

Glen Ellyn District 41

Finance and Facilities Committee

Tentative 2015 Tax Levy Request

November 9, 2015

What is a Tax Levy?

- A property tax levy is the amount of property tax dollars a school district requests to operate the district for the subsequent fiscal year.
- The property tax cycle is the annual process of adopting a levy and then receiving the taxes.

Property Tax Extension Limitation Law

(PTELL)

All information presented are estimates...

- The 2015 Equalized Assessed Valuation (EAV) will not be known until the spring of 2016
- The amount of taxes that District 41 receives will be limited by the :

Property Tax Extension Limitation Law (PTELL) formula:

$$\text{The Limiting Rate} = \frac{\text{Prior year actual tax extension} * 0.8\% \text{ (CPI-U as of December 2014)}}{(\text{Total EAV} - \text{New Construction})}$$

$$\text{The Limiting Rate} * \text{Total EAV} = \text{D41 Tax Extension}$$

- The tax rate is a calculated number
 - based on the result under PTELL and the actual EAV

Unknown Information

Levy Request vs. Actual Levy Increase

Levy Year	CPI Used in PTELL	Board Approved Levy Request Under PTELL	Actual Levy Increase Under PTELL
2015	0.80		
2014	1.50	3.31%	2.70%
2013	1.70	4.57%	2.40%
2012	3.00	4.41%	3.50%
2011	1.50	3.69%	2.20%
2010	2.70	5.29%	3.70%

Unknown Information

The primary source of District 41's revenue is *local property taxes*

- 85.4% Property Taxes
- 5.0% Other Local Revenues
- 6.4% State Sources
- 1.7% Federal Sources
- 1.5% Interfund-Transfers

What is going to happen with State Funding

2015 Levy Calculation— EAV (Equalized Assessed Value)

Consumer Price Index (December 2014):	0.80%
Actual EAV for 2014 (<i>Total</i>)	1,154,742,468
Estimated % Increase (<i>Reassessment of existing property</i>)	0.0%
Estimated New Construction (2015)	13,151,520
Estimated 2015 EAV	1,154,742,468
Estimated Change from Prior Year	0.0%

2015 Levy Request

FUND	2014	2015 (Budget Planning)	2015 (Levy Request)
Education	\$36,967,925.37	\$37,692,959	\$38,258,353
Operation/Maint	\$3,175,541.79	\$3,237,822	\$3,286,389
IMRF	\$397,231.41	\$405,022	\$411,097
Transportation	\$893,770.67	\$911,300	\$924,969
Working Cash	\$1,154.74	\$1,177	\$1,194
Special Education	\$297,923.56	\$303,767	\$308,323
Tort Immunity	\$1,154.74	\$1,177	\$1,194
Social Security	\$695,154.97	\$708,789	\$719,420
Total Capped Funds	\$42,429,857.25	\$43,262,013	\$43,910,939
<i>% of Change</i>	<i>2.7%</i>	<i>1.96%</i>	<i>3.49%</i>
Bond & Interest	\$2,877,618.23	\$2,931,525	\$2,931,525
Total All Funds	\$45,307,475.48	\$46,193,538	\$46,842,464
<i>% of Change</i>	<i>2.6%</i>	<i>2.0%</i>	<i>3.4%</i>

Information to Consider

- Regardless of amount of the levy request is...District 41 will only receive a 0.80% increase plus the taxes associated with new construction.

The District is limited by PTELL

NOT

The Taxpayer

- The Debt Service tax levy is determined at the time the bonds are sold.

Information to Consider

- The District must file a resolution with DuPage County stating the amount, by fund, that the District needs by the last Tuesday in December
- The calculation of the levy amount is subject to the Property Tax Extension Limitation Law (PTELL)
 - The legislation is generally referred to as the *tax cap*.
- A Public Hearing is not necessary unless the Levy request exceeds 5% , although the Public Hearing allows the community to voice their opinion on property taxes
 - *District 41 has historically held a public hearing*
- The 2015 tax extension will fund the 2016-17 school year.

Next Steps

- The Board of Education approves the tentative levy;
- The Board may reduce the amount of the Levy on December 14, but may not increase the Levy;
- As required by law, a Notice of Proposed Levy will be published in the paper (November 26) and a public hearing will be held on December 14;
- The Board will approve the final levy on December 14;
- The levy must be filed with DuPage County prior to the last Tuesday of December (29th).

QUESTIONS

Comments

Concerns

