

2023 (FY24) Final Levy Presentation

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Chief School
Business Official

December 12, 2023



Timetable for Tax Levy Adoption

November 14, 2023

Board Review and discussion of Estimated “Tentative” Aggregate Tax Levy presented in Business Office October Board Report (Tentative Levy).

December 12, 2023

Truth in taxation public hearing before the regular board meeting. At the regular board meeting, adopt the 2023 Tax Levy, including all appropriate resolutions.

December 26, 2023

CSBO files necessary documents with the County Clerk on or before the last Tuesday in December.

WHAT IS A LEVY?

A tax levy is...

The amount of money a taxing body is requesting to be raised from property taxes

A tax extension is...

The actual dollar amount a taxing body receives by property taxes

Terms and Considerations

- ? **CONSUMER PRICE INDEX** – The Consumer Price Index (CPI) is a measure that examines the weighted average of prices of a basket of consumer goods and services, such as transportation, food, and medical care. It is calculated by taking price changes for each item in the predetermined basket of goods and averaging them.
- ? **Property EAV** – The Equalized Assessed Value (EAV) of your property is the product of the assessed value of your property (both land and improvements) and the State Equalization Factor, which is set by the Illinois Department of Revenue.
- ? **Property Extension** – Collection Rates

What to Know

Tax Bill: In May of each year, residents receive their tax bills (payable in two installments: June and September). Information about tax bills for any property in the county is available at cookcounty.gov.

Tax Cap: The 1991 Property Tax Limitation Act limits any increase in property tax dollars to 5% or the Consumer Price Index (CPI), whichever is less. The overall impact of the tax cap has been to slow the rate at which taxes rise. New construction contributes additional dollars. Note that the cap limits the actual dollars received, not a percentage. The tax cap applies to the total dollars received by the district; taxes on individual properties may change by various percentages, depending on the value of their property.

Tax Rate: The county clerk calculates taxes by applying a rate to each property value; the owner of a million-dollar home pays the same rate as the owner of a \$150,000 condominium, but the total dollars are more for the higher-value property.

Continued

New property construction: After the county clerk calculates the capped amount of tax dollars the district may receive, new construction is factored in; the total amount becomes the base for the calculation the following year.

Teardowns/remodels: The difference between the value of the existing structure and the value of the rebuild is exempt from the cap, minus any applicable exemptions. The taxes generated by the property value before alteration or rebuild is calculated under the cap. After one year, the dollars generated by the entire property come under the cap.

Appreciation: Appreciation does not increase the tax dollars coming to the district beyond what the tax cap allows.

FACTORS

Known Factors - prior year extension 2022

- 2022 tax extension (excluding bonds) = \$18,357,025
- 2022 tax extension bonds = \$1,709,624
- 2022 total extension = \$20,066,649 (Includes a Levy Adjustment of \$346,254)

FACTORS

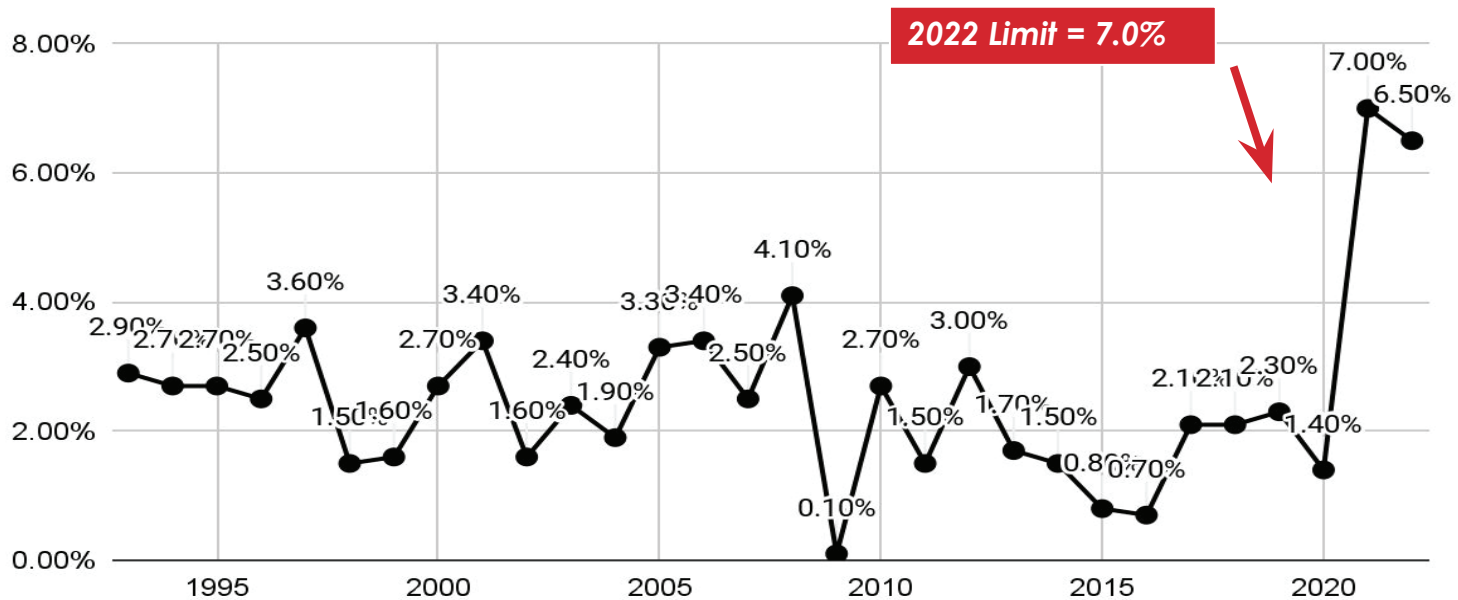
Known Factors - CPI

- Under the Illinois Property Tax Extension Limitation Law (PTELL), school districts may receive the lesser of 5 percent or what is equal to the rate of the December 2022 Consumer Price Index (CPI)
- It was 6.5 percent, so we use the lesser 5%

Consumer Price Index (CPI) Trends: December 2022 was 6.5%

**School Districts in Tax-Capped Counties Limited by Rate of Inflation*

HISTORY OF CPI RATES USED FOR TAX CAP CALCULATION



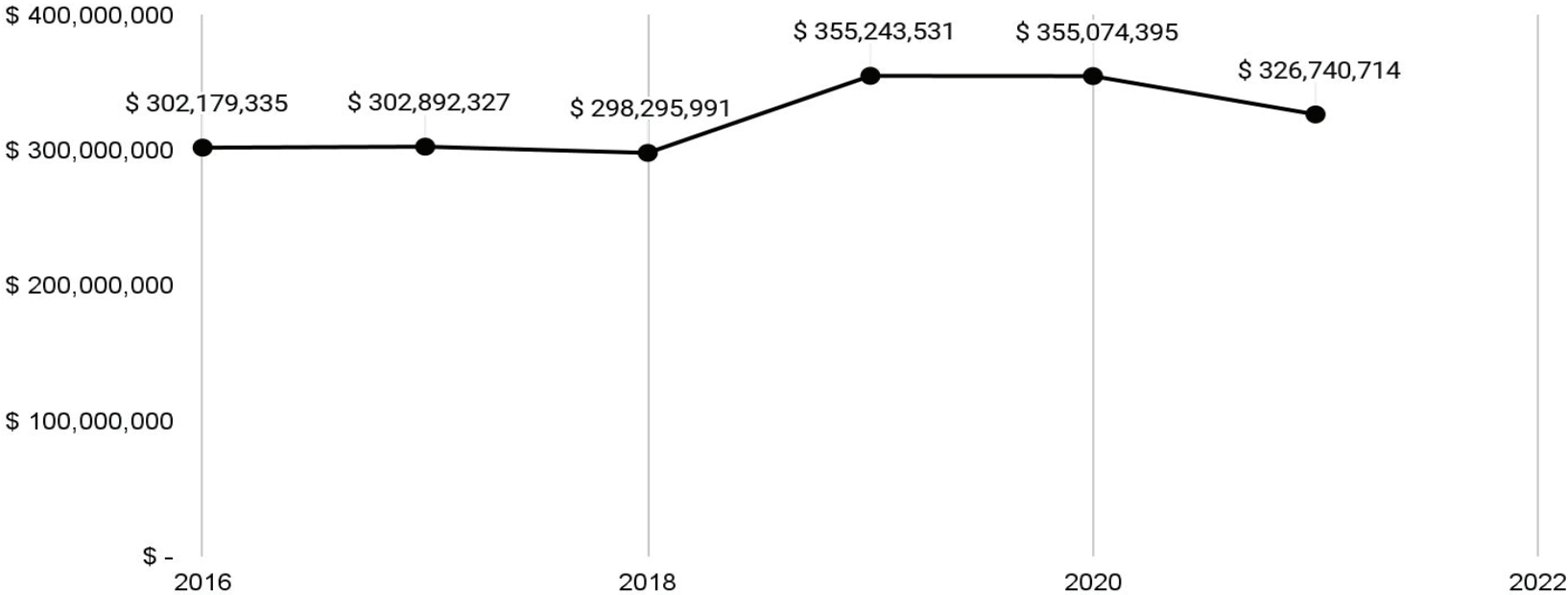
* This percentage represents District-wide maximum increase and average increase to taxpayers. Individual tax bills may increase above or below this figure based on changes to the equalized assessed values to their property. **District can exceed 7.0% increase only with new property growth.**

Unknown Factors

- New 2023 Equalized Assessed Valuation (EAV)
- New Limiting Rate
- New Property Value
- 2023 Estimate \$1,000,000, for 2022 we had approximately \$750,000 in new property
- Village has no new property or TIFS that were not considered in this estimate

Historical EAV

HISTORICAL EAV

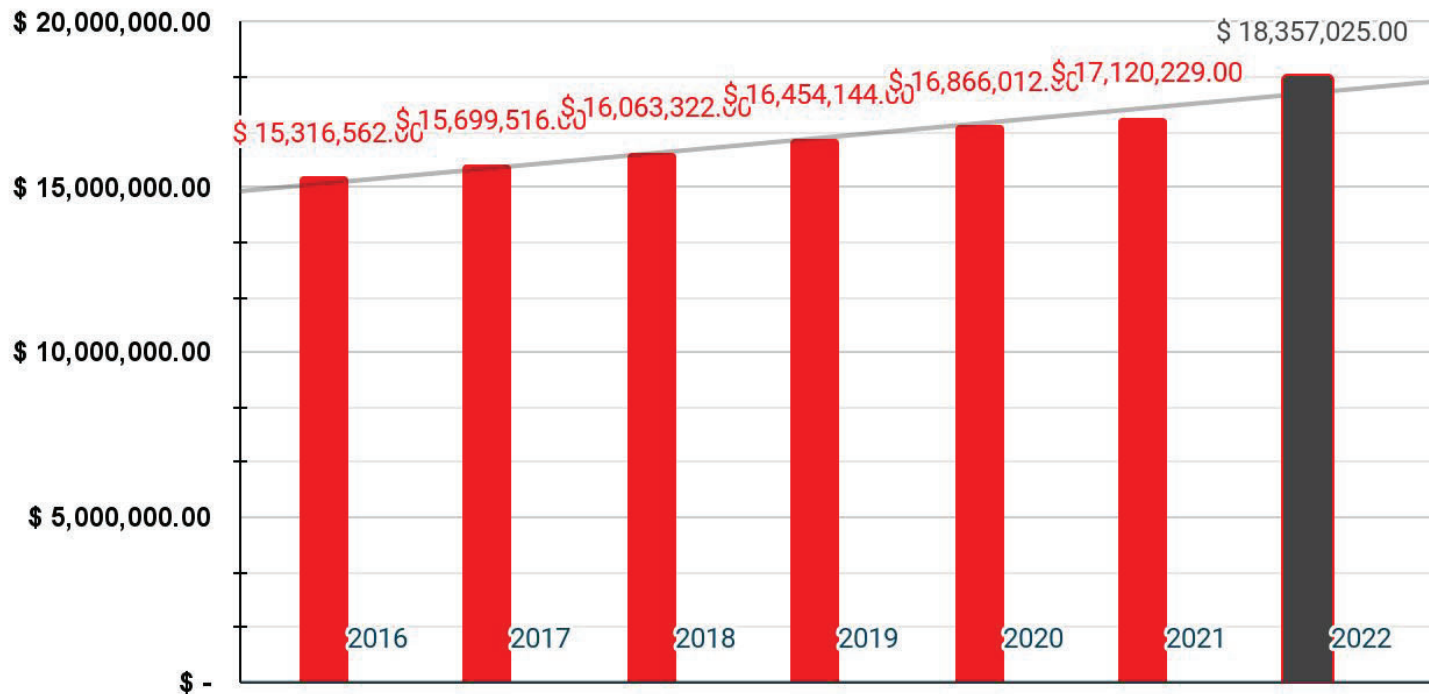


EAV CHANGES AND BREAKDOWN

Lesser of 5% or Consumer Price Index	5.00%	<i>Lesser of 5% or CPI for Year Ending 2022, Applies to the 2023 Levy</i>
Actual Rate Setting EAV for 2022	\$422,808,046	<i>Enter Actual Rate Setting EAV for 2022</i>
Estimated Existing EAV % Change for 2023	5.00%	<i>Enter Reassessment Percentage Before New Property</i>
Estimated New Property for 2023	\$1,000,000	<i>Enter Estimated New Property</i>
Estimated Total EAV for 2023	\$444,948,448	<i>Includes New Property</i>
Total % Change From Prior Year	5.24%	<i>Includes New Property</i>
No. of Tax Levied Bond Issues Outstanding	2	<i>Flow-through to Certificate of Tax Levy, Verify Records with County Clerk(s)</i>

Historical Extension (Approx. 69% Revenues)

Extension



Breakdown of Levy Request

FUND	2023 ESTIMATED LEVY REQUEST
EDUCATIONAL	\$15,423,293
OPERATIONS & MAINTENANCE	\$1,650,000
TRANSPORTATION	\$900,000
WORKING CASH	\$10,000
MUNICIPAL RETIREMENT	\$5,000
SOCIAL SECURITY	\$25,000
FIRE PREVENTION & SAFETY	\$0.00
TORT IMMUNITY	\$200,000
SPECIAL EDUCATION	\$1,100,000
LEASING	\$5,000
TOTAL CAPPED	\$19,318,293

2023 Estimated Levy Extension SUMMARY

- The proposed corporate and special purpose property taxes to be levied for 2023 are \$19,318,293. This represents a 5.24% increase over the previous year.
- This increase does require a truth in taxation hearing which will be held in December
- Maximum levy extension for all capped funds (excluding new property) for 2023 = **\$19,318,293** → ($\$18,357,025 \times 105.24\%$) + **\$1,628,213** (2 bond issues) = GRANT TOTAL = **\$20,946,506**
- The estimated property taxes to be levied for debt service and public building commission leases for 2023 are \$1,628,213. This represents a 4.76% decrease over 2022.
- This represents a total increase of 4.38%

Tax Payer Impact

Taxpayer Impact

2022 Fair Cash / Market Value Home \$300,000

Estimated 2023 Fair Cash Value Home \$300,000 *Includes EAV % Change*

Total Assessed Value	\$30,000	10.0%
State Equalization Multiplier	\$87,711	2.9237

Homestead Exemption LY22	\$10,000.00	<i>Based on County 1 on the input tab</i>
Homestead Exemption LY23	\$10,000.00	

Net Equalized Assessed Value \$77,711.00

Estimated Change in Tax Payment for 2023 \$41.25

Tentative Tax Levy Presentation

Questions?