

Special Agenda

Date: Thursday, December 21, 2023

Meeting: Levy Hearing

Time: 7:15 PM

Location: District Office

9625 Haligus Road

Lake In The Hills, IL 60156

Mission Statement: Our learning community will inspire, challenge and empower all students always.

Board of Education Members: President, Mr. Andrew Bittman; Vice President, Mrs. Laura Murray; Secretary, Mr. Paul Troy; Mr. Sean Cratty; Mr. Michael Thompson; Mr. Anthony Quagliano; Mrs. Dana Wiley

Agenda

All times are approximate. D=Discussion, R=Report, A=Action

1. Call to order the Levy Hearing for December 21, 2023 at 7:15

A quorum must be met.

Roll Call: Mrs. Murray, Mrs. Wiley, Mr. Cratty, Mr. Troy, Mr. Bittman, Mr. Thompson, Mr. Quagliano

Roll Call: Ayes / Absent / Motion _____

2. **Testimony for 2023 Levy** (Mr. Altmayer)

Mr. Altmayer will present the 2023 Property Tax Levy, to be approved at the Regular Board meeting.

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3. **Public Comment**

As per Policy 2:230, public comments can be made during this portion of the meeting. The members of the public and district employees may comment on or ask questions of the Board, subject to reasonable constraints.

4. **Adjournment (A)** (Mr. Bittman)

Motion to adjourn the meeting at _____ p.m.

Voice Call: Ayes /Nays /Motion _____



Huntley Community School District 158

650 Dr. John Burkey Drive
Algonquin, Illinois 60102
(847) 659-6158 • www.district158.org

To: Board of Education and Administration

From: Mark Altmayer, Chief Financial Officer

Date: December 21, 2023

Subject: **2023 Final Tax Levy**
Board of Education Meeting, December 21, 2023
Action Item

General

For your review there are several documents that will help guide you through the 2023 Tax Levy.

Attachment A – McHenry & Kane Assessor Estimated EAV Reports

Attachment B – 2023 Levy Calculation Page – Ballooned. See Tax Levy Summary below.

Attachment C – Certificate of Tax Levy – (Signatures required after final Board approval)

Attachment D - 2023 Levy Calculation Page – Not Ballooned. See Tax Levy Summary below.

Attachment E – Historical Tax Levy Extension Worksheet by Fund – Includes Estimated Tax Rates for Levy Year 2023

District's Recommendation

Administration is recommending extending the 2023 Levy with the increase of 5.0% in accordance with the Property Tax Extension Limitation Law (PTELL). See below.

Section 18-185 of the Property Tax Code defines CPI as "the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor." This index is sometimes referred to as CPI-U. Section 18-185 defines "extension limitation" and "debt service extension base" as "...the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year...". For 2023, CPI was 6.5%. In accordance with PTELL, the CPI to be used for computing the extension limitation is 5.0%.

With the tax extension calculated using the 5% rate for Levy Year 2023 (tax bills paid in 2024), excluding new construction, the District will extend approximately \$3.7M in additional operating property taxes in accordance with PTELL. As a result of estimated new construction, approximately \$1.04M will be levied, which has no impact on existing homeowners.

At 5%, a homeowner with a \$200,000 home, with the increase in the homestead exemption from \$6k to \$8k, will see an approximate \$99 increase in the property tax bill for the school district. ***Please note, exclusive of the 5%, taxpayers should be aware that individual bills may go up or down based on individual assessments as determined by the township assessor, and/or fluctuations of apportionment between Kane and McHenry Counties.***



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Truth in Taxation

In accordance with the Truth in Taxation law – A school district proposing to increase its aggregate levy more than 105% of its prior year’s extension must publish notice prior to such a hearing as required by law. As such, with the CPI extension rate at 5% combined with new construction and the ballooning of the levy at 1.0% (to cover the estimate on new construction), the District’s aggregate levy will be more than 105% of prior year’s extension, thus requiring a levy hearing.

The 2023 Tax Levy Summary as well as the timeline of the levy process follows:

- Levy Hearing - Thursday, December 21, 2023
- 2023 Property Tax Extensions Approval at Regular Board Meeting - Thursday, December 21, 2023
- File Certificate of Tax Levy with county clerks no later than the last Tuesday in December.

Tax Levy Summary

Using the McHenry and Kane County assessor estimated EAV reports with new construction, the levy year 2023 EAV (before Board of Review) is expected to increase 10.76% to approximately \$1.861B from \$1.680B in levy year 2022. Estimated new construction, which approximates \$24.3M, decreased from prior year’s \$26.2M, driven by a slight decrease in residential property. Preliminary new construction at \$24.3M represents additional taxes to the District approximating \$1.04M. Again, please note that this is an estimated new construction number that may change.

Kane County’s EAV including new construction, representing approximately 19.6% of the overall assessed value of the District, is estimated to increase 9.1% from \$335.9M to \$365.7.5M. Estimated new construction, increased from \$752k in levy year 2022 to approximately the current \$877k estimate for levy year 2023.

McHenry County’s EAV, including current year’s new construction, is estimated to increase 10.9% from \$1,345B to \$1,472B. Estimated new construction has decreased from prior year’s actual of \$25.5M to this year’s estimate of \$23.4M, driven by a decrease in residential property.

Primarily driven by an increase in assessed values, combined with the 5% extension rate, the operating funds capped tax rate is expected to decrease (3.81%) to approximate \$4.30, down from last year’s \$4.47.

Consistent with prior year, the 2023 levy is ballooned so that if new construction comes in higher than the estimated \$24.3M, the levy request will be enough to cover any underestimate by the county on new construction. With a 1.0% balloon, the levy is in excess of the current estimated extension by approximately \$800k. Although highly unlikely, this overestimate will cover the District on an additional \$18.5M of new construction.



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RECOMMENDATION

Administration recommends the Board of Education approve the Final 2023 Tax Levy.

Illinois Dept. of Revenue
History of CPI's Used for the PTELL
01/12/2023

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 LEVY CALCULATION PAGE

Original Assumptions

Legend

Consumer Price Index	5.00%
Actual Total EAV for 2022	\$1,680,763,232

District Assumptions & Data Entry
Calculated Values
Review Needed

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

Estimated Existing EAV % change for 2023	9.32%
Estimated Existing EAV Value for 2023	\$1,837,410,365

Estimated New Property for 2023	\$24,281,246
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Limiting Rate	4.2983
Estimated Capped Extension	\$80,020,476.44

Estimated Total EAV for 2023	\$1,861,691,611	<i>Includes New Property</i>
Estimated Total EAV % change for 2023	10.76%	<i>Includes New Property</i>

	Prior Year Extension	Statutory Maximum Tax Rate	Individual Fund Estimated Maximum Extension	Weighted Extension Based on Prior Year Extension	Levy Amount \$	Levy Increase %	Final Levy Amount
Educational	\$55,247,494.20			\$58,776,465.16		1.00%	\$59,364,230.00
Operations & Maintenance	\$9,380,423.64	0.00	\$0.00	\$9,979,604.53	\$8,479,605	1.00%	\$8,564,401.00
Transportation	\$2,370,481.23			\$2,521,897.32	\$4,021,897	1.00%	\$4,062,117.00
Working Cash	\$455,738.95	0.00	\$0.00	\$484,849.58		1.00%	\$489,699.00
Municipal Retirement	\$1,957,853.86			\$2,082,913.10		1.00%	\$2,103,742.00
Social Security	\$1,196,518.54			\$1,272,946.97		1.00%	\$1,285,676.00
Fire Prevention & Safety *	\$0.00	0.00	\$0.00	\$0.00			\$0.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$4,607,493.06	0.00	\$0.00	\$4,901,799.79		1.00%	\$4,950,818.00
Leasing	\$0.00	0.00	\$0.00	\$0.00			\$0.00
	\$0.00	0.00	\$0.00	\$0.00			\$0.00

Capped Extension	\$75,216,003.48
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\$80,020,476.44

Truth in Taxation	
Capped Levy	\$80,820,683.00
	7.45%
	YES
	<i>Truth in Taxation Required</i>

Levy Amount Above Estimated Extension	\$800,206.56
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SEDOL IMRF Extension	\$0.00
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Estimated SEDOL IMRF Levy		SEDOL IMRF Levy	\$0.00
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(Lake County Only. Included in Truth in Taxation Calculation)

Bond & Interest Extension	\$11,115,637.87
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Estimated Bond and Interest Levy	\$12,257,388.00	Bond & Int. Levy	\$12,257,388.00	10.27%
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(County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk)

Total Extension	\$86,331,641.35
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Total Levy	\$93,078,071.00	7.81%
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Original:
 Amended:

ILLINOIS STATE BOARD OF EDUCATION
 School Business and Support Services Division
 (217) 785-8779

CERTIFICATE OF TAX LEVY

A copy of this Certificate of Tax Levy shall be filed with the County Clerk of each county in which the school district is located on or before the last Tuesday of December.

District Name Huntley Community School District	District Number 158	County McHenry, Kane
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Amount of Levy

Educational	\$ 59,364,230	Fire Prevention & Safety *	\$ 0
Operations & Maintenance	\$ 8,564,401	Tort Immunity	\$ 0
Transportation	\$ 4,062,117	Special Education	\$ 4,950,818
Working Cash	\$ 489,699	Leasing	\$ 0
Municipal Retirement	\$ 2,103,742		\$ 0
Social Security	\$ 1,285,676	Other	\$ 0
		Total Levy	\$ 80,820,683

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

See explanation on reverse side.

Note: Any district proposing to adopt a levy must comply with the provisions set forth in the Truth in Taxation Law.

We hereby certify that we require:

the sum of 59,364,230 dollars to be levied as a special tax for educational purposes; and
 the sum of 8,564,401 dollars to be levied as a special tax for operations and maintenance purposes; and
 the sum of 4,062,117 dollars to be levied as a special tax for transportation purposes; and
 the sum of 489,699 dollars to be levied as a special tax for a working cash fund; and
 the sum of 2,103,742 dollars to be levied as a special tax for municipal retirement purposes; and
 the sum of 1,285,676 dollars to be levied as a special tax for social security purposes; and
 the sum of 0 dollars to be levied as a special tax for fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes; and
 the sum of 0 dollars to be levied as a special tax for tort immunity purposes; and
 the sum of 4,950,818 dollars to be levied as a special tax for special education purposes; and
 the sum of 0 dollars to be levied as a special tax for leasing of educational facilities or computer technology or both, and temporary relocation expense purposes; and
 the sum of 0 dollars to be levied as a special tax for _____; and
 the sum of 0 dollars to be levied as a special tax for _____
 on the taxable property of our school district for the year 2023

Signed this [Day] day of [Month] 2023 .

 (President)

 (Clerk or Secretary of the School Board of Said School District)

When any school is authorized to issue bonds, the school board shall file a certified copy of the resolution in the office of the county clerk of each county in which the district is situated to provide for the issuance of the bonds and to levy a tax to pay for them. The county clerk shall extend the tax for bonds and interest as set forth in the certified copy of the resolution, each year during the life of the bond issue. Therefore to avoid a possible duplication of tax levies, the school board should not include a levy for bonds and interest in the district's annual tax levy.

Number of bond issues of said school district that have not been paid in full 6 .

 (Detach and Return to School District)

This is to certify that the Certificate of Tax Levy for School District No. 158 , McHenry, Kane County, Illinois, on the equalized assessed value of all taxable property of said school district for the year 2023 was filed in the office of the County Clerk of this County on 2023 .

In addition to an extension of taxes authorized by levies made by the Board of Education (Directors), an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon. The total levy, as provided in the original resolution(s), for said purposes for the year 2023 , is \$.

 (Signature of County Clerk)

 (Date)

 (County)

2023 LEVY CALCULATION PAGE

Original Assumptions

Consumer Price Index	5.00%
Actual Total EAV for 2022	\$1,680,763,232

Legend

District Assumptions & Data Entry
Calculated Values
Review Needed

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

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Social Security	\$1,196,518.54			\$1,272,946.97			\$1,272,947.00
Fire Prevention & Safety *	\$0.00	0.00	\$0.00	\$0.00			\$0.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$4,607,493.06	0.00	\$0.00	\$4,901,799.79			\$4,901,800.00
Leasing	\$0.00	0.00	\$0.00	\$0.00			\$0.00
	\$0.00	0.00	\$0.00	\$0.00			\$0.00

Truth in Taxation

Capped Extension	\$75,216,003.48
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\$80,020,476.44

Capped Levy	\$80,020,478.00	6.39%	YES
<i>Truth in Taxation Required</i>			

Levy Amount Above Estimated Extension	\$1.56
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SEDOL IMRF Extension	\$0.00
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Estimated SEDOL IMRF Levy		SEDOL IMRF Levy	\$0.00
<i>(Lake County Only. Included in Truth in Taxation Calculation)</i>			

Bond & Interest Extension	\$11,115,637.87
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<i>(County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk)</i>				

Total Extension	\$86,331,641.35
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Total Levy	\$92,277,866.00	6.89%
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