



Geneva Community Unit School District 304

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

Fr: Martin McConahay, Acting CFO

Re: 2017 Tax Levy Extension

By statute, our District must file a tax levy request by the last Tuesday (December 27) of this year. We currently have all of the pertinent information that will be available by that date. Truth-In-Taxation laws require a public hearing if the total capped tax levy request is 5% or more greater than the County's prior year capped levy extension for our district. Our PTELL capped aggregate levy request does not reach this 5% threshold; therefore, no public hearing is required. However, to continue our tradition of financial transparency, we are prepared to give a thorough explanation of the construction of this year's levy request. The information below and an accompanying visual presentation have been included for that express purpose.

Key factors in levy development include:

- The actual taxes extended to Geneva 304 for the prior year's levy
- Determination of the *Overall Limiting Rate* for the 2017 Levy request
- The PTELL prior year inflation rate as determined by the US Department of Commerce's Urban Consumer Price Index (CPI-U)
- Changes in Maximum Individual Fund tax rate laws have been considered
- Changes in the Equalized Assessed Value (EAV) of taxable property within the District have been taken into account
- The programmatic, technological and physical budgetary needs of our Educational initiatives have been reviewed; and,
- The housing and security of our students, staff and community visitors has also been addressed.

Formal Board approval of the proposed 2017 levy will permit us to file all requisite documents with the County Clerk in a timely manner.

The *Certificate of Levy* has been prepared for the County Clerk representing the proposed 2017 individual and aggregate Tax Levy Request amounts. We do not anticipate receiving the full amount of this official request. Table 1 below gives a comparison of the taxes extended to us from the 2016 Levy and those we are *requesting* in the 2017 Levy. A second chart, Table 2, has been added to predict the actual amount of taxes we *anticipate receiving* once all the appropriate PTELL and County limitations and adjustments are finalized later this Spring. As we know from past years, best levying practices encourage a reasonable 'ballooning' of the Levy Request to assure that even the anticipated extension is received.

**TABLE 1: REQUESTED AGGREGATE TAX LEVY
EXTENSION**

Fund	Actual 2016	Requested 2017	Increase	
			Dollars	Percent
ED	50,389,377	52,795,796	2,406,419	4.78%
OM	10,244,025	10,553,829	309,804	3.02%
Trans	1,801,765	1,856,255	54,490	3.02%
MR	1,096,020	677,332	(418,688)	-38.20%
SS	1,096,020	1,580,442	484,423	44.20%
Spec	3,501,041	4,185,000	683,959	19.54%
HLS	210,064	100,000	(110,064)	100.00%
Total Capped	68,338,312	71,748,654	3,410,341	4.99%

**TABLE 2: ANTICIPATED AGGREGATE TAX LEVY
EXTENSION**

Fund	Actual 2016	Anticipated 2017	Increase	
			Dollars	Percent
ED	50,389,377	51,423,105	1,033,728	2.05%
OM	10,244,025	10,279,429	35,404	0.35%
Trans	1,801,765	1,807,992	6,227	0.35%
MR	1,096,020	659,721	(436,298)	-39.81%
SS	1,096,020	1,539,351	443,331	40.45%
Spec	3,501,041	4,076,190	575,149	16.43%
HLS	210,064	97,400	(112,664)	100.00%
Total Capped	68,338,312	69,883,189	1,544,876	2.26%

Note that the Table 2 *Capped Total* is slightly above this year's limiting CPI-U of 2.1%. This is because we again anticipate nearly \$13 million in new construction and property improvements recorded this year throughout the district. Property tax collections for new construction are not subject to the 2.1% PTELL cap in the year they are completed; hence the 2.26% figure.

The Table 1 amounts represent all tax collection requests except Debt Service which does not fall under the PTELL tax cap. The Debt Service tax extension request will add an estimated \$14,775,555 to the Capped Levy Request of \$71,748,654 for a *Total Levy Request* this year of \$86,524,209.

However, after all PTELL and County adjustments are made in March, we anticipate our actual 2017 levied taxes to be \$84,658,744 or nearly \$2 million less than the formal request. This amount is derived by adding the Debt Service tax extension request to the 2017 Anticipated Capped Total in Table 2.

These and all other pertinent factors are thoroughly covered in the accompanying visual presentation.