



Geneva Community Unit School District 304  
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Date: 10/23/2017

To: Kent Mutchler, Superintendent  
Board of Education/Finance Committee

Fr: Martin McConahay, Acting CFO

Re: 2017 Tax Levy Approval

After thorough review and discussion of the proposed 2017 Tax Levy Request at the October 10, 2017 Finance Committee Meeting, we are now ready to present the 2017 Certificate of Tax Levy to the full Board of Education for approval this evening.

One change in the levy structure since the October Finance Committee presentation is being proposed. We are no longer requesting a separate \$100,000 Fire Prevention/Life Safety levy to begin setting aside funds for Capital Projects that are to be undertaken in 2020. Instead we are increasing the Operations & Maintenance levy by the same amount. The rationale for this levy shift is straight forward. The 2020 Life Safety Projects to be funded have not yet been reviewed and certified by the Illinois State Board of Education. By statute, a separate Fire Prevention/Life Safety levy cannot be requested until the ISBE certification process is complete for the projects being funded. We can, however, levy toward such future projects in the Operations & Maintenance Fund; therefore, the shift is both timely and appropriate.

A new Certificate of Levy has been generated to reflect this change. Because the adjustment is a simple transfer of \$100,000 from one category to another, it has no effect on the overall Tax Levy Request amount. We have also verified that the levy shift will not cause the Operations & Maintenance Levy request to hit O&M's Individual Fund Maximum limit.

Our Certificate of Tax Levy Request is reflected in the Requested Levy column below. The total levy amount for our requested levy does not exceed 105% of last year's levy extension; therefore, a Truth-In-Taxation public hearing is not required this year. The amount we *anticipate* being extended by the County is lower than the *request* amount which is reflected in the last column below. These *Anticipated Levy* amounts are lower than the *Requested Levy* amounts because they are subject to Property Tax Limitation Legislation (PTELL) restrictions. As discussed in Finance Committee, the key limiting PTELL factor is the overall limiting rate cap of 5% or the current CPI-U rate of inflation (2.1%) whichever is lower. Only Debt Service levies and first year taxes extended on new property (or new annexations) are exempt from PTELL restrictions.

***Certificate of Levy Request and Anticipated Levy Extension***

<b>Levy Category</b>	<b>Requested Levy</b>	<b>Anticipated Levy</b>
Educational	\$52,795,796	\$51,901,331
Operations & Maintenance	\$10,653,829	\$10,653,829
Transportation	\$1,856,255	\$1,070,255
Working Cash	\$0	\$0
Municipal Retirement	\$677,332	\$677,332
Social Security	\$1,580,442	\$1,580,442
Fire Prevention/Safety	\$0	\$0
Special Education	\$4,185,000	\$4,000,000
<b>Total Aggregate Levy</b>	<b>\$71,748,654</b>	<b>\$69,883,189</b>

Please note that the Debt Service Levy is never included on the *Certificate of Tax Levy* but it is collected by the County in addition to the Total Aggregate (PTELL Capped) Levy amounts described above. For Levy Year 2017, we anticipate the Debt Service Levy extension to be \$14,822,991. Therefore, when combined with the Certificate of Levy Request amounts above, we anticipate a combined total of \$84,704,849 to be extended for collection for all District funds.