COMMITTEE REPORT October 2025

GLENCOE PARK DISTRICT

GLENCOE PARK DISTRICT
Committee of the Whole Meeting
Tuesday, October 7, 2025 at 7:00pm

Consistent with the requirements of the Illinois Compiled Statutes
5 ILCS 120/1 through 120/6 (Open Meetings Act), notices of this meeting were posted.
Location of the meeting is Takiff Center, 999 Green Bay Rd, Glencoe, IL 60022

A G E N D A

I. Call to Order
II. Roll Call
III. Matters from the Public
IV. Presentation and Discussion on Beach House, Trellis, and Sun Shelter Preliminary Designs
V. Tax Levy Discussion
VI. Executive Session
   A. Selection of a Person to Fill Public Office – 5ILCS 120/2(c)(3
      1. Discussion on Board Candidates
VII. Discussion of Officers, Planning Commission Representative, Advisory Group Chairs resulting from the resignation of Commissioner Spain
VIII. Other Business
IX. Adjourn

The Glencoe Park District is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations in order to allow them to observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or facilities, are asked to contact the Park District at 847-835-3030. Executive Director email: lsheppard@glencoeparkdistrict.com

Key rules governing participation
All comments will be limited to three (3) minutes per person and no longer than 30 minutes for all comments.

IV. Presentation and Discussion on Beach House, Trellis, and Sun Shelter Preliminary Designs

(No documents. Presentation at meeting)

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V. Tax Levy Discussion

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MEMORANDUM

TO: Board of Park Commissioners
CC: Lisa Sheppard, Executive Director
FROM: John Cutrera, Director of Finance/HR
SUBJECT: 2025 Tax Levy Process and Overview
DATE: October 7, 2025

It is that time of year again when we begin the legal cycle for our **next** fiscal year, FY2026/27. The first step in that cycle is to determine the District's levy amount and to approve the 2025 Tax Levy Ordinance, which is filed with the Cook County Clerk's Office.

Last year, the District approved an operating levy increase of 4.72% and overall levy increase of 2.79%, which allowed for the maximum 3.40% CPI plus estimated new growth. Per the final draft extension for 2024 that was received in August, the District captured the full potential of all "new growth" dollars.

The law requires all taxing bodies in Cook County to hold a public hearing on the proposed levy if the proposed aggregate levy exceeds the amount extended for the previous year by 105%. Even if the proposed aggregate levy does not exceed the amount extended by 105%, a public hearing may still be held.

To better understand this levy process, staff offers the following information each year on this process.

Tax Levy Process – A General Explanation
While the levy process can be confusing, simply stated, it is the legal prerequisite to a governmental entity receiving money from taxation. It is **not** an appropriation, which is the authorization for the **expenditure** of monies from taxes and other revenue sources. Rather, it is the **authority to collect** tax revenue to finance the District's expenses. Historically, the District's revenue sources consist of approximately 45% tax revenues and 55% program and user fees. Our Comprehensive Plan sets the goal for the District to not exceed 50% of total operating revenue from the property tax levy.

Each year, the District is required to estimate the amount of money to be raised by taxation for use in the following fiscal year. For example, the tax year 2025 levy relates to tax revenues to be collected in FY2026/27 (March 1, 2026 through February 28, 2027). This estimated amount is called the "aggregate levy amount" and must be stated in a formal resolution passed by the Board.
This is typically done at the October or November board meeting. The District is required to publish a notice and hold a public hearing on the proposed property tax levy if the aggregate operating levy increase is greater than 105% of last year's final extension (or estimated extension if final is not available). The hearing typically takes place at the regular board meeting in November or December.

The total aggregate levy is made up of both the **operational levy** and the **debt service levy**. The operational portion is determined by the amount of the District's levy request **and** numerous unknown variables (Equalized Assessed Valuation (EAV), CPI, new development). The debt service portion is determined by the County Clerk and is based solely on the amount of principal and interest due for all outstanding bond ordinances on file with the County. In addition, the County automatically adds a 3% "loss in collection" factor to all operating fund levies and a 5%

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"loss factor" to the debt service levy. The Property Tax Limitation Act of 1994 (referred to as "the tax cap") drastically changed the levy process. The tax cap limits tax growth on the existing EAV base, often referred to as "old growth", to an increase of 5% or the CPI, whichever is lower. For the 2025 levy, this cap will be **2.90%** - meaning all old growth will be capped at this level. In the three tax levy years prior to that, the CPI has been 3.40% (2024) 6.50% (2023), 7.00% (2022). In the years where CPI exceeded 5.0%, the District was capped at a 5.0% increase due to the aforementioned tax cap. Unfortunately, operating expenditures such as health insurance, utilities, gasoline, etc., have typically increased above and beyond what the tax cap allows.

The tax cap does **not** limit the collection of property taxes on **new development**, often referred to as "new growth", within the District boundaries as long as the maximum legal tax rates have not been achieved. This would include for example, new subdivisions, new homes, new commercial industry, or newly annexed property. The reason that new growth is not capped is due to a philosophy of equity. Because new homeowners and businesses will be benefiting from parks and facilities already paid for by current District residence and business owners, it is felt that they too should pay their fair share. In the second and subsequent years, this new growth then becomes part of the EAV base, or old growth, and is thus capped at the lower of 5% or the CPI.

In prior years, under the tax cap, **taxing bodies were required to levy for all potential new growth to actually receive it**. In the past, if it was not levied for, not only would a District not receive the full potential of all tax monies entitled to the District in the initial year, but it also has a compounding effect because the following year's tax extension is based on the prior year's tax extension, and so on. An amendment to the law in 2022 now allows for taxing districts to not levy to the maximum in a given year, but still retain the ability to capture it in future years. There are, however, certain requirements in the law that will limit its effectiveness and the district's ability to utilize it. For example, a district's limiting rate is determined using either the district's most recent aggregate extension or what the most recent aggregate extension would have been if the district had used the maximum limiting rate permitted for each of the three immediately preceding levy years. Therefore, if there are three consecutive years with elevated CPI, there is still the potential for permanent losses of new growth. Based on these factors, it is important to make sure the levy amount includes an estimation for all new growth anticipated within the District. This is important to remember for each levy.

While it can be difficult to estimate new growth each year within the District, one can look to prior year history to calculate a historical average, and then build in any anticipated new growth, which may be added to the tax rolls in the coming year. This would also include tear-downs. Again, levy amounts are estimates. Determination of actual tax amounts that are extended and collected on behalf of the District are not known until all key factors in the calculation are known, usually in June/July (though later this year due to software conversion issue with the Cook County Assessor). Key factors include the aggregate levy request, total EAV, assessed value of new development, re-assessment of current (or existing) base EAV, statutory limits on tax rates, CPI, and total debt outstanding.

After the tax levy amount is determined and a public hearing is held, the Tax Levy Ordinance must be approved and filed with the County. This ordinance is an official legal document

which outlines by fund, the total amount of taxes to be assessed and levied for. While the ordinance is typically approved in November or December, it is for tax revenues that will be actually received in the **following** fiscal year. Although the District's budget process began for staff in July 2025, the budget is discussed by the Board in February/March 2026, and the Budget and Appropriations Ordinance is officially approved in April/May 2026. Final tax information (i.e. tax revenues, tax rate) will not be known until July/August 2026. Due to the timing of the levy process and the impact of the tax cap, staff is making projections using the best available data and assumptions. (Please remember, the Board can also utilize its authority to abate taxes once all the unknowns are known.)

Ultimately, the tax cap limits the amount of tax dollars received on old growth to the lower of the CPI or 5.00%, no matter what the levy increase is. And the amount of tax dollars received on new growth depends on if you have actually levied enough to receive it.

2025 Tax Levy Amount-Glencoe Park District

Given the information above, staff feel that the District should continue to proceed with a proactive approach by levying an amount that would ensure we are capturing all new growth tax dollars and capturing up to the 2.90% cap for the 2025 levy. In addition to the philosophy of equity, capturing all new growth tax dollars becomes especially important when considering the following:

1. Unlike the Village, the Park District does not have other revenue sources (ex: sales tax, gasoline tax, etc.) to rely on to operate. The Park District relies primarily on property taxes (45%) and user/program fees/other sources (55%).

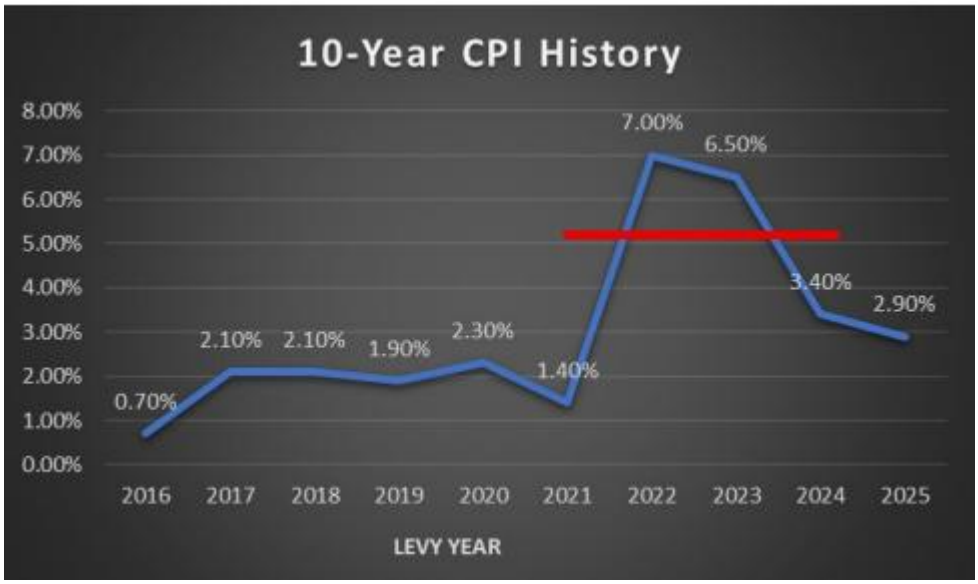
2. Operating expenses have increased over the 2.90% cap this year and additional increases are expected. Examples include utilities, insurance premiums, contractual services, wages and gasoline.

3. Per the District's Fund Balance Policy, the Board directed staff to keep minimum fund balance requirements (50% in Corporate and Recreation, and 25% in all other funds).

4. Specific funding for the District's Master Plan Projects (Fund 69) has been historically dependent on the surpluses in the Corporate and Recreation Funds. Each year, a minimum of approximately $525,000 is also earmarked for annual capital improvements in the Capital Projects (Fund 65).

5. Although we are proposing levying to the maximum for the 2025 levy, even with the 2.90% increase in 2025, the current 10-year average CPI growth rate is only 0.24% and 0.55% above the two prior 10-year periods. Since PTELL was enacted, the 10-year periods from 1996-2005 and 2006-2015 saw average % increases of 2.44% and 2.13%. The chart below summarizes the CPI increases from 2016-2025, noting an average of 2.68% for that period.

MEMORANDUM



Breakdown of Levy Amount By Fund
See attached for additional information on the breakdown of the proposed aggregate levy amount by fund.

Staff Recommendation-2025 Tax Levy Amount
Per the County Clerk's Office, the old growth (or existing EAV base) will be capped at **2.90%** CPI. It has been the Board's philosophy that new homeowners and business owners should pay their fair share for parks and facilities already existing within the District. Thus, it is important to levy an amount to capture all new growth potential. Based on these considerations, staff recommend an **operating** levy amount of **$5,920,000**, which is **5.88%** greater than last year's final tax extension of **$5,591,199**.

Realizing that old growth will be capped at 2.90% this year no matter what the levy amount is, it is the District's intent in levying the amount above to ensure all new property is captured and the District keeps pace with rising operating costs. Please note that the new growth number will become more significant as development of the Forest Edge Subdivision continues.

The District's **debt service** levy amount of **$1,277,969** includes principal and interest for the 2025 GO Bonds ($1,000,069), and the 2020 Bonds ($277,900).

The combined overall increase from the prior year for both the capped and non-capped funds is 1.90%, factoring out the levy adjustment related to PA 102-0519, the increase is 3.25%. This is due to the debt service levy proportion to the total levy and the fact that the debt service decreases slightly for FY2026/27.

It is staff's intent to formally approve the amount to be levied and approve the Truth in Taxation Resolution at the October 21 Regular Board meeting, and then approve the Levy Ordinance at the November 18 Regular Meeting. The public hearing on the levy will also be held at the November 18 Regular Board meeting. The Levy Ordinance must be filed with the County Clerk's office by the last Tuesday in December (December 30, 2025).

Glencoe Park District
Breakdown of Levy By Fund-2025 LEVY REQUEST

Limit	2024 Rate	Fund	Final Tax Yr 2024 Extension	Proposed Tax Year 2025 Extension	% Increase (Decrease)	Relevant Considerations
0.3500	0.2425	Corporate	2,867,146	3,000,000		The 2025 tax year levy will be used to cover general operating increases in utilities, contractual services, wages, health insurance, postage, supplies, etc. In addition, an amount of $525,000 has been used annually to fund the District's capital projects program. The District must be able to keep pace with increases in operating expenses. The unassigned projected fund balance level at the end of the year is expected to exceed the 50% minimum. The Board committed $1,000,000 for future Fund 69 capital in FY25/26.
0.3700	0.1119	Recreation	1,324,811	1,385,000		The 2025 tax year levy will also be used to cover general operating increases as described above. Enrollments in District programs continue to be strong. The program net surplus is used to offset the deficit operations of running Takiff Center. Adequate fund balance levels are key to the financial health of this fund. The unassigned projected fund balance at the end of the fiscal year is expected to exceed the 50% minimum. The Board committed $1,450,000 for future Fund 69 capital in FY25/26.
None	0.0284	IMRF	336,152	300,000		Next fiscal year, employer IMRF contribution rate will remain relatively consistent from 7.82% to 7.48%. Projected fund balance at the end of the year is approximately 77%, primarily due to open positions. Although this exceeds the District's fund balance policy, it's important to note that the 7.48% is the lowest contribution rate in the last 10 years and at points within the 10 year span, the contribution rate was nearly double. As the rate increases, so does the 25% minimum fund balance. Therefore staff feels it would be prudent to maintain additional fund balance reserves in the IMRF fund.
None	0.0367	Social Security	435,017	400,000		This employer FICA contribution rate remains at 6.2% and the Medicare contribution rate remains at 1.45%. Projected fund balance at the end of the year is right at 39%. There is much less risk of volatility in rates for this fund as opposed to IMRF. The approach will remain to maintain projected ending fund balance at or slightly above the 25% minimum.
None	0.0250	Liability Insurance	296,594	400,000		We anticipate Increased capital expenditures in FY 26/27 to continue addressing evolving safety needs. Projected fund balance at the end of the year is expected to be at around 75%. Staff recommends an increase in the levy amount to account for increased spending on safety related projects. This is year 2 of the phased in approach of PDRMA changing the contribution rate methodology, which resulted in a net decrease to our District in Member contributions. The effect of the decrease offset with expected rate increase will keep overall member contributions relatively flat. PDRMA is phasing in the overall impact of the increases due to methodology changes, capturing all increases by 2027.
None	0.0030	Workers Comp	36,576	48,000		PDRMA anticipates a similar increase in worker compensation insurance premiums, per the rationale above. Projected fund balance at the end of the year is over 31%, and staff recommends a levy amount increase to keep pace with expenditures and maintain fund balance near that level.
0.0050	0.0014	Audit	16,803	17,000		Levy amount includes slight increase in audit fees for Annual Comprehensive Financial Report and accounts for GASB 75 actuarial fee. Projected fund level at the end of the year is approximately 50%.
	0.4489	***Subtotal-Capped Funds***	***5,313,099***	***5,550,000***		
Non - Capped Funds						
0.0400	0.0235	Special Recreation	278,100	370,000		NSSRA contribution estimated increase of 8% to approximately $141,000 to fund increase in operating expenses and catch up for years of frozen MAC. Companion fees will likely also increase based on increased program participation. Increased capital spending will also take place related to ADA components of Beach projects. Fund balance at the end of the year is around 150%, which will be spent down in FY 26/27 due to capital spending.
		Subtotal-Capped Funds + Special Rec	***5,591,199***	***5,920,000***	***5.88%***	***Truth in Taxation %***
None	0.0078	Levy Adjustment PA 102-0519	92,428	-		Recovery of property tax money they was refunded due to assessment reductions or appeal decisions.
None	0.1166	Bond & Interest	1,379,917	1,277,969		Levy amount is automatically determined by the County based on all bond ordinances on file. The amount levied includes the 2020 Series principal ($210,000) and interest ($67,900) for a total of $277,900. The amount levied for the 2025 Series includes principal ($340,000) and interest ($660,069) for a total of $1,000,069.
	0.1479	***Subtotal-Non - Capped Funds***	***1,750,445***	***1,647,969***		
	0.5968	***Total - All Funds***	***7,063,544***	***7,197,969***	***1.90%***	

VII. Discussion of Officers, Planning Commission Representative, & Advisory Group Chairs

Glencoe Park District
October 2025 Committee of the Whole Meeting

MEMORANDUM

TO: Board of Commissioners
CC:
FROM: Lisa Sheppard, Executive Director
SUBJECT: Discussion of Board Positions
DATE: October 1, 2025

The Board should have a discussion regarding the Officers, Planning Commission Representative, and Advisory Group Chairs, following the resignation of Commissioner Spain from the Board.

Commissioner Spain held the role of President and representative on the Planning Commission. Therefore, a new President will have to be nominated and approved at the October Board meeting.

Recommended Discussion for approval at the October Board meeting:

- Nominate a New President
- If the appointment results in a new opening for a Board position (for example Vice President moves to President) then there will need to be a discussion and nomination for that position.
- Appointment of a Planning Commission Representative. (This is an appointment by the President, but the Board usually discusses prior to that appointment.)
- Discussion on any other Advisory Group chair positions that may be open due to the changes above. (This is an appointment by the President, but the Board usually discusses prior to that appointment.)