

2025 Property Tax Levy Truth-in-Taxation Hearing

Levy Year 2025 Paid in 2026

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Chief Financial Officer/Treasurer

Monday, November 17, 2025



**ROUND LAKE
AREA SCHOOLS**

Community Unit School District #116

Levy by Definition

The formal request by a school district for a certain amount of revenue to be generated by the property tax.

This formal request must be sent to the County Clerk prior to the last Tuesday in December.

The Levy determines the total amount to be raised by property taxes.

Request

Tax Levy

Purpose

The purpose of the local property tax is to **access funding to maintain and enhance the programs** associated with providing students a high-quality educational experience.

Importance

Local property taxes represent approximately **27% of the total** district revenue.

Terms

Aggregate Levy - the annual corporate levy of the taxing district and those special purpose levies which are made annually (other than debt service levies).

Debt Service Levies - are those levies made to retire the principal or pay interest on bonds.

Property Tax Extension Limitation Law (PTELL) - limits the increase over prior year extension on existing property to 5% or CPI, whichever is lower.

Consumer Price Index (CPI) - Inflation factor used for determining extension of tax levy.

Process Requirements

Estimate

- Board of Education must “ESTIMATE” the levy 20 days prior to adopting the levy. This is done with approval of the Tentative Levy. This process establishes whether additional “Truth in Taxation” requirements must be followed.

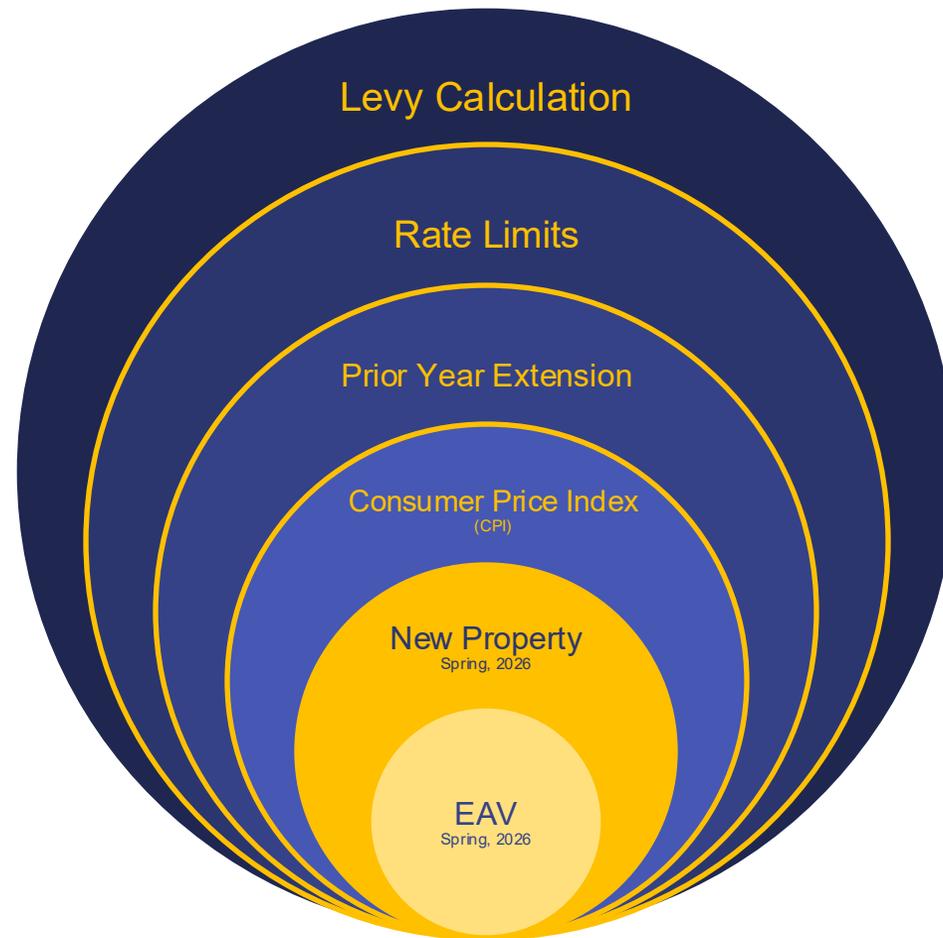
Truth in Taxation

- Illinois statute states that taxing bodies are required to follow its Truth in Taxation requirements when passing a levy. The statute dictates that a district is required to publish notice of an anticipated increase of more than 5% and to hold a public hearing prior to the adoption of the final levy.

Approval

- All Illinois Tax Levies must be adopted and filed with the county clerk by the last Tuesday in December.

Components of the Levy Calculation



Consumer Price Index (CPI)

Why is it important?

CPI is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food and medical care.



The CPI is calculated by taking price changes for each item in the predetermined basket of goods and averaging them; the goods are weighted according to their importance.

CPI is important because the District will receive the lower of CPI or 5% as an increase to last year's extension plus new property.

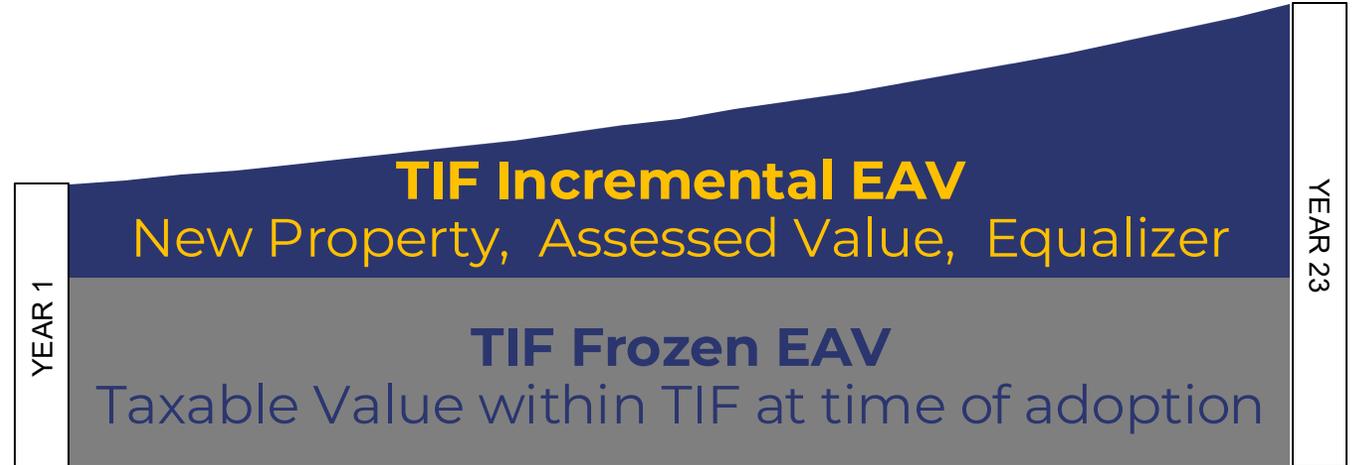


CPI

Tax Increment Financing (TIF)

TIF is a tool that a city can use to generate money for economic development in a specific geographic area. TIFs allow a city to re-invest all new property tax dollars in the neighborhood from which they came for a 23-year period.

TIF District	Adopted / Established	Expected Expiration	Notes
Round Lake Beach TIF #4	Oct 2011	Oct 2034	Established by Village Board ordinances; standard 23-year lifespan.
Downtown Round Lake TIF	Jan 2021	Jan 2044	Created to spur redevelopment in downtown Round Lake.



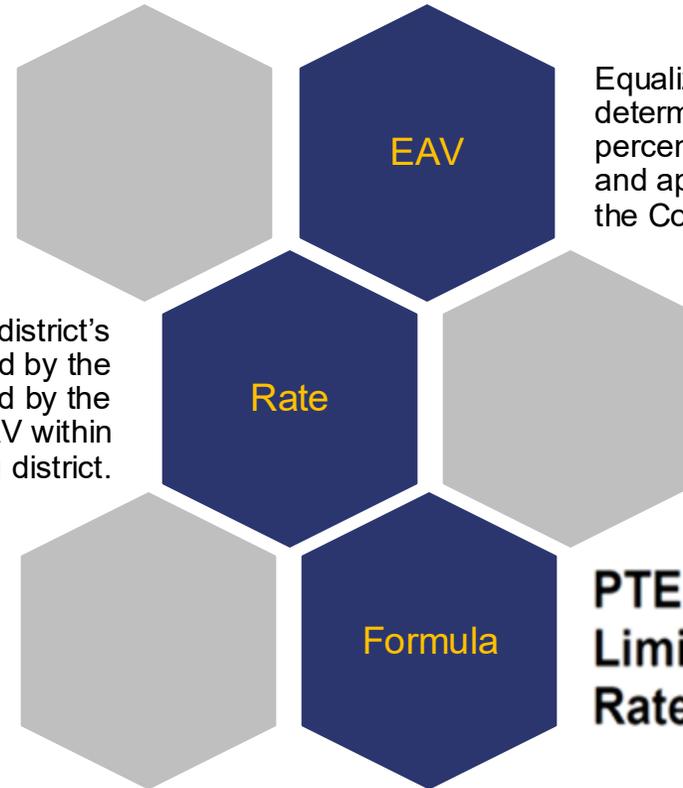
TIF

Property Tax Extension Law Limit (PTELL)

Although the law is commonly referred to as “tax caps,” this phrase can be misleading. PTELL does not “cap” either individual property tax bills or individual property assessments.

PTELL limits the increase in property Tax Extensions to 5% or the Consumer Price Index (CPI), **whichever is less**, not counting new construction or Bond Interest Obligations.

The amount of the school district’s authorized tax rate is determined by the total amount of the taxes levied by the Board of Education & the total EAV within the taxing district.



Equalized Assessed Value (EAV) is determined by the Township Assessor using a percentage of the fair cash value of a property and applying an equalization factor set within the County.

$$\text{PTELL Limiting Rate} = \frac{\text{Prior Year Levy} \times 1 + \text{CPI \% Increase}}{\text{Equalized Assessed Value} - \text{New Property EAV, Recovered TIF Increment EAV, Annexed Property EAV, Expired Incentives EAV} + \text{Disconnected Property EAV}}$$

PTELL

Property Tax Extension Law Limit (PTELL) Calculated

Required Data for Calculation:

2024 Tax Year Extension	\$ 31,780,023
2025 Estimated EAV	723,763,449
2025 New Property Estimate	588,426
2025 CPI as of December 31*	2.9%

** Based upon the percentage change in the national Consumer Price Index for All Urban Consumers from December to December of the year preceding the levy year calculation.*

Step 1

$$\text{Numerator: } \frac{\$ 31,780,023}{1} \times \frac{102.9\%}{1} = \frac{\$ 32,701,644}{1}$$

Step 2

$$\text{Denominator: } \frac{723,763,449}{1} - \frac{588,426}{1} = \frac{723,175,023}{1}$$

Step 3

$$\text{Limiting Rate: } \frac{\$ 32,701,644}{1} \div \frac{723,175,023}{1} = \frac{4.5220}{1}$$

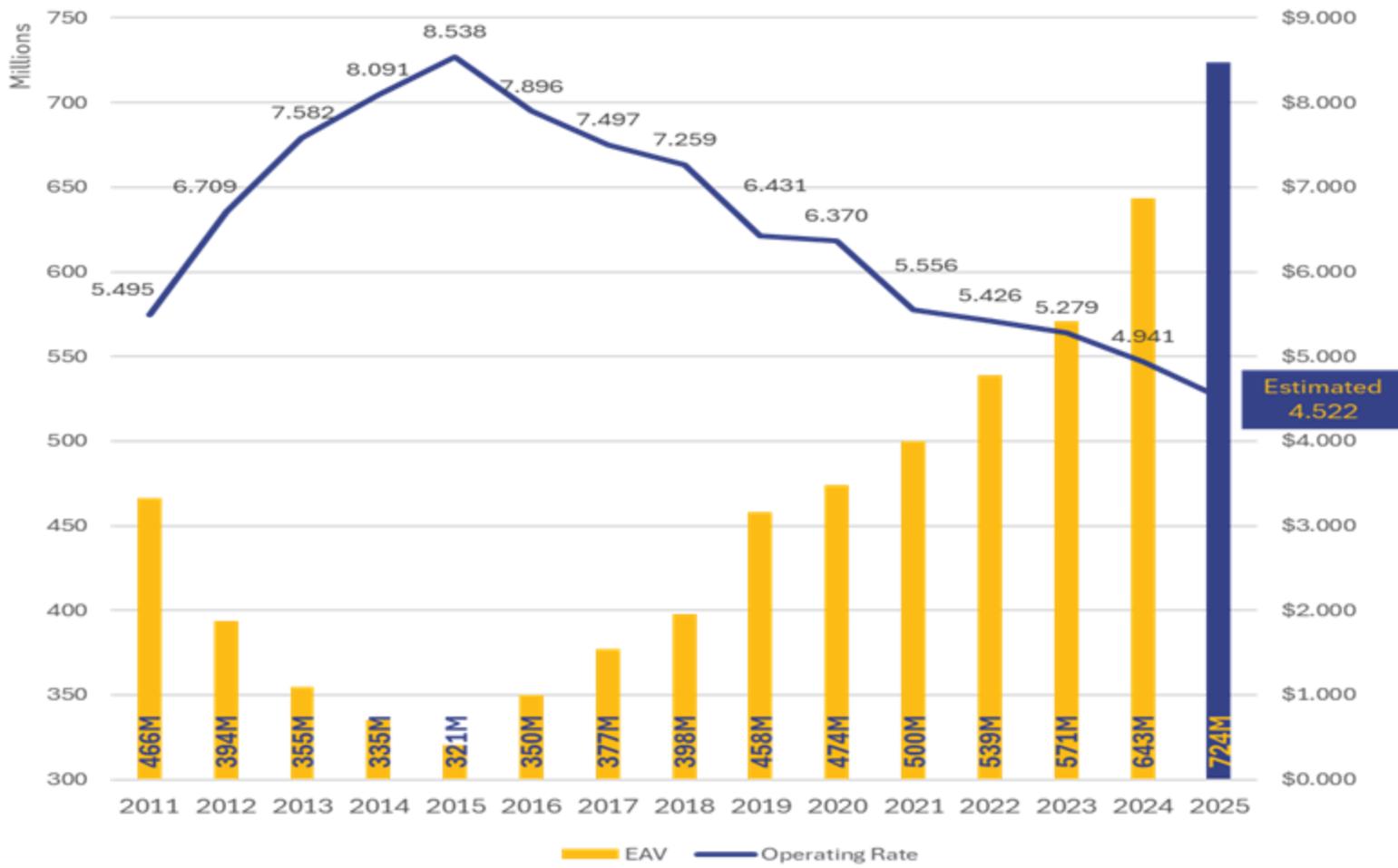
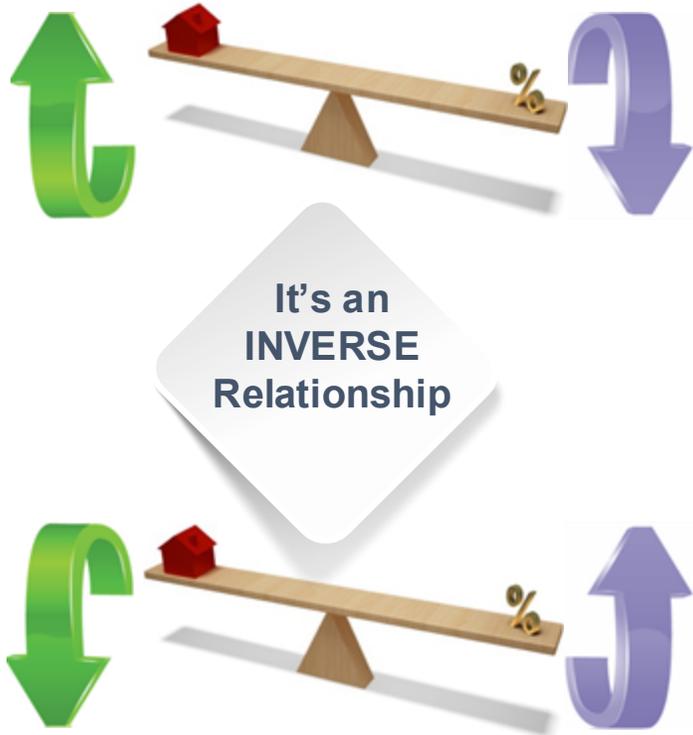
Step 4

$$\text{Extended Taxes: } \frac{\$ 723,763,449}{1} \times \frac{0.045220}{1} = \frac{\$ 32,728,252}{1}$$

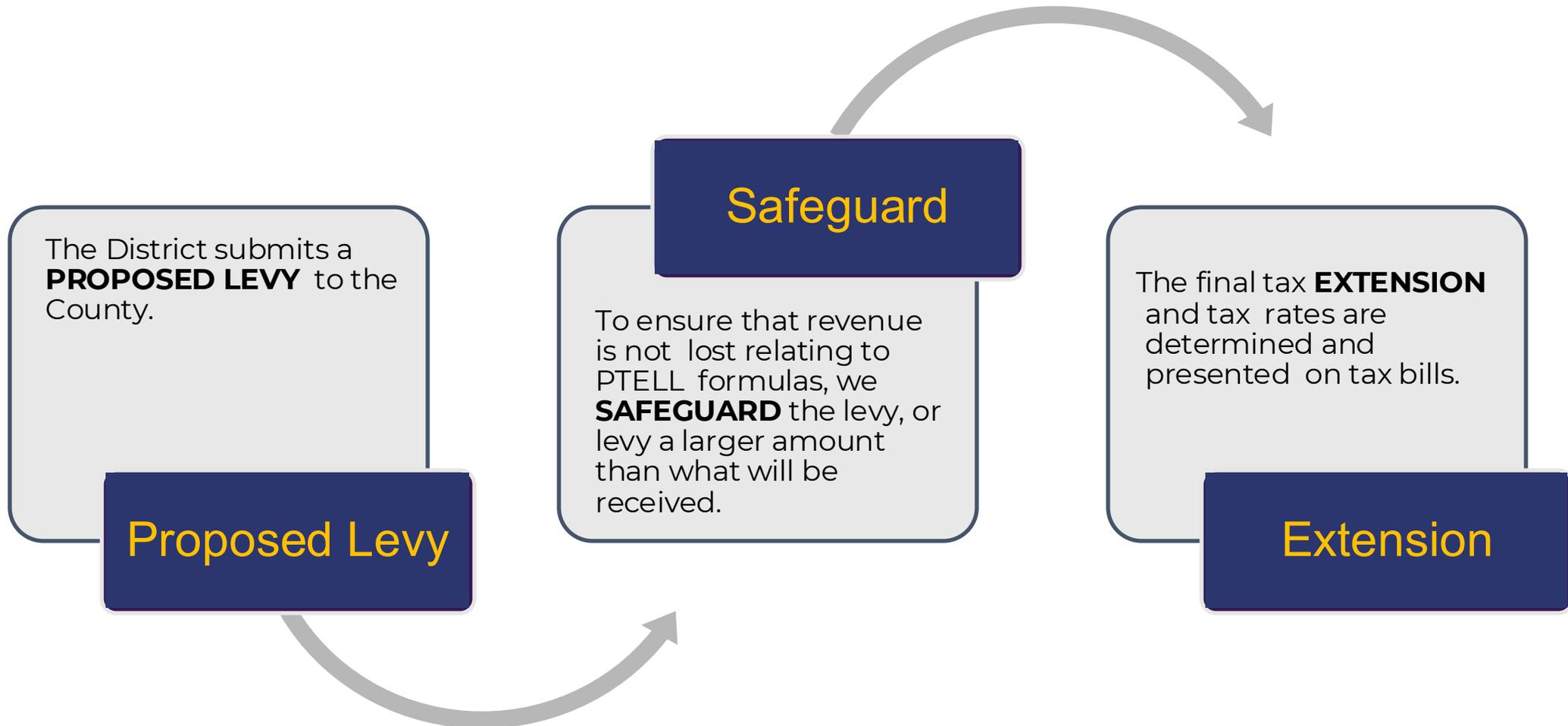
$$\text{Additional extension for New Property: } \$ 26,608$$

**Amount from Step 4 minus amount from Step 1 (\$32,728,252 - \$32,701,644)*

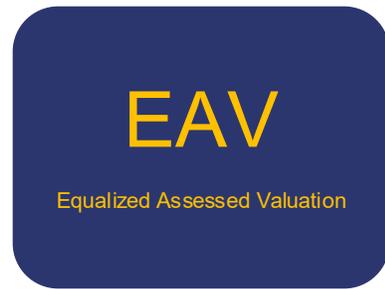
Property Tax Values & Tax Rates



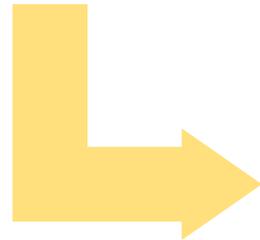
Proposed Extension



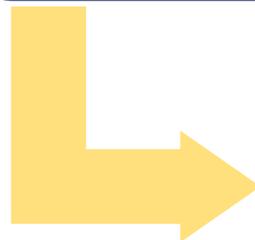
Safeguard for Unknowns



- Variance in projected EAV will adjust the rate.



- Variance in projected new property will adjust the total extension.



- Unknown changes in TIF districts, additions of commercial classifications, etc. have a significant impact on total EAV.

Overview of Levy

Equalized Assessed Valuation

643,157,042

723,763,449

Fund	2024 Levy Year		Ballooned Extension		2025 Levy Year Estimated Extension	
	Rate	Actual Extension	Rate	Total Proposed	Rate	Estimated Extension
Educational	2.173	\$ 13,977,571	3.319	\$ 24,020,000	3.248	\$ 23,511,252
Operations & Maintenance	0.691	4,442,324	0.760	5,500,000	0.750	5,428,000
Transportation	0.806	5,186,110	0.124	900,000	0.120	869,000
Working Cash	0.046	296,155	0.001	5,000	0.001	5,000
Municipal Retirement	0.290	1,867,001	0.001	10,000	0.001	5,000
Social Security	0.290	1,867,001	0.001	10,000	0.001	5,000
Fire Prevention & Safety *	0.020	130,342	0.001	10,000	0.001	5,000
Tort Immunity	0.267	1,720,085	0.001	10,000	0.001	5,000
Special Education	0.357	2,293,434	0.401	2,900,000	0.400	2,895,000
Operating Extension & Rates	4.941	\$ 31,780,023	4.610	\$ 33,365,000	4.522	\$ 32,728,252
SEDOL IMRF Extension	0.002	10,278	0.001	5,249	0.001	5,249
Bond & Interest	1.025	6,593,189	0.907	6,566,639	0.907	6,566,639
Total Extension & Rates	5.968	\$ 38,383,490	5.518	\$ 39,936,888	5.430	\$ 39,300,140

New Revenue

The District is asking for a total 4.05% increase in new revenue but anticipates it will receive 2.39%

Process

The next step will be for the Board to approve the final proposed levy followed by the filing of the levy with the County Clerk's Office.

Total Estimated Operating Funds Subject to Tax Cap Increase	Ballooned Request \$1,579,948 / 4.97%	Estimated Actual \$943,200 / 2.97%
Total Estimated Revenue Increase	\$1,553,398 / 4.05%	\$916,650 / 2.39%
4.97% Tax Cap Proposed Increase: The amount we are asking for.	2.97% Tax Cap Anticipated Increase: The amount we anticipate to receive.	

Estimated Impact on Taxpayer

	2024 Levy Year	2025 Levy Year Estimated
Fair Cash Value of Home	\$200,000	\$224,883
<i>* Estimated 12.44% increase to home values, on average.</i>		
Assessed Valuation	\$66,667	\$74,961
w/ Homestead Exemption	\$8,000	\$8,000
Taxed Value	\$58,667	\$66,961
D116 Estimated Tax Rate*	5.9680	5.4300
D116 Estimated Taxes	\$3,501	\$3,636
	Estimated \$ Increase	\$135
	Estimated % Increase	3.85%



Fair Cash Value of Home	\$300,000	\$337,324
<i>* Estimated 12.44% increase to home values, on average.</i>		
Assessed Valuation	\$100,000	\$112,441
w/ Homestead Exemption	\$8,000	\$8,000
Taxed Value	\$92,000	\$104,441
D116 Estimated Tax Rate*	5.9680	5.4300
D116 Estimated Taxes	\$5,491	\$5,671
	Estimated \$ Increase	\$181
	Estimated % Increase	3.29%



Cash Reserve Balance Disclosure

3 Year Average

FY24 AFR				
Description	(10,20,40,50,70,80) Operating Funds	(30) Debt Fund	(60,90) Capital Projects & Fire Prevention & Safety Funds	Total
Levy Revenue	29,906,490	2,258,436	228,667	32,393,593
Other Revenue	98,523,235	4,217,791	7,395,128	110,136,154
Total Revenues	128,429,725	6,476,227	7,623,795	142,529,747
Total Expenditures	130,413,309	7,480,910	8,425,923	146,320,142
Surplus/(Deficit)	(1,983,584)	(1,004,683)	(802,128)	(3,790,395)
Ending Cash Balance	54,520,395	1,131,605	965,752	56,617,752
As a % of Expenditures	42%	15%	11%	39%
Ending Fund Balance	47,751,511	1,107,620	3,823,939	52,683,070
As a % of Expenditures	37%	15%	45%	36%

FY25 Unaudited				
Description	(10,20,40,50,70,80) Operating Funds	(30) Debt Fund	(60,90) Capital Projects & Fire Prevention & Safety Funds	Total
Levy Revenue	31,134,609	4,478,941	145,858	35,759,408
Other Revenue	98,113,450	4,270,268	3,861,493	106,245,211
Total Revenues	129,248,059	8,749,209	4,007,351	142,004,619
Total Expenditures	137,679,419	7,097,223	7,356,806	152,133,448
Surplus/(Deficit)	(8,431,360)	1,651,986	(3,349,455)	(10,128,829)
Ending Cash Balance	45,427,706	5,231,325	1,829,616	52,488,648
As a % of Expenditures	33%	74%	25%	35%
Ending Fund Balance	31,892,983	5,561,827	5,305,484	42,760,294
As a % of Expenditures	23%	78%	72%	28%

FY26 Budget				
Description	(10,20,40,50,70,80) Operating Funds	(30) Debt Fund	(60,90) Capital Projects & Fire Prevention & Safety Funds	Total
Levy Revenue	32,157,460	6,553,329	67,637	38,778,426
Other Revenue	103,970,130	69,010	433,020	104,472,160
Total Revenues	136,127,590	6,622,339	500,657	143,250,586
Total Expenditures	139,324,599	8,104,615	6,106,936	153,536,150
Surplus/(Deficit)	(3,197,009)	(1,482,276)	(5,606,279)	(10,285,564)
Estimated Ending Cash Bal	42,407,832	3,749,049	736,168	46,893,049
As a % of Expenditures	30%	46%	12%	31%
Estimated Ending Fund Bal	29,569,449	4,079,550	383,154	34,032,153
As a % of Expenditures	21%	50%	6%	22%

3 Year Average				
Description	(10,20,40,50,70,80) Operating Funds	(30) Debt Fund	(60,90) Capital Projects & Fire Prevention & Safety Funds	Total
Avg Levy Revenue	31,066,186	4,430,235	147,387	35,643,809
Avg Other Revenue	100,202,272	2,852,356	3,896,547	106,951,175
Avg Total Revenues	131,268,458	7,282,592	4,043,934	142,594,984
Avg Total Expenditures	135,805,776	7,560,916	7,296,555	150,663,247
Surplus/(Deficit)	(4,537,318)	(278,324)	(3,252,621)	(8,068,263)
Avg Ending Cash Balance	47,451,978	3,370,660	1,177,179	51,999,816
As a % of Expenditures	35%	45%	16%	35%
Avg Ending Fund Balance	36,404,648	3,582,999	3,170,859	43,158,505
As a % of Expenditures	27%	47%	43%	29%

Cash Reserve Balance Disclosure Estimated for 2025 Levy

FY27 Estimated for Levy										
Description	(10) Educational	(20) Operations & Maintenance	(30) Debt Service	(40) Transportation	(50) Municipal Retirement/ Social Security	(60) Capital Projects	(70) Working Cash	(80) Tort	(90) Fire Prevention & Safety	Total
Levy Revenue	26,606,252	5,428,000	6,566,638	869,000	15,249	0	5,000	5,000	5,000	39,500,139
Other Revenue	92,517,000	4,915,000	69,000	5,479,000	613,000	415,000	47,000	400,000	18,000	104,473,000
Estimated Revenues	119,123,252	10,343,000	6,635,638	6,348,000	628,249	415,000	52,000	405,000	23,000	143,973,139
Estimated Expenditures	118,103,000	10,378,000	8,339,000	9,410,000	3,748,000	413,000	0	1,724,000	244,000	152,359,000
Projected Surplus/(Deficit)	1,020,252	(35,000)	(1,703,362)	(3,062,000)	(3,119,751)	2,000	52,000	(1,319,000)	(221,000)	(8,385,861)
Estimated Ending Cash Bal	21,828,997	618,772	2,045,687	7,828,983	3,623,366	354,105	1,949,522	94,693	163,063	38,507,188
As a % of Expenditures	18%	6%	25%	83%	97%	86%	0%	5%	67%	25%
Estimated Ending Fund Bal	10,280,632	45,307	2,376,188	7,402,163	3,410,389	2,467	1,946,440	21,019	161,687	25,646,292
As a % of Expenditures	9%	0%	28%	79%	91%	1%	0%	1%	66%	17%

*Estimated Ending Cash Balance Calculation: FY25 Unaudited ending cash balances, less FY26 Budget activity, less FY27 estimated surplus/(deficit). Estimated Ending Fund Balance Calculation: FY25 Unaudited ending fund balances, less FY26 Budget activity, less FY27 estimated surplus/(deficit).

Board Policy 4:10 reads that the Superintendent (or designee) shall: "Present a written report that includes the annual average expenditures of the District's operational funds for the previous three fiscal years at or before the board meeting at which the Board adopts its levy. In the event the District's combined cash reserve balance of its operational funds is more than 2.5 times the annual average expenditures of those funds for the previous three fiscal years, the Board will adopt and file with ISBE a reserve reduction plan by December 31." The District is operating at 35% of its combined cash reserve balance. The District is operating below the 2.5 threshold and is therefore not required to file a Reserve Reduction Plan.

Questions?



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Inspire and empower students to construct a thriving future!