



2022 Tax Levy

Payable in 2023

**OCTOBER 11, 2022
FINANCE COMMITTEE**



TAX LEVY – BUDGET - CASHFLOW

TAX LEVY

- Provides the resources needed to maintain and enhance programs for students
- Provides funding in May thru October, over two fiscal years

CASHFLOW

- A significant portion of District revenue arrives in June, which is used to fund the following year's programming
 - Example: \$36.5M Ending Fund Balance in Ed Fund (FY22)



BUDGET

- Reflects the District's Goals and Objectives
- Represents all funds and authorizes expenditures
 - Education Fund is the primary fund used to support the operations of the District
 - Salaries
 - Benefits
 - Purchased Services
 - Supplies & Materials
 - Capital Outlay
 - Other Objects
 - Non-Capital

All are intertwined within the financial operation of the District

PURPOSE

The purpose of the local property tax is to access funding to maintain and enhance the programs associated with providing all Geneva CUSD 304 students with a high-quality educational experience.

IMPORTANCE

Local property taxes represent approximately **84.5%** of the total school district revenue.

TERMS

Aggregate Levy: The annual corporate levy of the taxing district and those special purpose levies which are made annually (other than debt service levies and levies made for the purpose of paying amount due under public building commission leases).

Debt Service Levies: Levies made to retire the principal or pay interest on bonds or to make payments due under public building commission leases.

Property Tax Extension Limitation Law (PTELL or "Tax Caps"): Limits the increase over prior year extension on existing property to 5% or CPI whichever is lower.

Consumer Price Index (CPI): Inflation factor used for determining extension of tax levy.



2022 TAX LEVY

EAV

Equalized Assessed Value (EAV) is determined by the Township Assessor using 33% of the fair cash value of a property and applying an equalization factor set within the County (typically, a factor of 1.00).

RATE

The amount of the school district's authorized tax rate is determined by the total amount of the taxes levied by the Board of Education.

FORMULA

The formula used to calculate the tax rate is as follows:

$$\frac{\text{Total Dollars Levied}}{\text{Total Assessed Property}} = \text{Tax Rate}$$



LOCAL PROPERTY TAX FACTORS



EAV and New Construction

EAV

Equal Assessed Value, or EAV, is an estimated value of your property. An Ad Valorem Tax is levied by the school district.

The tax rate is limited by the PTELL law.



**EAV + New
Property =
Estimated
Total EAV**

NEW PROPERTY

New Property is conservatively estimated in this levy model.

New Property estimate of \$14,300,000 is part of the total EAV for this model.



2022 TAX LEVY



Which Funds are Capped/Non-Capped

CAPPED

Education Fund**
Operations and Maintenance**
Transportation**
Social Security**
IMRF**
Fire Prevention (LHS)**



**All
Funds**

NON-CAPPED

Debt Service Fund

****Funds Subject to PTELL – Property Tax Extension Limitation Law**



Truth in Taxation Law

TRUTH IN TAXATION

This law requires taxing districts to disclose by publication and by public hearing on their intention to adopt an aggregate levy in amounts more than 105% of the property taxes extended or estimated to be extended.



**Compliance
And
Transparency**

HOW IS THIS MET?

By public notification of the day and time and for the Board of Education to hold a public Levy Hearing.

WHY?

For the Board of Education to receive comment and be transparent.



LEVY PROCESS

TENTATIVE

The Board will receive a Tentative 2022 Tax Levy on October 24, 2022, payable in 2023.

HEARING

The District will hold a Truth in Taxation Hearing on November 14, 2022, hearing testimony on the proposed levy. The requested increase is stated by fund, tax amount, and use.

APPROVAL

The next step in the levy process will be for the final levy to be approved by the Board of Education on November 14, 2022.



LEVY EXTENSION

FINAL LEVY

The Board approves an ISBE Certificate of Tax Levy document.

RESOLUTION

The Board of Education will consider a resolution for passage. The Resolution, Tax Levy for 2022, is a certificate of estimated revenues, by source, the District anticipates to be received in 2023 over two fiscal years.

FILING

The Levy Resolution and Certificate, by law, must be placed on file with the County Clerk by the last Tuesday in December.

Our final allocation work comes in late March/early April when the County Clerk calculates the final amounts to be extended.



LEVY EXTENSION SCENARIOS

2022 Tax Year Levy Scenarios	2021 Tax Levy Year-Payable in 2022		2022 Tax Levy Year-Payable in 2023						
	2021 Tax Year Levy 3.4%	Prior Year Extension		3.00%	3.50%	4.0%	4.50%	5.00%	6.07%
Educational	\$56,100,000.00	\$55,549,791.77		\$57,129,878.00	\$57,410,064.00	\$57,687,447.00	\$57,964,831.00	\$58,245,017.00	\$58,839,011.00
Operations & Maintenance	\$11,582,900.00	\$11,469,316.67	0.75	\$11,795,556.00	\$11,853,406.00	\$11,910,677.00	\$11,967,948.00	\$12,025,798.00	\$12,148,439.00
Transportation	\$2,306,989.00	\$2,284,379.00		\$2,349,357.00	\$2,360,880.00	\$2,372,286.00	\$2,383,693.00	\$2,395,215.00	\$2,419,642.00
Working Cash	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Municipal Retirement	\$1,400,000.00	\$1,386,272.18		\$1,455,704.00	\$1,462,696.00	\$1,469,618.00	\$1,476,541.00	\$1,483,533.00	\$1,498,356.00
Social Security	\$1,683,604.00	\$1,667,100.43		\$1,764,520.00	\$1,772,929.00	\$1,781,253.00	\$1,789,578.00	\$1,797,987.00	\$1,815,813.00
Fire Prevention & Safety *	\$1,544,000.00	\$1,528,865.26	0.10	\$1,572,354.00	\$1,580,065.00	\$1,587,699.00	\$1,595,334.00	\$1,603,045.00	\$1,619,393.00
Tort Immunity	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Special Education	\$4,559,567.00	\$4,514,854.09	0.80	\$4,683,277.00	\$4,706,050.00	\$4,728,594.00	\$4,751,139.00	\$4,773,911.00	\$4,822,188.00
Capped Levy	\$79,177,060.00	\$78,400,579.40		\$80,750,646.00	\$81,146,090.00	\$81,537,574.00	\$81,929,064.00	\$82,324,506.00	\$83,162,842.00
Truth in Taxation	NO	NO		NO	NO	NO	NO	YES	YES
	3.40%	2.39%		3.00%	3.50%	4.0%	4.50%	5.000%	6.07%
Bond and Interest Levy	\$14,841,249.00	\$14,949,593.82		\$14,833,955.85	\$14,833,955.85	\$14,833,955.85	\$14,833,955.85	\$14,833,955.85	\$14,833,955.85
Total Levy	\$94,018,309.00	\$93,350,173.22		\$95,584,601.85	\$95,980,045.85	\$96,371,529.85	\$96,763,019.85	\$97,158,461.85	\$97,996,797.85
Total Levy	2.84%	2.11%		2.39%	2.82%	3.24%	3.66%	4.08%	4.98%



LEVY EXTENSION SCENARIOS

Questions or Comments