



**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:**

$$\text{The Limiting Rate} = \frac{\text{Prior year actual tax extension} * 1.7\% \text{ (CPI-U as of December 2012)}}{(\text{Total EAV} - \text{New Construction})}$$

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

- 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
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 - <b>Budget Assumption</b>	2013 Tax Levy Request December 2013
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2013</u>
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
<b>Total EAV</b>	<b>2,016,342,297</b>	<b>1,843,115,448</b>	<b>1,705,216,205</b>	<b>1,821,733,347</b>	<b>1,821,733,347</b>
% 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**

