



DISTRICT 62

December 13, 2021

# Dashboard Report

Tax Levy 2016 - 2021

## Background

The data were obtained from the Agency Tax Rate Report from the Office of the Cook County Clerk. Cells highlighted in green in the column farthest to the right are estimates.

## Data

| Description                | 2016 - Actual | 2017 - Actual | 2018 - Actual | 2019 - Actual | 2020 - Actual | 2021 - Levied |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Base (prior year EAV)      | 1,485,376,988 | 1,718,085,335 | 1,757,421,668 | 1,730,835,494 | 2,051,891,280 | 2,059,241,616 |
| EAV Increase/Decrease      | 232,708,347   | 39,336,353    | -26,586,174   | 321,055,786   | 7,350,336     | 61,777,248    |
| Current Year EAV           | 1,718,085,335 | 1,757,421,688 | 1,730,835,494 | 2,051,891,280 | 2,059,241,616 | 2,121,018,864 |
| New Property               | 6,192,198     | 11,711,660    | 14,963,691    | 18,546,395    | 28,515,943    | 140,000,000   |
| Rate Setting EAV           | 1,711,893,137 | 1,745,710,028 | 1,715,871,803 | 2,033,344,885 | 2,030,725,673 | 1,981,018,864 |
| Limiting Tax Rate          | 3.921         | 3.940         | 4.121         | 3.575         | 3.696         | 3.930         |
| CPI (6 Yr Average is 1.8%) | 0.7%          | 2.1%          | 2.1%          | 1.9%          | 2.3%          | 1.4%          |
| Extension                  | 67,351,836    | 69,230,671    | 71,320,207    | 73,345,322    | 76,101,219    | 83,701,000    |
| Prior Year Change          | 715,655       | 1,878,835     | 2,089,536     | 2,025,115     | 2,755,897     | 7,599,781     |
| % Change                   | 1.07%         | 2.79%         | 3.02%         | 2.84%         | 3.76%         | 9.99%         |

## Analysis

**Base (prior year EAV):** Equalized Assessed Valuation (EAV) represents the value of a property divided by the factor the assessor uses to equalize the property. Homes are generally valued at 1/3 of their market price. Base EAV represents the prior year valuation of property that lies within the district's boundaries. The district has seen a steady increase in its EAV over the past few years.

**EAV Increase/Decrease:** Represents the change to the prior year EAV due to reassessments by the assessor's office. The district's property is assessed triennially. Therefore, we see significant swings in these numbers every three years, due to the Cook County Triennial assessment process.

**Current Year EAV:** This equals the Base EAV + the EAV Increase or Decrease

**New Property:** Represents new property built within a district's boundaries. The district continues to see increases in new property over the last number of years. The new property value for 2021 is higher than prior years due to new developments in-district and the expiration of a TIF.

**Rate Setting EAV:** This equals the Current Year EAV - New Property

**Limited Tax Rate:** This represents the rate charged to property owners on their tax bills. Due to the Property Tax Extension Limitation Law, this rate is adjusted due to the Consumer Price Index (CPI) and changes in assessed valuations. As increases in CPI affects the tax rate, in non-reassessment years the tax rate normally increases slightly if EAV is relatively constant. The limited rate is calculated by the Cook County Clerk's Office.

**CPI:** The yearly change in the Consumer Price Index for Urban Consumers.

**Extension:** This equals the Current Year EAV multiplied by the Limiting Tax Rate divided by 100, which represents the total tax dollars available to be collected by the district. The Property Tax Extension Limitation Law (PTELL) only allows the district to increase the prior year extension by the Consumer Price Index (CPI), which is capped at 5%. This number fluctuates annually. The six-year average CPI increase is 1.8%, which is below the 2.5% average increase over the last thirty years. Since the PTELL was enacted, the CPI has ranged from a low of 0.1% to a high of 4.1%.

**Prior Year Change and % Change:** These figures are the levied (requested) dollar amount and percent increase over last year's extension.

## Summary

The district benefits from having a large EAV base, which in recent years has seen a shift of more tax burden to the residential properties from the commercial/industrial properties. Over the past ten years, CPI has averaged 1.8%, which is down from the 2.5% thirty-year average. Due to the historically low trend, the district has experienced smaller annual increases in the levy extension and the tax dollars collected as it would have prior to the recession of 2008-09.

The base EAV was higher in 2019 as Cook County performed its triennial reassessment for suburban properties located in northern half of the county. The EAV for district 62 has been approximately \$1.75 billion during the last assessment period from 2016-2018. With the 2019 reassessment, EAV in District 62 went up 18.5% to over \$2 billion, this had the effect of reducing the tax rate from about \$4.00 per \$100 of taxable value to approximately \$3.50 per \$100 of taxable value.

While CY2021 CPI will be the highest in many years, the district will need to continue monitoring its revenues. There is still a possibility of a property tax freeze would limit the district's ability to raise revenues in the coming years. Developments on any reduction in state funding or property tax freeze will need to be closely monitored and the district will manage its resources to ensure that spending stays in-line with the projected revenue increases.

**This Dashboard Report refers to the following policies:**

4:01 Financial Planning  
4:10 Fiscal Management Goals

**If you have any questions about the contents of this report, please contact:**

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