

PALOS HEIGHTS

SCHOOL DISTRICT 128



Presentation of the Proposed Budget

2026-27



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Budget Timeline

1

08/12/26: Present the tentative budget to the Board of Education

2

08/16/26: Notice of Public Hearing must be published in a newspaper circulated within the district on or before this date

3

08/16/26: The tentative budget must be on display for public inspection on or before this date

4

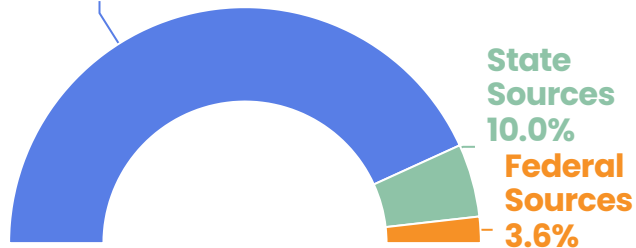
09/16/26: Board of Education holds the public hearing and adopts the final budget

Major Budget Assumptions – Revenues

<u>Source</u>	<u>Primary Variables Impacting Change</u>	<u>% Change</u>
Real Estate Taxes	Inflation (CPI), new taxable property, % of taxes collected & distributed	+7.4%
Other Local Sources	Corporate property taxes, interest earnings	-4.5%
Evidence-Based Funding	State budget, Change in adequacy % within formula	+2.7%
Other State Sources	Prior year reimbursable expenses, timing of receipts, one-time grants	-19.9%
Federal Sources	Timing of receipts, one-time grants, student demographic changes	-8.7%

Breakdown by Budget by Source

Local Sources 86.4%



% Revenue Change –
Budget vs. Previous Year

+ 4.0%

Budgeted Revenues

	FY 2023	FY 2024	FY 2025	FY 2026	BUDGET
Real Estate Taxes	9,869,000	10,806,000	10,839,000	11,226,000	12,053,000
Other Local Sources	856,000	658,000	816,000	618,000	590,000
Evidence-Based Funding	617,000	618,000	619,000	633,000	650,000
Other State Sources	242,000	978,000	1,243,000	1,022,000	819,000
Federal Sources	871,000	933,000	635,000	572,000	522,000
TOTAL	12,455,000	13,993,000	14,152,000	14,071,000	14,634,000

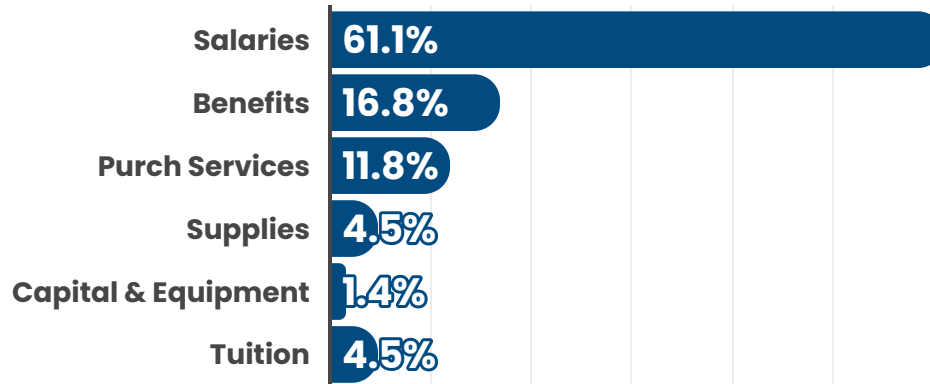
FY 2026 figures are unaudited and exclude capital fund activity.

Note: School districts that report audited information using the accrual method may realize additional trend variances, as recent data has not yet be converted to the accrual format.

Major Budget Assumptions – Expenditures*

Object	Primary Variables Impacting Change	% Change
Salaries	Base salary increases, change in staff size, retirements	+4.7%
Employee Benefits	Changes to health insurance premiums and changes to plan contributions	+13.3%
Purchased Services	External staffing needs, inflation, change in usage levels	-11.4%
Supplies	Inflation, annual and cyclical needs	+4.9%
Tuition and Other	Number and types of services requiring out-of-district special ed support	+4.3%

Breakdown by Expense Budget by Object



**% Expenditure Change –
Budget vs. Previous Year**

+ 4.3%*

**Excludes Capital and Bond Fund Activity*

Budgeted Expenditures

Excluding Capital Fund	FY 2023	FY 2024	FY 2025	FY 2026	BUDGET
Salaries	7,049,000	7,505,000	8,010,000	8,846,000	9,262,000
Employee Benefits	1,775,000	1,852,000	2,403,000	2,246,000	2,545,000
Purchased Services	1,697,000	1,436,000	1,485,000	2,016,000	1,786,000
Supplies and Materials	608,000	688,000	712,000	648,000	680,000
Capital and Equipment	353,000	171,000	228,000	127,000	206,000
Debt Payments	1,154,000	1,269,000	1,414,000	1,508,000	1,495,000
Tuition and Other	565,000	659,000	620,000	652,000	680,000
TOTAL	13,201,000	13,580,000	14,872,000	16,043,000	16,654,000

Capital Fund (Fund 60)	FY 2023	FY 2024	FY 2025	FY 2026	BUDGET
Capital and Equipment	2,466,000	1,709,000	261,000	1,920,000	1,700,000

FY 2026 figures are unaudited.

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Allocation of the Budget by Fund

TOTAL BUDGETED REVENUES

\$14,744,000

TOTAL BUDGETED EXPENDITURES

\$18,354,000

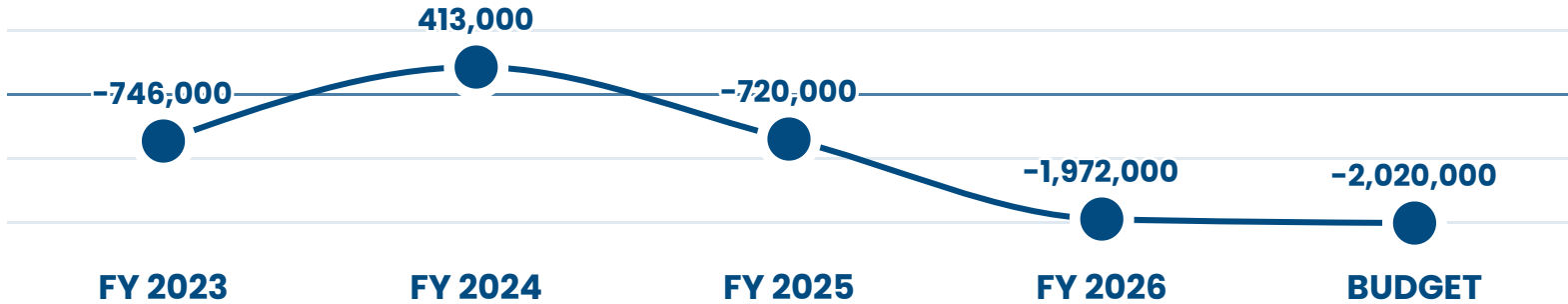
BUDGETED REVENUES VS. EXPENDITURES

-\$3,610,000

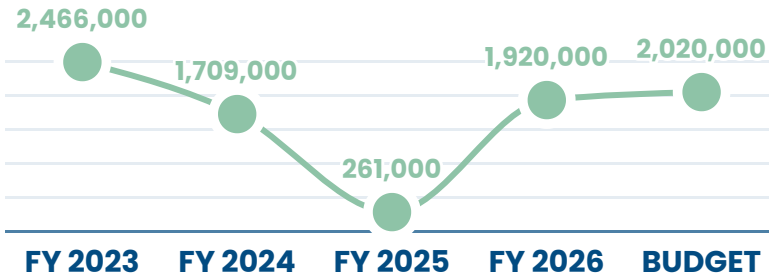
<u>Fund</u>	<u>Beginning Balance</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Transfers/Other</u>	<u>Ending Balance</u>
Education	2,352,000	10,680,000	12,720,000	0	312,000
Building	223,000	1,092,000	1,195,000	0	120,000
Transportation	486,000	632,000	771,000	-	347,000
Working Cash	2,779,000	224,000	-	-	3,003,000
Total - Operating Funds	5,840,000	12,628,000	14,686,000	0	3,782,000
Bond & Interest	798,000	1,416,000	1,495,000	-	719,000
IMRF/SS	299,000	590,000	473,000	-	416,000
Tort Immunity	5,000	0	0	-	5,000
Total - Special Funds	1,102,000	2,006,000	1,968,000	0	1,140,000
Capital Projects	4,007,000	110,000	1,700,000	0	2,417,000
Health/Life Safety	0	0	-	-	0
Total - Capital Funds	4,007,000	110,000	1,700,000	0	2,417,000
TOTAL- ALL FUNDS	10,949,000	14,744,000	18,354,000	0	7,339,000

Variables Impacting Fund Balances

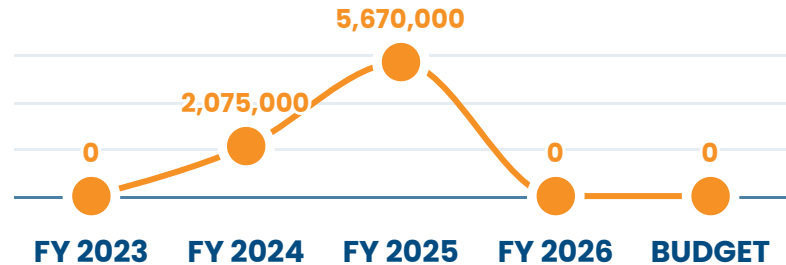
Operating and Special Funds – Surplus/Deficits



Capital Fund Expenditures

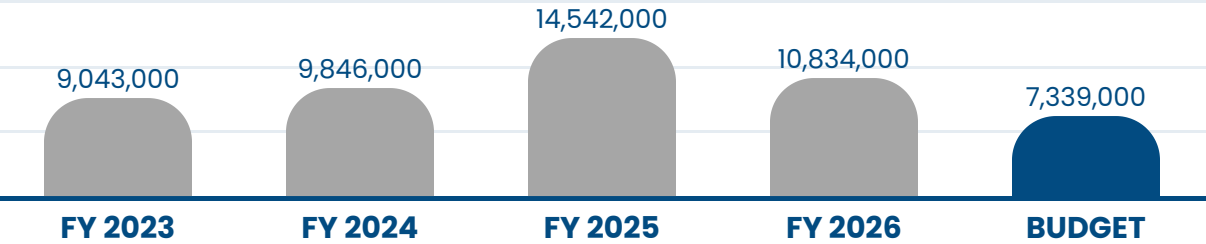


Bond Proceeds

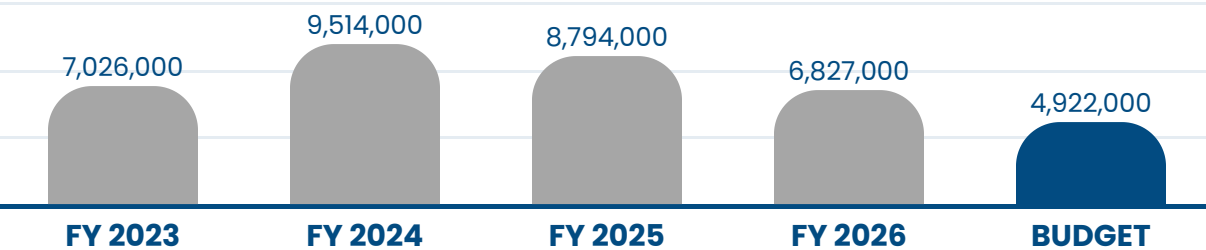


Fund Balance History to Budget

All Funds



Operating and Special Funds Only



Days of Reserves Operating and Special Funds

FY 2023	192
FY 2024	213
FY 2025	213
FY 2026	153
BUDGET	106

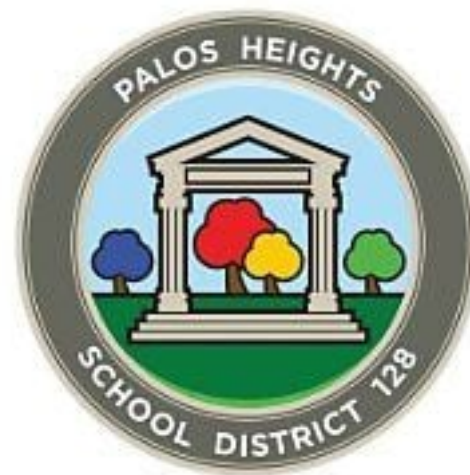


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End of Presentation



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