



Community Consolidated

School District 181

Tax Levy Presentation





Local Property Tax Topics, Information, and 2024 Tax Levy



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Section I **Overview of the Tax Levy and Extension Process**



What are Property Taxes and How are They Utilized?

- In the State of Illinois, local real estate property taxes (sometimes called an “ad valorem” tax, which means “according to value”) are based on a property’s equalized assessed value, and the total local tax rate applied to that value, after any exemptions are subtracted.
- Property taxes are levied by local governing bodies, including but not limited to counties, municipalities, townships, community colleges and school districts.
- Assessed values are not determined by the local taxing bodies, but through the County Assessor’s office.
- As with most school districts, property taxes for CCSD #181 are the largest source of revenue to fund and operate educational programs, maintain buildings and grounds, provide student transportation, and finance debt.



What is the Tax Levy?

- A tax levy is the request (by a local governmental entity or taxing body) for local property tax dollars for operation. In this case, the request is made by Community Consolidated School District #181 to both DuPage and Cook Counties.
- Local governing bodies levy for specific dollar amounts, not tax rates.
 - School districts levy a separate amount for each fund in which local tax revenue is necessary for operation.
 - Tax rates are calculated by the County Clerk during the extension process.
- If governmental entities or taxing bodies, such as CCSD #181, do not submit a formal request for the use of property tax dollars, it is not entitled to receive any local property tax dollars.



What is the Assessment Process?

- At the township level, assessors identify, appraise, and place value on real property.
- Market value is determined by Real Estate Transfer Declaration for similar properties.
- Commercial and industrial properties are valued based upon market value as well as income generated.
- Foreclosures and short sales are now included in comparable sales for assessed valuations.
- Illinois statute states assessed value should represent 33.3% of market value, except farmland.
- Assessment of farmland includes factors such as: yield, soil productivity, commodity prices, and mortgage rates.



Key Terms Related to the Tax Levy

Tax Cap–PTELL (Property Tax Extension Limitation Law)

Created to limit the increase in taxpayers' tax bills by limiting how much a district can receive (5% or CPI, whichever is less)

Consumer Price Index(CPI)

Measures changes in the price level of a market basket of consumer goods CPI–U (all urban consumers). The CPI rate used in the tax extension calculation is valued at December 31st of the prior year.

Equalized Assessed Valuation(EAV)

The value placed on property by the County Assessor for tax purposes multiplied by the State Equalization Factor

Tax Rate(Limiting Rate)

The tax due stated in terms of an amount per \$100 of EAV



What is Property Tax Extension Limiting Law (PTELL) and Truth in Taxation Law?

PTELL (Property Tax Extension Limiting Law):

- PTELL is the law that was enacted for DuPage County in 1991 and Cook County in 1994, which limits the annual tax extension increase to 5% or CPI, the lesser of the two, plus new construction.

Truth in Taxation:

- This is required if a local governing body proposes an aggregated levy that is more than 105% of the total amount of taxes extended in the previous year (excluding necessary payments for bonded debt). The district is required to publish a legal notice in the locally circulated newspaper and hold a public hearing within a specified timeframe.
- At a public hearing, the taxing body must explain the levy increase and allow the public to provide testimony.
- After the hearing and approval process, the taxing district adopts the tax levy.
- If the levy is less than 105% of the total amount of taxes extended in the previous year, public notice and a Truth in Taxation hearing are not required.



What is the Extension Process?

- After the tax levy is approved and filed, by the last Tuesday in December, the extension process begins.
- The County Clerk begins the tax extension process
 - Calculates Property Tax Extension Limitation
 - Calculates final tax rates for each taxing district
 - District reviews for accuracy, makes any necessary reallocations and signs off
 - County Clerk then extends taxes on Equalized Assessment Value (EAV)
- The County Treasurer prepares tax bills
 - Distributes tax bills
 - Receives property tax payments
 - Distributes payment to local governing bodies



What is the Review Process?

- The purpose of the review is to correct under or over assessments.
- Assessors send changes to property owners and publish values in the newspaper.
- Property owners have 30 days to appeal and challenge their assessment with the Board of Review.
 - Board of Review serves a copy of the petition to all taxing districts.
 - All settlements at the Board of Review happen prior to tax extension.
- The Property Tax Appeals Board (PTAB) is the next level of the review process.
 - Typically, only commercial and industrial assessment appeals surpass the Board of Review.
- The Circuit Court is the final step in the review process.



Section II

Calculating Property Taxes and Understanding Your Property Tax Bill



How is the Tax Rate Calculated for Unit of Local Government?

- The total tax rate for a local unit of government is simply expressed as the total amount of property taxes extended as a percentage of total equalized assessed valuation (EAV) for that unit of government.
 - This is expressed as: $\text{Total Extension} / \text{Total EAV} = \text{Tax Rate}$.
- For example, a school district that levies and receives \$10 million in taxes in a district with \$200 million of EAV has a tax rate of 5.0000, or \$5 per \$100 of EAV.
- There is a separate tax rate calculation for each fund within a school district, as well as for each taxing body (counties, municipalities, townships, community colleges, and school districts). These separate tax rates are combined to establish the total tax rate for the taxpayer who resides within the boundaries of the taxing bodies.



How the Limiting Rate is Calculated

$$\frac{(\text{Aggregate Extension Base} \times (1 + \text{CPI}))}{(\text{Equalized Assessed Valuation} - \text{New Property})}$$

Aggregate Extension Base = Prior year tax extension for all funds except the debt service fund (bonds)

CPI = Computed by the Bureau of Labor Statistics that measures changes in prices over time for goods and services. This number was 3.4% as of December 31, 2023. But is limited to 5% due to P-TELL.

New Property = New Construction and returning TIF property (if applicable)

(Village of Clarendon Hills, Downtown Clarendon Hills TIF: Projected End Date 2044)



How is the Tax Rate Calculated for an Individual TaxPayer?

- The total tax rate for an individual taxpayer is expressed as the total equalized assessed valuation (EAV) for that parcel of property, after any exemptions are subtracted, multiplied by the total tax rate and divided by 100.
 - This is expressed as $EAV \times \text{Tax Rate} / 100$.
- For example, a home with no exemptions and an equalized assessed valuation of \$100,000 with an aggregate tax rate of \$7.00 per \$100 of EAV will have a property tax bill of \$7,000.
- Individuals who own their home and occupy it as a primary residence also qualify for the general homestead owner occupied exemption of \$8,000 (see Section V for details).
 - This is expressed as: $(EAV - \$8,000) \times \text{Tax Rate} / 100$.
- Applied to the example above, that same home would only be taxed on \$92,000, resulting in a tax bill of \$6,440.



Sample Tax Calculation for an Individual TaxPayer

Rate 2021 9	Tax 2021 10	Taxing District 11 ** COUNTY **	Rate 2022 12	Tax 2022 13
0.0966	107.74	COUNTY OF DU PAGE	0.0828	97.30
0.0196	21.86	PENSION FUND	0.0189	22.20
0.0298	33.24	HEALTH DEPARTMENT	0.0300	35.26
0.0127	14.17	PENSION FUND	0.0111	13.04
0.1102	122.92	FOREST PRESERVE DIST	0.1055	123.96
0.0075	8.36	PENSION FUND	0.0075	8.82
0.0144	16.06	DU PAGE AIRPORT AUTH ** LOCAL **	0.0139	16.34
0.0857	95.59	WAYNE TOWNSHIP	0.0856	100.58
0.0042	4.68	PENSION FUND	0.0035	4.12
0.0695	77.51	WAYNE TWP ROAD	0.0690	81.08
0.0029	3.24	PENSION FUND	0.0027	3.18
0.7237	807.27	VLG OF BARTLETT	0.6799	798.94
0.1688	188.30	PENSION FUND	0.1585	186.26
0.4470	498.61	HANOVER PK PARK DIST	0.4340	510.00
0.0389	43.40	PENSION FUND	0.0447	52.52
0.5865	654.24	BARTLETT FIRE DIST	0.5827	684.74
0.1045	116.56	PENSION FUND	0.0968	113.74
0.2712	302.51	BARTLETT LIBR DIST	0.2854	335.36
0.0306	34.14	PENSION FUND ** EDUCATION **	0.0322	37.84
5.3911	6,013.76	UNIT SCHL DIST U-46	5.3827	6,325.22
0.1911	213.18	PENSION FUND	0.0944	110.92
0.4548	507.44	COMM COLLEGE 509	0.4244	498.72
0.0001	0.12	PENSION FUND ** TIF **	0.0001	0.12
8.8614	<u>9,884.90</u>	TOTAL	8.6463	<u>10,160.26</u>

Mailed to: **14**
 JOHN DOE
 1234 E KNOWN ST
 WHEATON, IL 60189

Property Location: **15**
 1234 E KNOWN ST
 WHEATON, IL 60189

Township Assessor: **16**
 WAYNE
 630-231-8900

Tax Code: **17**
 1019

Property Index Number: **18**
 01-23-456-789

TIF Frozen Value	19	
Fair Cash Value	20	352,600
Land Value	21	64,310
+ Building Value	22	53,200
= Assessed Value	23	117,510 *
x State Multiplier	24	1.0000
= Equalized Value	25	117,510
- Residential Exemption	26	
- Senior Exemption	27	
- Senior Freeze	28	
- Disabled Veteran	29	
- Disability Exemption	30	
- Returning Veteran Exemption	31	
- Home Improvement Exemption	32	
- Housing Abatement	33	
= Net Taxable Value	34	117,510
x Tax Rate	35	8.6463
= Total Tax Due	36	10,160.26
- Less Advance Payment	37	
- Commercial Abatement	38	
+ PACE Reimbursement	39	
= Net Due	40	10,160.26

CHANGE OF NAME/ADDRESS:
 CALL: 630-407-5900

S OF A FACTOR 1.0534



2022 DuPage County Real Estate Tax Bill
 Gwen Henry, CPA, County Collector
 421 N. County Farm Road
 Wheaton, IL 60187

Office Hours – 8:00 am–4:30 pm, Mon–Fri
 Telephone – (630) 407-5900



Section III
**Current and Historical Property
Tax Information - CCSD 181**



Importance of the Levy

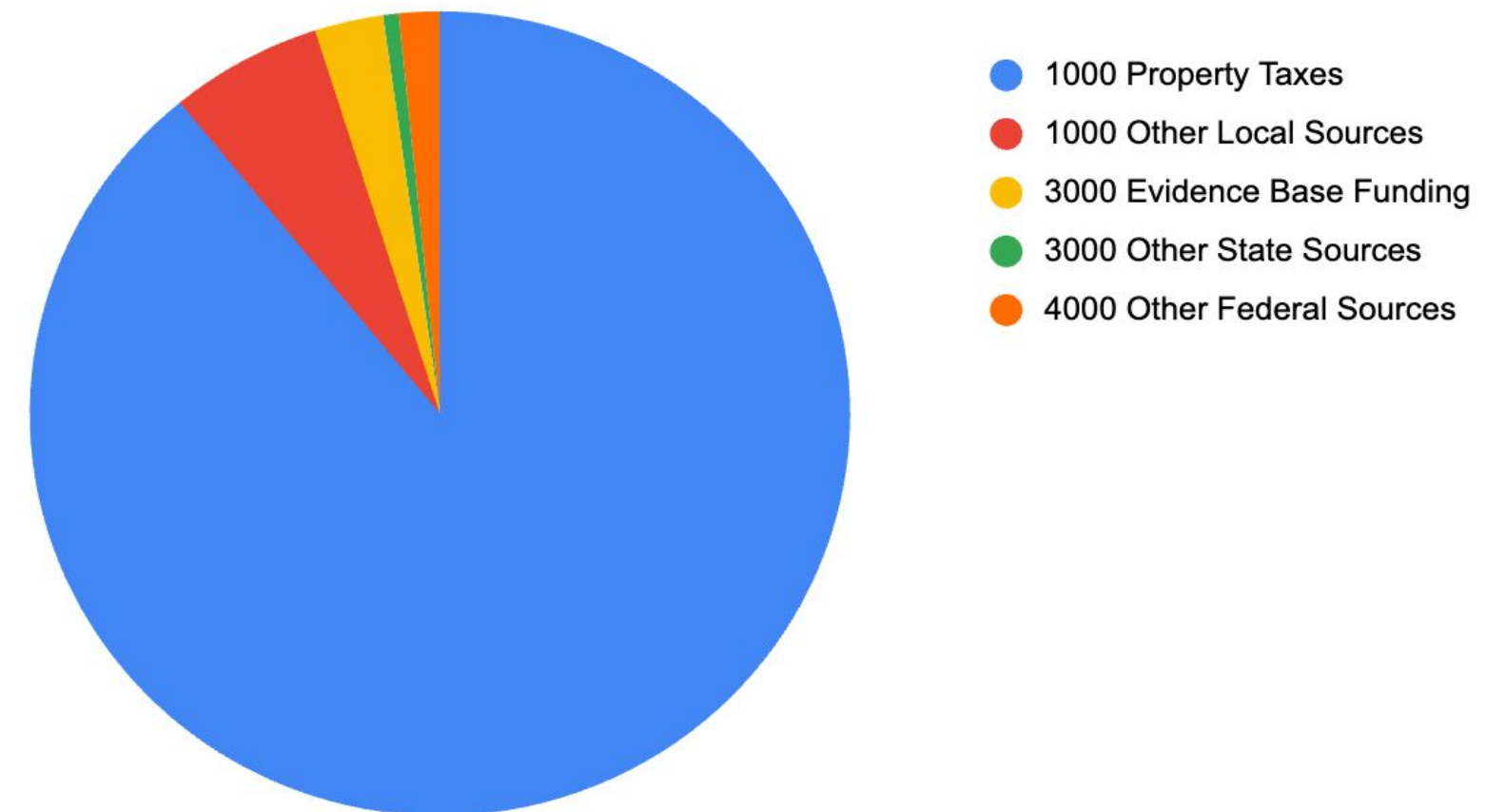
The Tax Levy is a High Percentage of our Overall Revenue

Property taxes make up the vast majority of our operating revenue. These resources are able to fund a rigorous and relevant curriculum for students, the hiring and development of high quality teachers, and excellent facilities that support instruction, which all align with our District's Strategic Goals.

Operating Funds Revenue by Source

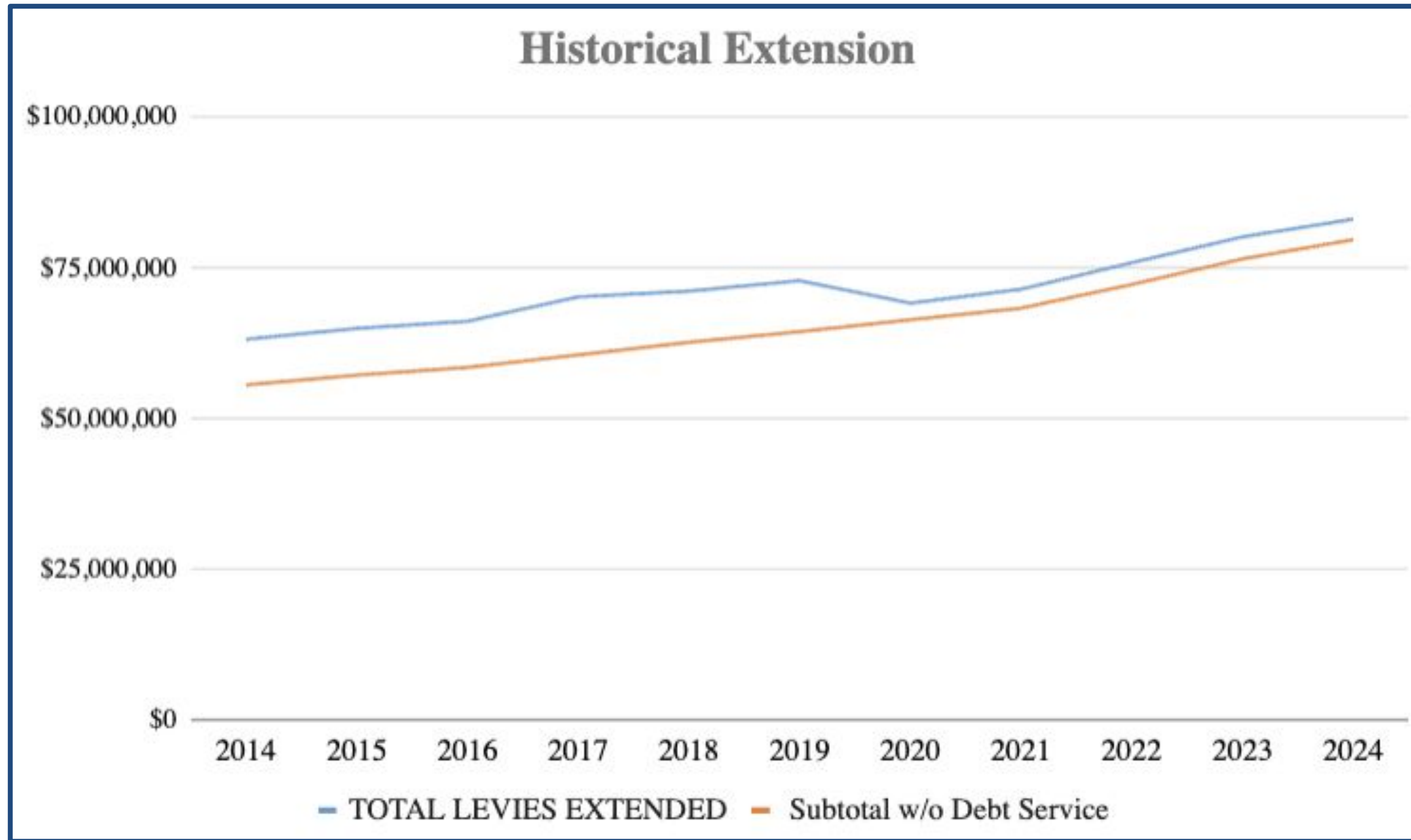
Source	Amount	% of Total
1000 Property Taxes	\$ 77,672,485	89.55%
1000 Other Local Sources	\$ 4,755,500	5.48%
3000 Evidence Base Funding	\$ 2,259,046	2.60%
3000 Other State Sources	\$ 638,060	0.74%
4000 Other Federal Sources	\$ 1,412,909	1.63%
TOTAL	\$ 86,738,000	100.00%

Operating Funds Revenue by Source





Historical Extension

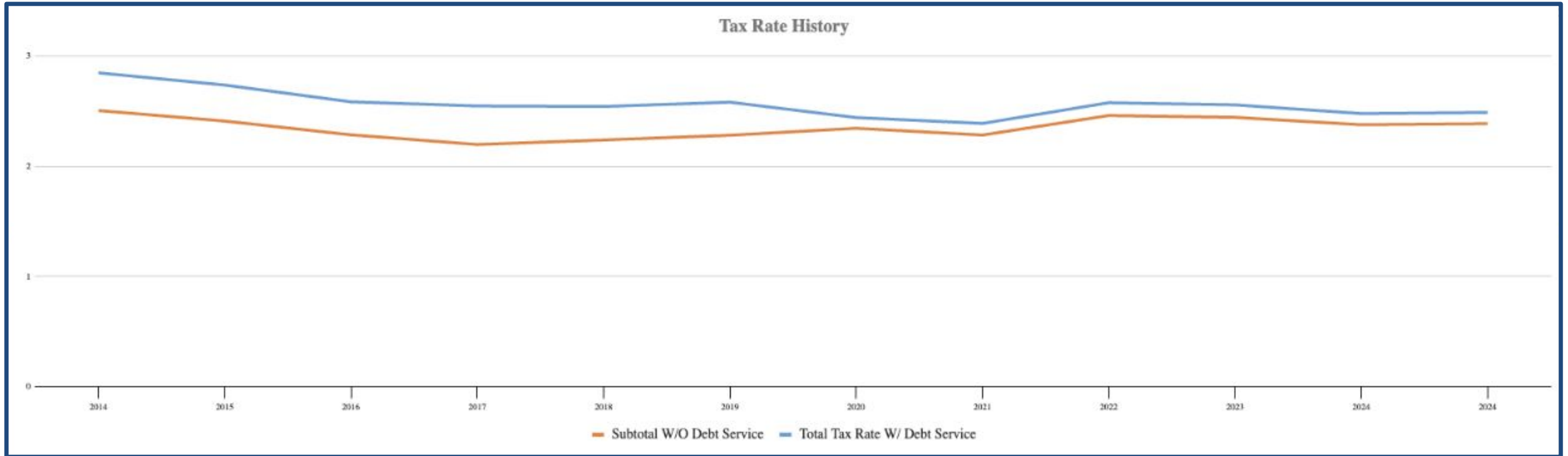


COUNTY TOTAL

TAX Year Levied	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Projected Extension
Subtotal w/o Debt Service	\$55,539,357	\$ 57,158,002	\$ 58,439,682	\$ 60,511,305	\$ 62,599,686	\$ 64,368,259	\$ 66,339,427	\$ 68,256,117	\$ 72,186,266	\$ 76,433,826	\$ 79,615,486	
Debt Service	\$7,572,148	\$ 7,747,660	\$ 7,648,657	\$ 9,626,508	\$ 8,489,400	\$ 8,451,951	\$ 2,748,693	\$ 3,146,685	\$ 3,403,053	\$ 3,648,702	\$ 3,395,740	
TOTAL LEVIES EXTENDED	\$63,111,505	\$ 64,905,662	\$ 66,088,339	\$ 70,137,813	\$ 71,089,086	\$ 72,820,210	\$ 69,088,121	\$ 71,402,802	\$ 75,796,529	\$ 80,082,529	\$ 83,011,226	



Historical Tax Rate

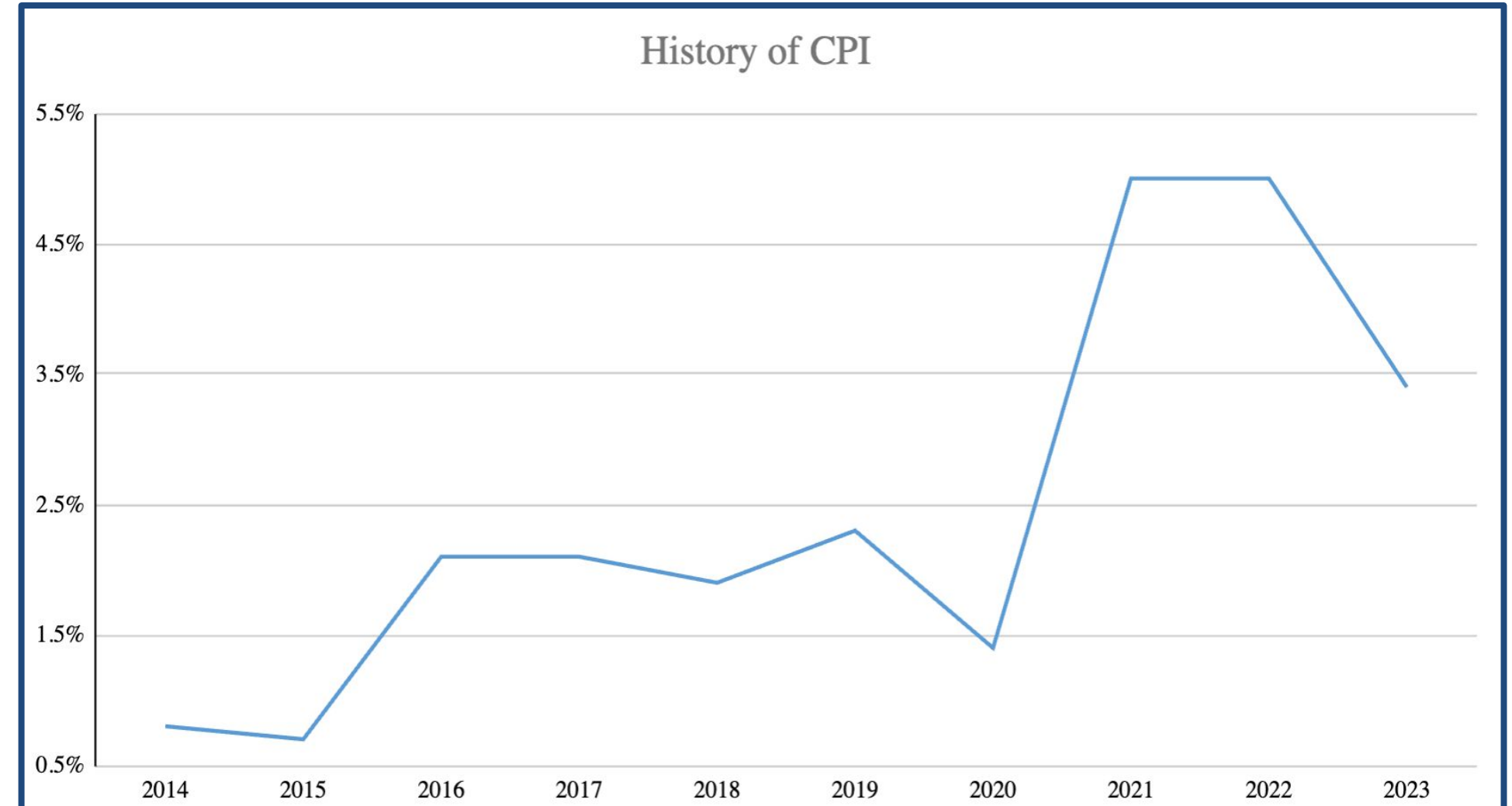


	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Projected Extension	Levy Amount
Tax Year Levied	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2024
Calendar Year Extended	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2025
Fiscal Year Collected	FY15 & FY16	FY16 & FY17	FY17 & FY18	FY18 & FY19	FY19 & FY20	FY20 & FY21	FY21 & FY22	FY21 & FY22	FY22 & FY23	FY23 & FY24	FY24 & FY25	FY24 & FY25
Rates extended per \$100:												
Educational	2.12	2.04	1.92	1.79	1.82	1.85	1.93	1.88	2.01	2.02	1.96	1.97
Operations and Maintenance	0.24	0.24	0.23	0.29	0.30	0.31	0.32	0.31	0.33	0.33	0.32	0.32
Transportation	0.07	0.06	0.06	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05	0.05
Illinois Municipal Retirement	0.04	0.04	0.03	0.03	0.03	0.04	0.02	0.02	0.03	0.02	0.02	0.02
Social Security	0.04	0.04	0.03	0.03	0.03	0.04	0.02	0.02	0.03	0.02	0.02	0.02
Working Cash	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tort Immunity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Special Education	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal w/o Debt Service	2.50	2.41	2.28	2.20	2.24	2.28	2.34	2.28	2.46	2.44	2.38	2.39
Debt Service	0.34	0.33	0.30	0.35	0.30	0.30	0.10	0.11	0.12	0.11	0.10	0.10
TOTAL TAX RATE	2.85	2.74	2.58	2.55	2.54	2.58	2.44	2.39	2.57	2.56	2.48	2.49



CPI History

Illinois Department of Revenue History of Consumer Price Index for the PTELL			
Year	% Use for PTELL	Tax Levy Year	Years Taxes Paid
2014	0.8%	2015	2016
2015	0.7%	2016	2017
2016	2.1%	2017	2018
2017	2.1%	2018	2019
2018	1.9%	2019	2020
2019	2.3%	2020	2021
2020	1.4%	2021	2022
2021	5.0%	2022	2023
2022	5.0%	2023	2024
2023	3.4%	2024	2025

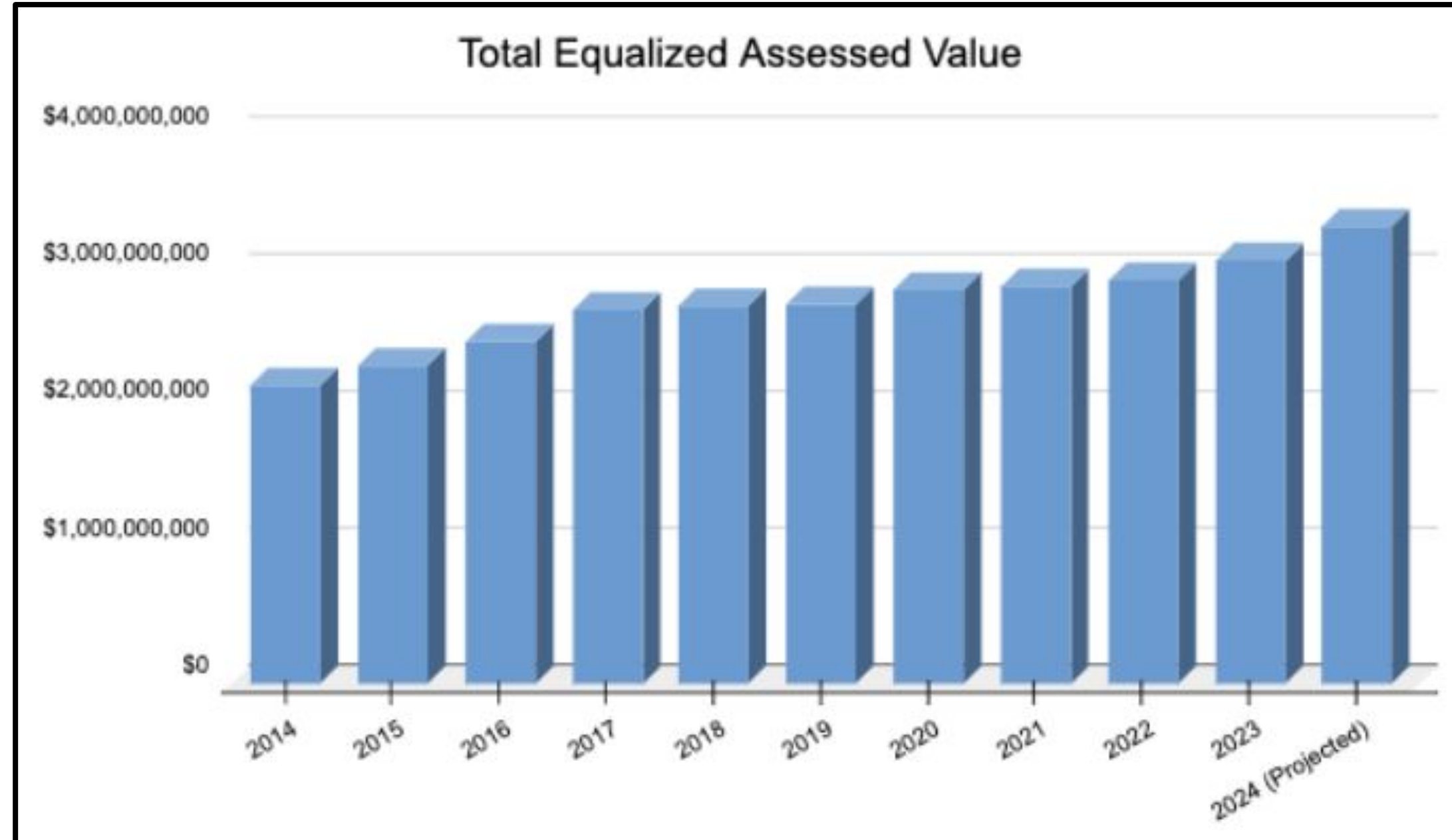


3 Year Average	4.5%
5 Year Average	3.4%
10 Year Average	2.5%



Equalized Assessed Valuation History (EAV)

COUNTIES TOTAL	
Tax Year Levied	TOTAL EQUALIZED ASSESSED VALUATION
2014	\$2,169,937,656
2015	\$2,310,385,375
2016	\$2,482,646,247
2017	\$2,714,254,023
2018	\$2,738,549,660
2019	\$2,756,084,256
2020	\$2,859,349,806
2021	\$2,888,429,455
2022	\$2,929,710,303
2023	\$3,071,167,353
2024 (Projected)	\$3,327,168,792





New Property History

COUNTIES TOTAL			
Tax Year Levied	New Property	Amount of Increase/Decrease	Percentage of Increase/Decrease
2014	\$ 22,204,899	\$ (4,920,729)	-18.14%
2015	\$ 32,862,353	\$ 10,657,454	48.00%
2016	\$ 39,262,718	\$ 6,400,365	19.48%
2017	\$ 41,313,743	\$ 2,051,025	5.22%
2018	\$ 32,062,949	\$ (9,250,794)	-22.39%
2019	\$ 25,209,214	\$ (6,853,735)	-21.38%
2020	\$ 30,535,992	\$ 5,326,778	21.13%
2021	\$ 26,307,566	\$ (4,228,426)	-13.85%
2022	\$ 29,324,143	\$ 3,016,577	11.47%
2023	\$ 29,764,995	\$ 440,852	1.50%
2024 (projected)	\$ 24,539,761	\$ (5,225,234)	-17.55%





Key Assumptions for the 2024 Tax Levy *(to be collected in 2025)*

- 2023 Extension w/out Debt Service = \$76,433,826
- District will receive a 3.4% (CPI) increase over 2023 extension
- EAV projected increase = 8.3%
- Estimated EAV (prior to New Construction) = \$3,327,168,807
- Estimated New Construction = \$24,539,761
- Estimated Limiting Rate = \$2.38
- Estimated Total Tax Rate = \$2.48

- Debt Service = \$5,395,740
- Abatement Amount * \cong -\$2,000,000
\$3,395,740

*Abatement amount will be finalized at February's board meeting.



Calculating the 2023 Levy for the Projected Limiting Rate and Projected Extension Limit

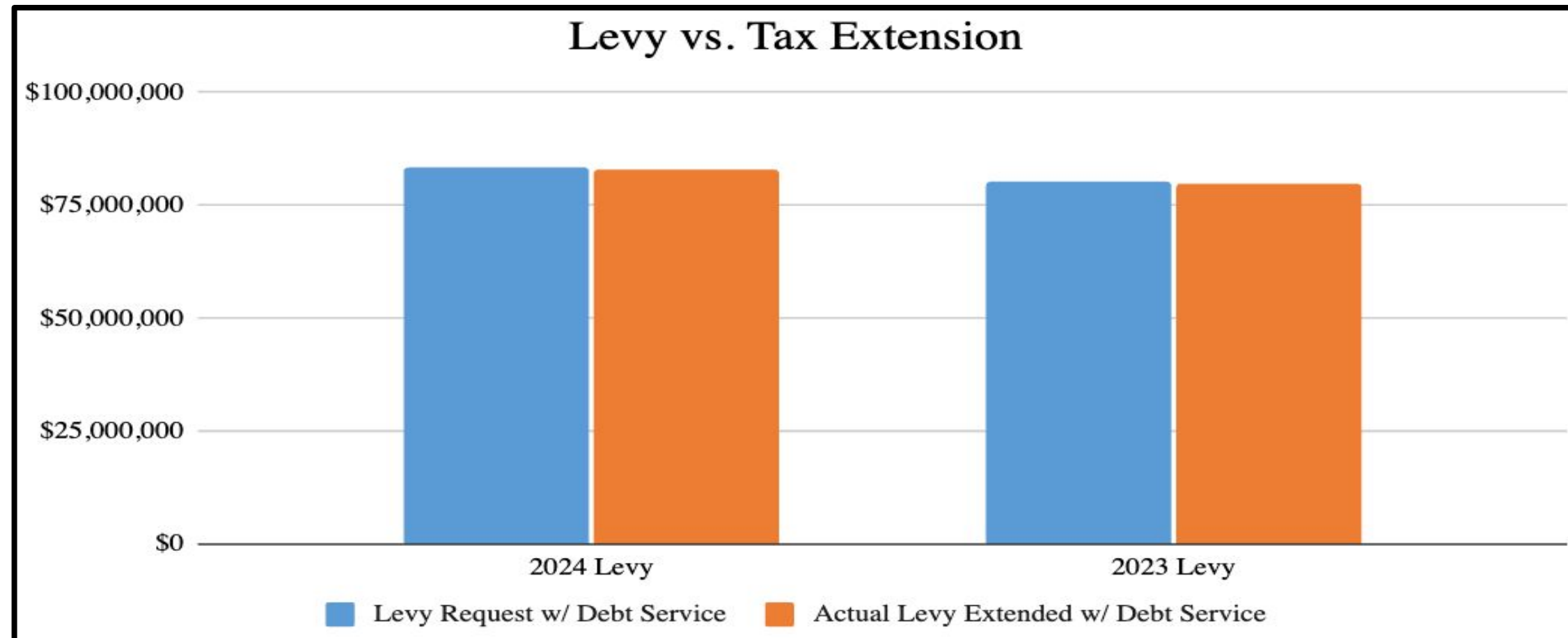
$$\text{Limiting Rate} = \frac{(\text{Prior Year Extension} \times (1 + \text{Lesser of 5\% or CPI}))}{(\text{Total EAV} - \text{New Construction})}$$

Estimated Calculation of Limiting Rate	2024 Levy Estimate	
Prior year extension w/o debt service	\$	76,433,826
1 + CPI(5%)		103.40%
Adjusted Extension Base	\$	79,032,577
Projected Net EAV	\$	3,351,708,568
Projected New Property	\$	24,539,761
Projected Adjusted Valuation Base	\$	3,327,168,807
Adjusted Extension Base	\$	79,032,577
Projected Adjusted Valuation Base	\$	3,327,168,807
Projected Limiting Rate		2.3754%
Projected Extension Limit (limiting rate * net EAV)	\$	79,615,487
Bond & Interest Levy	\$	3,395,740
Total	\$	83,011,227



Levy Ask vs. Tax Extension

	(ask) 2024 Levy	(ask) 2023 Levy
Levy Request w/ Debt Service	\$83,339,843	\$80,120,324
% Increase Requested in Newspaper	4.4%	6.0%
	Projected 2024 Extension	2023 Extension
Actual Levy Extended w/ Debt Service	\$83,011,227	\$79,805,164
% Actual Increased	3.9%	5.6%



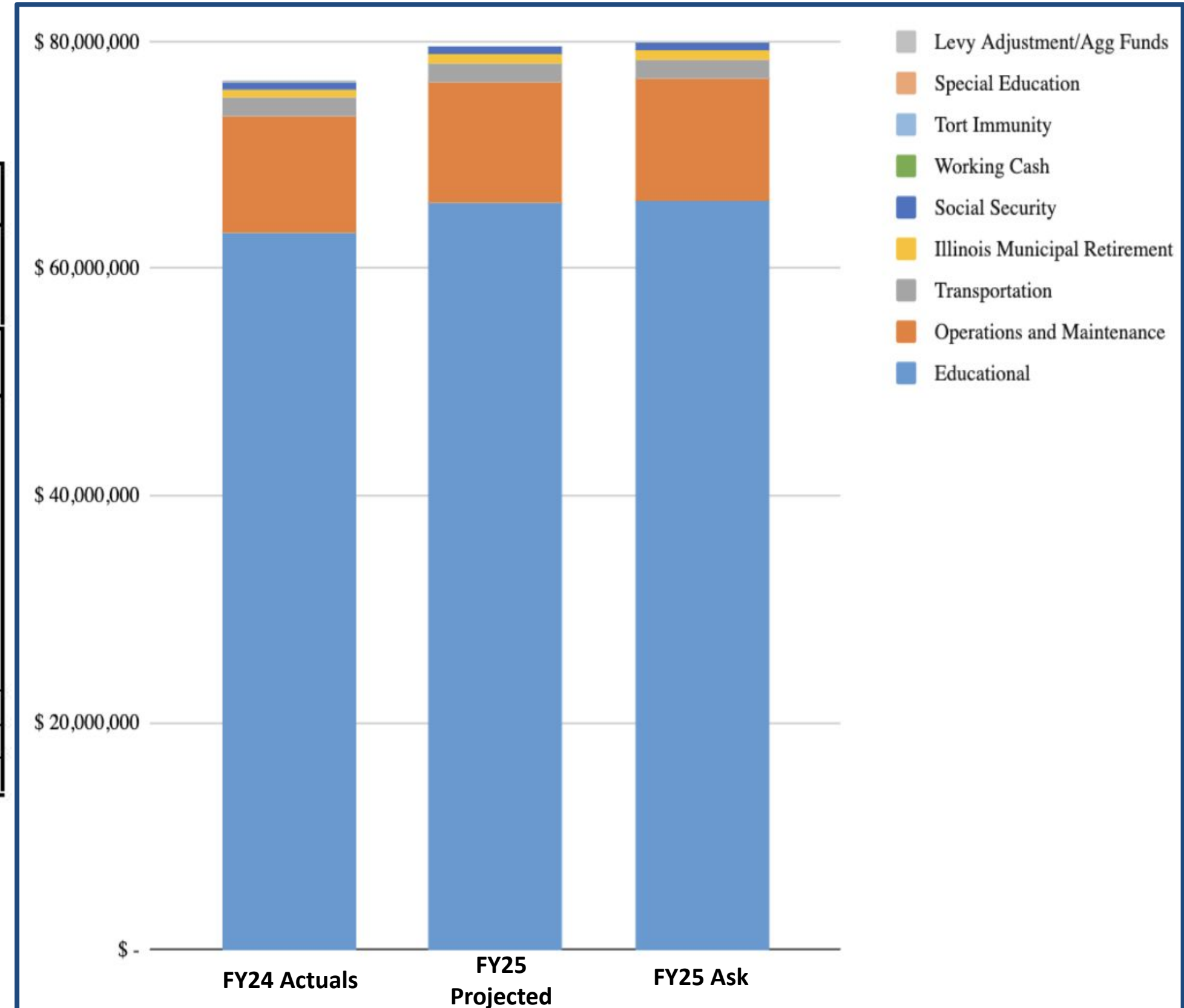


2024 Levy Request by Fund

COUNTY TOTAL

		Projected Extension	Levy (Ask)
TAX Year Levied	2023	2024	2024
Calendar Year Extended	2024	2025	2025
Fiscal Year Collected	FY24 & FY25	FY25 & FY26	FY25 & FY26
Property Tax Extension County Total			
Educational	\$ 63,096,716	\$ 65,723,201	\$ 66,051,818
Operations and Maintenance	\$ 10,281,623	\$ 10,709,610	\$ 10,709,610
Transportation	\$ 1,654,748	\$ 1,723,629	\$ 1,723,629
Illinois Municipal Retirement	\$ 700,370	\$ 729,523	\$ 729,523
Social Security	\$ 700,370	\$ 729,523	\$ 729,523
Working Cash	\$ -	\$ -	\$ -
Tort Immunity	\$ -	\$ -	\$ -
Special Education	\$ -	\$ -	\$ -
Levy Adjustment/Agg Funds	\$ 216,675	\$ -	\$ -
Subtotal w/o Debt Service	\$ 76,433,826	\$ 79,615,486	\$ 79,944,103
Debt Service	\$ 3,648,702	\$ 3,395,740	\$ 3,395,740
TOTAL LEVIES EXTENDED	\$ 80,082,529	\$ 83,011,226	\$ 83,339,843

*Abatement amount will be finalized at February's board meeting





Next Steps

- 11/12/2024 – Levy Presentation to the Finance Committee
- 11/16/2024 – Post Public Notice on the District website 30 days prior to Levy adoption (New Requirement FY25)
- 11/18/2024 – Levy Presentation and Tentative Levy Resolution Adoption (meets the 20-day requirement)
- 11/19/2024 – Release Public Notice to Hinsdalean for 12/05/2024 publication
- 12/05/2024 – Publish Public Notice (cannot be more than 14 days prior to hearing)
- 12/16/2024 – Public Hearing & Levy Adoption
- 12/17/2024 – File Certificate of Tax Levy with the offices of Cook and DuPage County Clerks
- 12/17/2024 – Post 2024 Levy presentation on District website
- 12/31/2024 – Last Tuesday in December filing deadline
- 02/18/2025 – Finance Committee Meeting - Projections, Levy/Abatement Amount
- 02/24/2025 – Board Meeting - Projections, Levy/Abatement Amount
- March 2025 – Business and Operations Signs off on final Tax Calculations from the counties



Section IV

Definitions of Local Property Tax Terms



Definitions

- **Assessment:** The process of valuing real property for tax purposes.
- **Assessed Valuation:** A value placed on property for tax purposes.
- **Board of Review:** A county level committee that reviews property tax appeals submitted by local property owners.
- **Collection:** Receipt of property owner's payment by the County Treasurer.
- **CPI:** 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. Changes in the CPI are used to assess price changes associated with the cost of living; the CPI is one of the most frequently used statistics for identifying periods of inflation or deflation.
- **Distribution:** Payment of tax receipts by the County Treasurer to schools and other units of local government.
- **Equalized Assessed Valuation (EAV) :** The assessed valuation multiplied by the equalization factor.



Definitions

- **Equalization Factor:** A factor determined by the Illinois Department of Revenue each year to ensure an equal assessment among all 102 counties in the state. State statute requires that the aggregate value of assessments within each county must be equalized at 33 1/3 % of the estimated fair market value of real property in the county. This factor is also known as the “multiplier”.
- **Extension:** The actual amount of money received by a local governmental taxing body.
- **Property Tax:** A tax assessed on real estate by the local government. The tax is usually based on the value of the property owned (including the land).
- **PTAB:** If the local property taxpayer finds the decision of the Board of Review unacceptable, the taxpayer may request (in writing) a review by the county Property Tax Appeals Board or, PTAB. (Typically, only commercial or industrial assessment appeals go beyond the Board of Review.)
- **Tax Base:** The total EAV of a school district or taxing body
- **Tax Levy:** The dollar amount in real estate taxes requested by each taxing body.
- **Tax Rate:** The tax levy (i.e. dollar amount) divided by the total equalized assessed valuation. In other words, it is the amount of taxes due, as a percentage of the tax base.
- **Tax Year:** The calendar year in which property is assessed and the levy is made. Taxes are billed, collected and distributed in the following calendar year.



Section V

Local Property Tax Exemption and Qualifications



What are Tax Exemptions and How does you Qualify?

General Homestead (Owner Occupied) Exemption: Lowers the taxable value up to \$8,000 (used to be \$6,000). To qualify for this exemption, a homeowner must live in the home on or before January 1st of the tax year.

Homestead Improvement Exemption: This exemption is limited to the fair cash value that was added to the homestead property by any new improvement, up to an annual maximum of \$75,000 assessed value.

Disabled Persons' Homestead Exemption: Provides an annual \$2,000 reduction in the assessed value of the property owned and occupied on January 1st of the assessment year by the disabled person who is liable for the payment of the property taxes.

Senior Citizens Homestead Exemption: Lowers the taxable value of the property up to \$5,000. This exemption is available for residential property that is occupied as a principal residence by a person who is 65 years of age or older during the assessment year and is liable for the payment of the property tax.



What are Tax Exemptions and How does One Qualify?

Senior Citizens Assessment Freeze: Household income limit is \$55,000 and the senior must meet certain criteria.

Disabled Veterans' Homestead Exemption: A qualified veteran with a disability of at least 50 percent but less than 70 percent will receive a \$2,500 reduction in EAV, and a disabled veteran with a disability of 70 percent will receive a \$5,000 reduction in EAV.

Returning Veterans' Homestead Exemption: A one-time \$5,000 reduction in the assessed value of the principal residence for the tax year the veteran returns from active duty in an armed conflict involving the United States.



Questions

If you should have any questions regarding local property taxes or other issues related to school district funding or finances, please contact:

Mindy Bradford
Assistant Superintendent of Business and Operations
Community Consolidated School District #181
(630) 861-4950
mbradford@d181.org