



**Subject:** 2025 Levy Information

**Date:** November 18, 2025

As the Administration continues to evaluate the financial status of the District and begins to build the FY 2026-2027 Budget, we begin working on the 2025 levy. As you know, the tax levy is the formal request, in dollars, by the Board of Education with the request based on an estimation of the District's needs for the upcoming fiscal years. The tax rates are then calculated by the County Clerk's office.

For the 2025 tax levy, the York Township Assessor's Office will use the three year weighted average for the values of properties on January 1<sup>st</sup>. The other factors used to determine the District's Equalized Assessed Value (EAV) are:

- Recent property sales
- Property foreclosures
- Property short sales
- Tax appeals

Based on all of the above we are estimating a 3.0% increase to the equalization factor for this year's levy calculations. We do not expect a state multiplier will be applied to the County assessments. Historically, the state multiplier has always been one (1.0).

New construction equalized assessed value estimates are very important during the levy calculation process, as these calculations are made outside of the PTELL (Property Tax Extension Limitation Law) or Tax Cap calculations. This year, after conversations with the York Township Assessor, we are estimating a new construction number not to exceed \$5,000,000..

Maximum legal rates and the Property Tax Extension Limitation Law (PTELL) or Tax Cap law for equalized assessed valuation controls the tax rates. The restricted tax rate limits the levy increases to either the Consumer Price Index (CPI) or 5%, whichever is lower. The Consumer Price Index used for the 2025 levy is 2.9% compared to 3.4% for the 2024 levy. The 2.9% tax cap restriction is applied to all existing property. New property yields additional tax dollars above the existing property and is taxed at the full-assessed valuation when it first comes on the tax rolls.

We are requesting more than we know that we will receive in order to provide fair assessment to new properties. This is to avoid the loss of current and future tax dollars by not taxing the new property and losing the future taxes due to the Tax Cap law. If we do not project a high enough levy to capture all new property, the school district will permanently lose access to the revenue from the new property. Due to the nature of all the factors that will not be available until after we are required to provide a levy, we estimate high knowing that the County Clerk will reduce the levy by applying the Tax Cap formula to the levy request and will recalculate the levy extension. The estimate is based upon a 4.81% increase above our 2024 levy extension in order to account for new construction property assessments added to the tax rolls. When including the Bond & Interest levy, the overall levy increase is estimated to be 0.09% over 2024. Again, the County Clerk will reduce the levy request to conform with the Tax Cap law and reduce the levy extension to a 2.9% increase on existing property.

The proposed remaining timeline for the levy process is as follows:

- November 18, 2025 Board of Education approval of the 2025 Tentative Tax Levy recommendation.
- November 14, 2025 Place Truth in Taxation notice on District 45 website
- December 4, 2025 Publish Truth in Taxation notice and public hearing notice
- December 16, 2025 Board of Education approval of the 2025 Tax Levy Certificate.
- December 17, 2025 File the 2025 Tax Levy Certificate with the County Clerk.