\$ 407,564,138
Employee Benefits	96,434,422
Purchased Services	41,802,831
Supplies and Materials	49,863,997
Other Objects	18,424,061
Non-Capitalized Equipment	9,679,808
Capital Outlay	2,233,050
Termination Benefits	0
Total Expenditures by Object	\$ 626,002,307



ASSUMPTIONS:

- CPI – 2.6% for each forecast year

Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments
- EBF – \$5 million increase for future years as concerns about state revenue are present

Expenditures

- Salaries – Increase various percentages based on contract agreements
- Employee Benefits – Increase by approximately 2.3% for each forecast year
- Capital Outlay – remain consistent at 2.0% for forecasted years

Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property, payment of all premiums for insurance upon building and building fixtures; all costs of lights, gas, water, telephone service, custodial supplies and equipment, and professional surveys of District property.

[See 105 ILCS 5/17-2 and 17-7]

Operations and Maintenance Fund

Revenues, Expenditures and Changes in Fund Balance

Operations and Maintenance Fund

Revenues By Source and Expenditures By Object

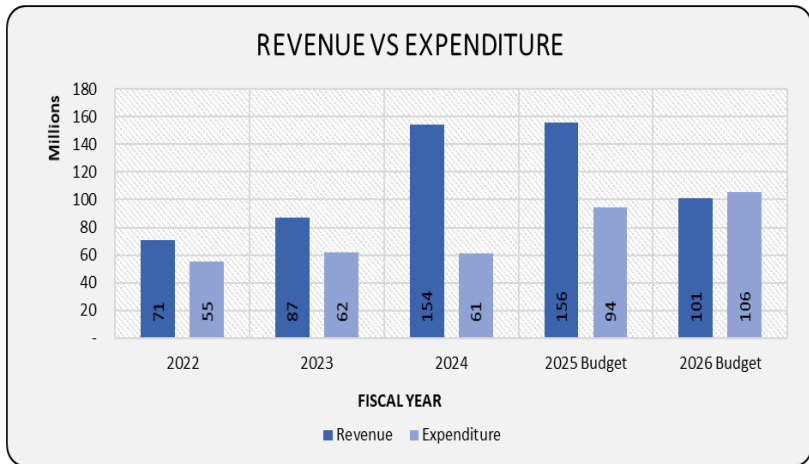
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2029
REVENUES									
Local Sources	\$39,920,490	\$42,135,298	\$45,951,722	\$47,551,700	\$35,808,562	\$30,123,003	\$31,082,031	\$32,068,371	\$32,068,371
State Sources	\$31,158,466	\$44,777,063	\$108,148,161	\$108,572,500	\$65,050,000	\$75,050,000	\$80,050,000	\$92,050,000	\$92,050,000
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$71,078,956	\$86,912,361	\$154,099,883	\$156,124,200	\$100,858,562	\$105,173,003	\$111,132,031	\$124,118,371	
EXPENDITURES									
Salary	\$10,006,075	\$10,425,628	\$10,926,633	\$11,142,229	\$12,578,224	\$13,313,192	\$13,746,395	\$14,193,849	\$14,193,849
Employee Benefits	\$1,743,995	\$2,016,275	\$1,917,013	\$2,012,575	\$2,140,407	\$2,247,098	\$2,359,098	\$2,476,691	\$2,476,691
Purchased Services	\$14,122,612	\$14,029,329	\$14,930,273	\$27,415,599	\$29,948,260	\$30,547,225	\$31,158,170	\$31,781,333	\$31,781,333
Supplies and Materials	\$6,559,131	\$8,074,909	\$10,128,348	\$11,449,692	\$12,703,480	\$12,957,550	\$13,216,701	\$13,481,035	\$13,481,035
Capital Outlay	\$22,552,194	\$27,041,389	\$22,710,523	\$40,978,350	\$47,305,585	\$52,305,585	\$57,305,585	\$62,305,585	\$62,305,585
Other Objects	\$3,659	\$11,945	\$9,740	\$0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Non-Capitalized Equipment	\$252,299	\$649,253	\$686,519	\$1,243,508	\$991,555	\$1,011,386	\$1,031,614	\$1,052,246	\$1,052,246
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$55,239,965	\$62,248,728	\$61,309,049	\$94,241,953	\$105,867,511	\$112,582,036	\$119,017,563	\$125,490,739	
SURPLUS/(DEFICIT)	\$15,838,991	\$24,663,633	\$92,790,834	\$61,882,247	(\$5,008,949)	(\$7,409,033)	(\$7,885,531)	(\$1,372,367)	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$300,000	\$15,080,547	\$67,722	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	(\$528,773)	(\$45,528,596)	\$0	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)	(\$54,631,429)
TOTAL OTHER FINANCING SOURCES/(USES)	(\$228,773)	(\$30,448,049)	\$67,722	\$0	(\$19,631,429)	(\$19,631,429)	(\$38,892,494)	(\$54,631,429)	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$15,610,218	(\$5,784,416)	\$92,858,556	\$61,882,247	(\$24,640,378)	(\$27,040,462)	(\$46,778,025)	(\$56,003,796)	
BEGINNING FUND BALANCE	(\$9,925,737)	\$5,684,481	(\$99,935)	\$92,758,621	\$154,640,868	\$130,000,490	\$102,960,029	\$56,182,003	
ENDING FUND BALANCE	\$5,684,481	(\$99,935)	\$92,758,621	\$154,640,868	\$130,000,490	\$102,960,029	\$56,182,003	\$178,207	
FUND BALANCE AS % OF EXPENDITURES	10.29%	-0.16%	151.30%	164.09%	122.80%	91.45%	47.20%	0.14%	
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	1.23	(0.02)	18.16	19.69	14.74	10.97	5.66	0.02	

Revenue

The Operations and Maintenance Fund, with total budgeted revenue of \$100.9 million, is funded primarily with Evidence-Based Funding (EBF) which accounts for \$65.0 million or 64.5% of the budget. Local property taxes also provide for a large portion of \$33.1 million, while E-rate and rental income make up the remaining revenue. Property taxes have decreased \$12.7 million, or 27.7% compared to the prior year budget. Total revenue has decreased \$55.3 million, or 35.4%, from the prior year with a \$43.5 million decrease in EBF funding being the largest decrease.

Expenditures

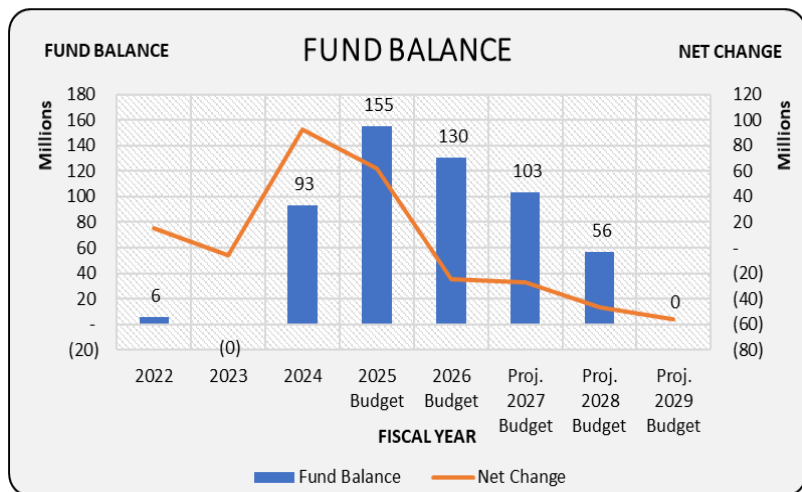
The District oversees 65 buildings, encompassing 6 million square feet of floor space, and manages 900 acres of grounds and landscaping. Each year, the District also handles millions of dollars in construction projects focused on remodeling and renovating its facilities. Salaries and benefits increased by \$1.6 million, 11.9%, compared to the prior year's budget. The purchased services budget saw a 9.2% rise, primarily due to increased repairs and maintenance services needed to meet the ongoing demands across the District's schools and buildings. Additionally, supply purchases increased by 10.9%, reflecting rising costs for goods essential for both building interiors and grounds, as well as an uptick in Capital Improvement projects.



The chart above compares the revenue and expenditures (including other financing sources and uses) for five years reflecting two budget years and three actual years.

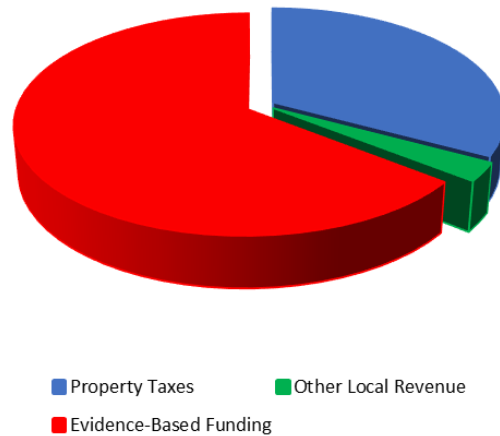
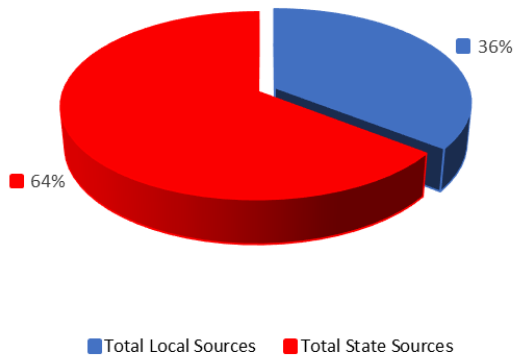
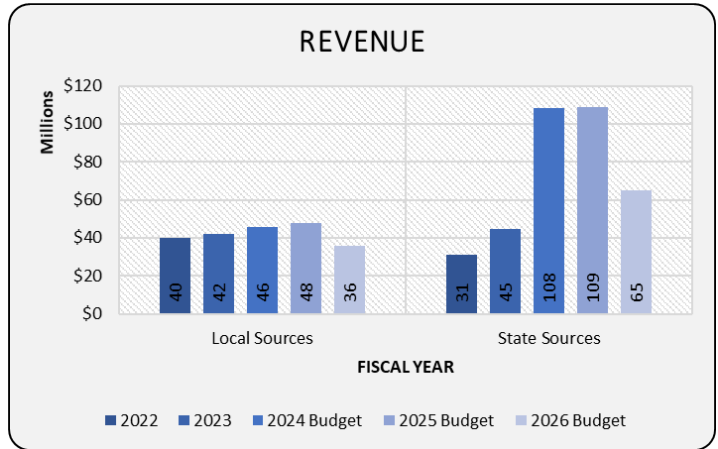
Fund Balance

The district carefully manages its fund balances by strategically overseeing revenue and expenditures in the Operations & Maintenance Fund to ensure sufficient resources are available to support maintenance and capital project needs.



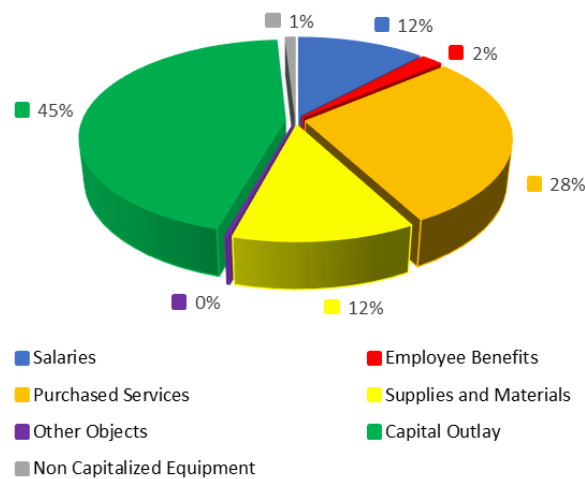
Operations and Maintenance Fund Revenue by Source

Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 33,065,562
Other Local Revenue	2,743,000
Total Local Sources	35,808,562
State Sources	
Evidence-Based Funding	65,000,000
School Maintenance Grant	50,000.00
Total State Sources	65,050,000
Total Revenue	\$ 100,858,562



Operations and Maintenance Fund Expenditures by Object

Expenditures	FY26 Budget
Salaries	\$ 12,578,224
Employee Benefits	2,140,407
Purchased Services	29,948,260
Supplies and Materials	12,703,480
Other Objects	200,000
Capital Outlay	47,305,585
Non Capitalized Equipment	991,555.00
Total Expenditures by Object	\$ 105,867,511



ASSUMPTIONS:

- CPI – 2.6% for each forecast year

Revenue

- Property Taxes –Annual tax levy adjustments
- EBF – Even allotment for forecasted years

Expenditures

- Salaries – Increase by various percentages based upon contracts
- Employee Benefits – Increase by 5.0% for each forecast year
- Capital Outlay – Increase annually for fulfillment of the Unite U-46 building maintenance promise

Transportation Fund

The Transportation Fund is used to account for the costs associated with transporting students for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, shall be paid by this fund. Any funds received for transportation purposes must be deposited into this fund, with amounts due other funds appropriately transferred thereafter.

Transportation Fund

Revenues, Expenditures and Changes in Fund Deficit

Revenue by Source / Expenditures by Object

Transportation Fund									
Revenues By Source and Expenditures By Object									
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	
REVENUES									
Local Sources	\$9,889,214	\$10,412,927	\$10,844,685	\$11,413,998	\$11,827,557	\$12,196,902	\$12,576,958		
State Sources	\$16,127,201	\$14,723,250	\$16,174,100	\$25,917,065	\$26,417,065	\$31,517,065	\$31,617,065	\$28,717,065	
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUES	\$25,800,096	\$24,612,464	\$26,587,027	\$36,761,750	\$37,831,063	\$43,344,622	\$43,813,967	\$41,294,023	
EXPENDITURES									
Salary	\$14,576,159	\$15,679,361	\$15,456,405	\$17,807,503	\$19,395,217	\$19,835,049	\$20,284,903	\$20,745,009	
Employee Benefits	\$4,888,351	\$5,146,140	\$4,995,793	\$5,245,195	\$5,581,311	\$5,859,769	\$6,152,104	\$6,459,042	
Purchased Services	\$1,196,635	\$2,384,239	\$2,099,881	\$2,204,970	\$2,721,757	\$2,776,192	\$2,831,716	\$2,888,350	
Supplies and Materials	\$3,109,255	\$3,736,120	\$3,738,842	\$4,228,100	\$4,619,220	\$4,711,604	\$4,805,836	\$4,901,953	
Capital Outlay	\$21,529	\$463,988	\$0	\$0	\$0	\$12,000,000	\$0	\$0	
Other Objects	\$5,771	\$685	\$67,527	\$6,000	\$5,200	\$5,200	\$5,200	\$5,200	
Non-Capitalized Equipment	\$0	\$21,685	\$0	\$0	\$0	\$0	\$0	\$0	
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL EXPENDITURES	\$23,797,700	\$27,432,218	\$26,358,448	\$29,491,768	\$32,322,705	\$45,187,814	\$34,079,760	\$34,999,554	
SURPLUS/(DEFICIT)	\$2,002,396	(\$2,819,754)	\$228,579	\$7,269,982	\$5,508,358	(\$1,843,192)	\$9,734,207	\$6,294,469	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$0	\$0	\$12,768	\$0	\$0	\$0	\$0	\$0	
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL OTHER FINANCING SOURCES/(USES)	\$0	\$0	\$12,768	\$0	\$0	\$0	\$0	\$0	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)									
	\$2,002,396	(\$2,819,754)	\$241,347	\$7,269,982	\$5,508,358	(\$1,843,192)	\$9,734,207	\$6,294,469	
BEGINNING FUND BALANCE	\$27,557,187	\$29,559,583	\$26,739,829	\$26,981,176	\$34,251,158	\$39,759,516	\$37,916,323	\$47,650,531	
ENDING FUND BALANCE	\$29,559,583	\$26,739,829	\$26,981,176	\$34,251,158	\$39,759,516	\$37,916,323	\$47,650,531	\$53,945,000	
FUND BALANCE AS % OF EXPENDITURES	124.21%	97.48%	102.36%	116.14%	123.01%	83.91%	139.82%	154.13%	
FUND BALANCE AS % OF MONTHS OF EXPENDITURES	14.91	11.70	12.28	13.94	14.76	10.07	16.78	18.50	

Revenue

The transportation fund is primarily funded by local property taxes and state categorical reimbursements for costs related to regular, special education and vocational transportation.

Local revenue sources primarily include property taxes, charges for transportation services, and a small amount of interest income. In previous years, District management increased the property tax allocation to expedite the reduction of the fund's deficit. This strategic adjustment successfully eliminated the Transportation Fund's deficit. The property tax allocation has now reverted to a level that adequately supports annual revenues and expenditures. Additionally, categorical payments are being disbursed on schedule and are projected to increase by \$0.5 million, or 3.2%, compared to the previous year's budget.

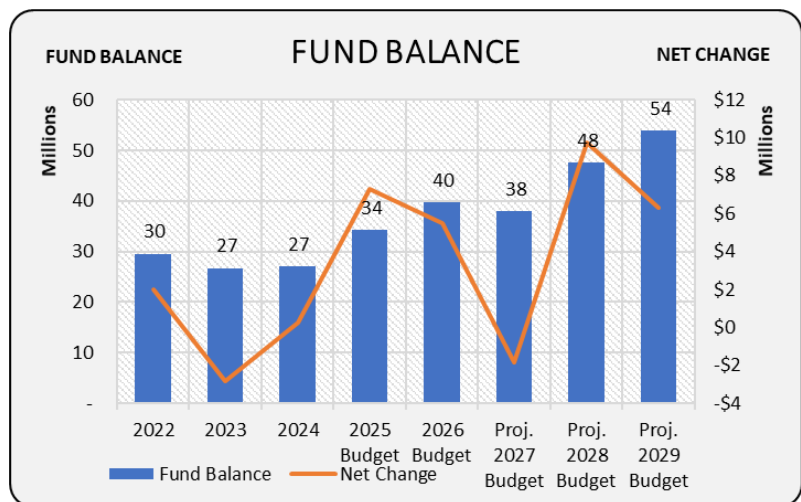
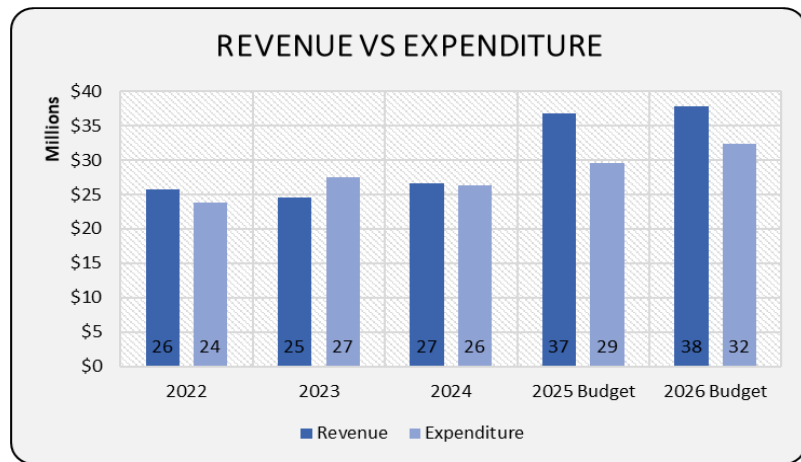
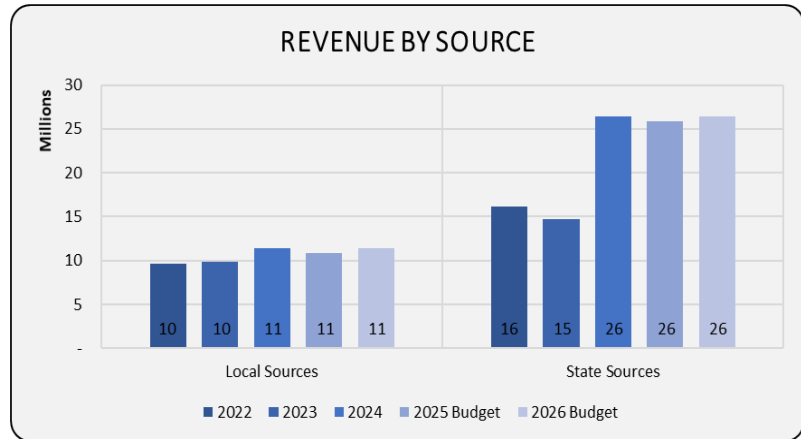
Expenditures

The District manages the transportation of over 23,000 students with a fleet comprising 340 full-sized and multifunctional buses, supported by more than 350 bus drivers and aides.

In line with the Bus Age and Obsolescence Plan, the District is committed to adhering to a scheduled replacement of both small and large buses in the upcoming years. These planned capital purchases are crucial for maintaining the mechanical and structural integrity of the fleet, ensuring the safe and reliable transport of students to and from school each day.

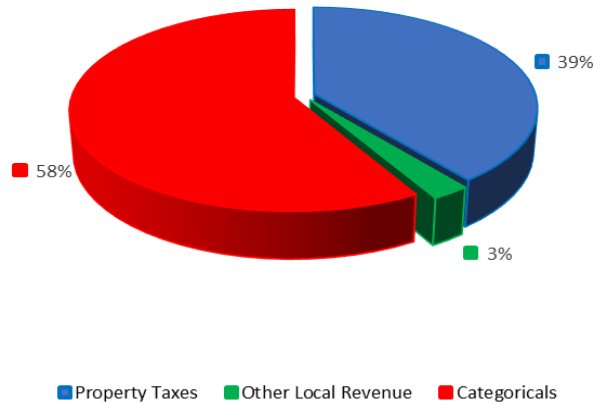
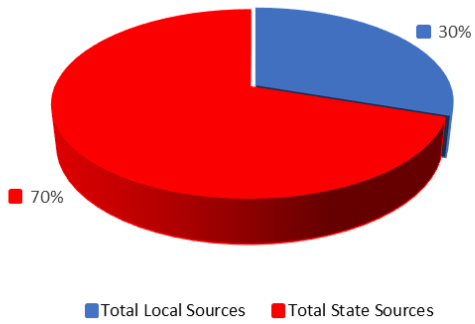
Fund Balance

Strategic planning for maintaining and increasing fund balances has been forecasted and is prepared for the new union contract, which will begin in FY26, as well as for the upcoming purchase of buses, which had been postponed due to COVID. These efforts aim to ensure financial readiness for anticipated future obligations.



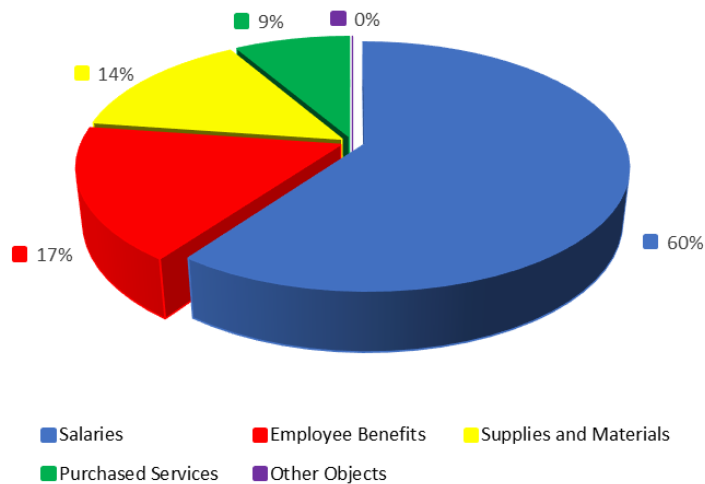
Transportation Fund Revenue by Source

Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 10,755,998
Other Local Revenue	658,000
Total Local Sources	11,413,998
State Sources	
Evidence Based Funding	10,500,000
Categoricals	15,917,065
Total State Sources	26,417,065
Total Revenue	\$ 37,831,063



Transportation Fund Expenditures by Object

<u>Expenditures</u>	<u>FY26 Budget</u>
Salaries	\$ 19,395,217
Employee Benefits	5,581,311
Supplies and Materials	4,619,220
Purchased Services	2,721,757
Other Objects	5,200
Total Expenditures by Object	\$ 32,322,705



ASSUMPTIONS:

- CPI – 2.6% for each forecast year

Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments
- State Categorical – Minimal increase of \$100,000 for forecasted years

Expenditures

- Salaries – Increases based upon contract
- Employee Benefits – Increase by 5.0% for each forecast year
- Capital Outlay – forecasted purchase new busses in FY27

Debt Service Fund

The Debt Service Fund is used to account for revenues and related expenditures to retire bond principal or to pay bond interest, or if other revenue is pledged to pay principal, interest, or service charges on other long-term debt instruments. [See 105 ILCS 5/Art. 19]

Debt Service Fund Summary

Revenues, Expenditures and Changes in Fund Balance

Debt Service Fund									
Revenues By Source and Expenditures By Object									
	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED	
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	
REVENUES									
Local Sources	\$32,576,319	\$33,361,365	\$33,643,520	\$34,172,999	\$32,537,809	\$32,537,809	\$32,537,809	\$32,537,809	\$32,537,809
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$32,576,319	\$33,361,365	\$33,643,520	\$34,172,999	\$32,537,809	\$32,537,809	\$32,537,809	\$32,537,809	\$32,537,809
EXPENDITURES									
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$167,180	\$92,471	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$42,811,561	\$42,243,508	\$32,821,006	\$32,532,380	\$32,536,404	\$32,692,407	\$32,150,383	\$31,985,766	\$31,985,766
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$42,978,741	\$42,335,979	\$32,821,006	\$32,532,380	\$32,536,404	\$32,692,407	\$32,150,383	\$31,985,766	\$31,985,766
SURPLUS/(DEFICIT)	(\$10,402,422)	(\$8,974,614)	\$822,514	\$1,640,619	\$1,405	(\$154,598)	\$387,426	\$552,043	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$30,641,422	\$12,733,596	\$127,995,000	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	(\$20,331,283)	(\$12,107,924)	(\$127,286,139)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OTHER FINANCING SOURCES/(USES)	\$10,310,139	\$625,672	\$708,861	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	(\$92,283)	(\$6,348,942)	\$1,531,375	\$1,640,619	\$1,405	(\$154,598)	\$387,426	\$552,043	
BEGINNING FUND BALANCE	\$33,180,596	\$33,088,313	\$24,739,371	\$26,270,746	\$27,911,365	\$27,912,770	\$27,758,172	\$28,145,598	
ENDING FUND BALANCE	\$33,088,313	\$24,739,371	\$26,270,746	\$27,911,365	\$27,912,770	\$27,758,172	\$28,145,598	\$28,697,641	
FUND BALANCE AS % OF EXPENDITURES	76.99%	58.44%	80.04%	85.80%	85.79%	84.91%	87.54%	89.72%	
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	9.24	7.01	9.61	10.30	10.29	10.19	10.51	10.77	

See additional District debt information under the all funds – other objects section of the financial section and under comparative data of the organizational section.

Debt Margin

Illinois statutes restrict the amount of debt an issuer can take on. This limit is calculated by multiplying the Estimated Assessed Valuation (EAV) by 13.8%. The legal debt margin, which is the difference between this limit and the existing debt, indicates the remaining capacity for issuing additional debt. The legal debt margin increases as the EAV rises. The chart to the right illustrates the factors affecting the District's legal debt margin calculation for FY25.

The chart to the right reflects this calculation and shows the legal debt margin of \$742.1 million.

Revenue

The Debt Service Fund is majority funded (99.0%) with local property taxes and it is not limited by Property Tax Extension Limitation Law (PTELL). This year's budget will decrease about \$1.6 million in property tax revenue over the prior year's budget. The chart to the right identifies the revenues and expenditures for the recent history and the budget years for 2025 and 2026.

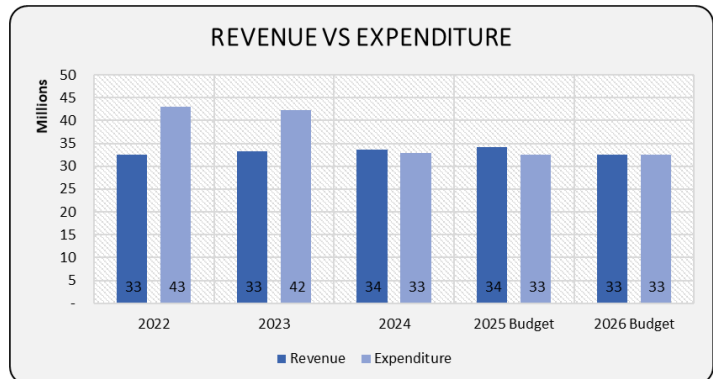
Expenditures

Expenditures are for debt service payments with the occasional debt issuance and related costs. Interest on debt ranges from 2.0% to 6.0%. The District debt is made up of general obligation bonds and debt certificates. Payments are made according to the District debt schedule and occur on July 1 and January 1. The chart to the left reflects the debt service schedule summary by fiscal year.

Estimated Legal Debt Margin Calculation for EOFY 2024

Fiscal Year	2025
Assessed Value	6,625,281,903
Debt limit (13.8%) of assessed value	<u>914,288,903</u>
Debt outstanding applicable to the limit:	
General obligation bonds	204,735,000
General obligation debt certificates	-
Total debt outstanding applicable to the limit	204,735,000
Less: Amount set aside for repayment of debt	32,532,380
Total net debt applicable to the limit	<u>172,202,620</u>
Total legal debt margin	<u>742,086,283</u>

Source: Financial Services



**General Obligation Bonds and Debt Certificates
 Summary Schedule**

Due in Fiscal Year	General Obligation		Total Debt Service
	Principal	Interest	
2026	24,810,000	7,722,404	32,532,404
2027	18,670,000	7,146,069	25,816,069
2028	18,710,000	6,506,295	25,216,295
2029-2031	58,435,000	16,188,739	74,623,739
2032-2036	78,690,000	15,802,024	94,492,024
2037-2039	23,500,000	3,964,350	27,464,350
2040-2041	11,105,000	635,650	11,740,650
	<u>\$ 233,920,000</u>	<u>\$ 57,965,529</u>	<u>\$ 291,885,529</u>

Debt Service Fund

Revenue by Source / Expenditure by Object

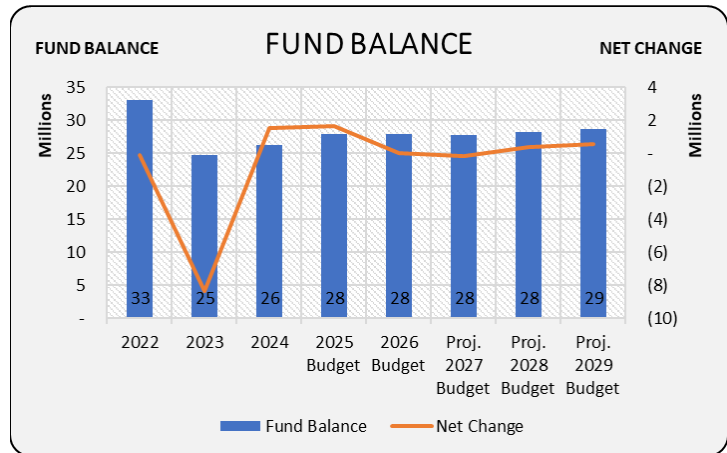
Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 32,520,809
Interest on Investments	\$ 17,000
Total Local Sources	<u>\$ 32,537,809</u>
Other Revenue	\$ -
Total Revenue	<u>\$ 32,537,809</u>

Expenditures	FY26 Budget
Other Objects	
Redemption of Principal - Bonds	32,536,404
Interest - Bonds	0
Dues & Fees	0.00
Total Expenditures by Object	<u>\$ 32,536,404</u>

Other Financing Sources **\$ -**

Fund Balance

The fund balance is intended for cash flow purposes for future debt payments. The chart to the right reflects the fund balance and net change for the recent history and future forecast.



ASSUMPTIONS:

Revenue

- Property Taxes – Levied to meet debt service demands.

Expenditures

- Principal and interest payments are forecast as scheduled.

Municipal Retirement/Social Security Fund

The Municipal Retirement/Social Security Fund is used to account for property tax revenues and related expenditures for contributions to the Illinois Municipal Retirement Fund (IMRF), Social Security, and Medicare. [See 105 ILCS 5/17-1, 21-110, and 21-110.1]

Municipal Retirement/Social Security Fund

Revenues, Expenditures and Changes in Fund Balance (Deficit)

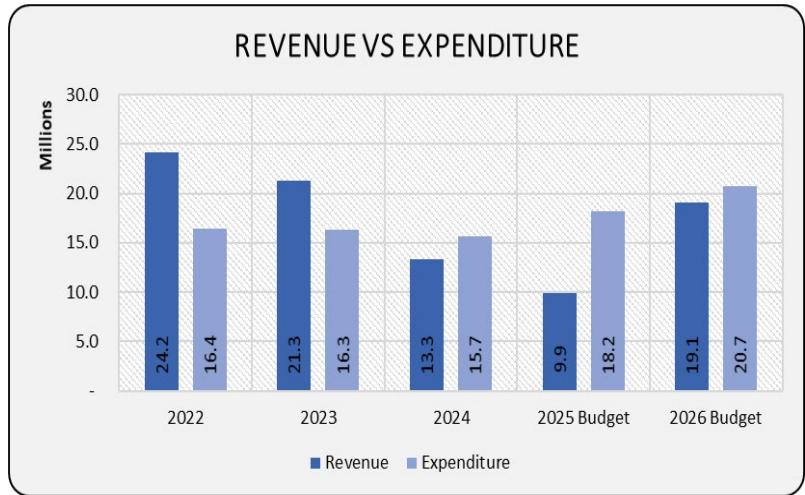
Municipal Retirement / Social Security Fund

Revenues By Source and Expenditures By Object

	ACTUAL	ACTUAL	ACTUAL	BUDGET	BUDGET	PROJECTED	PROJECTED	PROJECTED
	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
REVENUES								
Local Sources	\$24,210,625	\$21,311,944	\$13,291,333	\$9,942,542	\$12,060,895	\$12,547,197	\$12,741,641	\$12,941,723
State Sources	\$0	\$0	\$0	\$0	\$7,000,000	\$8,000,000	\$8,500,000	\$8,500,000
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$24,210,625	\$21,311,944	\$13,291,333	\$9,942,542	\$19,060,895	\$20,547,197	\$21,241,641	\$21,441,723
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$40	\$42	\$43	\$45
Employee Benefits	\$16,386,710	\$16,281,941	\$15,685,513	\$18,235,510	\$20,698,682	\$21,214,579	\$21,716,692	\$22,232,127
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$16,386,710	\$16,281,941	\$15,685,513	\$18,235,510	\$20,698,722	\$21,214,621	\$21,716,735	\$22,232,172
SURPLUS/(DEFICIT)	\$7,823,915	\$5,030,003	(\$2,394,180)	(\$8,292,968)	(\$1,637,827)	(\$667,424)	(\$475,095)	(\$790,449)
OTHER FINANCING SOURCES/(USES)								
Other Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OTHER FINANCING SOURCES/(USES)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$7,823,915	\$5,030,003	(\$2,394,180)	(\$8,292,968)	(\$1,637,827)	(\$667,424)	(\$475,095)	(\$790,449)
BEGINNING FUND BALANCE	\$4,136,844	\$11,960,759	\$16,990,761	\$14,596,581	\$6,303,613	\$4,665,786	\$3,998,362	\$3,523,268
ENDING FUND BALANCE	\$11,960,759	\$16,990,761	\$14,596,581	\$6,303,613	\$4,665,786	\$3,998,362	\$3,523,268	\$2,732,818
FUND BALANCE AS % OF EXPENDITURES	72.99%	104.35%	93.06%	34.57%	22.54%	18.85%	16.22%	12.29%
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	8.76	12.52	11.17	4.15	2.70	2.26	1.95	1.48

Revenue

The Municipal Retirement/Social Security Fund is primarily financed through local sources such as interest on investments, property taxes, and Personal Property Replacement Taxes (PPRT). Total revenue is projected to increase by \$9.1 million, or 91.7%, due to two factors: a \$2.1 million increase in local revenue, and a reallocation of Evidence Based Funding of \$7.0 million. The accompanying chart illustrates historical revenues and expenditures, as well as budget projections for 2025 and 2026.



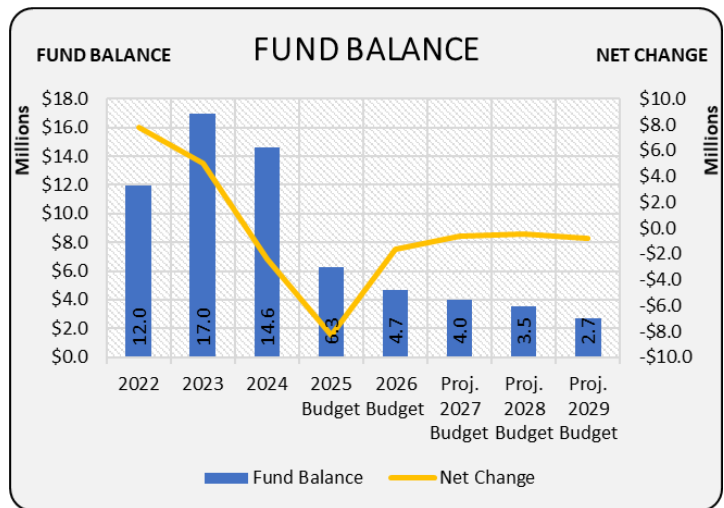
Expenditures

This fund accounts for benefits related to the Illinois Municipal Retirement Fund (IMRF), Social Security, and Medicare, which are paid by the District. Employee benefits are projected to increase slightly by \$2.5 million or 13.5%, consistent when comparing the FY26 budget to the prior year budget. It is important to note that the IMRF contribution rate, paid by the District for each enrolled employee, can change annually on January 1. Preliminary rates are provided in late spring, and an average rate is used to estimate the fiscal year's costs, combining the preliminary and current rates.

Fund Balance

Management aims to maintain a positive fund balance in this fund while allocating sufficient resources to cover expenditures. The chart to the right illustrates the strategic spend-down of the fund balance, followed by stabilization in the forecasted years to ensure ongoing fiscal health.

Fund 50 has a decreasing fund balance when comparing budget years due to strategic planned spend down of reserves in a restricted fund with the goal of leaving a fund balance that equates to 6-12 months of expenditures.

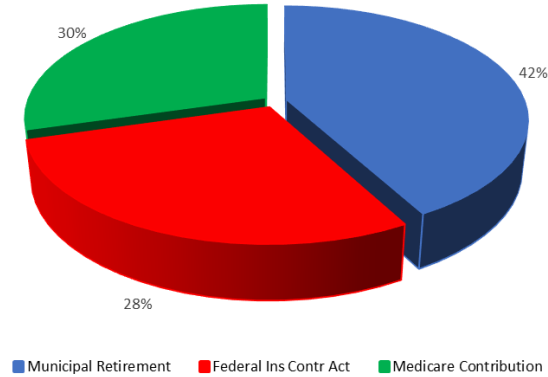


Municipal Retirement/Social Security Fund

Revenue by Source Expenditure by Object

Revenue	FY26 Budget
Local Sources	
Property Taxes	\$ 6,393,985
CPPRT	5,662,910
Interest on Investments	4,000
Evidence Based Funding	7,000,000
Total Local Sources	19,060,895
Total Revenue	\$ 19,060,895

Expenditure	FY26 Budget
Employee Benefits	
Municipal Retirement	\$ 8,705,521
Federal Ins Contr Act	5,887,479
Medicare Contribution	6,105,722
IMRF/SS/Medicare Allocation	-
Total Employee Benefits	20,698,722
Total Expenditure	\$ -



IMRF/SS/Medicare Allocation - To accurately represent the expenditures of the District's Food Service benefits, which are reported under the Educational Fund, adjustments are made to shift costs from the Municipal Retirement/Social Security Fund to the Educational Fund. This reallocation pertains to employee benefits for staff directly involved in the Food Service program. Due to the payroll system, these expenditures are initially recorded in the Municipal Retirement/Social Security Fund and subsequently adjusted through this allocation.

ASSUMPTIONS:

- CPI – 2.6% for each forecast year

Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments

Expenditures

- Employee Benefits – Increase by CPI for each forecast year

Capital Projects Fund

The Capital Projects Fund is used to account for proceeds resulting from building bonds, receipts from other long-term financing agreements, receipts derived from developers' fees and related expenditures, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with Section 17-2.3 of the Illinois School Code.

Capital Projects Fund

Revenues, Expenditures and Changes in Fund Balance

Capital Projects Fund								
Revenues By Source and Expenditures By Object								
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029
REVENUES								
Local Sources	\$1,296,508	\$987,964	\$530,949	\$3,475,000	\$575,000	\$400,000	\$275,000	\$275,000
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$1,296,508	\$987,964	\$530,949	\$3,475,000	\$575,000	\$400,000	\$275,000	\$275,000
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$4,717,573	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$688,814	\$1,672,131	\$16,176,640	\$80,000,000	\$126,000,000	\$183,000,000	\$182,000,000	\$100,000,000
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$688,814	\$1,672,131	\$20,894,213	\$80,000,000	\$126,000,000	\$183,000,000	\$182,000,000	\$100,000,000
SURPLUS/(DEFICIT)	\$607,694	(\$684,167)	(\$20,363,264)	(\$76,525,000)	(\$125,425,000)	(\$182,600,000)	(\$181,725,000)	(\$99,725,000)
OTHER FINANCING SOURCES/(USES)								
Other Financing Sources	\$0	\$45,000,000	\$89,099,986	\$142,000,000	\$141,504,629	\$97,756,429	\$116,017,494	\$84,631,429
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OTHER FINANCING SOURCES/(USES)	\$0	\$45,000,000	\$89,099,986	\$142,000,000	\$141,504,629	\$97,756,429	\$116,017,494	\$84,631,429
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$607,694	\$44,315,833	\$68,736,722	\$65,475,000	\$16,079,629	(\$84,843,571)	(\$65,707,506)	(\$15,093,571)
BEGINNING FUND BALANCE	\$4,135,109	\$4,742,803	\$49,058,636	\$117,795,358	\$183,270,358	\$199,349,987	\$114,506,416	\$48,798,910
ENDING FUND BALANCE	\$4,742,803	\$49,058,636	\$117,795,358	\$183,270,358	\$199,349,987	\$114,506,416	\$48,798,910	\$33,705,339
FUND BALANCE AS % OF EXPENDITURES	688.55%	2933.90%	563.77%	229.09%	158.21%	62.57%	26.81%	33.71%
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	82.63	352.07	67.65	27.49	18.99	7.51	3.22	4.04

FINANCIAL SECTION

Revenue

For FY25, the Capital Projects Fund will be supported by developer fees, capital project bonds, interest earnings from other funds, and the sale of real estate. Additionally, interest earnings from the Working Cash Fund will be transferred into this fund. Investment interest revenue is expected to decrease due to projected rate cuts. The proceeds from our bond issuances will be allocated to this fund.

Revenue	FY26 Budget
Local Sources	
Other Local Revenue	\$ 575,000
Other Financing Source	\$ 141,504,629
Total Revenue	\$ 142,079,629

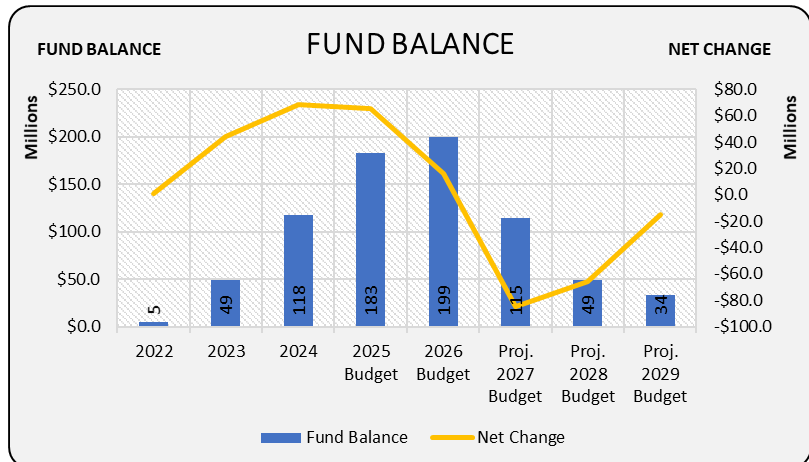
Expenditures

Expenditures for all major construction projects are allocated to this fund. In FY26, we are budgeting \$126.0 million, which includes the work on the construction of our new school buildings and renovations which will all be funded through this account.

Expenditure	FY26 Budget
Building Improvements	\$ 126,000,000
Total Expenditure	\$ 126,000,000

Fund Balance

Capital project expenses are projected annually based on available information during the budget creation process. Variables such as weather, supply chain disruptions, funding availability, and labor shortages can influence actual expenditures. Projects typically span several months and are often scheduled during the summer when school operations are reduced. Due to the nature of the projects and the alignment of the June 30 fiscal year end, capital planning follows the calendar year rather than the fiscal year. It's important to note that the fund does not receive revenue from property taxes, Evidence-Based Funding (EBF), or federal grants. Instead, its primary revenue source, excluding bond issuances, comes from transfers from other funds. The accompanying chart reflects the fund balance, accounting for these factors in the forecasted years.



ASSUMPTIONS:

Revenue

- Developer fees – \$1.0 million for each forecast year
- Transfer of investment interest earned – projected to decrease annually for the forecasted years

Expenditures

- Capital Outlay – Large expenditures planned for FY26 through FY28 as work on middle schools and new elementary are completed

Working Cash Fund

The purpose of the Working Cash Fund is to enable the District to have in its treasury at all times sufficient money to meet demands for ordinary and necessary expenditures.
[See 105 ILCS 5/Art. 20]

Working Cash Fund Summary

Revenues, Expenditures and Changes in Fund Balance

Working Cash Fund								
Revenues By Source and Expenditures By Object								
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029
REVENUES								
Local Sources	(\$1,473,843)	\$15,080,547	\$32,559,781	\$28,173,510	\$37,332,551	\$35,469,967	\$34,584,709	\$34,702,778
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	(\$1,473,843)	\$15,080,547	\$32,559,781	\$28,173,510	\$37,332,551	\$35,469,967	\$34,584,709	\$34,702,778
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	(\$1,473,843)	\$15,080,547	\$32,559,781	\$28,173,510	\$37,332,551	\$35,469,967	\$34,584,709	\$34,702,778
OTHER FINANCING SOURCES/(USES)								
Other Financing Sources	\$0	\$0	\$0	\$0	\$32,000,000	\$0	\$0	\$0
Other Financing Uses	(\$300,000)	(\$15,080,547)	(\$29,541,497)	(\$25,000,000)	(\$65,000,000)	(\$77,764,889)	(\$77,125,000)	(\$30,000,000)
TOTAL OTHER FINANCING SOURCES/(USES)	(\$300,000)	(\$15,080,547)	(\$29,541,497)	(\$25,000,000)	(\$33,000,000)	(\$77,764,889)	(\$77,125,000)	(\$30,000,000)
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	(\$1,773,843)	\$0	\$3,018,284	\$3,173,510	\$4,332,551	(\$42,294,922)	(\$42,540,291)	\$4,702,778
BEGINNING FUND BALANCE	\$112,662,045	\$110,888,202	\$110,888,202	\$113,906,486	\$117,079,996	\$121,412,547	\$79,117,625	\$36,577,334
ENDING FUND BALANCE	\$110,888,202	\$110,888,202	\$113,906,486	\$117,079,996	\$121,412,547	\$79,117,625	\$36,577,334	\$41,280,112
FUND BALANCE AS % OF EXPENDITURES	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FUND BALANCE AS % OF MONTHS OF EXPENDITURES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

FINANCIAL SECTION

Revenue

The Working Cash Fund receives revenue from two sources: interest earned on investments and property taxes. All investment interest is deposited into this fund, with earnings expected be \$34 million for FY26. The current budget reflects a \$159,000 increase in property tax revenue year-over-year.

Revenue	FY26 Budget	
Local Sources	\$	3,332,551.00
Interest on Investments	\$	34,000,000
Other Financing Sources	\$	32,000,000
Total Revenue	\$	69,332,551

Expenditures

There are no direct expenses in this fund. Monies are moved out via Transfer to Other Funds

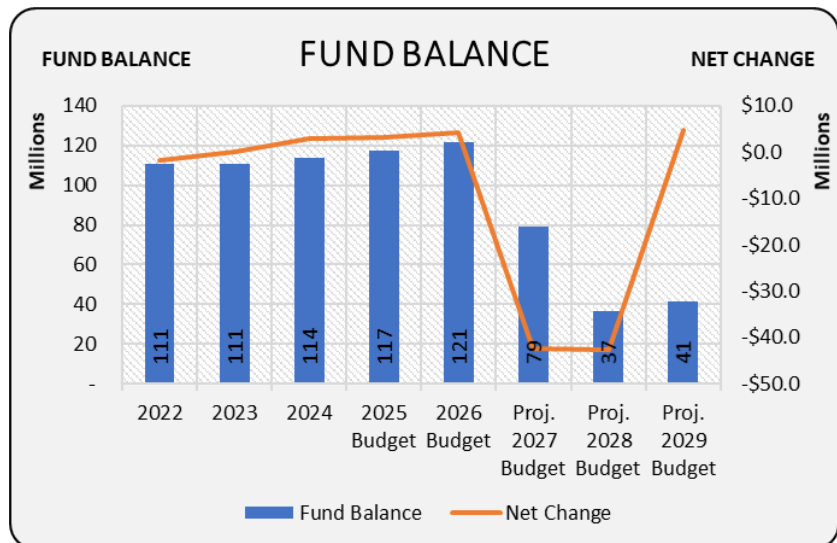
Expenditure	FY26 Budget	
Other Financing Uses	\$	65,000,000
Total Expenditure	\$	65,000,000

Fund Balance

Management’s objective is to maintain a strong fund balance in the Working Cash Fund, as it serves as a critical reserve for the District to ensure financial stability. The accompanying chart highlights the historical fund balance trends and projected changes in future fiscal years.

Other Financing Uses

In FY26, this Fund is projected to transfer interest income of \$30.0 million into the Capital Projects Fund to help support the major capital construction projects and maintenance being performed throughout the district.



ASSUMPTIONS:

Revenue

- Interest on Investments – Fund is anticipated to receive \$34.0 million in Interest on Investments

Other Financing Uses

- Transfer Out - Budgeted allocation to the Capital Projects Fund to support additional capital investments.

Tort Immunity and Judgment Fund

The Tort Immunity and Judgment Fund is used to pay for settlements or judgments, for protecting the District or its employees against liability, property damage or loss, and for risk care management programs.

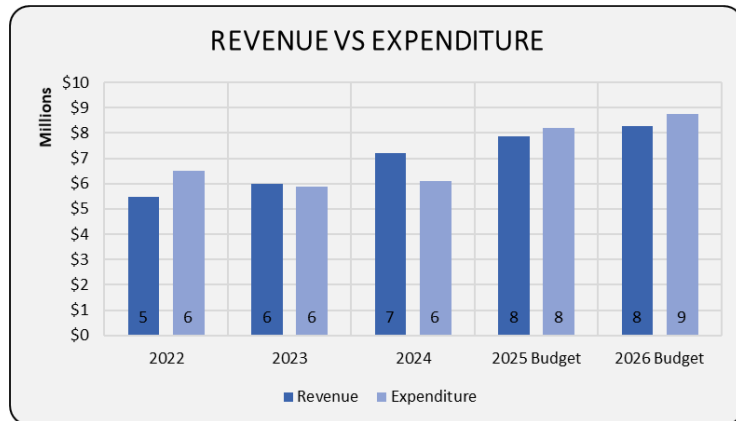
Tort Immunity and Judgments Fund

Revenues, Expenditures and Changes in Fund Deficit

Tort Fund									
Revenues By Source and Expenditures By Object									
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029	
REVENUES									
Local Sources	\$5,477,684	\$5,973,995	\$7,192,967	\$7,871,334	\$8,269,281	\$10,271,349	\$10,858,353	\$11,463,355	
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL REVENUES	\$5,477,684	\$5,973,995	\$7,192,967	\$7,871,334	\$8,269,281	\$10,271,349	\$10,858,353	\$11,463,355	
EXPENDITURES									
Salary	\$295,748	\$351,466	\$445,708	\$459,347	\$442,145	\$466,463	\$481,623	\$497,276	
Employee Benefits	\$54,964	\$8,643	\$12,218	\$12,789	\$13,561	\$14,222	\$14,914	\$15,640	
Purchased Services	\$5,701,949	\$4,987,379	\$5,578,178	\$7,231,782	\$6,806,255	\$6,942,380	\$7,081,228	\$7,222,852	
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Capital Outlay	\$0	\$0	\$0	\$500,000	\$0	\$0	\$0	\$0	
Other Objects	\$443,333	\$550,000	\$66,438	\$0	\$0	\$0	\$0	\$0	
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$1,480,890	\$1,480,890	\$1,480,890	\$1,480,890	
TOTAL EXPENDITURES	\$6,495,993	\$5,897,488	\$6,102,542	\$8,203,918	\$8,742,851	\$8,903,955	\$9,058,654	\$9,216,658	
SURPLUS/(DEFICIT)	(\$1,018,309)	\$76,507	\$1,090,425	(\$332,584)	(\$473,570)	\$1,367,394	\$1,799,699	\$2,246,697	
OTHER FINANCING SOURCES/(USES)									
Other Financing Sources	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
TOTAL OTHER FINANCING SOURCES/(USES)	\$0	\$0	\$3,000,000	\$0	\$0	\$0	\$0	\$0	
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	(\$1,018,309)	\$76,507	\$4,090,425	(\$332,584)	(\$473,570)	\$1,367,394	\$1,799,699	\$2,246,697	
BEGINNING FUND BALANCE	\$604,607	(\$413,702)	(\$337,195)	\$3,753,230	\$3,420,646	\$2,947,076	\$4,314,470	\$6,114,169	
ENDING FUND BALANCE	(\$413,702)	(\$337,195)	\$3,753,230	\$3,420,646	\$2,947,076	\$4,314,470	\$6,114,169	\$8,360,866	
FUND BALANCE AS % OF EXPENDITURES	-6.37%	-5.72%	61.50%	41.70%	33.71%	48.46%	67.50%	90.71%	
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	(0.76)	(0.69)	7.38	5.00	4.05	5.81	8.10	10.89	

Revenue

The tort fund is funded by local property taxes. The property tax revenue is projected to increase by 5.0%. The chart above reflects the revenues and expenditures for the recent history and the 2025 and 2026 budget years.



Expenditures

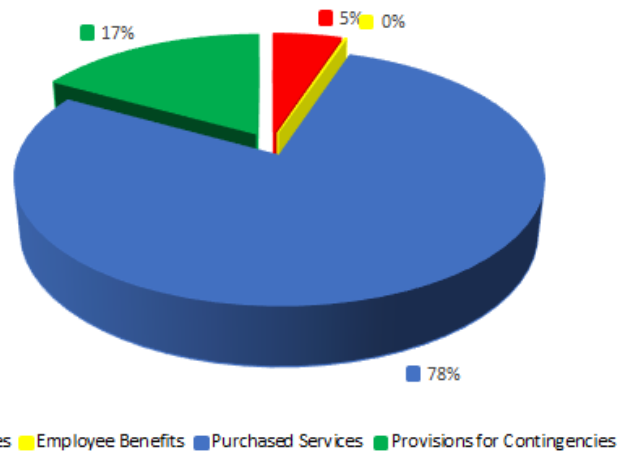
The Tort Fund encompasses the District’s legal matters, covering both in-house legal staff and outsourced services. Expenditures include premiums for various insurance policies, such as Workers’ Compensation, General Liability, Foreign Travel, Storage Tank, and Student Accident insurance. The expenditures when comparing year-over-year budget are expected to increase by 6.6%.

Revenue **FY26 Budget**

Local Sources	
Property Taxes	\$ 8,265,281
Interest on Investments	4,000
Other Revenue	\$ -
Total Revenue	\$ 8,269,281

Expenditure **FY26 Budget**

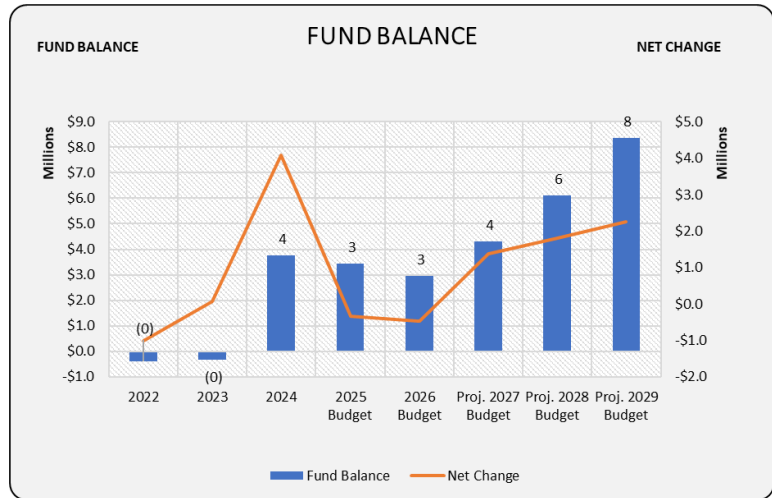
Salaries	\$ 442,145
Employee Benefits	13,561
Purchased Services	6,806,255
Provisions for Contingencies	1,480,890
Total Expenditure	\$ 8,742,851



Fund Balance

Management will continue to balance the revenue received through property tax with the anticipated expenditures to keep the fund balance level each year. The chart to the right reflects the fund balance and net change for the recent history and future forecast.

Fund 80 has a decrease in fund balance this budget year, but will have an increase in future years due to a strategic reallocation of tax revenue.



ASSUMPTIONS:

- CPI – 2.6% for each forecast year

Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments

Expenditures

- Salaries – Increase based on similar raises to collective bargaining agreements
- Employee Benefits – Increase by 5.0% for each forecast year

Fire Prevention and Safety Fund

The Fire Prevention and Safety Fund is used to account for expenditures for fire prevention, safety, energy conservation, or school security, and the revenues supporting those expenditures. [See ILCS 5/2-3.12 and 17-2.11]

Fire Prevention and Safety Fund

Revenues, Expenditures and Changes in Fund Balance

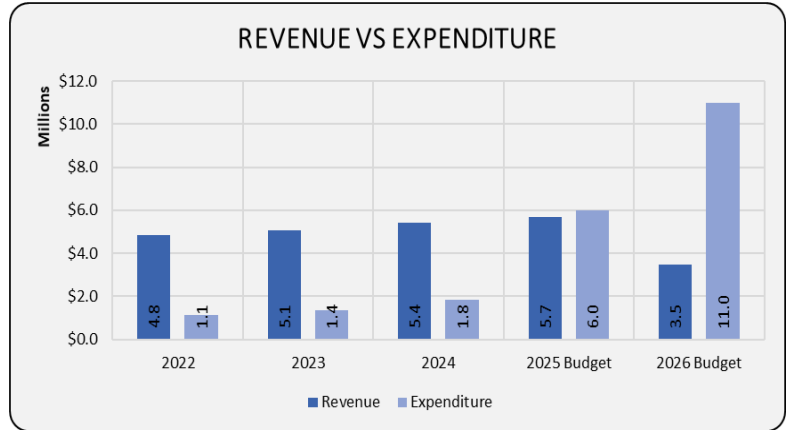
Fire Prevention and Safety Fund								
Revenues By Source and Expenditures By Object								
	ACTUAL FY 2022	ACTUAL FY 2023	ACTUAL FY 2024	BUDGET FY 2025	BUDGET FY 2026	PROJECTED FY 2027	PROJECTED FY 2028	PROJECTED FY 2029
REVENUES								
Local Sources	\$4,846,784	\$5,072,288	\$5,407,479	\$5,678,366	\$3,475,488	\$6,193,875	\$6,398,590	\$6,609,241
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$4,846,784	\$5,072,288	\$5,407,479	\$5,678,366	\$3,475,488	\$6,193,875	\$6,398,590	\$6,609,241
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$1,144,416	\$1,374,686	\$1,842,565	\$6,000,000	\$11,000,000	\$8,000,000	\$8,000,000	\$8,000,000
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$1,144,416	\$1,374,686	\$1,842,565	\$6,000,000	\$11,000,000	\$8,000,000	\$8,000,000	\$8,000,000
SURPLUS/(DEFICIT)	\$3,702,368	\$3,697,602	\$3,564,914	(\$321,634)	(\$7,524,512)	(\$1,806,125)	(\$1,601,410)	(\$1,390,759)
OTHER FINANCING SOURCES/(USES)								
Other Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL OTHER FINANCING SOURCES/(USES)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)	\$3,702,368	\$3,697,602	\$3,564,914	(\$321,634)	(\$7,524,512)	(\$1,806,125)	(\$1,601,410)	(\$1,390,759)
BEGINNING FUND BALANCE	\$5,974,802	\$9,677,170	\$13,374,772	\$16,939,686	\$16,618,052	\$9,093,540	\$7,287,415	\$5,686,005
ENDING FUND BALANCE	\$9,677,170	\$13,374,772	\$16,939,686	\$16,618,052	\$9,093,540	\$7,287,415	\$5,686,005	\$4,295,246
FUND BALANCE AS % OF EXPENDITURES	845.60%	972.93%	919.35%	276.97%	82.67%	91.09%	71.08%	53.69%
FUND BALANCE AS # OF MONTHS OF EXPENDITURES	101.47	116.75	110.32	33.24	9.92	10.93	8.53	6.44

Revenue

The Fire Prevention and Safety Fund is funded with local property taxes. Property taxes are projected to decrease \$2.2 million over the prior year’s budget and allocated based on the anticipated expenditures.

Expenditures

The expenditures in this fund are for projects related to fire prevention, safety, energy conservation and/or school security. This year’s budget was kept flat due to the modest increase in revenue. Similar projects of these types are being planned for the year. The chart to the right reflects the revenues and expenditures for the recent history and 2025 and 2026 budget years.

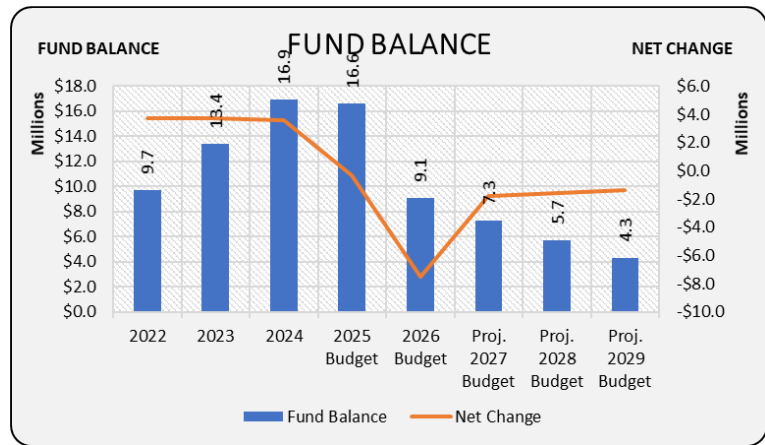


Revenue **FY26 Budget**

Local Sources	
Property Taxes	\$ 3,472,488
Interest on Investments	3,000
Other revenue	\$ -
Total Revenue	\$ 3,475,488

Expenditure **FY26 Budget**

Building Improvements	\$ 11,000,000
Total Expenditure	\$ 11,000,000



Fund Balance

It is management’s goal to maintain a positive fund balance in this fund and allocate enough resources to cover planned expenditures. The chart above reflects the fund balance and net change for the recent history and future forecast.

ASSUMPTIONS:

CPI – Increase 2.6% each forecast year.

Revenue

- Property Taxes – Increase by CPI with appropriate annual tax levy adjustments

Expenditures

- Capital Outlay – Flat \$11.0 million for the current fiscal year and forecasted years

CAPITAL PROJECTS

Due to the nature of construction projects and the timing of the June 30 fiscal year end, many of the capital projects are internally planned by calendar year rather than fiscal year. Due to the planning process, some project expenditures will occur during fiscal year 2025, some during fiscal year 2026, and some may be split between both years. The table below shows the summary of projects that are on the schedule for expenditures during the FY26 fiscal year. During this coming fiscal year, the district will continue the facility utilization study to assist management in creating a long-term capital improvement plan that will address the needs districtwide.

School(s)	Project Description	Estimated Project Cost
BHS	Pathways Renovation	\$4,476,370.98
EHS	Parking Lot	\$3,756,412.50
LHS	Roof Replacement	\$3,228,400.00
LHS	Stadium	\$12,404,650.00
SEHS	Pool Renovation Phase 2	\$2,709,500.00
ESC	Dry Fire Suppression	\$2,242,800.00
Larsen MS	Domestic Water	\$3,381,425.00
Bartlett ES	Generator	\$740,155.00
Clinton ES	Generator	\$566,200.00
Coleman ES	Roof Replacement	\$1,784,725.00
Highland ES	Domestic Water	\$1,104,723.95
Hillcrest ES	Generator	\$581,425.00
Ronald D O'Neal ES	Parking Lot	\$450,928.00
Sycamore Trails ES	HVAC Turn-Key	\$4,431,920.00
High Schools	Backstop Replacement	\$916,000.00
Warehouse	Roof Replacement	\$959,875.00
EHS	Auditorium Rigging & Upgrade	\$3,403,840.00
SEHS	Water Softener & Water Heater	\$251,590.00
SEHS	Swimming Pool Mechanical Upgrade	\$1,169,400.00
Heritage ES	Switchgear and Generator Replacement	\$647,600.00
Horizon ES	Electrical Switchgear and Generator Replacement	\$741,560.00
Lords Park ES	Generator	\$566,200.00
Ronald D O'Neal ES	Ceiling and Lighting	\$928,064.00
Ronald D O'Neal ES	Intercom & Clock	\$364,757.60
U-46	6 Air Cooled Chillers	\$2,077,271.00
FY 2026 Estimated Total		\$53,885,793.03

SCHOOL	PROJECT	EST. COST	EST. COMPLETION	FUNDING SOURCE
FUNDED BEFORE UNITE U-46 PLAN				
Conversion of Elementary School to Middle School	Located at Hawk Hollow	\$58 Million	Summer 2025	District Reserves
UNITE U-46 FUNDED PROJECTS (INCLUDES RESERVES) \$380 MILLION				
New Middle School	Rohrssen Road in Elgin	\$135 Million	TBD	District Reserves, Other Sources
Addition/Renovation	Kimball Middle School in Elgin	\$65 Million	Summer 2026	District Reserves, Referendum Bonds, Other Sources
Addition/Renovation	Kenyon Woods Middle School in South Elgin	\$35 Million	Summer 2026	District Reserves, Other Sources
New Elementary School	Located in Elgin to replace McKinley	\$65 Million	TBD	Referendum Bonds
Renovation and Addition to Glenbrook Elementary	Located in Streamwood	\$30 Million	TBD	Referendum Bonds
Renovation and Addition to Century Oaks Elementary	Instead of investing in additions at Harriet Gifford and Highland	\$25 Million	TBD	Referendum Bonds
Conversion of Pre-K Center to Elementary School	Located at IL Park	\$10 Million	TBD	Referendum Bonds
Total Unite U-46 Project Cost Estimate		\$365M		

The district is budgeting \$184.3 million dollars this fiscal year to cover needed capital improvements and major construction projects throughout the district. The following is a fund breakdown:

- Fund 20 \$47.3 million
- Fund 60 \$126.0 million
- Fund 90 \$11.0 million

The Capital Projects Fund will finance major construction projects for the fiscal year, while the Operations and Maintenance Fund will cover capital maintenance projects. Evidence-Based Funding dollars are allocated to the Operations and Maintenance Fund to support various maintenance activities, including masonry work, roof repairs, parking lot repairs, and mechanical system upgrades.

OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The District operates a single-employer defined benefit healthcare plan known as the "Retiree Healthcare Plan" or "the Plan." This plan provides healthcare insurance for eligible retirees and their dependents through the District's group health insurance program, which serves both active employees and retirees. Benefit provisions are determined through negotiations between the District and the unions representing its employees, with adjustments made during each bargaining period. Some retirees are covered until they become eligible for Medicare, while others receive benefits for their lifetime.

Funding Policy

Contribution requirements for the Retiree Healthcare Plan are established through negotiations between the District and union representatives. The plan is funded on a pay-as-you-go basis, with the level of funding varying from 0.0% to 100.0% based on the retiree's status at the time of retirement. Currently, both active and retired employees pay a specified blended premium rate for healthcare insurance, with the District covering the remaining cost.

Annual Report for Post-Employment Benefits other than Pensions

School District U-46 offers post-employment benefits other than pensions (OPEB) to qualifying employees. In accordance with the Governmental Accounting Standards Board Statement 75 (GASB 75), the District is required to report the value of these benefits and their associated costs. Per GASB 75, full valuations are completed every other fiscal year. The table below presents the audited OPEB activity components for the District as of the last full valuation dated June 30, 2024. The next full OPEB valuation is set for the end of FY26.

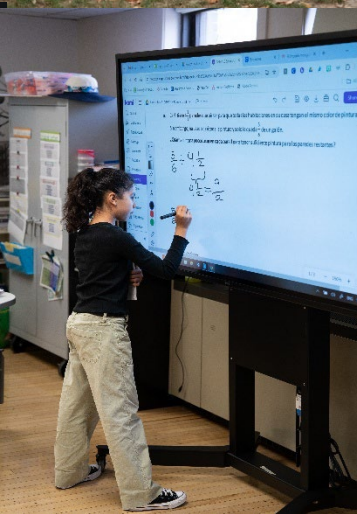
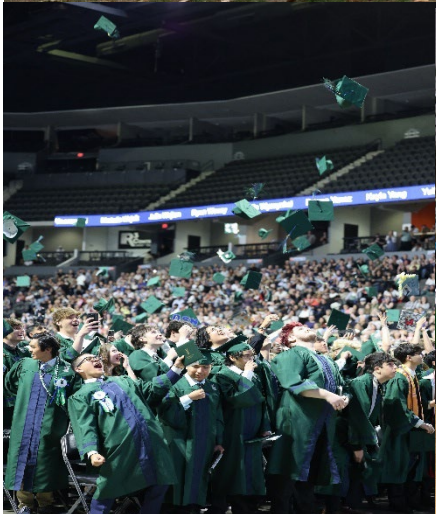
Valuation Date	July 1, 2024
Measurement Date	June 30, 2025
Reporting Date	June 30, 2025
Present Value of Future Benefits	
Actives	\$ 24,093,457
Retirees	4,407,671
Total	\$ 28,501,128
Total OPEB Liability (TOL)	
Actives	\$ 19,991,294
Retirees	4,401,671
Total	\$ 24,392,965
Plan Assets	N/A
Net OPEB Liability (NOL)	\$ 24,392,965
GASB 75 Measures For the Period Ending	June 30, 2025
OPEB Expense	\$ 1,609,254
Employer Contributions, reflecting implicit rate subsidies	\$ 1,830,343
Employer Contributions (Pay-As-You-Go)	\$ 1,350,860

Demographic Information	2023/2024 FY
Active Participants	3,390
Retired Participants	213
Total	3,603

- Present Value of Future Benefits identifies the amount of money needed today to cover the promised benefits for the current participant group if all assumptions are met.
- Total OPEB Liability identifies the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of GASB 75.
- OPEB Expense includes service cost, interest cost and the recognition of the changes in assumptions.
- Employer Contributions, reflecting implicit rate subsidies – the *expected* employer contributions.
- Employer Contributions (Pay-As-You-Go) is the estimated annual employer contributions based on data received from the District.
- Active participants include fully eligible and not fully eligible participants.



Informational Section





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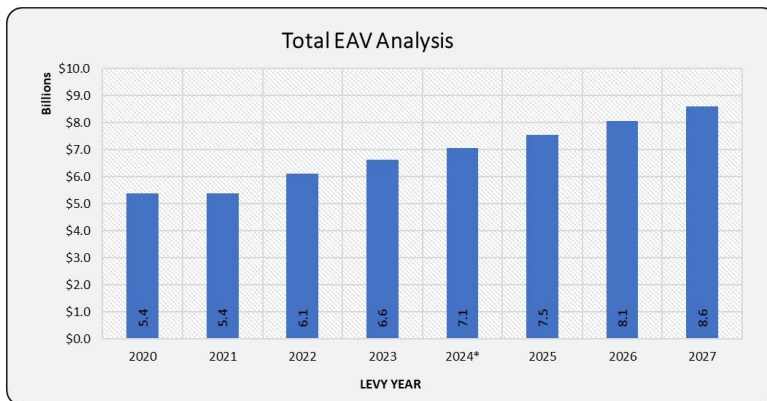
PROPERTY TAX INFORMATION

Assessed Value of Taxable Property

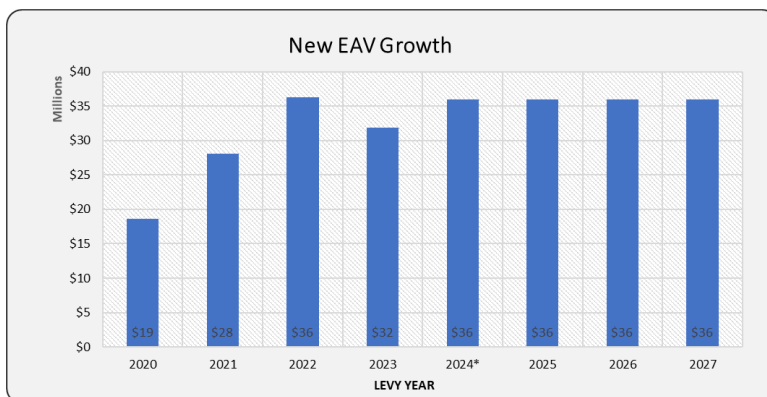
Equalized Assessed Valuation								
Analysis by Levy Year								
LEVY YEAR	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ESTIMATED 2024*	ESTIMATED 2025	PROJECTED 2026	PROJECTED 2027
CONSUMER PRICE INDEX	2.30%	1.40%	5.00%	5.00%	2.90%	2.60%	2.60%	2.60%
EQUALIZED ASSESSED VALUATION	\$5,392,991,871	\$5,377,814,859	\$6,116,950,618	\$6,625,281,903	\$7,071,163,375	\$7,547,052,670	\$8,054,969,315	\$8,597,068,750
% CHANGE IN EAV	2.37%	-0.28%	13.74%	8.31%	6.73%	6.73%	6.73%	6.73%
NEW GROWTH	\$18,569,579	\$28,097,159	\$36,236,729	\$31,899,459	\$36,000,000	\$36,000,000	\$36,000,000	\$36,000,000
% OF TOTAL EAV	0.34%	0.52%	0.59%	0.48%	0.51%	0.48%	0.45%	0.42%
EXISTING EAV	\$106,321,335	(\$43,274,171)	\$702,899,030	\$476,431,826	\$409,881,472	\$439,889,295	\$471,916,645	\$506,099,435
% OF TOTAL EAV	2.02%	-0.80%	13.07%	7.79%	6.19%	6.22%	6.25%	6.28%
EAV PER PUPIL	\$140,638	\$145,346	\$174,770	\$189,294	\$207,975	\$221,972	\$236,911	\$252,855
% CHANGE IN EAV PER PUPIL	2.50%	3.35%	20.24%	8.31%	9.87%	6.73%	6.73%	6.73%

*2024 information is still an estimate at time of publication

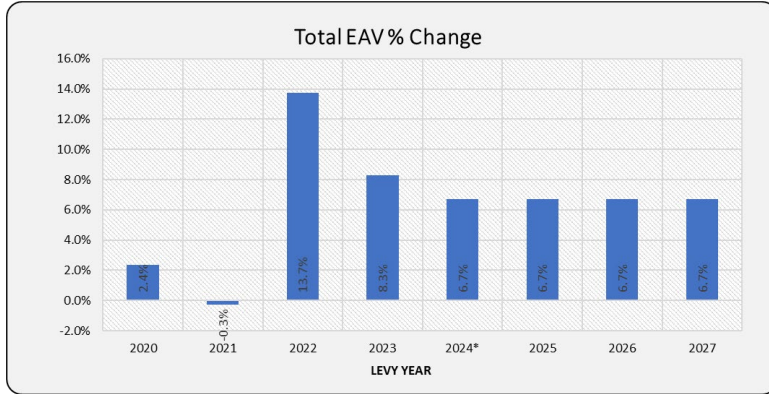
The following charts display various analysis based upon the change to the District’s equalized assessed value (EAV) for prior and future tax levy years.



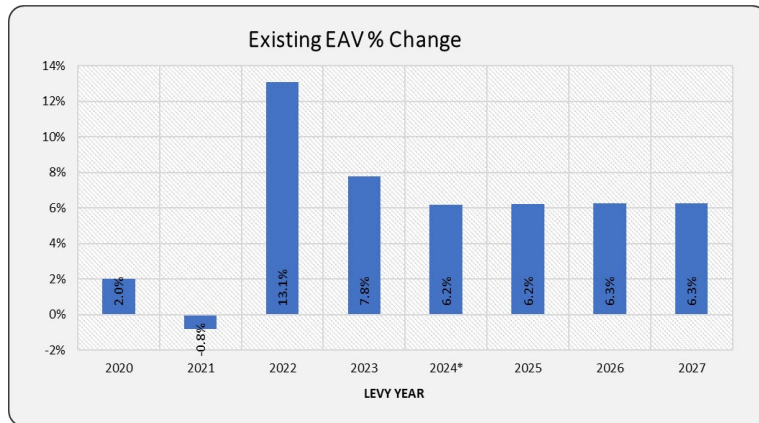
Analysis by levy year showing the increase in EAV value from levy year 2020 through 2027.



Analysis by levy year showing the change in EAV new growth (new construction). The current budget year and forecast are maintained at \$36.0 million.



Analysis by levy year showing the percentage change.



Analysis by levy year showing percent change of the EAV value for existing properties. Every three years, Cook County performs a reassessment of the EAV causing an adjustment greater than the other two years.

The previous charts are calculated using the following factors:

- CPI by levy year – increase 2.6% for each forecast year
- The Equalized Assessed Value (EAV) of the property is the product of the assessed value of the property (both land and improvements) and the State Equalization Factor, which is set by the Illinois Department of Revenue. Cook County has an equalization factor of 3.0163 (2024 tax equalizer for taxes payable in 2025) while DuPage and Kane County have a 1.0 equalization factor every year (which remains constant)

PROPERTY TAX RATES AND COLLECTIONS FOR THE TAXING ENTITY

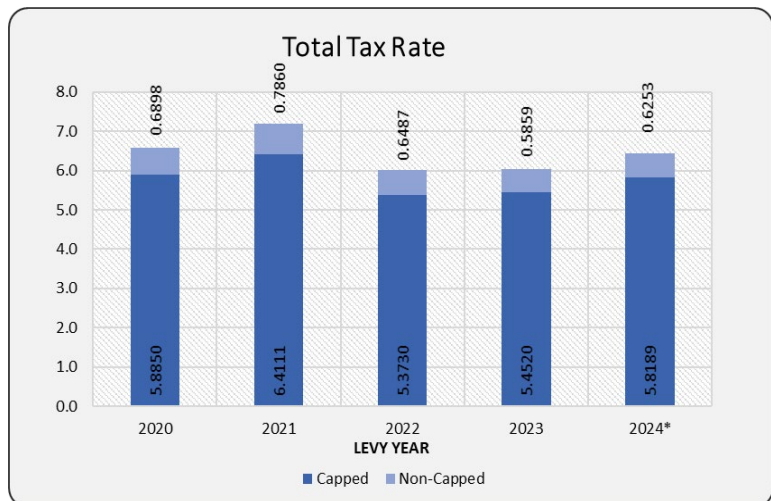
Property Tax Rates					
Analysis by Levy Year					
LEVY YEAR	ACTUAL 2020	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ESTIMATED 2024*
CAPPED LEVY RATE	\$292,753,166 5.8850	\$298,861,302 6.4111	\$315,451,140 5.3730	\$340,764,745 5.4520	\$363,698,212 5.8189
NON-CAPPED LEVY RATE	\$34,311,455 0.6898	\$36,646,282 0.7860	\$38,090,978 0.6487	\$36,620,334 0.5859	\$39,084,882 0.6253
TOTAL LEVY TOTAL RATE	\$327,064,621 6.5748	\$335,507,584 7.1971	\$353,542,118 6.0217	\$377,385,079 6.0379	\$402,783,095 6.4443

*At time of publication, the Cook County 2024 rate not yet finalized

Total Property Tax Rate

The total property tax rate is determined using the previous year's levy extension, adjusted for desired increases such as the Consumer Price Index (CPI), and based on the current Equalized Assessed Value (EAV) minus new growth. This rate is applied per \$100 of EAV. The District operates across three counties and eleven municipalities, resulting in varying school district tax rates depending on the taxpayer's county of residence. The tax rates shown above specific are to Cook County residents; additional examples for other counties are detailed in the following section.

The chart to the right categorizes the tax rate into Capped and Non-Capped components. Capped funds are those subject to the Property Tax Extension Limitation Law (PTELL), which limits the increase in the tax rate for these funds. Conversely, Non-Capped funds, which include the Debt Service Fund and revenue recaptures related to property value adjustments, are not subject to PTELL limitations and have corresponding tax rates that are not capped.



TAX RATE EFFECT ON THE AVERAGE HOMEOWNER

Analysis by Levy Year					
DuPage County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ESTIMATED 2025
Median Value of a Home	\$305,000	\$342,000	\$364,000	\$386,000	\$428,000
Average Change in Market Value		12.13%	6.43%	6.04%	10.88%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$101,667	\$114,000	\$121,333	\$128,667	\$142,667
Property Tax Rate Assessed	5.6366	5.4771	5.1326	5.0851	5.2326
Property Tax Due	\$5,731	\$6,244	\$6,228	\$6,543	\$7,465
Tax Increase/(Decrease) from Prior Year		\$513	(\$16)	\$315	\$922
% Change in Taxes from Prior Year		8.95%	-0.26%	5.06%	14.09%

Analysis by Levy Year					
Kane County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024	ESTIMATED 2025
Median Value of a Home	\$252,000	\$293,000	\$314,000	\$335,000	\$365,000
Average Change in Market Value		16.27%	7.17%	6.69%	8.96%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$84,000	\$97,667	\$104,667	\$111,667	\$121,667
Property Tax Rate Assessed	5.6180	5.5971	5.4618	5.1147	5.2630
Property Tax Due	\$4,719	\$5,467	\$5,717	\$5,711	\$6,403
Tax Increase/(Decrease) from Prior Year		\$748	\$250	(\$6)	\$692
% Change in Taxes from Prior Year		15.85%	4.57%	-0.10%	12.12%

Analysis by Levy Year					
Cook County					
LEVY YEAR	ACTUAL 2021	ACTUAL 2022	ACTUAL 2023	ACTUAL 2024*	ESTIMATED 2025
Median Value of a Home	\$270,000	\$302,000	\$324,000	\$326,000	\$326,439
Average Change in Market Value		11.85%	7.28%	0.62%	0.13%
Assessed % of Market Value	10.00%	10.00%	10.00%	10.00%	10.00%
County Multiplier	3.0027	2.9237	3.0163	3.0355	3.0547
Taxable Value	\$81,073	\$88,296	\$97,728	\$98,957	\$99,717
Property Tax Rate Assessed	7.1970	6.0220	6.0380	6.1969	6.3766
Property Tax Due	\$5,835	\$5,317	\$5,901	\$6,132	\$6,359
Tax Increase/(Decrease) from Prior Year		(\$518)	\$584	\$231	\$227
% Change in Taxes from Prior Year		-8.88%	10.98%	3.91%	3.70%

*At time of publication, the Cook County 2024 rate is in draft status

The previous charts are calculated using the following factors:

- Median value of a home in the cities served by the District based upon December of each year from 2021-2024 and the estimated value for 2025.
- County multiplier (equalizer factor) of 1.0 for Kane and DuPage counties and 3.0547 for Cook County (2025 Cook equalizer for tax payable in 2026).
- Assessed percentage of market value is 33.33% for Kane and DuPage counties and 10.0% for Cook County.

Tax Rate Determination

The District covers three counties: Kane, DuPage, and Cook, which all have different methods to estimate the average tax burden per family. The Assessed Value (AV) is a value set on real estate or other property as a basis for levying taxes. This value is typically 33.33% (Kane or DuPage) and 10.0% (Cook) of the home value. The county clerk will apply exemptions and the equalization factor (Cook County only) to establish the Equalized Assessed Value (EAV). Each county will then assess the appropriate tax rate to the EAV (or tax base) to identify the tax burden for each property. Each school district is then issued a direct tax rate that is applied to the property tax burden to identify the amount the district gets for each property. The tax rate is the amount of tax due stated in terms of a percentage of the tax base. Example: \$6.81 per \$100 of EAV (equal to 6.81%). Visit the Kane County Assessments website for further information on property taxes and learn more about how tax rates are calculated. Click this link to view the [Kane County Quick Guide](#).

Below is an example of the property tax extension on a Kane County \$300,000 home. This illustrates how a district tax obligation is determined for a homeowner.

Assessor's Fair Market Value	=	\$300,000	
Kane County Assessment %	x	<u>0.3333</u>	
Assessed Value	=	\$99,990	
State Equalizer - Multiplier	x	<u>1.0000</u>	
Equalized Assessed Value	=	\$99,990	
Homestead Exemption	-	\$6,000	<i>General Homestead Exemption</i>
Other Exemptions	-	<u>\$0</u>	
EAV After Exemptions	=	<u>\$93,990</u>	<i>This is the value of real property that will be taxed</i>
District XXX Tax Rate	=	5.788967	
EAV After Exemptions	x	<u>\$93,990</u>	
District XXX Tax Obligation	=	<u>\$5,441.05</u>	<i>This is the amount a taxpayer will owe in District XXX taxes</i>

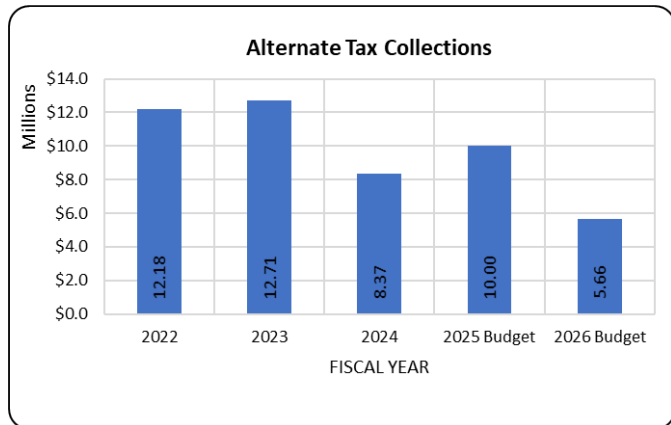
For Kane and DuPage counties, the assessment percentage is 33.33%, state multiplier is 1.0, and then the appropriate tax rate would be included. For Cook County, the assessment percentage is 10.0% and the state multiplier for 2025 (tax payable in 2026) is 3.0547. Each county has various types of exemptions that could impact the total obligation due to the district.

Alternate Tax Collections

Other than property taxes the District receives Corporate Personal Property Replacement Taxes (CPPRT).

CPPRT are revenues collected by the state of Illinois and paid to local government to replace money that was lost by local governments when their powers to impose personal property taxes on corporations, partnerships, and other business entities were taken away.

These taxes resulted when the new Illinois Constitution directed the legislature to abolish business personal property taxes and replace the revenue lost by local government units and school districts. In 1979, a law was enacted to provide for statewide taxes to replace the monies lost to local governments.



The chart above reflects the alternate tax collections for the recent history and 2024 and 2025 budget years.

Student Enrollment

Three-Year History, Budget and Three-Year Forecast

Student Enrollment Three-Year History, Budget and Three-Year Forecast

School Year	Pre-Kindergarten		Elementary		Middle		High		Self-Cont. Spec. Ed		Total		Utilization
	Actual	Proji.	Actual	Capacity	Actual	Capacity	Actual	Capacity	Actual	Proji.	Actual	Capacity	
<u>Actual Enrollment (A)</u>													
2022-2023	1,103		16,359	25,000	5,024	6,900	11,625	12,800	938		35,049	55,194	64%
2023-2024	1,160		16,177	25,000	4,822	6,900	11,479	12,800	961		34,599	54,194	64%
2024-2025	1,084		16,079	25,000	4,800	6,920	11,003	12,834	1,028		33,994	44,754	76%
<u>Enrollment Budget (B)</u>													
2025-2026	1,000		15,894	22,000	4,697	8,200	10,630	12,800	1,000		33,221	43,000	77%
<u>Enrollment Forecast (C)</u>													
2026-2027	1,000		15,553	20,000	4,758	8,200	10,244	12,800	1,000		32,555	41,000	79%
2027-2028	1,000		15,326	20,000	4,750	8,200	10,005	12,800	1,000		32,081	41,000	78%
2028-2029	1,000		15,076	20,000	4,683	8,200	10,009	12,800	1,000		31,768	41,000	77%

**District Personnel Resource FTE Allocations
 Five-Year History and Budget
 By Employee Group**

**School District U-46
 District Employment Statistics**

Staff	Actual 2022	Actual 2023	Actual 2024	Actual 2025	Projected 2026
Certified Staff (ETA)	2,429	2,683	2,767	2,878	2,985
Noon Hour Supervisors (Part-time)	84	81	82	83	82
Educational Assistants/Paraprofessionals (DUEA)	461	516	537	579	591
Secretary/Clerical (DUSA)	240	201	208	211	225
Transportation (DUTU)	425	417	379	390	379
Custodial/Maintenance (ESSO)	161	164	170	175	174
Technical/Other (All Non-Union less Noon Hour)	353	430	494	434	440
Food Service (SEIU)	132	120	124	131	180
School Administration	192	174	173	175	172
Central Administration (Supervisors/Directors/Coordinators)	51	85	88	81	90
Divisionals	-	-	-	-	-
Superintendent/Executive staff	9	8	10	11	11
Total Staff FTE	4,538	4,879	5,032	5,148	5,329

The District has made efforts to staff open positions. These efforts include hosting many job fairs throughout the year, strategically marketing the District towards new graduates, and ensuring competitive wages. The District has budgeted for additional certified teaching positions as a result of the implementation of the 20-minute elementary school-day extension that started this school year. Extending the elementary school day by 20 minutes will allow us to offer increased high-quality instruction and improve student learning – providing an additional 100 minutes of instruction per week – as well as offer additional “specials” classes that allow students to explore their interests.

General Obligation Bonds and Certificates Summary Schedule

School District U-46 Outstanding Debt Service by Levy/Fiscal Year								
Levy Year	Fiscal Year	Series 2015B	Series 2021	Series 2023A	Series 2023B	Series 2024	Series 2025	Total Outstanding
		Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service	Debt Service
2024	2026	2,581,062.50	3,525,600.00	988,674.50	9,257,528.00	6,655,000.00	9,524,538.75	32,532,403.75
2025	2027	6,545,772.50	-	922,290.00	8,887,056.00	6,808,750.00	2,652,200.00	25,816,068.50
2026	2028	2,489,602.50	-	4,607,290.00	9,255,952.00	6,269,000.00	2,594,450.00	25,216,294.50
2027	2029	-	-	7,103,799.50	9,253,928.00	6,099,500.00	2,593,950.00	25,051,177.50
2028	2030	-	-	7,105,461.50	9,253,472.00	5,922,500.00	2,597,950.00	24,879,383.50
2029	2031	-	-	7,099,248.00	9,254,480.00	5,743,250.00	2,596,200.00	24,693,178.00
2030	2032	-	-	7,105,265.50	9,256,848.00	5,561,750.00	2,598,950.00	24,522,813.50
2031	2033	-	-	7,103,194.50	9,255,472.00	5,383,000.00	2,595,950.00	24,337,616.50
2032	2034	-	-	7,103,141.50	8,360,352.00	6,091,750.00	2,592,450.00	24,147,693.50
2033	2035	-	-	-	-	5,218,500.00	6,928,450.00	12,146,950.00
2034	2036	-	-	-	-	-	9,336,950.00	9,336,950.00
2035	2037	-	-	-	-	-	9,248,450.00	9,248,450.00
2036	2038	-	-	-	-	-	9,156,200.00	9,156,200.00
2037	2039	-	-	-	-	-	9,059,700.00	9,059,700.00
2038	2040	-	-	-	-	-	8,953,450.00	8,953,450.00
2039	2041	-	-	-	-	-	2,787,200.00	2,787,200.00
		<u>\$ 11,616,437.50</u>	<u>\$ 3,525,600.00</u>	<u>\$ 49,138,365.00</u>	<u>\$ 82,035,088.00</u>	<u>\$ 59,753,000.00</u>	<u>\$ 85,817,038.75</u>	<u>\$ 291,885,529.25</u>

Purpose of general obligation bonds and debt certificates

- 2015B Taxable General Obligation Limited Refunding Bond – original amount \$10,780,000 – issued for the purpose of refunding capital project related bonds and working cash
- 2021 General Obligation Limited refunding School Bonds – original amount \$18,910,000 – issued for the purpose of refunding capital project related bonds
- 2023A General Obligation Limited Refunding School Bonds – original amount \$44,545,000 – issued for the purpose of refunding capital project related bonds
- 2023B General Obligation Refunding School Bonds – original amount \$95,560,000 – issued for the purpose of refunding capital project related bonds
- 2024 General Obligation Bonds – original amount \$57,230,000 – issued for the purpose of rebuilding/adding onto middle schools – part of a \$179.0 million voter approved referendum
- 2025 General Obligation Bonds – original amount \$55,625,000 – issued for the purpose of rebuilding/adding onto middle schools – the second part of a \$179.0 million voter approved referendum

**Three-Year History of
 District Performance Measures**

<u>School Year</u>	<u>Actual 2022-2023</u>	<u>Actual 2023-2024</u>	<u>Actual 2024-2025</u>
IAR - ELA	20%	23%	31%
IAR - Mathematics	19%	20%	22%
SAT - ELA	19%	23%	21%
SAT - Mathematics	17%	17%	14%
DLM - AA - ELA	13%	13%	6%
DLM - AA - Mathematics	14%	10%	11%
DLM - AA - Science	5%	6%	6%
Science Assessment	46%	47%	47%
High School drop-out rate	4%	2%	3%
High School 4-Year graduation rate	86%	86%	87%
Teacher retention rate	88%	92%	91%
Percentage of free and reduced-price meals	46%	50%	47%
Student Attendance Rate	88%	88%	89%

The data in the chart to above reflects the most recent information available on the Illinois Report Card which is school year 2024-2025.

Illinois Assessment of Readiness (IAR) – The figures represent the percentage of student scores meeting or exceeding expectations for the grades and subjects tested on IAR that have demonstrated readiness for the next grade level/course and, ultimately, are on track for college and careers. IAR is administered to students in grades three through eight.

Scholastic Aptitude Test (SAT) – The figures represent the percentage of student scores meeting or exceeding expectations for the grades and subjects tested on SAT that have demonstrated readiness for the next grade level/course and, ultimately, are on track for college and careers. SAT is administered to students.

Dynamic Learning Maps (DLM) -AA – The figures represent the percentage of student scores meeting or exceeding Standards for the grades and subjects tested on DLM-AA. The DLM-AA is administered to students in grades three through eight and eleven with disabilities whose Individualized Education Programs (IEPs) indicate that participation in the PARCC would not be appropriate.

Science Assessment – The figures represent the percentage of students who are proficient on the Illinois Science Assessment. This assessment is administered to students in Grade 5, 8 and in high school.

N/A – data not available

SUPPLEMENTAL INFORMATION ALL FUNDS

At the time of the Board of Education's adoption of the 2025–2026 fiscal year budget book, supplemental information was not yet available due to the implementation of new financial software effective July 1, 2025. The supplemental information will be incorporated prior to submission for the Meritorious Budget Award and prior to the publication of the budget book on the district's website.

Glossary of Terms and Acronyms

This Glossary contains definitions of terms and acronyms used in this document and such additional terms as deemed necessary to provide a common understanding of Illinois budgetary accounting procedures for schools. Several terms, which are not primarily budgetary accounting terms, have been included because of their significance for school district accounting. The glossary is arranged alphabetically.

ACCOUNTING SYSTEM. The total structure of records and procedures that discover, record, classify, and report information on the financial position and operation of a school district or any of its funds, balanced account groups and organizational components.

ACCOUNT NUMBER. An account number is a defined code for recording and summarizing financial transactions.

ACCRUAL BASIS OF ACCOUNTING. Method of accounting that recognizes the financial effect of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows.

ACTUARIAL ACCRUED LIABILITY. In the context of defined benefit pension and OPEB plans, that portion of the present value of benefits promised to employees that will not be provided through future normal cost. Stated differently, it is the present value of benefits already earned by employees.

ACTUARIAL ASSUMPTIONS. In the context of defined benefit pension and OPEB plans, assumptions that an actuary must make as to the occurrence of future events affecting benefit costs (rate of inflation, mortality).

ADVANCEMENT VIA INDIVIDUAL DETERMINATION (AVID). Provides professional learning for educators to improve college readiness for all students, especially those traditionally underrepresented in higher education.

AGENCY FUND. Agency funds are used to report resources held by the reporting government in a purely custodial capacity (assets = liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

ANNUAL FINANCIAL REPORT (AFR). Annual report identifying the District's financial activities throughout the preceding year.

APPROPRIATED BUDGET. Expenditure authority created by the appropriation bills or ordinances that are signed into law and related estimated revenues. The appropriated budget includes all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes.

ASSETS. Resources with present service capacity that the government presently controls.

ASSIGNED FUND BALANCE. The portion of the net position of a government assigned for a particular purpose.

AVERAGE DAILY ATTENDANCE (ADA). Average daily attendance is the average attendance of a school taken over a three-week period commencing the first Monday after Labor Day in September. Kindergarten counts as one-half ADA.

BALANCED BUDGET. The budget is balanced if revenues are equal to expenditures.

BASIC FINANCIAL STATEMENTS. Minimum combination of financial statements and note disclosure required for fair presentation in conformity with GAAP.

Glossary of Terms and Acronyms

BASIS OF ACCOUNTING. Timing of recognition for financial reporting purposes (when the effects of transactions or events should be recognized in financial statements).

BASIS OF BUDGETING. Method used to determine when revenues and expenditures are recognized for budgetary purposes.

BOARD OF EDUCATION. The seven-member Board of Education is an elected body that has been created according to state statute, and vested with responsibility for educational activities in the School District.

BOND. A bond is a written promise to pay a specific sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date, and with periodic interest payments at a rate specified in the bond. A bond is generally issued for a specific purpose or project, such as construction of a new facility. The difference between a note and a bond is that a bond generally is for a longer period of time, and requires greater legal formality.

BONDED DEBT. Bonded debt is part of the School District debt that is covered by outstanding bonds of the District. This is sometimes called “funded debt.”

BONDS ISSUED. Bonds issued are reflected when bonds are sold.

BUDGET. The budget is a plan of financial operation embodying an estimate of proposed revenues and expenditures for a given period or purpose, and the proposed means of financing those expenditures. The budget is a legal document once it has been approved by the Board of Education.

BUDGETARY CONTROL. Budgetary control is the management of the business affairs of the District in accordance with an approved budget, with the responsibility to keep expenditures within the authorized amounts.

BUDGETARY REPORTING. In the context of financial reporting, requirement to present budgetary comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the general fund and individual major special revenue funds with annual (or biennial) appropriated budgets. Budgetary reporting also is required within the CAFR to demonstrate compliance at the legal level of control for all governmental funds with annual (or biennial) appropriated budgets.

BUILDINGS. Facilities permanently affixed to the land, including their associated heating and air conditioning systems, electrical and sound systems, plumbing and sewer systems, elevators, and other fixed equipment.

CAPITAL ASSETS. Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period.

CAPITAL OUTLAY. Capital outlay includes expenditures for the acquisition of fixed assets or additions to fixed assets. These are expenditures for land or existing buildings, improvements of grounds, construction of buildings, additions to buildings, remodeling of buildings, initial equipment, additional equipment, and replacement of equipment.

CASH. Includes not only currency on hand, but also demand deposits with banks or other financial institutions. Cash also includes deposits in other kinds of accounts or cash management pools that have the general characteristics of demand deposits.

CASH BASIS OF ACCOUNTING. Basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

Glossary of Terms and Acronyms

CHART OF ACCOUNTS. A chart of accounts is a list of all accounts generally used in an accounting system. In addition to account title, the chart includes an account number which has been assigned to each account. Accounts in the chart are arranged with accounts of a similar nature; for example, assets and liabilities.

COMMITTED FUND BALANCE. The portion of the net position of a governmental fund that represents resources whose use is subject to a legally binding constraint that is imposed by the government itself at its highest level of decision-making authority and that remains legally binding unless removed in the same manner.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR). Financial report that contains, at a minimum, three sections: 1) introductory, 2) financial, and 3) statistical, and whose financial section provides information on each individual fund and component unit.

COMPREHENSIVE FRAMEWORK OF INTERNAL CONTROL. Structure of internal control that provides for 1) a favorable control environment, 2) the continuing assessment of risk, 3) the design, implementation, and maintenance of effective control-related policies and procedures, 4) the effectiveness communication of information, and 5) the ongoing monitoring of the effectiveness of control-related policies and procedures as well as the resolution of potential problems identified by controls.

CONTINGENCY, TUITION AND NON-CAPITALIZED EQUIPMENT. Contingency includes an amount set-aside in the budget to provide for unforeseen items when the budget was developed. Tuition includes expenditures to reimburse other educational agencies for services rendered to students residing within the legal boundaries for the District. Non-capitalized equipment includes items that would normally be classified as capital assets except that they cost more than \$500 but less than the District's capitalization threshold.

CURRENT FINANCIAL RESOURCES MEASUREMENT FOCUS. Measurement focus where the aim of a set of financial statements is to report the near-term (current) inflows, outflows, and balances of expendable financial resources. The current financial resources measurement focus is unique to accounting and financial reporting for state and local governments and is used solely for reporting the financial position and results of operations of governmental funds.

CURRENT REFUNDING. Refunding transaction in which the proceeds of the refunding debt are applied immediately to redeem the debt to be refunded. This situation differs from an advance refunding, where the proceeds of the refunding bonds are placed in escrow pending the call date or maturity of the debt to be refunded.

DEBT. An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants and notes.

DEBT LIMIT. The maximum amount of gross or net debt that is legally permitted.

DEBT SERVICE. Debt service includes expenditures for the retirement of debt and expenditures for interest on debt, except principal and interest on current loans, which are loans payable in the same fiscal year in which the money was borrowed.

DEFICIT. A deficit is a shortfall of revenues and transfers in under expenditures and transfers out.

DEFINED BENEFIT PENSION PLAN. Pension plan having terms that specify the amount of pension benefits to be provided at a future date or after a certain period of time; the amount specified usually is a function of one or more factors such as age, years of service, and compensation.

Glossary of Terms and Acronyms

DIRECT COSTS/EXPENSE. Expense that is specifically associated with a service, program, or department and, thus, is clearly identifiable with a particular function.

DISBURSEMENTS. Disbursements are the actual payments of cash by the District.

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUNDS (ESSER). Federal source of funds to provide emergency support to reopen schools safely, maximize in-person instructional time, and address the impact of the COVID-19 pandemic on students, educators, and families.

EMPLOYEE BENEFITS. Employee benefits include amounts paid by the District expenditure reporting of employees. These amounts are not included in gross salary, but are over and above it. Payments such as fringe benefits, while not paid directly to employees, nevertheless are a part of the cost of employees.

EMPLOYER CONTRIBUTIONS. Term used in the context of pension benefits and OPEB to describe actual payments made by the employer as compared to the employer's annual required contributions (ARC). Only amounts paid to trustees and outside parties qualify as contributions.

EQUALIZED ASSESSED VALUE (EAV). The product of the assessed value of your property (both land and improvements) and the State Equalization Factor, which is set by the Illinois Department of Revenue.

EVERY STUDENT SUCCEEDS ACT (ESSA). A United States law passed in December 2015 that governs the United States K – 12 public education policy. The law holds schools accountable for how students learn and achieve.

EVIDENCE-BASED FUNDING (EBF). Term used for the Evidence-Based Funding for Student Success Act (Public Act 100-0465) that was signed into law on August 31, 2017. This law enacts evidence-based funding and comprehensively changes the way that school districts receive the bulk of state funds. EBF sends more resources to Illinois' most under-resourced students to ensure all schools have the resources they need to provide a safe, rigorous, and well-rounded learning environment.

EXPENDITURES. Under the current financial resource measurement focus, decreases in net financial resources not properly classified as other financing uses.

FEDERAL GOVERNMENT SOURCES. Federal government sources are funding provided directly from the Federal government or passed-through a third party. Expenditures made with this revenue should be identifiable as federally supported expenditures.

FINAL AMENDED BUDGET. The original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized legislative and executive changes applicable to the fiscal year, whenever signed into law or otherwise legally authorized.

FINANCIAL STATEMENT. A tabulation of amounts derived from accounting records and expressed in words and dollars that display either 1) the financial position of the reporting unit at a moment in time or 2) inflows and outflows of resources from transactions or other events during a period of time.

FISCAL YEAR (FY). The fiscal year is the year by or for which accounts are reckoned or the year between one annual time of settlement or balancing of accounts and another. It consists of a period of twelve months, not necessarily concurrent with the calendar year, with reference to which appropriations are made and expenditures are authorized and at the end of which accounts are made up and the books are closed. The District's fiscal year is the period from July 1 to June 30 of the following calendar year.

Glossary of Terms and Acronyms

FIXED ASSETS. Fixed assets are those assets essential to continuance of proper operation of the District. They include land, buildings, machinery, furniture, and other equipment which the District intends to hold or continue to use over a long period of time.

FULL-TIME EQUIVALENT (FTE). An employee that is hired to fill a normal contract day is equivalent to one (1) full-time equivalent.

FUNCTION. Group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible.

FUND. A fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available resources. Following are the funds used by the District.

CAPITAL PROJECTS FUND. The Capital Projects Fund is used to account for proceeds resulting from building bonds, receipts from other long-term financing agreements, or construction or maintenance grants used to finance a capital project, capital lease, lease purchase agreement, or if a tax is levied in accordance with Section 17-2.3 of the School Code.

DEBT SERVICE FUND. The Debt Service Fund is used to account for revenues and related expenditures to retire bond principal or to pay bond interest, or if other revenue is pledged to pay principal, interest, or service charges on other long-term debt instruments. Governmental fund type used to account for accumulations of resources that are restricted, committed, or assigned to expenditure for principal and interest. [See 105 ILCS 5/Art. 19]

EDUCATIONAL FUND. The Educational Fund is the general operating fund of the District. It is used to account for all financial transactions not accommodated by another specific fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. [See 105 ILCS 5/17-2]

FIRE PROTECTION AND SAFETY FUND. The Fire Protection and Safety Fund is used to account for expenditures for fire prevention, safety, energy conservation, or school security, and the revenues supporting those expenditures. [See ILCS 5/2-3.12 and 17-2.11]

IMRF/SOCIAL SECURITY FUND. The IMRF/Social Security Fund is used to account for property tax revenues and related expenditures for contributions to the Illinois Municipal Retirement Fund (IMRF), Social Security, and Medicare. [See 105 ILCS 5/17-1, 21-110, and 21-110.1]

OPERATIONS AND MAINTENANCE FUND. The Operations and Maintenance Fund is used to account for expenditures for the improvement, maintenance, repair, or benefit of buildings and property, including the cost of interior decorating and the installation, improvement, repair, replacement, and maintenance of building fixtures; rental of buildings and property, payment of all premiums for insurance upon building and building fixtures; all costs of lights, gas, water, telephone service, custodial supplies and equipment, and professional surveys of District property. [See 105 ILCS 5/17-2 and 17-7]

Glossary of Terms and Acronyms

TORT IMMUNITY AND JUDGEMENT FUND. The Tort Immunity and Judgment Fund is used to pay for settlements or judgments, for protecting the District or its employees against liability, property damage or loss, and for risk care management programs.

TRANSPORTATION FUND. The Transportation Fund is used to account for the costs associated with transporting students for any purpose. All costs of transportation, other than those authorized by statute to be paid from another fund, shall be paid by this fund. Any funds received for transportation purposes must be deposited into this fund, with amounts due other funds appropriately transferred thereafter.

WORKING CASH FUND. The purpose of the Working Cash Fund is to enable the District to have in its treasury at all times sufficient money to meet demands for ordinary and necessary expenditures. [See 105 ILCS 5/Art. 20]

FUND BALANCE. Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

FUND BALANCE POLICY. Policy to maintain fund balance at a predetermined target level.

GENERAL OBLIGATION REFUNDING BONDS. Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bond may be exchanged with the holders of the outstanding bonds.

GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP). GAAP is a combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information. GAAP improves the clarity of the communication of financial information.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB). Ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA.

ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF). Agency that provides retirement, disability and death benefits for non-licensed public employees.

ILLINOIS STATE BOARD OF EDUCATION (ISBE). Agency that administers public education in the state of Illinois.

INSTRUCTION. Instruction consists of those activities dealing with the teaching of students. Included within the instruction function are regular programs, special programs, and other instructional programs.

INTERGOVERNMENTAL. Intergovernmental includes payments to other governmental entities.

INVESTMENTS. Investments are securities or other properties in which money is held, either temporarily or permanently, in expectation of obtaining revenues. Legal investments for District funds are governed by state statute, which allows for funds belonging to or in the custody of the District to be invested. Bonds, treasury bills, certificates of deposit, and short-term discount obligations issued by the Federal National Mortgage Association of the types of investments which are permitted by law.

LEGAL DEBT MARGIN. Excess of the amount of debt legally authorized over the amount of debt outstanding.

LEGAL LEVEL OF BUDGETARY CONTROL. Level at which a government's management's may not reallocate resources without approval from the legislative body.

Glossary of Terms and Acronyms

LIABILITIES. Present obligations to sacrifice resources that the government has little or no discretion to avoid.

MODIFIED ACCRUAL BASIS OF ACCOUNTING. Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred (if earlier).

MULTI-TIERED SYSTEMS OF SUPPORT (MTSS). Systemic, continuous improvement framework in which data-based problem-solving and decision making is practiced across all levels of the educational system for supporting students.

NET EXPENDITURE. A net expenditure is the actual cost incurred by the District for some service or object after the deduction of any discounts, rebates, reimbursements, or revenue produced by the service or activity.

NET POSITION. The residual of all other financial statement elements presented in a statement of financial position.

NET REVENUE. Net revenue is defined as the balance remaining after deducting from the gross revenue for a given period all expenditures during that same period.

NON-PROGRAMMED CHARGES. Non-programmed charges include all payments to other districts.

OBJECT. The term object applies to expenditure classifications and designates materials or services purchased. Expenditures are grouped by major objects, such as salaries, purchased services, or materials and supplies, and are further divided as needed for cost accounting and control purposes.

OPERATING EXPENDITURES PER PUPIL (OEPP). The gross operating cost of a school district (except summer school, adult education, bond principal retired, and capital expenditures) divided by the nine-month ADA for the regular school term.

OTHER EXPENDITURES. Other expenditures include those items that are not recorded in any of the other objects.

OTHER FINANCING SOURCES. Increase in the net position of a governmental fund other than revenues. Only items identified as other financing uses in authoritative accounting standards may be classified as such.

OTHER FINANCING USES. Decreases in the net position of a governmental fund other than expenditures. Only items identified as other financing uses in authoritative accounting standards may be classified.

OTHER POSTEMPLOYMENT BENEFITS (OPEB). Postemployment benefits other than pension benefits. OPEB include postemployment healthcare benefits, regardless of the type of plan that provides them, and all postemployment benefits provided separately from a pension plan, excluding benefits defined as termination offers and benefits.

PERSONAL PROPERTY REPLACEMENT TAX. The personal property replacement tax is collected by the Illinois Department of Revenue as a replacement for the personal property tax.

PERSONNEL, ADMINISTRATIVE. District personnel who are primarily engaged in activities that have as their purpose the general regulation, direction, and control of the affairs of the District. Administrative certification is required.

Glossary of Terms and Acronyms

POSITIVE BEHAVIORAL INTERVENTIONS SUPPORTS (PBIS). Set of ideas and tools that schools use to improve the behavior of students.

PREPAID EXPENDITURES. Expenditures entered in the accounts for benefits not yet received. Prepaid expenditures differ from deferred charges in that they are spread over a shorter period of time than deferred charges and are regularly recurring costs of operation.

PROGRAM. Group activities, operations, or organizational units directly attaining specific purposes or objects.

PROPERTY TAX LEVY. The total of taxes or special assessments imposed by a governmental unit which is the product of a specific tax rate and the assessed valuation.

PROPERTY TAX EXTENSION LIMITATION LAW (PTELL). Limits the amount of tax extension for non-home rule taxing districts. Allows a taxing district to receive a limited inflationary increase in tax extensions on existing property. The limitation slows the growth of property tax revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

PROPERTY TAX RATE. A statement in dollars and cents, expressed per each \$100 of assessed valuation that will yield a specified amount of money from property taxes.

PURCHASED SERVICES. Purchased services include amounts paid for personal services rendered by personnel who are not on the District's payroll, and other services the District may purchase.

RECEIPT. The actual receipt of cash.

REDUCTION IN FORCE (RIF). A procedure used to reduce the number of staff members in the District due to a variety of reasons including, but limited to, staffing needs, the lack of funds, lack of work or in the interest of economy, or to discontinue some particular type of teaching/support service or program.

RESTRICTED FUND BALANCE. The portion of the net position of a governmental fund that represents resources subject to externally enforceable constraints.

REVENUES. Additions to assets which do not increase any liabilities, do not represent the recovery of an expenditure, do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets.

SALARIES. Salaries include amounts paid to permanent, temporary, or substitute employees on the District's payroll. This includes gross salary for personal service rendered while on the payroll of the District.

SCHOOL BUDGET. A financial plan considering both revenue and expenditures necessary to meet the educational program of a school district. The budget is for one fiscal year.

SCHOOL BUDGET YEAR. The school budget year is a twelve-month period commencing July 1 of one calendar year, and ending June 30 of the following calendar year.

SITE-BASED EXPENDITURE REPORTING. In compliance with The Every Students Succeeds Act (ESSA), school districts are required to report school-level actual personnel and non-personnel expenditures disaggregated by source of funds.

SUPPLIES AND MATERIALS. Supplies and materials include amounts paid for material items of an expendable nature that are consumed, worn out, or deteriorated in use, or items that lose their identity through fabrication or incorporation into different or more complex units or substances.

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SUPPORT SERVICES. Support services include services that provide administrative, technical (e.g., guidance and health), and logistical support to facilitate and enhance instruction. Support services are adjuncts to the fulfillment of the objectives of instruction.

TAX RATE. An amount of tax stated in terms of a unit of the tax base.

TEACHERS HEALTH INSURANCE SECURITY FUND (THIS). Health benefits for TRS benefit recipients and TRS dependent beneficiaries.

TEACHERS RETIREMENT SYSTEM (TRS). Agency that provides retirement, death and disability benefits for all licensed educators employed in Illinois public schools outside of the City of Chicago.

UNASSIGNED FUND BALANCE. The difference between total fund balance in a government fund and its nonspendable, restricted, committed, and assigned components.