



# 2013 Tentative Tax Levy

*Jacksonville School District #117*

*November 19, 2013*

Presented by:  
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# Terms

- *Taxing District*
  - *Unit of local government, school district, or community college district with the power to levy property taxes.*
- *Levy*
  - *Total property tax revenue requested by a taxing district from taxpayers to fund operations in a fiscal year.*
  - *The District must file a Certificate of Tax Levy by the last Tuesday in December.*
- *Tax Extension*
  - *Is the amount of taxes billed to property taxpayers of the taxing district in the previous year.*
- *Equalized Assessed Value (EAV)*
  - *Equal to 1/3 of the market value of a parcel of real property.*
- *Tax Rate*
  - *The amount of tax due stated as a percentage of the total EAV.*

# Levy Process

- *PTELL – Property Tax Extension Limitation*
  - *Limits annual extension of taxes to the CPI or 5% whichever is less (excluding new property)*
  - *CPI for 2013 is 1.7%*
- *Determine Tax Extension*
  - *Estimate EAV based on history and most recent trends*
  - *Calculate Estimated Limiting Rate*

*Limiting Rate:  $\frac{\text{(Prior Year Extension} \times \text{(1+Lesser of 5\% or CPI))}}{\text{(Total EAV - New Construction)}}$*
  - *Estimated Property Tax Extension*
- *Certificate of Tax Levy*
  - *The District's request for the maximum tax to be extended.*
  - *Request Whole Dollar Amount as tax rate will fluctuate with changes in the EAV*
  - *Board to approve final tax levy in December*
  - *Final EAV figures will be available in April*

# Levy Process

Date	Task
November 19, 2013	Presentation of Tentative Tax Levy
November 19, 2013	Approve a Tentative Tax Levy
December 4, 2013	Publish levy hearing notice in local newspaper (if necessary)
December 18, 2013	Board Holds Public Hearing for Tax Levy (if necessary)
December 18, 2013	Board Approves Final Tax Levy
Prior to December 31, 2013	File Levy with County Clerk
March/April, 2014	Verify Levy and Extension
May 2014	County sends out tax bills
June/July 2014	Collections begin and 1 <sup>st</sup> payment received

# Things We Know

- *CPI is 1.7%*
- *Based on CPI, Estimated EAV and New Construction, we expect to see an overall increase in tax extension of 2.13% (\$17,945,190)*
- *Levy request represents 5.00% increase over last year's extension (\$18,450,000)*
- *This levy request allows the district to account for unforeseen circumstances that may affect final calculations*



# Calculation

*Limiting Rate:*

*(Prior Year Extension x (1+Lesser of 5% or CPI))  
(Total EAV - New Construction)*

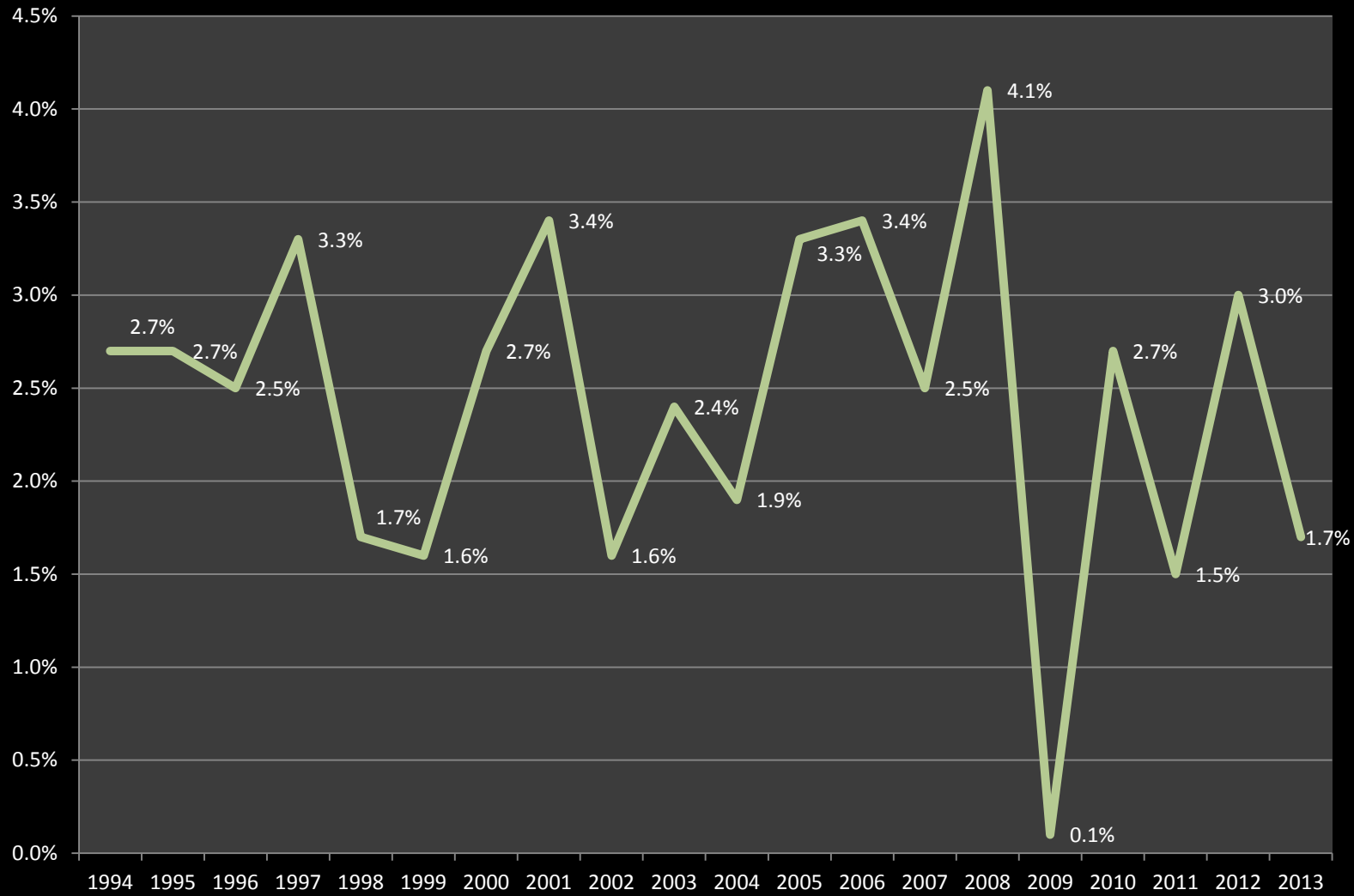
<b>Limiting Rate</b>	<b>\$17,571,784 x (1 + 0.017)</b> <b>(\$384,442,859 – \$1,600,000)</b>	<b>= 4.6678</b>
Estimated Capped Extension	Total EAV x Limiting Rate	
	\$384,442,859 x 0.046678	= \$17,945,190*
* Represents 2.13% increase over 2012 Tax Extension		



# Historical Data



# CPI History (20 Year Average = 2.4%)

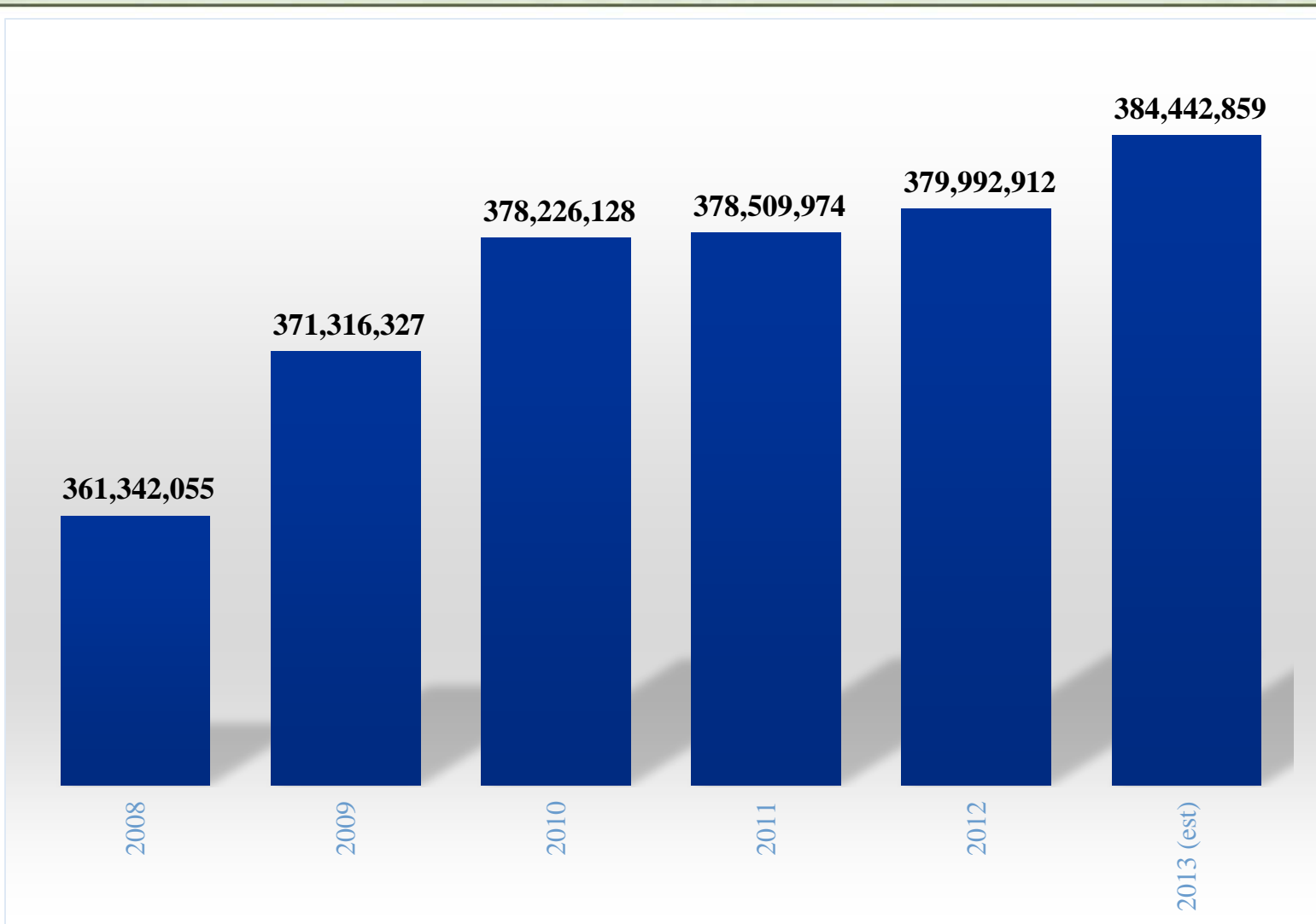




# Actual EAV

Limiting Rate:

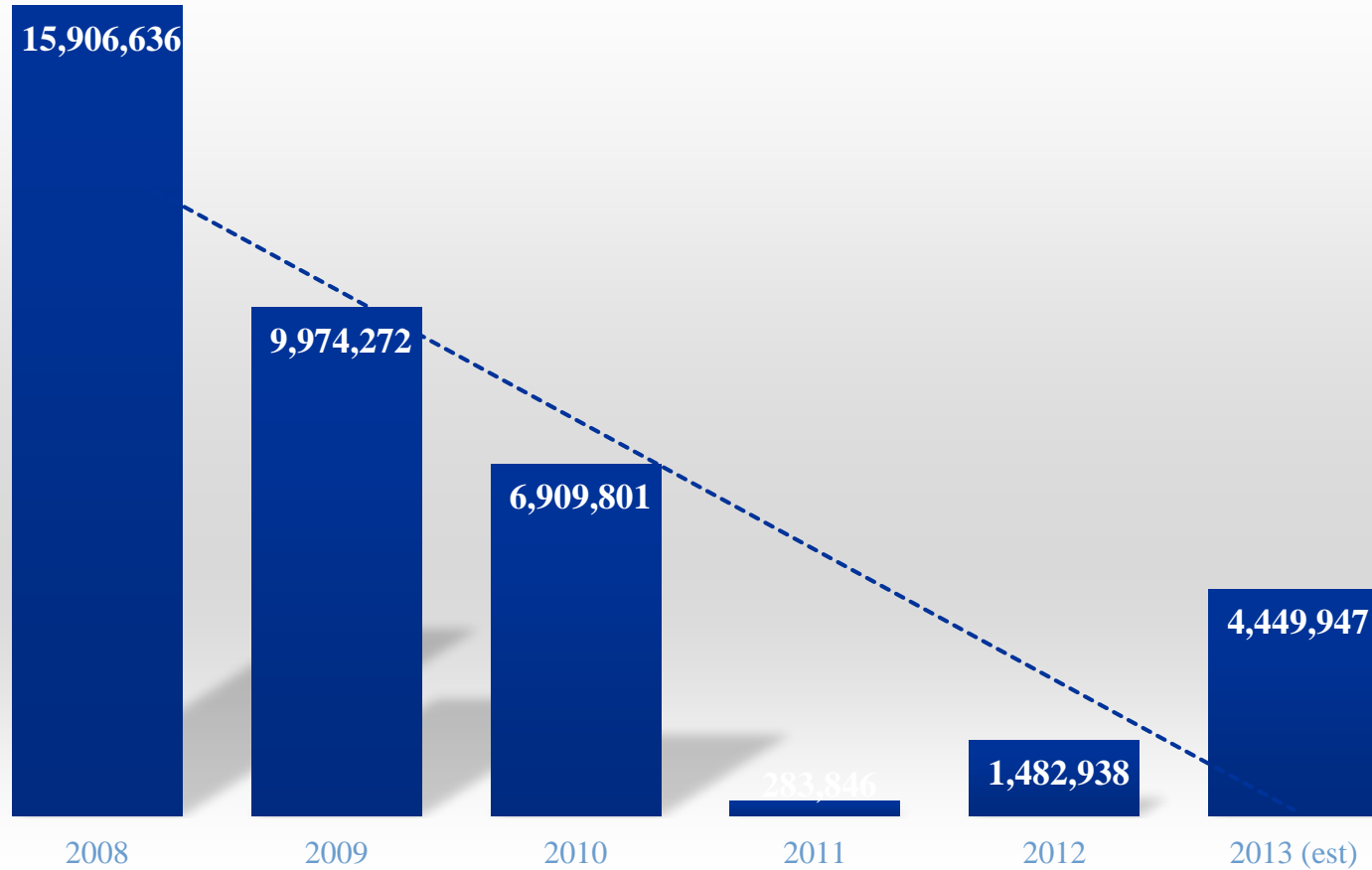
$(\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI}))$   
 $(\text{Total EAV} - \text{New Construction})$



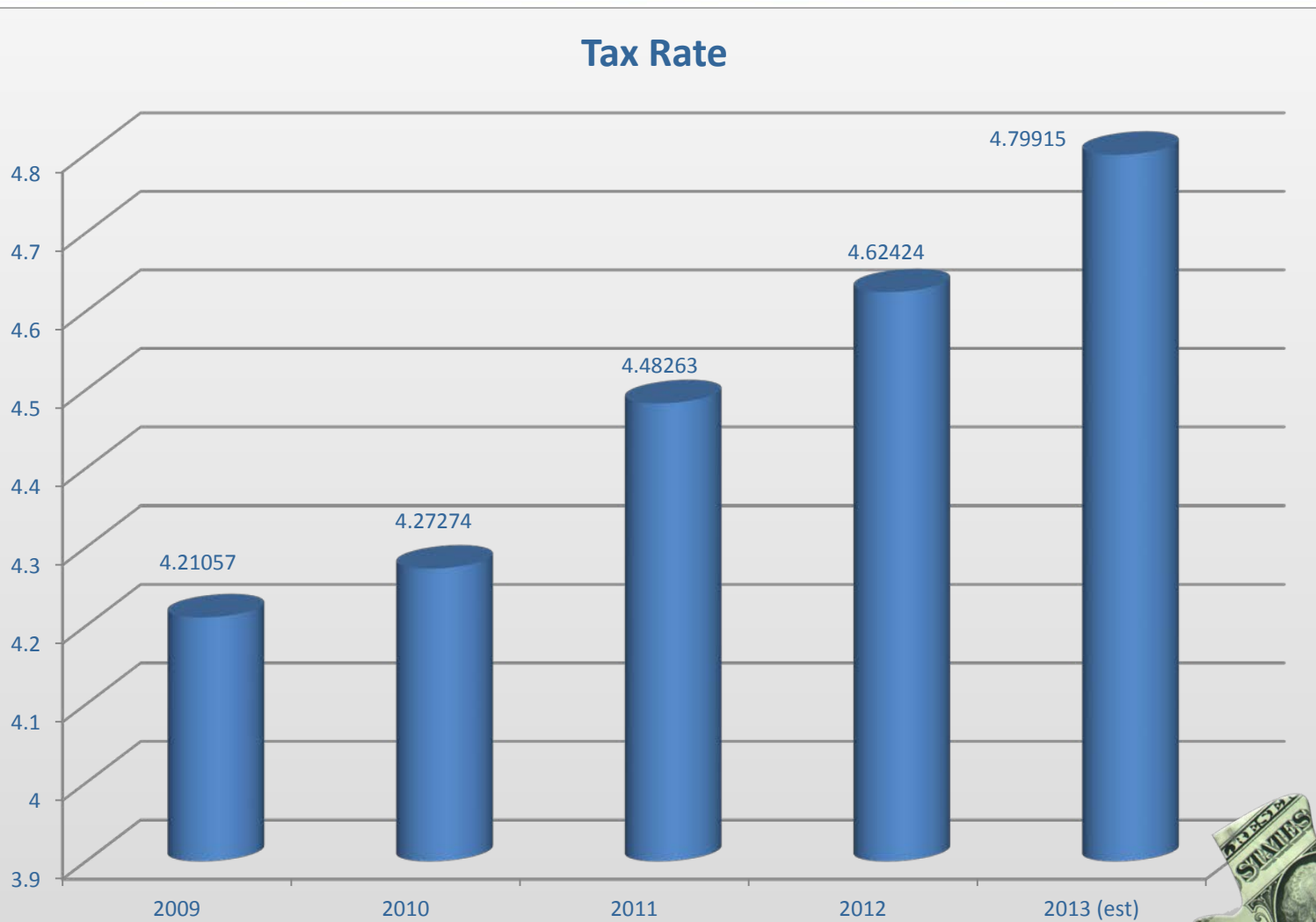
# Growth in EAV

Limiting Rate:

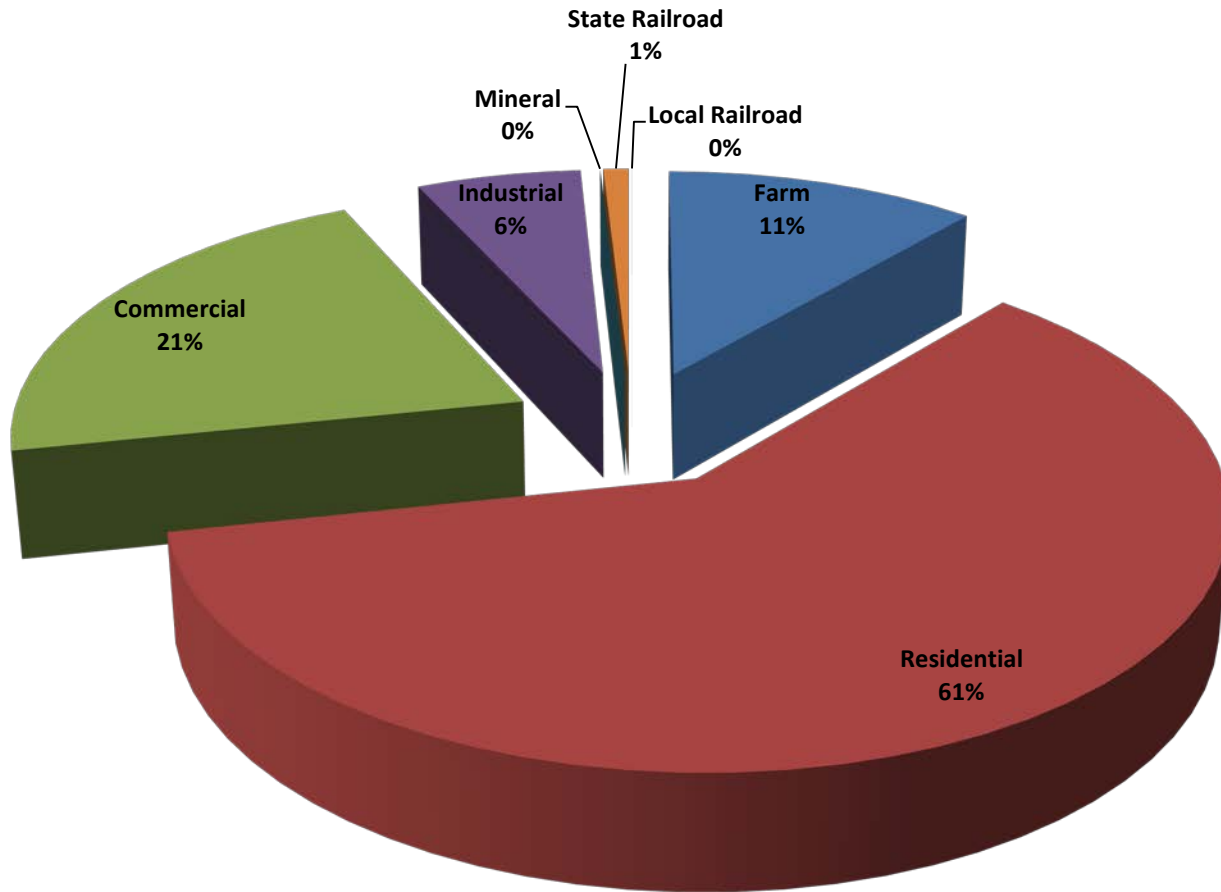
$\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI})}{\text{Total EAV} - \text{New Construction}}$



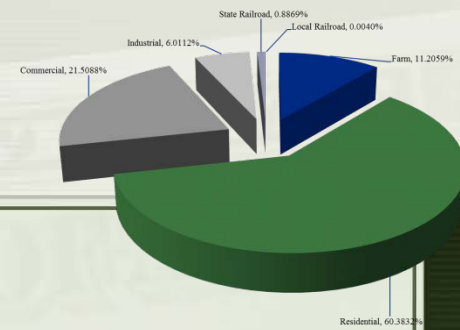
# Tax Rate History



# Breakdown of EAV

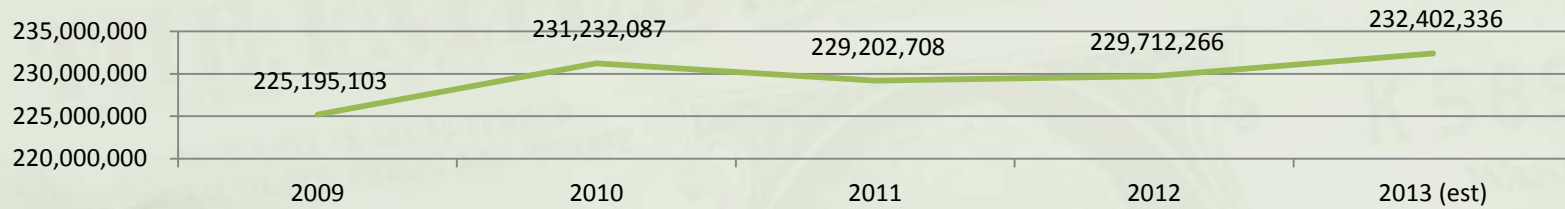


# Breakdown of EAV



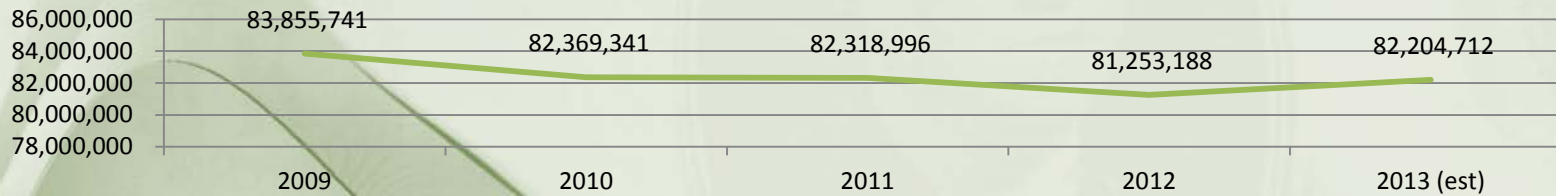
## Residential

Overall Change = \$7,207,233



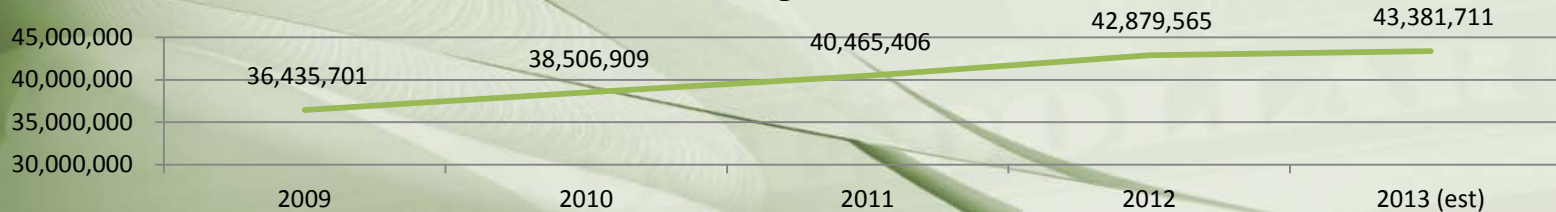
## Commercial

Overall Change = \$(1,651,029)



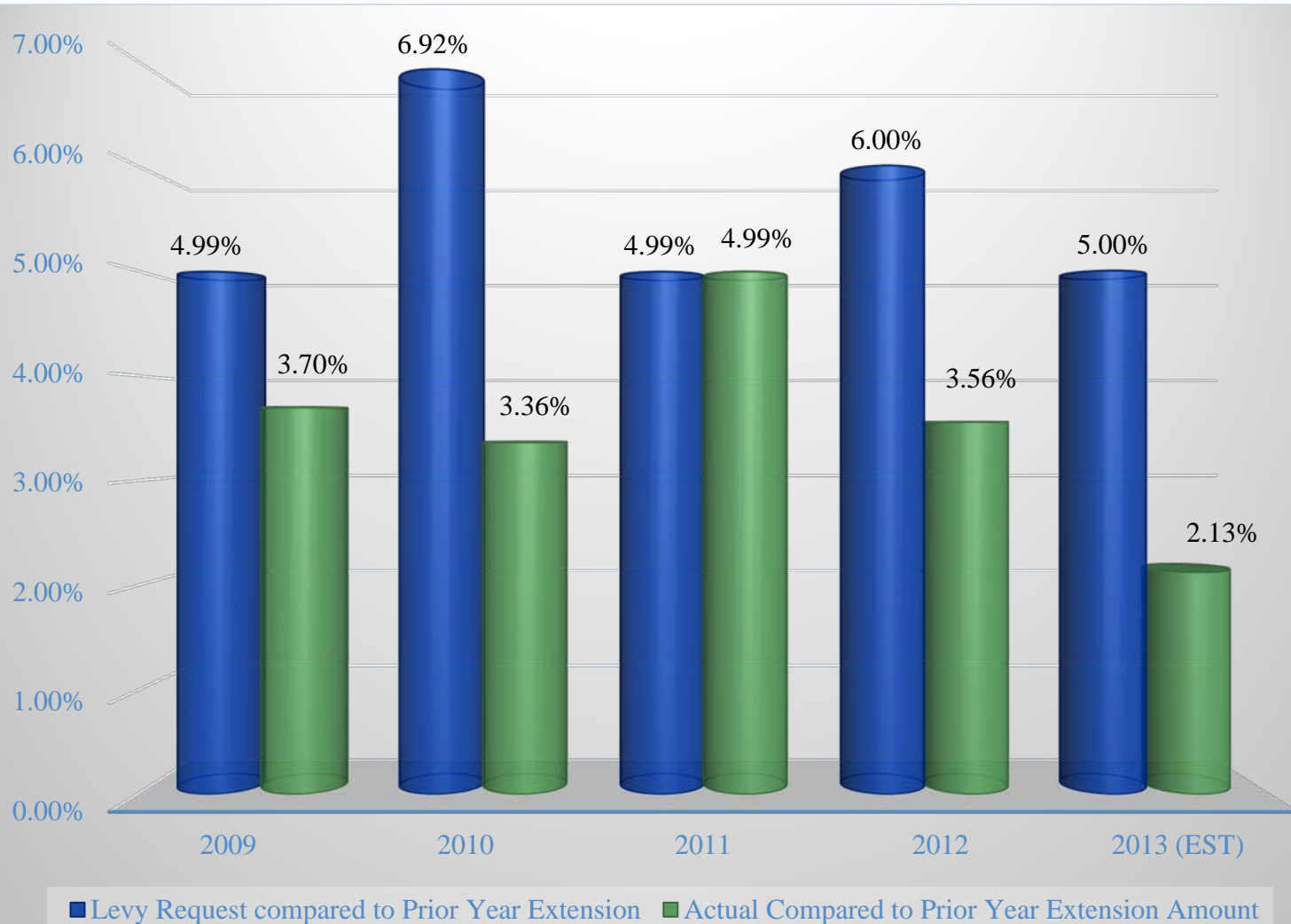
## Farm

Overall Change - \$6,946,010



# History of Past Levies

% Difference of Levy Requests Compared to Actual Extensions



# 2013 Tentative Levy

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

2013 Estimated EAV \$ 384,442,859

Limiting Rate: 4.66784

	2012 Rate	2012 Extension	2013 Proposed Rate	Proposed 2013 Tax Levy	Increase
Education	3.10583	\$ 11,801,934	3.22545	\$ 12,400,000	\$ 598,066
O & M	0.59264	\$ 2,251,990	0.67630	\$ 2,600,000	\$ 348,010
IMRF	0.15299	\$ 581,351	0.20809	\$ 800,000	\$ 218,649
Transportation	0.21598	\$ 820,709	0.05202	\$ 200,000	\$ (620,709)
Working Cash	0.04256	\$ 161,725	0.13656	\$ 525,000	\$ 363,275
Fire Prev & Safety	0.09770	\$ 371,253	0.13006	\$ 500,000	\$ 128,747
Special Education	0.05786	\$ 219,864	0.10405	\$ 400,000	\$ 180,136
Liability Insurance	0.20827	\$ 791,411	0.20809	\$ 800,000	\$ 8,589
Social Security	0.15041	\$ 571,547	0.05853	\$ 225,000	\$ (346,547)
<b>Total Tax Extension</b>	<b>4.62424</b>	<b>\$ 17,571,784</b>	<b>4.79915</b>	<b>\$ 18,450,000</b>	<b>\$ 878,216</b>

% Increase Over 2012 Extension

5.00%

## Impact on Homeowner

	2012	2013 (estimated)	
Market Value	\$ 100,000	\$ 100,000	
Assessed Value	\$ 33,333	\$ 33,333	
with Homestead Exemption	\$ 27,333	\$ 27,333	Increase/(Decrease)
Tax Bill (School District Only)	\$ 1,264	\$ 1,312	\$ 48

# Certificate of Levy

<b>Education</b>	<b>\$</b>	<b>12,400,000</b>
<b>O &amp; M</b>	<b>\$</b>	<b>2,600,000</b>
<b>IMRF</b>	<b>\$</b>	<b>800,000</b>
<b>Transportation</b>	<b>\$</b>	<b>200,000</b>
<b>Working Cash</b>	<b>\$</b>	<b>525,000</b>
<b>Fire Prev &amp; Safety</b>	<b>\$</b>	<b>500,000</b>
<b>Special Education</b>	<b>\$</b>	<b>400,000</b>
<b>Liability Insurance</b>	<b>\$</b>	<b>800,000</b>
<b>Social Security</b>	<b>\$</b>	<b>225,000</b>
<b>Total Levy</b>	<b>\$</b>	<b>18,450,000</b>



# Q & A

