

### **IL teachers union demands full school funding in Fiscal Year 2027 budget** – February 17, 2026

Written by; Mike Miletich for WAND News and Distributed Online by IASA through Eye on Education Email Listserv at; [https://www.wandtv.com/news/statehouse/il-teachers-union-demands-full-school-funding-in-fiscal-year-2027-budget/article\\_d8917f42-0a27-4289-bc67-aaf25fbd81c1.html](https://www.wandtv.com/news/statehouse/il-teachers-union-demands-full-school-funding-in-fiscal-year-2027-budget/article_d8917f42-0a27-4289-bc67-aaf25fbd81c1.html)

SPRINGFIELD, Ill. (WAND) — The Illinois Federation of Teachers is calling on the governor and state lawmakers to fully fund education commitments in the next budget.

Union members say K-12 schools, community colleges and public universities are currently underfunded and cuts from the Trump administration have made the situation worse.

The group is pushing for a billionaires tax this year to generate more revenue for the state, as they argue the evidence-based funding model is not providing enough money for K-12 schools.

"Illinois owes our students over \$6 billion," said IFT Executive Vice President Cyndi Oberle-Dahm. "This is not just in one part of the state. This is urban, suburban and rural. Our governor needs to deliver on the funds that have been promised and we have not yet received."

Sponsors believe a billionaire wealth tax could generate \$840 million for Illinois. However, some lawmakers believe schools across the state have received millions of dollars in new revenue from the state.

Sen. Sue Rezin (R-Morris) helped negotiate the evidence-based funding model with former senator and current Deputy Governor Andy Manar.

"They can make their case, but we also need to point out that there's only so much that goes around," Rezin said. "We want to make sure that you have enough to work and provide a good education, but our schools have received a significant amount of funding in the past several years."

### **Pritzker proposes \$56B budget with minimal new spending, tax on social media companies** – February 18, 2026

Written by; Ben Szalinski for Capitol News Illinois and Distributed Online by IASA through Eye on Education Email Listserv at; <https://capitolnewsillinois.com/news/pritzker-proposes-56b-budget-with-minimal-new-spending-tax-on-social-media-companies/>

State faces challenging financial future amid federal funding cuts and new mandates in Budget, Economy, Government

#### **Article Summary**

- JB Pritzker is proposing a \$56 billion budget for fiscal year 2027 with minimal new spending.
- Outside of key areas like pensions, education and health care costs, discretionary spending under Pritzker's proposal would rise by just 0.5%.
- Pritzker's plan does not include major new taxes but would create a new tax on social media companies.

*This summary was written by the reporters and editors who worked on this story.*

SPRINGFIELD — As Illinois awaits court decisions about federal funding cuts and braces for even further cuts amid rising costs, Gov. JB Pritzker is proposing limited new spending — and yearning for “normal problems.”

The governor delivered the final budget address of his second term on Wednesday, proposing a spending plan that largely maintains the status quo and forgoes significant broad-based tax increases.

Pritzker also accused the Trump administration of costing Illinois billions of dollars in lost revenue via cuts or policy changes.

"I have joked with many of you that I wish I could spend just one year of my governorship presiding over precedented times," he told the joint session of the General Assembly.

He said the proposed \$56 billion fiscal year 2027 budget required him to make hard choices, but he argued it is ultimately the best path for the state to navigate its way through uncertainty driven by Washington.

"It levels off and in some cases reduces programs that are important to me — some of which were proposals of my own," Pritzker said. "But I believe that the imperative of responsible governance and overcoming the fiscal irresponsibility of past decades must come ahead of the interest of any one politician, program or party."

The proposal represents an increase of \$878 million, or 1.6%, from the current year. But most of that news spending is in required categories like education and pensions. Outside those areas, new spending will grow by just 0.5%.

Interactive chart located at; <https://capitolnewsillinois.com/news/pritzker-proposes-56b-budget-with-minimal-new-spending-tax-on-social-media-companies/>

On the revenue side, the governor is expecting \$56.1 billion in FY27, which would be an increase of \$830 million from current-year projections.

Like the last two budgets, Pritzker is again opting for targeted tax increases that will be paid by businesses rather than consumers. His proposal does not include new taxes on millionaires and billionaires and corporations sought by progressive Democrats. Instead it would tax social media companies, raising a projected \$200 million in revenue.

#### ***Tax on social media companies***

Pritzker's plan calls for raising \$589 million in new revenue.

The hallmark of the plan is a new tax on social media companies with at least 100,000 users in Illinois. The companies would be taxed on a graduated scale beginning at 10 cents per user each month. Platforms with a million or more users would be taxed \$165,000 each month, plus 50 cents each month on the number of users over a million.

Interactive chart located at; <https://capitolnewsillinois.com/news/pritzker-proposes-56b-budget-with-minimal-new-spending-tax-on-social-media-companies/>

Pritzker is hoping to raise \$200 million from the new tax — a more limited amount than a digital advertising tax floated last year that would have racked in hundreds of millions of dollars each year.

"Social media algorithms have been proven to create mental health issues in adolescents and foster polarization and misinformation in society as a whole," Pritzker said. "Those companies are profiting from online engagement of Illinois consumers, and they currently contribute nothing to ameliorate the negative effects of their platforms."

Pritzker's plan would also raise new funds by adjusting a cap on operating losses reported by businesses and aligning taxes on table and electronic games with each other.

Budget officials in the governor's office also said they aren't assuming the worst-case economic scenario in FY27. They said the budget is based on S&P Global's January outlook, which shows a stable forecast that assumes personal consumption will continue to grow, corporate profits will remain flat and the economy won't be plunged into a recession.

For the current fiscal year, the governor's office expects revenue to be about \$70 million lower than was first projected when Pritzker signed the budget last June.

### ***Federal uncertainty***

Pritzker's administration is also assuming it will win court battles to continue receiving federal funding that President Donald Trump's administration has attempted to cut. About \$1 billion in child care funding is currently in limbo as the state sues to continue receiving funding, according to the governor's office.

Pritzker said when Trump took office, he was hopeful the election-year threats to gut programs were "the kind of unrealistic hyperbole that fuels a presidential campaign but then is abandoned when cooler heads prevail."

Instead, the president stuck to those pledges — and Pritzker pegged the fallout at \$8.4 billion for the state.

"These are not handouts," he said. "These are dollars that real Illinoisans paid in federal taxes and that have been constitutionally approved by our elected Democratic and Republican representatives in Washington."

The governor, who many speculate will run for president in 2028, admonished the Trump administration for denying disaster relief funding to Illinois and instead requiring the state to paint over any rainbow crosswalks in Chicago.

"I want to say to anyone on either side of the aisle: If you want to talk about our FY 2027 budget, you must first demand the return of the money and resources this president has taken from the people of Illinois," Pritzker said.

But the governor's budget office also projects the state will face multibillion dollar deficits in the coming years as more cuts and new requirements for social services passed by Congress take effect. Pritzker told reporters on Wednesday following the speech that new spending on hiring and software included in his budget proposal is "building that infrastructure in order to deal with future years and making sure that we don't get hit even harder."

### ***Little new education spending***

While overall spending in the budget would grow by hundreds of millions of dollars, lawmakers and advocates who wanted Pritzker to propose spending big chunks of money on new services this year did not have their wishes granted.

Interactive chart located at; <https://capitolnewsillinois.com/news/pritzker-proposes-56b-budget-with-minimal-new-spending-tax-on-social-media-companies/>

But the governor's office said the proposal also does not include major cuts to programs.

Funding for K-12 public schools via the state's Evidence-Based Funding formula would increase by \$305 million and, for the second year in a row, exclude roughly \$50 million that would be designated for property tax relief.

Advocates, including teachers unions, have implored state lawmakers to significantly boost EBF funding, arguing the formula is not doing enough to direct necessary dollars to the state's neediest school districts. Budget officials in the governor's office said they believe the state is still maintaining progress toward improving funding for those schools.

"I 100% agree that we need a bill that equitably distributes money to the schools and that we need more to go to our universities," Pritzker told reporters. "The principles are all there. I think there are some tweaks and some questions that we need to get answered before we can get into a final result."

Other new spending for education this year includes \$35 million to the Illinois Department of Transportation that would go toward helping mass transit districts provide transportation for students to and from school.

Fiscal year 2027 will also be the first year the new Department of Early Childhood begins full operations. Funds previously allocated through the State Board of Education, Department of Human Services and Department of Children

and Family Services will be consolidated under one roof, totaling \$2.1 billion in General Fund spending for the new agency.

The state's universities and community colleges will also see just 1% growth in spending for the second year in a row under the plan. The Monetary Award Program, more commonly known as MAP, will have funding remain flat at \$721.6 million.

### ***Other spending areas***

A program that provides health care to immigrant seniors regardless of whether they're living in the U.S. with legal permission is also remaining in the budget, despite pushback from Republican lawmakers.

The program was significantly scaled back in the FY26 budget and limited only to qualifying seniors and is projected to cost \$143.6 million in FY27. Last year's budget cut a similar program for immigrant adults.

Interactive chart located at; <https://capitolnewsillinois.com/news/pritzker-proposes-56b-budget-with-minimal-new-spending-tax-on-social-media-companies/>

Funding for Home Illinois, the state's homelessness prevention program, is proposed to remain flat at \$253.7 million after being reduced by about \$15 million in the current year.

The Department of Children and Family Services would see an increase of \$74 million, or 4.7%, in Pritzker's proposal. It would boost support for caregivers and intervention services.

Pritzker also proposed allocating \$2 million to fund two new classes to train 100 new state troopers. The Department of Corrections would also get \$103 million in new funding to add new administrative positions and 100 correctional officers.

The state is also expected to spend \$100 million beginning in the current fiscal year on new staffing and technology costs to implement new requirements from the president's domestic policy bill that was signed last summer.

Pensions would also be fully funded with \$10.7 billion as Pritzker continues to pitch the General Assembly on supporting a pension reform plan.

Local governments might get a smaller cut of revenue, however. The governor proposed lowering the percentage of income taxes that goes to local governments to 6.23%. That would keep \$60 million in state coffers, budget documents show.

The "rainy day" fund, on the other hand, would increase by \$176 million, bringing it to roughly \$2.5 billion.

### ***Policy priorities***

A year after delivering a politically heavy speech that focused on Trump's return to power, Pritzker focused much of this year's speech on his legislative agenda for the spring.

Pritzker's nonbudgetary proposal included:

- A ban on "junk fees," or the advertisement of a price that doesn't disclose all fees.
- Statewide zoning laws and capital funding to spur housing development.
- A renewal of a community college bachelor's degree proposal that stalled last year.
- A ban on cell phones in schools, also revived from a year ago.
- An executive order aimed at spurring new nuclear power development.
- The "Children's Social Media Safety Act" to increase parental controls, regulate how content is packaged to children and require social media companies to increase privacy settings on children's accounts.

- A moratorium on tax credits for data centers.

## **IASBO Advocacy Alert – Legislative Updates** – February 18, 2026

Written by; Emily Warneke for IASBO and Distributed by IASBO Online via Email Listserv

### **Fiscal Year 2027 Budget Proposal:**

#### **Education Prioritized Amid Fiscal Pressures**

Governor Pritzker's combined State of the State and Budget Address offered a look at his recommended Fiscal Year 2027 budget, signaling that education continues to be a priority even amid fiscal challenges. The Governor highlighted federal uncertainties and other external pressures as factors contributing to a tight overall budget. While the recommendation includes funding increases for schools, several other state agencies could face reductions. Recent revenue updates have improved the projected deficit compared to earlier estimates, though questions remain about the long-term stability of these forecasts. We have outlined key points from the Governor's proposal to help you stay informed as the budget process moves forward.

### **Overview of Education Budget Recommendation**

#### ***Evidence-Based Funding***

In his address, the Governor proposed that the Fiscal Year 2027 budget include a \$9.2 billion appropriation for Evidence-Based Funding, an increase of \$305 million over Fiscal Year 2026. The \$305 million allocation would be allocated solely towards tier funding. Funding for the Property Tax Relief Grant was not included in the proposal. However, it was noted that the ongoing study by the Professional Review Panel to determine the efficacy of the program is due at the end of March. Depending on the results, that recommendation could be revisited by the General Assembly during budget negotiations.

#### ***Mandated Categorical (MCATS)***

This fiscal year marked a continued decline in the proration levels for mandated categorical programs, marking the lowest levels seen in recent memory with regular transportation prorated at 75 percent, special education transportation at 60 percent and private facility tuition at 64 percent.

The Illinois State Board of Education has taken note of this reduction in proration levels and has made substantial increase recommendations to address this issue for the last three fiscal years. The agency had proposed a \$151 million increase in funding for Mandated Categorical Grants (MCATs) for Fiscal Year 2027, which would have maintained the current proration levels for Fiscal Year 2026 based on the projected increases in claims. The Governor's budget recommended an increase of \$51 million for these critical programs. Orphanage claims are projected to remain flat for Fiscal Year 2027, so no additional funding was recommended for those lines. The breakdown of where the additional \$51 million is recommended to be allocated is as follows:

- \$10 million for Regular/Vocational Transportation
- \$20 million for Special Education Transportation
- \$20 million for Private Facility Tuition

The proposed budget also includes a \$35 million allocation to the Illinois Department of Transportation (IDOT) to establish a pilot program designed to foster partnerships between public transportation providers and local school districts. Under this concept, districts located in communities with public transit infrastructure could leverage those services to help transport students. The ongoing challenges surrounding MCAT funding underscore the need for both immediate financial relief and longer-term structural solutions. Districts have experienced significant increases in transportation claim costs year over year for several fiscal cycles, placing continued strain on local budgets. We look forward to learning more about this innovative solution in the coming months.

#### ***Other Education Funding Items***

For Fiscal Year 2027, the Early Childhood Block Grant administration will be transferred over to the new Department of Early Childhood. The Governor's budget recommends flat funding for the program for the second year in a row. The

Teacher Vacancy Pilot Program, which would be in its fourth year of implementation, was also included in the funding proposal. This year's recommended allocation is for \$15 million, which is a decrease from previous years, but the program would be preserved under the Governor's proposal. The budget proposal maintains current career and technical education (CTE) funding, and there is a capital recommendation for \$50 million through DCEO to expand and modernize existing Area Career Centers (ACC). In his speech, Governor Pritzker highlighted the importance of these training programs, stating these options represent "a path to a better life that should be available to every Illinoisan, and that doesn't require a university degree."

For those interested, the full Operating Budget proposal can be found here, with specific information about the recommendation for ISBEs budget starting on page 523. The Budget in Brief provides a more general overview and can be found here.

Thank you, as always, for staying up to date with what is happening in the Capitol.

### **School choice at stake: Illinois' advisory ballot question** – February 26, 2026

Written by; Audrey Geib for WTHI-TV10 and Distributed Online by IASA through Eye on Education Email Listserv at; [https://www.wthitv.com/news/school-choice-at-stake-illinois-advisory-ballot-question/article\\_6a9681b3-a6ef-4cab-b50b-f69d6f7a4aab.html](https://www.wthitv.com/news/school-choice-at-stake-illinois-advisory-ballot-question/article_6a9681b3-a6ef-4cab-b50b-f69d6f7a4aab.html)

ILLINOIS (WTHI) - Voters in 32 Illinois counties will see an advisory question on their primary ballot asking whether the state should join a federal school voucher program.

The program passed as part of the One Big Beautiful Bill Act. It would allow taxpayers to get a tax credit if they contribute to organizations that grant scholarships to students at public or private schools.

Right now, the question is advisory only, meaning it doesn't automatically change policy. But it could signal whether voters want lawmakers to pursue participation.

The Illinois Education Association is urging voters to reject it.

"We're really urging all Illinoisans to vote no on federal vouchers," said Karl Goeke, president of the IEA. "The wording makes it a little bit misleading and makes voters think potentially that no public money will be used."

Illinois previously had a similar program called Invest in Kids, which expired in 2023. That program allowed tax credits for private school scholarships similarly to this federal program.

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Illinois previously had a similar program called Invest in Kids, which expired in 2023. That program allowed tax credits for private school scholarships similarly to this federal program.

### **A question on many Illinois primary election ballots asks about Trump's new school tax credit. What is it?** – March 9, 2026

Written by Peter Medlin for Northern Public Radio and Distributed Online by IASA through Eye on Education Email Listserv at; <https://www.northernpublicradio.org/wnij-news/2026-03-09/a-question-on-many-illinois-primary-election-ballots-asks-about-trumps-new-school-tax-credit-what-is-it>

In the upcoming primary elections, many Illinois counties will vote on an advisory referendum about President Trump's new education tax credit. Since it's non-binding, Illinois Governor J.B. Pritzker would still have to opt into the federal program. WNI's education reporter Peter Medlin talked with Northern Illinois University education professor Alexios Rosario-Moore to help explain it...

Peter Medlin (PM): The referendum reads, "Should Illinois opt into a federal program that would provide public K-12, private school, and home school students with privately donated funds for academic needs such as tutoring and test preparation, educational therapies for students with disabilities, tuition, books, exam fees, or for other specified academic needs?"

I think a lot of people read that and think, 'Well, if they're privately donated funds and they're going to everyone, who cares, why not?' But does the language of this referendum accurately describe how the program works? What should people know?

Alexios Rosario-Moore (ARM): People should know that this is part of the Education Freedom Tax Credit, which was part of the One Big Beautiful Bill Act and the program provides dollar-for-dollar tax credits to taxpayers who are willing to give up to \$1,700 to Scholarship Granting Organizations, and then those funds can be used towards expenses for private, public or homeschooled kids whose families make up to 300% of whatever the local median income is.

So, in a city like Chicago, for example, that would mean families making about \$233,000 or less would have access, potentially, to scholarships and funds from these Scholarship Granting Organizations. But, essentially, that \$1,700 would have been going towards federal revenue that's really intended for the public good, for programs that serve all citizens and aren't restrictive.

I think that's sort of what people should understand about it. You're making a donation that then will be managed by organizations that haven't been clearly defined in the statute. Then that money won't go towards the budget. It wouldn't, for example, go towards Title I funds, managed by the U.S. Department of Education, that go to low-income schools.

(PM): What is a Scholarship Granting Organization?

(ARM): It's not clear from the statute. It's not clear whether the U.S. Department of Education is going to identify those nonprofits, if they're existing organizations in the states that opt in or whether those nonprofits are going to be set up perhaps from other donors.

I do have concerns that a federal agency, in this case the U.S. Department of Education, that's shedding its budget and shedding its staff, has the capacity to run a program of this scope, and is basically contracting out the work of identifying & making sure people qualify for these scholarships and sending the money out. What proportion of that money can go towards the administration of those nonprofits? None of that is clear, and it seems to be manufacturing more bureaucracy than it would be reducing.

(PM): Illinois' largest teachers union and some public school advocates say that the program would effectively drain tax dollars for public education and send it to private schools. Is that fair? How could this potentially affect funding for public education?

(ARM): It's draining tax revenue. We may not be able to draw a direct line between the loss of this tax revenue and the potential impact on Title I funds, for example, but we can recognize that the head of the U.S. Department of Education, Linda McMahon, is one of the few agency heads in the history of this country intent on losing funding and shedding their organization's ability to manage its resources.

(PM): The referendum says the program would donate funds to public school students as well. Do we know much, at this point, about how that would work and how the money is distributed? Is it based on these Scholarship Granting Organizations that get approved for it?

(ARM): Yeah, and we don't know what criteria those organizations have to have in order to opt into the program. We don't know what kind of resources they'll be provided to manage the program. We don't know what kind of criteria they will set up. I think the statute does allow room, potentially, for these Scholarship Granting Organizations to create the criteria for who's going to get these funds, who's going to receive them. Ultimately, yeah, we know part of the point of this program is for those funds to go towards private schools that may or may not admit all students, religious schools that may or may not be willing to admit and serve all students — that's problematic.

(PM): This program is the first of its kind at the federal level. How big of a deal is this for private schools and the larger school choice movement?

(ARM): This is significant because it's kind of the replacement scheme or policy for vouchers. Vouchers were found to be illegal or unconstitutional in at least one state, Washington, and also became politically unpopular. So, I see this as part of that larger history, as kind of a new initiative, a new effort to move public funds into private organizations.

Now, do I think it'll make a difference for the health of various private schools and religious schools that may be struggling and whose missions are totally legitimate and may provide high-quality education? I don't think it's going to make a difference. It's not going to keep a school from closing. I don't think it's going to operate at the scale and with the efficiency that will be necessary to support private and religious schools. So, if it's a program that is unlikely to function and meet its goals, then we can say it's not evidence based and it's largely ideological, it's largely a political effort.

(PM): This is just an advisory referendum. It's not binding. Illinois Governor J.B. Pritzker would have to opt into it regardless of how these individual referendums turn out in particular counties. But if Governor Pritzker doesn't opt Illinois into this program, Illinois residents can still receive the tax benefits, but the money wouldn't go to Scholarship Granting Organizations or schools in Illinois. Is that how it works?

(ARM): Yeah, if we don't opt in, folks can still make that up-to-\$1,700 donation and get the \$1,700 tax credit, but the funds would be used in other states that have opted in. Which states and how that would be redistributed is also not articulated in the statute.

(PM): Is there anything else that you think is crucial to this that we haven't talked about?

(ARM): I think I'm concerned many of these efforts are framed as empowering families over their children's education. That kind of messaging is disingenuous and misleading. I'm a parent, my daughter's in third grade. I think we have to, as parents, think about the individual benefits and choices we make about our children's educational experiences, but I think we also have to always remember that we're part of a larger community.

When schools are well-resourced and well-funded and teachers are well-trained, it benefits everyone. It benefits the local community. It benefits the larger society. That's a profound, really important democratic tradition that's existed in our country for at least a century — we should all embrace and recognize that.

### **Economic News Briefs...**

#### **• Market and Economic Highlights:**

- Kevin Warsh nominated as the next Fed Chair.
- Investors looked ahead to the March Fed meeting for clarity on the rate path.
- Economic data was mixed, with steady spending and firm inflation.
- The S&P 500 hovered near highs while tech slipped.
- Yields moved lower in February, boosting intermediate-term bond returns.

Source: FactSet

- Washington D.C Impacting Markets:** Earnings have taken center stage as Q4 reporting nears completion. S&P 500 earnings growth is tracking in the mid-teens year over year, marking a fifth consecutive quarter of double-digit gains, with strength led by AI-driven Technology and Industrials and supported by broad based revenue growth across most major sectors. While the pace of positive surprises is slightly below recent highs, the overall earnings and revenue picture remains solid, and profit margins are holding near record levels. Analysts have modestly trimmed Q1 estimates but continue to look for double-digit earnings growth in 2026, and while valuations remain above long-term averages, current pricing suggests markets are rewarding solid fundamentals rather than baking in an aggressive path to lower rates. Sources: FactSet as of 3/2/26

Taken from the ISDLAF+ Market Update March 2026 prepared by PMA Asset Management, LLC

**DPS Business Office Briefs:**

- Legislative Update: HB 4416 and SB 3286** are initiatives of organized labor and seek to provide for unemployment benefits for educational support personnel (ESPs) during school breaks of longer than one week. While this could include winter and spring breaks, the primary focus of the proposal is the summer break period. The general calculation of cost = # of ESPs x Average Gross Weekly Pay (per ESP) x 0.47. For Example: The District employees approximately 80 TA. If we assume an average salary of \$600/week the unfunded cost of this bill would = 80 x \$600 x .47 = \$22,560/week for 10 weeks over the summer totaling \$225,600.
- HLS Amendment – Stage Curtains for RMS and DHS:** In February we plan to bring you an action item approving a HLS amendment for the purchase and installation of theater stage curtains. The RMS/Madison curtains are original to the building from 1959/1960 and DHS were updated in the late 80’s. These curtains are required to pass a flame retardant test and are required to be retreated regularly. The age of these curtains no longer allow them to be retreated and must be replaced. The new curtains manufactured are referred to as "forever" curtains and come with a lifetime warranty eliminating the retreatment process. A few years ago we were provided estimates by Main State Theater which were: RMS/Madison = \$35,300 and DHS \$50,500. The purchase is an allowable HLS expense. As a timeline for the Board:
  - January 2026 – Initial notification
  - February 2026 – Board approval of HLS Amendment
  - March 2026 – Conduct a Bid
  - April 2026 – Board approval of bid
- CPPRT Revenue:** Below is a summary of the first three CPPRT receipts for FY 26 compared to previous years. The highlight is the December receipt is an increase over last year by \$216,000 and the total increase to date is \$132,000 (17%).

**CPPRT Revenue Comparison FY 26 vs. FY 25**

FY 24 Receipts		FY 25 Receipts		FY 26 Receipts		Diff
8/3/2023	\$ 167,763	8/5/2024	\$ 125,610	8/6/2025	\$ 79,002	\$ (46,608)
10/4/2023	\$ 862,465	10/3/2024	\$ 513,573	10/3/2025	\$ 476,037	\$ (37,536)
12/5/2023	\$ 267,667	12/4/2024	\$ 160,674	12/3/2025	\$ 377,127	\$ 216,453
1/3/2024	\$ 591,893	1/6/2025	\$ 426,470	1/6/2026	\$ 456,614	\$ 30,144
3/5/2024	\$ 349,040	3/6/2025	\$ 175,719	3/4/2026	\$ 144,262	\$ (31,457)
4/3/2024	\$ 311,321	4/3/2025	\$ 166,747		\$ -	
5/7/2024	\$ 752,651	5/5/2025	\$ 637,791		\$ -	
7/3/2024	\$ 673,442	7/3/2025	\$ 459,796		\$ -	
	\$ 3,976,242		\$ 2,666,380		\$ 1,533,042	\$ 130,996
Sum thru March	\$ 2,238,828	Sum thru March	\$ 1,402,046		% Inc/(Dec)	9%

### YTD CPPRT 10-Year Revenue Comparison



- Community Eligibility Provision (CEP)** : The Community Eligibility Provision (CEP) is a federal option that lets high-poverty schools serve free breakfast and lunch to all students without collecting household meal applications. It simplifies administration, increases access to meals, and uses a formula based on the share of students who are directly certified for free meals. The CEP program provides free breakfast and lunch to every enrolled student—no applications required and replaces individual eligibility forms with a data-based reimbursement formula. A school district in order to qualify must: 1) Be located in a high-poverty area, 2) Have a minimum percentage of students who are directly certified for free meals through programs like SNAP, or identified as homeless, migrant, runaway, foster, or enrolled in Head Start, and 3) Agree to serve both breakfast and lunch at no charge to all students. When the analysis tool becomes available by ISBE, administration will work through the process and provide the Board with the results.

#### Countywide Sales Tax

The District again continues to see strong CFST revenues. The table below represents strong receipts for November 2025. The CFST receipts are three months in arrears, so the funds received in February represent the taxes paid by consumers in November. The \$203,000 received represents a seven-month stretch of the largest amounts received since the creation of the program and is a 19.0% increase over FY 25. November has traditionally been one of the lower months. Also, it is important to remember that these funds cannot be spent on anything other than facilities improvement. The summary below outlines a summary of the receipts from FY 23 with a comparison of FY 25 vs. FY 26.

#### Countywide Sales Tax Revenues

	<u>FY 23</u>	<u>FY 24</u>	<u>FY 25</u>	<u>FY 26</u>	Difference <u>FY 25 v. 26</u>
July	\$167,736.37	\$166,297.20	\$177,241.56	\$220,684.93	\$43,443.37
August	\$157,646.19	\$171,178.89	\$177,589.47	\$210,195.86	\$32,606.39
September	\$160,407.90	\$175,220.50	\$176,058.42	\$203,743.03	\$27,684.61
October	\$162,719.99	\$165,535.70	\$157,162.56	\$215,438.17	\$58,275.61
November	\$157,766.14	\$168,001.90	\$171,171.84	\$203,784.19	\$32,612.35
December	\$167,486.45	\$178,755.19	\$201,004.74	\$0.00	\$0.00
January	\$134,425.96	\$141,195.76	\$179,547.38	\$0.00	\$0.00
February	\$123,815.53	\$141,802.17	\$164,559.27	\$0.00	\$0.00
March	\$154,850.14	\$165,591.32	\$187,252.74	\$0.00	\$0.00
April	\$159,801.14	\$168,718.21	\$198,100.75	\$0.00	\$0.00
May	\$182,291.57	\$195,620.51	\$219,783.67	\$0.00	\$0.00
June	<u>\$181,283.06</u>	<u>\$186,682.55</u>	<u>\$213,942.95</u>	<u>\$0.00</u>	\$0.00
	\$1,910,230.44	\$2,024,599.90	\$2,223,415.35	\$1,053,846.18	\$194,622.33

The next payment obligation for 2018A & 2019A Alternate Revenue Bonds will be in July 2026 and this will be an interest payment. The payment will be allocated out of CFST receipts on a monthly basis to meet the obligation. Then

In January 2027, a principal and interest payment will be made on the bonds. In general, the obligation amount is \$90,000/month. Any amount above this amount represents opportunity for future facility improvements.

**Transportation Mandated Categorical Summary:**

Transportation Mandated Categorical payments continue to be a source of declining revenue statewide. Illinois' "Transportation Mandated Categorical" funding refers to the state reimbursements that school districts receive for required student transportation services. This fiscal year marked a continued decline in the proration levels for mandated categorical programs, marking the lowest levels seen in recent memory with regular transportation prorated at 75 percent, special education transportation at 60 percent and private facility tuition at 64 percent.

The Illinois State Board of Education has taken note of this reduction in proration levels and has made substantial increase recommendation to address this issue for the last three fiscal years. The agency had proposed a \$151 million increase in funding for Mandated Categorical Grants (MCATs) for Fiscal Year 2027, which would have maintained the current proration levels for Fiscal Year 2026 based on the projected increases in claims. The Governor's budget recommended an increase of \$51 million for these critical programs.

On the next page is a statewide advocacy program to present to state legislators the impact of transportation costs to the school district and how failing to meet the MCAT recommendation continues to remove resources from the classroom. The summary below describes that our unfunded MCAT cost to the District for transportation is \$2.38 million. The cost is covered in three ways.

- 1) The District negotiated a \$700,000 reduction in service costs.
- 2) The District transfers \$500,000 of CPPRT funds each year from the Ed Fund.
- 3) The Tax Levy includes \$1,048,000 in local tax revenue.

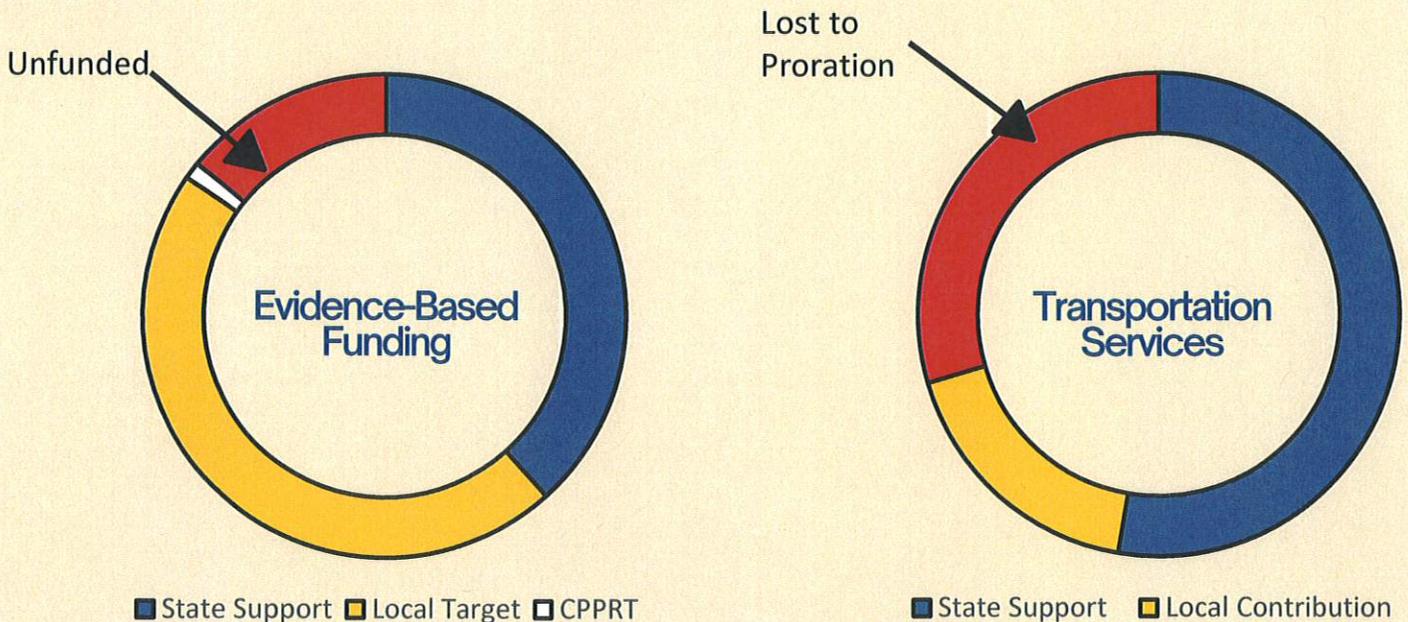
# DRIVING SUCCESS

Completing the School Funding Puzzle



## FY27 Budget Priority: Addressing the Funding Gap in Mandated Categorical Programs

Every day, **Dixon Public Schools** transports **1,770** students to and from school, at an annual cost of **\$1.3 million**. The state reimburses only **\$480,000**, leaving a gap that the district must cover with local resources. In addition, **143** students receive special education transportation, which costs **\$2.2 million** annually. The state reimbursement covers only **\$1.08 million**, leaving another significant shortfall. Together, these under-reimbursements create a funding gap of **\$2.37 million** each year—dollars that could otherwise support classrooms, teachers, and student opportunities.



## How Proration Has Impacted Dixon Public Schools

### Impact to Students

The District negotiated \$700,000 in yearly savings with their contractor by reducing routes. This causes longer bus rides and buses reaching maximum capacity. The District is diverting \$500,000 of CPPRT funds from the Ed Fund to support Transportation, taking funds away from the classrooms.

### Impact to Taxpayers

Taxpayers continue to pay more due to increase assessment rates, yet their funds continue to minimally impact student learning due to diverting of funds from the Ed Fund.

### Our Requests



Increase state funding for transportation and special education reimbursements to keep pace with actual district costs.

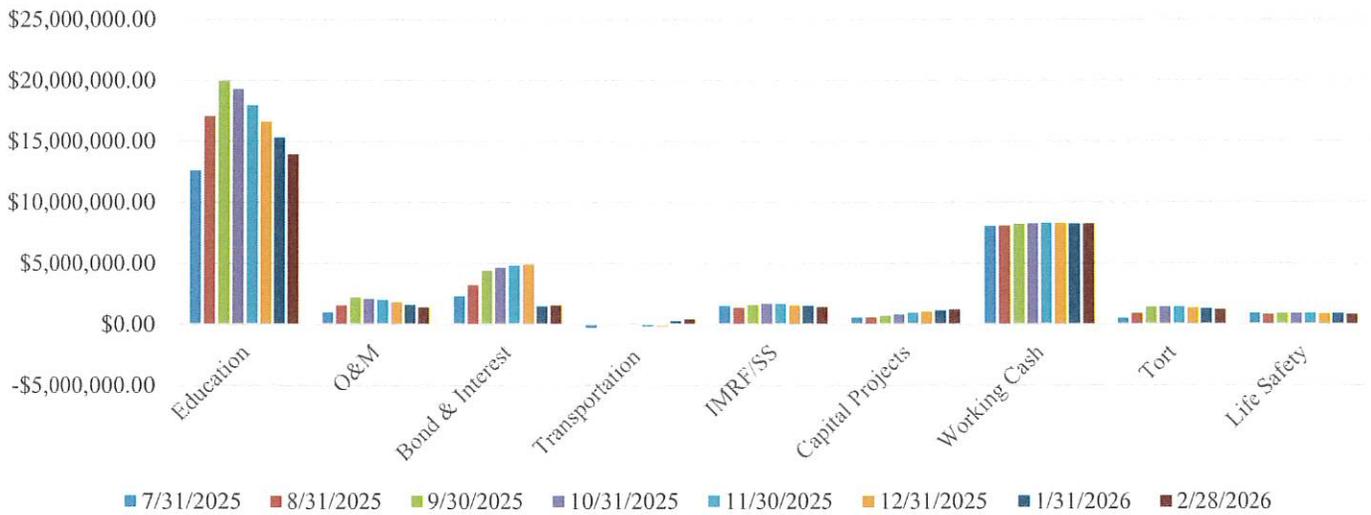


Protect Illinois' investment in Evidence-Based Funding (EBF) while addressing these growing shortfalls.

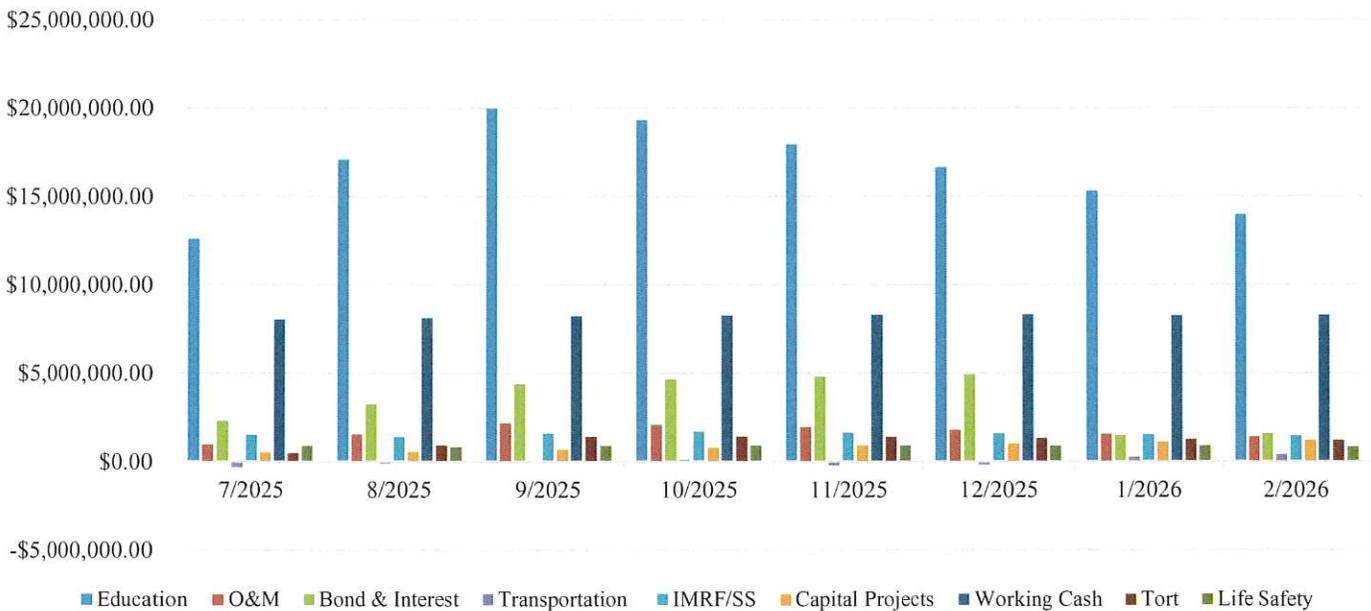
**Treasurer’s Report – February 2026**

In your Board Packet, you will find the Treasurer’s Reports for February 2026. The summary graphs represent FY 26 fund balances through March 2025. Balances for the funds for the first two quarters of each year reach their highest balances due to property tax revenue receipts. During the second half of the year, cash flow and revenue are traditionally low, while expenses for salaries and basic operations remain consistent throughout the year. This month saw a total decrease in fund balances of \$1.34 million. The Business Office will continue to monitor cash flow throughout the year.

**FY 26 Fund Balances by Fund Monthly**



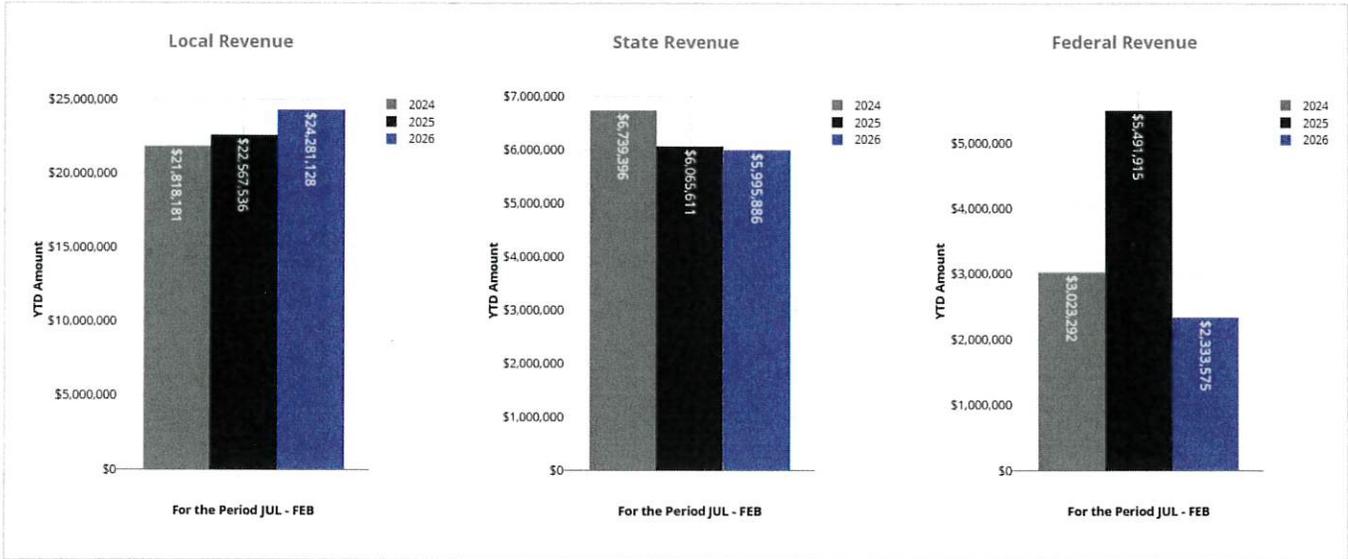
**FY 26 Fund Balances - Treasurers Reports**



Dixon USD 170  
Year to Date Revenue Overview - Operating Funds\*  
February 2026



<p>Local Revenue</p> <p><b>\$24,281,128</b></p> <p>90.91% of Budget</p>	<p>State Revenue</p> <p><b>\$5,995,886</b></p> <p>61.26% of Budget</p>	<p>Federal Revenue</p> <p><b>\$2,333,575</b></p> <p>88.38% of Budget</p>
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	FY 2024 YTD Amount	FY 2025 YTD Amount	FY 2026 YTD Amount	FY 2026 Annual Budget	FY 2026 % YTD Budget
<b>LOCAL REVENUE</b>					
1100 Ad Valorem Taxes	\$17,604,747	\$19,404,584	\$21,085,547	\$22,259,000	94.73%
1200 Payments in Lieu of Taxes	\$2,930,331	\$1,899,769	\$1,848,576	\$2,940,000	62.88%
1500 Earnings on Investments	\$677,205	\$662,108	\$650,200	\$840,000	77.40%
1600 Food Service	\$24,896	\$25,214	\$17,066	\$35,000	48.76%
1900 Other Revenue from Local Sources	\$197,850	\$192,161	\$297,030	\$360,000	82.51%
ALL OTHER LOCAL REVENUE	\$383,153	\$383,701	\$382,708	\$274,000	139.67%
<b>TOTAL LOCAL REVENUE</b>	<b>\$21,818,181</b>	<b>\$22,567,536</b>	<b>\$24,281,128</b>	<b>\$26,708,000</b>	<b>90.91%</b>
<b>STATE REVENUE</b>					
3000 Unrestricted Grants-in-Aid	\$4,400,074	\$4,484,564	\$4,598,954	\$7,215,000	63.74%
3100 Special Education	\$914,303	\$529,192	\$380,402	\$665,000	57.20%
3300 Bilingual Education	\$24,701	\$17,306	\$15,359	\$26,500	57.96%
3500 State Transportation Reimbursement	\$1,165,680	\$783,330	\$785,280	\$1,460,000	53.79%
ALL OTHER STATE REVENUE	\$234,639	\$251,219	\$215,891	\$421,000	51.28%
<b>TOTAL STATE REVENUE</b>	<b>\$6,739,396</b>	<b>\$6,065,611</b>	<b>\$5,995,886</b>	<b>\$9,787,500</b>	<b>61.26%</b>
<b>TOTAL FEDERAL REVENUE</b>	<b>\$3,023,292</b>	<b>\$5,491,915</b>	<b>\$2,333,575</b>	<b>\$2,640,500</b>	<b>88.38%</b>
<b>TOTAL REVENUE</b>	<b>\$31,580,869</b>	<b>\$34,125,062</b>	<b>\$32,610,589</b>	<b>\$39,136,000</b>	<b>83.33%</b>
<b>OTHER FINANCING SOURCES</b>	<b>\$0</b>	<b>\$4,443,750</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00%</b>
<b>TOTAL REVENUE &amp; OTHER FINANCING SOURCES</b>	<b>\$31,580,869</b>	<b>\$38,568,812</b>	<b>\$32,610,589</b>	<b>\$39,136,000</b>	<b>83.33%</b>

**Revenue Insight:**

Operating Funds (excluding transfers) YTD revenues totaled \$32,610,588 through February 2026, which is -\$1,514,475 or -4.6% less than the amount received last year for this period. The YTD difference is driven by a decrease in 4000 Federal Sources of -\$3,158,340, an increase in 1000 Local Sources of \$1,713,591, and a decrease in 3000 State Sources of -\$69,726.

\*Operating Funds = Educational, Operations & Maintenance, Transportation, Illinois Municipal Retirement & Social Security, Working Cash, Tort

Dixon USD 170  
Year To Date Expense Overview - Operating Funds\*  
February 2026



## Salaries and Benefits

**\$15,807,186**

54.45% of Budget

## Purchased Services

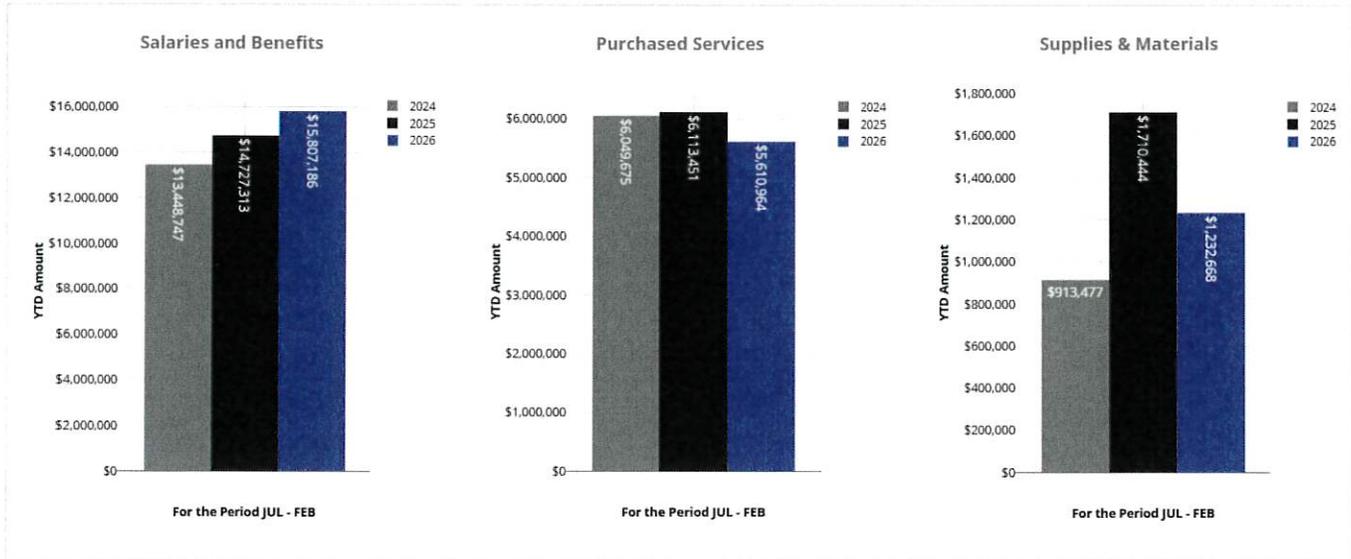
**\$5,610,964**

65.52% of Budget

## Supplies &amp; Materials

**\$1,232,668**

83.13% of Budget



	FY 2024 YTD Amount	FY 2025 YTD Amount	FY 2026 YTD Amount	FY 2026 Annual Budget	FY 2026 % YTD Budget
<b>SALARIES AND BENEFITS</b>					
100 Salaries	\$8,890,334	\$9,775,977	\$10,225,605	\$19,942,100	51.28%
200 Benefits	\$4,558,413	\$4,951,337	\$5,581,581	\$9,087,600	61.42%
<b>TOTAL SALARIES AND BENEFITS</b>	<b>\$13,448,747</b>	<b>\$14,727,314</b>	<b>\$15,807,186</b>	<b>\$29,029,700</b>	<b>54.45%</b>
<b>OTHER EXPENSES</b>					
300 Purchased Services	\$6,049,675	\$6,113,451	\$5,610,964	\$8,564,300	65.52%
400 Supplies & Materials	\$913,477	\$1,710,444	\$1,232,668	\$1,482,875	83.13%
500 Capital Outlay	\$447,838	\$2,353,410	\$238,528	\$315,000	75.72%
600 Other Objects	\$1,449,955	\$1,401,181	\$1,429,273	\$2,409,350	59.32%
700 Non-Capitalized Equipment	\$0	\$0	\$0	\$0	0.00%
800 Termination Benefits	\$0	\$0	\$0	\$0	\$0
<b>TOTAL OTHER EXPENSES</b>	<b>\$8,860,945</b>	<b>\$11,578,486</b>	<b>\$8,511,433</b>	<b>\$12,771,525</b>	<b>66.64%</b>
<b>TOTAL EXPENSES</b>	<b>\$22,309,692</b>	<b>\$26,305,800</b>	<b>\$24,318,619</b>	<b>\$41,801,225</b>	<b>58.18%</b>
<b>OTHER FINANCING USES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>0.00%</b>
<b>TOTAL EXPENSES &amp; OTHER FINANCING USES</b>	<b>\$22,309,692</b>	<b>\$26,305,800</b>	<b>\$24,318,619</b>	<b>\$41,901,225</b>	<b>58.04%</b>

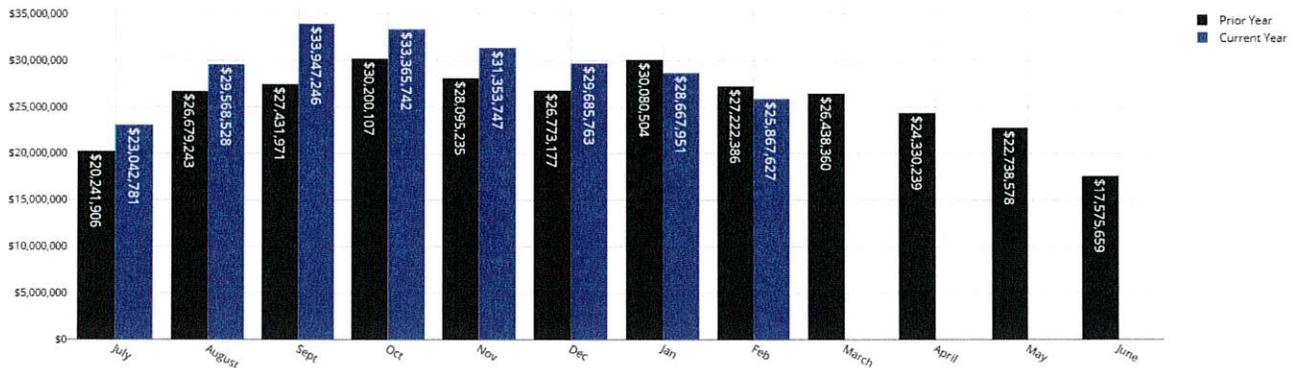
### Expense Insights:

Operating Funds (excluding transfers) YTD expenses totaled \$24,318,620 through February 2026, which is -\$1,987,180 or -8.2% less than the amount spent last year for this period. The YTD difference is driven by a decrease in 500 Capital Outlay of -\$2,114,882, an increase in 200 Employee Benefits of \$630,245, and a decrease in 300 Purchased Services of -\$502,487.

# Dixon USD 170 Fund Balance Overview February 2026



Month-End Balances - Operating Funds



	Fund Balance July 1, 2025	Revenues	Expenses	Other Sources	Other Uses	Fund Balance Feb 2026
<b>Operating Funds:</b>						
Educational	\$7,807,075	\$24,535,813	\$18,937,129	\$0	\$0	\$13,405,759
Operations and Maintenance	\$258,495	\$2,658,091	\$1,856,034	\$0	\$0	\$1,060,552
Transportation	\$-230,781	\$2,326,443	\$1,825,428	\$0	\$0	\$270,234
IMRF	\$1,250,792	\$937,249	\$462,396	\$0	\$0	\$1,725,645
Working Cash	\$7,932,934	\$434,385	\$0	\$0	\$0	\$8,367,319
Tort	\$557,144	\$1,718,608	\$1,237,634	\$0	\$0	\$1,038,118
<b>Total Operating Funds</b>	<b>\$17,575,659</b>	<b>\$32,610,588</b>	<b>\$24,318,620</b>	<b>\$0</b>	<b>\$0</b>	<b>\$25,867,627</b>
<b>Non-Operating Funds:</b>						
Debt Service	\$2,243,843	\$3,863,374	\$4,277,143	\$0	\$0	\$1,830,074
Capital Projects	\$820,068	\$886,925	\$161,186	\$0	\$0	\$1,545,807
Fire Prevention and Safety	\$807,021	\$4,635,752	\$4,592,516	\$0	\$0	\$850,257
<b>Total Non-Operating Funds</b>	<b>\$3,870,931</b>	<b>\$9,386,051</b>	<b>\$9,030,845</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,226,137</b>
<b>Total All Funds</b>	<b>\$21,446,590</b>	<b>\$41,996,640</b>	<b>\$33,349,466</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,093,764</b>

### Balances Insight:

Operating Fund balances at the end of the February 2026 totaled \$25,867,627, which is -\$1,354,759 less than the balances at the end of the same month in prior year. The balances for all funds through the current period of the fiscal year decreased by -\$20,258 for a grand total of \$30,093,764.

# Month-End Fund Balances

For the Period Ending February 28, 2026

Educational | Operations and Maintenance | Transportation | IMRF/SS | Working Cash | Tort

