

## Questions about Property Tax Bills due August 1, 2016

By Ali ElSaffar, Oak Park Township Assessor

*“Nothing lasts forever. Forever is a lie. All we have is between hello and goodbye.”* This philosophical quote, by an unknown author, can be applied to this year’s property tax bills.

Two years ago, our community said hello to a \$10 million tax cut from Oak Park and River Forest High School. But this year we must say goodbye to it. The end of the tax reduction is the primary reason that most Oak Park property owners will see tax increases of about 7.5% over last year. For a house that paid \$10,000 in taxes last year, this corresponds to an increase of about \$750.

**Why did the high school's tax levy increase by so much?** In 2013, the high school's tax levy was \$65 million. But in 2014 and 2015, the school reduced its levy to \$55 million in an effort to reduce its very high fund balance, which had drawn complaints from the community. At the time of the levy reduction, however, the school indicated that it would likely restore its levy to prior levels after two years, and this is what the school has done. Its levy this year is \$65.5 million. (See chart.)

**Is it legal for the high school to increase its levy by 20% in one year?** Yes, the levy increase is legal. The question is reasonable, however, because state law generally limits tax increases by the high school and most other units of local government to the rate of inflation. Thus if inflation increases by 2%, the tax levy can only increase by 2%. If a local government wants a larger tax increase, it usually has to seek approval from the voters through a referendum.

But an exception to this rule allows taxing districts to reduce their tax levies temporarily, and then return to the prior, higher levy without a referendum. Under this exception, taxing districts can take the highest levy of the past three years, and then add an inflation-level increase to that levy. Since the high school’s levy was \$65 million three years ago, the school increased its 2013 levy by the rate of inflation to arrive at a levy this year of \$65.5 million.

**Is the high school the only local tax district that increased its levy?** No. Oak Park’s village government increased its levy by 8%, and most other local governments had levy increases of less than 2%. The Oak Park Public Library, however, reduced its levy, and Oak Park’s share of county-wide levies also fell. When levy changes from all governments serving Oak Park are combined, the result is an overall levy of \$180 million, which marks a 6.0% increase over last year’s overall levy. In River Forest, the overall levy increase was 7.4%. (See attached chart.)

**If Oak Park tax levies increased by 6%, why did my tax bill increase by more than 6%?** The property tax system this year will receive \$180 million collectively from all Oak Park property owners. But 17% of Oak Park property owners filed successful appeals last year, and will end up paying a smaller share of the community’s tax levy than they did last year. As a result, their taxes will increase by less than 7.5%.

In order to collect \$180 million in light of these appeals, the 83% of property owners who did not have successful appeals will pay a little more than they would have paid had there been no

appeals. This appeal-related increase, coupled with the higher tax levies, accounts for the 7.5% increase that most taxpayers will see.

**Can I do anything to reduce my current tax bill?** If you are eligible for a homeowner, senior citizen or other exemption but did not receive one, the Township Assessor’s office can assist you in obtaining a revised bill for a smaller amount. If you have received all exemptions for which you are eligible, you likely will not be able to do anything about your current bill.

**Can I do anything to reduce future tax bills?** Later this summer, the Cook County Board of Review will be accepting appeals from Oak Park residents for taxes to be paid in 2017. When appeal dates are announced, residents may call Oak Park Township to schedule an appointment for help in preparing an appeal.

Residents can also attend a tax appeal forum sponsored by Board of Review Commissioner Larry Rogers, Jr., and co-sponsored by the offices of the Oak Park Township Assessor, State Senator Don Harmon, and County Commissioner Richard Boykin. The forum will take place on August 1, 2016 at 6:30 PM in the auditorium at Percy Julian Junior High School, located at 416 S. Ridgeland Avenue.

### **Overall Tax Levies and High School Tax Levies From 2013 to 2016**

<i>Calendar Year</i>	<i>OPRF High</i>		<i>Overall Oak Park</i>		<i>Overall River</i>	
	<i>Taxes Paid</i>	<i>School Levy % Change</i>	<i>Tax Levy</i>	<i>% Change</i>	<i>Forest Tax Levy</i>	<i>% Change</i>
2013	\$65,027,435		\$170,480,061		\$54,109,889	
2014	\$54,959,493	-15.5%	\$167,386,663	-1.8%	\$52,272,815	-3.4%
2015	\$54,719,643	-0.4%	\$170,054,402	1.6%	\$51,876,885	-0.8%
2016	\$65,586,065	19.9%	\$180,336,426	6.0%	\$55,703,360	7.4%

Note: About 74% of the high school's levy is paid by Oak Park, with the remaining 26% paid by River Forest.

**Tax Levies for Government Units Serving Oak Park**  
**Comparing Taxes Paid in 2015 and 2016**

<i>Unit of Government</i>	<i>2014 Total Levy (Paid in 2015)</i>	<i>2015 Total Levy (Paid in 2016)</i>	<i>% Change in Tax Levy</i>	<i>% of Total Bill Paid in 2016</i>
School District 97	\$60,893,749	\$61,344,276	0.7%	34.0%
High School District 200	\$40,439,092	\$48,493,605	19.9%	26.9%
Village of Oak Park	\$25,461,138	\$27,516,184	8.1%	15.3%
Cook County	\$7,855,473	\$7,366,117	-6.2%	4.1%
Oak Park Library Fund	\$10,220,413	\$10,008,311	-2.1%	5.5%
Water Reclamation District	\$5,946,925	\$5,684,721	-4.4%	3.2%
Triton College District 504	\$4,646,900	\$4,697,234	1.1%	2.6%
Oak Park Township	\$4,577,749	\$4,630,512	1.2%	2.6%
Oak Park Park District	\$8,837,408	\$8,994,136	1.8%	5.0%
Miscellaneous Agencies	\$1,175,555	\$1,601,330	36.2%	0.9%
<b>Totals</b>	<b>\$ 170,054,402</b>	<b>\$ 180,336,426</b>	<b>6.0%</b>	<b>100.0%</b>

Note: For jurisdictions that serve more areas than just Oak Park, like Cook County government, the above totals reflect Oak Park's share of the jurisdiction's tax levy.

**Tax Levies for Government Units Serving River Forest**  
**Comparing Taxes Paid in 2015 and 2016**

<i>Unit of Government</i>	<i>2014 Total Levy (Paid in 2015)</i>	<i>2015 Total Levy (Paid in 2016)</i>	<i>% Change in Tax Levy</i>	<i>% of Total Bill Paid in 2016</i>
School District 90	\$20,898,248	\$21,904,125	4.8%	39.3%
High School District 200	\$14,280,551	\$17,092,461	19.7%	30.7%
Village of River Forest	\$6,441,876	\$6,533,139	1.4%	11.7%
Cook County	\$2,774,061	\$2,596,323	-6.4%	4.7%
River Forest Library Fund	\$1,201,442	\$1,213,499	1.0%	2.2%
Water Reclamation District	\$2,100,081	\$2,003,684	-4.6%	3.6%
Triton College District 504	\$1,640,994	\$1,655,626	0.9%	3.0%
River Forest Township	\$581,185	\$583,232	0.4%	1.1%
River Forest Park District	\$1,543,315	\$1,556,853	0.9%	2.8%
Miscellaneous Agencies	\$415,132	\$564,418	36.0%	1.0%
<b>Totals</b>	<b>\$51,876,885</b>	<b>\$55,703,360</b>	<b>7.4%</b>	<b>100.0%</b>

Note: For jurisdictions that serve more areas than just River Forest, like Cook County government, the above totals reflect River Forest's share of the jurisdiction's tax levy.