



2018 Proposed Tax Levy

Nov. '18
Dec. '18
June '19
Sept. '19

DECEMBER 14, 2018



TAX LEVY – BUDGET - CASHFLOW

TAX LEVY

- Provides the resources needed to maintain and enhance programs for students
- Provides funding in June & September

CASHFLOW

- A significant portion of District revenue arrives in June which is used to fund the following year's programming
 - Example: \$22.3 Ending Fund Balance in Ed Fund (FY19)
- The District's fund balance policy of 30% supports this scenario



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

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 87% 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 - are those 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.



2018 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:

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



LOCAL PROPERTY TAX FACTORS

**PROPERTY
TAX EXTENSION
LIMITATION
LAW**

“TAX CAP”

**TOTAL
Prior
Year
Taxes**



(Lower of CPI or 5%)



**TOTAL
Current
Year
Taxes**

PROPERTY VALUES & TAX RATE

It's an
INVERSE
relationship



PROPOSED VS ESTIMATED



PROPOSED

The District submits a **PROPOSED** levy to the County



SAFEGAURD

In order to ensure that we do not lose revenue relating to the “tax cap” formulas, we **SAFEGUARD** the levy, or levy a larger amount than what will be received.

Capped Funds 2018=4.99%



ESTIMATED

The **ESTIMATED** tax extension increase is limited by the “Tax Cap” formula.

Capped Funds 2018=2.91%



2018 TAX LEVY (Estimate)

2018 LEVY CALCULATION PAGE

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of 5\% or CPI})}{\text{Total EAV} - \text{New Construction}}$

Limiting Rate: **4.9071%**

Estimated Capped Extension: **\$72,439,582.10**

Consumer Price Index: **2.10%**

Actual Total EAV for 2017: **\$1,412,954,679**

Estimated % change from 2017 EAV: **3.66%**

Estimated New Construction for 2018: **\$11,553,433**

Estimated Total EAV for 2018: **\$1,476,222,253**

Total change from prior year: **4.48%**

	Prior Year Extension:	Maximum Tax Rate:	Individual Fund Estimated Maximum Extension:	Prorated Extension based on prior year extension:	Manual Override:	Safeguard % Input	Levy Amount:
Educational	\$51,840,190.94	0.00%	\$0.00	\$53,346,342.13	\$52,600,000		\$52,600,000.00
Operations & Maintenance	\$10,405,351.49	0.75%	\$11,071,666.90	\$10,707,665.82	\$10,900,000		\$10,900,000.00
Transportation	\$1,822,655.02	0.00%	\$0.00	\$1,875,609.96	\$1,800,000		\$1,800,000.00
Working Cash	\$0.00	0.05%	\$738,111.13	\$0.00			\$0.00
Municipal Retirement	\$665,077.77			\$684,400.76	\$1,135,000		\$1,135,000.00
Social Security	\$1,551,833.99			\$1,596,920.56	\$1,554,583		\$1,554,583.00
Fire Prevention & Safety *	\$0.00	0.10%	\$1,476,222.25	\$0.00	\$200,000		\$200,000.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$4,109,253.70	0.80%	\$11,809,778.03	\$4,228,642.87	\$4,250,000		\$4,250,000.00
Leasing	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00

Capped Extension/Levy **\$70,394,362.91** **\$25,095,778.31** **\$72,439,582.10** **\$72,439,583.00** Capped Levy **\$72,439,583.00** Truth in Taxation **2.91%**

Levy in excess of estimated extension: **\$0.90**

SEDOL IMRF **\$0.00**

SEDOL IMRF **\$0.00**

Bond and Interest: **\$14,920,999.22**

Bond and Interest: **\$14,923,366.10**

\$14,923,366.10 **0.02%**

Total Extension/Levy **\$85,315,362.13**

Total Levy **\$87,362,949.10** **2.40%**



PROPOSED 2018 TAX LEVY (Safeguard)

2018 LEVY CALCULATION PAGE

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of 5\% or CPI})}{\text{Total EAV} - \text{New Construction}}$

Limiting Rate: **4.9071%**

Estimated Capped Extension: **\$72,439,582.10**

Consumer Price Index: **2.10%**

Actual Total EAV for 2017: **\$1,412,954,679**

Estimated % change from 2017 EAV: **3.66%**

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Estimated Total EAV for 2018: **\$1,476,222,253**

Total change from prior year: **4.48%**

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Educational	\$51,840,190.94	0.00%	\$0.00	\$53,346,342.13	\$52,600,000	2.20%	\$53,757,200.00
Operations & Maintenance	\$10,405,351.49	0.75%	\$11,071,666.90	\$10,707,665.82	\$10,900,000	1.00%	\$11,009,000.00
Transportation	\$1,822,655.02	0.00%	\$0.00	\$1,875,609.96	\$1,800,000		\$1,800,000.00
Working Cash	\$0.00	0.05%	\$738,111.13	\$0.00			\$0.00
Municipal Retirement	\$665,077.77			\$684,400.76	\$1,135,000		\$1,135,000.00
Social Security	\$1,551,833.99			\$1,596,920.56	\$1,554,583		\$1,554,583.00
Fire Prevention & Safety *	\$0.00	0.10%	\$1,476,222.25	\$0.00	\$200,000	100.00%	\$400,000.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$4,109,253.70	0.80%	\$11,809,778.03	\$4,228,642.87	\$4,250,000		\$4,250,000.00
Leasing	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00

Capped Extension/Levy **\$70,394,362.91**

\$25,095,778.31

\$72,439,582.10

\$72,439,583.00

Capped Levy

\$73,905,783.00

Truth in Taxation

4.99%

Levy in excess of estimated extension: **\$1,466,200.90**

SEDOL IMRF **\$0.00**

SEDOL IMRF

\$0.00

Bond and Interest: **\$14,920,999.22**

Bond and Interest: **\$14,923,366.10**

\$14,923,366.10 0.02%

Total Extension/Levy **\$85,315,362.13**

Total Levy

\$88,829,149.10 4.12%



OVERVIEW & CONCLUSION

NEW \$

The District is expected to receive about **2.91%** in new revenue for the general operating funds (our capped extension) or a total of **\$2,045,221**.

TOTAL \$

Total taxes to be extended are estimated at **\$87,362,949** which would represent an overall estimated increase of **2.40%**.

PROCESS

- After the approval of the proposed 2018 Tax Levy, the 2018 Certificate of Tax Levy will be filed with the county clerk.
- Our final allocation work comes in late March/early April when the county clerk calculates the final amounts to be extended.