FOR DISCUSSION

Lisle Community Unit School District 202
Finance Committee Meeting
November 23, 2026

SUBJECT: 2026 Tentative Real Estate Tax Levy

BACKGROUND DATA: Annually, the Board of Education sets a tax levy that provides the School District with approximately 80% of its total revenue. The Property Tax Extension Limits Law (PTELL) limits the amount the tax levy extension can increase over the prior year's levy. Three factors determine the allowable tax growth under the PTELL laws: 1) the amount of the prior year's tax extension, 2) the increase in the Consumer Price Index (2.7% for 2025), and 3) new construction.

The first two items above are known when determining the levy. The new construction figure will not be finalized by the County Clerk until March 2027. Based on preliminary information from the Township Assessor, the Administration has estimated new construction at $900,000. The extension request is slightly higher than the actual extension will be, as new property values are currently unknown. Once the new construction numbers are finalized, the County Clerk will lower the tax levy to reflect the final figure.

The Administration is recommending a 2026 Tentative Real Estate Tax Levy for capped funds of $38,420,000, which includes a 2.7% CPI increase and captures new construction added to the tax rolls. The distribution to the individual funds is as follows:

Educational	$ 26,110,000
Operations & Maintenance	$ 3,150,000
Transportation	$ 2,000,000
Working Cash	$ 5,000
Municipal Retirement	$ 425,000
Social Security	$ 525,000
Tort Immunity	$ 5,000
Special Education	$ 6,200,000
Total Capped Funds	$ 38,420,000

Compared to the 2025 levy, the recommendation shifts levy dollars from the Transportation Fund to the Operations & Maintenance Fund. Transportation costs rose significantly in recent years, from $2.38 million in FY2022 to $3.22 million in FY2025, and the Transportation Fund balance fell from $2.41 million at June 30, 2021 to $0.80 million at June 30, 2024. The District increased the transportation levy in response and, with costs stabilizing in FY2026, the fund balance has recovered to $1.78 million. Meanwhile, the Operations & Maintenance Fund balance decreased from $2.09 million to $1.69 million in FY2026 as reserves were used, as planned, for building maintenance and improvements. Because the 2026 levy funds the FY2028 budget, the shift is intended to stop the growth of the Transportation Fund balance and better align Operations & Maintenance Fund revenues with its ongoing costs.

The bond and interest levy of $1,497,500 was established at issuance of the Series 2019 Bonds. The bond and interest amount is levied by the County Clerk unless the District files a tax abatement by March 31, 2027.

The 2026 Real Estate Tax Levy Report is included in the Finance Committee Packet. The Report includes detailed information related to the calculation of the 2026 Tentative Real Estate Tax Levy. A presentation of the tax levy will be provided on Monday night and is available in BoardBook.