

**Sauk Valley Community College
November 28, 2022**

Agenda Item 3.1.3

Topic: **2022 Tax Levy**

College Health Metric: **Financial Stability – The College uses its revenue prudently while pursuing and utilizing alternative revenue streams. Investment in programs, personnel, processes, and infrastructure are carefully considered and supported by College Planning.**

Presented By: **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 2022 is \$7,541,600. The 2022 estimated aggregate levy is \$358,624 more than the aggregate levy extended for tax year 2021, which totaled \$7,182,976, including tax abatements.

The estimated 2022 tax levy represents a decrease to the College's tax rate of \$0.0060 per \$100 of assessed valuation (or 1.36%) from the College's 2021 tax year certified rate.



2022 Tax Levy

Board of Trustees

November 28, 2022

SAUK VALLEY COMMUNITY COLLEGE

*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 prudently while pursuing and utilizing alternative revenue streams. Investment in programs personnel, processes, and infrastructure are carefully considered and supported by College Planning.
- **Campus Environment:** College facilities and grounds are clean and updated. The campus is safe, secure and welcoming.
- **Planning:** The College conducts research to support planning, decision making, and assessment efforts across the institution; decisions are informed by evidence, and processes are evaluated through continuous improvement.

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)

<u>County</u>	<u>2021 Estimate</u>	<u>2021 Actual</u>	<u>+/-%</u>	<u>2022 Estimate</u>	<u>+/-%</u>
Whiteside	\$ 902,820,061	\$ 904,820,038	100.22%	\$ 958,488,682	105.93%
Lee	734,789,673	734,738,605	99.99%	794,096,518	108.08%
Ogle	148,505,969	149,224,571	100.48%	160,419,270	107.50%
Bureau	153,930,728	155,017,478	100.71%	165,000,000	106.44%
Carroll	102,749,601	103,807,967	101.03%	109,186,832	105.18%
Henry	4,864,614	4,840,394	99.50%	5,220,625	107.86%
Total	\$ 2,047,660,646	\$ 2,052,449,053	100.23%	\$ 2,192,411,927	106.82%

- Estimated increase to District's EAV of 6.8%
- 2022 estimates obtained from County Assessors
- New construction of \$12,600,000 in Lee and Whiteside counties.

Levy Summary

Fund Name	SVCC Fund Number	2021 Levy	2021 Levy	2022 Levy	\$ Change	% Change	2021	2022	Change	% Change
		Request*	Extension	Proposed			Cert. Rate*	Estimated		
Education	01	\$ 5,017,000	\$ 5,016,930	\$ 5,390,000	\$ 373,070	7.44%	0.2444	0.2450	0.0006	0.25
Operations & Maintenance	02	615,000	615,629	660,000	44,371	7.21%	0.0157	0.0300	0.0143	91.08
Additional Tax	01	322,000	322,204	182,600	(139,604)	-43.33%	0.0300	0.0083	(0.0217)	-72.33%
Protection, Health and Safety	03	900,000	910,459	800,000	(110,459)	-12.13%	0.0439	0.0365	(0.0074)	-16.88%
Liability, Protection and Settlement	12	90,000	90,277	286,000	195,723	100.00%	0.0044	0.0130	0.0086	0.00%
Social Security/ Medicare	12	160,000	160,112	170,000	9,888	6.18%	0.0078	0.0078	(0.0000)	-0.59%
Audit	11	50,000	49,437	53,000	3,563	7.21%	0.0024	0.0024	0.0000	0.73%
Prior Year Adjustment			(13,519)							
Tax Abatements^			31,448							
Aggregate levy		7,154,000	7,182,976	7,541,600	358,624	4.99%	0.3486	0.3430	(0.0056)	-1.60%
Bond & Interest	04	1,866,800	1,876,463	1,997,685	121,222	6.46%	0.0915	0.0911	(0.0004)	-0.42%
Total levy		\$ 9,020,800	\$ 9,059,439	\$ 9,539,285	\$ 479,846	5.30%	0.4401	0.4341	(0.0060)	-1.36%

* From Lee County Tax Computation Report

^ EZ Tax Abated in Lee County (aggregate levy)

Estimated Aggregate levy is \$7,541,600

* 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 2022 Additional Tax levy rate is significantly lower than 2021 as the Statewide average for Illinois community colleges' Education and Operations and Maintenance levies decreased from .2907 in 2020 to 0.2833 in 2021. 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 \$800,000 for project funding approved by the Board at the October meeting.
- The Liability, Protection and Settlement (Tort) levy is \$286,000 for 2022. Continued increases to the Tort levy will be necessary over the coming years but will be managed to maintain consistency with the overall aggregate levy.

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.
- The 2022 debt service levy (\$1,997,685) is slightly higher than the 2021 levy (\$1,866,800) as the College is retiring the series 2018 bonds and will begin to pay down the series 2021 and 2022 issuances.

Cost to Taxpayer

	2017	2018	2019	2020	2021	2022 (Estimate)
District tax rate	0.4304	0.4283	0.4492	0.4385	0.4401	0.4341
Home Value	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000
District taxes due *	\$ 143.47	\$ 142.77	\$ 149.73	\$ 146.17	\$ 146.70	\$ 144.71

- Decrease of \$1.99 or 1.36% in property taxes on a \$100,000 home from 2021 levy to 2022 estimate.
- Increase of \$1.24 (total) or 0.17% (annualized rate) over the past 5 years from the 2017 levy to the 2022 estimate.

* Tax assessed value estimated at 1/3 of home value (homestead exemption is excluded from this calculation)

Bordering Districts

Tax Year 2021

<u>Fund Name</u>	<u>Sauk Valley</u>	<u>Illinois Valley</u>	<u>Highland</u>	<u>Rock Valley</u>	<u>Black Hawk</u>	<u>Kishwaukee</u>
Education	0.2444	0.1300	0.2800	0.2300	0.1185	0.2750
Operations & Maintenance	0.0300	0.0400	0.0750	0.0400	0.0691	0.0750
Additional Tax	0.0157	0.1207	-	-	0.0994	-
Protection, Health and Safety	0.0439	0.0317	0.0461	-	0.0494	0.0500
Liability, Protection and Settlement	0.0044	0.0366	0.0554	-	0.0721	0.0518
Social Security/ Medicare	0.0078	0.0054	0.0081	-	-	0.0112
Audit	0.0024	0.0012	0.0026	0.0008	0.0030	0.0033
Prior Year Adj	-	-	(0.0003)	(0.0015)	(0.0020)	-
Aggregate levy	0.3486	0.3656	0.4669	0.2692	0.4095	0.4663
Bond & Interest	0.0915	-	0.0915	0.1816	0.1511	0.1751
Total levy	0.4401	0.3656	0.5584	0.4508	0.5606	0.6414
EAV	\$ 2,052,449,053	\$ 3,692,518,630	\$ 1,985,304,930	\$ 6,687,269,853	\$ 4,403,274,190	\$ 2,636,505,258
Total Extension	\$ 9,027,991	\$ 13,499,848	\$ 11,090,481	\$ 30,233,422	\$ 24,771,155	\$ 16,910,545
Student FTE*	1,099	1,836	953	4,406	2,878	1,733
Tax / Student FTE	\$ 8,215	\$ 7,353	\$ 11,637	\$ 6,862	\$ 8,607	\$ 9,758
Universal Tuition & Fee Rate [^]	\$ 159	\$ 133	\$ 191	\$ 137	\$ 164	\$ 164

Sources:

Tax computation reports (from various Illinois counties)

* FY2022 ICCB Operating Budget Appropriation and Supporting Technical Data , Table 15

[^] FY2022 published rates