

**TO:** Board of Education  
**FROM:** Joel Filas, Chief School Business Official  
**DATE:** June 8, 2026  
**RE:** Business & Operations Report

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### **2025 Property Taxes**

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The District received \$1,105,050 from the first installment of local property tax revenue in May. Historically, the District receives around 52% of the local property tax extension in May and June. Therefore, the Business Office estimates that an additional \$6,292,981 will be received in June, bringing the total estimated local property tax revenue from the 2025 tax extension to \$7,398,031.

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### **2026 Illinois Spring Legislative Session Wrap-Up**

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The 2026 Illinois Spring Legislative Session wrapped up last week with some mixed news for the District. Among the highlights, the bill requiring school districts to pay non-instructional employees over the summer did not pass, and funding for the Illinois School Maintenance Project Grant was reauthorized for the next fiscal year. The District has been awarded \$50,000 each year since FY23 for school construction projects under this program. The Evidence-Based Funding (EBF/General State Aid) formula was fully funded, with the General Assembly appropriating ISBE's requested \$350 million in new education funding. As a Tier IV school, the additional funding will translate into just over \$600 in total State funding for the District.

The Fiscal Year 2027 State Budget will once again leave Mandated Categorical Programs (MCATS) significantly underfunded. As mentioned in previous reports, the State is required to reimburse the District for up to 67% of eligible regular transportation costs. Unfortunately, the State prorates its share to just 40% of regular transportation costs. Over the past five years, this proration has resulted in a **\$544,190** funding gap, which the district covered with local resources. In addition, the State is required to reimburse the District up to 80% of eligible special education transportation costs. Unfortunately, the State has reimbursed an average of only 65% of eligible special education transportation costs over the past five years. This proration has created a **\$216,759** funding gap, which the district covered with local resources.

Together, these under-reimbursements create a funding gap of **\$760,948** over the past five years -dollars that could otherwise support classrooms, teachers, and student opportunities.

As mentioned in previous reports, ISBE recommended an **increase of \$150 million dollars** in MCAT funding just to maintain FY26's current proration levels. The Fiscal Year 2027 State Budget provides just **\$61 million dollars** in new MCAT funding. The actual proration level is yet to be determined, but we will expect to rely more heavily on our local tax revenue to supplement a state-mandated program.

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## SASED DEBT CERTIFICATE

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Dr. McGill and I attended the SASED Finance Committee meeting on June 3, 2026, to discuss the proposed issuance of Debt Certificates associated with the purchase of SASED's new facility. As Dr. McGill has shared in previous updates, member districts will serve as co-signors on the debt issuance and, in return, will share in ownership of the building asset.

**Impact on Benjamin 25's Debt Capacity:** The issuance of Debt Certificates will count toward the District's current Debt Capacity. This capacity is calculated at a rate of 6.9% of our equalized assessed valuation. As the chart below reveals, Benjamin 25 has sufficient debt capacity for our share of SASED's Debt.

2025 EAV	Debt Capacity (6.9%)	Outstanding Debt	Net Debt Capacity
\$359,566,857	\$24,810,113	\$(9,150,000)	\$15,660,113

**Allocation of Debt:** Each member district's share of the Debt Certificates will be determined by its current enrollment in SASED programs. With three Benjamin 25 students enrolled during the current school year, the District's allocation is projected to be approximately **1.16%** of the total debt issuance. Based on preliminary estimates, Benjamin 25's share of the debt service is expected to average approximately **\$15,000 annually** over the next 20 years.

**Financial Impact:** As currently proposed, the issuance of debt certificates to purchase a new property is expected to be cost-neutral. The District will not need to levy additional property taxes to support this debt obligation. Rather, our payment will be included in the annual tuition payment made to SASED. This will also not increase current tuition rates, as the annual debt service on their bond will be equivalent to the expenditures for leasing special education buildings, which are already included in current tuition costs. From a financial perspective, this partnership is expected not only to be cost-neutral for Benjamin 25, but will also provide the added benefit of acquiring a long-term capital asset over paying to support leased facilities.

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## FINAL PROPERTY, LIABILITY, and WORKERS' COMP INSURANCE RATE

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Benjamin School District #25 purchases our Property/Causality Insurance, Cyber Liability Insurance, Worker's Compensation Insurance, and Fiduciary Liability Insurance through the Collective Liability Insurance Cooperative (CLIC/RPA), as administered by Arthur J. Gallagher and Associates and managed by York/Sedgewick and Associates.

The following renewal rates were issued to the District on May 21, 2026 for the 2026-2027 school year:

Coverage	FY26 Premium	FY27 Premium	% increase
Property/Casualty/Liability	\$79,253	\$74,154	<b>-6.4%</b>
Fiduciary Liability	\$2,150	\$2,150	0%
Workers Compensation	\$67,503	\$67,106	<b>-.5%</b>

Total	\$148,906	\$143,410	<b>-3.69%</b>
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## Summer Work Summary

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The District has many projects scheduled for the summer construction season, as the final phases of the current capital plan take shape, as well as the repairs to the flood-damaged areas at Evergreen.

### **Benjamin Middle School:**

#### **I. Phase IV of the current Capital Plan:**

- Complete the refreshes of the remaining classrooms
  - (2nd Floor rooms, art room, music room, Room 129, and Room 104)
- Replace the remaining hallway flooring in the 5th Grade, 2nd Floor, and Main hallways.

#### **II. Asbestos Abatement**

#### **III. Toilet Partition Replacement**

#### **IV. Sealcoating**

### **Evergreen Elementary School:**

#### **I. Phase IV of the current Capital Plan:**

- Complete the refreshes of the remaining specialist spaces (furniture only)

#### **II. Flood Damage Repair**

- A. Main Office
- B. Library
- C. Multi-Purpose Room
- D. Stem Room
- E. Classrooms 103, 105, 104, 141, 146
- F. Teachers Lounge
- G. Office Space 153 (social worker and psychologist area)
- H. Hallway Flooring

#### **III. Sealcoating**

#### **IV. Grass Repair**

Respectfully submitted,

