



**PARK RIDGE NILES DISTRICT 64
BOARD OF EDUCATION**

**2014 TAX LEVY
PUBLIC HEARING**

December 15, 2014

**THE BOARD DEVELOPED CONSENSUS GOALS --
SUMMER OF 2013**

- **Operating Principle for Finance --**
 - The Board will make fiscally disciplined decisions in the best interests of students to extend the referendum commitment for an additional four years
- **Finance Operating Goals --**
 - **Levy to maximize revenue under PTELL formula;**
 - Maintain District-wide fees in 2013-14;
 - Earmark Operating Fund balance to extend next referendum;
 - Use debt extension bonds for further capital improvements;
 - Extend operating fund referendum to no earlier than 2020-21; and
 - Use strong fiscal discipline



IMPORTANT TO REMEMBER

- All information being presented is based on estimates...
 - The 2014 Equalized Assessed Valuation (EAV) will not be known until August 2015...
 - The amount of taxes that District 64 receives will be limited by the :

Property Tax Extension Limitation Law (PTELL) formula:

$$\text{The Limiting Rate} = \frac{\text{Prior year actual tax extension} * 1.5\% \text{ (CPI-U as of December 2013)}}{\text{(Total EAV - New Construction)}}$$

$$\text{The Limiting Rate} * \text{Total EAV} = \text{D64 Tax Extension}$$

- The tax rate is a calculated number based on the result under PTELL and the actual EAV...



LEVY REQUEST VS. ACTUAL LEVY INCREASE

Levy Year	CPI Used in PTELL	Board Approve Levy Request	Actual Levy Increase
2013	1.70%	4.98%	2.50%
2012	3.00%	4.74%	3.10%
2011	1.50%	4.99%	1.70%
2010	2.70%	4.99%	3.60%
2009	0.10%	4.59%	0.80%
2008	4.10%	2.18%	1.50%
2007	2.50%	Referendum Driven	14.40%
2006	3.40%	Referendum Driven	19.10%
2005	3.30%	13.41%	9.20%



IMPORTANT POINTS

- Regardless of how large the levy request is...District 64 will only receive a **1.5%** increase plus the taxes associated with new construction.
 - The District is limited by PTELL not the Taxpayer
- Reductions as a result of the levy calculation under PTELL will reduce the Education Fund tax extension.
- The County Clerk will add a 3% loss factor to the final extension.
- The Debt Service tax levy is determined at the time the bonds are sold.



SOURCE OF REVENUE

- **85% of District 64's revenue is property taxes**
- **Other Revenues include**
 - Local Revenues - 7.0%
 - State Revenues - 6.0%
 - Federal Revenues - 2.0%



BACKGROUND – TAX LEVY

- For District 64 to collect property taxes, the District must file a resolution with Cook County stating the amount, by fund, that the District needs.
- The calculation of the levy amount is subject to the Property Tax Extension Limitation Law (PTELL). The legislation is generally referred to as the *tax cap*.
- The timing of the levy extension, tax collection and school year can complicate the process.

LEVY REQUEST

Fund	Tax Dollars				
	2011 Actual Tax Extension	2012 Actual Tax Extension	2013 Actual Tax Extension	2014 Levy Budget Planning	2014 Levy Request
Education	\$44,061,698	\$47,251,541	\$48,433,179	\$48,433,179	\$50,200,990
Special Ed	\$523,689	\$397,315	\$411,435	\$1,529,842	\$1,606,181
Tort	\$726,892	\$593,415	\$615,753	\$615,753	\$615,753
O&M	\$8,318,803	\$8,178,216	\$7,611,547	\$7,611,547	\$7,611,547
Transportation	\$1,483,786	\$990,730	\$1,027,188	\$1,027,188	\$1,027,188
IMRF	\$953,862	\$792,925	\$1,323,869	\$1,323,869	\$1,323,869
Social Security	\$953,862	\$792,925	\$821,470	\$821,470	\$821,470
Working Cash	\$519,209	\$397,315	\$411,435	\$411,435	\$411,435
Sub-Total (Capped Funds)	\$57,541,801	\$59,394,382	\$60,655,876	\$61,774,283	\$63,618,433
% of Change in Capped Levy Dollars	1.8%	3.2%	2.1%	1.8%	4.9%
Bond & Interest	\$2,987,250	\$2,988,064	\$3,313,381	\$3,313,381	\$3,313,381
% of Change in Non- Capped Levy Dollars	-0.1%	0.0%	10.9%	0.0%	0.0%
Grand Total	\$60,529,051	\$62,382,446	\$63,969,257	\$65,087,664	\$66,931,814
% of Change in Total Levy Dollars	1.7%	3.1%	2.5%	1.7%	4.6%

NEXT STEPS

- The Board - December 15, 2015
 - Holds a public hearing
 - Not because we have to but...
 - *It's good public policy*
 - Approves the final levy
- The levy will be filed, by the School Township Treasurer, with Cook County prior to the last Tuesday of December (30th).

