



# River Trails School District 26

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To: Finance Committee  
From: Ryan Berry  
Date: November 4, 2024  
Subject: 2024 Tentative Tax Levy

## Recommendation

It is recommended by the Administration that the Board of Education adopt an estimated tax levy for the tax year 2024 in the amounts as follows:

the sum of	\$ 20,100,000	for educational purposes, and
the sum of	\$ 3,500,000	for operations and maintenance purposes, and
the sum of	\$ 850,000	for transportation purposes, and
the sum of	\$ 300,000	for Illinois Municipal Retirement purposes, and
the sum of	\$ 300,000	for social security and Medicare purposes, and
the sum of	\$ 2,100,000	for special education purposes

on the equalized assessed valuation of all the taxable property in River Trails School District 26, Cook County, Illinois, for the year 2024.

It also recommends the Board use the following timeline:

November 12, 2024	Board Certifies tentative levy
November 29, 2024	Publish legal notice in local newspaper
December 10, 2024	Board/Public Hearing & Levy Adoption
December 31, 2024	Final day to file levy with County Clerk

## Rationale for Proposed Levy

Based on projections of needed revenue for the 2025-26 programs, the 2024 levy is proposed at a level to sustain access to the maximum tax revenues under the tax cap.

The 2024 total tax rate for the District (excluding the Bond and Interest Fund) is restricted to the rate limit imposed by the tax cap. The rate limit is derived by increasing the 2023 extension by the 2023 consumer price index (cpi) or 5.0%, whichever is less, and then dividing it by the 2024 EAV of the district minus any new property. Since the 2023 cpi was 3.4%, the extension is limited to a 3.4% increase plus any revenue for new property.

Since information on the 2024 new property amount will not be available until after May, 2025, the estimated levy is based on new growth of \$20,000,000 to ensure that the District's maximizes operating revenue from any new growth; however, actual new growth is estimated at \$2,000,000 for the 2024 tax year based on the impact of

economic conditions on new construction in the district. Additional new growth and extension protection is included by the county's loss amount which adds an additional 3% to each levied fund.

The following chart displays the tentative 2024 tax levy distribution.

### Recommended and Estimated 2024 Levy

<b>2023 Equalized Assessed Valuation (EAV)</b>	<b>\$669,518,355</b>
<b>2024 Estimated Equalized Assessed Valuation (EAV)</b>	<b>\$671,518,355</b>
<b>2023 Estimated Extension</b>	<b>\$27,449,886</b>
<b>2024 Recommended Extension</b>	<b>\$28,447,400</b>

Fund	2023 Levy Estimated Extension	2023 Tax Rate Est	Best Guess 2024 Levy*	Best Guess 2024 Tax Rate	Recommended 2024 Levy Based on 3.4% Increase	Recommended 2024 Tax Rate Based on 3.4% Increase	Legal Maximum Rate
Education	\$19,681,287	2.9396	\$19,807,405	2.9496	\$20,100,000	2.9493	as needed
Operations	2,987,000	0.4461	3,605,000	0.5368	3,500,000	0.5136	0.5500
Special Education	2,067,247	0.3088	2,163,000	0.3221	2,100,000	0.3081	0.4000
Transportation	745,186	0.1113	875,500	0.1304	850,000	0.1247	as needed
Municipal Retirement	313,213	0.0468	309,000	0.0460	300,000	0.0440	as needed
Social Security	<u>313,213</u>	<u>0.0468</u>	<u>309,000</u>	<u>0.0460</u>	<u>300,000</u>	<u>0.0440</u>	as needed
Sub-Total	\$26,107,146	3.8994	\$27,068,905	4.0310	\$27,150,000	3.9838	
Percentage Increase			3.7%		4.0%		
Debt Service	<u>1,342,740</u>	<u>0.2006</u>	<u>1,362,270</u>	<u>0.2029</u>	<u>1,297,400</u>	<u>0.1904</u>	
<b>Total Levy</b>	<b>\$27,449,886</b>	<b>4.1000</b>	<b>\$28,431,175</b>	<b>4.2339</b>	<b>\$28,447,400</b>	<b>4.1741</b>	
Adjustment for Rebates(O&M)	\$314,986	0.0470					
<b>Total Levy with Rebates</b>	<b>\$27,764,872</b>	<b>4.1470</b>					

\* Includes Loss and Cost of 5% on Debt Service and 3% on all other funds

Under the Cook County *Truth in Taxation* law, the District is not required to publish notice of the proposed levy or hold a hearing in the first regular meeting of December because the proposed levy is less than 105% of the 2023 extension.

When a school district issue bonds, a certified copy of the resolution providing for their issuance and levying a tax to pay them is filed with the County Clerk. Each year during the life of a bond issue, the Clerk's office extends the tax for bonds and interest set forth in the resolution. Therefore, to avoid a possible duplication of tax levies, the Board of Education does not include a levy for bond and interest payments in its annual tax levy.