

2025 Tax Levy Hearing

November 17, 2025



Why We Levy: Stability, Equity, and Stewardship



To make sure our schools have the funding needed to operate safely and effectively.



To keep teachers, support staff, and programs in place for students.



To plan responsibly for rising costs — without raising the debt service tax rate.



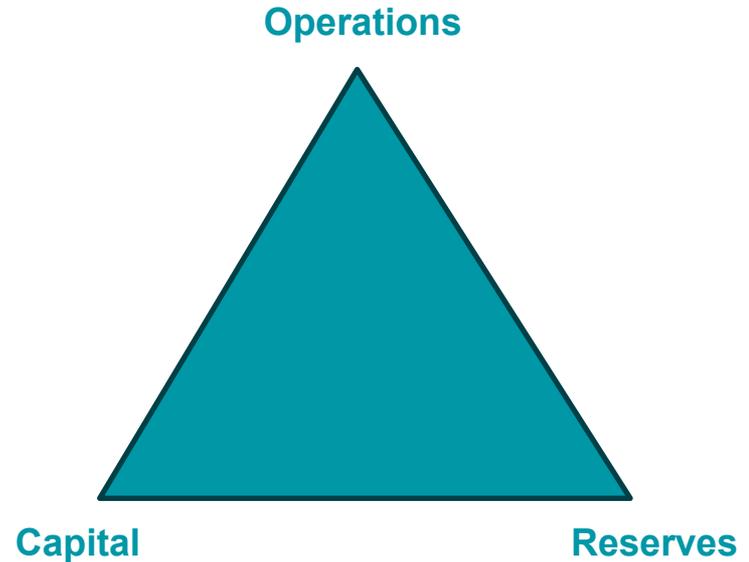
To protect the long-term financial stability of our district and community.

Fiscal Framework: Operations • Capital • Reserves

Operations (Levy) – Funds daily teaching and services.

Capital (Bonds) – Invests in long-term facility modernization.

Reserves (Fund Balances) – Provide liquidity and preserves AA+ bond rating



Levy Timeline

2025			2026
October	November	December	Spring
Estimated Tax Levy and Executive Memo Presented	Review Levy, Issue Public Notice, Conduct Public Hearing	Recommend Levy adoption Once approved, file with all three counties.	Property values and tax rates finalized by County Clerks and property taxes extended to taxpayers.



Economic Context 2025

- Federal shutdown impacting grant reimbursements
- Federal decisions impacting our communities (i.e. SNAP)
- Inflation moderating (2.9% Midwest CPI)
- Cook County tax bill delays continuing
- Housing values stabilizing
- Ongoing economic uncertainty



Levy vs. Extension

- A tax levy is...

- The amount of money a taxing body (in our case a school district) **requests/asks** to be raised from property taxes.
- Most importantly, the tax levy is an ESTIMATE.

- A tax extension is...

- The actual dollar amount to be raised by property taxes.
- Calculated as follows: Levy extension = Prior year extension plus Consumer Price Index (CPI) increase (plus any new property).
- Determined in the Spring after the Equalized Assessed Values are known
- U-46 records approximately 50% of the previous tax year & 50% of current tax year in fiscal year revenue.

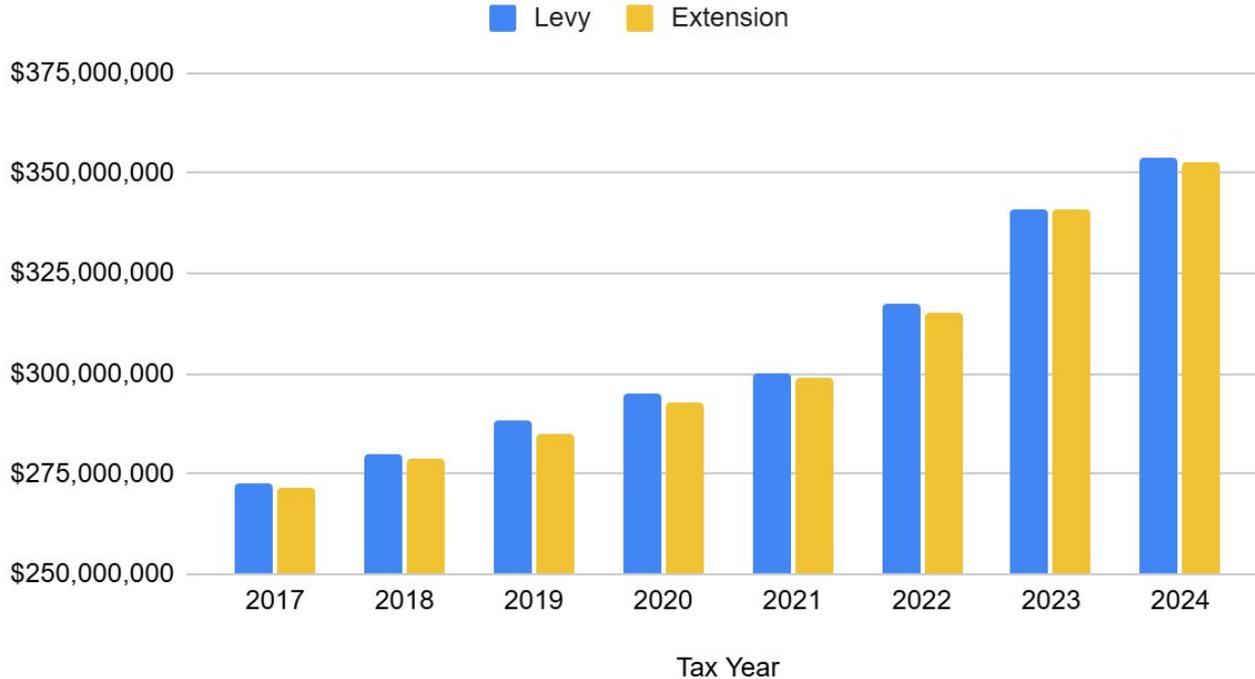
- School District's receive...

- New revenue, limited to CPI (2.9%), plus new construction
- Within the Property Tax Extension Limitation Law (PTELL)



Tax Levy vs. Extension

Levy vs Extension



Key Input: What we Know and What We Don't

- 2024 Extension
- CPI 2.9%
- Fund-Balance Policy

- 2025 EAV
- New Property
- Exemptions
- Cook County Timing

Compliance Snapshot

Property Tax Extension Limitation Law (PTELL) – Limits levy growth to CPI or 5%, plus new property.

Truth in Taxation – Requires public notice and hearing.

Refund Recapture – Recovers prior-year refunds due to Property Tax Appeal Board (PTAB) or Certificate of Error.

Fund Balance Disclosure – Mandates public reporting of fund balances prior to levy adoption.

EBF Adequacy – Recognizes the local share of funding toward adequacy targets.

Miller Ratio – Ensures the district's combined cash reserve balance of its operational funds are within the acceptable range.



Miller Ratio Compliance

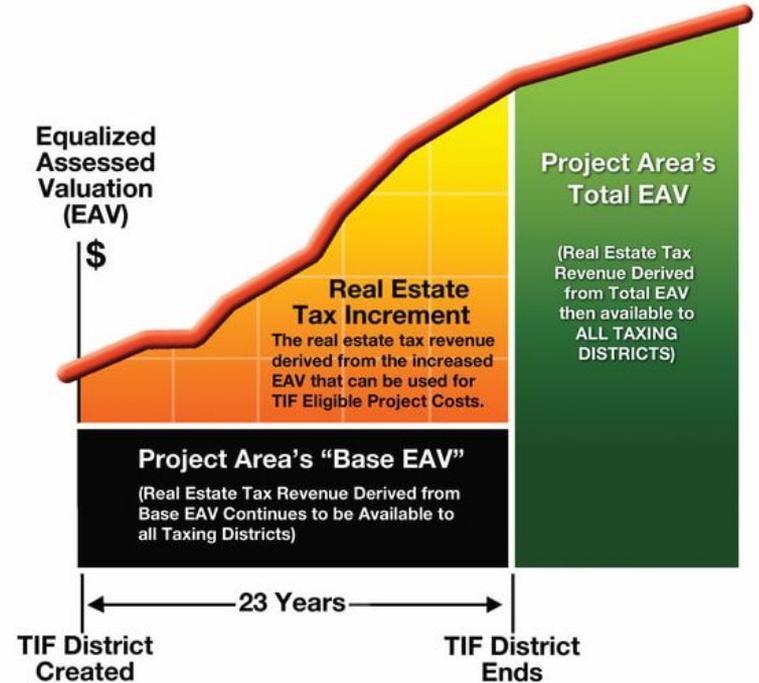
	<u>Education Fund</u>	<u>Operations & Maintenance</u>	<u>Transportation</u>
Fund Balance as of June 30, 2025	320,669,477	150,376,794	33,916,437
Taxes Receivable	130,015,400	20,890,240	5,363,016
Fund Asset Total	450,684,877	171,267,034	39,279,453
Expenditures - FY23	615,179,539	62,248,728	27,432,218
Expenditures - FY24	679,019,609	61,309,049	26,358,448
Expenditures - FY25	739,069,341	79,135,485	28,246,949
Average of expenditures	677,756,163	67,564,421	27,345,872
Miller Ratio	0.7	2.5	1.4
Statutory limit is met			

*Statutory limit is 2.5 or less - the Operations & Maintenance FY26 budget includes an estimated reduction of fund balance of \$24.6 million to reduce the ratio

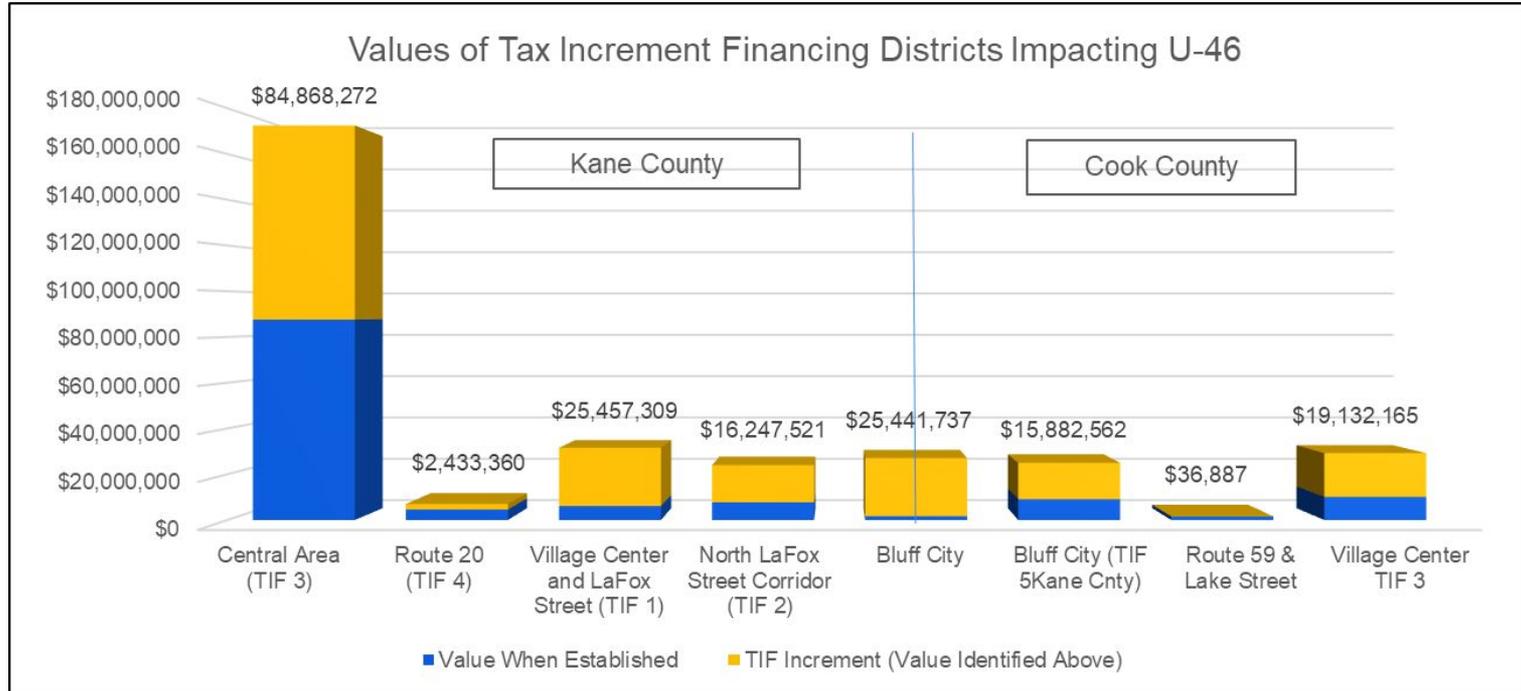


TIF Verification and Recovered EAV

- U-46 has several active TIF districts in Kane and Cook Counties.
- When a TIF is created, property values inside it are “frozen” for up to 23 years.
- As TIFs expire or parcels are released, that new value (EAV) returns to the tax rolls.
- Verifying these changes each year ensures our levy base is accurate and all eligible property value is included.



Tax Increment Financing (TIF)



*Bluff City is split between Kane and Cook County - indicated by the vertical line

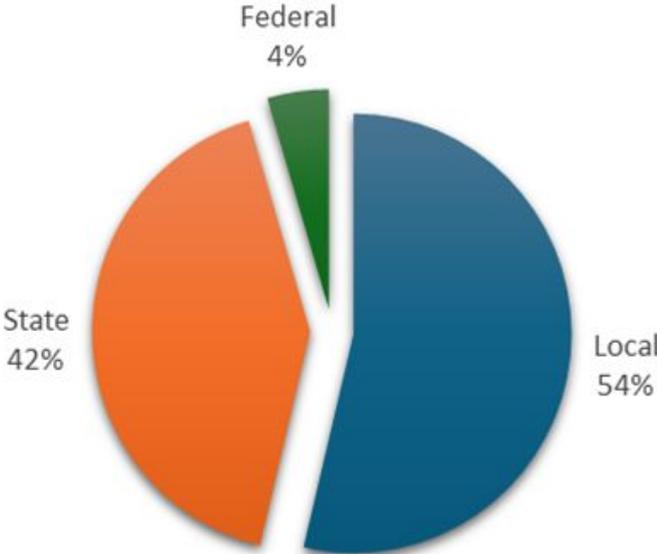
Evidence-Based Funding (EBF) Context



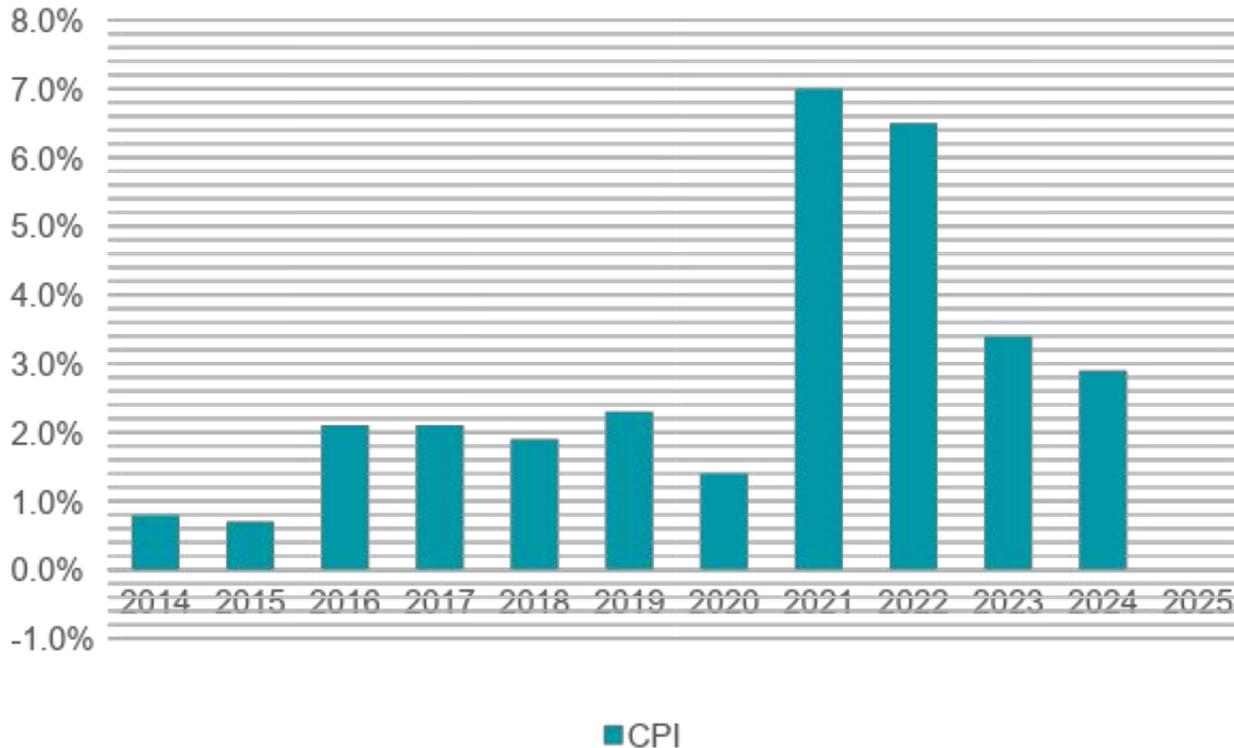
- U-46 Adequacy Level \approx 76 %.
- Local property taxes fill the gap between adequacy and actual state funding.
- Levy stability protects equity across schools.

Overall Revenue Composition

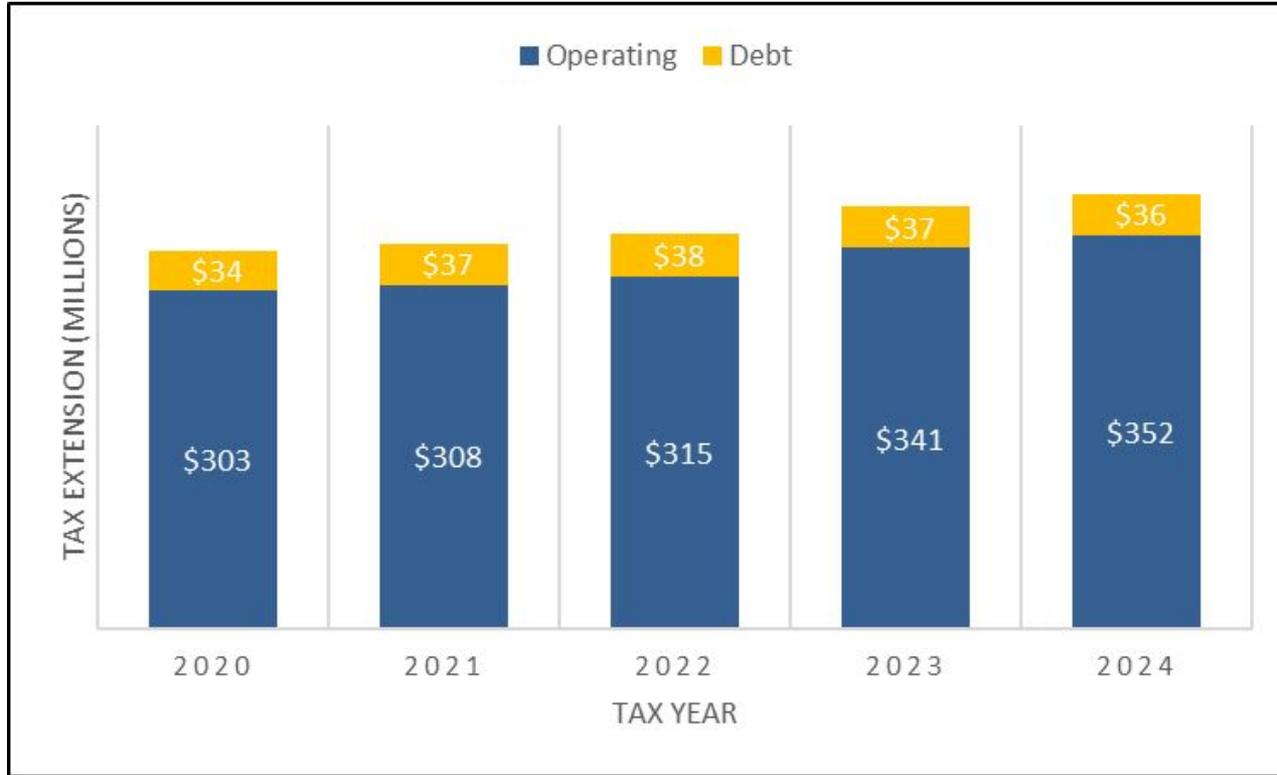
FY26 Estimated Revenue



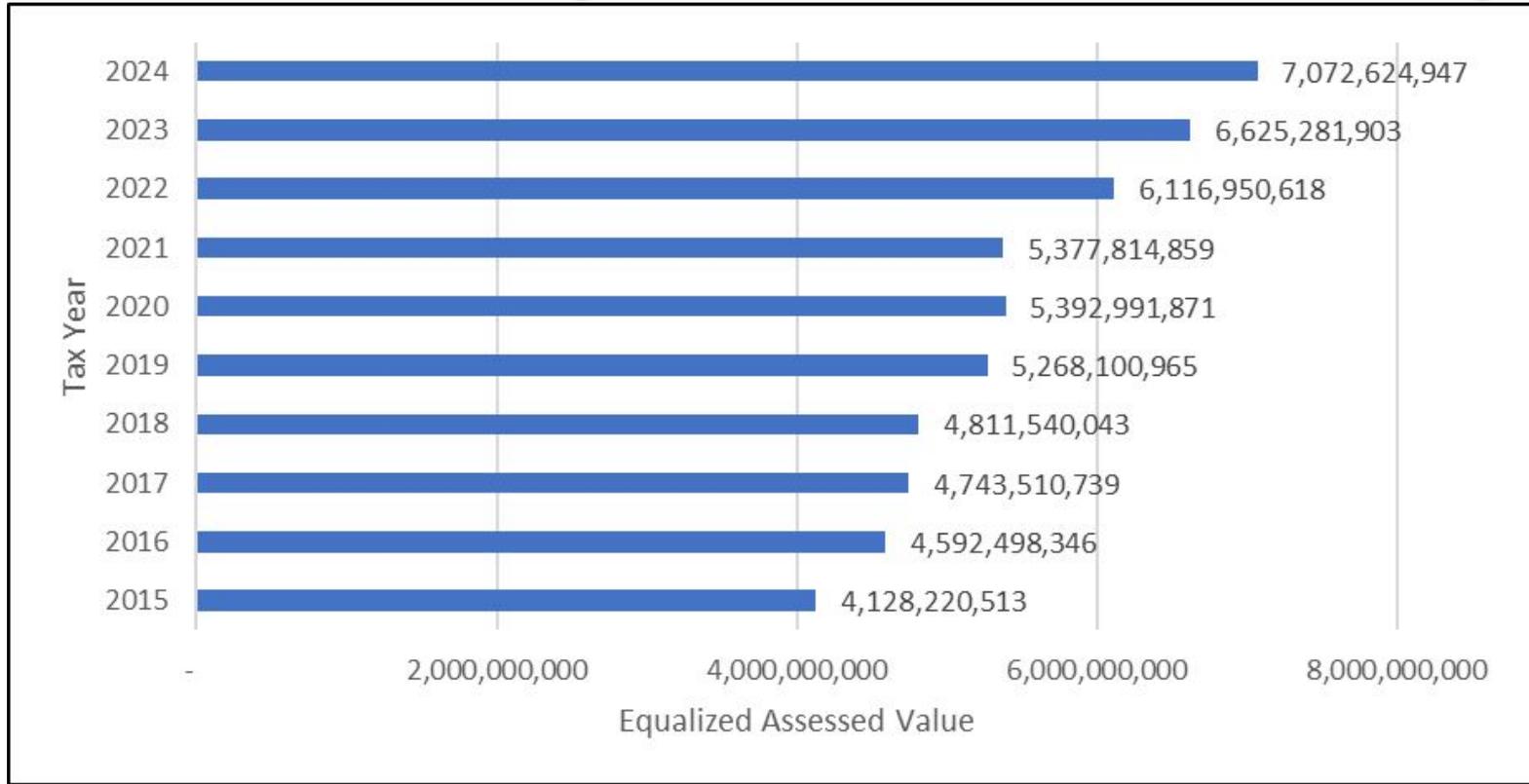
Trends Over Time: Consumer Price Index History



Trends Over Time: Tax Extension



Trends Over Time: Equalized Assessed Valuation (EAV)



Tax Levy 2025 Impact to Homeowners

	Cook County		Kane County		DuPage County	
2024 Fair Cash / Market Value Home	\$250,000		\$250,000		\$250,000	
Estimated 2025 Fair Cash Value Home Includes EAV % Change	\$290,750		\$275,500		\$275,250	
Total Assessed Value	\$29,075	10.00%	\$91,833	33.30%	\$91,750	33.30%
State Equalization Multiplier	\$88,257	3.0355	\$91,833	1.00	\$91,750	1.00
Homestead Exemption	\$10,000.00		\$8,000.00		\$8,000.00	
Net Equalized Assessed Value	\$78,257.16		\$83,833.33		\$83,750.00	
Estimated Change in Tax Payment for 2025*	\$204.39		\$155.27		\$154.90	



*This is an estimate for the School District Unit 46 portion of the tax bill.

Restricted Funds (IMRF/SS and Tort)



- Fund 50 (IMRF/SS) – Mandatory Retirement and Social Security
- Fund 80 (Tort) – Risk Management and Liability Coverage.

Strategic Plan Alignment

GOAL #1



1

Building
Early
Academic
& Social-
Emotional
Foundations

GOAL #2



2

Safety,
Sense of
Belonging,
& Inclusion

GOAL #3



3

Academic
Growth
& Mastery

GOAL #4



4

Ready to
Embrace
a Diverse
& Changing
World

Our promise: A safe, caring place where every student experiences the joy of learning and is prepared for the future.

Connecting Unite U-46 to the Capital Plan

- Final tranche of referendum bonds will complete Unite U-46 Phase I
- 2026 Working Cash Bonds launch Phase II projects (Tefft, Canton, Eastview)
- All within existing debt-service rate
- Supports Strategic Plan goal for Safe and Modern Learning Environments.



2026 Working Cash Bond: Purpose and Impact

- Issue ≈ \$32 million in January/February 2026
- Funds modernization and safety projects
- Competitive sale based on AA+ rating
- No increase to debt service tax rate



Long-Range Debt Capacity and 2028 Planning

- Continued capacity within the existing debt service rate structure
- Next recommended issuance: 2028 Working Cash Bonds (~\$44 million)
- Supports second phase of Unite U-46 modernization
- Future debt aligned with “level debt service” promise
- District remains well below statutory debt limit



How the Levy and Bond Plan Work Together

Operating Stability (Levy):

- Funds daily operations, staffing, and instructional programs
- Limited by PTELL – CPI (2.9%) and new property only
- Maintains predictable local revenue and fund balance health

Capital Investment (Bonds):

- Funds long-term facilities under Unite U-46
- Financed within the existing debt service rate – no increase
- Enables proposed 2026 and 2028 Working Cash Bonds (\$32 M + \$44 M)

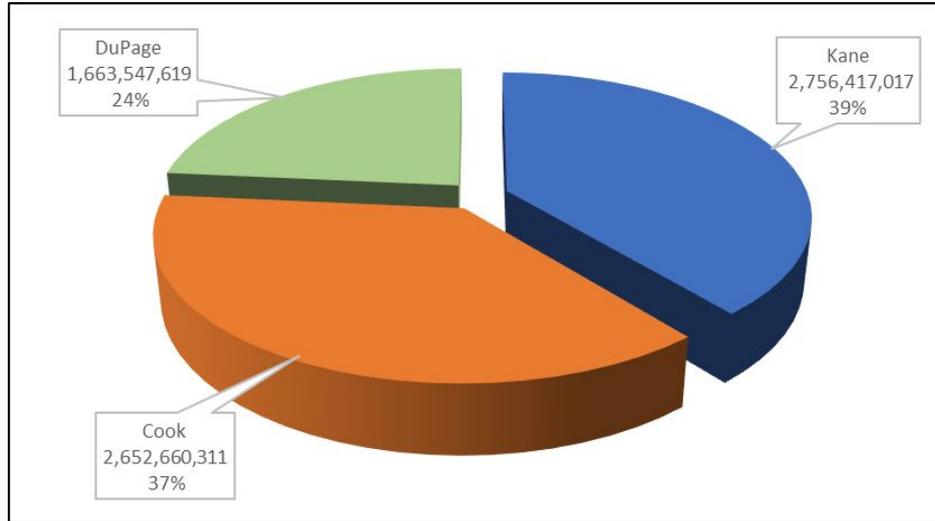
Together: Stability today -- Modernization for tomorrow

What This Means for Students

- Stable revenue keeps class sizes predictable
- Reintroduces specials and electives at elementary level
- Supports middle-school transition staffing and student services



2024 Share of Equalized Assessed Values by County



Different assessment cycles require close coordination to ensure accurate extensions and timely collections.

2025 Estimated Tax Levy Overview

- Developed in compliance with the Illinois School Code, PTELL, and Public Act 94-0976
- Based on 2024 extension, 2.9 % CPI, projected property values, and statutory fund caps
- Required Board adoption in December 2025; final EAVs available spring 2026
- District estimates slightly above the final extension to ensure full legal revenue capture.



Tax Year 2025 Levy Estimate By Fund

Fund	2024 Extension (estimated for Cook County)	2025 Levy Estimate
Education	\$231,626,509	\$259,000,000
Operations & Maintenance	\$43,918,219	\$30,000,000
Transportation	\$11,274,819	\$12,700,000
Working Cash	\$3,267,420	\$3,403,021
Municipal Retirement	\$2,532,855	\$3,000,000
Social Security	\$3,004,848	\$3,300,000
Fire Prevention & Safety	\$5,861,556	\$4,000,000
Tort Immunity	\$9,312,088	\$9,694,857
Special Education	\$41,697,199	\$45,000,000
Capped Levy Total	\$352,495,513	\$370,097,878
Bond & Interest	\$36,302,084	\$32,496,453
Actual Levy Total	\$388,797,597	\$402,594,331

2025 Levy Impact and PTELL Limit

- Requested increase for capped funds: **4.99%**
- Actual increase allowed by PTELL (CPI): **2.9%**
- Estimated new construction: **\$58 million**
- Projected 2025 extension: **≈ \$365.36 million**

Chapman and Cutler LLP

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■ Counties with tax caps:

Boone
Champaign
Christian
Coles
Cook
Cumberland
DeKalb
DuPage
Franklin
Greene
Jackson
Jefferson
Jo Daviess
Kane
Kankakee
Kendall
Lake
Lee
Livingston
Logan
Macoupin
Marion
Massac
McDonough
McHenry
Menard
Monroe
Montgomery
Randolph
Sangamon
Schuyler
Shelby
Stephenson
Tazewell
Union
Washington
Will
Williamson
Winnebago

□ Counties which have defeated Tax Cap Referends

Adams
Bureau
Carroll
Edgar
Jersey
LaSalle
Madison
McLean
Moultrie
Whiteside

As of April 7, 2015 (Consolidated Election)



Looking Ahead: Economic and Fiscal Watchpoints

- Federal budget outcomes and shutdown impact
- Interest-rate changes in early 2026
- Cook County EAV updates and new property
- Execution of 2026 Working Cash Bond sale.



Risk Analysis and Mitigation

- Economic Risk – Shutdown, inflation, market volatility
- Timing Risk – Cook County delays
- Compliance Risk – Mitigated through audit and legal review



Key Takeaways - Fiscal Stability and Legal Compliance

- Compliant and transparent
- Stable and responsible
- Strategic and student-focused
- Prepared for the future



U-46's 2025 Tax Levy

Although the District plans to request a 4.99% increase, the estimated increase to be received by the district excluding new property is approximately **\$12.8 Million or 3.65%**.



The County Treasurers will reduce the amount requested so that it does not exceed a 2.9% (excluding new property) increase as required by law.

Stewardship, Transparency, and Equity

- Annual independent audit and public reporting
- Verified county filings posted online
- Fiscal discipline supports equitable opportunity for all students.



Thank you!

**For questions about the U-46 Tax Levy
please contact:**

**Robyn Cornelissen
Executive Director of Financial Services
(847) 888-5000 ext. 5937**

**For questions about your individual
assessment, please contact the
appropriate county assessor:**

**Kane County (630) 232-5990
DuPage County (630) 407-5500
Cook County (312) 603-5656**



Questions?

