# 2025 TAX LEVY

Presentation to the Board of Education
October 20, 2025

# Today’s presentation

- The 2025 tax levy is a request to taxpayers for the total dollars needed to provide quality educational services to students for the 2026-27 school year.

- Once a year, the Board of Education is presented with a tentative tax levy at a public board meeting. The meeting gives the community a transparent view of the district’s funding requests.

- This year, the district expects to receive about $1.1 million more than the previous fiscal year. This closely matches what was presented to the Board in the February 2025 financial projections.

# About the levy

# About the tax levy

## The tax levy must:

- Provide adequate funding for all school district needs (supplies, transportation, salaries, insurance, maintenance, etc.)
- Cover the increase in consumer price index (CPI)
- Capture any new property (including additions or renovations)
- Be presented at a public hearing if it increases by 5% or more

# Tax levy process

- **October:** Board votes on tentative levy.
- **December:** Tax levy hearing (if required). Board votes on final levy. Levy filed with county clerk.
- **January:** County assessor completes assessment of all properties.
- **March:** County clerk sets the levy.
- **March:** County clerk divides total dollars requested among all properties in the taxing area based on assessed values of property.
- **April/May:** Taxpayers receive tax bills.

# 2025 tax levy

# CCSD 89 tax levy

## This year:

- Anticipating $4.0 million in new property within district boundaries.
  - No estimates available at this time from Milton Township
  - Average - $2.6 - $3.0M last 5-10 years
- Consumer Price Index is 2.9%. This caps the levy request.
- The district expects to receive about $1.1 million new money.
- Exact amount will be finalized by the county assessor in March.

# Why?

- Revenues
  - Reduced federal funds to support professional development, English language learners and low-income students
  - No increase in Evidence Based Funding over prior year
  - State reimbursements being prorated at higher percentages
- District expenses are increasing at rates above the CPI
  - The district has been impacted by minimum-wage increases and the hiring market.

# Why?

- District expenses are increasing at rates above the CPI
  - Transportation
    - Regular Education: 5.0% increase for 2025-26
    - Special Education: 4.0% increase for 2025-26
  - Insurance Premiums
    - 6.42% increase for PPO
    - 1.20% increase for HMO
    - 4.0% increase for Dental
    - More employees taking PPO insurance (more costly)

# CCSD 89 levy

Two ways to measure the impact of inflation:

1) Something that cost $1.00 in 2011 now costs $1.44 in 2025

1) Getting $1.00 in 2025 only buys 69% of what you could have bought with $1.00 in 2011

Source: Bureau of Labor Statistics

# Cash position

| | Total all funds | Education Fund | Operations & Maintenance Fund | Transportation Fund | IMRF/Social Security Fund | Working Cash Fund | Tort Fund | Site & Construction Fund | Bond & Interest Fund |
|---|---|---|---|---|---|---|---|---|---|
| **June 30, 2025** | $29,254,625 | $15,300,117 | $4,165,359 | $3,828,968 | $1,032,848 | $2,089,383 | $98,322 | $0 | $2,739,628 |
| **September 30, 2025** | $37,457,501 | $21,649,411 | $4,630,970 | $4,141,522 | $1,196,405 | $2,091,775 | $7,418 | $0 | $3,740,000 |

# Reserve Reduction Plan P.A.103-0394

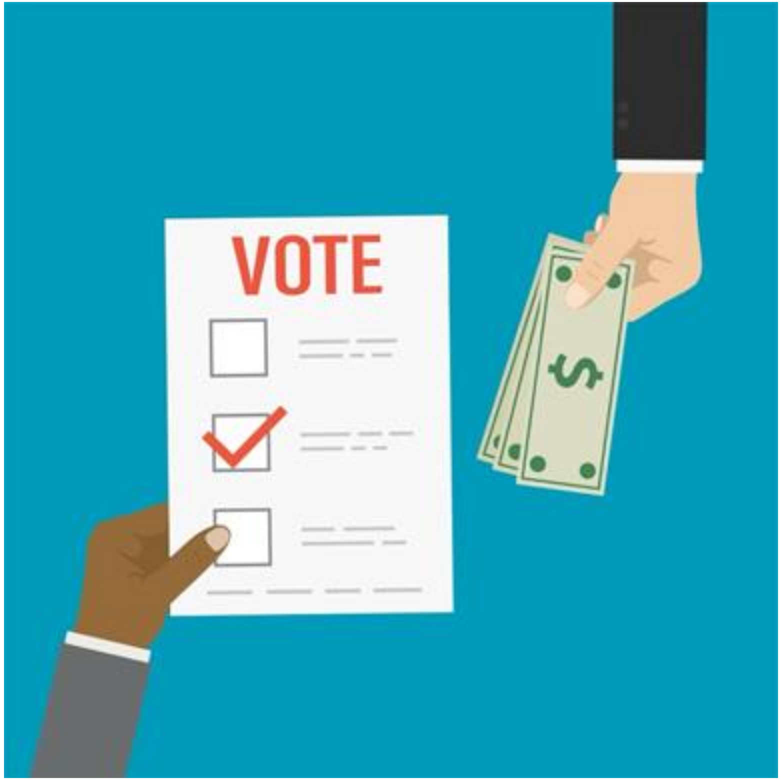
## (Education, Operations and Maintenance, and Transportation funds)

| | Budget 2025-26 | Unaudited financial information 2024-25 | Annual financial report 2023-24 | Annual financial report 2022-23 |
|---|---|---|---|---|
| **Combined ending cash and investment balance** | $27,137,131 | $23,766,314 | $22,702,577 | $19,685,161 |
| **Combined three-year average expenses** | $38,817,118 | $37,189,938 | $35,441,913 | $34,272,743 |
| **Cash-and-investment-to-expense ratio** | 0.70 | 0.64 | 0.64 | 0.57 |

Note: The Reserve Reduction Plan is triggered if the cash-and-investments-to-expense ratio is greater than 2.5

# Looking ahead

- At the December regular meeting, the Board of Education can vote to approve the final levy.
- The levy will request a 2.9% CPI increase over the previous year’s taxes.



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