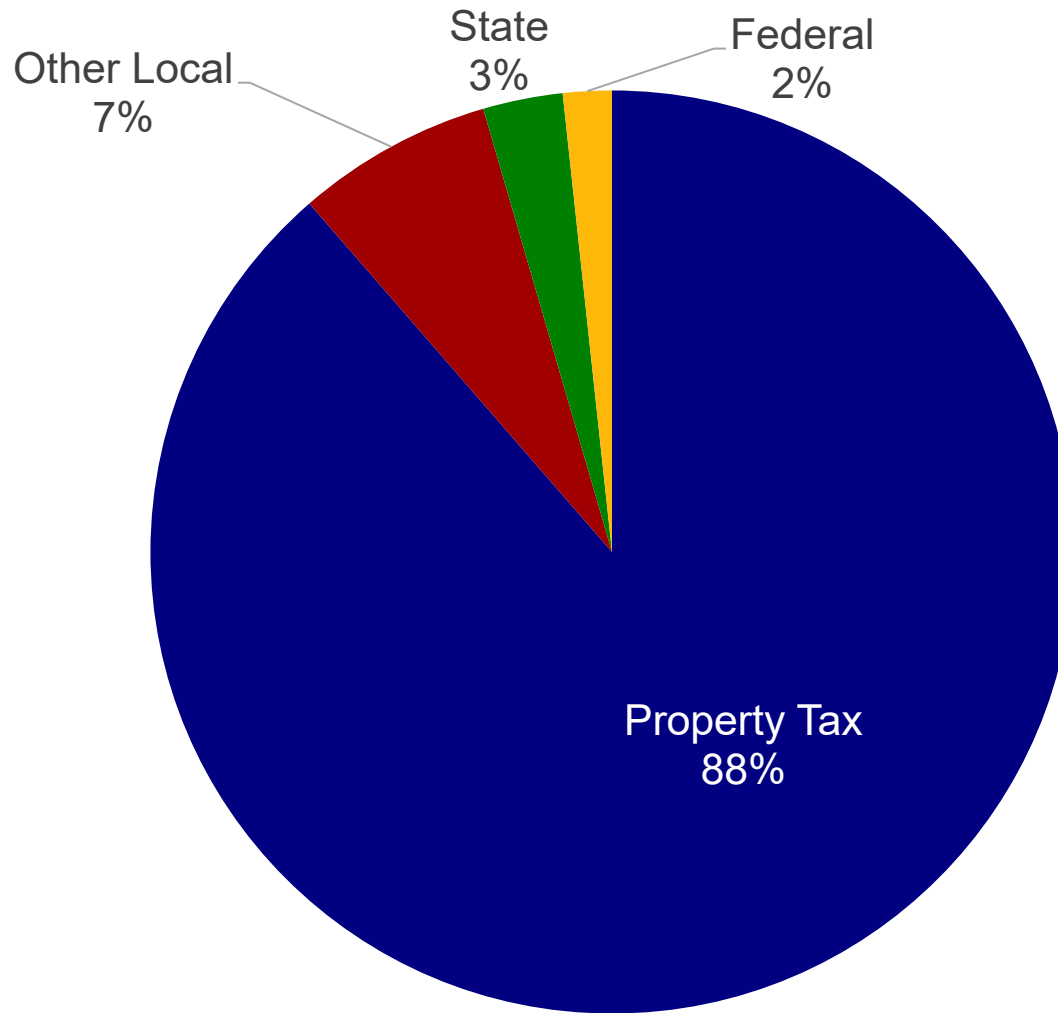




Tax Levy Basics

November 18, 2025

2025-26 Revenue





Tax Levy Terms

- Levy = Amount *requested* by a governmental entity to be raised from property taxes
 - For the subsequent year
 - Excludes Debt Service
- Tax Extension = Total actual amount *billed* to taxpayers. Constitutes the tax revenue to the District
- Truth in Taxation Hearing – Public hearing required if the levy is greater than 105% of the prior year's extension

Tax Levy Terms

- EAV = Equalized Assessed Value of properties in a district as determined by township and county assessors
 - Property assessed at 1/3 of market value (Except Cook = 10% residential and 25% commercial)
 - Adjustment factor “equalizes” local assessed values
 - After exemptions
- CPI = Consumer Price Index published by the federal government as a measure of annual inflationary impact on a basket of goods.

All Urban Consumers (CPI-U) 1982-84=100 (Unadjusted) - CUUR0000SA0

Tax Levy Terms

- Fund - grouping of self balancing accounts segregated for specific activities or objectives.
 - Taxes extended by fund.
 - Each fund has an individual tax rate.
 - Some funds have maximum tax rates.
- PTELL= the Property Tax Extension Limitation Law limits the annual tax increase on **existing** property to the lower of the prior year's December CPI or 5%.
 - Only applies to:
 - non-home rule taxing districts in Cook and collar counties
 - non-home rule taxing districts in other counties where PTELL was approved by referendum
 - Does not apply to all funds

January 2016



Rejected PTELL referendum

Dates within Cook and Collar Counties identify the effective assessment year of PTELL. Dates within other counties identify the month and year of the PTELL referendum.

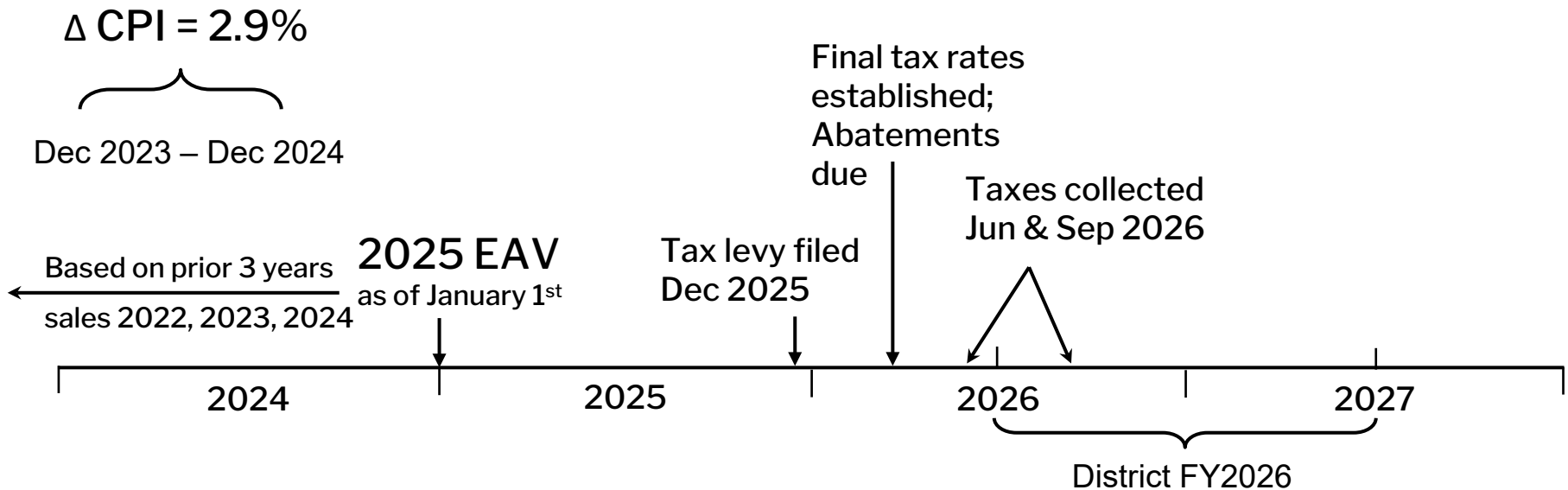
In counties that approved the referendum, PTELL takes effect the following assessment year (e.g. November 1996 referendum becomes effective for the 1997 assessment year).



Tax Levy Terms

- New Property
 - New construction or additions to existing property that increased the assessed value of that real property during the levy year.
 - Property that was exempt during the prior levy year but reclassified and assessed as non-exempt current levy year.
- Debt Service Extension Base (DSEB)
 - The level of debt service for which a district can issue bonds without a referendum.
 - The level of debt service a district had when first subject to PTELL (increased annually by CPI).

Tax Cycle Timeline

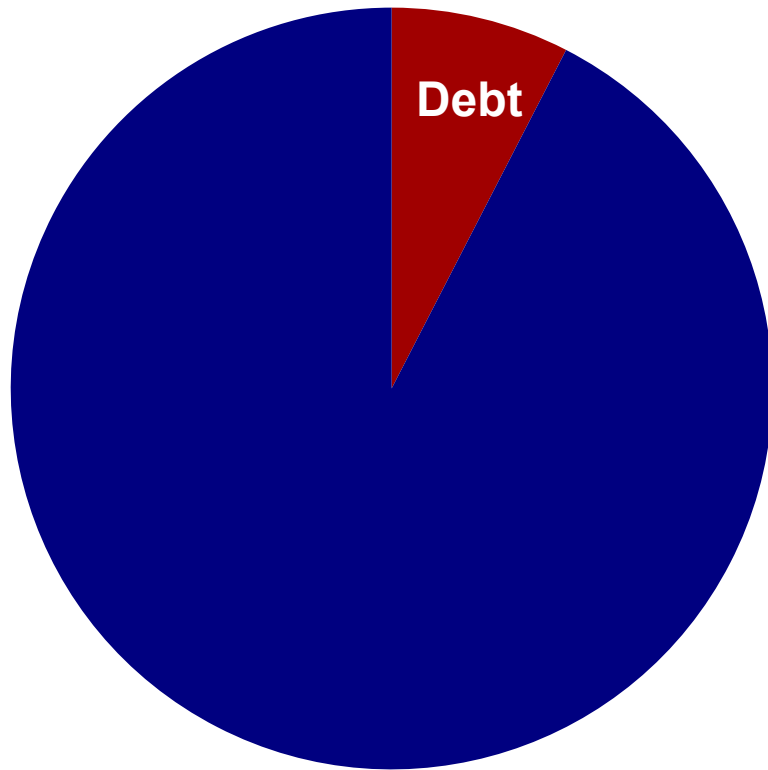


- **Taxes are collected in *arrears***
 - 2025 levy collected in 2026
- **The District defers June taxes collected to the following fiscal year**
 - Tax collected in 2026 is Revenue for 2026-27



Year	December CPI-U	% Change From Previous December	% Use for PTELL	Comments	Levy Year	Years Taxes Paid
1991	137.900	--				
1992	141.900	2.9%	2.9%		1993	1994
1993	145.800	2.7%	2.7%	(5 % for Cook)	1994	1995
1994	149.700	2.7%	2.7%		1995	1996
1995	153.500	2.5%	2.5%		1996	1997
1996	158.960	3.6%	3.6%		1997	1998
1997	161.300	1.5%	1.5%		1998	1999
1998	163.900	1.6%	1.6%		1999	2000
1999	168.300	2.7%	2.7%		2000	2001
2000	174.000	3.4%	3.4%		2001	2002
2001	176.700	1.6%	1.6%		2002	2003
2002	180.900	2.4%	2.4%		2003	2004
2003	184.300	1.9%	1.9%		2004	2005
2004	190.300	3.3%	3.3%		2005	2006
2005	196.800	3.4%	3.4%		2006	2007
2006	201.800	2.5%	2.5%		2007	2008
2007	210.036	4.08%	4.1%		2008	2009
2008	210.228	0.1%	0.1%		2009	2010
2009	215.949	2.7%	2.7%		2010	2011
2010	219.179	1.5%	1.5%		2011	2012
2011	225.672	3.0%	3.0%		2012	2013
2012	229.601	1.7%	1.7%		2013	2014
2013	233.049	1.5%	1.5%		2014	2015
2014	234.812	0.8%	0.8%		2015	2016
2015	236.525	0.7%	0.7%		2016	2017
2016	241.432	2.1%	2.1%		2017	2018
2017	246.524	2.1%	2.1%		2018	2019
2018	251.233	1.9%	1.9%		2019	2020
2019	256.974	2.3%	2.3%		2020	2021
2020	260.474	1.4%	1.4%		2021	2022
2021	278.802	7.0%	5.0%		2022	2023
2022	296.797	6.5%	5.0%		2023	2024
2023	306.746	3.4%	3.4%		2024	2025
2024	315.605	2.9%	2.9%		2025	2026

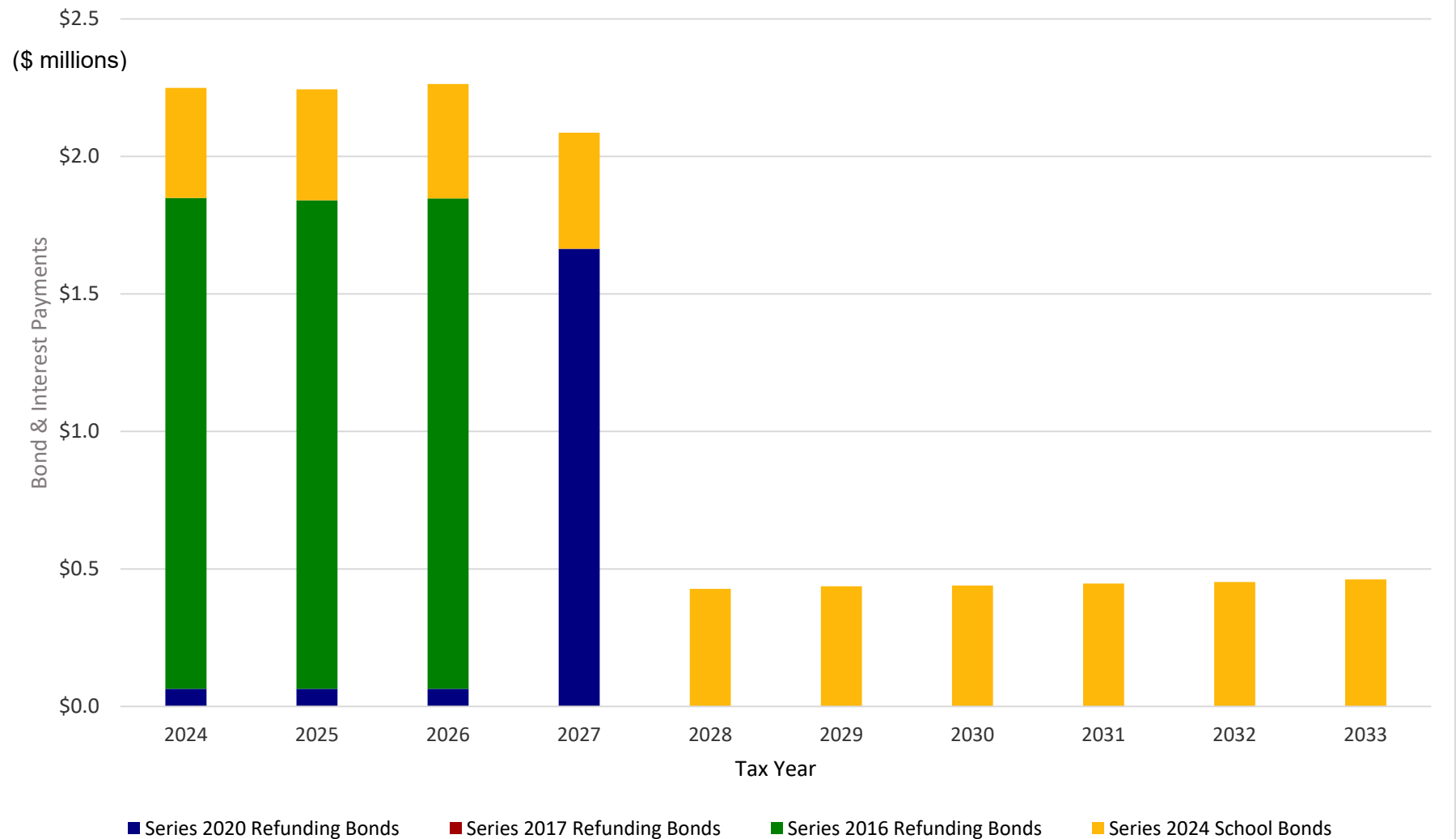
How are taxes used ?



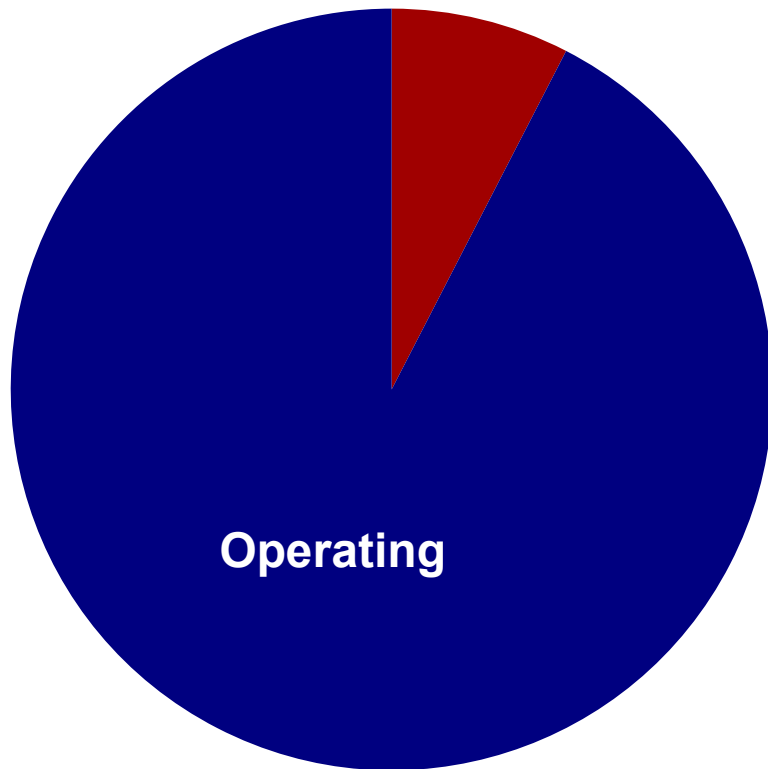
- Existing Debt = Annual Payment
 - Principal + Interest (plus 1% LC)
 - Debt already issued
 - Not under PTELL
 - Not part of Levy request
- New Debt
 - Most debt requires a referendum
 - Non-referendum Debt Limited by PTELL (DSEB)
 - Total Debt limited by statute to 6.9% of EAV*

* Elementary & High School Districts

Future Debt Service

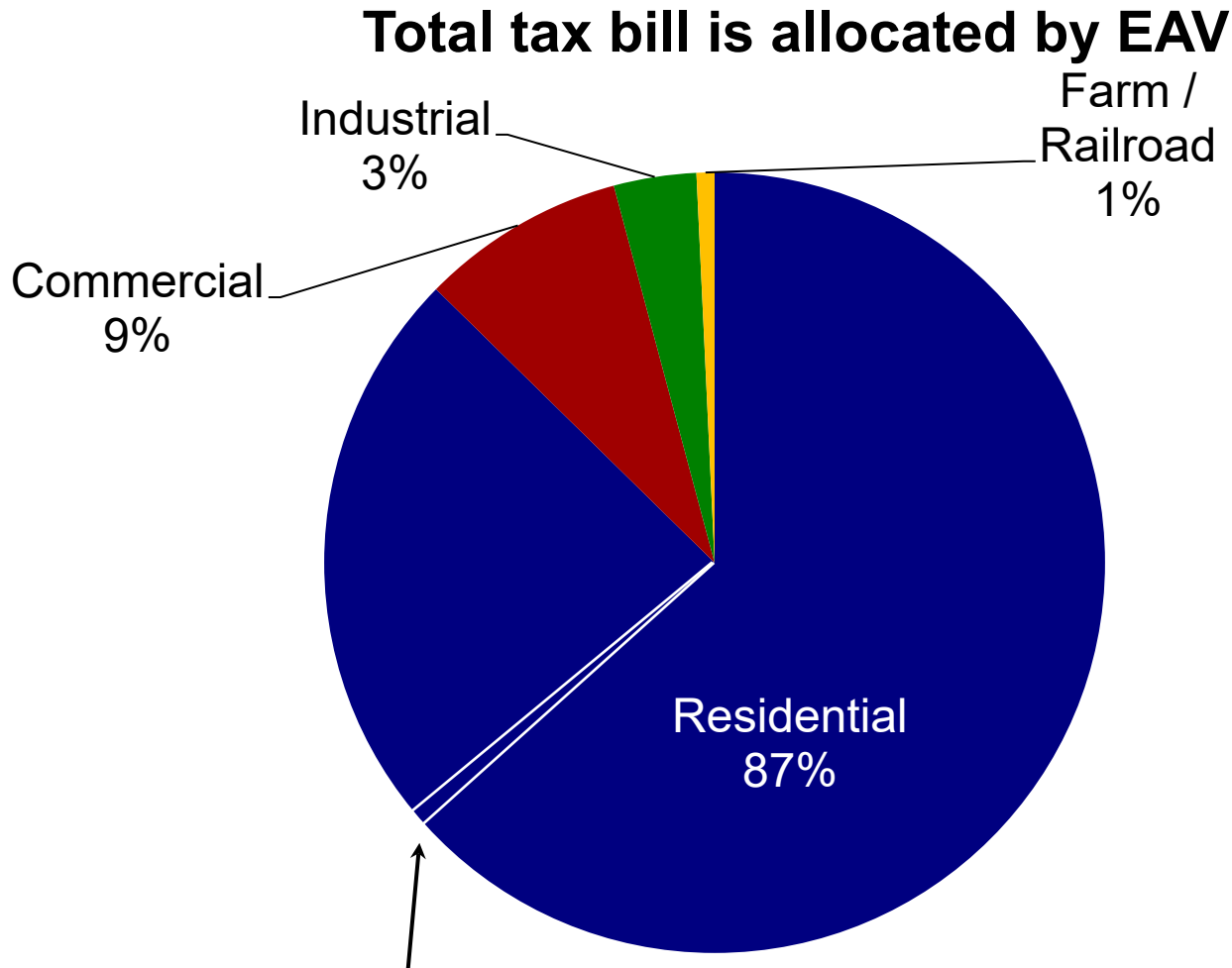


How are my taxes used ?



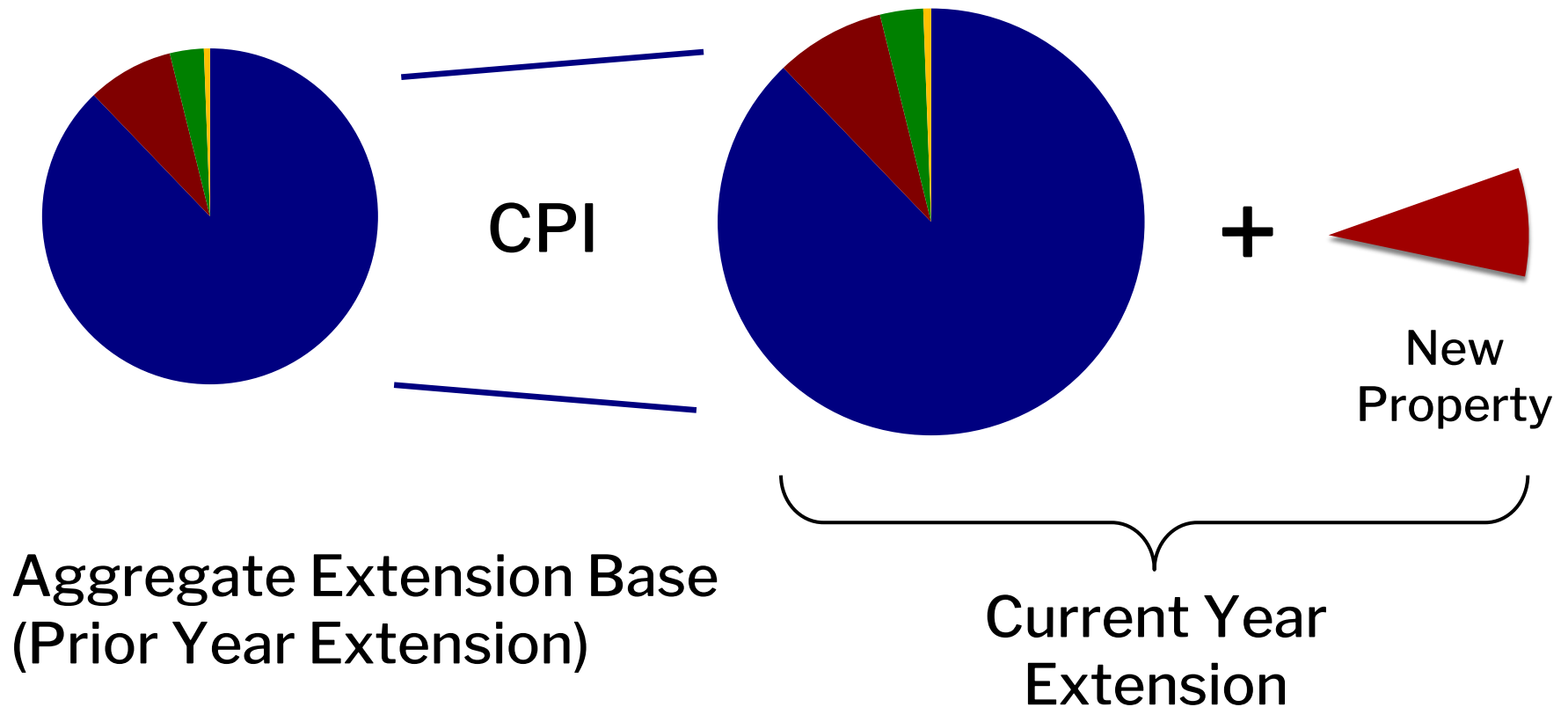
- Operating Funds
 - Subject to PTELL
 - Can be increased by referendum
 - Increase limiting rate
 - Increase extension limitation
 - Levy for new fund tax rate (total rate still subject to limitation)
 - Levy by Fund
 - Some funds have a rate limit

Who Pays ?



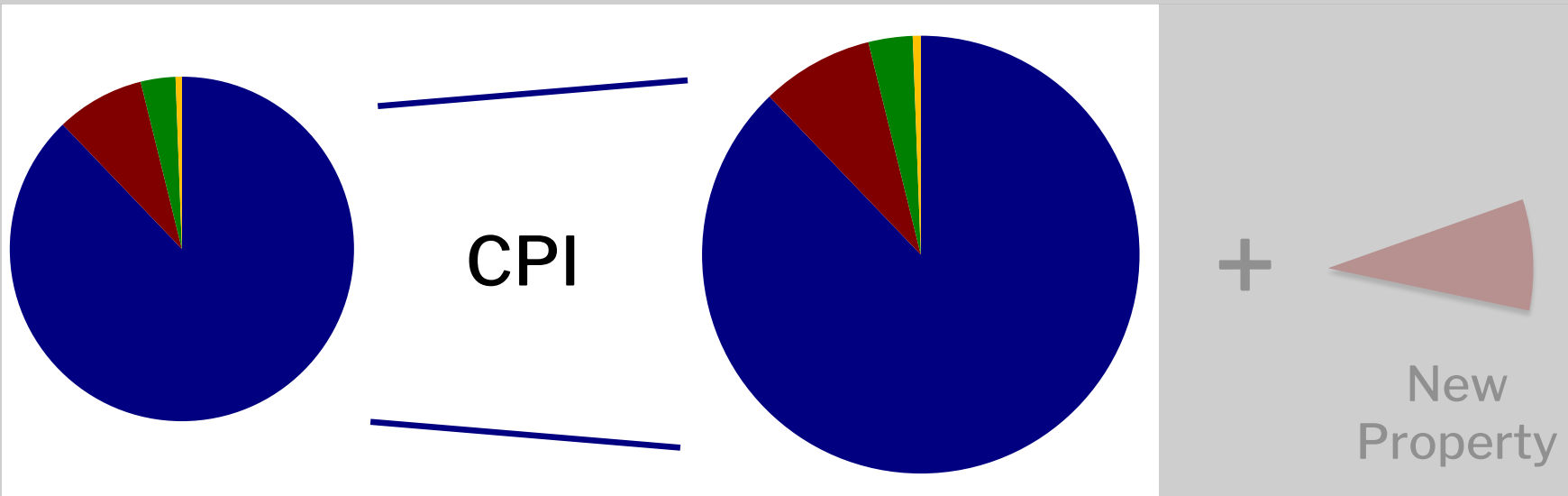
Every property represents a tiny “slice” of the tax pie

How are taxes calculated ?



PTELL limited funds only. CPI is capped at 5%

Total taxes on *existing* property go up by no more than CPI



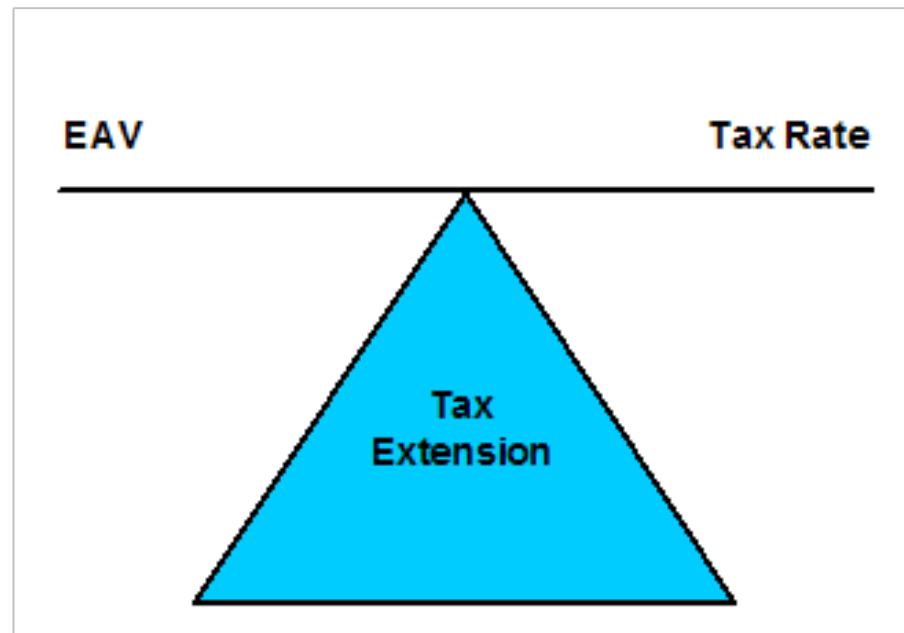
Aggregate Extension Base
(Prior Year Extension)

PTELL limited funds only. CPI is capped at 5%

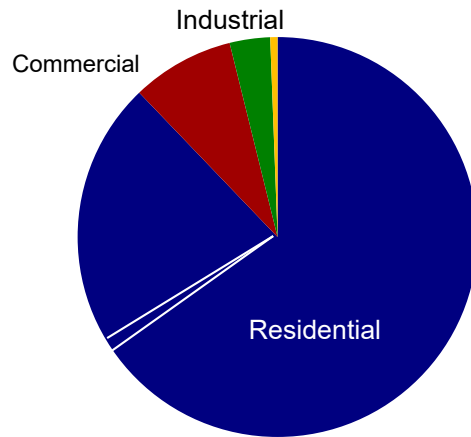
Current Year
Extension

How are taxes allocated?

- **Tax Rate** is calculated on total *existing* District EAV and applied to *all* property in the District.

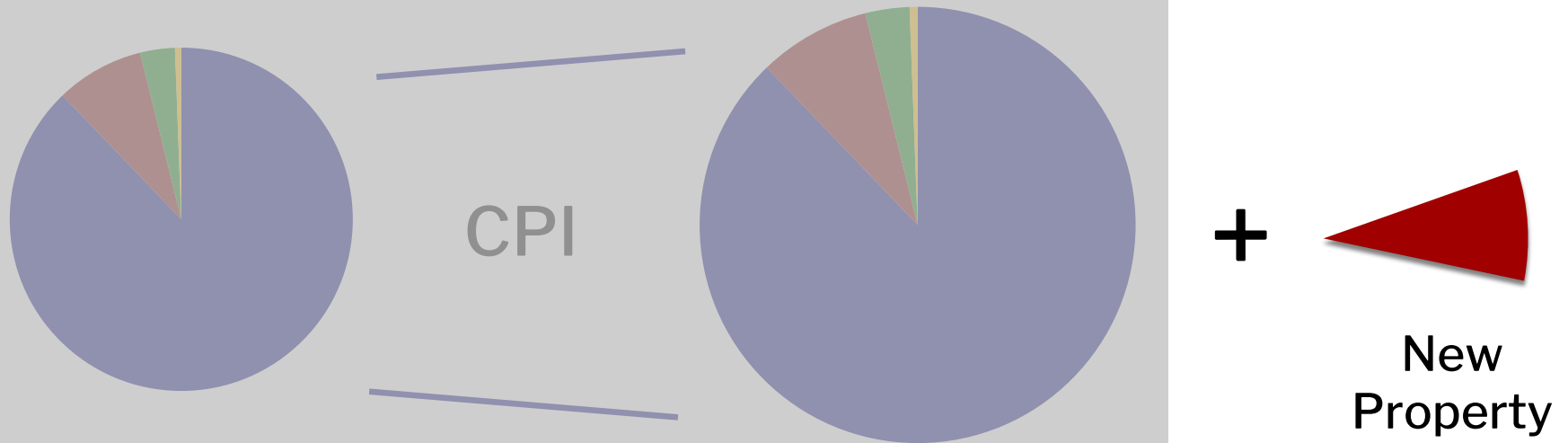


Differences in Property Assessment can be the biggest tax bill driver



- PTELL does not limit changes in *individual* tax bills
 - If all the “slices” stayed the same fraction of the pie, everyone’s taxes would increase by CPI.
-
- Your taxes might go up by more than CPI if:
 - Your property value increases more than average
 - Your property value decreases less than average
 - Large company/retailer leaves town
 - Large company/retailer appeals to lower assessment

How do we estimate the tax on new property ?



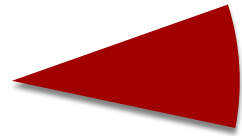
Aggregate Extension Base
(Prior Year Extension)

PTELL limited funds only. CPI is capped at 5%

Current Year
Extension

How do we estimate the tax on new property ?

Calculate tax rate on *existing* property, Apply the tax rate to *all* property



$$= \text{Tax Rate} \times \text{EAV new property}$$



Unknown at time of
levy



Unknown at time of
levy

- Due to this uncertainty, districts overestimate the amount of taxes from new property
- The District receives only what it asks for up to the extension limitation

Questions?