

Prepared by Dr. Jeffrey Alstadt

2026 Tax Levy Process and Timeline

Purpose

To provide the Board of Education with a comprehensive overview of the annual property tax levy process, including key terminology, a detailed timeline for discussion and approval, fund allocation strategies, and the district's statutory obligations. The tax levy is the district's single largest source of local revenue, and its timely, accurate completion is a primary fiduciary responsibility of the Board.

Background and Information

The property tax levy is the formal process by which the school district requests the funds it is entitled to from property taxes within the district's boundaries. This process is separate from the budget and is governed by the Illinois Property Tax Code.

Key terms to understand:

- The tax levy represents the total amount of money a school district certifies it needs to collect through property taxes.
- The equalized assessed valuation defines the total taxable value of all property within the district's boundaries.
- The property tax extension limitation law restricts the increase in tax revenue a district can receive to the lesser of 5% or the consumer price index from the prior year.

2026 Proposed Tax Levy Allocation Strategy

- Using official equalized assessed valuation projections from the LaSalle County Assessor's office, the administration has prepared a proposed 2026 tax levy allocation designed to capture a 4.99% aggregate increase over the previous year's extension, totaling \$5,936,203, while avoiding truth-in-taxation publication and hearing requirements.
- Modest increases have been distributed across core operating funds (Education, O&M, and Transportation), alongside a targeted increase in Tort Immunity to cover rising risk management and safety-related liabilities.
- The aggregate increase remains tightly capped at 4.99%, fully compliant under Illinois school finance guidelines without requiring formal Truth-in-Taxation public hearings.

Key Parameters:

- The taxable equalized assessed valuation base is \$266,655,524.
- The 2025 total extension equals \$5,653,922.
- The target 4.99% increase amounts to \$282,281.
- The proposed aggregate total reaches \$5,936,203.

Fund-by-Fund Breakdown and Proposed Rates:

Levy Fund	2025 Extension	Proposed Levy Request	Proposed Rate
Education	\$3,161,274	\$3,519,853	1.32
O&M	\$598,726	\$666,639	0.25
Transportation	\$287,389	\$319,987	0.12

Levy Fund	2025 Extension	Proposed Levy Request	Proposed Rate
Tort Immunity	\$690,000	\$478,409	0.1794
IMRF	\$202,200	\$198,000	0.0743
Social Security	\$307,200	\$300,000	0.1125
Working Cash	\$119,745	\$133,328	0.05
Life Safety	\$119,745	\$133,328	0.05
Special Ed.	\$47,898	\$53,331	0.02
Lease	\$119,745	\$133,328	0.05
TOTAL AGGREGATE	\$5,653,922	\$5,936,203	2.22616

Process and Timeline

The tax levy process occurs annually in the fall following the adoption of the district budget, with timelines strictly dictated by state law.

- During October, the board begins discussion on the levy by presenting preliminary information that includes estimated equalized assessed valuation and consumer price index data.
- In November, the administration presents the proposed tentative tax levy for board approval.
- Because our recommended increase stays under 105% of the previous year's extension, a truth-in-taxation public hearing is not required.
- At the December board meeting, the board of education will formally adopt the final tax levy before the statutory deadline on the last Tuesday in December.

Statutory Requirements After Final Approval

Once the board approves the final levy, the district is required by statute to perform the following actions:

1. File the official, signed certificate of tax levy with the LaSalle County Clerk's office.
2. The county clerk calculates the district's final tax rate based on the approved levy and final equalized assessed valuation.
3. The county extends taxes to property owners based on this calculated rate for collection and distribution during the next calendar year.

Administrative Recommendation

This item is provided for discussion purposes only at this time. The administration will bring a formal tentative levy to the board for approval at the November 2026 meeting.