November 2025 Busine$$ Report BY MARC CAMPBELL

Highlights from the First Week of Veto Session – *October 17, 2025*
Written by; Emily Warnecke and Distributed by IASBO Online via Advocacy Alerty Legislative Update Email.

The first week of the Illinois General Assembly's fall veto session was relatively quiet, focused largely on routine housekeeping measures and early budget-related discussions. Lawmakers held subject matter hearings on the looming "fiscal cliff" facing the regional transit system and explored potential revenue solutions to sustain essential services. In the General Services Appropriations Committee, testimony centered on how recent federal changes to the SNAP program could affect both Illinois residents and the state budget.

Overall, much of the discussion this week reflected growing attention to how Public Law No. 119-21, which was formerly referred to as the One Big Beautiful Bill Act (OBBA), might influence Illinois' revenue projections as agencies begin planning for the Fiscal Year 2027 budget cycle. At this point, much of the discussion is speculative and we expect to learn more as budget recommendations take shape over the next few months.

Committee and Floor Action
The Senate Executive Committee heard SB243 for a concurrence hearing on Wednesday afternoon. During the Spring 2025 session, multiple FOIA and OMA-related bills were filed in response to issues identified by public bodies. An omnibus package was filed in the final week of session that included a handful of welcome changes, but while the bill passed the House with unanimous support, time simply ran out for a concurrence vote in the Senate before adjournment in May. This week, the bill cleared committee unanimously, passed the Senate floor without opposition, and now heads to the Governor for signature.

As a refresher, the bill includes the following updates to FOIA procedures: it allows public bodies to verify that suspected AI-generated FOIA requests come from real individuals, with the ability to deny requests if verification is not completed within 30 days. It also requires full FOIA requests to appear in the body of an email rather than as attachments, reducing cybersecurity risks for public bodies.

Other Actions
SB1937, amended this spring with House Amendment 2, would make several significant adjustments to the Tier 2 pension system. Although the amendment did not receive a House floor vote before adjournment in May, it was reassigned to the House Executive Committee on Thursday afternoon. The House adjourned yesterday before a hearing could be scheduled, but it is possible the bill will receive one when legislators return to Springfield on October 28.

As filed, the bill would increase the Tier 2 earnings cap to align with the Social Security Wage Base, provide a 3 percent simple COLA in retirement, allow members to retire at age 62 with maximum service (or age 65 with 20 years), and use the highest six years of creditable earnings over the last ten years of service for annuity calculations.

HB1863 received Senate Amendment 2 on Tuesday, adding several clean-up provisions across various sections of the statute. The amendment would also require the Professional Review Panel to submit a report to the Governor and General Assembly by March 31, 2026, evaluating the effectiveness of the Property Tax Relief Pool Grant Program (PTRG). The report must include data on district participation since Fiscal Year 2019, tier assignments of participating districts, and an analysis of their operating tax rates to assess whether the PTRG is meeting its intended goal of reducing property taxes in high-tax areas.

This reporting requirement stems from language in the Fiscal Year 2026 Budget Implementation Bill (BIMP) that paused the $50 million PTRG allocation, following concerns from some legislators that the program is not achieving its purpose. The amendment has not yet been assigned to committee but will likely be heard when legislators return in two weeks, as it is part of the Governor's office's clean-up package.

Other Item of Interest

During the spring session, HB3772, ISBE's proposal to limit suspensions and expulsions for students in preschool through grade 2, passed the Senate, but fell short of the votes needed for concurrence in the House. As a result, the bill still requires a full House vote before it can head to the Governor.

While there was no action on the bill this week, ISBE continues to advocate for passage before the veto session concludes. After extensive negotiations, school management groups withdrew their opposition, resulting in a compromise that all parties can accept. The final bill would still allow expulsions in severe circumstances, require superintendent approval for suspensions longer than three days for students in Pre K–2, and expand eligibility for ALOP programs down to kindergarten (currently available only for grades 4 and above).

Wrap-Up

Lawmakers will return to Springfield for the final three days of veto session from October 28 to 30.

Education Department 'exploring' ways to move special education elsewhere – *October 21, 2025*

Written by: Kara Arundel for K-12 DIVE and Distributed Online by IASA through Eye on Education Email Listserv at; https://www.k12dive.com/news/trump-McMahon-special-education-management-oversight-education-department/803441/

While no official plan is in place yet, it's Education Secretary Linda McMahon's goal to shut down the department, said an agency spokesperson.

As rumors swirled that special education programs could soon be leaving their longtime home at the U.S. Department of Education, a spokesperson confirmed on Tuesday that the agency is "exploring additional partnerships" with other federal agencies to support this programming.

Madi Biedermann, deputy assistant secretary for communications, in an email to K-12 Dive, did not detail what federal agencies the Education Department was seeking to partner with, but emphasized that any agreement would be made "without any interruption or impact on students with disabilities." Biedermann made clear that no agreement has been signed.

Biedermann added that U.S. Education Secretary Linda McMahon "is fully committed to protecting the federal funding streams that support our nation's students with disabilities," even as McMahon's goal is to "put herself out of a job by shutting down the Department of Education and returning education to the states."

The Trump administration has said for several months that it wants to move special education out of the Education Department. Both President Donald Trump and McMahon have named the U.S. Department of Health and Human Services as a potential partner in overseeing federal special education activities.

This latest development comes as the Trump administration continues its quest to downsize the Education Department. Staff buy-outs, early retirements and mass firings, including one on Oct 10 during the federal government shutdown, has left the agency with about half of the workforce it began the year with.

Most of the employees within the Education Department's Office of Special Education and Rehabilitative Services, about 121 people, were fired on Oct. 10 while many were furloughed by the shutdown. About 465 employees across the Education Department were let go, including in the Office of Elementary and Secondary Education and the Office for Civil Rights.

More than 4,000 federal employees across 30 federal agencies, including at the Education Department, were expected to be laid off. A federal judge on Oct. 15 ordered the Trump administration to immediately cease the mass firing of federal employees during the shutdown.

The Trump administration's shrinking of the federal government footprint, including the desire to shutter the Education Department, is aimed at reducing federal bureaucracy and giving states and districts more control over how they spend federal taxpayer money.

Several special education and public school advocacy groups, however, are cautioning that without federal oversight, monitoring and technical assistance, the burdens for complying with the Individuals with Disabilities Education Act — the nation's special education law that turns 50 next month — will fall to states and districts.

The lack of federal support from experts in OSERS and its Office of Special Education Programs, could lead to more procedural mistakes, added compliance burdens on teachers, delays in evaluations for special education services for students, and gaps in data that informs improved practices, said David Bateman, a principal researcher at the American Institutes for Research and professor emeritus at Shippensburg University.

Bateman, speaking during a Tuesday webinar hosted by Parallel Learning, a company that supports special education services, and attended by school district leaders, emphasized that although major changes are occurring at the federal special education level, schools, districts and states still need to adhere to IDEA rules. They include providing individualized supports and services to qualified students with disabilities, he said.

"The regulations that we have for IDEA and Section 504 remain in law," he said. "Tell your teachers this."

Fed cuts rates for the second time this year, will end balance sheet run-off in December – *October 29, 2025*
Article Written for CNBC and Distributed via Email Listserv by PTMA Financial Solutions

The Federal Reserve on Wednesday approved its second straight interest rate cut, a widely expected move that came despite little recent visibility on the economy due to the government shutdown.

By a 10-2 vote, the central bank's Federal Open Market Committee lowered its benchmark overnight borrowing rate to a range of 3.75%-4%. In addition to the rate move, the Fed announced that it would be ending the reduction of its asset purchases – a process known as quantitative tightening – on Dec 1.

Governor Stephen Miran again cast a dissenting vote, preferring the Fed move more quickly with a half-point cut. St. Louis Fed President Jeffrey Schmid joined Miran in dissenting but for the opposite reason – he preferred the Fed not cut at all.

The rate also sets a benchmark for a variety of consumer products such as auto loans, mortgages and credit cards. The reduction came even though the Fed essentially has been flying blind lately on economic data.

Other than the consumer price index release last week, the government has suspended all data collection and reports, meaning such key measures as nonfarm payrolls, retail sales and a plethora of other macro data is unavailable.

In the post-meeting statement, the committee acknowledged the uncertainty accompanying the lack of data, qualifying the way it categorized broad economic conditions. "Available indicators suggest that economic activity has been expanding at a moderate pace. Job gains have slowed this year, and the unemployment rate has edged up but remained low through August; more recent indicators are consistent with these developments," the statement said. "Inflation has moved up since earlier in the year and remains somewhat elevated."

Each of those characterizations represented tweaks from the September statement. The most significant change was the view on broad economic activity. In September, the FOMC said activity had moderated. The statement reiterated concerns that policymakers have over the labor market, saying that "downside risks to employment rose in recent months."

Even before the shutdown, evidence had begun to build that while layoffs have been contained, the pace of hiring had flattened. At the same time, inflation has held considerably above the Fed's 2% annual goal. The CPI report last week, released because of its importance to Social Security cost of living adjustments, showed the annual rate at 3%, pushed by higher energy costs as well as several items with direct or indirect links to President Donald Trump's tariffs.

The Fed tries to strike a balance between full employment and stable prices. Officials lately, though, have said they see a slightly higher risk posed by the jobs picture. Along with the interest rate decision, the Fed said its process of reducing the amount of bonds it holds on the central bank's $6.6 trillion balance sheet will end.

The program, also known as QT, had shaved some $2.3 trillion off the Fed's portfolio of Treasurys and mortgage-backed securities. Instead of reinvesting maturing proceeds from the securities, the Fed has been allowing them to roll off the balance sheet at a limited level each month. However, recent signs of some tightening in short-term lending markets have raised concern that the roll-off has gone far enough.

An implementation note accompanying the decision indicated the Fed will be rolling proceeds from maturing securities into shorter-term bills, thus reducing the duration of its broader portfolio. Previously, the Fed had rolled the proceeds over into securities of the same maturities.

Markets recently had begun anticipating that the Fed would end QT either in October or by the end of the year. The Fed expanded its holdings during the Covid crisis, pushing the balance sheet from just over $4 trillion to close to $9 trillion. Powell has said that while the Fed found it necessary to shrink its holdings, he did not foresee a return to pre-pandemic levels.

In fact, Evercore ISI analyst Krishna Guha said he could foresee a scenario where the Fed actually restarts the purchases early in 2026 for "organic growth purposes" as market conditions shift. The Fed rarely eases monetary policy during economic expansions and bull markets in stocks. Major averages, though volatile, have been posting a series of record highs, boosted by further gains in Big Tech stocks and a robust earnings season.

History has shown that the market continues to rise when the Fed does cut under such circumstances. However, easier policy also poses the risk of higher inflation, a condition that forced the Fed into a series of aggressive rate cuts.

Education Department ordered to reinstate mental health grants – *October 28, 2025*
Written by: Kara Arundel for K-12 DIVE and Distributed by IASA Online through Eye on Education Email Listserv at; https://www.k12dive.com/news/education-department-ordered-to-reinstate-mental-health-grants-schools/804039/

A school psychologists organization said the ruling is a "win" for families and educators. The department says it will appeal.

Dive Brief:

- The U.S. Department of Education must reinstate, for now, canceled federal grants for student mental health services due to "numerous irreparable harms flowing from the discontinuation decisions," according to an order by a federal judge on Monday.
- Sixteen states sued the Education Department in late June after the Trump administration in April canceled the multi-year congressionally approved funding for the School-Based Mental Health Services Grant Program and the Mental Health Service Professional Demonstration Grant. The order only applies to about 50 school districts, colleges and nonprofit entities who received the grants in the plaintiff states.
- In the order, the judge said grant discontinuations were likely "arbitrary and capricious" because they were not renewed based on individual reasons, but rather were discontinued with a generic message saying that the grants "were not in the best interests of the federal government."

Dive Insight:
On Tuesday, an Education Department spokesperson said the agency stands by its grant decisions and will appeal the order.

The Education Department announced in September that their new $270 million grant competition is accepting applications to use the federal funds from the two programs that were canceled in April. The department issued new priorities prohibiting the mental health grant money to be used for "promoting or endorsing gender ideology, political activism, racial stereotyping, or hostile environments for students of particular races."

The Education Department spokesperson, in a Tuesday email, said, "Our new competition is strengthening the mental health grant programs in contrast to the Biden Administration's approach that used these programs to promote divisive ideologies based on race and sex."

Some education organizations said they were concerned that the new competition focuses only on school psychologists and does not include school counselors and social workers who also provide student mental health supports.

The canceled grants, which were set to expire on Dec. 31, were focused on increasing the pipeline of credentialed school-based mental health professionals working in rural and underserved areas and providing direct services to students in high-needs schools, according to court documents. Court records said that the Education Department valued the canceled grants at about $1 billion.

Addressing the discontinuation of the grants, Judge Kymberly Evanson in the U.S. District Court Western District of Washington said in the order that there was no evidence the Education Department "considered any relevant data pertaining to the Grants at issue," leaving it difficult to determine "whether the Department's decision bears a rational connection to the facts."

Kelly Vaillancourt Strobach, director of policy and advocacy for the National Association of School Psychologists, called the ruling "a win for children, families, and educators across the country."

Vaillancourt Strobach said in an email Tuesday that the grants "have proven essential in addressing nationwide shortages of school psychologists and other school mental health professionals."

Education Department resumes operations after prolonged shutdown – November 13, 2025
Written by: Kara Arundel for K-12 DIVE and Distributed by IASA Online Through Eye on Education via Email Listserv at; https://www.k12dive.com/news/education-department-shutdown-RIFs-Head-Start-Trump/805477/

The temporary budget deal funds the Education Department through Jan. 30, 2026, and requires the reinstatement of RIFed employees.

Federal education staff are returning to work after a weeks-long federal government shutdown that halted many U.S. Department of Education activities ended Wednesday. However, the agreed-upon plan to open the government is only temporary.

The continuing resolution signed into law Wednesday funds federal education programs at fiscal year 2025 levels. This temporary spending plan expires Jan. 30, unless Congress agrees to a more permanent budget before that deadline.

The deal nullifies the reduction-in-force notices sent to 465 agency employees on Oct. 10. The Education Department is also prohibited from issuing additional RIFs through the end of January and must provide back pay to all employees who did not receive compensation during the shutdown.

In a statement to K-12 Dive on Thursday, the Education Department said that it "brought back staff that were impacted by the Schumer Shutdown," in a reference to Senate Minority Leader Chuck Schumer, D-N.Y.

In Senate floor remarks Nov. 10, Schumer said, "The last 41 days have exposed the depths of Donald Trump's cruelty. He shut the government down longer than any president in American history and took innocent kids, veterans, and federal workers as political hostages, all because he refuses to do anything — anything — to fix the healthcare crisis and instead keeps pushing policies that will cut people's coverage even more."

The statement from the Education Department added that the "Department will follow all applicable laws" and that all employees coming off furlough are back to active duty.

However, the American Federation of Government Employees Local 252, which represents more than 2,700 U.S. Department of Education employees, said the return to work for agency staffers has been "rocky."

Rachel Gittleman, president of AFGE 252, said in a statement Thursday afternoon that employees have not received official notices from the Education Department's human resources office to return to work. Rather, they are relying on text messages from supervisors or colleagues. Gittleman added that many employees named in the October firings are locked out of their computers and do not have access to agency email.

"This disorganization and chaos only further demoralizes the hardworking public servants at the Education Department that have faced threats, harassment, illegal firings — and 44 days without paychecks," Gittleman said.

Shutdown impacts

The shutdown — the longest in U.S. history — began Oct. 1 after Congress reached an impasse on spending for FY 2026. While day-to-day K-12 and higher education operations stayed mostly unaffected, the federal shutdown put a pause on Office for Civil Rights investigations, new grant-making activities and technical assistance support.

Still, some disruptions trickled down to early childhood programs and K-12 school systems.

The National Association of Federally Impacted Schools, in a Nov. 7 statement, warned that delays in Impact Aid payments, which help school systems that are located in areas with non-taxable federal property, were "destabilizing school districts across the country."

NAFIS Executive Director Cherise Imai said that funding delays were not only inconvenient, they were "dismantling student support systems and threatening the stability of entire communities."

The association said a survey of 90 federally impacted school districts found that more than one-third were feeling budget pressures, with many cutting programs, freezing hiring and drawing on reserves to stay open.

Early in the shutdown, it was expected that athletics and extracurricular activities at Department of Defense Education Activity schools would be paused, but those events were later deemed excepted activities during the lapse in appropriations.

Although the federal government has reopened, uncertainty remains. According to a Nov. 10 posting by Tara Thomas, senior government affairs manager at AASA, The School Superintendents Association, "the agreement does not provide superintendents with any additional certainty regarding education funding for the 26-27 school year."

Staffing levels at the Education Department remain quite lean as well due to layoffs, buyouts and attrition that occurred prior to the shutdown. According to a court filing from Nov. 12, the total number of Education Department employees is 2,536, down from 4,133 when Trump was inaugurated Jan. 20.

In early childhood education, the shutdown caused nearly 10,000 children to temporarily lose access to federally supported Head Start centers after funding lapsed, according to the National Head Start Association.

Head Start provides early childhood education services for children from low-income families. NHSA said the shutdown caused thousands of parents to lose child care services and cut access to healthy meals at the same time federal benefits for the Supplemental Nutrition Assistance Program expired Nov. 1.

In a Thursday statement, Yasmina Vinci, executive director of NHSA, credited the Head Start workforce for using emergency funds, working without pay and working with community partners to keep most Head Start programs open.

"This shutdown exposed how deeply we rely on a workforce that is underpaid, overextended, and yet unwavering in its commitment to our nation's most vulnerable children," Vinci said.

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Economic News Briefs…

- ***Market and Economic Highlights:***
  - The S&P 500 posted its sixth straight month of gains while NASDAQ posted its seventh
  - The Fed cut rates by 25 basis points and announced plans to end quantitative tightening
  - U.S.-China trade talks lowered the average tariff on Chinese imports to 45%
  - September CPI was lower than expected on easing housing-related inflation
  - Layoff announcements at Amazon and Target increased labor market concerns

  Source: Bloomberg, FactSet

- ***The Fed and a Government Shutdown:*** U.S. equities continued to climb in October. Big tech was mostly higher as the AI growth narrative remains a strong tailwind. AI and chip-related deals and partnerships added to momentum as multiple companies announced partnerships with OpenAI and Nvidia. With 64% of S&P 500 companies reporting third quarter earnings through October 31, the blended earnings growth rate (including reported and forecasted earnings) was 10.7%. A strong 83% and 79% have beaten earnings and sales forecasts, respectively. Areas of caution included a somewhat more hawkish Fed, government shutdown risks, labor market concerns and potential bubble risks. *Sources: Bloomberg, FactSet as of 10/31/25*
Taken from the ISDLAF+ Market Update November 2025 prepared by PMA Asset Management, LLC

Countywide Sales Tax

The District again continues to see strong CFST revenues. The table below represents strong receipts for July 2025. The CFST receipts are three months in arrears, so the funds received in November represent the taxes paid by consumers in July. The $220,000 received represents the largest amount since the creation of the program and is a 24% increase over FY 25. 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 since FY 23 with a comparison of FY 25 vs. FY 26.

Countywide Sales Tax Revenues

	FY 23	FY 24	FY 25	FY 26	Difference FY 25 v. 26
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	$0.00	$0.00
September	$160,407.90	$175,220.50	$176,058.42	$0.00	$0.00
October	$162,719.99	$165,535.70	$157,162.56	$0.00	$0.00
November	$157,766.14	$168,001.90	$171,171.84	$0.00	$0.00
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	$181,283.06	$186,682.55	$213,942.95	$0.00	$0.00
	$1,910,230.44	$2,024,599.90	$2,223,415.35	$220,684.93	$43,443.37

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

	District Highest to Lowest	Total Rate
1	Freeport	$6.66918
2	RF/East Coloma	$6.26760
3	RF/Montmorency	$6.14680
4	Ottawa/Ottawa	$6.08731
5	RF/RF	$6.05520
6	Streator/Streator	$5.98927
7	Hiawatha (Kirkland)	$5.86600
8	Harlem	$5.86230
9	Peru/LaSalle	$5.76271
10	LaSalle/LaSalle	$5.75191
11	Kings/Rochelle	$5.73656
12	Chadwick/Millidgeville	$5.59320
13	Meridian (Stillman Valley)	$5.58999
14	Winnebago	$5.57510
15	Durand	$5.51860
16	Creston/Rochelle	$5.46044
17	Orangeville	$5.44655
18	Oregon	$5.38393
19	Paw Paw	$5.37440
20	Sycamore	$5.30779
21	West Carroll	$5.25738
22	Dekalb	$5.23554
23	South Beloit	$5.21060
24	N. Boone	$5.18227
25	Polo	$5.12474
26	Rochelle/Rochelle	$5.12242
27	Belvidere	$5.11389
28	Ashton/Franklin	$5.06540
29	Somonauk	$5.02738
30	Mendota/Mendota	$5.00510
31	Pecatonica	$4.98110
32	Genoa/Kingston	$4.97231
33	Amboy	$4.96310
34	**Dixon**	**$4.91720**
35	Dakota	$4.88409
36	Indian Creek (Shabbona)	$4.81685
37	Forreston	$4.81128
38	Rockford	$4.80900
39	Galena	$4.71810
40	Morrison	$4.68530
41	Hinckley/Big Rock	$4.66413
42	Warren	$4.48740
43	East Dubuque	$4.47203
44	Riverbend (Fulton)	$4.46530
45	Ptown/Lyndon/Tampico	$4.33240
46	Sandwich	$4.28983
47	Sterling	$4.26239
48	Pearl City	$4.24957
49	Stockton	$4.02776
50	Lena Winslow	$4.01414
51	Byron	$3.84292
52	Eastland	$3.52171
53	Scales Mound	$3.30090
54	River Ridge	$3.11973
55	Erie	$2.97373
	District Highest to Lowest	**Total Rate**

Tax Levy – SY 25/26 – FY 26 – TY 24
Table represents the NW IL Area Tax Rates – 2024 Levy for 2025-2026 SY
Graphical representation of this table has been provided for you

Next month, the Board will be presented with a proposed Tax Levy. The proposed levy will outline the estimated Equalized Assessed Value of the District, the tax rates by fund, and the estimated levy (request) to be distributed to the District by the County Clerk. The Board takes the authority to levy property taxes from both Lee County and Ogle County residents living in the Dixon Unit School District #170 boundaries. This must be presented 20 days prior to approval. Approval will take place in December and the levy is required to be delivered to both the Ogle and Lee County Clerks by the last Tuesday in December.

These funds will be received during next school year, 26/27. This is also referred to as Tax Year 2025 (TY 25) and Fiscal Year 27 (FY 27).

Calendar:
Summer: The county receives property tax payments and distributes the funds to the taxing authorities (July through December). The received payments by the taxing body (the District) is referred to as the tax extension.
Fall/Winter: The Board takes very specific steps to request a tax levy (the tax levy is the request of the taxing body). The request will not equal what we receive (extension).

- Adopt a budget with estimated revenues. (September)
- The Board is presented with a levy breakdown and establishes a Truth in Taxation Hearing if needed in November.
- The Board holds the Truth-in-Taxation Hearing if needed and approves the levy (December).

Spring:
The Taxing Authority (County Clerk) processes the tax bills and sends them to taxpayers (starts in April with payments due in June and September).
Summer:
The County Assessor begins the assessment process with final assessments being made by November.
Note the process overlaps and repeats…

The table outlines each of the different district tax rates for the NW Division. Note that Dixon's tax rate is 34th in the Northwest Region with two districts holding Nuclear Power Plants.

Our tax rates are limited. In other words, the Board does not have the authority to raise the tax rate. For Example: The Education Fund tax rate is 2.95. That means that for every $100 of EAV the district receives $2.95. DPS Tax Rate was $4.9172 so for a house with an assessed value of $100,000, the District would receive $4,9172. Remember the assessed value is not the market value and the assessor determines that value. The assessed value is approximately a third of the market value.

The District can ask for any amount, but the Clerk will only distribute the amount that the property owner is required to pay, which is the percentage against the assessed value.

Equalized Assessed Value (EAV) Summary:

The Equalized Assessed Value (EAV) of your property is the product of the assessed value of your property (both land and improvements) and the State Equalization Factor, which is set by the Illinois Department of Revenue. In Illinois, counties are required to "equalize" property tax assessments so that the median level of assessment is at 33% of fair market value. EAV is part of an approach to taxation and property assessment which is supposed to ensure fairness to the taxpayers throughout the state of Illinois. EAV is also used in attempting to equitably set and distribute state grants-in-aid and applying tax rate and bonded indebtedness restrictions fairly.

Below is a summary of EAV for DPS for the past 5 years and the estimated amount for 2025.

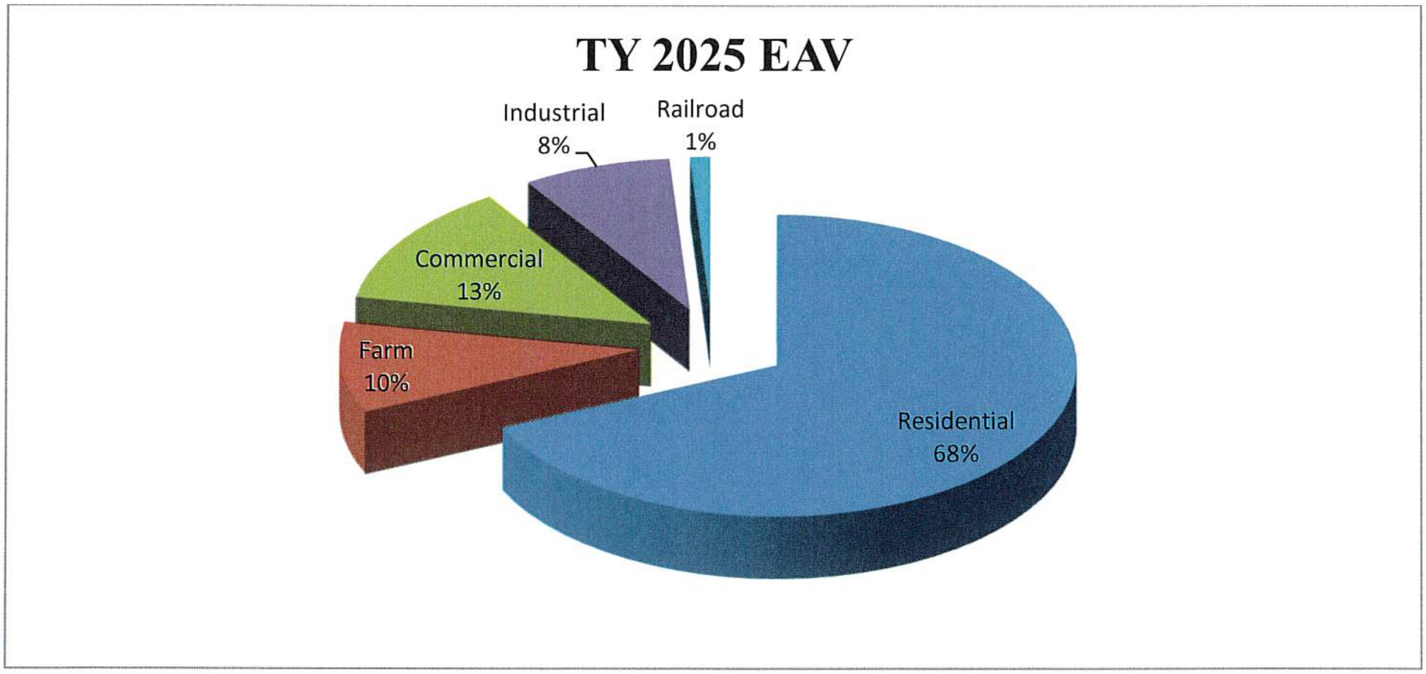
Tax Year 2025: Equalized Assessed Value

Property Class	TY 2021 EAV	TY 2022 EAV	TY 2023 EAV	TY 2024 EAV	Estimated TY 2025 EAV	%
Residential	$264,014,650	$287,441,719	$321,214,137	$356,822,080	$392,504,288	68.19%
Farm	$38,543,308	$42,071,132	$46,005,160	$50,590,859	$55,649,945	9.67%
Commercial	$58,461,591	$60,625,663	$65,344,216	$68,396,988	$75,236,687	13.07%
Industrial	$38,135,994	$40,111,597	$41,030,450	$41,620,311	$45,782,342	7.95%
Railroad	$5,187,733	$5,691,917	$6,154,313	$5,836,387	$6,420,026	1.12%
	$404,343,276	$435,942,028	$479,748,276	$523,266,625	$575,593,288	100.00%
	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	Receipt Year
	SY 22/23	SY 23/24	SY 24/25	SY 25/26	SY 26/27	Receipt Year

	Actual TY 2021	*Actual TY 2022*	*Actual TY 2023*	*Actual TY 2024*	*Estimated TY 2024*	
Lee County	$ 364,497,309	$ 393,588,471	$ 432,621,137	$ 470,254,796	$ 517,280,276	90%
Ogle County	$ 39,845,967	$ 42,353,557	$ 47,127,139	$ 53,011,829	$ 58,313,012	10%
Total	$ 404,343,276	$ 435,942,028	$ 479,748,276	$ 523,266,625	$ 575,593,288	
Percent Inc.		7.81%	10.05%	9.07%	10.00%	
Receipt Year	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	
Receipt Year	SY 21/22	SY 22/23	SY 23/24	SY 24/25	SY 25/26	

As of Wednesday end of business, Lee County Tax Assessor's office had not provided estimated EAV with the appropriate township multiplier applied to the totals. Without this information it is challenging to determine the EAV increase for Lee County which accounts for 90% of the District's EAV.

What does this mean for the district? As the District prepares the levy, we are ultimately applying our legislatively driven tax rate to the EAV. The rate remains the same from year to year, but the value of the levy or extension will increase by the percentage of increase in EAV. As a result, the District is put in a position to estimate high in an effort to capture all tax revenue. The assessment process is designed across the state to equalize property values while allowing for property values to move based on market and local conditions. Based on this information, the levy presented today marks an equalized increase between the two counties greater than the estimate.



Property Tax Definitions:

EAV – Equalized Assessed Value = The assessed value multiplied by the state equalization factor; this gives the value of the property which the tax rate is calculated after deducting the homestead exemptions, if applicable. For farm acreage, farm buildings, and coal rights, the final assessed value is the equalized value.

Levy = The amount of money a school district certifies to be raised from property tax. The levy must be placed on file for a minimum of 20 days before being voted on by the Board of Education and filed with the county clerks (Lee and Ogle) by the last Tuesday in December. The process usually takes place at the November and December meetings each year.

Nickel Levy = In reference to the Levy, a "nickel levy" or $.05 per $100 of Equalized Assessed Value. Currently the District utilizes the "nickel levy" for Lease/Tech Levy, Fire Safety Levy, and Working Cash.

Operating Tax Rate = All school district property taxes extended for all educational purposes. Dixon Unit School District #170's Tax Year 2019 tax rate payable in 2021 for the FY 2020/2021 School Year was $4.9585.

TIF – Tax Increment Financing = A property tax-related economic development incentive which lasts for 23 years. A specifically defined district in need of special assistance is created by a local city, town or county (Dixon has two: 1) the Central Business District TIF created on 11/12/1987 and extended on 8/15/2011, and 2) the Riverfront TIF created on 7/19/2004). The total equalized assessed value (EAV) at the time of creation is measured and frozen. Bonds are floated to pay for public infrastructure costs or to help the developer through low-interest loans or lowered land prices. These long-term bonds are paid off from the additional property tax revenue generated by the property tax in the district above the amount of tax revenue generated from the frozen tax base. Theoretically the redevelopment causes the EAV to increase which allows the taxing districts to reap the benefits upon expiration.

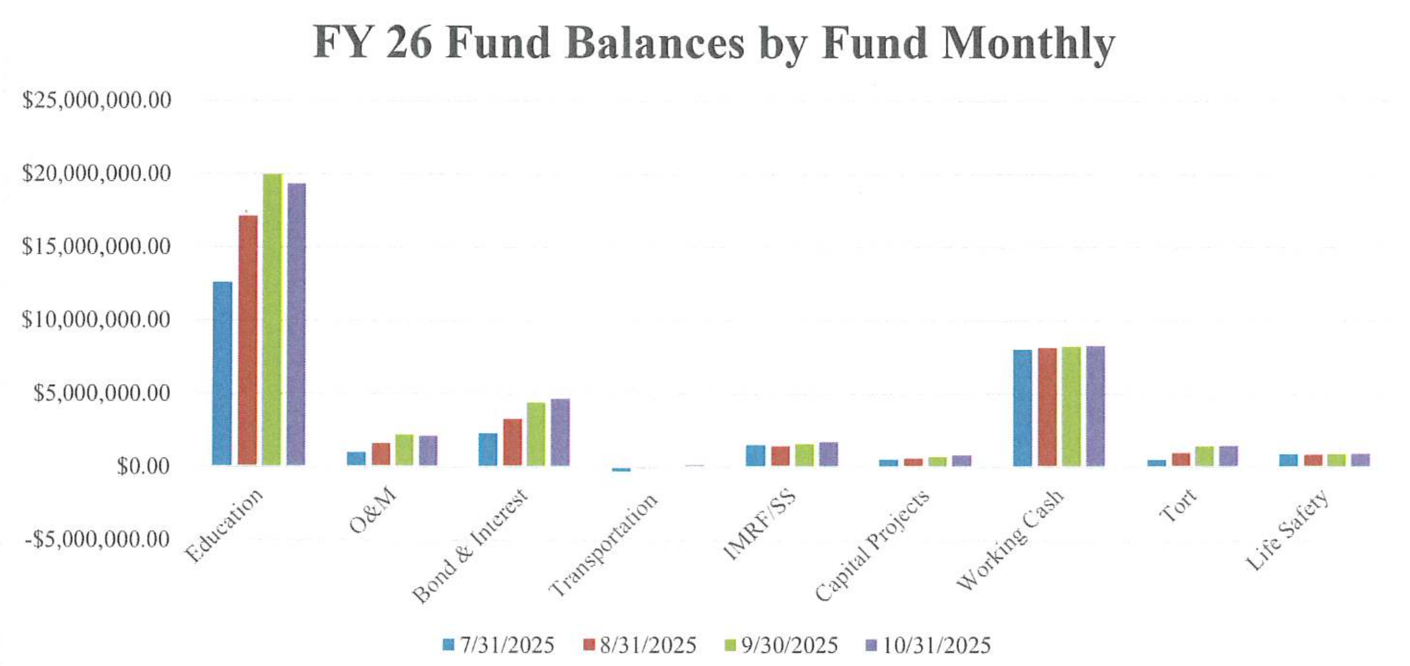
Tax Rate = The amount of tax due stated in terms of a percentage of the tax base. Example: 2.95% of equalized assessed value is a representation of the Certified Rate for the Education Fund of $2.95 per one hundred dollars of equalized assess valuation. The 2019 Tax Rates payable in 2020/2021 for FY 20 are as follows: Education = $2.95/$100 EAV (maximum limit), Special Education = $0.04/$100 EAV (maximum limit), Leasing = $0.05/$100 EAV (maximum limit), Operations and Maintenance = $0.50/$100 EAV (maximum limit), Bond and Interest = $0.6176/$100 EAV, Transportation = $0.20/$100 EAV (maximum limit), IMRF = $0.0641/$100 EAV, Social Security = $0.0997/$100 EAV, Working Cash = $0.05/$100 EAV (maximum limit), Liability Insurance = $0.3371/$100 EAV, Fire Safety = $0.05/$100 EAV (maximum limit), which totals $4.9585/$100 EAV.

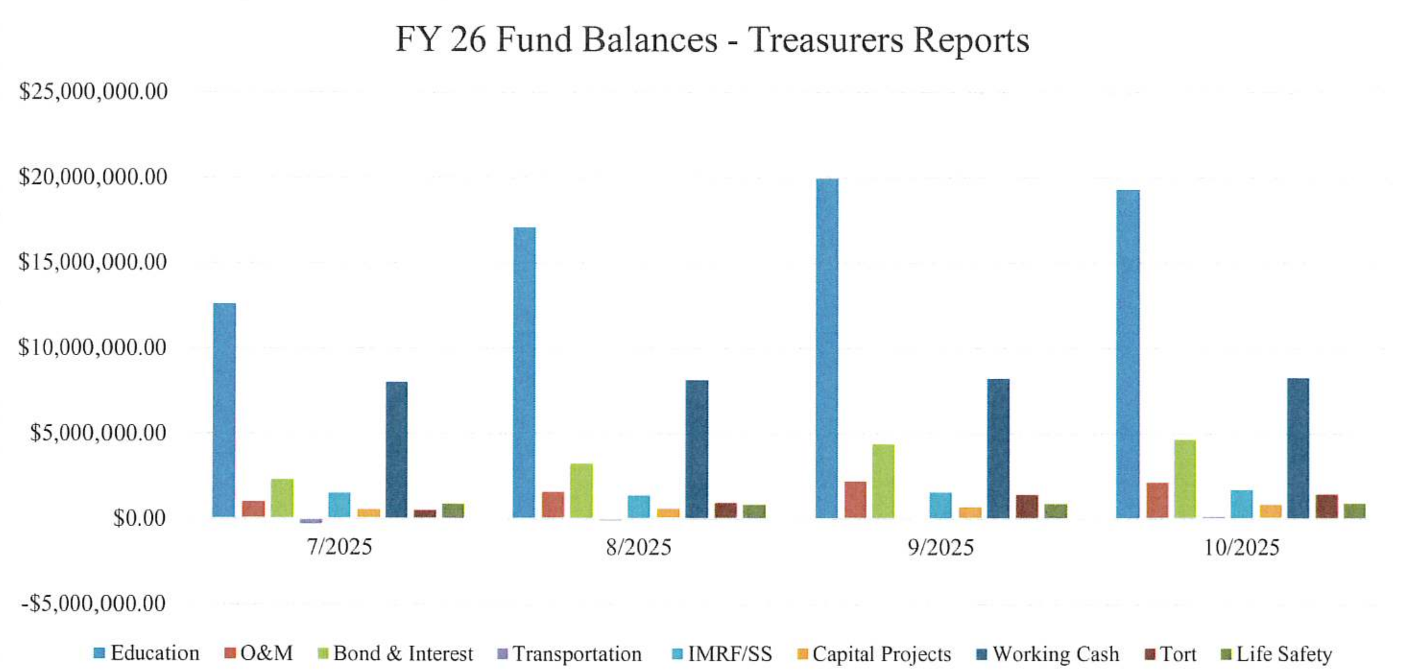
Tax-Rate Limit = The tax-rate limit is the maximum tax rate that the county clerk may extend. Illinois law authorizes maximum tax rates without referendum, but districts may increase tax rates, within limits, subject to voter approval. A limited number of tax rates exist without a tax-rate limit. IMRF, SS, and Liability Insurance have no maximum rate. Bond and Interest rates are calculated by the clerks based on the district's outstanding General Obligation Bonds. Dixon USD #170 currently has sold the following Life Safety bonds: Series 2014, Series 2016, Series 2017, Series 2018 and Series 2019 Bonds. The Series 2017 extends out until 2037.

Truth in Taxation Act = Legislation approved and effective July 1, 1981, that provides procedures for public notice and public hearings on tax increases greater than 105% of the prior year's extension.

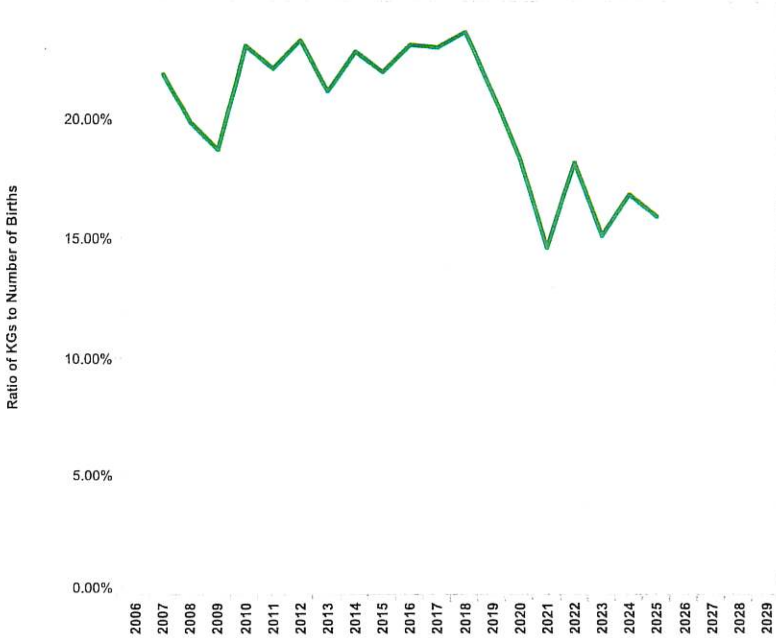
<u>Treasurer's Report – October 2025</u>

In your Board Packet, you will find the Treasurer's Reports for October 2025. The summary graphs represent FY 26 fund balances through October 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 derease in fund balances of $81,000. The Business Office will continue to monitor cash flow throughout the year.

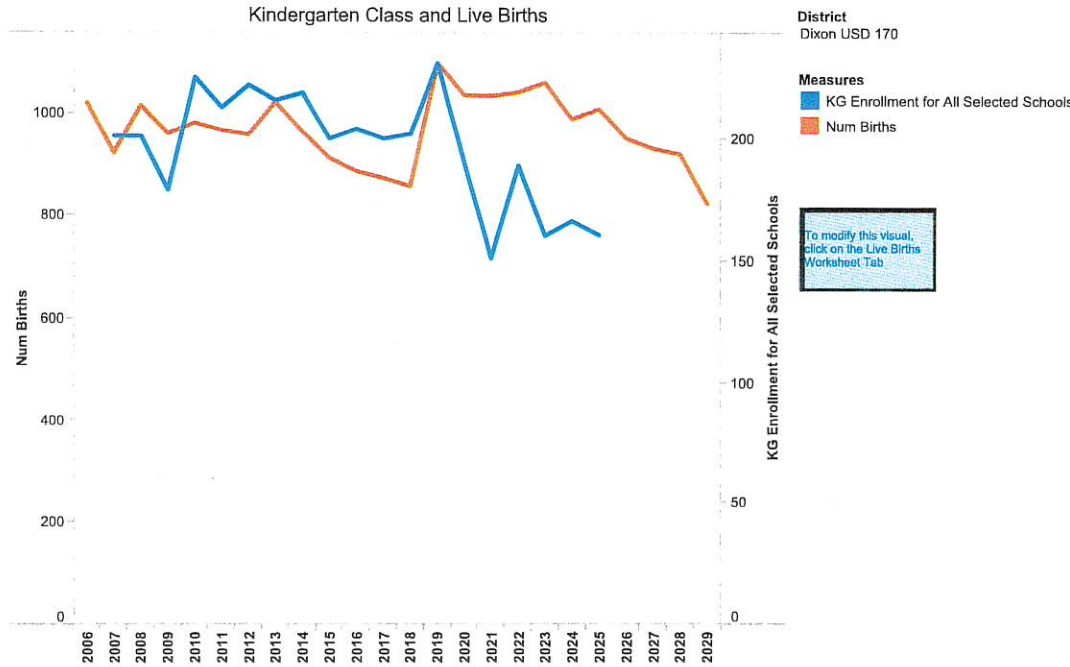




Ratio of Live Births to Kindergartners



Kindergarten Class and Live Births



Kindergarten and Live Birth Ratio

Year Of Class

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Num Births	884	871	855	1,094	1,033	1,032	1,039	1,057	986	1,007	948	929	918	821
Avg. Enrollment	204	200	202	231	190	151	189	160	166	160				
Ratio of KGs to Number of Births	23.08%	22.96%	23.63%	21.12%	18.39%	14.63%	18.19%	15.14%	16.84%	15.92%				