



## VILLAGE OF LIBERTYVILLE 2023 TAX LEVY INFORMATION

### Tax Levy Process

In order to collect a property tax, government agencies in the State of Illinois are required to establish a "tax levy." The tax levy is a projection of the monies the government agency obtains through the annual property tax. As required, the Village Board adopts a property tax levy by ordinance and files the ordinance with the Lake County Clerk by the last Tuesday in December. The funds identified in the tax levy and collected through property taxes are utilized by the Village, along with other revenue sources, to fund a portion of the Village's budget.

The Village's 2023 tax levy will be incorporated in the property tax bills property owners receive in 2024 and will be collected between June and October of 2024. These funds will be used by the Village to fund a portion of the 2024-25 Village Budget (the Village operates on a May 1 through April 30 fiscal/budget year). The tax levy ordinance adopted by the Village is filed with the Lake County Clerk, who then determines the "tax rate" needed to raise the dollars levied by the Village. The Village levies in dollars rather than a specific tax rate. As a result, the Village does not receive any additional dollars if the assessed valuation of property in the Village increases or decreases. Rather, the amount of the Village tax levy remains the same and is spread over a greater or lesser total assessed valuation of property (which results in a decrease or increase in the actual Village tax rate). The 2023 total equalized assessed valuation is expected to increase approximately 5.2%, which should moderate the increase in the actual tax rate since the dollar amount of the levy is spread over a larger assessed valuation.

The timing of the determination of the tax levy amount creates a challenge because it occurs prior to the preparation of the annual budget, the period during which the funds will be used. However, the Village Board and staff utilize a five-year financial plan that guides the preparation of the Budget.

The property tax rate is determined by the Lake County Clerk and appears on a property owner's property tax bill. The tax rate is applied to a property's assessed valuation, which determines the amount of money the taxpayer pays to the Village of Libertyville and other taxing districts. Property owners in the Village of Libertyville will note that the Village is only one of many taxing bodies which appear on the annual property tax bill.

### Proposed 2023 Village Tax Levy

After reviewing several options, the Village Board is considering a 2023 net tax levy in the amount of \$9,879,179 (after abatements) which would include a levy of \$218,150 for the Village's payment to the Special Recreation Association and ADA playground improvements. Legislation was passed in 2003 which allowed this portion to be levied outside the tax cap. This net proposed tax levy represents a 4.737% increase over the extended 2022 Village property tax levy of \$9,432,382. Village staff anticipates that the

estimated 2023 levy will result in a property tax rate of 0.685100. The tax levy includes funding for repayment of the voter-approved road bonds that were issued in 2014 and 2015.

**TAX LEVY COMPARISON**

FUND	TAX YEAR 2022 EXTENDED LEVY			TAX YEAR 2023 PROPOSED		
	LEVY	ABATEMENT	EXTENSION	LEVY	ABATEMENT	EXTENSION
CORPORATE	1,660,490	0	1,660,490	2,193,420	0	2,193,420
FIRE	753,000	0	753,000	753,000	0	753,000
STREETS/BRIDGES*	0	0	0	0	0	0
PARKS	378,000	0	378,000	378,000	0	378,000
RECREATION	378,000	0	378,000	378,000	0	378,000
IMRF/FICA	334,200	0	334,200	334,200	0	334,200
Sub-Total General Fund	3,503,690	0	3,503,690	4,036,620	0	4,036,620
POLICE PENSION	2,239,107	0	2,239,107	2,211,978	0	2,211,978
FIRE PENSION	1,804,606	0	1,804,606	1,708,201	0	1,708,201
Sub-Total Pensions	4,043,713		4,043,713	3,920,179	0	3,920,179
Sub-total General & Pensions	7,547,403	0	7,547,403	7,956,799	0	7,956,799
SRA	194,000	0	194,000	218,150	0	218,150
BONDS(See Below)	4,592,553	2,901,574	1,690,979	4,586,588	2,882,358	1,704,230
GROSS LEVY	12,333,956	2,901,574	9,432,382	12,761,537	2,882,358	9,879,179
PTAB/Recapture			0			
NET PROPERTY TAX REVENUE			9,432,382			9,879,179

\* For comparison purposes, the Township levies are combined.

BONDS	2022 Levy	2022 Extended**	2023 Levy	2023 Extended
Sports Complex (2021 Refunding)	1,126,955.00	0	1,127,254.00	0.00
Road Bonds (2014B GO Bond)	366,600.00	370,267	368,500.00	368,500.00
Road Bonds (2015A GO Bond)	382,780.00	386,608	384,380.00	384,380.00
Water/Sewer (2015B Alt Revenue)	460,737.50	0	456,522.00	0.00
Stormwater/Facilities Limited Tax (2019 GO Limited Tax)	281,749.45	284,567	281,350.00	281,350.00
Road Bonds (2021A GO Refunding)	659,850.00	666,449	670,000.00	670,000.00
Water/Sewer (2021B Alt Revenue)	547,000.00	0	539,200.00	0.00
Stormwater (2022 Alt Revenue)	766,881	0	759,382.00	0.00
	<u>4,592,553</u>	<u>1,707,897</u>	<u>4,586,588</u>	<u>1,704,230</u>

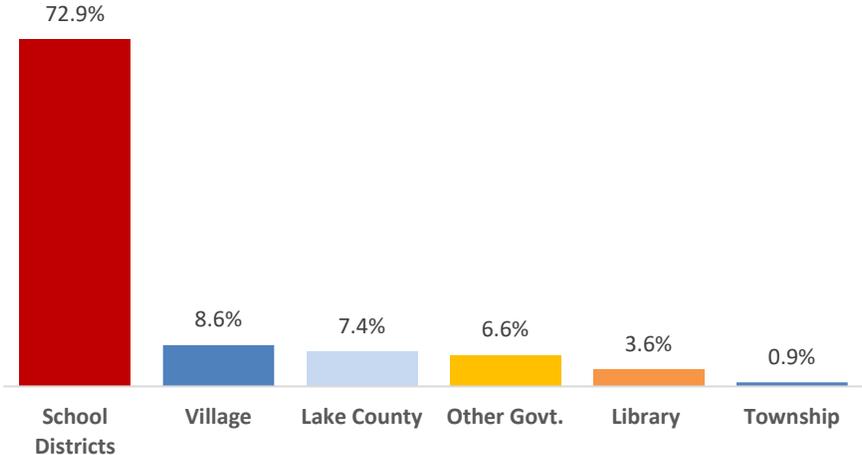
\*\* Individual bond extensions do not add up to total due to rounding.

In attempting to determine the 2023 property tax levy, the Village Board has taken the following items into consideration:

- An increase of approximately 5.2% in the equalized assessed valuation of property within the Village (based on preliminary information provided by the Lake County Assessor).
- New growth being added to the tax rolls estimated at \$5,804,076.
- The Property Tax Extension Limitation Law (PTELL) CPI allowance of 5.0% for Tax Year 2023.
- Statutory Contribution increases in contribution levels to the Police and Fire Pension funds.
- A desire to maintain General Fund fund balances according to the Fund Balance Policy and to maintain current service levels to Village taxpayers.

# Distribution of Your Property Tax Dollars

The Village of Libertyville is only one of many governmental taxing agencies that appear on a homeowner's real estate tax bill. As the following chart indicates, the Village's share of a homeowner's real estate tax bill is approximately 9% (based upon representative 2022 tax rates). Taxes for the other taxing bodies are distributed directly to them by the Lake County Treasurer. The Village does not have any input or decision-making authority on the amount of taxes levied for these other taxing bodies.



## How Much Do We Pay and How Do We Compare?

While both the tax levy and budgeting process can be complicated and somewhat difficult to understand, homeowners often focus on how these processes impact the dollar amount of their real estate tax bill. Based upon the 2022 Village tax levy, the following comparison illustrates the impact of the 2023 levy and the amount of tax a Libertyville property owner will pay to the Village of Libertyville:

**IMPACT ON A LIBERTYVILLE HOMEOWNER**  
 (Assumes a 5.2% increase in the Equalized Assessed Valuation)  
 EAV is Approximately 1/3 Market Value

	2022 Home Value	2022 EAV	2022 VILLAGE TAX	2022 Estimated EAV	2022 EST TAX	DOLLAR INCREASE	% CHANGE
<b>MAXIMUM LEVY ALTERNATIVE</b> 5.0% CPI GROWTH AND NEW GROWTH	\$500,000	\$166,667	\$1,157	\$175,415	\$1,197	\$40	3.5%
<b>2.5% OF CPI GROWTH AND NEW GROWTH</b>	\$500,000	\$166,667	\$1,157	\$175,415	\$1,174	\$17	1.5%
<b>NEW GROWTH ONLY</b>	\$500,000	\$166,667	\$1,157	\$175,415	\$1,151	(\$6)	-0.5%

The total CPI allowance under the Property Tax Extension Limitation Law (PTELL) for tax year 2023 (payable in 2024) is 5.0%. An average homeowner in Libertyville is expected to experience a 3.5% increase in the Village portion of their property tax bill, which is 3% less than the CPI allowance (*does not include*

*schools and other taxing bodies*). The dollar amount percentage change for an existing taxpayer between tax year 2022 and tax year 2023 was held below the change in CPI due to growth in base EAV and the addition of \$5,804,076 in taxable property (new growth) in the Village.

The Village of Libertyville has a favorable tax rate in comparison to surrounding communities. The following table compares Libertyville's 2022 tax rate (taxes paid in 2023) to neighboring towns, noting that several communities have a separate park and/or fire protection district. Also shown is the amount of property taxes paid for Village services on a property with a value of \$500,000. The Village of Libertyville's tax rate continues to be one of the lowest in the surrounding communities.

**LEVY YEAR 2022 TAX RATES**

Community	Village Rate	Fire District	Park District	Total Tax Rate	Tax Paid on a \$500,000 Home
Round Lake Beach	0.706205	0.912566	0.634915	2.253686	<b>\$3,756</b>
Deerfield	0.890650	0.713319	0.619913	2.223882	<b>\$3,706</b>
Mundelein	1.472066	-	0.472539	1.944605	<b>\$3,241</b>
Grayslake	0.537477	0.830954	0.474001	1.842432	<b>\$3,071</b>
Antioch	0.954138	0.801564	-	1.755702	<b>\$2,926</b>
Lake Forest	1.558957	-	-	1.558957	<b>\$2,598</b>
Highland Park	0.908646	-	0.611555	1.520201	<b>\$2,534</b>
Lindenhurst	0.331343	0.749735	0.431753	1.512831	<b>\$2,521</b>
Buffalo Grove	0.897203	-	0.509289	1.406492	<b>\$2,344</b>
Lake Bluff	0.829387	-	0.519804	1.349191	<b>\$2,249</b>
Lincolnshire	0.251489	0.853348	-	1.104837	<b>\$1,841</b>
Vernon Hills	-	0.632745	0.459718	1.092463	<b>\$1,821</b>
<b>Libertyville</b>	<b>0.691805</b>	<b>-</b>	<b>-</b>	<b>0.691805</b>	<b>\$1,153</b>
Gurnee	-	-	0.506778	0.506778	<b>\$845</b>