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U-46 property owners to see slight tax hike after board's approval

By: Karie Angell Luc

School District U-46 property owners can expect a tax bill hike of about 2.3% in 2021 as a result of a \$295 million tax levy approved Monday night by the school board.

The owner of a house valued at \$200,000 will pay \$92 in new taxes, U-46 Director of Financial Operations Dale Burnidge said.

School district taxes make up the largest portion of an annual property tax bill, with far smaller amounts going to cities, villages, counties and other taxing bodies.

The district's levy is about \$6.5 million more than the \$288.5 million requested this year. Funds generated from it cover expenses related to special education, fire prevention and safety, municipal retirement, social security, operations and maintenance, transportation, tort immunity and education costs, officials said.

The amount represents about half of the \$600 million needed to fund the 2020-21 school district budget. With other revenue sources added to bottom line, the budget year should end with a surplus of about \$3 million.

Copies of the tax certificate for the levy must be filed by the end of the month with Kane, DuPage and Cook counties, all of which are partially located within U-46 boundaries.

The levy was approved unanimously, with only board member Melissa Owens asking a question about whether the amount requested would capture the entire amount to which the district is entitled.

"We're extending a tax levy, which allows us to capture the inflationary amount, right?" Owens said. "If we don't capture that inflationary amount in this current year, and if we don't capture the new construction that happens in this new year, then we lose the ability to do that going forward, correct?"

"That's correct," Burnidge said. "The starting point each year to calculate the new levy, it's based on the amount of the extension from the prior year."

He also confirmed Owens' belief that "what we're doing is protecting the district from becoming behind as far as inflation goes."

The tax increase resulting from the increased levy includes the annual tax abatement of about \$3.9 million, Burnidge said.

The abatement is requested most years as a means of saving taxpayers some money when the district knows it will be able to pay its debt service with money from other funds.