Harvard
Community Unit School **District 50**

Date: October 21, 2026- Corrected November 6, 2026

To: Dr. Brandon White and Harvard Board of Education

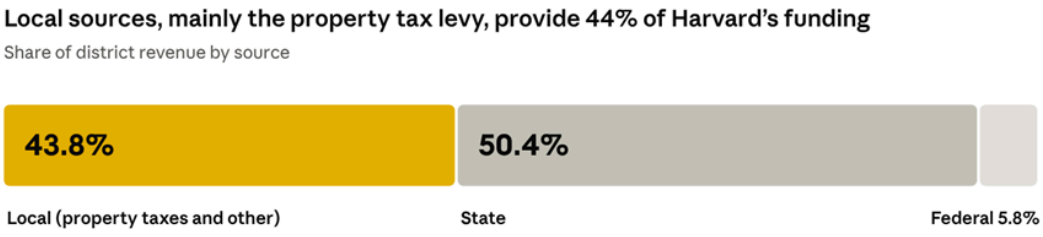
From: Melissa Geyman Sell, Assistant Superintendent of Finance and Operations

RE: 2026 Tax Levy-Corrected

The Board will hold a public hearing on the 2026 tax levy at its November Board of Education meeting and vote on the levy afterward. The draft levy requests $19,250,000 for the district's operating funds, and every option before the Board is estimated to keep Harvard's tax rate below last year's 5.17 — continuing a decline that began in 2017. Harvard receives property tax revenue from both McHenry and Boone counties.

Levy request (operating funds) **$19.25M** 6.6% above 2025 extension	Projected tax rate **5.01–5.12** down from 5.17 in 2025	Allowed increase (CPI) **2.7%** plus new property
New property (estimate) **$2.5M** EAV growth est. 5%	Bond payment **$2.84M** up to $150,000 may be abated	Public hearing and vote **November** Board of Education meeting

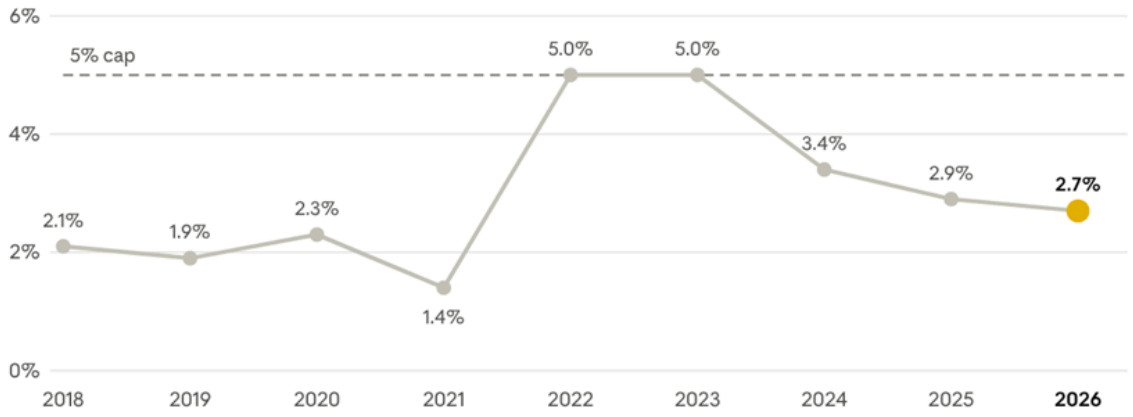
- **Where Harvard's funding comes from**



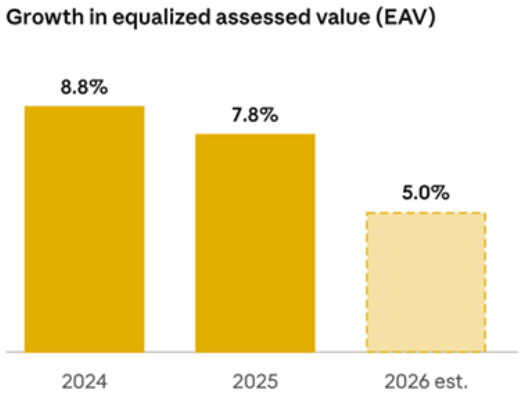
  - The largest state source is Evidence-Based Funding (EBF). Harvard is a Tier 1

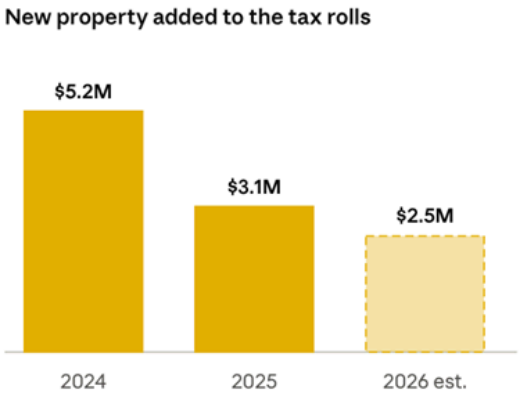
district, the group farthest from adequate funding, and is funded at 70.16% of its adequacy target. Its FY27 EBF allocation is $24,770,099.61. Because EBF counts local property wealth, rising EAV moves Harvard closer to adequacy; falling EAV moves it further away.

- **What drives the levy**
  - Three numbers set how much Harvard can collect: the Consumer Price Index (CPI), the value of all property (EAV), and the value of new construction.
    - Tax caps (PTELL). Harvard is a tax-capped district under the Property Tax Extension Limitation Law. Each year the levy may grow by the lesser of 5% or the prior year's Consumer Price Index (CPI), plus an amount for new property and any voter-approved increases. For the 2026 levy, that CPI is 2.7%.

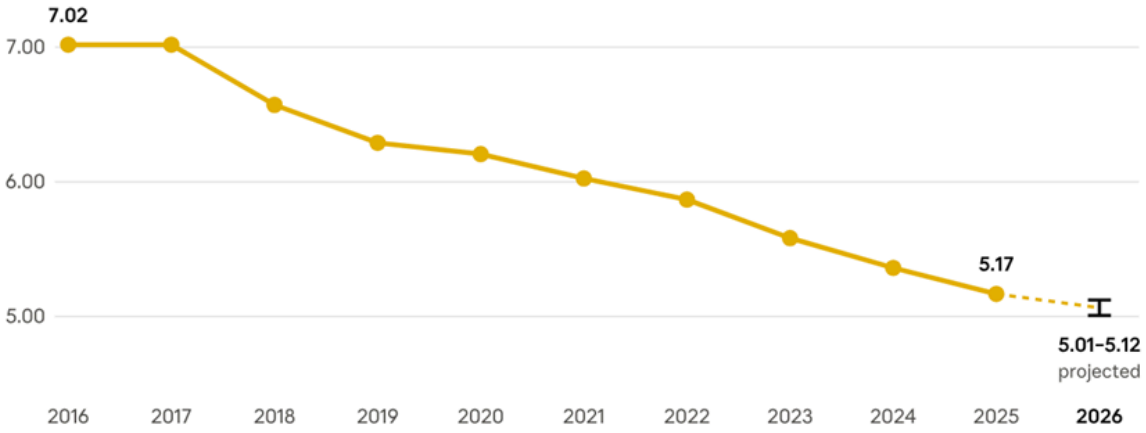


    - Equalized assessed value (EAV). EAV is the taxable value of all property in the district. Harvard's 2025 EAV was $402,718,609, and the district estimates 5% growth for 2026. EAV is not final when the Board adopts the levy, so the district must estimate it. When EAV grows faster than the levy, the tax rate falls.
    - New property. New construction adds revenue without raising taxes on existing owners. The district estimates about $2.5 million in new property for 2026.





- **Tax rate history**
    - The rate has dropped from 7.02 in 2016 to 5.17 in 2025 because property values (EAV) have grown faster than the levy. All four 2026 options continue that trend.



- **Bond payment and abatement**
    - This year's bond payment is $2,842,455, up from $2,756,226 last year. Harvard has five outstanding bond issues; their payments are extended by the County Clerk under the original bond resolutions, so they are not part of the levy request below.
    - The Board can lower the tax rate by abating part of the bond payment — paying it from district funds (such as interest earnings) instead of property taxes. Harvard has abated 150,000-300,000 a year for the last four years.

- **Options and homeowner impact**
    - The Board has four options. Each combines how much of the 2.7% CPI to levy with how much of the bond payment to abate.

Option	What it does	Est. tax rate
1	Levy the full 2.7% CPI, no abatement	5.1220
2	Levy 0% CPI	5.0075
3	Levy 2.7% CPI and abate $150,000	5.0867
4	Levy 2.7% CPI and abate $300,000	5.0514

    - Every option lowers the tax rate from 2025's 5.1672. Bills can still rise because rising home values increase each property's share of EAV.

- **Draft 2026 levy request-Correction**

    - The draft certificate requests $19,250,000, 4.97% above the 2025 extension. The request is set intentionally above what tax caps will allow so the district captures all new property and EAV growth; the County Clerk then reduces the final extension to the legal limit. Last year the district requested $18,546,000 and the County extended $18,337,763.33 (98.8%).

Fund	2025 extension (corrected to include Boone County)	2026 request
Education	$12,076,934.71	$12,200,000
Operations & Maintenance	$2,349,002.49	$2,450,000
Special Education	$1,863,883.05	$1,900,000
Transportation	$1,550,341.97	$1,600,000
Social Security	$444,949.01	$455,000

Municipal Retirement (IMRF)	$367,667.54	$375,000
Working Cash	$105,194.07	$100,000
Fire Prevention & Safety	$86,814.15	$85,000
Tort Immunity	$81,706.59	$85,000
Total	**$18,941,133.80**	**$19,250,000**

- Bond payments are extended separately and are not included in this table.

- **Fund balances**
  - Combined fund balances were $35.6 million on June 30, 2026 (unaudited).

Fund	June 30, 2025	June 30, 2026
10 Education (incl. Food Service)	$27,090,590	$26,829,691
20 Operations & Maintenance	$2,786,772	$3,810,350
30 Debt Services	$343,724	$195,016
40 Transportation	$1,560,292	$846,093
50 Retirement / Social Security	$785,942	$1,141,657
60 Capital Projects	$1,173,703	−$157,950
70 Working Cash	$5,214,042	$2,604,555
80 Tort	$62,205	$67,524
90 Fire Prevention & Safety	$245,568	$302,862
Total	**$39,262,838**	**$35,639,798**

- **Truth in Taxation, appeals, and next steps**

- Under the Illinois Truth in Taxation Act, a school district must hold a public hearing when its proposed levy is more than 5% higher than the prior year's extension. At 4.97%, the district's levy falls below that threshold. Even so, Harvard CUSD 50 is committed to transparency in its finances and holds a levy hearing every year so community members can see how the levy is developed, ask questions, and share input before the Board of Education takes action.

- After the levy is adopted, property owners may appeal their assessed value in writing to the County Board of Review, the State Property Tax Appeal Board, or Circuit Court. The district receives formal notice of any appeal over $100,000. Pending appeals can delay when the district receives its tax revenue.

Next steps

1. Publish the Truth in Taxation notice on 11/6/2026 with correction on 11/10/2026
2. Hold the public hearing at the November 18, 2026 Board of Education meeting.
3. Board votes on the levy and the bond abatement.
4. File the certified levy with the McHenry and Boone County Clerks by Tuesday, December 29, 2026.

Should you have any questions regarding the tax levy or options please contact me at msell@cusd50.org