



2020 Tentative tax levy

November 16, 2020

Tax levy timeline

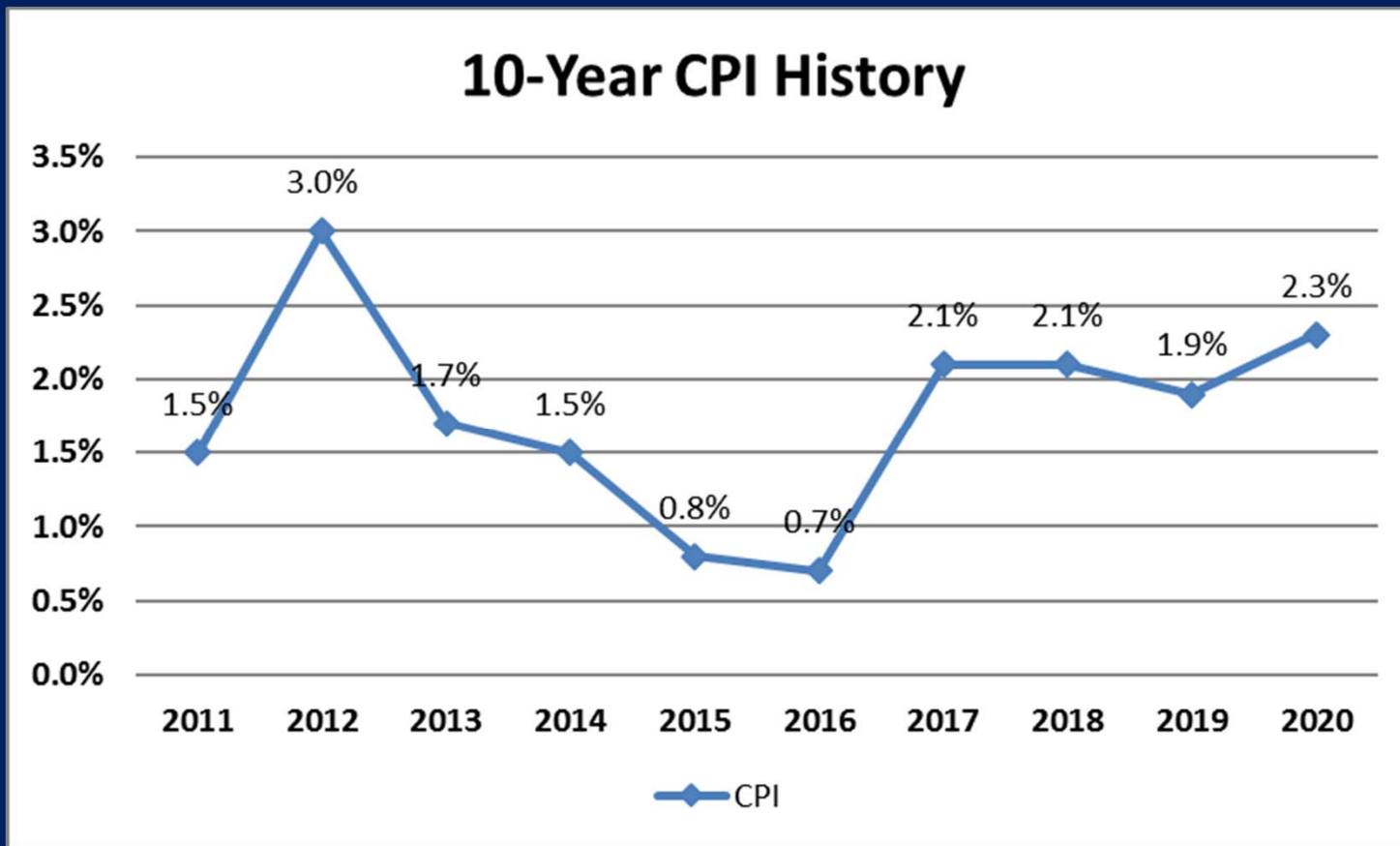
- 11/16/20 Tentative levy presentation & approval
- Week of 11/30/20 Post public hearing notice
- 12/14/20 Hold public hearing &
Adopt Certificate of Tax Levy
- Prior to 12/29/20
File Certificate of Tax Levy with
McHenry County Clerk



Tax assessments and levy

- *The “Tax Cap” Formula:*
- In 1991 the legislature passed the Property Tax Extension Limitation Law (PTELL) – or “Tax Caps”
- The purpose was to control the growth of property taxes, which in turn controls the growth of expenditures
- Tax Cap legislation controls the amount that school districts receive in property taxes by the increase in the prior year’s Consumer Price Index (CPI)
- The Tax Cap limits the increase in total extensions to the lesser of 5% or CPI

10-year CPI History





Key items used to develop tax levy

- Prior year tax extension: \$74,678,837.18
- Consumer Price Index (CPI) -- 2020 (2.3%)
- Estimated Equalized Assessed Valuation (EAV) - Existing
 - Current Assumption is based upon a 3.69% increase
- Estimated new property EAV
 - Current 2020 assumption is based upon \$5.1 million
 - 2019 Levy actual = \$5,495,276 new construction
 - Five-Year Average = \$6,295,750

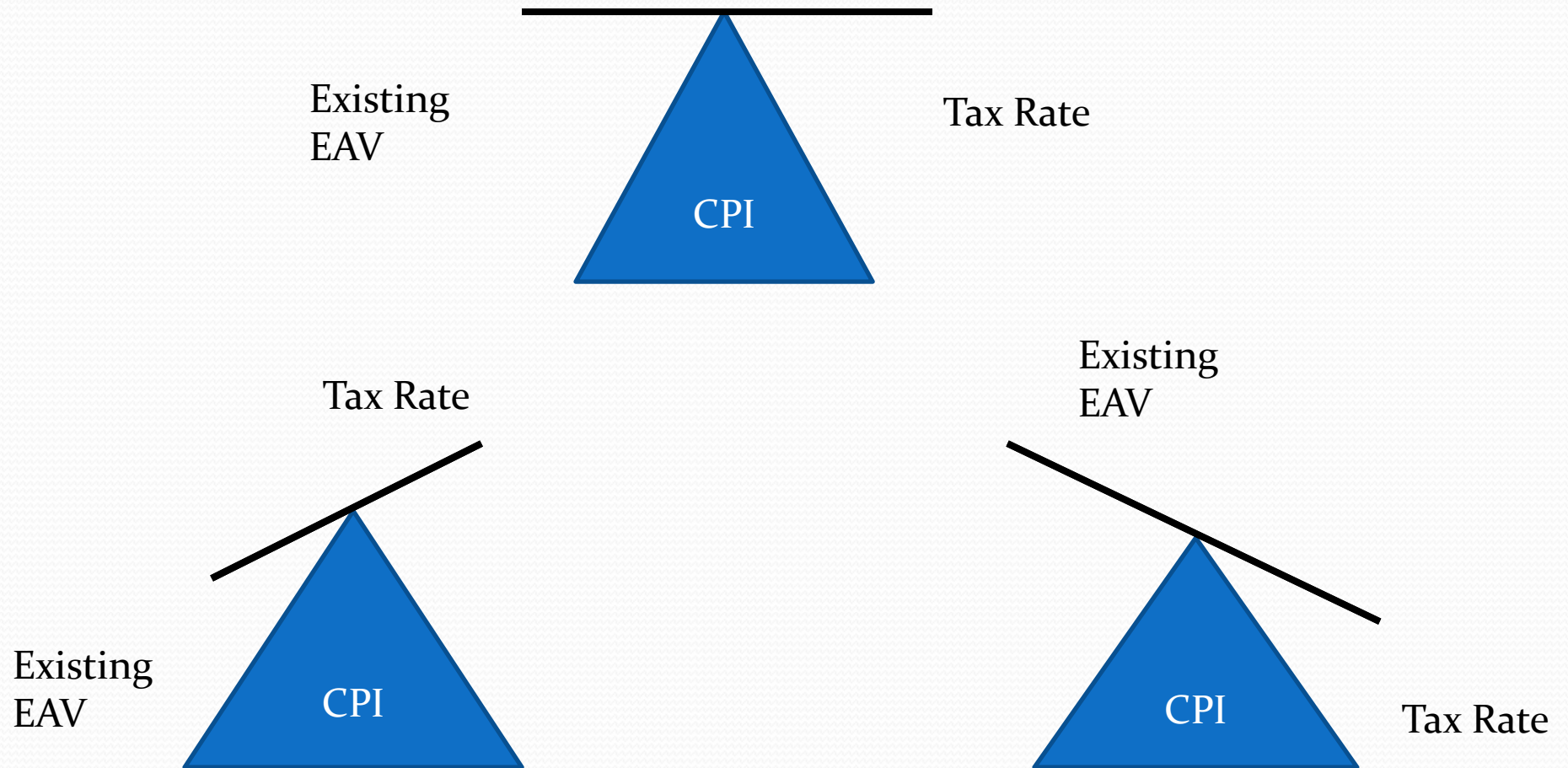
Projected change to 2020 Equalized Assessed Valuation (EAV)

2019 EAV		\$ 1,922,175,819
Estimated change in base EAV		
2020 EAV - current property (3.7%)		70,928,288
2020 EAV - new property est.		5,121,344
2019 EAV estimate		\$ 1,998,225,451

2019 tax cap formula

EXISTING PROPERTY		
2019 Extension (capped)		\$ 74,678,837
1+CPI (2.3%)	x	1.023
Tentative Extension		\$76,396,000
NEW PROPERTY (Estimated)		
2020 EAV New Propert		\$ 5,121,344
	/	100
2020 Tentative Rate	x	3.83
Tentative Extension Est.		\$ 197,000
TOTAL		\$76,593,000

Effect of EAV, CPI & Tax Rate



Tax Rate History

Year	CPI	EAV	Tax Rate (Capped)
Estimated 2020	2.3%	\$1,998,377,713	\$3.83 estimated
2019	1.9%	\$1,922,175,819	\$3.89
2018	2.1%	\$1,851,525,885	\$3.95
2017	2.1%	\$1,761,317,250	\$4.05
2016	0.7%	\$1,671,673,322	\$4.16
2015	0.8%	\$1,581,872,763	\$4.35



Tentative tax levy request for capped funds

- As EAV and/or the amount of new property constructed will not be finalized until spring.
- The District has prepared a levy based upon estimated new construction (\$5.1 million) and the CPI of 2.3%. These factors estimate that the tax rate will decrease to approximately \$3.83



Levy Allocation

- Future Projects/Initiatives impacting Levy Allocation
 - Life Safety and Operations & Maintenance Projects, including furniture replacement cycle
 - Continued implementation of District Instructional Initiatives – Expansion of 1:1 technology due to remote instruction
 - Allocation for as needed funds: Tort (no levy past year), IMRF/Soc. Security and other funds that have used available fund balance in prior years to cover needs

Questions

