

**Sauk Valley Community College
November 25, 2019**

Agenda Item 3.1.4

Topic: **2019 Tax Levy**

College Health: **College Health Metrics: 3 – Financial Stability, 4 – Campus
Environment, and 8 – Planning**

Presented By: **Dr. David Hellmich and Kent Sorenson**

Presentation:

Illinois Truth in Taxation Law (35 ILCS 200/18-55 et seq.) requires a taxing district's corporate authority to estimate amounts to be levied 20 days prior to the adoption of its aggregate levy. The College's estimated aggregate levy for tax year 2019 is \$6,516,500. The 2019 estimated aggregate levy is \$23,206 less than the aggregate levy extended for tax year 2018, which totaled \$6,539,706.



2019 Tax Levy

Board of Trustees
November 25, 2019

S A U K V A L L E Y C O M M U N I T Y C O L L E G E

*SVCC is dedicated to teaching and scholarship while engaging the community
in lifelong learning, public service, and economic development.*

Tax Levy Goals

College Health Metrics

- **Financial Stability:** The College uses its revenue conservatively. The College pursues and utilizes alternative revenue streams.
- **Campus Environment:** College facilities and grounds are clean and updated. The campus is safe, secure and welcoming.
- **Planning:** The College conducts thoughtful, systematic planning to support future operations. Plans are updated annually or as necessary.

Key Definitions

- **“Aggregate levy”** means annual corporate property tax levy plus the special purpose levies that are made annually
- **“Debt Service levy”** means levies made to retire the principal or pay interest on bonds

Equalized Assessed Value (EAV)

County	2018 Estimate	2018 Actual*	+/-%	2019 Estimate	+/-%
Whiteside	\$ 811,147,996	\$ 812,249,361	100.14%	\$ 830,357,618	102.23%
Lee	637,721,124	632,311,551	99.15%	657,849,289	104.04%
Ogle	125,821,229	125,819,935	100.00%	130,647,936	103.84%
Bureau	105,364,945	106,346,031	100.93%	105,364,945	99.08%
Carroll	91,852,025	91,491,170	99.61%	94,863,895	103.69%
Henry	4,057,142	4,056,985	100.00%	4,309,469	106.22%
Total	\$ 1,775,964,461	\$ 1,772,275,033	99.79%	\$ 1,823,393,152	102.88%

- Estimated increase to District's EAV of 2.88%
- 2019 estimates obtained from County Assessors

* Lee County District Tax Comp Reports (source: www.leecountyil.com)

Levy Summary

<u>Fund Name</u>	<u>Fund Number</u>	<u>2018 Levy Request*</u>	<u>2018 Levy Extension*</u>	<u>2019 Levy Proposed</u>	<u>\$ Change</u>	<u>% Change</u>	<u>2018 Cert. Rate*</u>	<u>2019 Estimated</u>	<u>Change</u>	<u>% Change</u>
Education	01	\$ 4,400,000	\$ 4,342,081	\$ 4,600,000	\$ 257,919	5.94%	0.2450	0.2450	-	0.00
Operations & Maintenance	02	534,000	531,683	550,000	18,317	3.45%	0.0300	0.0300	-	0.00
Additional Tax	01	288,000	287,109	285,000	(2,109)	-0.73%	0.0162	0.0155	(0.0007)	-4.32%
Protection, Health and Safety	03	860,000	859,555	890,000	30,445	3.54%	0.0485	0.0500	0.0015	3.09%
Liability, Protection and Settlement	12	336,000	336,733	-	(336,733)	-100.00%	0.0190	-	(0.0190)	-100.00%
Social Security/ Medicare	12	130,000	129,376	131,500	2,124	1.64%	0.0073	0.0072	(0.0001)	-1.21%
Audit	11	54,000	53,168	60,000	6,832	12.85%	0.0030	0.0033	0.0003	9.69%
Aggregate levy		<u>6,602,000</u>	<u>6,539,706</u>	<u>6,516,500</u>	<u>(23,206)</u>	<u>-0.35%</u>	<u>0.3690</u>	<u>0.3510</u>	<u>(0.0180)</u>	<u>-4.88%</u>
Bond & Interest	04	1,045,450	1,050,961	1,862,000	811,039	77.17%	0.0593	0.1021	0.0428	72.20%
Total levy		<u>\$7,647,450</u>	<u>\$7,590,667</u>	<u>\$8,378,500</u>	<u>\$787,833</u>	<u>10.38%</u>	<u>0.4283</u>	<u>0.4531</u>	<u>0.0248</u>	<u>5.79%</u>

- Estimated Aggregate levy is \$6,516,500
- Aggregate levy is 0.35% less than 2018

* Lee County District Tax Comp Reports (source: www.leecountyil.com)

Aggregate Levy

- Education and Operations & Maintenance levies will be extended within the College's statutory limits of 0.2450% for Education and 0.0300% for Operations and Maintenance
- The 2019 Additional Tax levy is slightly less than 2018 as the Statewide average for Illinois community colleges' Education and Operations and Maintenance levies decreased from .2912% in 2017 to 0.2905% in 2018. Sauk Valley Community College's operating rate has been consistently lower than the Statewide average at 0.2750%.
- The Protection, Health and Safety levy is \$890,000 and will be capped at the statutory maximum of 0.0500%.
- The Liability, Protection and Settlement (Tort) levy is \$0 for 2019

Debt Service Levy

- The Debt Service levy amount is set based on debt principle and interest requirements established with the issuance of a taxing district's bonds or other eligible financial obligations.
- Increase for the 2019 tax year is due to 3-year repayment schedule for Series 2018C bonds (compared to 4-year repayment for Series 2014 bonds)
- The change in the repayment duration will enable the College to complete necessary infrastructure updates and ensure facilities are appropriately maintained to meet the District's and community partners' needs.

Cost to Taxpayer

	2015	2016	2017	2018 (Base Year)	2019 (Estimate)
District tax rate	0.4226	0.4246	0.4304	0.4283	0.4531
Home Value	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
District taxes due ¹	\$ 116	\$ 116	\$ 118	\$ 117	\$ 124
Home value (EAV indexed)	\$ 90,708	\$ 93,782	\$ 96,632	\$ 100,000	\$ 102,884
District taxes due (EAV indexed) ¹	\$ 102	\$ 107	\$ 113	\$ 117	\$ 128

- Historical changes largely tied to changes in EAV and the overall economic condition of the District

1. Tax assessed value estimated at 1/3 of home value less \$6,000 homestead exemption

Tax Rates for Bordering Districts

Tax Year 2018

<u>Fund Name</u>	<u>Sauk Valley</u> ¹	<u>Illinois Valley</u> ¹	<u>Highland</u> ²	<u>Rock Valley</u> ²	<u>Black Hawk</u> ³	<u>Kishwaukee</u> ¹
Education	0.2450	0.1300	0.2800	0.2300	0.1190	0.2750
Operations & Maintenance	0.0300	0.0400	0.0750	0.0400	0.0694	0.0750
Additional Tax	0.0162	0.1212	-	-	0.1004	-
Protection, Health and Safety	0.0485	0.0440	0.0410	-	0.0496	0.0500
Liability, Protection and Settlement	0.0190	0.0242	0.0509	0.0173	0.0550	0.0574
Social Security/ Medicare	0.0073	0.0061	0.0076	-	0.0100	0.0125
Audit	0.0030	0.0011	0.0025	0.0009	0.0026	0.0037
Prior Year Adj	-	-	(0.0027)	-	-	-
Aggregate levy	0.3690	0.3666	0.4542	0.2881	0.4060	0.4736
Bond & Interest	0.0593	-	0.0984	0.2099	0.1572	0.1934
Total levy	0.4283	0.3666	0.5526	0.4980	0.5632	0.6670

1. Certified Rates, Lee County District Tax Comp Reports (source: www.leecountyil.com)

2. Certified Rates, Ogle County District Tax Comp Reports (source: www.oglecounty.org)

3. Certified Rates, Whiteside County District Tax Comp Reports (source: www.whiteside.org)