

Estimated Real Estate Tax Levy

November 13, 2017

Changes in the law

- The recent changes brought about by the signing of Senate Bill 1947 include a change in the way school districts can levy real estate taxes.
- The Education Fund and the Debt Service Fund are beginning to look like the only Funds for which a District needs to levy taxes.
- The previous limit on levies for the Education Fund (\$3.50 per hundred dollars of EAV for elementary districts) has been removed.
- The Tax Cap law still applies
- District 152's levy from December of 2016 allocated real estate tax revenue to Funds that were restricted to certain expenditures.
- The Tax Levy represents about 8.5% of our total revenue

Example Restricted Funds

- We levied for the Tort Fund in 2016
 - Money in the Tort Fund can only be used for specific limited purposes
 - Liability Insurance
 - Risk Management
- We levied for IMRF and Social Security
 - Money in these funds are restricted to paying IMRF and Social Security taxes paid by the District for its employees.
- Now that we are able to levy up to our tax capped amount, we no longer need to put levy proceeds in the restricted Funds. (Proper for that year)
- Restricted = restricted as to what we can do with the money

Restricted Funds

Education	
Special Education	Restricted Fund
Operations and Maintenance	
Leasing	Restricted Fund
Transportation	
IMRF	Restricted Fund
Social Security	Restricted Fund
Capital Projects	No Levy
Working Cash	
Tort	Restricted Fund
Life Safety	Restricted Fund

Unrestricted Funds

Education	Operating Fund
Special Education	
Operations and Maintenance	Operating Fund
Leasing	
Transportation	Operating Fund
IMRF	
Social Security	
Capital Projects	No Levy
Working Cash	Operating Fund
Tort	
Life Safety	

“Truth In Taxation”

- If the total amount we ask for in the Levy exceeds the previous year’s Extension (total tax bills) by more than 5% we are required to print a Truth in Taxation notice in the newspaper.
- Although the Tax Levy should be based on the total amount we need to raise for the education program and is in essence unlimited, we know that we are only allowed to increase our tax Extension by an amount approximately equal to last year’s Extension times 1 plus the increase in the cost of living (2%)
- Expiring TIFS and other large increases in “New Property” are important reasons to “balloon” the Levy.

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Levy Worksheet						
2016 EAV used for Tax Cap		\$ 119,596,999	0.03624	\$ 4,334,195		
Estimated 2017 EAV		\$ 119,596,999				
2016	Extension	Rate	2017	Levy	Rate	
Education	\$ 1,779,603	1.488%		\$ 1,800,000	1.505%	
Special Education	32,769	0.027%		100	0.000%	
Operations and Maintenance	521,801	0.436%		1,500,000	1.254%	
Leasing	64,103	0.054%		100	0.000%	
Transportation	221,015	0.185%		500,000	0.418%	
IMRF	444,183	0.371%		320,000	0.268%	
Social Security	648,933	0.543%		400,000	0.334%	
Capital Projects	-	0.000%		-	0.000%	
Working Cash	47,360	0.040%		26,000	0.022%	
Tort	573,826	0.480%		100	0.000%	
Life Safety	-	-		-	0.000%	
	\$ 4,333,593	3.623%		\$ 4,546,300	3.801%	
2016 Extension times 1.05		\$ 4,550,273				
2017 Levy minus 2016 Extension		\$ 212,707				
Increase Percentage for Truth In Taxation			4.908%			

Thank You

