

Community High School District 94

**Regular Board Meeting
November 21, 2023**

Community High School District 94 Regular Board Meeting November 21, 2023

2023 Estimated Tax Levy

Presented by: Dan Oberg, Director of Business Services

Budget & Tax Levy Cycle



Levy Process & FAQs

- What is a tax levy?
 - The amount of money the District requests from the County to meet the District's operating expenses
- What is the tax rate?
 - $\text{Tax Rate} = \text{Tax Levy \$'s} / \text{Tax Base \$'s (EAV)}$
 - Used to determine the levy dollars for all property owners

Levy Process & FAQs

- What is the “tax cap”?
- Property Tax Extension Limitation Law
 - Does not cap property assessments
 - Does not cap individual tax bills
 - Caps the rate of increase
 - Allows additional taxes for new property

Levy Process & FAQs

- **Truth in Taxation**

- PTELL limits an amount of increase in taxes from year to year to the lesser of 5% or prior year CPI, plus the value of new property.
- A minimum of 20 days between the presentation of a tentative levy and its adoption is required if we levy beyond the customary 5%.
- If the proposed levy is in beyond 5%, a Truth-in Taxation notice must be published and a public hearing conducted.

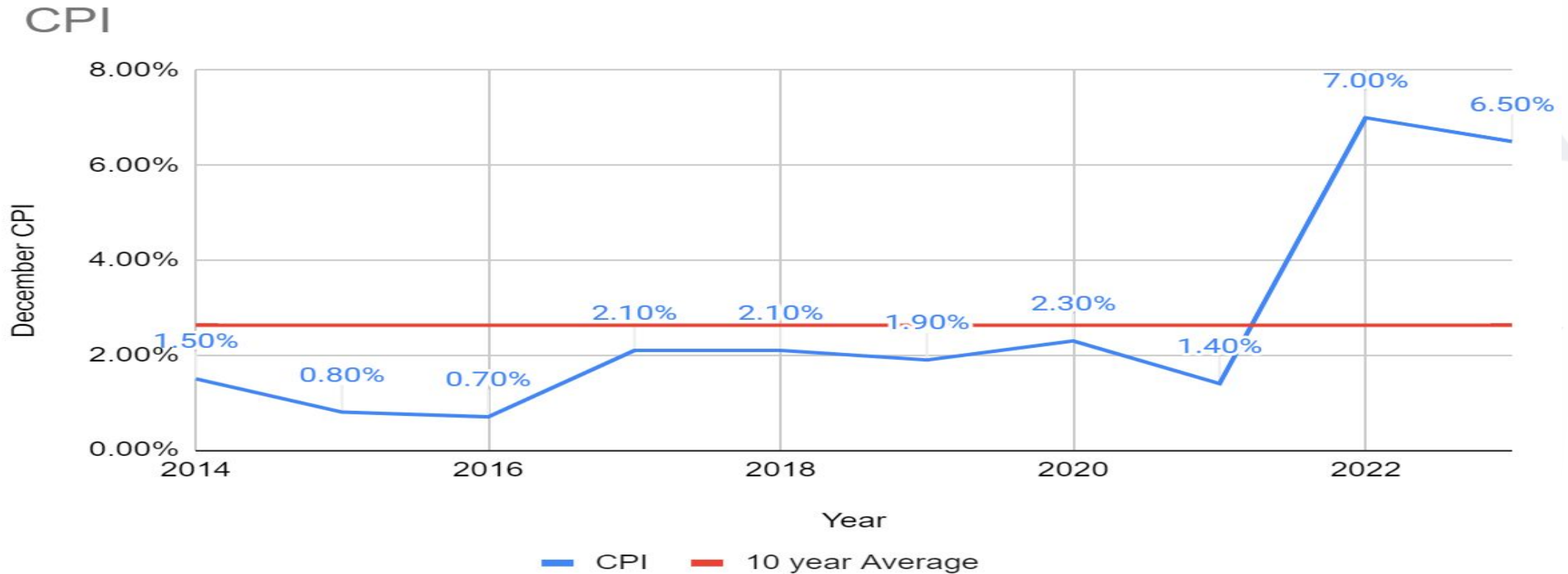
Calculating the Levy Request

What data is needed to calculate the levy?

| Data | Known at levy preparation? |
|--|----------------------------|
| Prior year Aggregate Levy Extension | Yes |
| Prior Year growth in CPI | Yes |
| Current Levy Year Equalized Assessed Value (EAV) | NO – Must be estimated |
| Levy Year New Property | NO – Must be estimated |

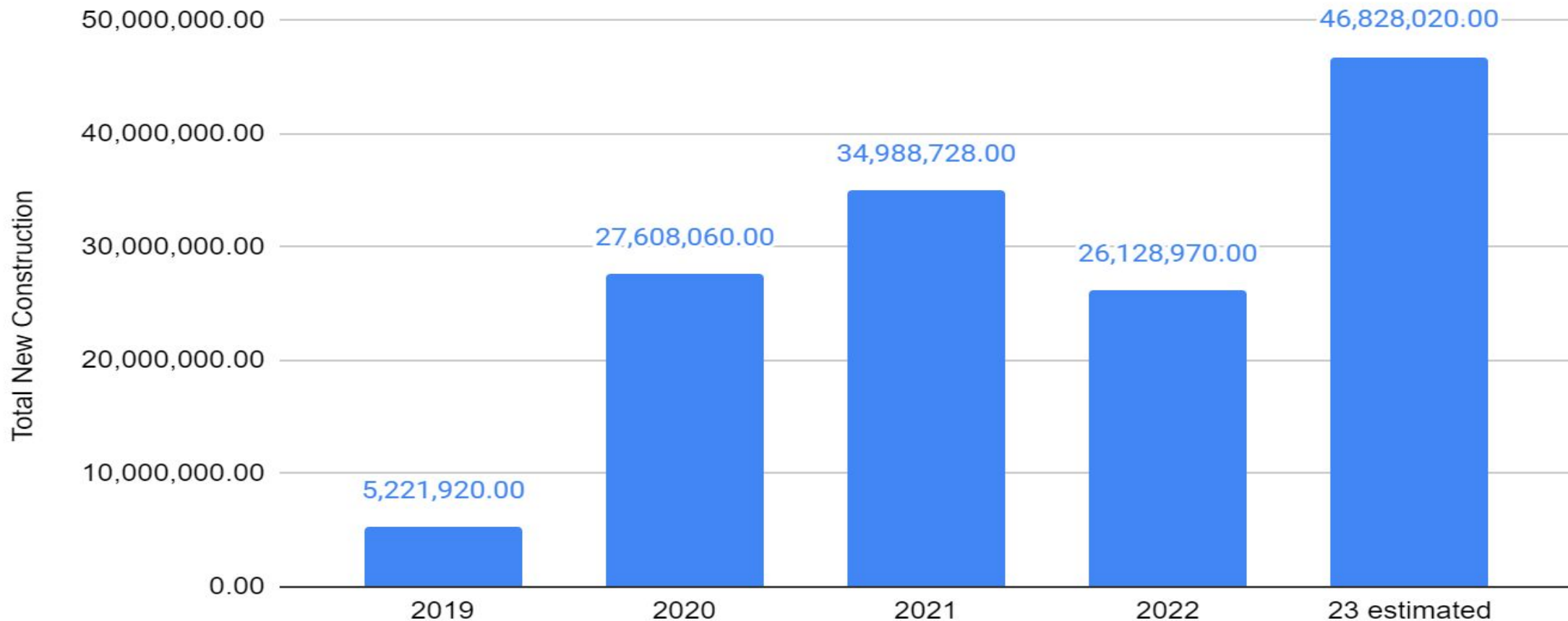
Consumer Price Index (CPI) History

3 - Year Average - 4.97%; 5 - Year Average - 3.82%; 10 - Year Average - 2.63%



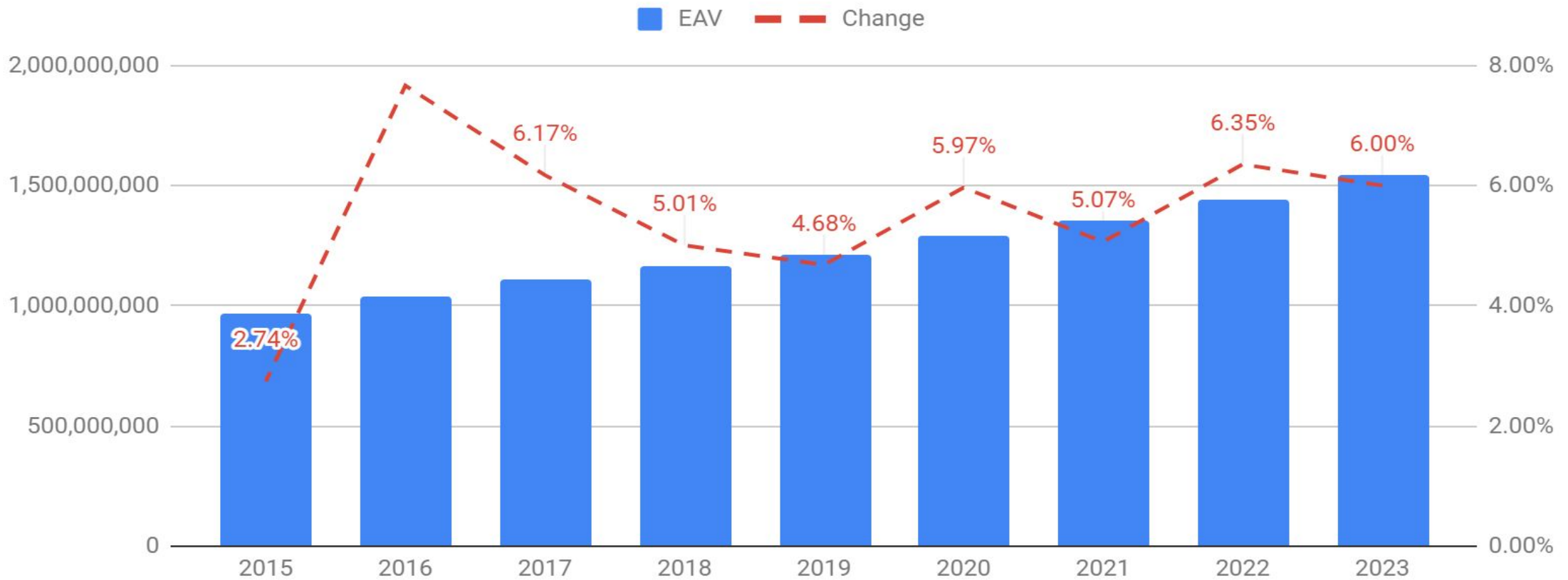
New Construction History

Total New Construction



EAV History

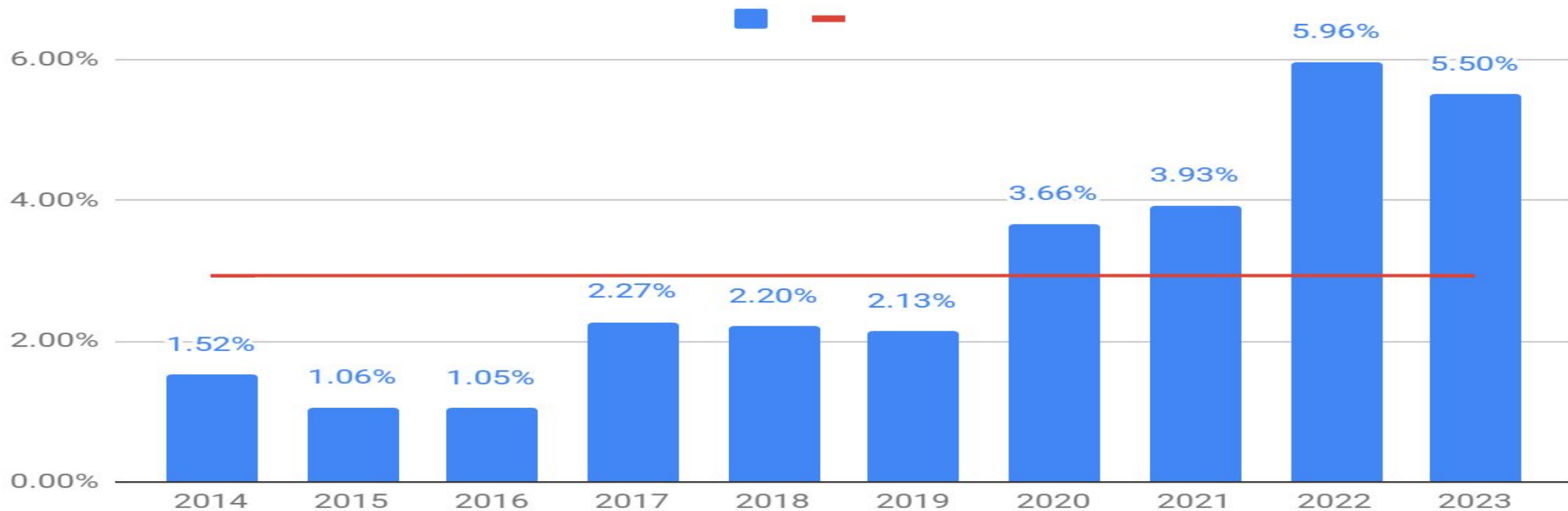
EAV History and Change



Annual Levy Extension Increase and Average

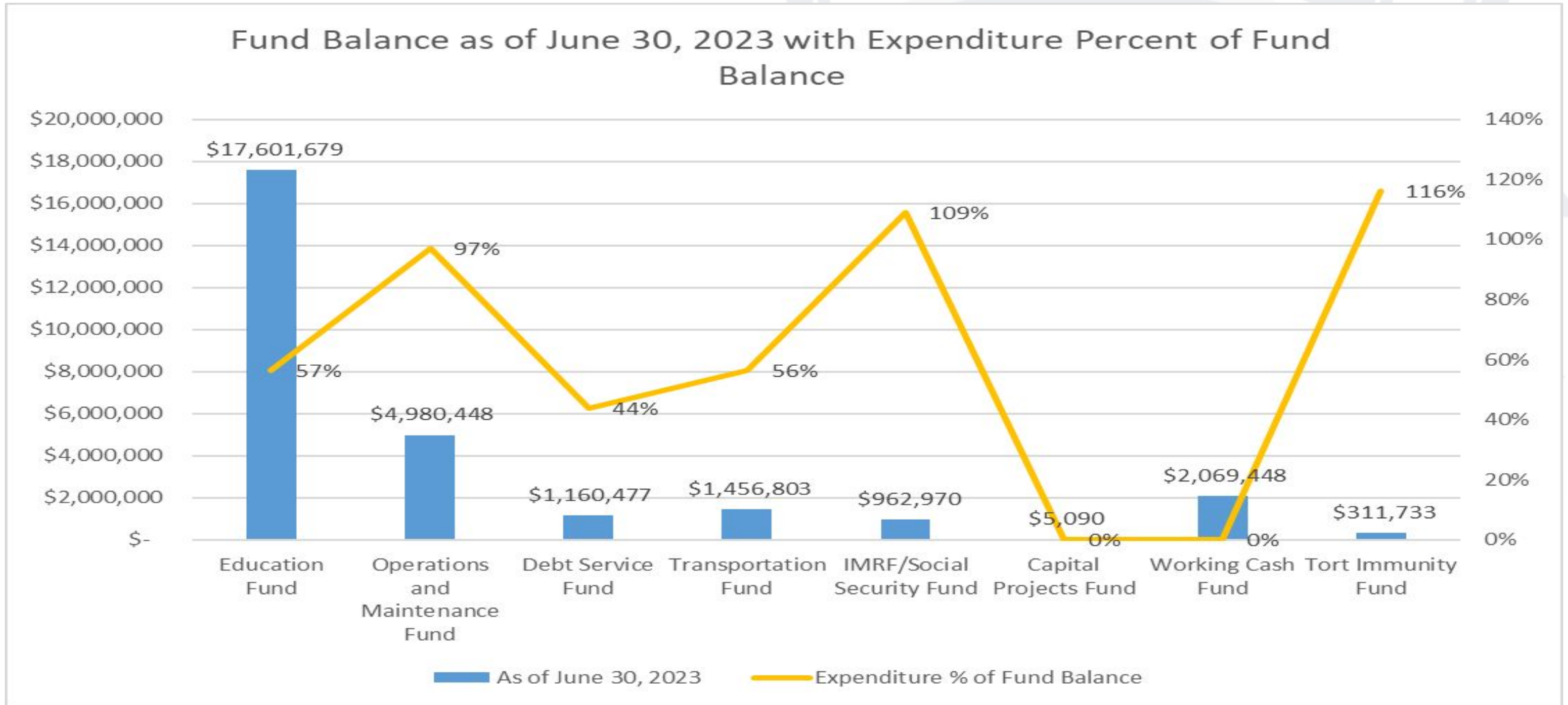
Including Debt Service, which is not included in the PTELL calculation

Annual Levy Extension Increase and 10- Year Average



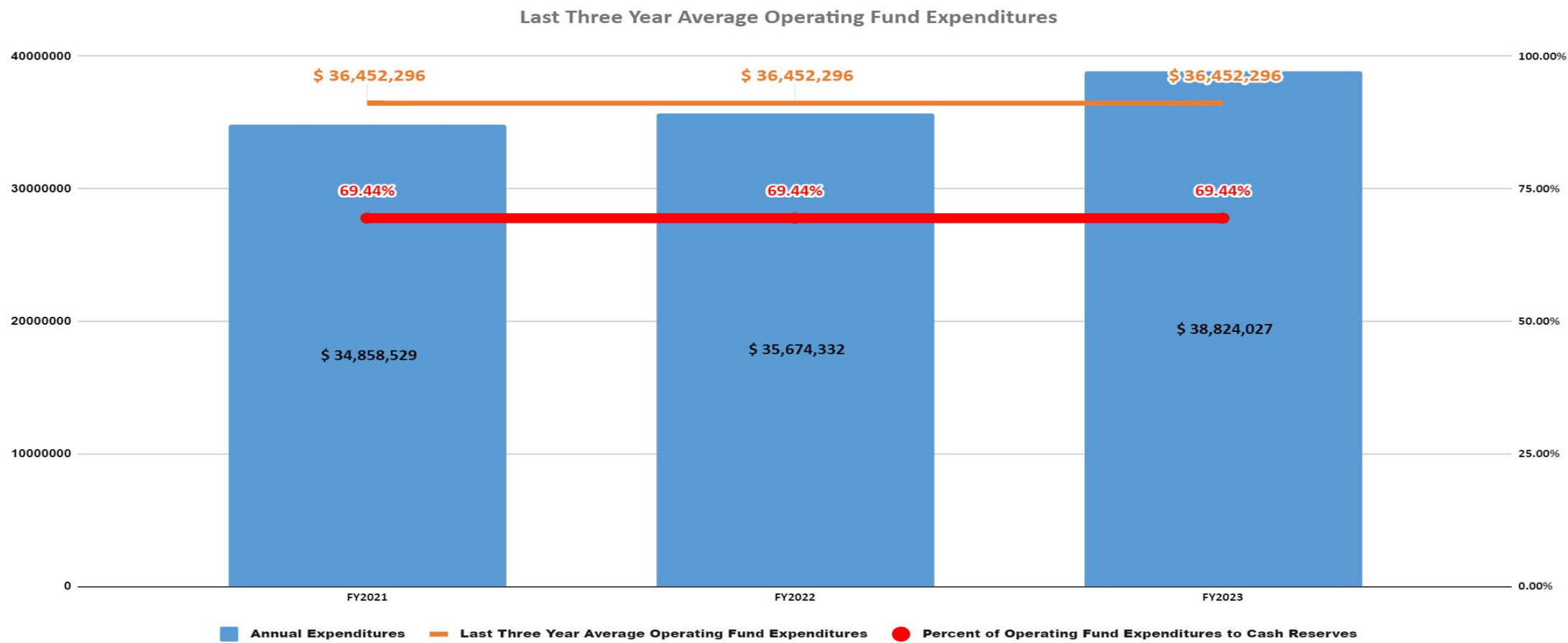
Current Fund Balances

As per required by 17-1.3 of the Illinois school code



Last Three Year Average Expenditures

As per required by 17-1.10 of the Illinois school code (technically begins next fiscal year)



2023 Proposed Levy Request

Note:

2022 Levy Request = \$ 28,638,372

2022 Actual Levy Extension = \$28,317,616

Note:

2022 Actual Receipts(as of 10/4/23) = \$27,569,862

2022 Anticipated Receipts = \$28,090,177

2023 Levy Request = \$30,649,451

- Request is an increase of 8.23% over last year's extension based on \$47 million in new construction and 6.0% EAV increase

2023 Expected Levy Extension = \$30.4 million

- As the levy is over 5%, no balloon levy was included. A balloon levy is often used to capture any incorrect estimates by the assessors.

Estimating the 2023 Levy Extension

Step 1 – Calculate Allowable Levy Increase due to inflation

- **2022 Aggregate Extension = \$28,317,616**
- **December CPI Calendar Year 2022 = 6.5% (5% max)**
- **2022 Aggregate Extension x CPI:**
\$28,317,616 x 5% = \$1,415,880

Estimating the 2023 Levy Extension

Step 2 – Property Taxes on New Property – Estimated \$47 million

- **New Property is estimated at \$47 million**
- **New Property x Estimated Limiting Rate (1.9488%)**
- **Increase due to New Property:**
\$47 million x 1.9488% = \$915,936

Estimating the 2023 Levy Extension

SUMMARY

| | |
|----------------------------|------------------|
| 2022 Actual Extension | \$28,317,616 |
| Increase due to CPI | \$1,415,880 |
| Increase from New Property | <u>\$915,936</u> |
| 2023 Estimated Levy | \$30,649,432 |

Tax Abatements

Total estimated expected abated taxes = \$450,000

Abatements were issued for new construction in the DuPage Technology Center over the last few years.

These were either a 40% or 50% abatement, depending on when they were initiated.

Estimated Impact on Taxpayer

Based on 6% Increase to EAV and \$47 million in new construction

| Truth in Taxation (8.23% increase) | |
|------------------------------------|--|
| Market Value of Home | Estimated Increase to Taxpayers for 2023 |
| \$150,000 | 5.17 |
| \$250,000 | 35.44 |
| \$350,000 | 65.70 |
| \$450,000 | 95.96 |
| \$550,000 | 126.22 |
| \$650,000 | 156.48 |

Reasons for Levying up to the PTELL limit

- Facility Plan projects (\$14.8 million remaining)
 - Does not include any unforeseen potential capital projects
- 5 Year Financial Forecast (Deficit spending by FY28 - Worst Case Scenario)
- Increases to salaries (3%+) and benefits (estimated 6%+)
- Increased costs for busing, tuition, construction projects, software
- ESSER Funds end September 2024
- Reduction in CPPRT
- Expected decline in CPI, EAV and new construction
- Expected drop to Tier 2 for EBF in the coming years

2023 LEVY CALCULATION PAGE

| | |
|---------------------------|-----------------|
| Consumer Price Index | 5.00% |
| Actual Total EAV for 2022 | \$1,439,342,063 |

Original Assumptions

Legend

| |
|-----------------------------------|
| District Assumptions & Data Entry |
| Calculated Values |
| Review Needed |

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of 5\% or CPI})}{\text{Total EAV} - \text{New Property}}$

| | |
|--|-----------------|
| Estimated Existing EAV % change for 2023 | 6.00% |
| Estimated Existing EAV Value for 2023 | \$1,525,702,587 |

| | |
|---------------------------------|--------------|
| Estimated New Property for 2023 | \$47,000,000 |
|---------------------------------|--------------|

| | |
|----------------------------|-----------------|
| Limiting Rate | 1.9488 |
| Estimated Capped Extension | \$30,649,451.43 |

| | | |
|---------------------------------------|-----------------|-----------------------|
| Estimated Total EAV for 2023 | \$1,572,702,587 | Includes New Property |
| Estimated Total EAV % change for 2023 | 9.27% | Includes New Property |

| | Prior Year Extension | Statutory Maximum Tax Rate | Individual Fund Estimated Maximum Extension | Weighted Extension Based on Prior Year Extension | Levy Amount \$ | Levy Increase % | Final Levy Amount |
|----------------------------|----------------------|----------------------------------|--|--|----------------|-----------------|-------------------|
| Educational | \$21,929,816.00 | | | \$23,735,643.23 | | | \$23,735,644.00 |
| Operations & Maintenance | \$3,890,542.00 | 0.55 | \$8,649,864.23 | \$4,210,911.61 | | | \$4,210,912.00 |
| Transportation | \$1,174,503.00 | | | \$1,271,218.33 | \$1,358,658 | | \$1,358,658.00 |
| Working Cash | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| Municipal Retirement | \$436,121.00 | | | \$472,033.71 | \$350,000 | | \$350,000.00 |
| Social Security | \$413,091.00 | | | \$447,107.29 | \$497,107 | | \$497,107.00 |
| Fire Prevention & Safety * | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| Tort Immunity | \$187,114.00 | | | \$202,522.04 | \$187,114 | | \$187,114.00 |
| Special Education | \$286,429.00 | 0.40 | \$6,290,810.35 | \$310,015.21 | | | \$310,016.00 |
| Leasing | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |

| | |
|------------------|-----------------|
| Capped Extension | \$28,317,616.00 |
|------------------|-----------------|

| |
|-----------------|
| \$30,649,451.43 |
|-----------------|

| | | | |
|-------------|-----------------|-------|-----|
| Capped Levy | \$30,649,451.00 | 8.23% | YES |
|-------------|-----------------|-------|-----|

Truth in Taxation

Truth in Taxation Required

| | |
|---------------------------------------|----------|
| Levy Amount Below Estimated Extension | (\$0.43) |
|---------------------------------------|----------|

| | |
|----------------------|--------|
| SEDOL IMRF Extension | \$0.00 |
|----------------------|--------|

| | | | |
|---|--|-----------------|--------|
| Estimated SEDOL IMRF Levy | | SEDOL IMRF Levy | \$0.00 |
| (Lake County Only, Included in Truth in Taxation Calculation) | | | |

| | |
|---------------------------|----------------|
| Bond & Interest Extension | \$2,723,235.00 |
|---------------------------|----------------|

| | | | | |
|--|----------------|------------------|----------------|--------|
| Estimated Bond and Interest Levy | \$2,694,600.00 | Bond & Int. Levy | \$2,694,600.00 | -1.05% |
| (County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk) | | | | |

| | |
|-----------------|-----------------|
| Total Extension | \$31,040,851.00 |
|-----------------|-----------------|

| | | |
|------------|-----------------|-------|
| Total Levy | \$33,344,051.00 | 7.42% |
|------------|-----------------|-------|

2023 LEVY CALCULATION PAGE

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| District Assumptions & Data Entry |
| Calculated Values |
| Review Needed |

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of 5\% or CPI})}{\text{Total EAV} - \text{New Property}}$

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| Estimated Existing EAV % change for 2023 | 6.00% |
| Estimated Existing EAV Value for 2023 | \$1,525,702,587 |

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| Estimated New Property for 2023 | \$47,000,000 |
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| Estimated Capped Extension | \$30,649,451.43 |

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| Estimated Total EAV for 2023 | \$1,572,702,587 | Includes New Property |
| Estimated Total EAV % change for 2023 | 9.27% | Includes New Property |

| | Prior Year Extension | Statutory Maximum Tax Rate | Individual Fund Estimated Maximum Extension | Weighted Extension Based on Prior Year Extension | Levy Amount \$ | Levy Increase % | Final Levy Amount |
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| Special Education | \$286,429.00 | 0.40 | \$6,290,810.35 | \$310,015.21 | | | \$310,016.00 |
| Leasing | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |

| | |
|------------------|-----------------|
| Capped Extension | \$28,317,616.00 |
|------------------|-----------------|

| |
|-----------------|
| \$30,649,451.43 |
|-----------------|

| | | | |
|-------------|-----------------|-------|-----|
| Capped Levy | \$29,733,807.00 | 5.00% | YES |
|-------------|-----------------|-------|-----|

| | |
|---------------------------------------|----------------|
| Levy Amount Below Estimated Extension | (\$915,644.43) |
|---------------------------------------|----------------|

| | |
|----------------------|--------|
| SEDOL IMRF Extension | \$0.00 |
|----------------------|--------|

| | | | |
|---|--|-----------------|--------|
| Estimated SEDOL IMRF Levy | | SEDOL IMRF Levy | \$0.00 |
| (Lake County Only, Included in Truth in Taxation Calculation) | | | |

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| (County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk) | | | | |

| | |
|-----------------|-----------------|
| Total Extension | \$31,040,851.00 |
|-----------------|-----------------|

| | | |
|------------|-----------------|-------|
| Total Levy | \$32,428,407.00 | 4.47% |
|------------|-----------------|-------|

Truth in Taxation

Truth in Taxation Required

Timetable for Truth In Taxation Public Hearing

11/7/23 - COW Meeting - Presentation of Tentative 2023 Tax Levy

- (20 days or more prior to the public hearing)

11/21/23 - Board Meeting - Review of Tentative 2023 Tax Levy

12/8/23 - Public Notice of Public Hearing posted

- (Notice must be posted less than 14 days and more than 7 days prior to the public hearing.)

12/19/23 - Regular Board Meeting -

- Public Hearing and approval of Tax Levy

Questions?

Mission Statement:

Community High School District 94 strives to promote and provide growth experiences in

LEARNING,

LEADERSHIP

and **LIVING.**

Community High School District 94

**Regular Board Meeting
November 21, 2023**