



Tax Year 2023 Truth In Taxation Hearing

November 20, 2023

Dr. Ann Williams, SFO, Deputy Superintendent of Operations
Dr. Frank Williams, Assistant Superintendent of Finance

Agenda



- Tax Levy timeline
- Focus on the Knowns
- Impact to homeowners
- Tax Year 2023 Estimated Levy

Tax Levy Timeline



2023					2024
November 6	November 7	November 20	December 4	December 6	Spring
Discussion on estimated tax levy and adoption of Proposed Levies resolution	Publish Truth in Taxation Public Hearing Notice	Truth in Taxation Public Hearing	Tax Levy Adoption	File the Certificate of Tax Levy with all three (3) counties	Property values and tax rates finalized by County Clerks and property taxes extended to taxpayers

Levy vs Extension



■ A tax levy is...

- The amount of money a taxing body (in our case a school district) **requests/asks** to be raised from property taxes.
- Most importantly, the tax levy is an ESTIMATE.

■ A tax extension is...

- The actual dollar amount to be raised by property taxes.
- Calculated as follows: Levy extension = Prior year extension plus Consumer Price Index (CPI) increase (plus any new property).
- Determined in the Spring after the Equalized Assessed Values are known
- **U-46 records 50% of the previous tax year & 50% of current tax year in fiscal year revenue.**

■ School District's receive...

- **No more than requested and no more than entitled by Property Tax Extension Limitation Law (PTELL)**

Tax Revenue as Part of FY24 Revenue



FY 2024 Revenue: \$746,975,079

Federal Aid

9.3%

Categoricals

3.9%

Evidence Based Funding

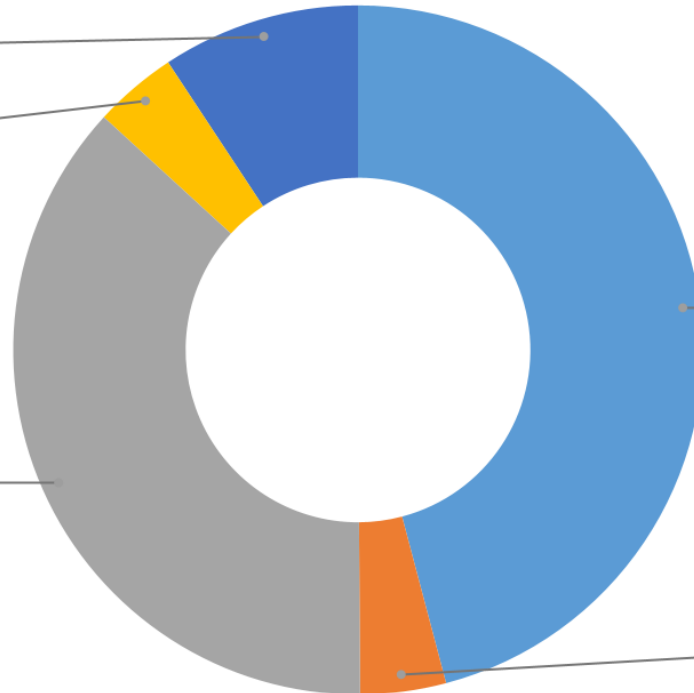
36.9%

Taxes

45.9%

Other Local Revenue

4.0%



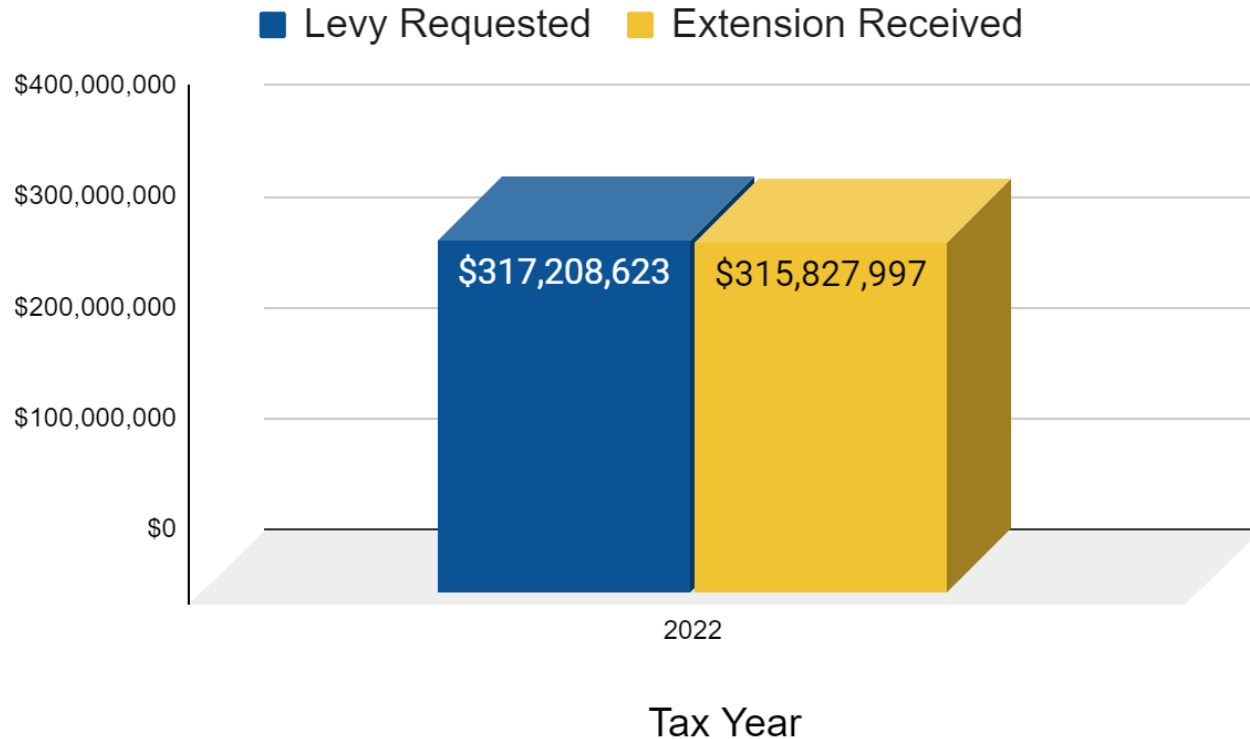
What Factors are used to Calculate a Tax Levy?

■ Known Factors

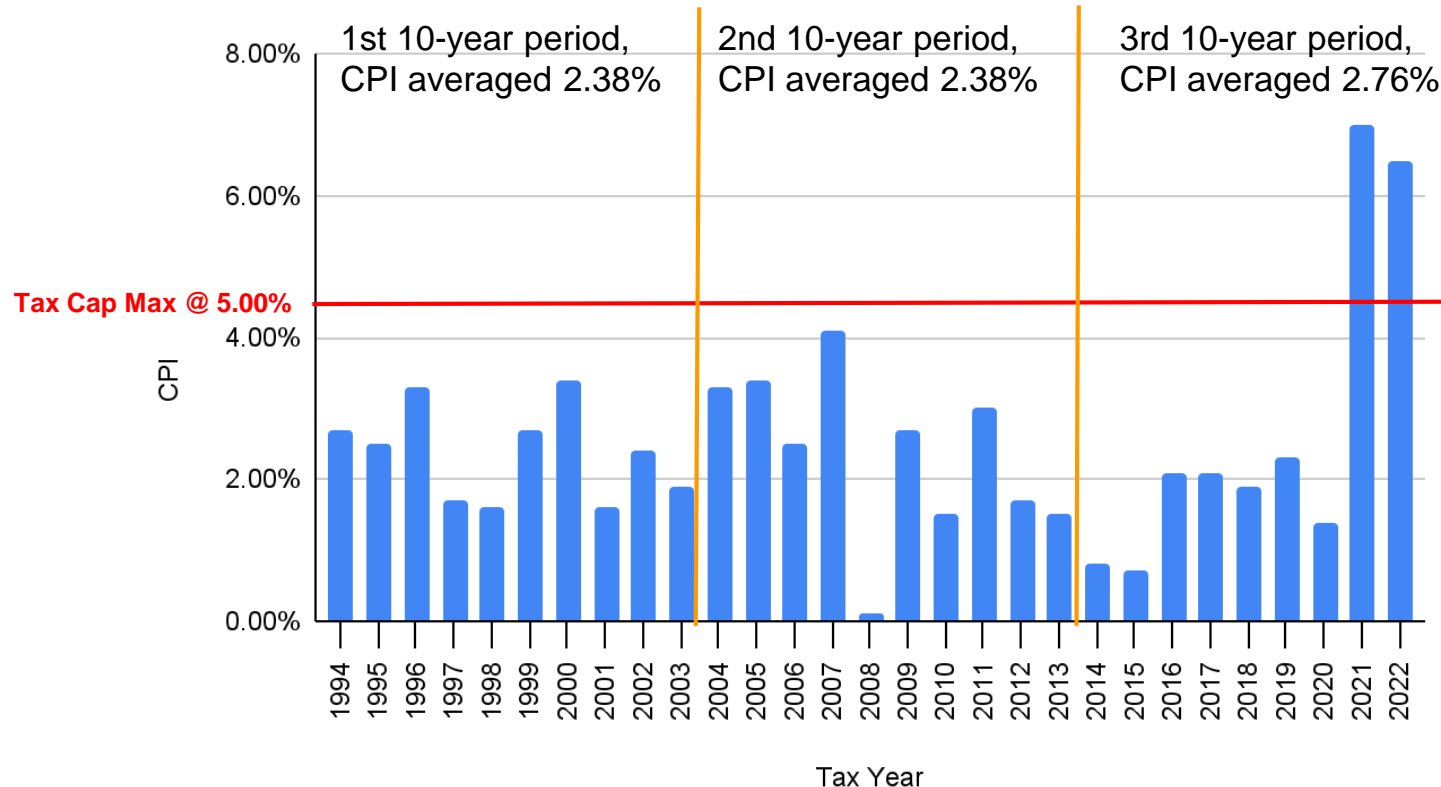
1. 2022 Tax Extension (excluding bonds)
= \$315,827,997
2. Consumer Price Index (CPI) = 6.45%
 - Capped at 5.00%
3. Ending Tax Increment Financing (TIF)
Districts



Tax Year 2022 Extension

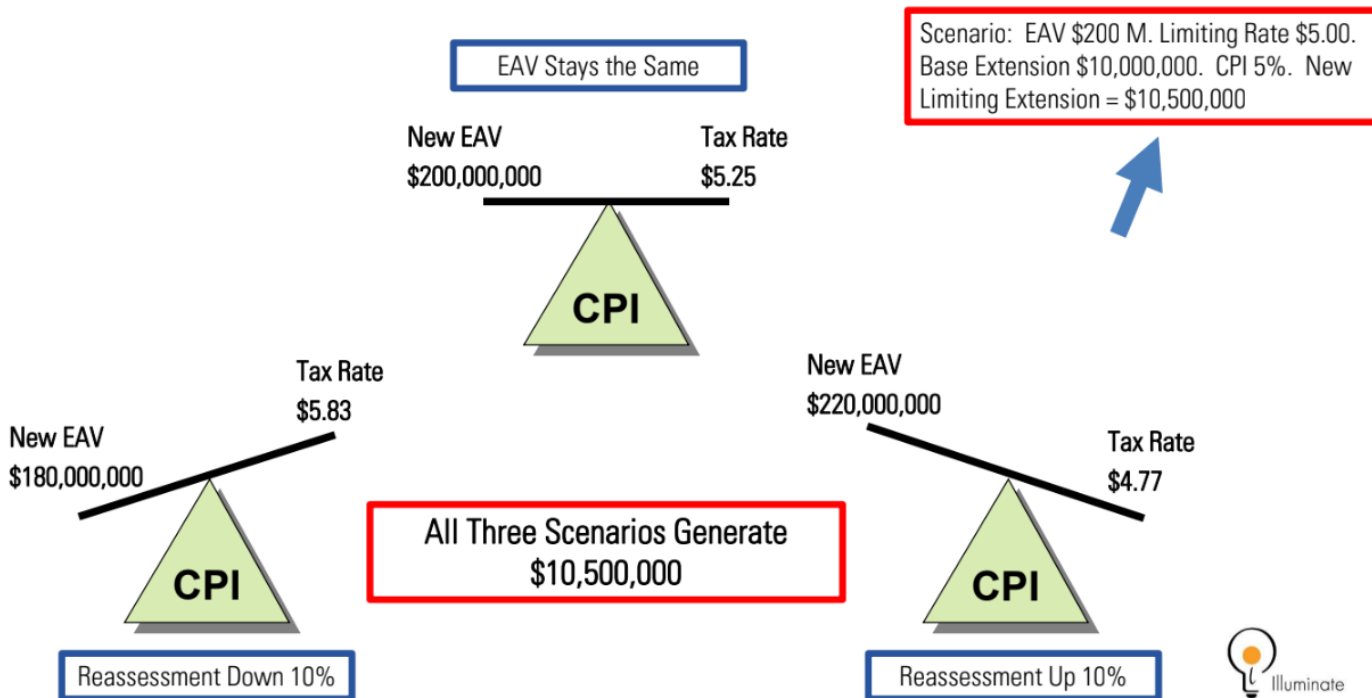


Historical Consumer Price Index (CPI)



Equalized Assessed Value (EAV), CPI, and Tax Rate Correlation

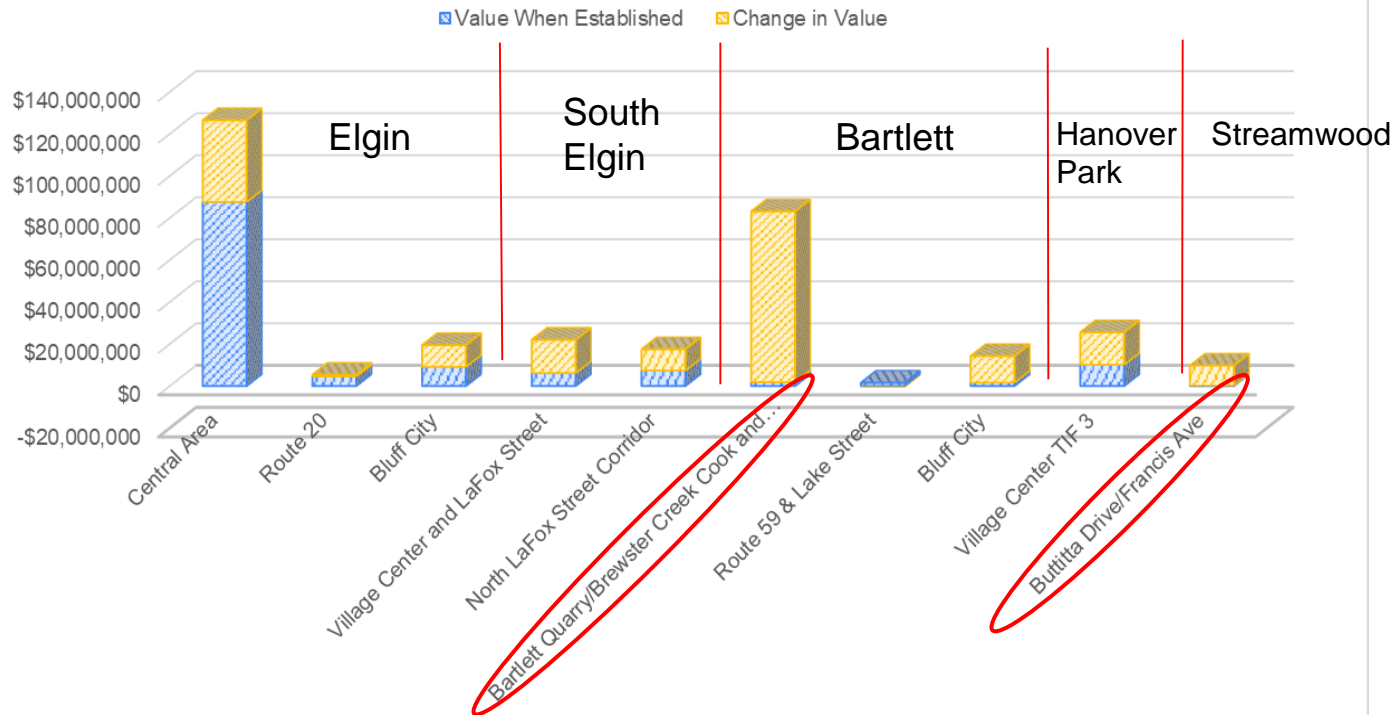
EAV Change, CPI and Tax Rate – An Example



Tax Increment Financing (TIF) Districts



VALUES OF TAX INCREMENT FINANCING DISTRICTS IMPACTING U-46



Unknown Factors



■ Unknown Inputs

- ▶ New Equalized Assessed Valuation (EAV)
- ▶ Valuation of New Property
- ▶ Valuation of Ending TIFs
- ▶ New Limiting Rate
- ▶ Annexations
- ▶ Changes in Exemptions Used by Individual Homeowners





Equalized Assessed Valuation (EAV) and New Property

	EAV	New Property	Total EAV	% Increase with New Property
2013	4,094,245,737	15,086,267	4,109,332,004	0.37%
2014	4,054,505,759	15,661,090	4,070,166,849	0.39%
2015	4,108,815,351	19,405,162	4,128,220,513	0.47%
2016	4,577,643,563	14,854,783	4,592,498,346	0.32%
2017	4,727,831,086	15,679,653	4,743,510,739	0.33%
2018	4,785,580,117	25,959,926	4,811,540,043	0.54%
2019	5,234,331,829	33,769,136	5,268,100,965	0.65%
2020	5,374,422,292	18,569,579	5,392,991,871	0.35%
2021	5,349,717,700	28,097,159	5,377,814,859	0.53%
2022	6,080,713,889	36,236,729	6,116,950,618	0.60%

**New Property Estimate
EAV for Tax Year 2023**

143,400,000*

*Includes estimated \$103 Million in EAV from TIF expiration

*2022 Tax Rate without Bond & Interest on the expiring TIF portions would have generated an additional \$5.7 Million in revenue

**10 year average
of new property**

22,331,948

**5 year average
of new property**

28,526,506

Five Year Tax Extension Summary



Tax Year	Extension w/out B&I	Year over Year % increase	CPI Associated with Tax Year	New Property
2017	\$271,257,461			
2018	\$278,764,734	2.77%	2.10	25,959,926
2019	\$285,141,229	2.29%	1.90	33,769,136
2020	\$292,753,166	2.67%	2.29	18,569,579
2021	\$298,301,057	1.90%	1.36	28,097,159
2022	\$315,827,997	5.88%	7.04*	36,236,729

*Decreased to 5% due to PTELL

Proposed Tax Levy compared to Prior Tax Extension

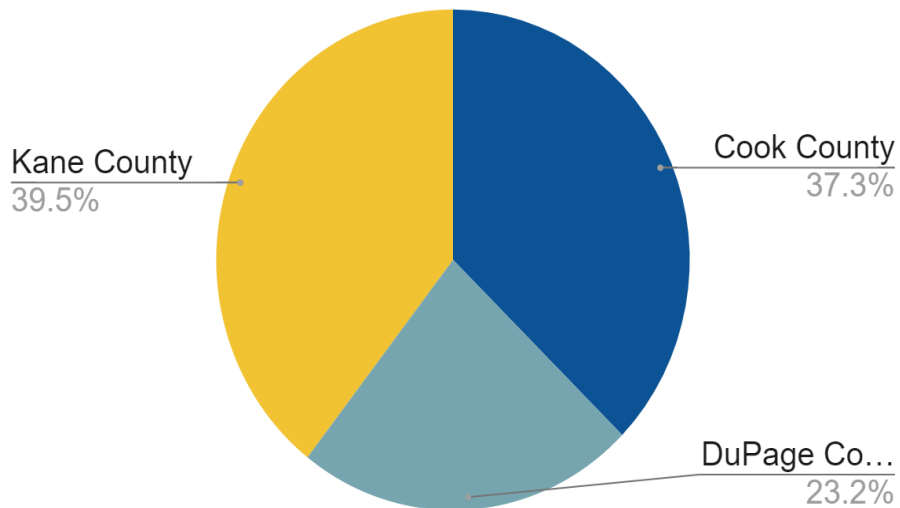


Fund	Tax Year 2022 Extension	December '23 Levy	% inc/decrease
Education	\$205,254,866.91	\$223,564,250	8.92%
Operations & Maintenance	\$41,563,185.19	\$45,861,145	10.34%
Transportation	\$9,509,387.37	\$10,255,050	7.84%
Working Cash	\$0.00	\$3,200,000	
Municipal Retirement (IMRF)	\$2,553,441.13	\$1,740,800	-31.83%
Social Security (SS)	\$3,441,950.56	\$2,199,285	-36.10%
Fire Prevention & Safety	\$5,267,579.47	\$5,681,150	7.85%
Tort Immunity	\$6,695,356.46	\$7,878,230	17.67%
Special Education	\$41,542,229.82	\$40,647,590	-2.15%
Capped Levy Total	\$315,827,996.91	\$341,027,500	7.98%

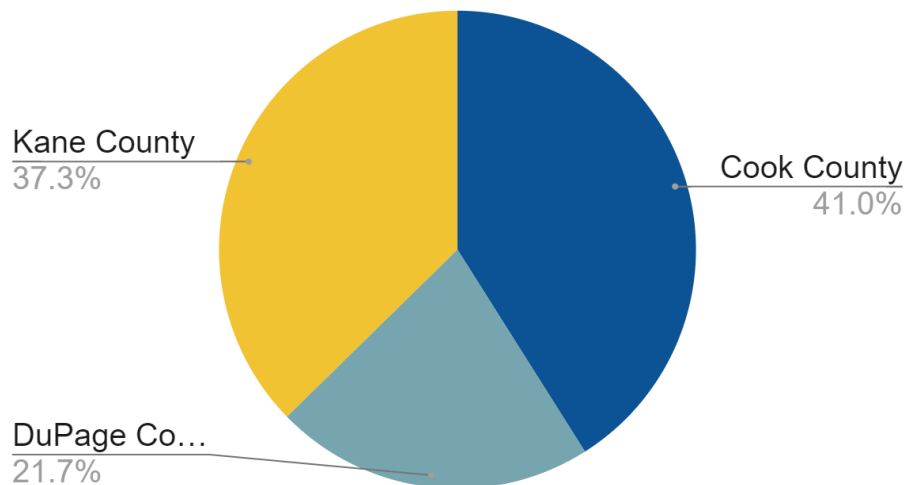
U-46 County Distribution



Tax Year 2021



Tax Year 2022



Kane County Impact



	Kane County			
	Residential			
	Tax Year 2020	Tax Year 2021	Tax Year 2022	<i>Tax Year 2023 (Estimate)</i>
	Tax Bill Due 2021	Tax Bill Due 2022	Tax Bill Due 2023	<i>Tax Bill Due 2024</i>
Average EAV %	4.73%	5.59%	7.56%	<i>16.35%*</i>
Market Value	\$200,000	\$211,180	\$227,145	<i>\$264,283</i>
Adjusted Equalized Value	\$60,660	\$64,386	\$69,707	<i>\$80,086</i>
U-46 Tax Rate	6.026	5.618	5.597	<i>5.6626</i>
Taxes Paid to U-46	\$3,655	\$3,617	\$3,902	<i>\$4,535</i>
Difference		-\$38	\$284	<i>\$633</i>

*Received estimate from Kane County Assessor

DuPage County Impact



	DuPage County			
	Residential			
	Tax Year 2020	Tax Year 2021	Tax Year 2022	<i>Tax Year 2023 (Estimate)</i>
	Tax Bill Due 2021	Tax Bill Due 2022	Tax Bill Due 2023	<i>Tax Bill Due 2024</i>
Average EAV %	3.48%	2.77%	6.16%	<i>10.00%*</i>
Market Value	\$200,000	\$205,540	\$218,201	<i>\$240,021</i>
Adjusted Equalized Value	\$60,660	\$62,506	\$66,726	<i>\$71,999</i>
U-46 Tax Rate	5.6366	5.5822	5.4771	<i>5.6626</i>
Taxes Paid to U-46	\$3,419	\$3,489	\$3,655	<i>\$4,077</i>
Difference		\$70	\$165	<i>\$422</i>

*Ballooned

Cook County Impact

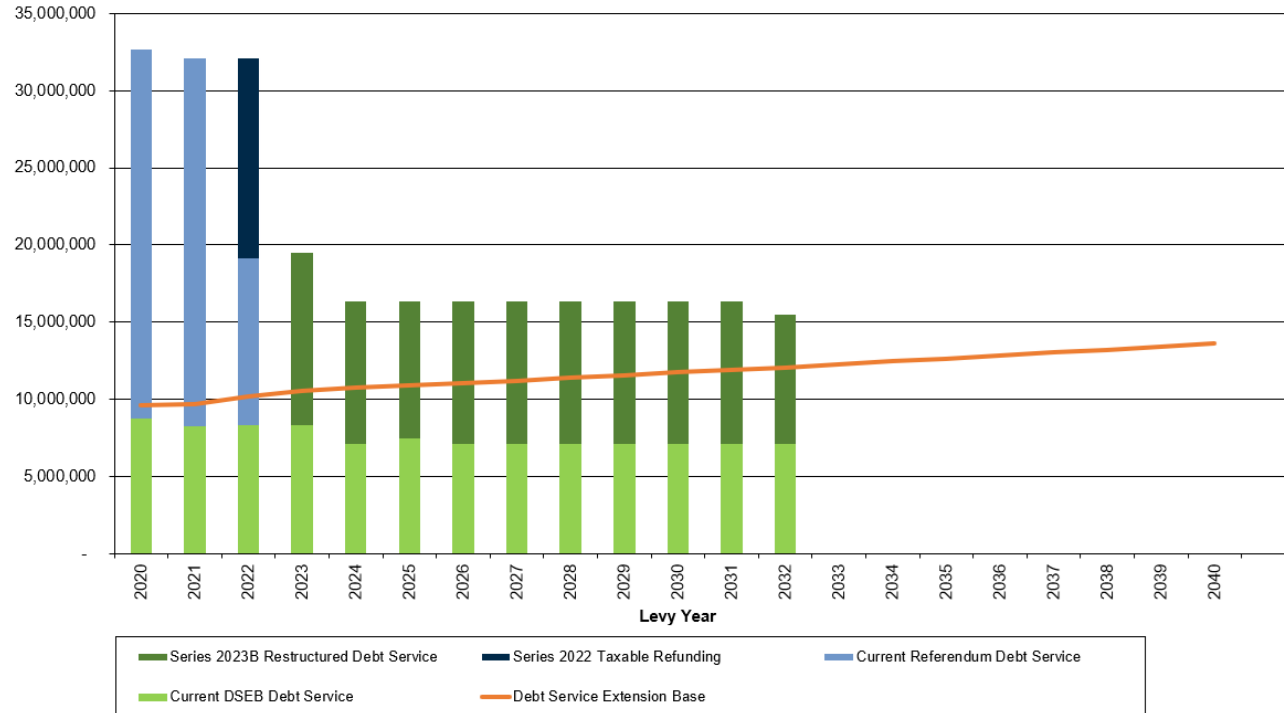


	Cook County			
	Residential			
	Tax Year 2020	Tax Year 2021	Tax Year 2022	<i>Tax Year 2023 (Estimate)</i>
	Tax Bill Due 2021	Tax Bill Due 2022	Tax Bill Due 2023	<i>Tax Bill Due 2024</i>
Average EAV %	-0.31%	-7.43%	24.99%	<i>0.00%</i>
Market Value	\$200,000	\$185,140	\$231,406	<i>\$231,406</i>
Adjusted Equalized Value	\$54,468	\$45,592	\$57,656	<i>\$57,656</i>
U-46 Tax Rate	6.575	7.197	6.022	<i>5.4213</i>
Taxes Paid to U-46	\$3,581	\$3,281	\$3,472	<i>\$3,265</i>
Difference		-\$300	\$191	<i>-\$207</i>

Current Debt Payments



Outstanding Debt Service Payments Post Refunding



Property Tax Appeal Board (PTAB)



■ Property Tax Appeal Board

- ▶ Provides taxpayers and taxing districts a forum to contest property assessments.
- ▶ Limited to consideration of a property assessment based on equity and the weight of the evidence
- ▶ Does not have authority to contest the amount of a tax bill, or the tax rates associated with a tax bill

Public Act 102-0519 Automatic Recapture of Revenue				
Tax Year	County			
	Kane	Cook	DuPage	Total
2022	\$492,950	\$1,870,537	\$72,856	\$2,436,343
2021	\$445,128	\$1,262,130	\$56,148	\$1,761,406

Tax Year 2023 Estimated Levy



Levy	Tax Year 2022 Extension	2023 Estimated Levy w/new property	2023 Expected Extension w/new property	2023 Projected Rate w/out Bond & Interest
Education	\$205,254,867	\$223,564,250	\$222,295,935	3.3855
Operations & Maintenance	\$41,563,185	\$45,861,145	\$45,600,968	0.6945
Transportation	\$9,509,387	\$10,255,050	\$10,196,872	0.1553
Working Cash	\$0	\$3,200,000	\$3,112,417	0.0474
Municipal Retirement	\$2,553,441	\$1,740,800	\$1,730,924	0.0264
Social Security	\$3,441,951	\$2,199,285	\$2,186,808	0.0333
Fire Prevention & Safety	\$5,267,579	\$5,681,150	\$5,648,920	0.0860
Tort Immunity	\$6,695,356	\$7,878,230	\$7,833,536	0.1193
Special Education	\$41,542,230	\$40,647,590	\$40,416,990	0.6155
Total	\$315,827,997	\$341,027,500	\$339,023,369	5.1632
% Increase over prior year		7.98%	7.34%	

U-46's 2023 Tax Levy



Although the District plans to request a 7.98% increase, the estimated increase to be received by the district is approximately \$23 Million or 5.00%.



The County Treasurers will reduce the amount requested so that it does not exceed a 5% (excluding new property) increase as required by law.

In Summary...



- Illinois school districts request more than they will receive due to the unknown factors in the tax extension process.
- U-46 is requesting an increase of 7.98% for capped funds. The debt service levy will remain stable as promised.
- Once the final EAVs are determined, the County Treasurer will reduce the total revenue extended to 5% in accordance with Property Tax Extension Limitation Law.
- The Counties will determine the final extensions and rates in Spring 2024
- Individual taxes will vary based on factors such as exemptions, the county you live in, and the combination of taxing districts servicing a property.

Questions?



Questions about the U-46 Tax Levy

Dr. Frank Williams, Assistant Superintendent of Finance
847-888-5000 Ext. 5937

Questions about your individual tax bill or assessment

Kane County @ 630-232-5990
DuPage County @ 630-407-5500
Cook County @ 312-603-5656