

PARK RIDGE NILES DISTRICT 64
BOARD OF EDUCATION
COMMITTEE OF THE WHOLE

TENTATIVE 2011 TAX LEVY

November 14, 2011

IMPORTANT TO REMEMBER

- The information being presented in this presentation is an estimate...

- The amount of taxes that District 64 receive will be limited by the :

Property Tax Extension Limitation Law (PTELL) formula:

The Limiting Rate =

$$\frac{\text{Prior year actual tax extension} * 1.5\% \text{ (CPI-U as of December 2010)}}{(\text{Total EAV} - \text{New Construction})}$$

The Limiting Rate * Total EAV = D64 Tax Extension

- The Equalized Assessed Valuation (EAV) will not be known until the fall of 2012...
- 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
2011	1.50	4.99%	
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.
 - 83.0% property taxes
 - 7.6% other local revenues
 - 7.0% from state sources
 - 2.4% 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

- 2011
 - January to June
 - Fiscal 2011
 - School Year 2010-2011
 - Tax Year 2010—First Installment Due (April – about 52% of the prior year levy)
 - July to December
 - Fiscal 2012
 - School Year 2011-2012
 - Assessment 2011 (July-August)
 - Tax Year 2010—Second Installment Due (September-December)
 - Levy 2011 (December)
- 2012
 - January to June
 - Fiscal 2012
 - School Year 2011-2012
 - Tax Year 2011—First Installment Due (March – about 52% of the prior year levy)
 - July to December
 - Fiscal 2013
 - School Year 2012-2013
 - Assessment 2012 (July-August)
 - Tax Year 2011—Second Installment Due (September-December)
 - Levy 2012 (December)

2011 LEVY CALCULATION—EAV (EQUALIZED ASSESSED VALUE)

Consumer Price Index (December 2010):	1.50%
Actual EAV for 2010 (<i>Total</i>)	2,016,342,297
Estimated % Increase (<i>Reassessment of existing property</i>)	5.18%
Estimated New Construction	11,003,912
Estimated Total EAV	2,131,792,739
Estimated Change from Prior Year	5.73%

EQUALIZED ASSESSED VALUATION

	Actual 2008 Tax Extension	Actual 2009 Tax Extension	Actual 2010 Tax Extension	Estimated 2011 Tax Extension - Budget Assumption
New Construction	23,786,571	15,461,852	10,407,071	11,003,912
Reassessment	1,968,799,003	2,121,453,047	2,005,935,226	2,120,974,827
Total EAV	1,992,585,574	2,136,914,899	2,016,342,297	2,131,976,739
% Increase in EAV		7.24%	-5.64%	5.73%
Tax Cap CPI Factor	4.10%	0.10%	2.70%	1.50%

LEVY REQUEST

	Actual 2008 Tax Extension	Actual 2009 Tax Extension	Actual 2010 Tax Extension	Estimated 2011 Tax Extension -- Budget Assumption	2011 Tax Levy Request
Fund	Tax Dollars				
Education	\$41,516,066	\$40,811,477	\$43,726,428	\$45,266,665	\$46,231,952
Special Ed	\$335,209	\$452,746	\$484,225	\$403,268	\$508,436
Tort	\$1,262,871	\$1,358,238	\$726,337	\$705,720	\$705,720
O&M	\$6,189,180	\$6,791,191	\$7,891,912	\$7,863,735	\$8,076,508
Transportation	\$1,894,305	\$2,037,358	\$1,894,787	\$1,310,822	\$1,440,569
IMRF	\$947,153	\$1,131,865	\$1,089,506	\$806,537	\$926,080
Social Security	\$1,199,726	\$1,267,689	\$1,089,506	\$806,537	\$926,080
Working Cash	\$906,869	\$1,068,457	\$0	\$504,086	\$504,088
Sub-Total (Capped Funds)	\$54,253,381	\$54,719,021	\$56,502,701	\$57,667,390	\$59,316,431
% of Change in Capped Levy Dollars		0.86%	3.26%	2.06%	4.99%

IMPORTANT POINTS

- District 64 will only receive a 1.5% increase plus the taxes associated with new construction ...regardless of how large the levy request is.
- Reductions as a result of a levy calculation under PTELL will be taken from the Education Fund.
- 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 and a public hearing will be held on December 12.
- The Board will approve the final levy on December 19.
- The levy must be filed with Cook County prior to the last Tuesday of December (27th).
- The budget process for the 2012-2013 school year begins in January.



QUESTIONS

COMMENTS

CONCERNS

