BOARD MEMO – ACTION ITEM

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

To: Board of Education

From: Cody Martzluf, Superintendent

Date: Tuesday, November 17, 2026

RE: Tentative 2026 Levy

Recommendations:

Approve the Tentative 2026 Levy

Background:

- **Proposed Levy:** The District is proposing a total tax levy of $10,027,764, representing an increase of $1,155,541 (13.02%) over the 2025 tax extension of $8,872,223.
- **Tax Rate:** Our goal remains to maintain the District's overall property tax rate at $4.00 per $100 of EAV..
- **EAV Growth:** The District's estimated Equalized Assessed Valuation (EAV) is projected to increase by 11.04%, from approximately $223.5 million to $248.2 million.
- **Marquis Energy:** Approximately 93.4% of the projected EAV growth is attributable to increases in industrial property values, largely associated with Marquis Energy. Its second ethanol plant is coming off its 10-year Enterprise Zone tax abatement, substantially increasing the District's taxable property base.
- **Impact on Homeowners:** It is important to emphasize that a 13.02% increase in the overall levy does not mean individual homeowners will see a 13.02% increase in their property taxes. Because most of the EAV growth is industrial, homeowners whose taxable property values remain relatively unchanged could see little to no increase in the school district portion of their property tax bills.
- **Levy Methodology:** For funds with capped tax rates, I am recommending we utilize an EAV estimate 1% above the projected EAV to provide some protection against underlevying. For uncapped funds, we will utilize the estimated EAV and recommendations from our auditor.
- **Truth in Taxation:** Since the proposed levy exceeds the previous year's extension by more than 5%, the District must comply with the Truth in Taxation requirements, including publishing a public notice and conducting a public hearing before final adoption.
- **Facilities Planning:** The additional property tax revenue associated with industrial EAV growth creates an opportunity to support our planned facility improvements without increasing the District's overall tax rate.
- **Timeline:** The Board will consider the tentative levy at its November 17th meeting, with final adoption and the Truth in Taxation hearing scheduled for December.

- **Understanding the Difference Between the Levy Request and Actual Tax Extension:** The District is proposing a 13.02% increase in its total tax levy, representing a request for approximately $1.16 million in additional property tax revenue. However, this does not mean the District will automatically receive a 13.02% increase in revenue. The proposed levy is based on estimated property values, as the final EAV will not be known until next spring. For funds with capped tax rates, I am recommending that we utilize an EAV estimate approximately 1% higher than our current projection. This provides a small cushion to ensure we do not inadvertently leave available tax dollars uncollected if the final EAV comes in higher than anticipated. Based on our current EAV projections, we anticipate an overall increase in the actual tax extension of approximately 11.04%, assuming the overall tax rate remains near $4.00. The County Clerk will ultimately calculate the actual extension using finalized property values and applicable tax rates. In other words, we are requesting 13.02% more, but we do not expect to receive the full amount requested.

- I have also included historical information on our EAV, tax rates, and tax extensions, along with comparisons of instructional and operational spending per student and tax rates of surrounding school districts.

- My overall goal is to ensure we are capturing the additional tax revenue generated by the growth in our industrial tax base while remaining mindful of the impact on residential taxpayers. This additional revenue will be especially important as we continue planning for our future facility needs.

- I am planning to post the Truth in Taxation Hearing notice in the Putnam County Record the week of December 2nd. My plan is to include a majority of the information on page 19 of the levy summary document to provide an explanation to our district property taxpayers.

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

2026 Tentative Levy
November 17, 2026

Prepared By:
Cody Martzluf
Superintendent

Overview

Along with the development and adoption of the annual budget, the tax levy is one of the two most important financial actions the School Board takes each fiscal year. The **tax levy** is how the District requests local property tax dollars. It is a critical step in making sure we can pay for teachers and staff, keep the lights on, run buses, maintain buildings, and provide programs and services for students. It must be done accurately to protect the District's long-term financial stability.

The Board must approve a levy by the end of December (2026) for tax monies that will be disbursed to the District from the County Clerk's Office starting next summer (2027). The money received from the levy will be used to fund expenditures for the July 1, 2027 – June 30, 2028 school district budget.

As we develop the annual tax levy, our goal is to balance the financial needs of the District with our responsibility to local taxpayers. The district stives to develop a fiscally responsible property tax levy that adequately supports District operations and future facility needs while striving to maintain a stable property tax rate for our community.

The purpose of this document is show we remain committed to transparency, responsible financial planning, and keeping our taxpayers informed throughout the levy process.

Key Terms

Tax Levy: The amount of property tax dollars the school district requests in order to operate for the upcoming school year.

Tax Levy Extension: The actual amount of property tax dollars the district will receive, as calculated by the County Clerk and billed to property owners.

EAV (Equalized Assessed Valuation): The taxable value of a property, generally equal to one-third of its fair market value. (Example: A home with a $150,000 fair market value has an EAV of about $50,000)

Tax Rate: The rate applied per $100 of EAV to determine how much tax is owed.

Truth in Taxation: An Illinois law that requires a public notice and a public hearing when a district's levy request is more than 5% higher than the previous year's extension. This is designed to ensure transparency for taxpayers.

Q&A

What is a property tax levy?

A property tax levy is the formal request a school district makes for a certain amount of money to be raised through local property taxes. It's important to know:

- The levy is the amount we ask for, not automatically what we receive
- The final amount the District actually receives is calculated later by the County, based on property values and tax laws

Why is a property tax levy important for a school district?

In Illinois, property taxes are the main way schools are funded. At Putnam County CUSD #535, more than 40% of our total revenue comes from local property taxes. Each year, the District requests a levy that keeps up with rising costs, including:

- Cost-of-living increases
- Increases in services and materials
- Other day-to-day operating expenses needed to run the schools

Without keeping the levy aligned with these rising costs, it becomes harder to maintain current programs, staffing levels, and services.

Why does the tax levy increase each year?

Just as you may experience cost of living increases each year in areas such as food and housing, the district also experiences increased costs in areas such as transportation, food services, salaries and benefits, insurance, and educational materials. Annual increases in the levy help pay for these increasing costs.

Is the property tax levy the District 535 Board of Education approves a final figure?

No. The levy the Board approves is a request, based on the best available estimates at the time.

When the Board approves the levy, we do not yet know the final:

- Equalized Assessed Value (EAV) of all property in the District

- Amount of new construction or new growth

Those final figures are not available until the spring, after the levy is approved. Because of this, the District must estimate what those figures will be.

If a school district uses estimates that are higher than the actual final figures for EAV and new growth, will it receive more money than it should?

No. A school district cannot receive more than what is allowed by law. The County Clerk uses the actual final numbers (EAV and new growth) to calculate the final tax extension. If the District's levy request is higher than what the final numbers support, then the District only receives what the law allows, based on those final figures. For example:

- If the District requests an 8% increase in the levy,
- But the final County numbers only support a 5% increase,
- Then the District will receive only a 5% increase, not 8%.

Why does my tax bill have a different increase than what was approved by the Board of Education?

Your individual tax bill is based on your property's share of the total value of all property in the District.

Here's how it works:

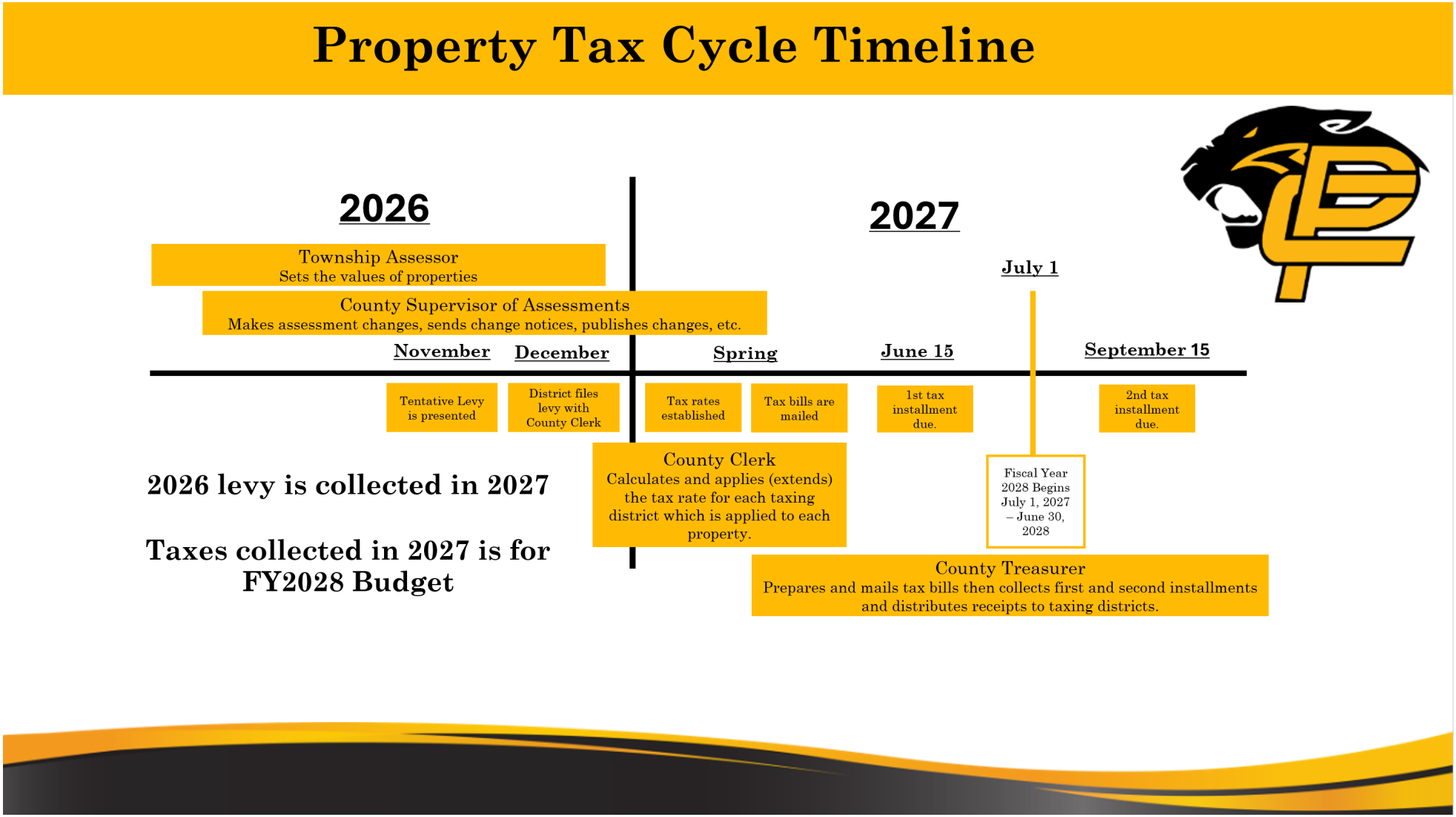
- The County Clerk takes the final levy amount and spreads it across all property, based on each parcel's percentage of the total EAV
- Property values are determined by township or county assessors
- Changes in your assessed value and any exemptions you receive (such as homeowner, senior, or other exemptions) can significantly affect your final bill

This means:

- Some property owners may see a smaller increase or even a decrease in their tax bill
- Others may see a larger increase, depending on how their property value changed compared to everyone else's

Timeline

- November BOE meeting: Approve tentative levy
- December BOE meeting: Approve final levy resolution
- Last Tuesday in December: Certificate of tax levy filed with County Clerk



Factors Considered in Developing the Annual Property Tax Levy

When developing the District's annual property tax levy, several key factors are carefully evaluated to ensure the levy supports the District's financial needs while remaining mindful of the impact on local taxpayers.

Historical Tax Levy Data: Review prior years' tax levies, extensions, tax rates, and EAV trends to identify historical patterns and inform future projections.

Projected Equalized Assessed Valuation (EAV): Obtain updated EAV estimates from the County Supervisors of Assessments in Putnam, Marshall, and LaSalle Counties, as the District has taxable property located in all three counties. These projections also account for anticipated increases in taxable property values as existing Enterprise Zone property tax abatements expire.

Non-Capped Tax Levies: Consult with the District's independent auditor to determine appropriate levy amounts for funds not subject to tax rate restrictions, including IMRF, Social Security, and Tort.

Current Budgetary Needs: Evaluate the District's adopted budget, anticipated expenditures, and operational needs to ensure sufficient funding for educational programs, staffing, facilities, and other essential services.

Long-Term Financial Forecasts: Consider multiyear revenue and expenditure projections, anticipated capital improvements, future financial obligations, and the District's long-term financial stability. Please note: I have draft financial projections that I currently working off of, but they will be presented to the board in the near future.

Considerations

- Although the State of Illinois has reported improvements in its financial position, much of that stability was supported by temporary federal relief funding. The state continues to face structural budget challenges, creating uncertainty regarding future education funding. As a result, there is a realistic possibility that school districts could experience flat state funding in FY2028, which should be considered in our long-term financial planning.

- The state's estimated transportation reimbursement proration rates are 68%for regular transportation and 55% for special education transportation.

- We expect corporate personal property replacement taxes (CPPRT) to be stagnant in FY2028.

- Our draft financial projections show a most likely scenario of deficit spending in the operating funds in our financial forecast.

- Putnam County Assessor Tammy Mehalic estimates that the district's rate setting Equalized Assessed Valuation (EAV) will increase by 11%.

- This projection includes $19,904,940 (Marquis Energy's second ethanol plan) in EAV coming off existing Enterprise Zone abatements, partially offset by $7,306,753 (Marquis Energy various projects) in EAV being added to Enterprise Zone abatements. This represents a net increase of $12,598,187 in taxable EAV resulting from these abatement changes.

- Much like the budgets of our families and households, school districts continue to face rising costs. Expenses associated with salaries, employee benefits, utilities, transportation, supplies, and other essential services continue to increase, placing additional pressure on district budgets and making long-term financial planning increasingly important.

- As the levy is finalized, the final EAV is not known

  Tax Levy (Balloon) = Ask
  The District is ASKING for an 13.02% increase.
  This is NOT what the district will receive.

  Tax Extension = Receive
  The District expects to receive a 11.04% increase.

Recommendation

- Utilize a 12.32% increase in EAV capped funds

- Utilize a 11.04% increase in EAV for the uncapped funds

- Seek to keep the tax rate level at $4.00

- Our request = $1,155,541 in new funds (an overall 13.02% increase over last year's extension)

EAV Changes

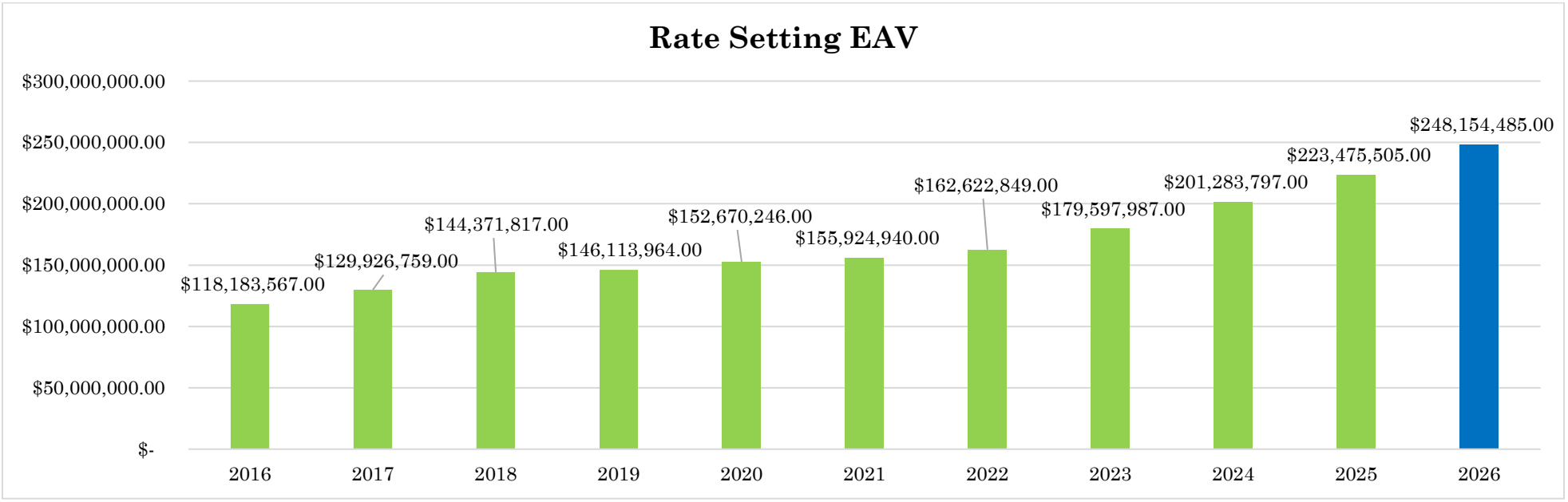
Putnam County	2025 EAV	2026 Estimated EAV	Difference	
Farm	66,337,681	68,799,588	2,461,907	
Residential	96,328,144	95,503,124	-825,020	
Commerical	7,213,322	7,081,581	-131,741	
Industrial	47,222,245	69,934,899	22,712,654	
Mineral	0	110,284	110,284	
State Railroad	1,364,058	1,364,058	0	
Total	**218,465,450**	**242,793,534**	**24,328,084**	**11.14%**

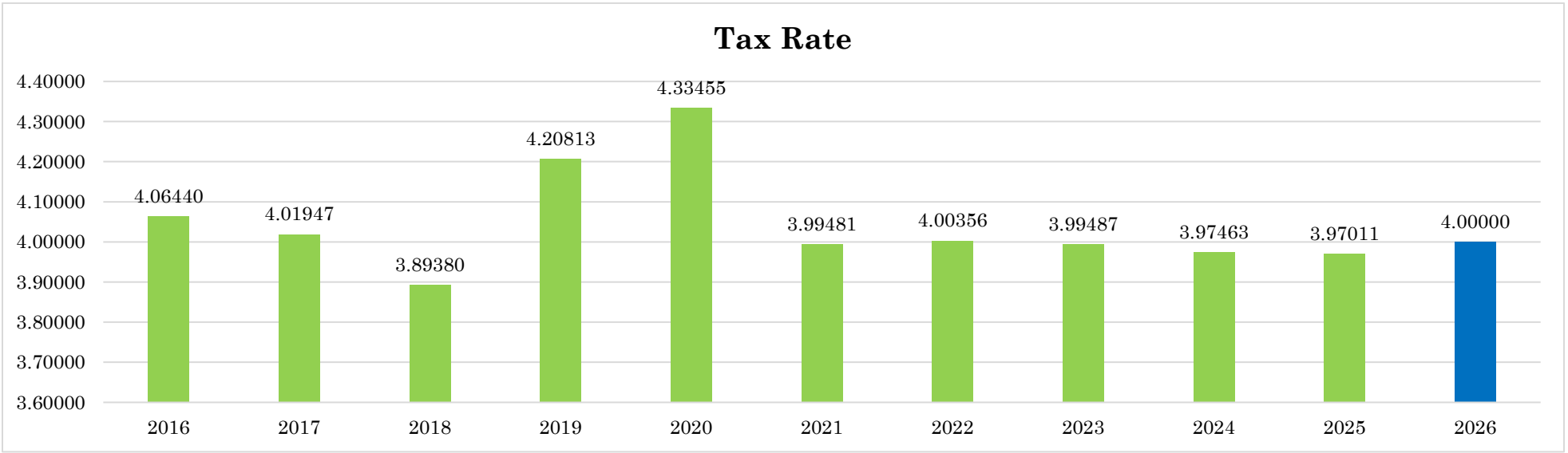
LaSalle County	2025 EAV	2026 Estimated EAV	Difference	
Farm	2,572,501	2,766,908	194,407	
Residential	363,737	438,850	75,113	
Industrial	52,350	52,350	0	
Mineral	1,608	15,942	14,334	
Total	**2,990,196**	**3,274,050**	**283,854**	**9.49%**

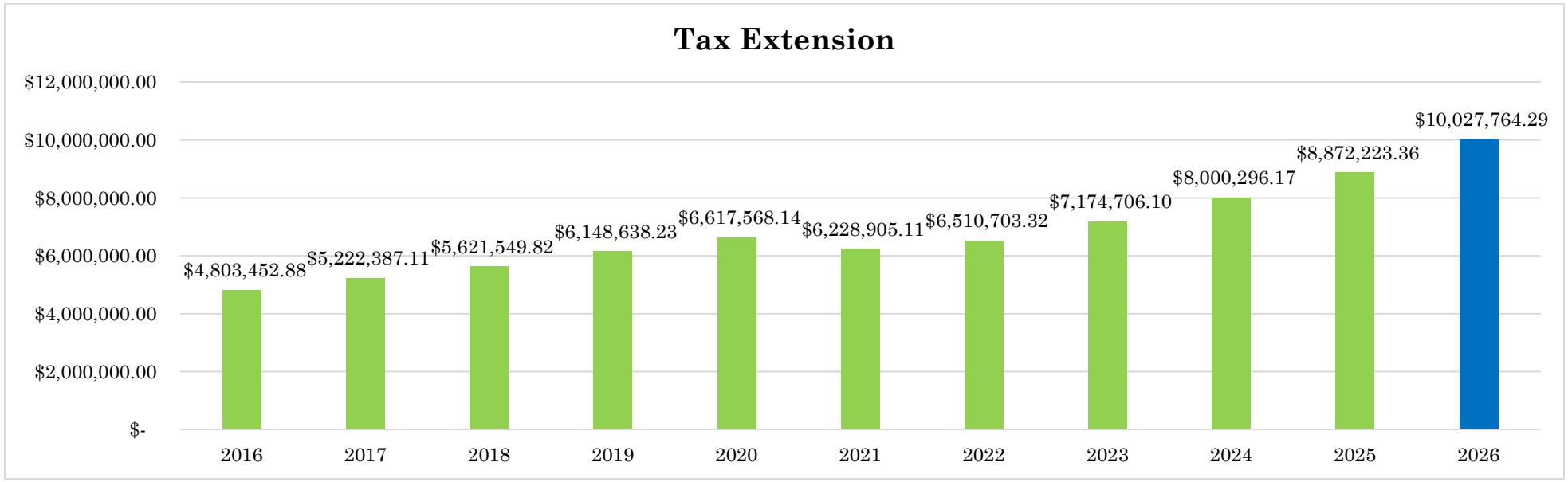
Marshall County	2025 EAV	2026 Estimated EAV	Difference	
Farm	1,861,803	1,923,963	62,160	
Residential	157,624	162,938	5,314	
Total	**2,019,859**	**2,086,901**	**67,042**	**3.32%**

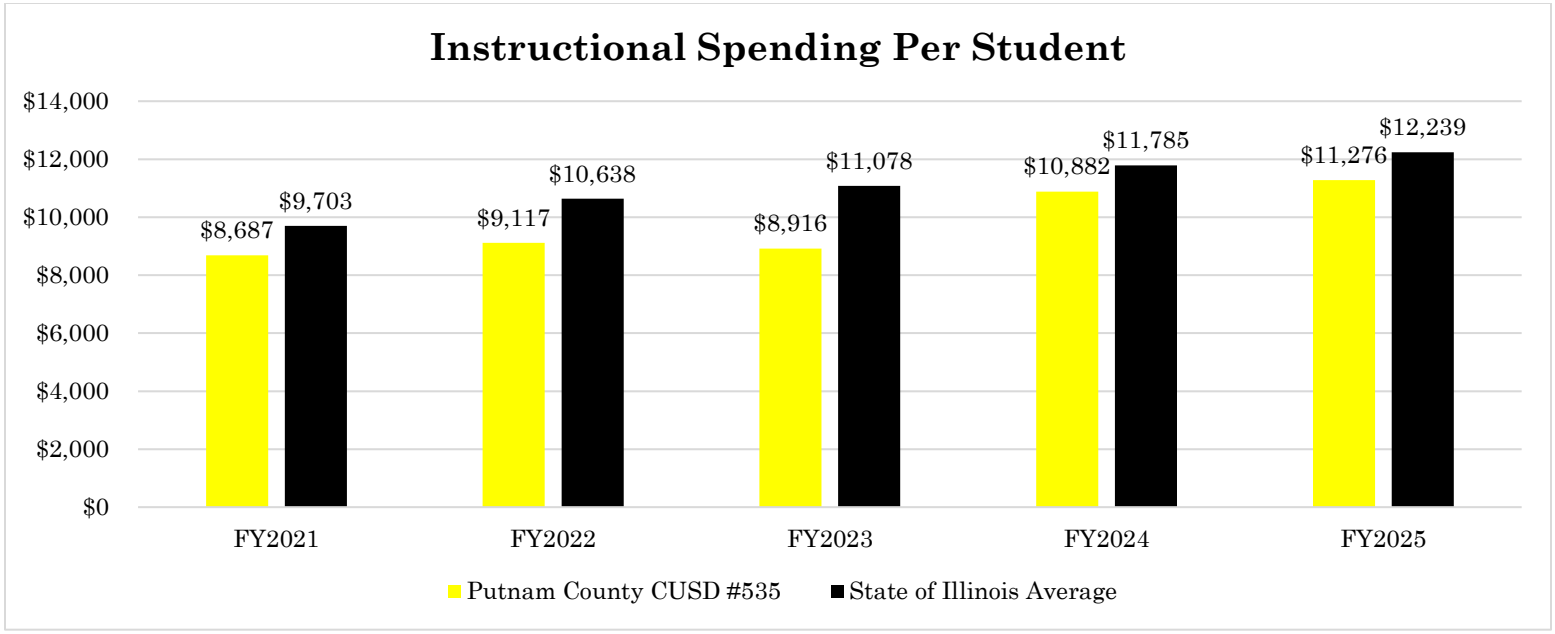
Total EAV	223,475,505	248,154,485	24,678,980	11.04%

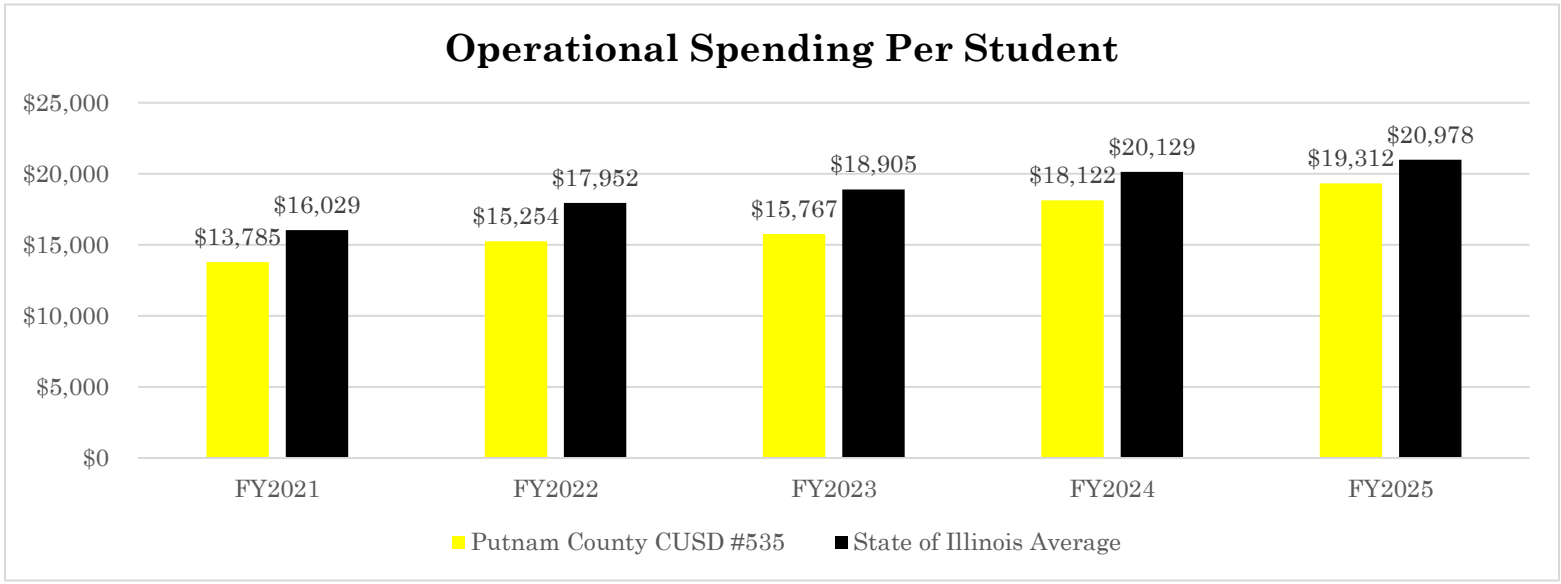
Putnam County Industrial EAV		
2025 EAV Total	47,222,245	
Assessor Estimated	57,336,712	
Marquis 2nd Ethanol Plant EAV	19,904,940	*Comes off of Abatement*
Marquis New EAV	7,306,753	*Comes on Abatement*
2026 Estimated EAV	69,934,899	


Rate Setting EAV
$300,000,000.00
$250,000,000.00
$200,000,000.00
$150,000,000.00
$100,000,000.00
$50,000,000.00
$-
$118,183,567.00
$129,926,759.00
$144,371,817.00
$146,113,964.00
$152,670,246.00
$155,924,940.00
$162,622,849.00
$179,597,987.00
$201,283,797.00
$223,475,505.00
$248,154,485.00
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026


Tax Rate
4.40000
4.30000
4.20000
4.10000
4.00000
3.90000
3.80000
3.70000
3.60000
4.06440
4.01947
3.89380
4.20813
4.33455
3.99481
4.00356
3.99487
3.97463
3.97011
4.00000
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026


Tax Extension
$12,000,000.00
$10,000,000.00
$8,000,000.00
$6,000,000.00
$4,000,000.00
$2,000,000.00
$-
$4,803,452.88
$5,222,387.11
$5,621,549.82
$6,148,638.23
$6,617,568.14
$6,228,905.11
$6,510,703.32
$7,174,706.10
$8,000,296.17
$8,872,223.36
$10,027,764.29
2016
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026


Instructional Spending Per Student
$14,000
$12,000
$10,000
$8,000
$6,000
$4,000
$2,000
$0
$8,687
$9,703
$9,117
$10,638
$8,916
$11,078
$10,882
$11,785
$11,276
$12,239
FY2021
FY2022
FY2023
FY2024
FY2025
Putnam County CUSD #535
State of Illinois Average


Operational Spending Per Student
$25,000
$20,000
$15,000
$10,000
$5,000
$0
$13,785
$16,029
$15,254
$17,952
$15,767
$18,905
$18,122
$20,129
$19,312
$20,978
FY2021
FY2022
FY2023
FY2024
FY2025
Putnam County CUSD #535
State of Illinois Average

Tax Rate Comparisons

All Area Districts	
School District	**Tax Rate**
*Dalzell GS #98	8.30300
*Spring Valley GS #99	7.05346
**Hall HS #502	6.90503
*Ladd GS #94	6.87605
*Waltham GS #185	6.04379
*Ottawa GS #141	6.00881
Leland CUSD #1	5.81021
Lostant CUSD #425	5.76961
*Peru GS #124	5.75627
*Tonica GS #79	5.73631
*Lasalle GS #122	5.65602
*Oglesby GS #125	5.57550
Depue CUSD #103	5.55645
Fieldcrest CUSD #6	5.54367
**Lasalle Peru HS #120	5.38807
*Dimmick #175 Cherry	5.38759
*Marseilles GS #150	5.38014
*Malden GS #84	5.36683
Stark County CUSD #100	5.31184
**Ottawa HS #140	5.26941
**Streator HS #40	5.21763
*Streator GS #44	5.21763
**Princeton HS #500	5.19305
*Ohio GS #17	5.18962
*Grand Ridge GS #95	5.17853
*Wallace GS #195	5.13413
Earlville CUSD #9	5.13103
Lamoille CUSD #303	5.10702
Lowpoint Washburn CUSD #21	5.06612
*Rutland GS #230	5.03303
**Mendota HS #280	5.02672
*Mendota GS #289	5.02672
*Princeton GS #115	5.01927
*Deer Park GS #82	4.96135
Somonauk CUSD #432	4.94965
*Miller GS #210	4.88180
Streator Woodland CUSD #5	4.80413
Henry CUSD #5	4.59886
Kewanee CUSD #229	4.59537
**Newark HS #18	4.58017
*Newark GS #66	4.58017
Bradford CUSD #1	4.38111
Midland CUSD #7	4.29104
Sandwich CUSD 430	4.07246
Serena CUSD #2	4.02597
*Dimmick GS #175	3.98727
Putnam County CUSD #535	3.97011
*Seneca HS #160	3.03726
*Seneca GS #170	3.03726

All Area Unit Districts	
School District	**Tax Rate**
Leland CUSD #1	5.81021
Lostant CUSD #425	5.76961
Depue CUSD #103	5.55645
Fieldcrest CUSD #6	5.54367
Stark County CUSD #100	5.31184
Earlville CUSD #9	5.13103
Lamoille CUSD #303	5.10702
Lowpoint Washburn CUSD #2	5.06612
Somonauck CUSD #432	4.94965
Streator Woodland CUSD #5	4.80413
Henry CUSD #5	4.59886
Kewanee CUSD #229	4.59537
Bradford CUSD #1	4.38111
Midland CUSD #7	4.29104
Sandwich CUSD 430	4.07246
Serena CUSD #2	4.02597
Putnam County CUSD #535	3.97011

**Average tax rate with feeder districts
*Combined rate with high school

2026 Proposed Putnam County CUSD #535 Levy

2025 Actual EAV	2026 Estimated EAV	Increase in EAV
$223,475,505	$248,154,485	**11.04%**

Request EAV	Increase in EAV
$251,000,000	**12.32%**

FUND	Actual 2025 Extension	Proposed 2026 Request	$ Increase	% Increase	Actual 2025 Tax rate	Estimated 2026 Tax rate
Education	$ 6,070,019	$ 6,827,200	$ 757,181	12.47%	2.71619	2.72000
Oper. & Maint.	$ 1,117,378	$ 1,255,000	$ 137,622	12.32%	0.50000	0.50000
Transportation	$ 446,951	$ 502,000	$ 55,049	12.32%	0.20000	0.20000
Special Ed.	$ 89,390	$ 100,400	$ 11,010	12.32%	0.04000	0.04000
Fire & Safety	$ 111,715	$ 125,500	$ 13,785	12.34%	0.04999	0.05000
Working Cash	$ 111,715	$ 125,500	$ 13,785	12.34%	0.04999	0.05000
Leasing	$ 35,019	$ 25,100	$ (9,919)	-28.32%	0.01567	0.01000
SUBTOTAL	**$ 7,982,187**	**$ 8,960,700**	**$ 978,513**	**112.26%**	**3.57184**	**3.57000**
Social Security	$ 185,015	$ 210,931	$ 25,916	14.01%	0.08279	0.08500
IMRF	$ 55,020	$ 12,408	$ (42,612)	-77.45%	0.02462	0.00500
Tort Immunity	$ 650,001	$ 843,725	$ 193,724	29.80%	0.29086	0.34000
SUBTOTAL	**$ 890,036**	**$ 1,067,064**	**$ 177,028**	**119.89%**	**0.39827**	**0.43000**
TOTAL	**$ 8,872,223**	**$ 10,027,764**	**$ 1,155,541**	**113.02%**	**3.97011**	**4.00000**

Indicates levies with capped tax rates

Indicates levies with no cap - as-needed tax rates.

Indicates percentage increase of proposed extension compared to last year's actual extension. Over 105% requires Truth-In-Taxation process.

Estimated new tax rate.

Notes:

For the capped funds, shown in green, utilize an EAV that is 1% higher than the estimated EAV when calculating the district's levy request. This provides some protection in the event the final EAV exceeds the current estimate and helps ensure the district captures the full amount available under the tax cap. The district may levy for more than it ultimately receives; the actual extension will be determined using the final EAV and applicable statutory limitations.

For the uncapped funds, shown in yellow, utilize the actual estimated EAV when calculating the levy request.

The overall goal is to structure the levy so that the district's total tax rate remains at exactly $4.00.

Per the district auditor's recommendation, reduce the levy requests for Leasing and IMRF and increase the levy request for Tort.

Because the proposed aggregate levy is expected to exceed 105% of the prior year's extension, the district will need to comply with the Truth in Taxation process, including the applicable notice and public hearing requirements.

Original: x
Amended:

ILLINOIS STATE BOARD OF EDUCATION
School Business Services Department
217-785-8779

CERTIFICATE OF TAX LEVY

A copy of this Certificate of Tax Levy shall be filed with the county clerk of each county in which the school district is located on or before the last Tuesday of December.

District Name	District Number	County
Putnam County Community Unit School District #535	35-078-5350-26	Putnam, Marshall, and LaSalle

Amount of Levy

Educational	$ 6,827,200	**Fire Prevention & Safety ***	$ 125,500
Operations & Maintenance	$ 1,255,000	**Tort Immunity**	$ 843,725
Transportation	$ 502,000	**Special Education**	$ 100,400
Working Cash	$ 125,500	**Leasing**	$ 25,100
Municipal Retirement	$ 12,408	**Other**	$
Social Security	$ 210,931	**Other**	$
		Total Levy	$ 10,027,764

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

See explanation on reverse side.
Note: Any district proposing to adopt a levy must comply with the provisions set forth in the Truth in Taxation Law.

We hereby certify that we require:

the sum of 6,827,200 dollars to be levied as a special tax for educational purposes; and
the sum of 1,255,000 dollars to be levied as a special tax for operations and maintenance purposes; and
the sum of 502,000 dollars to be levied as a special tax for transportation purposes; and
the sum of 125,500 dollars to be levied as a special tax for a working cash fund; and
the sum of 12,408 dollars to be levied as a special tax for municipal retirement purposes; and
the sum of 210,931 dollars to be levied as a special tax for social security purposes; and
the sum of 125,500 dollars to be levied as a special tax for fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes; and
the sum of 843,725 dollars to be levied as a special tax for tort immunity purposes; and
the sum of 100,400 dollars to be levied as a special tax for special education purposes; and
the sum of 25,100 dollars to be levied as a special tax for leasing of educational facilities or computer technology or both, and temporary relocation expense purposes; and
the sum of 0 dollars to be levied as a special tax for _____; and
the sum of 0 dollars to be levied as a special tax for _____
on the taxable property of our school district for the year _____.

Signed this 15th day of December 20 26 .

_____
(President)

_____
(Clerk or Secretary of the School Board of Said School District)

When any school is authorized to issue bonds, the school board shall file a certified copy of the resolution in the office of the county clerk of each county in which the district is situated to provide for the issuance of the bonds and to levy a tax to pay for them. The county clerk shall extend the tax for bonds and interest as set forth in the certified copy of the resolution, each year during the life of the bond issue. Therefore to avoid a possible duplication of tax levies, the school board should not include a levy for bonds and interest in the district's annual tax levy.

Number of bond issues of said school district that have not been paid in full 0 .

(Detach and Return to School District)

This is to certify that the Certificate of Tax Levy for School District No. 535, Putnam, Marshall, and LaSalle County, Illinois, on the equalized assessed value of all taxable property of said school district for the year 2026, was filed in the office of the County Clerk of this County on _____.

In addition to an extension of taxes authorized by levies made by the Board of Education (Directors), an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon.

The total levy, as provided in the original resolution(s), for said purposes for the year 2026, is $ 10,027,764 .

_____
(Signature of County Clerk)

_____
(Date)

_____
(County)

ISBE Form 50-02 (07-2026) CTL2026.xlsx

DRAFT

RESOLUTION REGARDING THE ESTIMATED AMOUNTS NECESSARY TO BE LEVIED FOR THE YEAR 2026

WHEREAS, The Truth In Taxation Act requires that all taxing districts in the State of Illinois determine the estimated amounts of taxes necessary to be levied for the year not less than twenty (20) days prior to the official adoption of the aggregate tax levy of the district; and

WHEREAS, if the estimated aggregate amount necessary to be levied, exclusive of election costs and bond and interest purposes, exceeds 105% of the aggregate amount of property taxes extended or estimated to be extended upon the levy of the preceding year excluding Bond and Interest purposes, public notice shall be given and a public hearing shall be held on the district's intent to adopt a tax levy in an amount which is more than 105% of the extension or estimated extension for the preceding year excluding Bond and Interest Levy purposes; and

WHEREAS, the aggregate amount of property taxes extended for the tax year 2025 was:

	Extended 2025
Educational Purposes	$ 6,070,019
Operations, Building & Maintenance Purposes	1,117,378
Illinois Municipal Retirement Fund Purposes	55,020
Transportation Purposes	446,951
Working Cash Fund Purposes	111,715
Fire Prevention & Safety Purposes	111,715
Special Education Purposes	89,390
Tort Immunity Purposes	650,001
Social Security/Medicare Purposes	185,015
Lease Facility	35,019
Total	$ 8,872,223

(Continued on next page)

DRAFT

WHEREAS, it is hereby determined that the estimated amount of taxes necessary to be levied for the tax year 2026 is as follows:

	Requested 2026
Educational Purposes	$ 6,827,200
Operations, Building & Maintenance Purposes	1,255,000
Illinois Municipal Retirement Fund Purposes	12,408
Transportation Purposes	502,000
Working Cash Fund Purposes	125,500
Fire Prevention & Safety Purposes	125,500
Special Education Purposes	100,400
Tort Immunity Purposes	843,725
Social Security/Medicare Purposes	210,931
Lease Facility	25,100
	Total $ 10,027,764

NOW, THEREFORE, BE IT RESOLVED BY THE Board of Education of Putnam County Community Unit School District #535, Counties of Putnam, Marshall, and LaSalle, State of Illinois, as follows:

Section 1: The aggregate amount of taxes estimated to be levied for the year 2026 is $10,027,764

Section 2: The aggregate amount of taxes estimated to be levied for the year 2026 exclusive of bond and interest purposes, does exceed 105% of the taxes extended by the District in the year 2025.

Section 3: Public notice is required to be published.

Section 4: This resolution shall be in the full force and effect upon its passage. Board of Education, Putnam County Community Unit School District #535, Counties of Putnam, Marshall, and LaSalle.

ATTEST:

By: _____
President

_____
Secretary

Date: December 15, 2026

DRAFT

TRUTH IN TAXATION
CERTIFICATE OF COMPLIANCE

The undersigned, presiding officer of the Putnam County Community Unit School District #535, hereby certifies that I am the presiding officer of the Putnam County Community Unit School District #535, and as such presiding officer, I hereby certify that the levy ordinance, a copy of which is appended hereto, was adopted pursuant to, and in all respects in compliance with, the provisions of Sections 4 through 7 of the "Truth in Taxation Act."

CHECK ONE OF THE CHOICES BELOW

_x_ 1) the taxing district published a notice in the newspaper and conducted a hearing, meeting the requirements of the Truth in Taxation Law.

___ 2) the taxing district's aggregate levy did not exceed a 5% increase over the prior year's extension. Therefore, notice and a hearing were not necessary.

___ 3) the proposed aggregate levy did not exceed a 5% increase over the prior year's extension. Therefore, a hearing was not held. The adopted aggregate tax levy exceeded 5% of the prior year's extension and a notice was published within 15 days of its adoption in accordance with the Truth in Taxation Law.

___ 4) The adopted levy exceeded the amount stated in the published notice. A second notice was published within 15 days of the adoption in accordance with the Truth in Taxation Law.

This certificate applies to the 2026 levy.

Date: December 15, 2026

_____
Mr. Reed Wilson, President
Board of Education
Putnam County CUSD #535

DRAFT

2026 Tax Levy – Truth in Taxation

Since the District's proposed 2026 property tax levy exceeds the amount of property taxes extended in 2025 by more than 5%, Putnam County CUSD #535 is required to comply with Illinois' Truth in Taxation Law.

The Truth in Taxation Law is designed to promote transparency and provide taxpayers with an opportunity to understand and comment on proposed property tax levies. When a taxing body's proposed aggregate levy exceeds 105% of the previous year's extension, it must publish a public notice and conduct a public hearing before adopting its final levy.

The District's Truth in Taxation notice will be published in the Putnam County Record and posted on the District's website. Illinois law requires the newspaper notice to be published no more than 14 days and no fewer than 7 days before the public hearing. Additionally, the notice must remain prominently displayed on the District's website, or accessible through a direct link from its homepage, for at least 30 consecutive days.

What Does the Proposed 13.02% Increase Mean for Taxpayers?

We want to emphasize that a proposed 13.02% increase in the District's tax levy does NOT mean individual property owners will see their school property taxes increase by 13.02%.

The 13.02% represents the proposed increase in the total amount of property taxes collected by the District, not an increase in the tax rate or an individual taxpayer's bill.

The primary reason for this increase is the significant growth in the District's Equalized Assessed Valuation (EAV), which represents the taxable value of property throughout the school district.

Most importantly, approximately 93.4% of the District's projected EAV growth is attributable to an increase in the taxable value of Marquis Energy's property. This increase is largely due to Marquis Energy's second ethanol plant reaching the end of its 10-year property tax abatement through the Enterprise Zone program. As a result, the plant's previously abated property value is now being added to the District's tax rate-setting EAV, significantly increasing the overall taxable property value within the District.

Consequently, Marquis Energy is expected to contribute a substantial majority of the additional property tax revenue generated by this growth. This allows the District to collect additional revenue while maintaining its goal of keeping the overall school district tax rate at or below $4.00 per $100 of EAV.

The additional revenue resulting from growth in our tax base provides an opportunity to further support upgrading our educational facilities without increasing the District's overall tax rate.

For residential property owners whose taxable property values remain relatively unchanged, maintaining a consistent school district tax rate would generally mean their school property taxes would remain relatively stable. Individual tax bills will still depend on changes in assessed values, exemptions, and the final tax rate.

NOTICE OF PROPOSED PROPERTY TAX INCREASE FOR
PUTNAM COUNTY CUSD #535
COUNTIES OF PUTNAM, MARSHALL, AND LASALLE, STATE OF ILLINOIS

I. A public hearing to approve a proposed property tax levy increase for Putnam County CUSD #327, Counties of Putnam, Marshall, and LaSalle, State of Illinois for 2026 will be held on December 15, 2026 at 6:30 p.m. at the Primary School Building 400 E Silverspoon Avenue, Granville, Illinois.
Any person desiring to appear at the public hearing and present testimony to the taxing district may contact Cody Martzluf, Putnam County District Office at 400 E Silverspoon Avenue, Granville, Illinois (815-882-2800 ext. 5).

II. The corporate and special purpose property taxes extended or abated for 2025 were $8,872,223.
The proposed corporate and special purpose property taxes to be levied for 2026 are $10,027,764. This represents a 13.02% increase from the previous year.

III. The property taxes extended for debt service and public building commission leases for 2025 were $0.00.
The estimated property taxes to be levied for debt service and public building commission leases for 2026 are $0.00. This represents a 0% increase over the previous year.

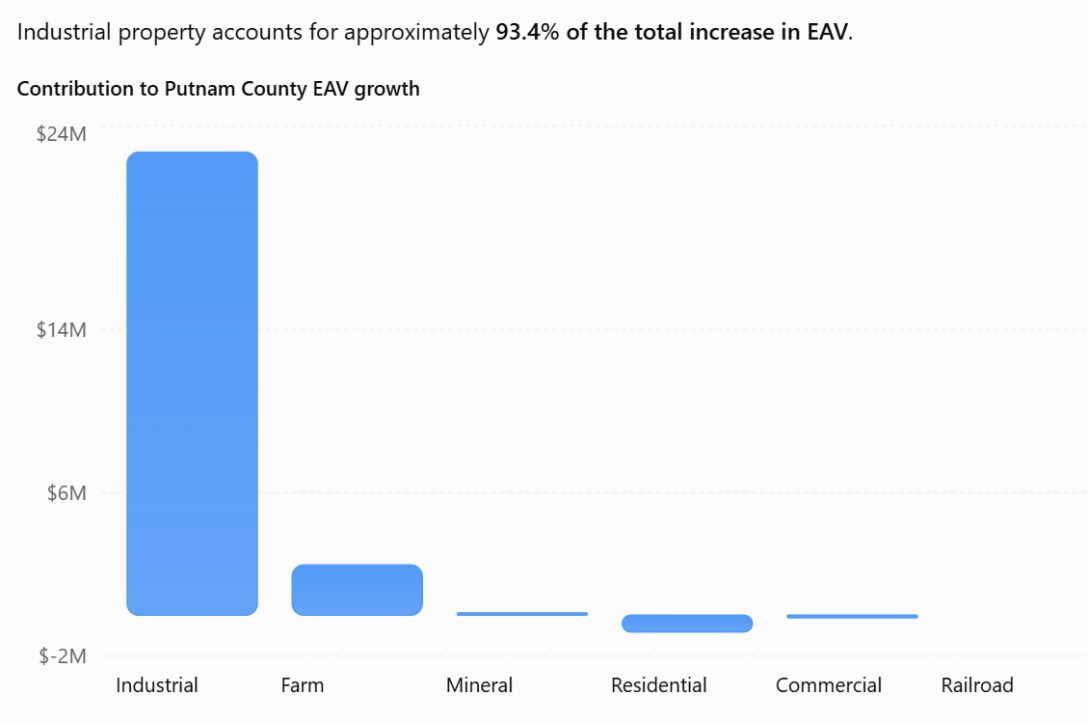
IV. The total property taxes extended or abated for 2025 were $8,872,223.
The estimated total property taxes to be levied for 2026 are $10,027,764. This represents a 13.02% increase over the previous year.

Conclusion

There is a strong possibility that Putnam County homeowners could see a little to no increase in the school district portion of their property tax bills, even if the district increases its total tax levy.

The key is that the majority of the district's EAV growth this year is coming from industrial property rather than residential property.

This matters because the cost of funding the school district is spread across its taxable property base. As industrial property contributes more, residential taxpayers may carry a smaller share of the district's levy.



Please note: the overall 0.86% decline in residential EAV does not mean every home's assessment decreased. An individual homeowner's taxable EAV could still increase.

Fund Balances

Public Act 102-0895

Requires school districts with cash reserve balances to disclose that at the annual budget and levy hearing.

Fund	Education	Operations and Maint	Debt Services	Transportation	IMRF/SS	Capital Projects	Working Cash	Tort	Life Safety	Total
June 30, 2026 Fund Balance	$17,486,622.69	$3,925,540.31	$791.22	$608,182.64	$519,503.66	$0.00	$3,422,861.45	$215,409.72	$720,688.97	$26,899,600.66

Days Cash on Hand	Days Cash on Hand	Days Cash on Hand
492	1084	150
Months Cash on Hand	Months Cash on Hand	Months Cash on Hand
16	36	5

Public Act 103-0392

Requires school districts to report and avoid excess accumulation of money in their principal operating funds.

If the combined fund balance in Education, Operations and Maintenance, and Transportation is greater than 2.5times the district's average combined expenditures in those three funds over the prior three fiscal years, the district must submit a Reserve Reduction Plan to the Illinois State Board of Education.

Fund	FY2024	FY2025	FY2026	Average 3-Year Expenditures
Education	$ 10,220,308.00	$ 11,097,722.00	$ 11,653,162.00	$10,990,397.33
O&M	$ 1,903,336.00	$ 1,603,568.00	$ 1,974,417.00	$1,827,107.00
Transportation	$ 1,074,165.00	$ 1,294,686.00	$ 1,381,547.00	$1,250,132.67

Total Combined Average 3-Year Operational Expenditures
$14,067,637.00

Current Operational Fund Balance
$22,020,345.64

2.5 Times Average Expenditures
$35,169,092.50

Below Threshold
$13,148,746.86

Operational Funds Reserve Reduction Plan
NOT REQUIRED