WOODRIDGE
SCHOOL DISTRICT 68

memo

To:	The Board of Education and Dr. Patrick Broncato, Superintendent
From:	Curt Saindon, Assistant Superintendent for Business Services/CSBO
Date:	October 24, 2025
Subject:	2025 EAV, New Construction, CPI, and Preliminary Tax Levy Update

Fall is finally here, and Halloween is just around the corner…and that means it's time to begin discussing our tentative tax levy for 2025. This memo will provide some initial data from the Lisle Township Assessor's Office and the DuPage County Supervisor of Assessors' Office, which will be updated in November for the Tentative Tax Levy Presentation and finalized in December for the Final Tax Levy Presentation and any related Board action, as needed. Based on this initial information and the 2024 CPI being under 5% (2.9%) and minimal new construction (under $5M), we do not anticipate the need to hold a Truth in Taxation Hearing on the tax levy, as we did in 2022 and 2023. That will simplify the process somewhat.

Some preliminary information is estimated and will not be determined until all final tax appeals have been heard and decided (Jan./Feb), the final tax extensions and tax rates have been calculated and processed (Mar./Apr), and the final tax bills have been printed and mailed out (May). Even then, there is a chance that due to prior year PTAB Appeals, Circuit Court Cases, and/or Certificates of Error, through the Property Tax Recapture Levy, the final amount extended and collected for a given year could change…sometimes years after the fact! Eight years ago, we processed changes going all the way back to 2005, based on a then-settled tax objection lawsuit covering twelve years (2005 to 2016), and this fall, we processed changes for the most recent eight tax years, based on the recently settled tax objection lawsuit for 2017-2024. The Tax Levy Recapture Act (passed in 2020 and enacted in 2021) allows us to collect for those taxes previously extended, but not collected, and the new law generated additional tax revenues of about $98K in 2021, $48K in 2022, $107K in 2023 and $142K in 2024 (we are estimating that this recapture levy will generate $100K in 2025).

This year is not a quadrennial reassessment year for DuPage County, so we expect a relatively low number of major tax appeals, but we did have a larger than normal township multiplier this year, so that might increase the tax appeal volume somewhat. Normally in the 1.000 to 1.050 range, the township multipliers in DuPage County are coming in at 1.079 – 1.097 this year (our Lisle Township multiplier is set at 1.085). This means that larger than normal EAV adjustments for a non-quadrennial assessment year will be occurring, and that will probably result in a higher volume of tax appeals being filed. So far, I have received only six major tax appeal notices, all related to ComEd Right of Way assessment appeals (ComEd is filing similar appeals all across Northern Illinois, and a "negotiated settlement" between ComEd and PTAB is most likely forthcoming…hopefully in early 2026). Any tax appeals, court cases, or certificates of error issued after the tax year has closed, where a reduction in taxes collected is issued, will be made up in a subsequent year's "recapture levy". The levy amount is calculated by the County and applied to our levy request by them, so we don't need to request the levy or estimate its amount or impact on our overall tax rate. The Board of Review Hearings for any 2025 tax appeals is expected to take place in November and December. All 2023 and 2024 appeals have been settled/stipulated, and we still have about a half dozen 2023 and 2024 PTAB Appeals open (all from ComEd). We are working with our tax attorneys (Ares Dalianis and Scott Metcalf at Franczek) and the Lisle Township Assessor (John Trowbridge) to prepare a response to these PTAB appeals, in the hope of reaching a favorable negotiated settlement.

The new assessed value estimates provided herein are for 1/1/25, and we are expecting average increases in reassessments of about 8%-9% (just over $100M in EAV growth) and new construction of about .2%-.4% (about $5M in EAV growth). This is the result of a continued strong residential real estate market, despite higher than normal interest rates (82% of our tax base is residential properties), that have more than offset sluggish commercial, industrial and retail/non-residential real estate growth. The Lisle Township Assessor's Office has identified a few isolated, small residential construction projects, and there is one large residential project (River's Edge at Route 53 and Summerhill Drive) that is ongoing as we speak. So with about $100+M in reassessment growth and $5M in new construction growth, we would expect Total Net EAV to grow from about $1.21B last year to about $1.32B in 2025.

John Trowbridge, the Lisle Township Assessor, is very knowledgeable and a great resource for our school district. He is projecting a 9% overall increase in reassessments for existing properties and he is fairly certain that the number will come in at 8%-9% for all property classes, on average. Additionally, he has identified about $3.25M in new construction EAV thus far and that number might grow slightly over time. Therefore, I am conservatively estimating that reassessment increases will probably come in at 8.5%, on average, and that new construction will come in at about .4% overall. New construction has been trending in the $2M to $3M range for the past few years, and it should tick up slightly due to the River's Edge development. Overall, new construction should be around $2.5M to $5M (~ .2%-.4% of EAV). Per Mr. Trowbridge, he should have a more exact number for us prior to the November Board Meeting and we will be getting a full assessment and new construction report from Lisle Township in late November or early December, prior to the presentation of our Final Tax Levy.

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Also, per the Property Tax Extension Limitation Law (also known as "Tax Caps"), the existing property tax extension growth from one year to the next is limited to the CPI from the prior year, or 5%, whichever is less, plus new construction. For the 2025 tax levy we are using the 2024 CPI of 2.9%, and when adding in minimal new construction growth (~.3%) and a small balloon levy factor (~.75%), the requested overall tax levy extension growth will probably be about 3.95%. Therefore, as we are below the 5% Truth in Taxation Act limit, we will not need to conduct a levy hearing. Finally, per the requirements of a law passed in 2020 (PA102-0895, the Tax Levy Recapture Act) and implemented in 2021, we must state and disclose our cash balance position and any obligations secured by those funds that are in our operating funds at the public hearing for the budget and the tax levy, as applicable. Since we are not having a tax levy hearing this year, I will present this required information during the final levy presentation.

Taking into account all factors, I would expect to see about a $1.6M increase in our tax levy extension (from about $47.7M to $49.3M), with about $1.4M due to reassessments and $200K due to new construction. This is about half what we saw in 2022 and 2023, as the CPI was 7.0% and 6.5%, respectively, during those years. CPI was 3.4% in 2023 and we expect CPI to trend back down under 3% in 2025 and beyond, settling in around 2.0% to 2.5% in 2026 and thereafter (at least, that is the goal of the Federal Reserve Board). I would initially estimate that our tax rate will decrease to about $3.75 (it was $3.95 in 2024) and then slowly decline into the $3.50 - $3.75 range over the next few years thereafter (if inflation stays low at around 2%-3%). This will depend on final annual new construction and reassessment numbers, as well as CPI rates during those years. We are therefore probably looking at an approximately $49.5M levy request and a $49M levy extension for 2025 (a 3.35% net increase over last year) when all is said and done. A balloon levy of $500K (about .75%) is very normal for us (last year it was $450K) and the County will not extend any more in property taxes than we are legally entitled to receive.

As more information becomes available from the Lisle Township Assessor's Office and the DuPage County Supervisor of Assessors' Office, I will let you know. More detailed information will be provided at the November and December Board Meetings. As always, please let me know if you have any questions or need additional information. Thank you.