

Board of Education
Community Consolidated School District 64

Committee-of-the-Whole: Finance

Monday, November 18, 2013
6:45 p.m. - 7:00 p.m.

Carpenter Elementary School
300 N. Hamlin Avenue
Park Ridge, IL 60068

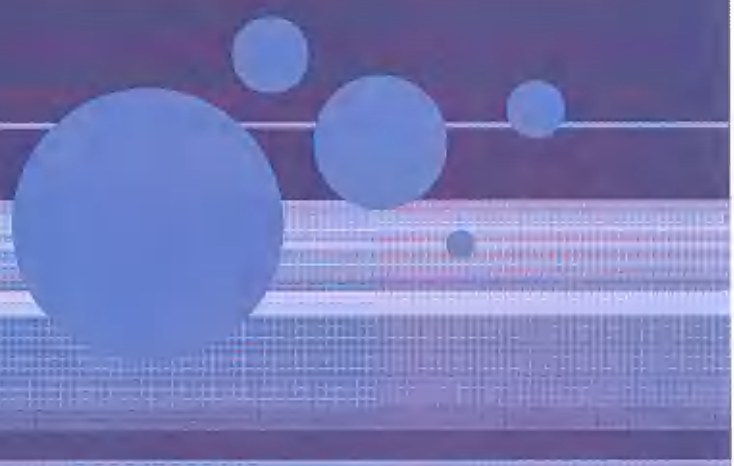
AGENDA

APPENDIX

1. CALL TO ORDER AND ROLL CALL
2. DISCUSSION ON 2013 PROPOSED TAX LEVY 1
3. PUBLIC COMMENTS
4. ADJOURNMENT

**PARK RIDGE NILES DISTRICT 64
BOARD OF EDUCATION
COMMITTEE OF THE WHOLE
TENTATIVE 2013 TAX LEVY**

November 18, 2013



IMPORTANT TO REMEMBER

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

Property Tax Extension Limitation Law (PTELL) formula:

The Limiting Rate =

$$\text{Prior year actual tax extension} * 1.7\% \text{ (CPI-U as of December 2012)}$$

(Total EAV – New Construction)

The Limiting Rate * Total EAV = 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
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%

BACKGROUND – TAX LEVY

- The primary source of District 64's revenues is local property taxes.
 - 85.0% property taxes
 - 7.6% other local revenues
 - 5.4% from state sources
 - 2.0% from federal sources

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.

TIMING

- 2013
 - January to June
 - Fiscal 2013
 - School Year 2012-2013
 - Tax Year 2012—First Installment Due in March
 - July to December
 - Fiscal 2014
 - School Year 2013-2014
 - Assessment 2012 (July-August)
 - Tax Year 2012—Second Installment Due (September-December)
 - Levy 2013 (December)
- 2014
 - January to June
 - Fiscal 2014
 - School Year 2013-2014
 - Tax Year 2013—First Installment Due in March
 - July to December
 - Fiscal 2015
 - School Year 2014-2015
 - Assessment 2013 (July-August)
 - Tax Year 2013—Second Installment Due (September-December)
 - Levy 2014 (December)

2013 LEVY CALCULATION—EAV (EQUALIZED ASSESSED VALUE)

Consumer Price Index (December 2012):	1.70%
Actual EAV for 2012 (<i>Total</i>)	1,705,216,205
Estimated % Increase (<i>Reassessment of existing property</i>)	6.6%
Estimated New Construction (2013)	3,375,834
Estimated Total EAV	1,821,733,347
Estimated Change from Prior Year	6.8%



EQUALIZED ASSESSED VALUATION

	Actual 2010 Tax Extension	Actual 2011 Tax Extension	Actual 2012 Tax Extension	Estimated 2013 Tax Extension - Budget Assumption	2013 Tax Levy Request December 2013
	2010	2011	2012	2013	2013
New Construction	10,407,071	5,731,156	3,375,835	3,375,834	3,375,834
Reassessment	2,005,935,226	1,837,384,292	1,701,840,370	1,818,357,513	1,818,357,513
Total EAV	2,016,342,297	1,843,115,448	1,705,216,205	1,821,733,347	1,821,733,347
% Increase in EAV	-5.6%	-8.6%	-7.5%	6.8%	6.8%
Tax Cap CPI Factor	2.70%	1.50%	3.00%	1.70%	1.70%



LEVY REQUEST

	Actual 2010 Tax Extension	Actual 2011 Tax Extension	Actual 2012 Tax Extension	Estimated 2013 Tax Extension - Budget Assumption	2013 Tax Levy Request December 2013
Education	\$43,726,428	\$44,061,698	\$47,251,541	\$47,988,947	\$49,420,000
Special Ed	\$484,225	\$523,689	\$397,315	\$403,268	\$403,268
Tort	\$726,337	\$726,892	\$593,415	\$604,903	\$604,903
O&M	\$7,691,912	\$8,318,803	\$8,178,216	\$8,065,369	\$8,400,000
Transportation	\$1,694,787	\$1,483,786	\$990,730	\$1,008,171	\$1,008,171
IMRF	\$1,089,506	\$953,862	\$792,925	\$1,209,805	\$1,300,000
Social Security	\$1,089,506	\$953,862	\$792,925	\$806,537	\$806,537
Working Cash	\$0	\$519,209	\$397,315	\$403,268	\$403,268
Sub-Total (Capped Funds)	\$56,502,701	\$57,541,801	\$59,394,382	\$60,490,269	\$62,346,147
% of Change in Capped Levy Dollars	3.3%	1.8%	3.2%	1.8%	4.97%
Bond & Interest	\$2,991,030	\$2,987,250	\$2,988,064	\$3,140,375	\$3,140,375
% of Change in Non-Capped Levy Dollars	11.2%	-0.1%	0.0%	5.1%	5.1%
Grand Total	\$59,493,731	\$60,529,051	\$62,382,446	\$63,630,644	\$65,486,522
% of Change in Total Levy Dollars	3.6%	1.7%	3.1%	2.0%	4.98%

IMPORTANT POINTS

- Regardless of how large the levy request is... District 64 will only receive a 1.7% increase plus the taxes associated with new construction.
- Reductions as a result of the levy calculation under PTELL any reductions will be evenly distributed among all capped funds.
- 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.

NEXT STEPS

- The Board of Education approves the tentative levy.
- As required by law, a notice of levy will be published in the paper (December 5) and a public hearing will be held on December 16.
- The Board will approve the final levy on December 16.
- The levy must be filed with Cook County prior to the last Tuesday of December (31st).
- The budget process for the 2014-2015 school year begins in January.

QUESTIONS

COMMENTS

CONCERNS

