Tax Levy
Frequently Asked Questions

How are Schools Funded in Illinois? Funds for schools in Illinois come from a mix of local, state, and federal sources. Here are a few of the largest sources with percentages specific to Cambridge School:

1. Local Property Levies (approx. 50%)
2. State General Funds (Evidence-Based Funding or EBF) (approx. 20%)
3. Federal Funds - targeted grants (approx. 6%)
4. State Categorical Grants (approx. 4%)
5. County Facilities Sales Tax (approx. 4%)
6. Miscellaneous Other Revenue Sources (approx. 16%)

A district may also sell bonds to generate revenue, borrowing funds typically to finance large-scale capital projects.

What is a Property Tax Levy? The "levy" is the amount of money the school district asks the county to collect from local property taxes each year. It's basically the district's request: "We need about this much to run the schools." The county then uses the real total property values (called EAV, including any new homes or buildings) to figure out the actual amount the district will get. This final amount is called the "extension." Key points to know:

- When property values grow, or new buildings are added, that creates new tax dollars—but those don't automatically go to the schools. The district has to actively request them each year as part of the levy.
- The district needs this requested money to keep up with rising costs, like higher salaries due to cost of living, more expensive supplies and services, inflation, and other growing expenses.
- There's a legal limit: The district can't get more than it asked for, and the total is capped by maximum tax rates set by law (or past voter approvals).
- In the end, the county controls the exact amount based on real numbers and those limits.

To summarize: Schools have to ask every year for their share of any new property tax money from growth—they don't get it automatically. This helps cover increasing costs without breaking the rules.

December 2025 Levy Key Points

- The EAV estimate from Henry County is a 2.498% increase from last year.
- The total tax rate is estimated to increase from 5.0582 to a maximum of 5.2677.
- The total levy request is 108.73% of last year's total extension, so a Truth-in-Taxation hearing is required.
- Assuming a 2.498% increase in EAV, a home assessed at $200,000 last year would have a $227.39 increase in annual taxes with an EAV increase and the proposed tax rate increase. This is roughly $19.00 a month.
- State budgets are leading to decreased reimbursement amounts for required programs such as special education and school bus transportation.
- Costs are rising for the large district expenses such as salaries, benefits, insurance, and utilities.

How is Property Tax Calculated? Your home's value is assessed (EAV = Equalized Assessed Value, usually about 1/3 of market value). The tax rate is applied to the EAV (after exemptions, such as the homestead or senior citizen exemption). The total property value in the district (total EAV, including new buildings) × tax rate = total money collected for schools. Schools use an estimated EAV when they submit their levy in December because the exact numbers aren't ready yet. They use estimates from county assessors.

What if the District Asks for Too Much? They don't get extra money. The county uses the real EAV numbers (available later) and legal caps to calculate the final amount. Example: If the district asks for a 5% increase, but real growth only supports 4%, they only get 4%.

What is a "Balloon Levy"? It's a smart, common practice: The district asks for a little more than expected to account for unknown new growth or changes in property values. This way, they can capture all the money they're legally allowed (including taxes from new properties). They never get more than the law permits—the county adjusts it down if needed.

How Does the School Board Set the Levy? The district looks at its budget needs and current savings. The board approves the levy in December. If the request is more than 5% over last year's amount, they must hold a public hearing first (required by Illinois's "Truth in Taxation" law). Then, it's sent to the county clerk by late December.

Cambridge CUSD #227 Tax Rate History

2018	2019	2020	2021	2022	2023	2024	2025
5.1417	5.1299	5.0819	5.023	5.2632	5.0599	5.0582	*5.2677 maximum*

How Is Your Personal Tax Bill Figured Out?

1. Start with your home's EAV (about 1/3 of market value).
2. Subtract exemptions (e.g., homeowner exemption).
3. Multiply by the total tax rate (schools + city + parks + etc.).
4. Formula: (EAV - Exemptions) × Total Rate ÷ 100 = Your bill.

Property taxes are on a discounted value, not the full market price.

In short, schools don't just "grab" extra money—they request based on needs and estimates, but the county controls the final amount using real numbers and legal limits. This protects everyone while helping schools cover costs and new growth.

To estimate your tax increase, use this Excel Spreadsheet or Google Sheet.

Please contact Superintendent Jenna Bibb (jbibb@district227.org or 309-932-4933) if you have questions or would like clarification.