

**Pana Community Unit School District #8**  
14 E. Main Street, P.O. Box 377  
Pana, IL 62557

**TAX LEVY PRESENTATION**

Tax Year 2021  
Collectible 2022  
Budget FY 2022-2023

Monday, December 20, 2021  
Pana Community Unit School District #8  
Unit Office Board Room  
6:15 p.m.

## Introduction

Welcome to the Truth in Taxation Hearing for Pana CUSD #8.

Our district must each year levy or take action on a specified timetable to certify the amount of revenue required from local property taxes. When we consider the tax levy, we are planning for the next fiscal year. We file the levy in December, the taxes are collected the next summer, and we will receive the revenue next summer/fall. Local revenue is one source that we have some control over. State and federal revenues are often difficult to predict and can change anytime in a fiscal year due to politics and the amount of money available.

You will find the following information enclosed in the packet:

- Budget and Levy Cycle
- Steps of Levy Adoption
- Notice of Public Hearing
- Tax Levy Narrative
- Proposed Estimated Tax Levy
- Certificate of Levy

We sincerely thank you for attending the hearing.

Steps of Levy Adoption

1. The District determines on a fund-by-fund basis the total revenue required for the coming school year.
2. The District projects expenditures for the next year and estimates the revenue from all sources. The difference results in the need for property taxes, (the current funding method for Illinois schools).
3. Tax rate for school districts are related to specific funds. School districts are subject to various limitations in property tax rates for each fund. State law limits tax rates in most major funds to both a permissive level and a maximum level. The permissive level is the rate allowed without referendum approval of the voters of a district. The maximum rate is the limit allowed with referendum approval.

**Donovan CUSD #3 rates and purpose of fund are as follows:**

Educational	Includes all instruction-related items	\$ 2.55
Building and Grounds	Used for maintenance of building and grounds	\$ .50
Transportation	Costs associated with operating/maintaining buses	\$ .20
Working Cash	Funds dedicated to provide a cash reserve (Used only in an emergency)	\$ .05
IMRF	The district's share of required payments for	as needed
Social Security	The district's share of require payment for	as needed
Fire Prevention /Safety	Eligible code-required building projects	\$ .05
Tort Immunity	Costs related to the district's insurance, Attorney fees and risk management	as needed
Special Education	Costs associated with Special Education Services	\$ .04
Bond & Interest*	Used solely for payments on debt	as needed

\*No levy action is needed for the bond and interest fund. The County Clerk extends taxes for debt service based on the levy resolutions filed when the bonds were sold. However, we always work closely with the clerk's office and the bond company to assure proper payment.

4. The final step in the levy process is to total the levies in all the funds and review the results. This is where we consider the amount of funds the levy will produce.

We consider:

- The projected estimation of assessment of property.
  - The cost for property and homeowners throughout the district.
  - Comparison of cost from prior years.
5. When the levy exceeds the previous tax year's operating fund extension by more than 5 percent, we are required by law to publish a Truth-in-Taxation notice and hold a hearing. This extension is only partially affected by the proposed levy. Sometimes the increase in extension is based upon an increase in equalized assessed valuation (EAV).
  6. The levy must be certified by the board and filed by the fourth Tuesday in December on the state issued form with the county clerk of Christian County, Shelby County, and Montgomery County. The clerk dates, stamps, and returns a copy to the district.

## **Budget and Levy Cycle**

Responsibilities of parties involved in the cycle:

### **School District (Taxing Body)**

1. Prepares tentative budget.
2. Publishes Notice of Public Hearing and puts tentative budget on display 30 days prior to the public hearing.
3. Holds public hearing.
4. Passes budget with changes deemed as necessary. (Must be completed in first-by September 30).
5. Consults with county officials regarding estimated property assessments.
6. Prepares tentative levy and holds public hearing if Truth in Taxation Act applies (i.e. levy greater than 105% of last years extension).
7. The school board certifies tax levy.
8. Files tax levy with county clerk of each county where property will be taxed (by fourth Tuesday in December).

### **County Clerk**

1. Calculates tax rates for each combination of taxing districts.
2. Extends taxes on equalized assessed value and enters in Collector's books.
3. Delivers Collector's books to county treasurer.

### **County Treasurer**

1. Prepares tax bills and mails them to owners.
2. Collects first installments for real estate.
3. Distributes tax money proportionately to taxing districts as tax money is collected.
4. Collects second installment for real estate.
5. Continues to distribute tax money as collected.
6. Prepares delinquent tax list and sends Notice of Application for Judgment.

### **Circuit Court**

Pronounces judgment for sale of real estate due to nonpayment of taxes and rules on tax objections.

### **County Clerk and Treasurer**

Administers sale of real estate due to nonpayment of taxes.