

ADOPTION OF RESOLUTION #1076 OF 2011 PROPOSED TENTATIVE TAX LEVY

The Board of Education is required to estimate the property tax levy for the following year not less than 20 days prior to adoption. The attached resolution fulfills this statutory requirement.

The amount approved in the Tentative Levy will be published in the Truth in Taxation notice. The final levy will be acted upon on December 19, 2011, and cannot be increased from the Tentative Levy amount.

The 2011 proposed tentative aggregate property tax levy is not more than 105% of the prior year's extension; therefore a Truth in Taxation hearing is not necessary, but is recommended.

The Truth in Taxation hearing notice will be published in local newspapers on Thursday, December 1, 2011. The Truth in Taxation hearing will be held on Monday, December 12, 2011, and the final levy is scheduled for adoption on Monday, December 19, 2011.

ACTION ITEM 11-11-2

I move that the Board of Education of Community Consolidated School District No. 64 estimate the aggregate property tax levy for 2011 to be 4.73% greater than the 2010 extension.

I further move that the Board of Education of Community Consolidated School District No. 64 approve the attached resolution #1076 TRUTH IN TAXATION LAW RESOLUTION.

Moved by: _____ Seconded by: _____

AYES:

NAYS:

ABSENT:

November 14, 2011

To: Board of Education
Philip Bender, Superintendent

From: Rebecca J. Allard, Business Manager

Date: November 14, 2011

Subject: 2011 Proposed Tax Levy

By law, the District must file a tax levy by the last Tuesday of December (27th). If the levy increases by more than 5%, School Districts must hold a Truth in Taxation hearing to explain the increases. The District must notify the public of the Truth in Taxation hearing not less than 20 days prior to the adoption of the aggregate levy as to the estimated levy request. Notice of the Truth in Taxation hearing must be published in a newspaper of general circulation no more than 14 days or less than 7 days prior to the date of the public hearing (*Chap. 120. Par.866. ILL. Rev. Stats.*). The Truth in Taxation hearing for the 2011 levy should be held in conjunction with the regular board meeting currently scheduled for Monday, December 12, 2011 at 7:00 P.M. (*change from previous years*).

The tax levy sets forth the maximum receipts that can be received from property taxation in a given year. The levy is filed by fund, but limited, in aggregate, by the *Property Tax Extension Limitation Law (PTELL)* (excluding the Debt Service Fund). The attached spreadsheet (Exhibit I) provides a review of the 2008, 2009 and the 2010 actual tax extension and both the 2011 levy used for budget planning and the 2011 actual levy request (gray shaded).

Each year a Truth in Taxation hearing has been held to request a levy that exceeded 5%. Although the 2011 levy request is less than 5%, it may be prudent to hold a Truth in Taxation hearing to inform the community of the District's intent to levy taxes. Last year the cost to publish the required newspaper notification was \$270.

Historically, a school district will request an amount in excess of what it actually anticipates for only one reason, to maintain the maximum tax rates the district is entitled to. Therefore, the recommendation for the Truth in Taxation hearing is to request an increase in the "capped" funds of 4.99%.

Summarized below are the tax rate ceilings that the District is permitted to levy by fund in the funds that are affected by the *PTELL*.

Fund	Tax Rate Ceiling
Education	\$3.50
Special Education	\$0.40
Tort Immunity	Based on need
Operations & Maintenance	\$0.55
Transportation	Based on need
I.M.R.F.	Based on need
Social Security	Based on need
Working Cash	\$0.05
Life Safety	\$0.10

Summarized below are the tax rates (per \$100 of assessed value) that the District is expected to achieve based upon the projected EAV (reassessment and new construction) and what is permitted under the *PTELL*.

Fund	2010 Tax Rate	Estimated 2011 Tax Rate
Education	\$2.1686	\$2.245
Special Education	0.0240	0.0200
Tort Immunity	0.0360	0.0400
Operations & Maintenance	0.3815	0.3800
Transportation	0.0841	0.0650
I.M.R.F.	0.0540	0.0400
Social Security	0.0540	0.0500
Working Cash	0.0000	0.0200
Total Capped Tax Rate	\$2.803	\$2.8600
Bond & Interest	0.1483	0.1400
Total Tax Rate	\$2.951	\$3.0000

The following explains the types of expenditures that the tax extension funds:

Capped Funds:

Education Fund and Special Education Levies (Fund 10)

The most varied and the largest volume of transactions are recorded in the Educational Fund. This is because the Educational Fund covers transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instructional, health and attendance services, lunch programs, all costs of administration and related insurance costs.

The special education levy is a sub-fund of the education fund and is calculated separately from the education fund. This levy supports special education services.

Operations and Maintenance Levy (Fund 20)

The salaries of janitors, engineers, and other custodial employees and all costs of fuel, lights, gas, water, telephone service, and custodial supplies and equipment shall be charged to this fund. In addition, all costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school buildings shall be charged to the Operations and Maintenance Fund.

Transportation Levy (Fund 40)

If a school district pays for transporting pupils for any purpose, the Transportation Fund must be created. Costs of transportation, including the purchase of vehicles are to be paid from this fund. Moneys received for transportation purposes from any source must be deposited into this fund.

Municipal Retirement/Social Security Levies (Fund 50)

This fund is created if a separate tax is levied for the purpose of providing resources for the school district's share of retirement benefits for covered employees or a separate tax is levied for the purpose of providing resources for the District's share of Social Security and Medicare only payments for covered employees.

Tort Levy (Fund 80)

The tort fund is used to the cost of workers' compensation and property & liability insurance coverage. In addition, this fund is permitted to cover all costs associated with risk management, if the District has a risk management plan.

Non- Capped Funds:

Bond and Interest Levy (Fund 30)

Bonds are generally issued to finance the construction of buildings, but may also be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay the interest on them. To protect the bondholders, these tax

collections must be accounted for in the Bond and Interest Fund. School districts must maintain a separate bond and interest fund for each bond issue.

Summary:

The tax levy amount that will be requested at the November 14, 2011, Board Meeting is \$62,306,681 and represents a 4.73% increase over the 2010 actual tax extension: 4.99% increase in the "capped funds" and a (0.13%) decrease in Debt Service Fund.

The Tax Cap Formula will limit the actual amount extended.

It is important to note that the above amount can be decreased at the Truth in Taxation hearing on December 12, 2011, but cannot be increased from the amount approved at the November 14, 2011, Board Meeting.

Exhibit I provides a review of the 2008, 2009 and the 2010 actual tax extension and both the 2011 levy used for budget planning and the 2011 actual levy request (gray shaded).

Exhibit II is a resolution regarding the estimated amounts necessary to be levied for the tax year 2011. Included in the resolution is a copy of the notice that will appear in Park Ridge Advocate and the Niles Spectator on Thursday, December 1, 2011.

Exhibit III – Certificate of Tax Levy (ISBE 50-02)

Park Ridge - Niles School District 64
2011 Proposed Tax Levy

	Actual 2008 Tax Extension	Actual 2009 Tax Extension	Actual 2010 Tax Extension	Estimated 2011 Tax Extension - Budget Assumption	2011 Tax Levy Request
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2011</u>
New Construction	23,786,571	15,461,652	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	2,136,914,699	2,016,342,297	2,131,978,739	
% Increase in EAV		7.24%	-5.64%	5.73%	
Tax Cap CPI Factor	4.10%	0.10%	2.70%	1.50%	
Fund	Tax Rates				
Education	1.9570	1.8996	2.1686	2.2450	
Special Ed	0.0158	0.0212	0.0240	0.0200	
Tort	0.0595	0.0635	0.0360	0.0400	
O&M	0.2917	0.3177	0.3815	0.3800	
Transportation	0.0893	0.0953	0.0841	0.0650	
IMRF	0.0446	0.0529	0.0540	0.0400	
Social Security	0.0566	0.0593	0.0540	0.0500	
Working Cash	0.0428	0.0500	0.0000	0.0200	
Bond & Interest	0.1271	0.1258	0.1483	0.1400	
Total	2.684	2.6853	2.951	3.000	
Change in Rate		0.03%	9.88%	1.68%	
Fund	Tax Dollars				
Education	\$41,516,066	\$40,611,477	\$43,726,428	\$45,266,885	\$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	\$7,691,912	\$7,863,735	\$8,076,508
Transportation	\$1,894,305	\$2,037,358	\$1,694,787	\$1,310,622	\$1,440,569
IMRF	\$947,153	\$1,131,865	\$1,089,506	\$806,537	\$926,080
Social Security	\$1,199,728	\$1,267,689	\$1,089,506	\$806,537	\$926,080
Working Cash	\$908,869	\$1,068,457	\$0	\$504,086	\$504,086
Sub-Total (Capped Funds)	\$54,253,381	\$54,719,021	\$56,502,701	\$57,667,390	\$59,319,431
% of Change in Capped Levy Dollars		0.86%	3.26%	2.06%	4.99%
Bond & Interest	\$2,697,385	\$2,690,520	\$2,991,030	\$2,987,250	\$2,987,250
% of Change in Non-Capped Levy Dollars		-0.25%	11.17%	-0.13%	-0.13%
Grand Total	\$56,950,766	\$57,409,541	\$59,493,731	\$60,654,640	\$62,306,681
% of Change in Total Levy Dollars		0.81%	3.63%	1.95%	4.73%

**RESOLUTION #XXXX REGARDING ESTIMATED AMOUNTS
NECESSARY TO BE LEVIED FOR THE YEAR 2011**

WHEREAS, the *Truth in Taxation Law* requires a taxing district to determine the estimated amounts of taxes necessary to be levied for the year not less than 20 days prior to the official adoption of the aggregate tax levy of the district; and

WHEREAS, said statute further requires a taxing district to give public notice and to hold a public hearing on the district's intent to adopt an aggregate tax levy if the estimated amounts necessary to be levied exceed 105% of the aggregate amount of property taxes extended, including any amount abated prior to such extension, upon the levy of the preceding year; and

WHEREAS, the 2011 proposed tentative aggregate property levy is not more than 105% of the prior year's extension; therefore a Truth in Taxation Hearing is not required but recommended.

WHEREAS, it is hereby determined that the estimated amounts of money necessary to be raised by taxation for the year 2011 upon the taxable property of the district are as follows:

Educational Purposes	\$46,231,952
Operations and Maintenance Purposes	\$8,076,508
Transportation Purposes	\$1,440,569
Illinois Municipal Retirement Fund Purposes	\$926,080
Social Security/Medicare Purposes	\$926,080
Tort Immunity Purposes	\$705,720
Special Education Purposes	\$508,436
Working Cash Purposes	\$504,086
TOTAL	\$59,319,431

; and

WHEREAS, the *Truth in Taxation Law* requires that all taxing districts in the State of Illinois provide data in the Notice concerning the levies made for debt service made pursuant to statute, referendum, resolution or agreement to retire principal or pay interest on bonds, notes, and debentures or other financial instruments which evidence indebtedness; and

WHEREAS, the aggregate amount of property taxes extended for debt services purposes for 2010 was \$2,991,030 and it is hereby determined that the estimated amount of taxes to be levied for bond and interest purposes for 2011 is \$2,987,250.

NOW, THEREFORE, BE IT RESOLVED by the Board of Education of Community Consolidated School District No. 64, County of Cook and State of Illinois, as follows:

Section 1: The aggregate amount of taxes estimated to be levied for the year 2011, is \$62,306,681

Section 2: The aggregate amount of taxes estimated to be levied for debt service for the year 2011 is \$2,987,250

Section 3: Public notice shall be given in the Park Ridge Advocate and the Niles Spectator, being newspapers of general circulation in said district, and a public hearing shall be held, all in the manner and time prescribed in said notice, which notice shall be published not more than 14 days nor less than 7 days prior to said hearing, and shall not be less than 1/8 page in size, with no smaller than twelve (12) point, enclosed in a black border not less than 1/4 inch wide, and such notice shall not be placed in that portion of the newspapers where legal notices and classified advertisements appear, and shall be in substantially the following form:

NOTICE FOR NEWSPAPER PUBLICATION

**NOTICE OF PROPOSED PROPERTY TAX INCREASE FOR
COMMUNITY CONSOLIDATED SCHOOL DISTRICT NO. 64**

- I. A public hearing to approve a proposed property tax levy for Community Consolidated School District No. 64 for 2011 will be held on Monday, December 12, 2011, at 7:00 p.m. at the Raymond E. Hendee Educational Service Center, 164 S. Prospect Avenue, Park Ridge, Illinois 60068.

Any person desiring to appear at the public hearing and present testimony to the taxing district may contact Rebecca J. Allard, Business Manager, 164 S. Prospect Avenue, Park Ridge, IL at (847) 318-4324.

- II. The corporate and special purpose property taxes extended or abated for the year 2010 were \$56,502,701.

The proposed corporate and special purpose property taxes to be levied for 2011, are \$59,319,431. This represents a 4.99% increase over the previous year.

- III. The property taxes extended for debt service for 2010 were \$2,991,030.

The estimated property taxes to be levied for debt service for 2011 are \$2,987,250. This represents a 00.13% decrease over the previous year.

- IV. The total property taxes extended or abated for 2010 were \$59,493,731.

The estimated total property taxes to be levied for 2011, are \$62,306,681. This represents a 4.73% increase over the previous year's total levy.

Section 4: This resolution shall be in full force and effect forthwith upon its passage.

President
Board of Education
COMMUNITY CONSOLIDATED
SCHOOL DISTRICT 64
Cook County, Illinois

Secretary

ADOPTED this 14th day of November 2011.

ILLINOIS STATE BOARD OF EDUCATION

School Business Services Division
2177785-8779

Original:
Amended:

EXHIBIT III

CERTIFICATE OF TAX LEVY

A copy of this Certificate of Tax Levy shall be filed with the County Clerk of each county in which the school district is located on or before the last Tuesday of December.

District Name Park Ridge Niles Community Consolidated	District Number 0-64	County Cook
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Amount of Levy

Educational	\$ 46,231,952	Fire Prevention & Safety *	\$ 0
Operations & Maintenance	\$ 8,076,508	Tort Immunity	\$ 705,720
Transportation	\$ 1,440,569	Special Education	\$ 508,436
Working Cash	\$ 504,086	Leasing	\$ 0
Municipal Retirement	\$ 926,080	Other	\$ 0
Social Security	\$ 926,080	Other	\$ 0
		Total Levy	\$ 59,319,431

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

See explanation on reverse side.

Note: Any district proposing to adopt a levy must comply with the provisions set forth in the Truth In Taxation Law.

We hereby certify that we require:

the sum of 46,231,952 dollars to be levied as a special tax for educational purposes; and
 the sum of 8,076,508 dollars to be levied as a special tax for operations and maintenance purposes; and
 the sum of 1,440,569 dollars to be levied as a special tax for transportation purposes; and
 the sum of 504,086 dollars to be levied as a special tax for a working cash fund; and
 the sum of 926,080 dollars to be levied as a special tax for municipal retirement purposes; and
 the sum of 926,080 dollars to be levied as a special tax for social security purposes; and
 the sum of 0 dollars to be levied as a special tax for fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes; and
 the sum of 705,720 dollars to be levied as a special tax for tort immunity purposes; and
 the sum of 508,436 dollars to be levied as a special tax for special education purposes; and
 the sum of 0 dollars to be levied as a special tax for leasing of educational facilities or computer technology or both, and temporary relocation expense purposes; and
 the sum of 0 dollars to be levied as a special tax for _____; and
 the sum of 0 dollars to be levied as a special tax for _____
 on the taxable property of our school district for the year _____.

Signed this 19 day of DEC 20 11. _____
(President)

(Clerk or Secretary of the School Board of Said School District)

When any school is authorized to issue bonds, the school board shall file a certified copy of the resolution in the office of the county clerk of each county in which the district is situated to provide for the issuance of the bonds and to levy a tax to pay for them. The county clerk shall extend the tax for bonds and interest as set forth in the certified copy of the resolution, each year during the life of the bond issue. Therefore to avoid a possible duplication of tax levies, the school board should not include a levy for bonds and interest in the district's annual tax levy.

Number of bond issues of said school district that have not been paid in full 2.

(Detach and Return to School District)

This is to certify that the Certificate of Tax Levy for School District No. _____, _____ County, Illinois, on the equalized assessed value of all taxable property of said school district for the year _____, was filed in the office of the County Clerk of this County on _____.

In addition to an extension of taxes authorized by levies made by the Board of Education (Directors), an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon. The total levy, as provided in the original resolution(s), for said purposes for the year _____, is \$ _____.

(Signature of County Clerk)

(Date)

(County)

EXPLANATION

The school board of any school district having a population of less than 500,000 inhabitants may levy a tax annually, for educational purposes, upon all the taxable property of the district at the value, as equalized or assessed by the Department of Revenue (Section 17-2 of the School Code).

The school board of any school district having a population of less than 500,000 inhabitants may levy a tax annually, for operations and maintenance purposes, upon all the taxable property of the district at the value, as equalized or assessed by the Department of Revenue (Section 17-2 of the School Code).

The school board of any school district having a population of less than 500,000 inhabitants may levy a tax annually, for transportation purposes, upon all the taxable property of the district at the value, as equalized or assessed by the Department of Revenue (Section 17-2 of the School Code).

The school board of any school district having a population of less than 500,000 inhabitants may levy a tax known as a Working Cash Fund Tax upon all the taxable property of the district, annually (Section 20-3 of the School Code).

The school board of any school district may levy a tax for municipal retirement purposes in a sum sufficient to provide all the contributions required of the school district by including the amount to be levied for such purposes in the Certificate of Tax Levy for other school taxes, or such district may file with the county clerk a separate certificate or resolution setting forth the amount of tax to be levied for such purpose (40 ILCS 5/7-171).

The school board of any school district may levy a tax for social security (includes Medicare only) purposes in a sum sufficient to provide all the contributions required of the school district by including the amount to be levied for such purposes in the Certificate of Tax Levy for other taxes, or such district may file with the county clerk a separate certificate or resolution setting forth the amount of tax to be levied for such purpose (40 ILCS 5/21-110, 21-110.1).

The school board of any school district having a population of less than 500,000 inhabitants may levy a tax upon all the taxable property of the district at the value as equalized or assessed by the Department of Revenue for the purposes of professional surveys, alterations, and reconstruction for fire prevention, safety, energy conservation, disabled accessibility, school security, and specified repair purposes upon meeting certain statutory conditions (Section 17-2.11 of the School Code).

The school board of any school district may levy a tax upon all the taxable property within the district for tort immunity purposes in a sum sufficient to pay the costs of purchasing such insurance or sufficient to pay any tort judgment, settlement, or insurance imposed upon it under the Local Government and Governmental Employees Tort Immunity Act including liabilities under the Workers' Compensation Act, Occupational Diseases Act, or the Unemployment Insurance Act 745 ILCS 10/9-107 and Section 17-2.5 of the School Code).

The school board of any school district may levy, with voter approval, a tax upon the full, fair cash value as equalized or assessed by the Department of Revenue within the district for capital improvement purposes (which levy is in addition to that for building purposes) and such funds are to be levied, accumulated, and spent only in accordance with Section 17-2.3 of the School Code.

The school board of any school district having a population of less than 500,000 inhabitants, by proper resolution, may levy an annual tax upon the full, fair cash value as equalized or assessed by the Department of Revenue for special education purposes including the purposes authorized by Section 10-22.31b and Section 17-2.2a of the School Code.

The school board of any school district having a population of less than 500,000 inhabitants, with voter approval, may levy a tax annually, for summer school purposes, upon all the taxable property of the district at the value, as equalized or assessed by the Department of Revenue (Section 17-2.1 of the School Code).

The school board of any school district having a population of less than 500,000 inhabitants may, by proper resolution, levy an annual tax upon the value as equalized or assessed by the Department of Revenue for a period of not more than five years for area vocational education building purposes including the purposes authorized by Section 10-22.31b of the School Code, upon the condition that there are not sufficient funds available in the operations and maintenance fund of the district to pay the cost thereof. Such tax shall not be levied without the prior approval of the State Superintendent of Education and prior approval by a majority of the electors voting upon the proposition at a general or special election (Section 17-2.4 of the School Code).

The school board of any school district having a population of less than 500,000 inhabitants may levy an annual tax not to exceed 0.05% upon the taxable property, as equalized or assessed by the Department of Revenue, for the purposes of leasing educational facilities or computer technology or both, and for temporary relocation expense (Section 17-2.2c of the School Code).

The school board of any school district, upon determining that a surplus of funds is available, shall adopt a resolution or ordinance reducing the tax levy of such district for the year for which the resolution or ordinance is adopted. The district shall certify the action to the county clerk who shall abate the levy in accordance with the provision of the ordinance (35 ILCS 200/18-20).

The Truth in Taxation Law affects all units of local government, school districts, and community colleges, including home rule units, who are authorized to levy property taxes. For the requirements of the law, refer to 35 ILCS 200/18-55 et seq.