



Lincolnshire-Prairie View School District 103

Memo

To: Board of Education
From: Patrick Palbicke
CC: Dr. Scott Warren
Date: October 24, 2024
Re: 2024 Tentative Levy Discussion

Attached are the documents related to our 2024 Estimated Levy. While a few items have slightly been adjusted (EAV and growth percentage), the Levy request remains unchanged. I've included explanations for key terms that may come up during our discussion:

- 1. Levy:** The amount of property tax revenue requested by the district.
- 2. Extension:** The amount of property tax revenue approved for collection.
- 3. EAV (Equalized Assessed Valuation):** Approximately 1/3rd of the Fair Market Value of properties; used to calculate taxes.
- 4. New Construction:** Newly added properties on the tax rolls, including constructions, improvements, annexations, and TIF dissolutions.
- 5. Tax Rate:** The rate applied to EAV to determine the extension. $\text{Tax Rate} = \text{Extension} / \text{EAV}$.
- 6. CPI (Consumer Price Index):** Represents the rate of inflation used for calculations.
- 7. PTELL (Property Tax Extension Limitation Law):** A law that limits the district's revenue from property taxes.
- 8. Limiting Rate:** The tax rate calculated by PTELL that caps the current year extension based on inflation rates.

A few reminders regarding the tax levy process:

- The Board must estimate the levy at least 20 days before adoption. If the estimate exceeds 105% of the previous year's levy, a hearing is required (which is **NOT** the case this year).
- Bond and Interest are not levied by the district; the county extends the necessary taxes.
- Contingencies are vital in the levy to guard against unexpected variations in New Construction and existing EAV.

Attached is a draft of the 2024 Estimated Levy:

- Total estimated levy: \$38,540,000 (excluding Bond and Interest).

- 3.4% CPI increase is incorporated, along with estimates for New Construction/Property.
- The capped extension is approximately \$38.30 million, following the PTELL guidelines.
- The increase in CPI is less than previous year's in which the CPI rise was limited to 5% by PTELL. The overall levy increase is balanced to safeguard against EAV and New Property assumptions.

The attached documents also include historical data, detailing calculations, EAV trends, and New Growth figures. The last page illustrates the extension for the tax year, estimated collections for the fiscal year, and actual collections for prior years.

Estimated Levy Timeline

- Preliminary (Estimated) Levy on October 08, 2024
- Review Tentative (Estimated) Levy on October 29, 2024 (This meeting)
- Approve Final Levy on November 19, 2024

2024 LEVY CALCULATION PAGE

Original Assumptions

Legend

| | |
|---------------------------|-----------------|
| Consumer Price Index | 3.40% |
| Actual Total EAV for 2023 | \$1,108,290,268 |

| |
|-----------------------------------|
| District Assumptions & Data Entry |
| Calculated Values |
| Review Needed |

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI})}{\text{Total EAV} - \text{New Property}}$

| | |
|--|-----------------|
| Estimated Existing EAV % change for 2024 | 7.14% |
| Estimated Existing EAV Value for 2024 | \$1,187,470,082 |

| | |
|---------------------------------|-------------|
| Estimated New Property for 2024 | \$6,287,932 |
|---------------------------------|-------------|

| | | |
|---------------------------------------|-----------------|------------------------------|
| Estimated Total EAV for 2024 | \$1,193,758,014 | <i>Includes New Property</i> |
| Estimated Total EAV % change for 2024 | 7.71% | <i>Includes New Property</i> |

| | |
|----------------------------|-----------------|
| Limiting Rate | 3.2082 |
| Estimated Capped Extension | \$38,298,510.08 |

| | Prior Year Extension | Statutory Maximum Tax Rate | Individual Fund Estimated Maximum Extension | Weighted Extension Based on Prior Year Extension | Levy Amount \$ | Levy Increase % | Final Levy Amount |
|---------------------------------------|----------------------|----------------------------|---|--|-----------------|-----------------|-------------------|
| | Educational | \$29,369,171.00 | | | \$30,528,527.01 | \$30,675,000 | |
| Operations & Maintenance | \$3,707,985.00 | 0.00 | \$0.00 | \$3,854,358.72 | \$3,885,000 | | \$3,885,000.00 |
| Transportation | \$2,087,276.00 | | | \$2,169,671.79 | \$2,200,000 | | \$2,200,000.00 |
| Working Cash | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| Municipal Retirement | \$736,692.00 | | | \$765,773.12 | \$785,000 | | \$785,000.00 |
| Social Security | \$942,956.00 | | | \$980,179.44 | \$995,000 | | \$995,000.00 |
| Fire Prevention & Safety * | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| Tort Immunity | \$0.00 | | | \$0.00 | | | \$0.00 |
| Special Education | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| Leasing | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |
| | \$0.00 | 0.00 | \$0.00 | \$0.00 | | | \$0.00 |

Truth in Taxation

| | | | | | | |
|------------------|-----------------|-----------------|-------------|-----------------|-------|----|
| Capped Extension | \$36,844,080.00 | \$38,298,510.08 | Capped Levy | \$38,540,000.00 | 4.60% | NO |
|------------------|-----------------|-----------------|-------------|-----------------|-------|----|

Levy Amount Above Estimated Extension **\$241,489.92**

| | | | | | |
|----------------------|--------|---------------------------|--------|-----------------|--------|
| SEDOL IMRF Extension | \$0.00 | Estimated SEDOL IMRF Levy | \$0.00 | SEDOL IMRF Levy | \$0.00 |
|----------------------|--------|---------------------------|--------|-----------------|--------|

(Lake County Only, Included in Truth in Taxation Calculation)

| | | | | | | |
|---------------------------|--------------|----------------------------------|--------------|------------------|--------------|-------|
| Bond & Interest Extension | \$421,771.00 | Estimated Bond and Interest Levy | \$429,514.00 | Bond & Int. Levy | \$429,514.00 | 1.84% |
|---------------------------|--------------|----------------------------------|--------------|------------------|--------------|-------|

(County Clerk Levies Bond & Interest for the District, Verify Records with County Clerk)

| | | | | |
|-----------------|-----------------|------------|-----------------|-------|
| Total Extension | \$37,265,851.00 | Total Levy | \$38,969,514.00 | 4.57% |
|-----------------|-----------------|------------|-----------------|-------|



Lincolnshire-Prairie View School District 103

| | | 2024 Est | 2023 Final | 2022 Final | 2021 Final | 2020 Final | 2019 Final | 2018 Final | 2017 Final |
|---|----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| Assessed Valuation (EAV) | | \$1,193,758,014 | \$1,108,290,268 | \$1,067,887,664 | \$1,029,018,435 | \$1,035,868,206 | \$1,053,438,719 | \$1,037,559,592 | \$1,014,510,756 |
| Tax Rates | Maximum | | | | | | | | |
| Educational | As Needed | 2.5508 | 2.6500 | 2.5943 | 2.6107 | 2.5419 | 2.4329 | 2.4242 | 2.4311 |
| Tort Immunity | As Needed | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Special Education | 0.4000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Operations & Maintenance | 0.5500 | 0.3256 | 0.3346 | 0.3226 | 0.2235 | 0.2072 | 0.1981 | 0.1640 | 0.1402 |
| Transportation | None | 0.1850 | 0.1883 | 0.1843 | 0.1564 | 0.1554 | 0.1359 | 0.1402 | 0.1402 |
| Municipal Retirement | As Needed | 0.0637 | 0.0665 | 0.0631 | 0.0606 | 0.0595 | 0.0540 | 0.0532 | 0.0528 |
| Social Security | As Needed | 0.0832 | 0.0851 | 0.0825 | 0.0800 | 0.0767 | 0.0695 | 0.0689 | 0.0674 |
| Bond & Interest | As Needed | 0.0360 | 0.0381 | 0.0393 | 0.0400 | 0.0393 | 0.0380 | 0.0378 | 0.0379 |
| PTAB RECAPTURE | As Needed | 0.0119 | 0.0261 | 0.0119 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Fire Prevent & Life Safety | 0.100 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Working Cash | 0.050 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 | 0.0000 |
| Limited tax rate | | 3.2082 | 3.3244 | 3.2468 | 3.1312 | 3.0407 | 2.8904 | 2.8506 | 2.8317 |
| Total Tax Rate (TTL) | | 3.2561 | 3.3886 | 3.2980 | 3.1712 | 3.0800 | 2.9283 | 2.8884 | 2.8696 |
| Total Levy (EAV * TTL Tax Rate) | | \$38,870,193 | \$37,555,236 | \$35,219,063 | \$32,632,243 | \$31,904,938 | \$30,848,267 | \$29,968,653 | \$29,112,208 |
| | \$\$ % Chg | 3.501% | 6.633% | 7.927% | 2.280% | 3.425% | 2.935% | 2.942% | 2.845% |
| | Limiting Rate % Chg | -3.495% | 2.391% | 3.691% | 2.977% | 5.201% | 1.397% | 0.666% | -0.233% |
| Calculations | | | | | | | | | |
| Prior year EAV | | \$1,108,290,268 | \$1,067,887,664 | \$1,029,018,435 | \$1,035,868,206 | \$1,053,438,719 | \$1,037,559,592 | \$1,014,510,756 | \$984,051,554 |
| Estimated/Actual % Growth | | 1.07711675 | 1.0378 | 1.0378 | 0.9934 | 0.9833 | 1.0153 | 1.0227 | 1.0310 |
| Estimated/Actual EAV | | \$1,193,758,014 | \$1,108,290,268 | \$1,067,887,664 | \$1,029,018,435 | \$1,035,868,206 | \$1,053,438,719 | \$1,037,559,592 | \$1,014,510,756 |
| Estimated New Growth (Disconnections) | | \$6,287,932 | \$13,186,829 | \$25,876,193 | \$9,011,700 | \$11,478,184 | \$10,732,015 | \$8,597,901 | \$7,445,597 |
| DEC CPI | | 1.0340 | 1.0500 | 1.0500 | 1.0140 | 1.0230 | 1.0190 | 1.0210 | 1.0210 |
| Limiting rate calculation | | | | | | | | | |
| Prior year Aggregate Extension | | \$36,844,057 | \$34,672,070 | \$32,220,883 | \$31,497,738 | \$30,448,403 | \$29,576,248 | \$28,727,871 | \$27,930,493 |
| Prior Year CPI | | 1.0340 | 1.0500 | 1.0500 | 1.0140 | 1.0230 | 1.0190 | 1.0210 | 1.0210 |
| Total | | \$38,096,755 | \$36,405,673 | \$33,831,927 | \$31,938,706 | \$31,148,716 | \$30,138,197 | \$29,331,156 | \$28,517,033 |
| Estimated Current Year EAV | | \$1,193,758,014 | \$1,108,290,268 | \$1,067,887,664 | \$1,029,018,435 | \$1,035,868,206 | \$1,053,438,719 | \$1,037,559,592 | \$1,014,510,756 |
| Estimated New Growth (Disconnections) | | \$6,287,932 | \$13,186,829 | \$25,876,193 | \$9,011,700 | \$11,478,184 | \$10,732,015 | \$8,597,901 | \$7,445,597 |
| Total | | \$1,187,470,082 | \$1,095,103,439 | \$1,042,011,471 | \$1,020,006,735 | \$1,024,390,022 | \$1,042,706,704 | \$1,028,961,691 | \$1,007,065,159 |
| % Increase before New Growth | | 7.1443210% | 2.5485616% | 1.2626631% | -1.531% | -2.758% | 0.496% | 1.424% | 2.339% |
| Current Year Est. Aggregate Rate | | 0.03208229 | 0.03324405 | 0.0324679 | 0.03131225 | 0.03040709 | 0.02890381 | 0.02850559 | 0.02831697 |
| Current Estimated Limited Aggregate Extension | | \$38,298,491 | \$36,844,057 | \$34,672,070 | \$32,220,882 | \$31,497,738 | \$30,448,393 | \$29,576,248 | \$28,727,871 |



Lincolnshire-Prairie View School District 103
Assessed Valuation, Tax Rate, Levy and Collection

| Extension-Capped | 2024 Est | 2023 Final | 2022 Final | 2021 Final | 2020 Final | 2019 Final | 2018 Final | 2017 Actual |
|----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Educational | \$30,450,905 | \$29,369,171 | \$27,704,188 | \$26,840,412 | \$26,286,191 | \$25,629,079 | \$25,152,385 | \$24,663,477 |
| Tort Immunity | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Special Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Operations & Maintenance | \$3,886,387 | \$3,707,985 | \$3,444,568 | \$2,297,920 | \$2,142,570 | \$2,087,368 | \$1,701,484 | \$1,422,506 |
| Transportation | \$2,208,309 | \$2,087,276 | \$1,968,330 | \$1,607,538 | \$1,606,933 | \$1,431,528 | \$1,454,897 | \$1,422,506 |
| Municipal Retirement | \$759,970 | \$736,692 | \$674,157 | \$623,001 | \$615,005 | \$568,625 | \$552,366 | \$535,317 |
| Social Security | \$992,920 | \$942,956 | \$880,836 | \$822,748 | \$793,544 | \$731,803 | \$715,117 | \$684,064 |
| Fire Prevent & Life Safety | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Working Cash | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total | \$38,298,491 | \$36,844,079 | \$34,672,080 | \$32,191,619 | \$31,444,243 | \$30,448,403 | \$29,576,248 | \$28,727,871 |
| Extension Uncapped | | | | | | | | |
| PTAB RECAPTURE | \$142,189 | \$289,386 | \$127,196 | \$89,178 | \$0 | \$0 | \$0 | \$0 |
| Bond & Interest | \$429,514 | \$421,771 | \$419,787 | \$410,988 | \$406,508 | \$399,864 | \$392,405 | \$384,337 |
| Total | \$571,703 | \$711,157 | \$546,983 | \$500,167 | \$406,508 | \$399,864 | \$392,405 | \$384,337 |
| TOTAL EXTENSION | \$38,870,193 | \$37,555,236 | \$35,219,063 | \$32,691,786 | \$31,850,752 | \$30,848,267 | \$29,968,653 | \$29,112,208 |

- Assumes 99.5% collection
- Assumes 52% Prev Yr + 48% current

| Revenue Collection Estimate for Fiscal Year | FY 2025 EST | FY 2024 | FY 2023 | FY 2022 | FY 2021 | FY 2020 | FY 2019 | FY 2018 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Educational | \$29,738,961 | \$28,327,730 | \$27,101,560 | \$26,408,427 | \$25,834,385 | \$25,268,521 | \$24,788,256 | \$24,168,183 |
| Tort Immunity | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Special Education | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Operations & Maintenance | \$3,774,649 | \$3,547,911 | \$2,811,251 | \$2,202,961 | \$2,104,943 | \$1,888,793 | \$1,556,961 | \$1,404,416 |
| Transportation | \$2,134,645 | \$2,012,930 | \$1,764,635 | \$1,599,175 | \$1,513,380 | \$1,435,764 | \$1,431,831 | \$1,404,416 |
| Municipal Retirement | \$744,126 | \$699,409 | \$643,300 | \$615,590 | \$589,318 | \$557,855 | \$541,292 | \$573,924 |
| Social Security | \$962,104 | \$904,864 | \$845,221 | \$802,943 | \$759,474 | \$720,009 | \$696,402 | \$644,531 |
| Fire Prevent & Life Safety | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Working Cash | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| PTAB RECAPTURE | \$217,637 | \$200,794 | \$106,133 | \$40,817 | \$0 | \$0 | \$0 | \$0 |
| Bond & Interest | \$423,360 | \$418,596 | \$412,960 | \$406,526 | \$401,236 | \$394,228 | \$386,510 | \$378,560 |
| TOTAL EXTENSION TO BE COLLECTED | \$37,995,483 | \$36,112,234 | \$33,685,062 | \$32,076,439 | \$31,202,737 | \$30,265,170 | \$29,401,250 | \$28,574,030 |

| | | | | | | | | |
|---|--------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| ACTUAL COLLECTED FOR FISCAL YEAR (INPUT) | | \$37,208,078 | \$34,504,465 | \$32,085,109 | \$32,873,425 | \$27,506,454 | \$27,235,020 | \$30,617,821 |
| % Collected as compared to Estimated | 0.00% | 103.03% | 102.43% | 100.03% | 105.35% | 90.88% | 92.63% | 107.15% |
| % Collected over prior year | 0.00% | 107.84% | 107.54% | 97.60% | 119.51% | 101.00% | 88.95% | 108.20% |