



ITASCA SCHOOL DISTRICT 10

2020 PROPERTY TAX LEVY PRESENTATION

DECEMBER 9, 2020

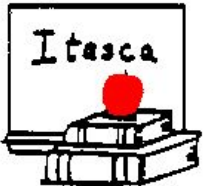


TIMELINE



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- November 11, 2020 – Estimated tax levy adopted by the Board
- November 30, 2020 – Truth-in-Taxation notification published in the daily herald
 - No more than 14 days and no less than 7 days prior to hearing
- December 9, 2020 – Public hearing and comment
- December 9, 2020 – Board votes to adopt the 2020 final property tax levy
- December 29, 2020 – Deadline to file the levy with the County Clerk is the last Tuesday in December





KEY POINTS

KEY POINTS ABOUT PROPERTY TAXES

- A property tax is a real estate tax calculated by a local government and is based on the value of the owned property, including land.
- For most school districts in Illinois, especially the northeastern part of the state, property taxes are the single largest source of revenue.
- In Illinois, counties that fall under the tax cap are subject to the Property Tax Extension Limitation Law (PTELL).
- Chicago collar counties (including Lake County) enacted PTELL in 1992.





TAX CAP DEFINED

WHAT IS THE PROPERTY TAX EXTENSION LIMITATION LAW (PTELL)?

- The PTELL is designed to limit the increases in property tax extensions (total taxes billed) for non-home rule taxing districts.
- Increases in property tax extensions are limited to the lesser of 5% or the increase in the national Consumer Price Index (CPI) for the year preceding the levy year.
- The limitation can be increased for a taxing body with voter approval.
- PTELL allows a taxing district to receive a limited inflationary increase in tax extensions on the aggregate of existing property, plus an additional amount for new construction.
- The PTELL does not “cap” either individual property tax bills or individual property assessments.





PTELL COMPONENTS

HOW ARE PROPERTY TAXES CALCULATED UNDER PTELL?

- PTELL is a math formula which requires the following inputs:
 1. The district's prior year extension
 2. CPI used for the current tax year
 3. Equalized Assessed Valuations (EAV) of Properties for Current Year
 4. New construction EAV



PTELL COMPONENTS

Known Variables

- Prior Year Extension (from County)
 - Not including Debt Service
- CPI (from BLS)

Unknown Variables

- EAV (estimate from Assessor)
- New Property (estimate from Assessor)



PTELL COMPONENTS

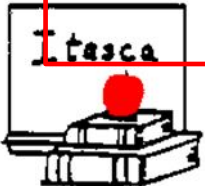
Known Variables

- Prior Year Extension (from County)
 - Not including Debt Service
- CPI (from BLS)

This is why we balloon!!!

Unknown Variables

- EAV (estimate from Assessor)
- New Property (estimate from Assessor)





PUTTING IT ALL TOGETHER



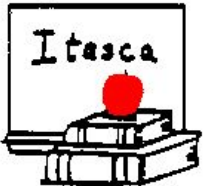
ESTIMATED (“BALLOON”) LEVY

- 2019 Aggregate Extension = \$11,791,995
- 2020 CPI = 5.0%
- 2020 EAV Estimate = \$576,146,988
 - (3.0% increase from 2019)
- 2020 New Construction Est. = \$7,500,000
 - (highest New Construction value in 11 years)
- Add 5% Balloon
- 2020 Balloon/Estimated Levy = \$13,182,251
 - (11.79% increase)
 - *Before Bond & Interest levy



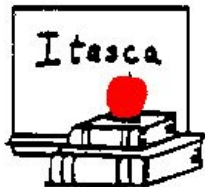
PROJECTED LEVY

- 2019 Aggregate Extension = \$11,791,995
- 2020 CPI = 2.3%
- 2020 EAV Estimate = \$576,146,988
 - (3.0% increase from 2019)
- 2020 New Construction Est. =\$3,050,000
- 2020 Est. Extension = \$12,127,071
 - (2.84% increase)
 - *Before Bond & Interest levy



ESTIMATED VS. PROJECTED LEVY

Fund	TY2020 Estimated (Balloon)	TY2020 Projected
Education	10,613,031.00	9,763,504.69
Special Education	135,777.00	124,908.83
	<u>10,748,808.00</u>	<u>9,888,413.51</u>
Operations & Maint.	1,604,069.00	1,475,670.48
*Bond & Interest	845,772.00	837,397.50
Transportation	475,879.00	437,787.26
IMRF	155,788.00	143,317.72
Social Security	197,707.00	181,881.81
	<u>353,495.00</u>	<u>325,199.53</u>
Total Cap Funds	13,182,251.00	12,127,070.78
*Grand Total	14,028,023.00	12,964,468.28



LEVY HISTORY

Fund	TY2016 Actual	TY2017 Actual	TY2018 Actual	TY2019 Actual	TY2020 Estimated	TY2020 Projected
Education	8,757,230.02	8,976,148.55	9,295,650.00	9,492,441.16	10,613,031.00	9,763,504.69
Special Education	112,316.20	114,929.45	119,000.04	121,941.79	135,777.00	124,908.83
	<u>8,869,546.22</u>	<u>9,091,078.00</u>	<u>9,414,650.04</u>	<u>9,614,382.95</u>	<u>10,748,808.00</u>	<u>9,888,413.51</u>
Operations & Maint.	1,316,404.67	1,366,442.25	1,405,073.88	1,435,333.18	1,604,069.00	1,475,670.48
*Bond & Interest	798,474.96	815,098.69	832,454.42	846,320.77	845,772.00	837,397.50
Transportation	382,071.25	381,332.72	405,582.71	413,930.85	475,879.00	437,787.26
IMRF	152,534.22	137,173.85	142,472.53	145,435.16	155,788.00	143,317.72
Social Security	157,929.32	173,188.61	179,045.93	182,912.68	197,707.00	181,881.81
	<u>310,463.54</u>	<u>310,362.46</u>	<u>321,518.46</u>	<u>328,347.84</u>	<u>353,495.00</u>	<u>325,199.53</u>
Total Cap Funds	10,878,485.68	11,149,215.43	11,546,825.09	11,791,994.82	13,182,251.00	12,127,070.78
*Grand Total	11,676,960.64	11,964,314.12	12,379,279.51	12,638,315.59	14,028,023.00	12,964,468.28



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Questions or Comments?

