



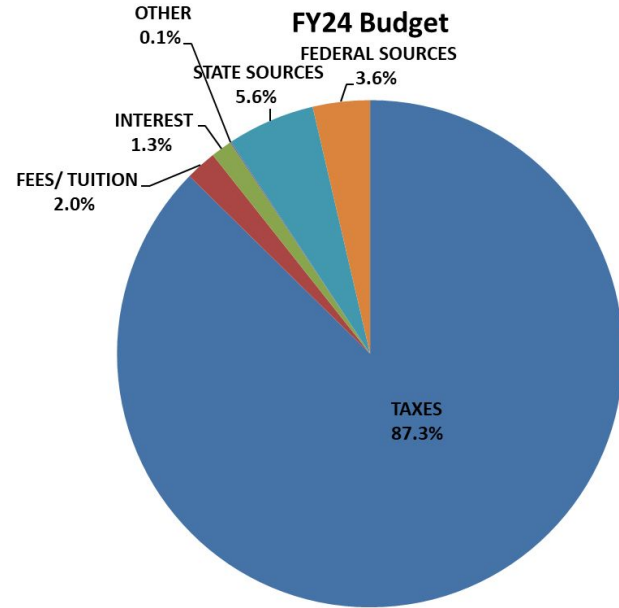
# River Trails

SCHOOL DISTRICT 26

**2023 Levy**

# Revenues

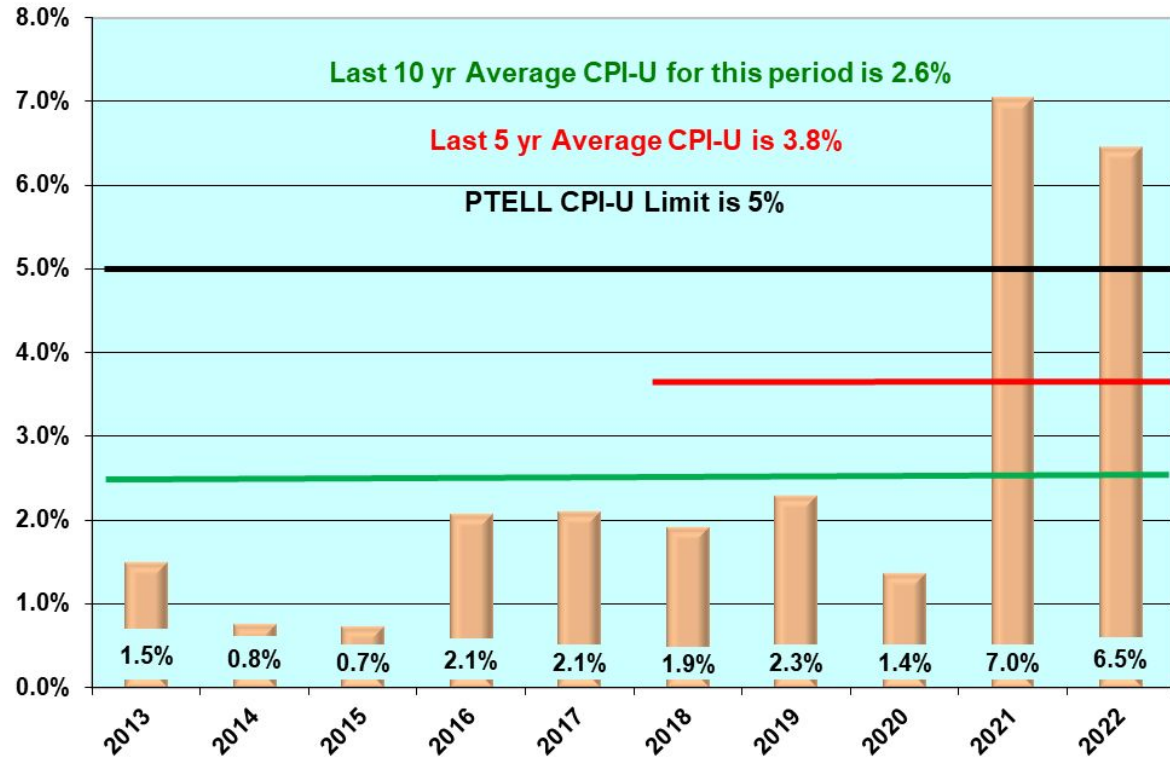
**Property taxes = 87% of Revenue**



# 2023 Levy

- **Illinois State Law requires a hearing if Levy is over 5%**
- **Property Tax Increase on Existing Property Limited to:**
  - CPI on existing property – 6.5% (capped at 5%)

Percent of YOY Change in December CPI-U for the Last 10 Years



# 2023 Levy

- **Property Tax Increase Less than CPI:**
  - **Costs follow CPI**
    - 2022-2026 Negotiated Contract
    - Supplies
    - Utilities
    - Transportation
    - Food
  - Major Capital Projects planned to upgrade infrastructure

# 2023 Levy

- **Property Tax Increase Limited to CPI or 5%:**
  - **Plus Taxes on New Property**
    - **Equalized Assessed Valuation (EAV) is unknown until July 2024**
      - Levy high as it is hard to anticipate timing in Cook County
      - Only collect taxes on the new property that is assessed in 2023



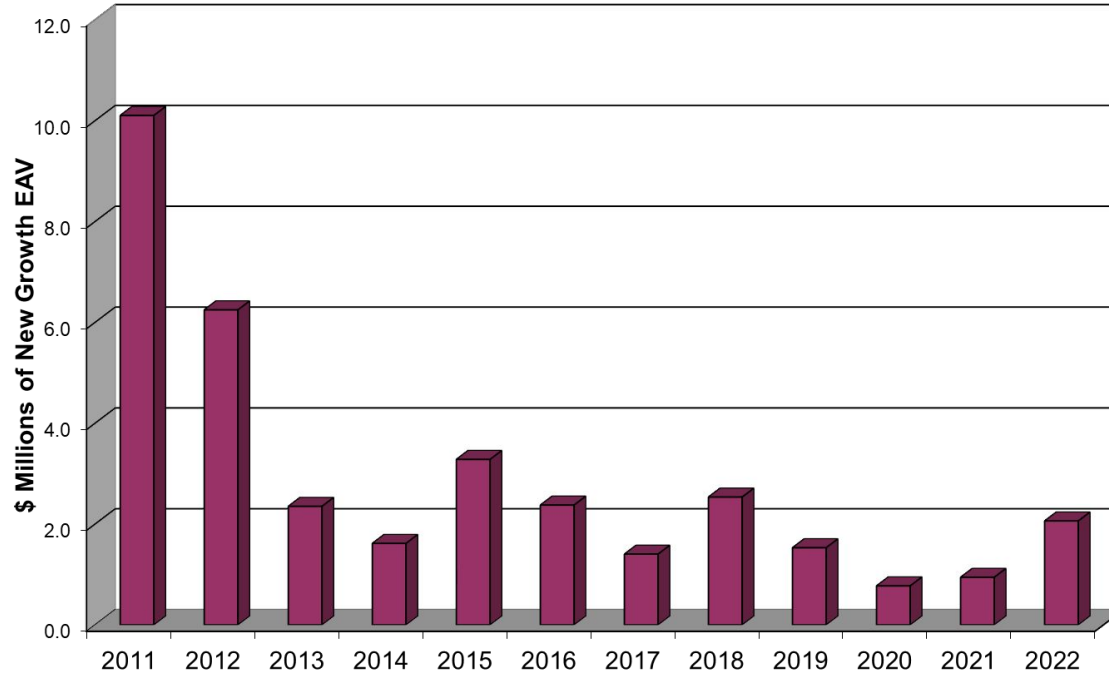
## New Property

- **New Property Levy large enough to capture all development – 1.9%**
  - Randhurst
    - Home Goods
    - 2nd retailer in negotiations
    - Possible self storage
  - Kensington
    - Comcast to an industrial building opening 1st Q 2024
- **Anticipating \$2.0 Million EAV in New Property**



# New Property

New Growth 2011 - 2022



**RTSD26**

# 2023 Levy

- **Total Levy**

- 6.4% (all funds)
- 6.9% (capped funds, excludes Debt Service)
- 5.0% cap on existing property for CPI (6.5%)
- 1.9% for New Property to capture all new property
- \$27,821,577

- **Best Guess Levy**

- \$27,486,117
- 5.0% cap on existing property for CPI (7%)
- Additional 0.3% for New Property
  - Estimating \$2 million in new properties for 2023
  - \$2.1 million new property in 2022
- 5.1% total increase



# Equalized Assessed Value

- **Cook County Legal Tax Assessment Levels**
  - Homeowner 10%
  - Most Business 25%
  - Class 6b Business 10% for 12 years
- **Assessed Value x Equalizer ( $\sim 3$ ) = EAV**
- **EAV x Tax Rate = Taxes Extended**



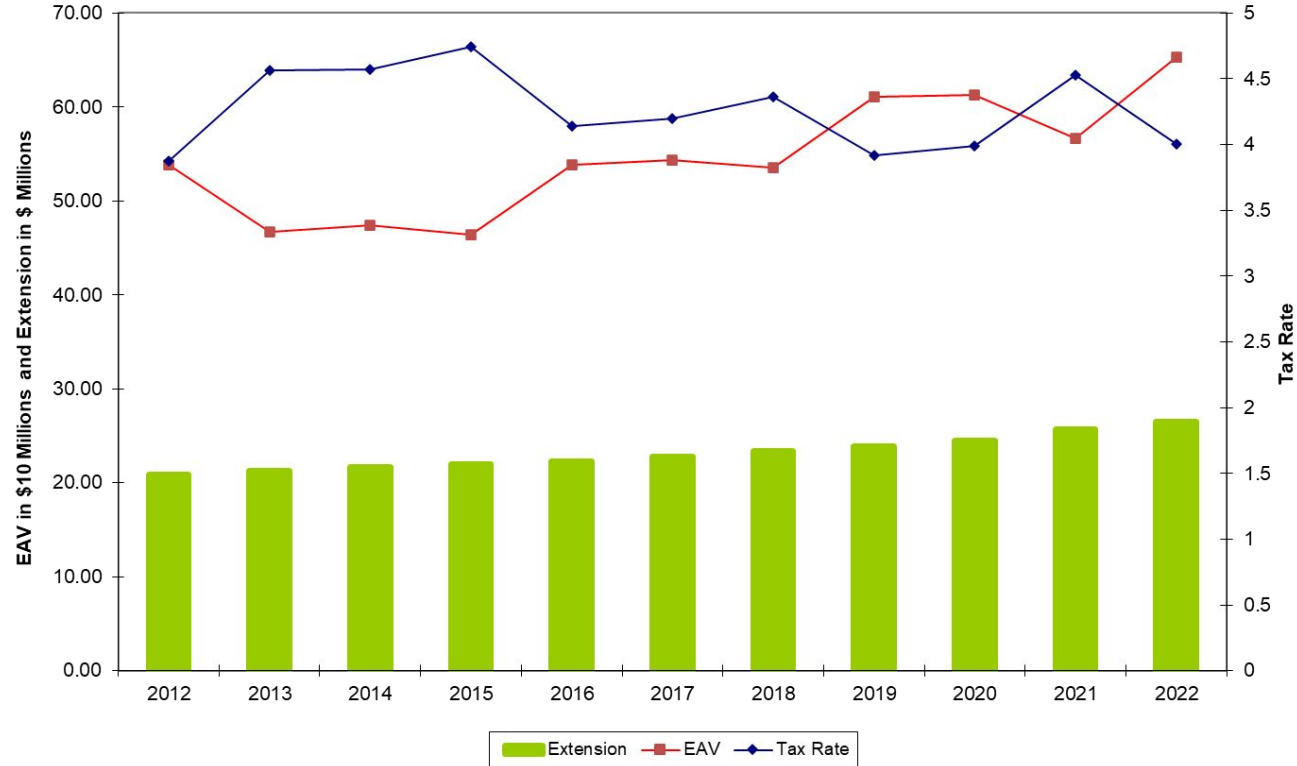
# Equalized Assessed Value

- **By law assessed values in aggregate must be 33 1/3% of fair cash value**
- **Cook County multiplier changes**
  - Assessed values for 3 prior years are compared to actual recorded sales prices
  - Equalized Assessed Value (EAV) = Assessed Value X Multiplier
  - 3 year average determines multiplier

Year	Multiplier	% Change
2017	2.96	5.7%
2018	2.91	-1.7%
2019	2.92	0.3%
2020	3.22	10.3%
2021	3.00	-6.7%
2022	2.92	-2.6%

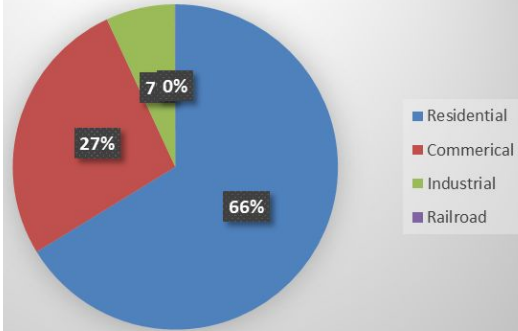


# Change in EAV, Extensions and Tax Rates 2012-2022



# 2023 Levy Residential Burden

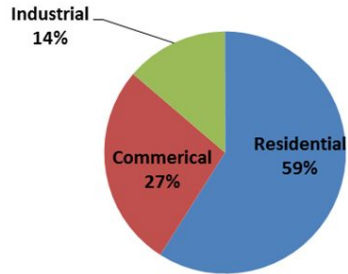
2022 Tax Levy



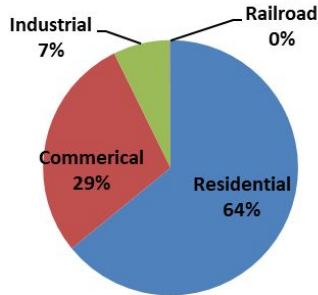
## Shift of Burden from Commercial/Industrial to Residential

- From 59% in 2007
- To 64% in 2015
- To 64% in 2020
- To 66% in 2022

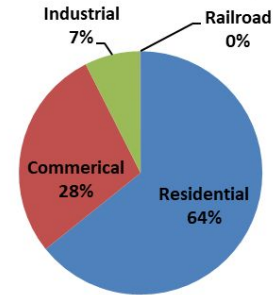
2007 Tax Levy



2015 Tax Levy



2020 Tax Levy



# 2023 Levy

- Some reasons individual tax bills increase more than CPI:
  - New building is constructed
  - An addition is added to a home
  - Property was under assessed and was properly reassessed – 2022 Assessment Year for Northern Suburbs
  - Your property value declines relatively less than other properties in your taxing district or,
  - Your property value increases relatively more than other properties



## 2023 Levy

- **The District makes every effort to responsibly use the dollars of the community taxpayer.**
  - State and federal funding for education is shrinking
  - Property tax appeals are on the rise
  - The District is aware of the extra burden individuals face

# 2023 Levy

- **As part of our Strategic Plan:**
  - Programs are constantly evaluated for their effectiveness
  - Staffing plans are reviewed annually
  - Department budgets are carefully monitored and redeveloped from a “zero” base every year
  - Administration examines grant opportunities to help fund programs, equipment purchases and facility improvements

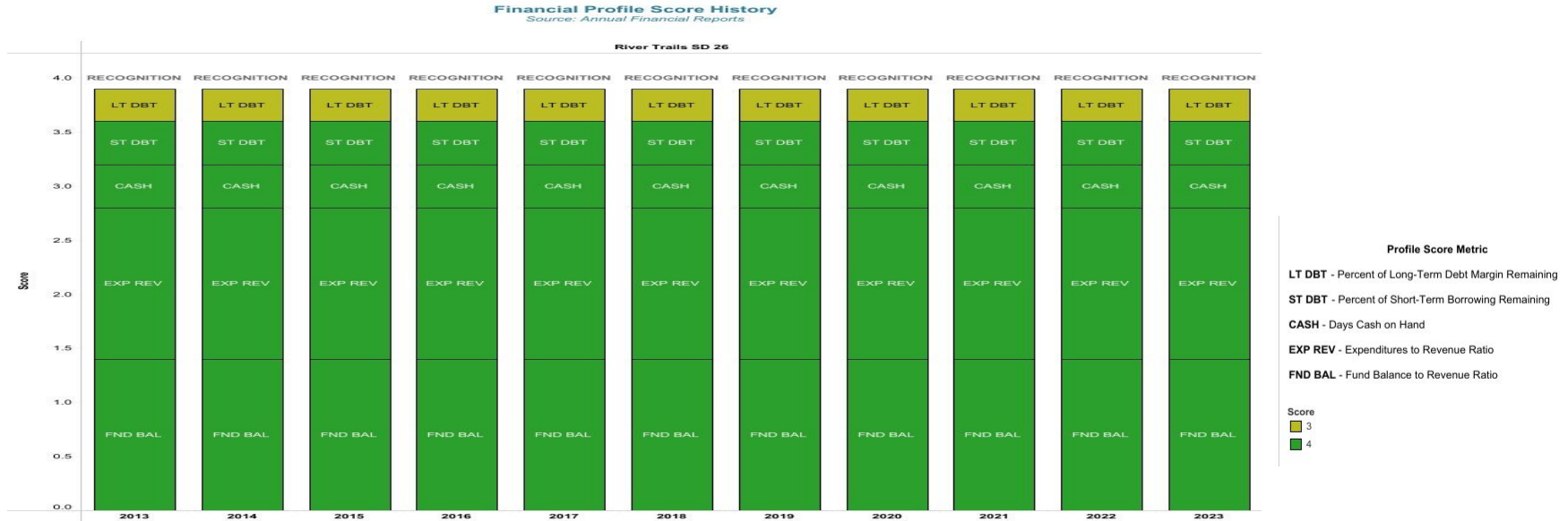
## 2023 Levy

**Over the years the District has implemented a variety of efficiencies:**

- Operational and staffing efficiencies
- New transportation company and route optimization
- New health insurance options
- Special education coop reduced expenditures for retirements, health insurance and more efficient operations
- More special education students served within the district
- Conservation of supplies, paper printing, energy, and food service

# Why a Fund Balance?

- State requires 180 days cash on hand for Financial Recognition
- Helps Maintain a Good Credit rating



# Why a Fund Balance?

- **Provides a cushion when:**

- Taxes not paid until December or January
- State payments
  - Reduced to as much as 89%
  - Often delayed by months
  - Proposals for Districts to pay State's share of pension contribution
- Tax collections vary from 96% to 99%
- Tax refunds as much as \$1,000,000
- Taxes based on Consumer Price Index
  - CPI at 1.4% for 2021 Tax Levy
  - CPI at 5.0% for 2022 Tax Levy
- Proposals to freeze taxes
- Staff must be paid
- Supplies must be bought
- Facilities must be maintained



# Fund Balance as % of Expenditures

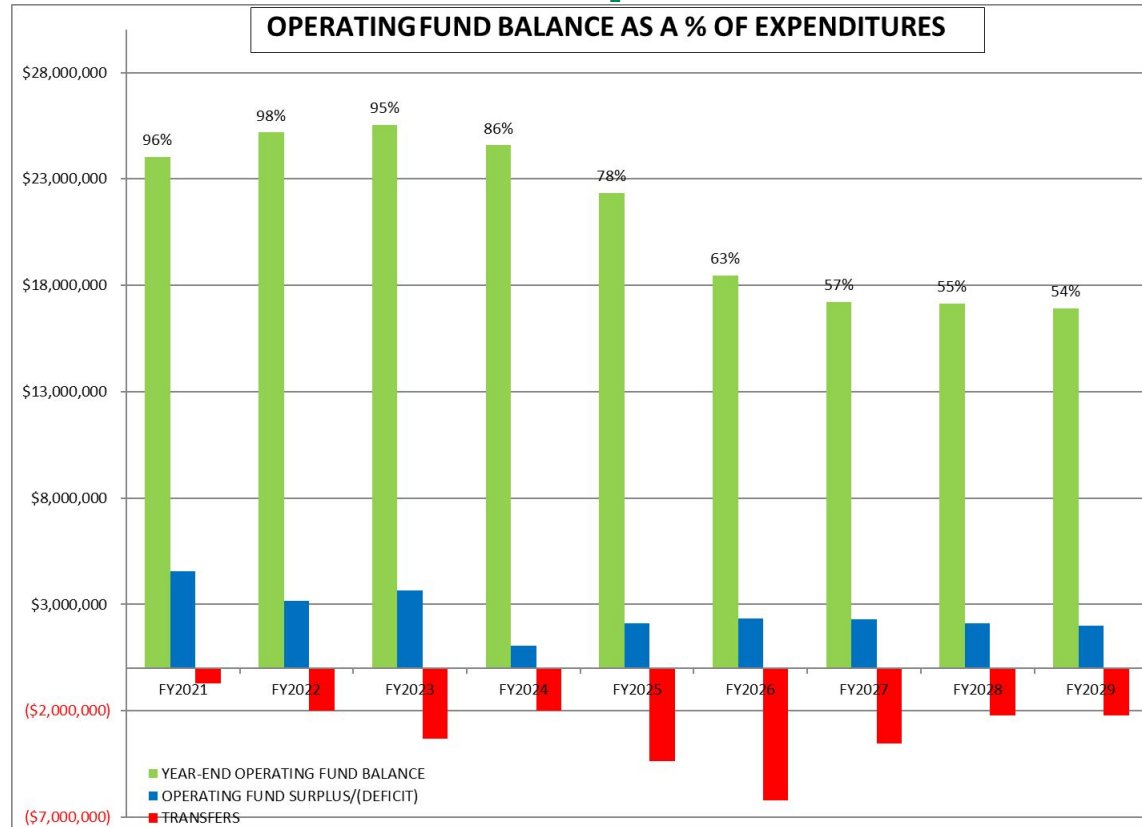
**Fund Balances used for  
Capital Projects (transfers)**

**Cash Reserves as of 6/30/23 AFR**

Operating Funds - \$25,535,493

Debt Services - \$893,923

Capital Projects - \$7,228,830



**RTSD26**