

Yorkville CUSD 115

2017 PROPOSED TAX LEVY

December 18, 2017



Purpose

- The purpose of the local property tax is to access funding to maintain and enhance the programs associated with providing all Yorkville CUSD 115 students with a high quality educational experience.
- Local property taxes represent approximately 69% of the total school district revenue.

Levy 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).
- **Corporate Levy** - includes the levies for Education and O & M purposes.
- **Special Purpose Levies** - include, but are not limited to, levies made on an annual basis for contributions to pension plans, unemployment and workers' compensation, or self-insurance.
- **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.

Understanding the property tax system

- The major source of local revenue for public schools is the local property tax.
- This tax represents the largest single source of revenue for Illinois public schools. It is collected by the county and distributed to taxing bodies.
- The amount of money a school district can realize from the tax on real property is determined by two factors:

Factors affecting local tax revenues:

- the total assessed value of all taxable property in the district
 - ▣ the amount of assessed property value is determined by the elected township assessor, who acts in accordance with state law.

- the school district's authorized tax rate
 - ▣ the amount of the school district's tax rate is determined by the total amount of taxes levied by the Board of Education.

- Tax (\$) Levied /
Total Assessed Property = Tax Rate

Property Values & Tax Rate:

A change in EAV has an inverse relationship with the change in Tax Rate:



What is tax rate applied to?

- The tax rate is applied to the Equalized Assessed Valuation (EAV) of all in-district property which generates the taxes to be extended for the school district.
- The Assessed Valuation is 33.33% of the value of a property.
- The Equalization Factor is then applied to get the EAV. The equalization factor for 2017 is expected to be 1.0.

Additional Information

- The “tax cap,” is a state law that limits property taxes extended to a maximum percentage increase over the prior year’s extension (The Consumer Price Index or 5% whichever is less)—regardless of what might happen to school enrollments or school costs.
- New property is exempt from the cap.
- $CPI \text{ for } 2017 = 2.1\%$



Proposed or Estimated?

- We submit a *proposed* levy to the county. This is not the amount we *estimate* we will receive.
- In order to ensure that we do not lose revenue relating to the “tax cap” formulas, we *balloon* levy, or levy a larger amount than what we will be entitled to. (2017=4.85%)
- The total *estimated* tax extension increase is 3.11%
- The actual amount we are entitled to this year is the prior year extension x the CPI which is then divided by current year EAV minus new construction.
- 2016 Extension (\$) X CPI
2017 EAV – New Construction

2017 PROPOSED LEVY – (BALLOON)

2017 LEVY CALCULATION PAGE

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

Limiting Rate: 6.3585%
 Estimated Capped Extension: \$52,036,484.41

Consumer Price Index:	2.10%
Actual Total EAV for 2016:	\$782,715,024
Estimated % change from 2016 EAV:	2.92%
Estimated New Construction for 2017:	\$12,825,883
Estimated Total EAV for 2017:	\$818,380,531
Total change from prior year:	4.56%

	Prior Year Extension:	Maximum Tax Rate:	Individual Fund Estimated Maximum Extension:	Prorated Extension based on prior year extension:	Manual Override:	Balloon % input:	Levy Amount:	
Educational	\$31,308,600.96	0.00%	\$0.00	\$32,475,039.26	\$32,102,623	3.00%	\$33,065,701.00	
Operations & Maintenance	\$5,870,362.68	0.75%	\$6,137,853.99	\$6,089,069.86	\$6,419,950	3.00%	\$6,612,549.00	EXCEEDS EST. MAX
Transportation	\$3,385,067.05	0.00%	\$0.00	\$3,511,181.66	\$3,338,655		\$3,338,655.00	
Working Cash	\$391,357.51	0.05%	\$409,190.27	\$405,937.99	\$50,000		\$50,000.00	
Municipal Retirement	\$650,315.75			\$674,544.02	\$835,000		\$835,000.00	
Social Security	\$849,884.00			\$881,547.42	\$1,035,000		\$1,035,000.00	
Fire Prevention & Safety	\$449,988.88	0.10%	\$818,380.53	\$466,753.74	\$450,000		\$450,000.00	
Tort Immunity	\$625,268.88			\$648,564.00	\$625,000		\$625,000.00	
Special Education	\$6,261,720.19	0.80%	\$6,547,044.25	\$6,495,007.85	\$6,847,947	3.00%	\$7,053,385.00	EXCEEDS EST. MAX
Leasing	\$374,872.32	0.10%	\$818,380.53	\$388,838.62	\$0		\$0.00	
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00	

Capped Extension/Levy	\$50,167,438.22	\$14,730,849.57	\$52,036,484.41	\$51,704,174.70	Capped Levy	\$53,065,290.00	Truth in Taxation	5.78% YES
-----------------------	-----------------	-----------------	-----------------	-----------------	-------------	-----------------	-------------------	------------------

Levy in excess of estimated extension: \$1,028,805.59

SEDOL IMRF: \$0.00

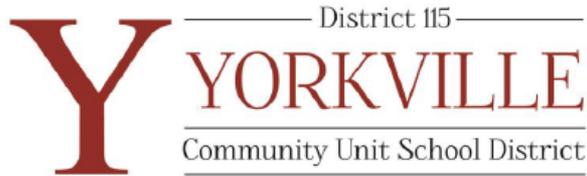
SEDOL IMRF: \$0.00

Bond and Interest: \$9,025,601.96

Bond and Interest: \$8,996,225.00

Total Extension/Levy: \$59,193,040.18

Total Levy: \$62,061,515.00 (4.85%)



Administrative Center · 602 Center Parkway · Yorkville, Illinois 60560 · 630-553-4382 · y115.org

2017 TAX LEVY – ESTIMATE

2017 LEVY CALCULATION PAGE

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

Limiting Rate: 6.3585%
Estimated Capped Extension: \$52,036,484.41

Consumer Price Index:	2.10%
Actual Total EAV for 2016:	\$782,715,024
Estimated % change from 2016 EAV:	2.92%
Estimated New Construction for 2017:	\$12,825,883
Estimated Total EAV for 2017:	\$818,380,531
Total change from prior year:	4.56%

	Prior Year Extension:	Maximum Tax Rate:	Individual Fund Estimated Maximum Extension:	Prorated Extension based on prior year extension:	Manual Override:	Balloon % input:	Levy Amount:	
Educational	\$31,308,600.96	0.00%	\$0.00	\$32,475,039.26	\$32,434,933		\$32,434,933.00	
Operations & Maintenance	\$5,870,362.68	0.75%	\$6,137,853.99	\$6,089,069.86	\$6,419,950		\$6,419,950.00	EXCEEDS EST. MAX
Transportation	\$3,385,067.05	0.00%	\$0.00	\$3,511,181.66	\$3,338,655		\$3,338,655.00	
Working Cash	\$391,357.51	0.05%	\$409,190.27	\$405,937.99	\$50,000		\$50,000.00	
Municipal Retirement	\$650,315.75			\$674,544.02	\$835,000		\$835,000.00	
Social Security	\$849,884.00			\$881,547.42	\$1,035,000		\$1,035,000.00	
Fire Prevention & Safety *	\$449,988.88	0.10%	\$818,380.53	\$466,753.74	\$450,000		\$450,000.00	
Tort Immunity	\$625,268.88			\$648,564.00	\$625,000		\$625,000.00	
Special Education	\$6,261,720.19	0.80%	\$6,547,044.25	\$6,495,007.85	\$6,847,947		\$6,847,947.00	EXCEEDS EST. MAX
Leasing	\$374,872.32	0.10%	\$818,380.53	\$388,838.62	\$0		\$0.00	
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00	
Capped Extension/Levy	\$50,167,438.22		\$14,730,849.57	\$52,036,484.41	\$52,036,484.70	Capped Levy	\$52,036,485.00	3.73% NO
						Levy in excess of estimated extension:	\$0.59	
SEDOL IMRF	\$0.00					SEDOL IMRF	\$0.00	
Bond and Interest:	\$9,025,601.96					Bond and Interest:	\$8,996,225.00	-0.33%
Total Extension/Levy	\$59,193,040.18					Total Levy	\$61,032,710.00	3.11%

Overview & Conclusion

- The District is expected to receive about 3.73% in new revenue for the general operating funds (our capped extension) or a total of \$1,869,047.
- The Consumer Price Index limits the existing local tax base to 2.1%, an increase from 0.7% the year before, and it is estimated residential growth in our area will be \$12,825,883.
- The overall increase in taxes expected to be extended for 2017, including Bond and Interest, is estimated at \$1,839,670 or 13.02% less than the 2016 tax year.
- Total taxes to be extended are estimated at \$61,032,710 which would represent an overall estimated increase of 3.11%.
- Equalized Assessed Valuation for the district is estimated to at \$818,380,531 (an increase of 2.92% plus an additional \$12,825,883 in New Construction).
- While the levy process appears to be complex, the actual tax rates and total extension are limited by the “tax cap”.
- Our final allocation work comes in late March/early April when the county clerk calculates the final amounts to be extended.