


To: Board of Education  
Philip Bender, Superintendent

From: Rebecca Allard, Business Manager 

Subject: Summary of 2010 Tax Extension

Date: October 24, 2011

In a recent article in the Daily Herald a headline asked the question: Did your taxes go up because of schools? In the final analysis, the reporter said no one entity is responsible for the tax rate increase, it is the system we have in Illinois. The article goes on to say that schools were limited (2010 tax year) to an increase under the Property Tax Extension Limitation Law (PTELL) to 2.7% (*plus a factor for new construction*) whereas there is no limit on what property owners can be charged. The tax rate is a calculated number based on the total Equalized Assessed Valuation (EAV) and the amount of taxes allowed under PTELL.

The following chart shows a ten-year history of the change in tax rates and EAV; the highlighted years are the three-year Cook County reassessment years:

Levy Year	Tax Rate per \$100 of EAV	% Increase	EAV	% Increase
2000	3.3260		982,104	-
2001	2.8520	(14.3%)	1,207,541	23.0%
2002	2.7160	(4.8%)	1,297,845	7.5%
2003	2.8290	4.2%	1,283,624	(1.1%)
2004	2.5260	(10.7%)	1,492,147	16.2%
2005	2.5820	2.2%	1,594,439	6.9%
2006	3.0160	16.8%	1,625,641	2.0%
2007	2.8500	(5.5%)	1,968,799	21.1%
2008	2.6800	(6.0%)	2,121,453	7.8%
2009	2.6860	0.2%	2,137,881	0.8%
2010	2.9510	9.9%	2,016,342	(5.7%)

In December 2010, the Board of Education approved a 2010 operating fund tax levy request of \$57,578,075. This represented a 5.22% increase over the 2009 actual tax extension. At the time, the Administration stated that although the request represented a 5.22% increase, in actuality the District could expect to receive \$56,360,484 (+ 3.0%), based on certain assumptions in the EAV. Exhibit I provides a summary of the final 2010 tax extension.

Exhibit I

Park Ridge - Niles School District 64  
2010 Final Tax Levy Summary

	2010 Tax Levy Request	Estimated 2010 Tax Extension - Budget Assumption	Final 2010 Tax Extension	\$ Change from Estimate	% Change from Estimate
	<u>2010</u>	<u>2010</u>	<u>2010</u>	<u>2010</u>	<u>2010</u>
New Construction		7,730,826	10,407,071	2,676,245	34.62%
Reassessment		2,342,875,343	2,005,935,226	(336,940,117)	-14.38%
Total EAV		2,350,606,169	2,016,342,297	(334,263,872)	-14.22%
Tax Cap CPI Factor		2.70%	2.70%		
<b>Fund Tax Rate</b>					
Education		1.8700	2.1686	0.2986	16.0%
Special Ed		0.0200	0.0240	0.0040	20.0%
Tort		0.0300	0.0360	0.0060	20.0%
O&M		0.3177	0.3815	0.0638	20.1%
Debt Service		0.1258	0.1483	0.0225	17.9%
Transportation		0.0700	0.0841	0.0141	20.1%
IMRF		0.0450	0.0540	0.0090	20.0%
Social Security		0.0450	0.0540	0.0090	20.0%
Working Cash		0.0000	0.0000	0.0000	0.0%
Total		2.524	2.951	0.4270	16.9%
<b>Fund Tax Dollars</b>					
Education	\$45,173,926	\$43,956,335	\$43,726,428	(\$229,907)	-0.52%
Special Ed	\$470,121	\$470,121	\$484,225	\$14,104	3.00%
Tort	\$705,182	\$705,182	\$726,337	\$21,155	3.00%
O&M	\$7,467,876	\$7,467,876	\$7,691,912	\$224,036	3.00%
Transportation	\$1,645,424	\$1,645,424	\$1,694,787	\$49,363	3.00%
IMRF	\$1,057,773	\$1,057,773	\$1,089,506	\$31,733	3.00%
Social Security	\$1,057,773	\$1,057,773	\$1,089,506	\$31,733	3.00%
Working Cash	\$0	\$0	\$0	\$0	0.00%
Sub-Total (Capped Funds)	\$57,578,075	\$56,360,484	\$56,502,701	\$142,217	0.25%
Bond & Interest	\$2,697,385	\$2,697,385	\$2,991,030	\$293,645	10.89%
Grand Total	\$60,275,460	\$59,057,869	\$59,493,731	\$435,862	0.7%