



# MORTON

---

## UNIT SCHOOL DISTRICT 709

Nov. 4, 2020

## Morton Board decides to keep tax rate flat

Morton School District 709 will hold the line on its property tax rate for the 2021 fiscal year, with a majority of the board citing the need to give local taxpayers a break during the economic hardships posed by the COVID-19 pandemic.

The board voted 5-2 Tuesday to ask their taxpayers for approximately \$31.6 million for the coming budget year, a .46 percent increase in the levy that will keep the tax rate at the current \$5.34 per \$100 equalized assessed valuation (EAV). The levy raises an extra \$289,000 over the previous year, mostly through the addition of new properties to the tax rolls.

The board had earlier rejected a proposal for a cost-of-living increase in the levy – 2.3 percent – after a long debate and by the narrowest of margins, 4-3. The resulting tax rate of \$5.44 per \$100 EAV would have generated \$32.2 million overall, costing the average Morton taxpayer with a \$180,000 home approximately \$50 more annually.

The .46 percent increase was a compromise choice, as some board members had expressed an initial preference for a 0 percent increase in the levy, which would have lowered the school district's tax rate to \$5.32 per \$100 EAV. Potentially, the latter may have resulted in a small overall tax cut, depending on what other local governments do.

The district now will need to make adjustments in spending to account for the likely shortfall in revenues in the coming year, and perhaps in the years to come,

as Tazewell County's tax cap environment makes it difficult to catch back up once those dollars are forfeited. Beyond that, potentially aggravating the district's fiscal situation are possible reductions in general state aid, which may be more likely given the defeat at the polls Tuesday of a statewide progressive tax; increases in labor and health insurance costs; and a possible shift in pension liabilities from the state to local governments.

As a result, fund balances may be reduced. Budget cuts may be on the table, as well. Future building investments, such as new science labs and other needed improvements at Morton High School, may be delayed or dropped.

In other business, the board and administration said they have consulted with the district's attorney and insurance company and are leaning toward siding with the Illinois High School Association (IHSA) in moving forward with a winter basketball season, despite the governor's order to sit this one out.

"Personally, I'm glad to see the IHSA take a stand on this issue," said School Board President Dr. Shad Beaty. "In my opinion, it's in the best interests of our children."

Beaty also addressed the recent spike in COVID positives and quarantines among Morton's staff and student body, following a long run of relatively low numbers and generally good news on that front.

"We expected a bump like this to occur," he said, adding that the district moved quickly and proactively to quarantine two grade levels at Lettie Brown Elementary School, consistent with its goals of preserving safety and in-person instruction overall. "I couldn't be more proud to be a part of this district."

Finally, the board heard from the district's auditor, who communicated that, at present, the district is in a "good financial position," with assets minus liabilities of more than \$80 million.