2026 Tax Levy Recommendation

2026 Tentative Tax Levy

w/ 5 year projections

November 10, 2026

2026 Tax Levy Parameters

- December 2025 CPI was 2.7%
  - Prior year CPI change in December 2024 was 2.9%
- *Existing* Property Equalized Assessed Value (EAV) is estimated to change by +10.3%
  - Prior Year was 8.0%

2026 Tax Levy Parameters

- 2026 New Property estimate = $2.1 million

- Historical new property in millions
  - 2025 - $3.0
  - 2024 - $1.6
  - 2023 - $1.7
  - 2022 - $2.2
  - 2021 - $2.3
  - 2020 - $3.2
  - 2019 - $3.7
  - 2018 - $2.6
  - 2017 - $3.1
  - 2016 - $7.9
  - 2015 - $3.4

5 yr Projection Assumptions

- Revenue
  - Property Tax
    - **CPI year 1 = 2.7%, CPI Year 2 = 3.0%**
    - CPI years 3-5 = 2%
    - New Property - $2.0 million per year
    - Collection rate 99.0%, recapture of tax refunds = $100,000
  - CPPRT flat
  - Other local revenue flat
  - Interest rates 3%, 2%, 2%, 2%, 2%
  - State revenue flat
  - Federal funding flat

5 yr Projection Assumptions

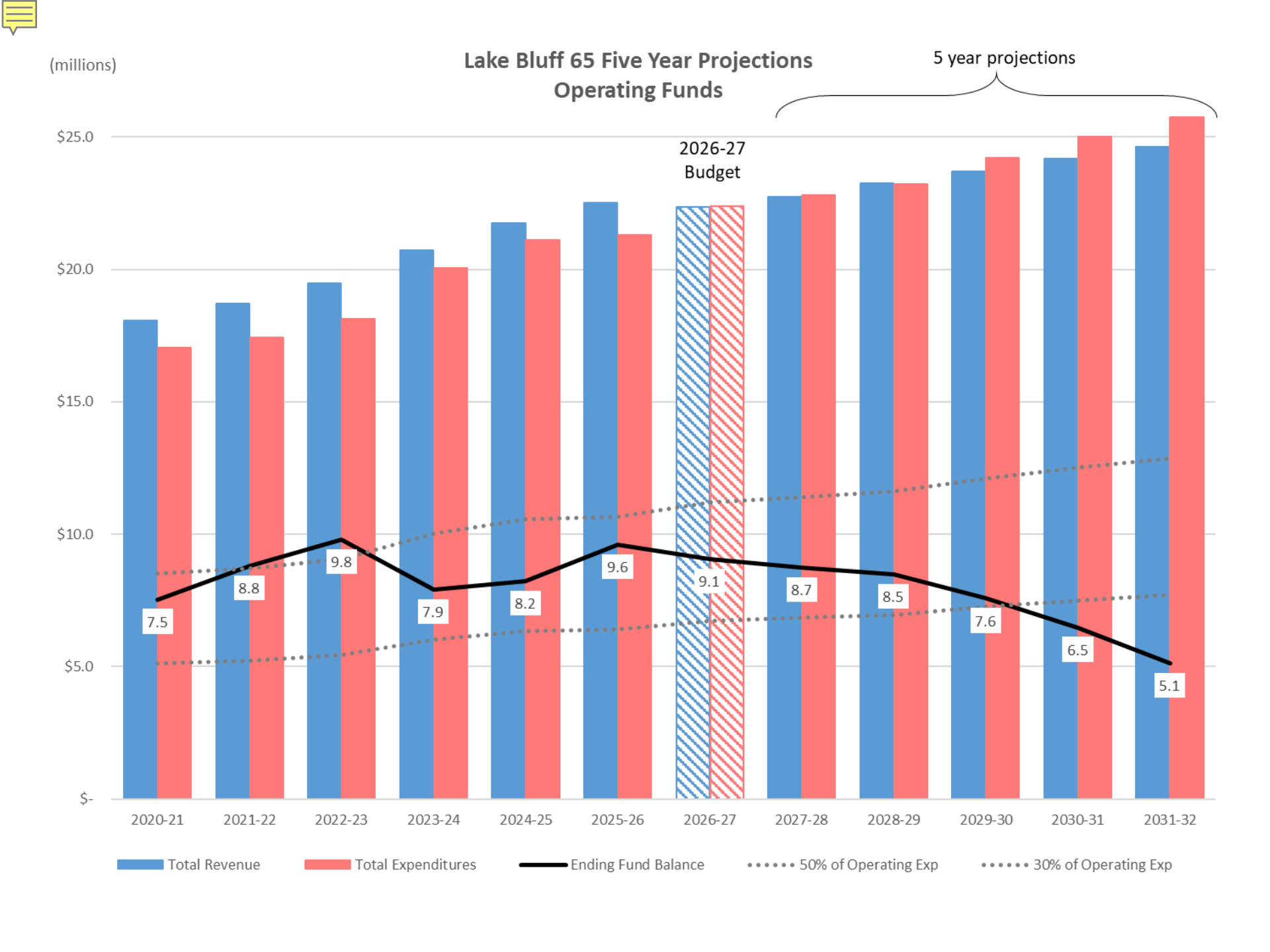
- Expenditures
  - Salaries
    - Teachers
      - Based on CBA with known/expected retirements
    - Admin and non-licensed staff = 3%, TA's 6%
  - FTE – 1.0 FTE reduction (LOA)
  - Benefits
    - Insurance Premium increases
      - PPO 10% per year
      - HMO 10% per year

5 yr Projection Assumptions

- Expenditures
  - Purchased Services
    - Night Custodial – 3% per year
    - Transportation – Regular 3%, 3%, 2.5%, 2.5%
    - Shared routes – 3 PM routes shared with LFHS115
    - Transportation – Special Ed 5%, per year
    - Sped tuition (volatile) 5% increase; outplacements 6 in year 1, 4 years 2-5
  - Supplies – CPI
  - Capital Expenditures
    - $250 thousand per year Fund 20
    - Fund 60 – balance of capital plan

5 yr Projection Assumptions

- Strategic plan priorities
- Steady state
  - Does not include unusual items
    - Stonebridge
    - County Facility Sales Tax
    - Federal School Tas Credits
- Risks
  - Major Legislative changes


(millions)
Lake Bluff 65 Five Year Projections
Operating Funds
5 year projections
2026-27
Budget
$25.0
$20.0
$15.0
$10.0
$5.0
$-
7.5
8.8
9.8
7.9
8.2
9.6
9.1
8.7
8.5
7.6
6.5
5.1
2020-21
2021-22
2022-23
2023-24
2024-25
2025-26
2026-27
2027-28
2028-29
2029-30
2030-31
2031-32
Total Revenue
Total Expenditures
Ending Fund Balance
50% of Operating Exp
30% of Operating Exp

Cash Reserve Balance

	June 30, 2026 Cash/Inv Balance
Education	$ 15,176,763
O&M	$ 1,668,871
Transportation	$ 992,596
IMRF/SS	$ 539,062
Working Cash	$ 1,100,482
Operating Funds	**$ 19,477,775**
Debt Service	$ 1,191,104
Capital Projects	$ 563,878
Non-Operating Funds	**$ 1,754,981**
Total	**$ 21,232,756**

105 ILCS 5/17-1.3

Expenditure to Fund Balance Ratio

School District: Lake Bluff ESD 65 **Most Recent AFR Fiscal Year:** 2026

RCDT: 34-049-0650-02

2.5 Yrs Annual Average Expenditures to Combined Cash Reserve Balance

Data from District's Annual Financial Reports

Direct Disbursements / Expenditures	FY2024	FY2025	FY2026	Total Expenditures	Average Annual Expenditures	Cash Reserve Balances FY2026
Educational Fund (10)	16,551,001	17,393,211	17,682,680	51,626,892	17,208,964.00	15,176,762
Operations & Maintenance Fund (20)	1,955,233	1,961,667	2,071,527	5,988,427	1,996,142.33	1,668,871
Transportation Fund (40)	865,266	1,008,607	861,557	2,735,430	911,810.00	992,596
Operational Balance - June 2026	19,371,500	20,363,485	20,615,764	60,350,749	20,116,916.33	17,838,229

Must be < 2.5

Cash Reserve Balance to Expenditures Ratio: **0.887**

Determination: No action needed

Required by 105 ILCS 5/17-1.10 Illinois General Assembly - Illinois Compiled Statutes (ilga.gov)

2026 Levy Recommendation

- Ask for CPI increase
  - Fund Balance remains in desired range
  - Need to grow revenue at a pace to keep up with inflation
  - Complete capital projects outlined in facility assessment
  - Allows strategic flexibility

2026 Levy Recommendation

	Prior Year Actual	Current Year Recommendation	%Δ
	2025	2026	
Δ PTELL CPI	2.9%	2.7%	
EAV (millions)	$ 855.6	$944.2	10.2%
New Property (millions)	$ 3.0	$2.1	
Operating Tax Extension (existing)		$ 20,132,926	2.7%
Impact of New Property		$ 43,968	0.2%
New Property “cushion” and rounding		$23,106	0.1%
Total Operating Tax Levy	$19,603,628	$ 20,200,000	3.0%
Operating Tax Rate	2.291	2.139	- 6.6%
Debt Service Tax Extension	$ 2,266,580	$ 2,286,135	+ 0.9%
Total Tax Extension	$ 21,870,208	$ 22,486,135	+2.8%
Total Tax Rate	2.556	2.382	- 6.8%

Taxpayer Impact

		2025		2026	
Property Value	$	600,000	$	659,557	
Assessed Value	$	200,000	$	219,852	
State Equalization Factor		1.0000		1.0000	
Homeowners Exemption	$	(8,000)	$	(8,000)	
Taxable Assessed Value	$	192,000	$	211,852	10.3%
Op Tax Rate		2.291282		2.139403	
Debt Tax Rate		0.264919		0.242127	
Total tax rate		2.556201		2.381530	
Op Tax	$	4,399	$	4,532	3.0%
Debt	$	509	$	513	0.8%
Total Tax	$	4,908	$	5,045	2.8%
Δ Op Tax			$	133	
Δ Debt Tax			$	4	
Δ Total Tax			$	137	

Illustration only - does not include the recapture levy or property taxes paid to other governments. Actual tax rates and payments may vary based on District-wide EAV growth, individual homeowner assessments and exemptions, and other factors.