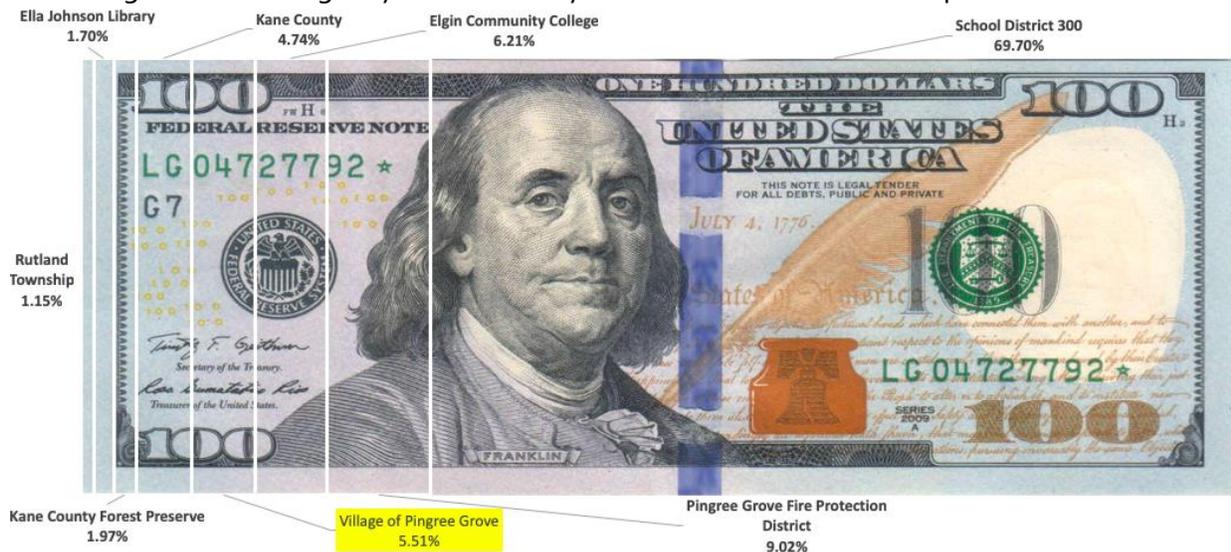




### Where does your Tax Dollar Go?

With property tax bills being distributed throughout the County, questions often arise regarding total property tax bills and where your property tax dollars go. If you review your property tax bill, you will see a listing of each agency imposing taxes, as well as the total rate and charge from each agency. This is how your tax dollars are divided up:



In other words, for every \$100 on property taxes you pay, the Village receives \$5.51. With that funding, and other funding sources available to the Village, the Village provides police protection, maintains the Village's streets, parks, lights and infrastructure, and provides all of the other services you rely upon on a daily basis.

By contrast, for every \$100 in property taxes you pay:

- School District 300 receives \$69.70
- Pingree Grove Fire Protection District receives \$9.02
- Elgin Community College receives \$6.21
- The Village receives \$5.51
- Kane County receives \$4.74

- Kane County Forest Preserve receives \$1.97
- Ella Johnson Library receives \$1.70
- Rutland Township receives \$1.15

For a home with a market value of \$200,000, while the total tax bill may be \$5,300, the Village would receive less than \$300 of that total bill.

### **Explanation of Property Tax Process:**

In Illinois, the value of property as it is assessed for tax purposes is roughly 1/3 of the fair market value of the property. This figure is adjusted by the property tax assessors, who are not within the control of the Village, based on comparable property sales information to reach the equalized assessed valuation of a property (EAV). The EAV is roughly 1/3 of the fair market value. Properties that are owner occupied are eligible for exemptions, as are certain properties owned by senior citizens or others eligible for exemptions. Exemptions reduce the taxable value of properties.

The Village is subject to the Property Tax Extension Limitation Law, or Tax Cap, which means that in any year, the Village's levy is subject to adjustment only by an amount equivalent to the Consumer Price Index (CPI). While the Village is allowed to take advantage of new growth within its limits and to tax new properties brought onto the tax roll, the Village's tax bill for existing properties can only be adjusted by an amount calculated to be equivalent to inflation. In other words, as prices increase over time and a dollar buys less of a given item, the Village's tax levy is allowed to increase by a similar amount to ensure that the Village can continue funding its operations.

Property taxes are paid *in arrears*, or after the fact. Like eating at a restaurant, the bill comes at the end of the meal. In December of each year, the Village passes its tax levy, and that levy is forwarded to the County to be placed on the tax bill for the following year. Taxes levied in December, 2018 form the basis for the 2019 tax bills now being circulated.

As outlined above, the Village's property tax rates are very low, and are a small fraction of the average resident's bill. The Village has no control over the levies of other taxing districts, which comprise the vast majority of the bill. Let's explore what else is on the tax bill, and how the figures above were reached!

### **What is on an average resident's tax bill?**

Below, you will find an actual resident's tax bill, showing all of the various charges included. Any resident may find their tax bill online on the County website at:

<https://kaneil.devnetwedge.com/>

You can view your actual tax bill online, which will look something like this:

Rate 2017	Tax 2017	Taxing District	Rate 2018	Tax 2018
0.327853	\$226.56	KANE COUNTY	0.323092	\$235.42
0.074645	\$51.58	KANE COUNTY PENSION	0.064567	\$47.05
0.165693	\$114.50	KANE FOREST PRESERVE	0.160562	\$117.00
0.000148	\$0.10	KANE FOREST PRESERVE PENSION	0.000140	\$0.10
0.034650	\$23.94	RUTLAND TOWNSHIP	0.034516	\$25.15
0.060079	\$41.52	RUTLAND TWP ROAD DIST	0.059847	\$43.61
0.206540	\$142.73	PINGREE GROVE VILLAGE	0.202917	\$147.86
0.025870	\$17.68	PINGREE GROVE VILLAGE PENSION	0.025573	\$18.64
5.686312	\$3,929.53	DUNDEE SCHOOL DISTRICT 300	5.543055	\$4,039.11
0.190000	\$131.30	DUNDEE SCHOOL DISTRICT 300 PENSION	0.153312	\$111.72
0.493160	\$340.80	ELGIN COLLEGE 509	0.501603	\$365.51
0.006758	\$4.67	ELGIN COLLEGE 509 PENSION	0.005911	\$4.31
0.133190	\$92.04	ELLA JOHNSON LIBRARY	0.130017	\$94.75
0.009300	\$6.43	ELLA JOHNSON LIBRARY PENSION	0.008806	\$6.41
0.741076	\$512.12	PINGREE GROVE FIRE DIST	0.729335	\$531.45
0.009145	\$6.32	PINGREE GROVE FIRE DIST PENSION	0.008054	\$5.87
0.000000	\$0.00	NW KANE AIRPORT AUTHORITY	0.000000	\$0.00
	\$1,736.78	PINGREE GRV/ SBA 2		\$1,719.94
0.000000	\$0.00	RUTLAND SOLID WASTE DISP DIST	0.000000	\$0.00
	\$165.74	PINGREE GRV/ SBA 4		\$161.60
0.000000	\$0.00	PINGREE GROVE SSA 5	0.000000	\$0.00
<b>2018 Kane County Real Estate Tax Bill</b> <b>David J. Rickert, County Treasurer</b> <b>719 S. Batavia Avenue, Bldg. A</b> <b>Geneva, IL 60134</b>				
8.164419	\$7,544.54	TOTAL	7.951307	\$7,675.50

Late Payment Schedule		
	1st	2nd
Jun 4 Thru Jul 3	\$3,895.32	
Jul 4 Thru Aug 3	\$3,952.88	
Aug 4 Thru Sep 3	\$4,010.45	
Sep 4 Thru Oct 3	\$4,068.02	\$3,895.32
Oct 4 Thru Oct 25	\$4,125.58	\$3,952.88

Payment on or after Oct 4, 2019: Please see Instructions on reverse side for LATE PAYMENTS.

Township	Tax Code	Acres
RU	RU021	
Tax Rate	Sold at Tax Sale	Forfeited Tax
7.951307		
First Installment Tax	Second Installment Tax	
3,837.75	3,837.75	
Adjustment	Adjustment	
Penalty	Penalty	
Other Fees	Other Fees	
Total Due	Total Due	
Due by 06/03/2019	Due by 09/03/2019	

TIF BASE	N/A
FAIR CASH VALUE	236,628.00
LAND VALUE	21,186.00
+ BUILDING VALUE	57,682.00
- HOME IMPROVEMENT / VET	0.00
= ASSESSED VALUE	78,868.00
x STATE MULTIPLIER	1.0000
= EQUALIZED VALUE	78,868.00
- HOMESTEAD EXEMPTION	6,000.00
- SENIOR EXEMPTION	0.00
- OTHER EXEMPTIONS	0.00
+ FARM LAND	0.00
+ FARM BUILDING	0.00
= NET TAXABLE VAL.	72,868.00
x TAX RATE	7.951307
= CURRENT TAX	\$5,793.96
+ NON AD VALOREM TAX	\$1,881.54
+ BACK TAX / FORF AMOUNT	\$0.00
- ENTERPRISE ZONE	\$0.00
= TOTAL TAX DUE	\$7,675.50

For the convenience of the resident in question, their personal information has been redacted, although all bills are available online as a public record.

This property has a fair market value of \$236,628, and an EAV (tax value) of \$78,868, or 1/3 of the fair market value. This resident receives a \$6,000 homestead (owner-occupied) exemption that reduces the taxable value to \$72,868. The resident pays a total of \$7,675.50 on their tax bill, although as explained below, not all of that is traditional tax revenue to the government.

The tax bill shows the tax rate and tax amount charged by each taxing district for the previous year and the current year. Current year taxes, payable in 2019, are reflected as 2018 charges on the bill. This bill includes the following charges:

- Kane County and Kane County Pension: These tax levies are used to pay for Kane County operations including county roads, the sheriff, the county share of operating the court system and jails, and related costs. This resident will pay \$282.47 this year to the County.

- Kane County Forest Preserve: These tax levies pay for the acquisition, operation and maintenance of Forest Preserve property county wide. This resident will pay \$117.10 this year to the Forest Preserve.
- Rutland Township: These taxes pay for township maintained roads and for the Township's operations. This resident will pay \$68.76 this year to the Township.
- Village of Pingree Grove: These taxes pay for the Village's operations including Village streets, parks, lighting, snowplowing, public works, police protection and related services. This resident will pay \$166.50 in traditional Village taxes this year. That amount is only 2.17% of the resident's overall tax bill.
- School District 300: These taxes pay for the operation of the public K-12 school system. This resident will pay \$4,150.83 this year to the school district, or nearly 70% of the property taxes paid.
- Elgin Community College: These taxes pay for operation of the local community college program. This resident will pay \$369.82 this year to the community college district.
- Ella Johnson Library: These taxes pay for the local library system. This resident will pay \$101.16 this year to the local library district.
- Pingree Grove Fire Protection District: These taxes pay for local fire and ambulance services. This resident will pay \$537.32 this year to the fire protection district.
- Pingree Grove SBA 2: See the explanation below regarding SBA 2. This resident will pay \$1,719.94 for their SBA 2 payment this year. Note that while the tax bill refers to "SBA 2", this is actually a Special Service Area (or SSA) tax.
- Pingree Grove SBA 4: This is a special levy used by the Village to offset the costs of maintaining parks and other public improvements in Cambridge Lakes. This resident will pay \$161.60 this year for these services. This, like SBA 2, is an SSA tax.

#### **How was the opening calculation performed?**

Different Village residents have different tax situations, depending on where they live, how their property is valued, and what services they receive. The calculation provided at the opening of this memo indicated that the Village's property tax bill is roughly 5.51% of a resident's total tax bill. That figure includes the Village's regular tax levies, and also includes the charge for SSA 4 (or SSA 9 for residents within its boundaries). For residents who do not pay SSA 4 taxes (such as those who live on private roads), the Village's total percentage of the tax bill is within one-tenth of a percent as compared to a resident who does pay SSA 4 taxes. The calculations outlined above exclude SSA 2 taxes, as those taxes are not used by the government (as explained in the following paragraph).

### **What is the SSA 2 tax?**

SSA 2 (or SSA 7 for residents within its boundaries) applies to certain areas of Cambridge Lakes. In short, when DR Horton built Cambridge Lakes, they were obligated to build the public roads, sidewalks, street lights and utility systems necessary to service and create the neighborhood. While the Village has taken over maintenance of those areas, the property developer is responsible for initially constructing them. There are costs associated with building this subdivision infrastructure. In order to pay for those costs, the developer has two options.

First, the developer can pay for the costs out of pocket, and can build these costs into the sale price of a house. For example, if a house costs \$140,000 to build and the developer has \$10,000 in infrastructure costs, the developer would need to sell the house for at least \$150,000 to break even.

Second, the developer can use a special service area to pay for the costs. The developer borrows money by working with the Village to issue bonds. The money from those bonds is used to pay the infrastructure costs. The bonds themselves are repaid over time by the homebuyer. In the example above where the house costs \$140,000 and has \$10,000 in infrastructure costs, the developer would need to sell the home for at least \$140,000, as the \$10,000 in infrastructure costs would be paid by the home buyer through the SSA.

SSA 2 is simply the developer's use of this second option. The Village is required to levy a tax each year until the SSA 2 bonds are paid in full. However, this funding does not go to the Village for Village operations. Rather, the funding is used to repay private bonds and does not benefit the Village. Residents who do not wish to pay this charge on their tax bill each year have the option of *prepaying* their share of the bond costs. Contact the Village for more information on this topic. Note that not all Cambridge homes have an SSA repaying bonds of this nature; DR Horton determined which homes would and would not have an SSA, by neighborhood.

### **How can I see all of the data?**

As noted above, you can retrieve any property tax bill from the County website. For the tax bill copied above, detailed figures follow on the final page of this explanation.

### **I have more questions. Who can I talk to?**

- If you have questions regarding the valuation of your property, you can contact the Kane County Supervisor of Assessments at 630-208-3818.

- If you have general questions about your tax bill, review the Kane County Quick Guide to Property Taxes at:
  - <http://www.kanecountyassessments.org/QuickGuide.pdf>
- If you have questions about paying your tax bill, you can contact the Kane County Treasurer at 630/232-3565.
- If you have questions about the Village's tax levy, or want to understand more about this memo, you can contact the Village at 847-464-5533.

<b>Taxing District</b>	<b>2018 Rate</b>	<b>2018 Charge</b>
Kane County	0.323092	\$235.42
Kane County Pension	0.064567	\$47.05
Kane Forest Preserve	0.160562	\$117.00
Kane Forest Preserve Pension	0.00014	\$0.10
Rutland Township	0.034516	\$25.15
Rutland Township Road District	0.059847	\$43.61
Village of Pingree Grove	0.202917	\$147.86
Village of Pingree Grove Pension	0.025573	\$18.64
School District 300	5.543055	\$4,039.11
School District 300 Pension	0.153312	\$111.72
Elgin Community College	0.501603	\$365.51
Elgin Community College Pension	0.005911	\$4.31
Ella Johnson Library	0.130017	\$94.75
Ella Johnson Library Pension	0.008806	\$6.41
Pingree Grove Fire Protection District	0.729335	\$531.45
Pingree Grove F.P.D. Pension	0.008054	\$5.87
Pingree Grove SSA 2	0	\$1,719.94
Rutland Solid Waste Disposal District	0	\$0.00
Pingree Grove SSA 4	0	\$161.60
Pingree Grove SSA 5	0	\$0.00
<b>Total</b>	7.951307	\$7,675.50
<b>Total Excl. SSA 2:</b>	7.951307	\$5,955.56
<b>Village Total</b>	0.22849	\$328.10
Village Total as % of Total Bill:		0.0427464
Village Total as % of Total Excluding SSA 2:		0.05509138

<b>Totals by Entity:</b>	<b>Total Levy</b>	<b>% of Total Tax Bill Excl. SSA 2</b>
School District 300	\$4,150.83	0.6969672
Pingree Grove Fire Protection District	\$537.32	0.09022157
Elgin Community College	\$369.82	0.0620966
Village of Pingree Grove	\$328.10	0.05509138
Kane County	\$282.47	0.04742963
Kane County Forest Preserve	\$117.10	0.0196623
Ella Johnson Library	\$101.16	0.01698581
Rutland Township	\$68.76	0.01154551