

School District Property Tax Information

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Geneva Community Unit School District #304



Tax Levy General Information

- ❖ Tax Levy – The amount of dollars in each operating fund a school district requests to fund expenditures for the next school year.
- ❖ The Board of Education must adopt a levy no later than the last Tuesday in December and certify it with the County Clerk.
- ❖ Largest source of revenue in a school district.
- ❖ Most stable and reliable revenue source

Tax Levy Calendar

Date	Task
October 26, 2015	Initial presentation to the Board of Education – adoption of Resolution to levy property taxes
November 3, 2015	Publish levy hearing notice in local newspaper
November 23, 2015	Board approves final levy
December 29, 2015	File levy with County Clerk
March/April 2016	Verify levy and extension
May/June 2016	County sends out tax bills
June 2016	Collections begin and 1 st tax payment is received

Property Tax Extension Limitation Law (PTELL)

- ❖ The Property Tax Extension Limitation Law (PTELL) became effective in 1991.
- ❖ PTELL is designed to limit the increases in property tax extensions (total taxes billed) for non-home rule taxing districts.
- ❖ Commonly called the “Tax Cap,” the use of this phrase can be misleading. PTELL does not cap an individual’s property tax bill or property assessment.
- ❖ PTELL allows a taxing district to receive a limited inflationary increase in tax extensions on property.

What is the Limitation?

- ❖ Increases in property tax extension for existing property are limited to the lesser of 5 percent or the increase in the Consumer Price Index for Urban (CPI-U) for the year preceding the levy year
- ❖ This limitation does not apply to new property (construction), which allows taxing bodies to recoup their “fair share” of tax revenue for that property
- ❖ There has not been a CPI-U of 5 percent since the inception of PTELL

Consumer Price Index for Urban -History

CPI-U Rates over the last 10 years:

<u>CPI-U Dec.</u>	<u>Levy Year</u>	<u>Budget Year</u>
2005 – 3.4%	Dec. 2006	2007-2008
2006 – 2.5%	Dec. 2007	2008-2009
2007 – 4.1%	Dec. 2008	2009-2010
2008 – 0.1%	Dec. 2009	2010-2011
2009 – 2.7%	Dec. 2010	2011-2012
2010 – 1.5%	Dec. 2011	2012-2013
2011 – 3.0%/1.5%	Dec. 2012	2013-2014
2012 – 1.7%/1.0%	Dec. 2013	2014-2015
2013 – 1.5%	Dec. 2014	2015-2016
2014 – 0.8%	Dec. 2015	2016-2017

Calculating Limiting Rate

The limiting rate is the calculated total allowable tax rate.

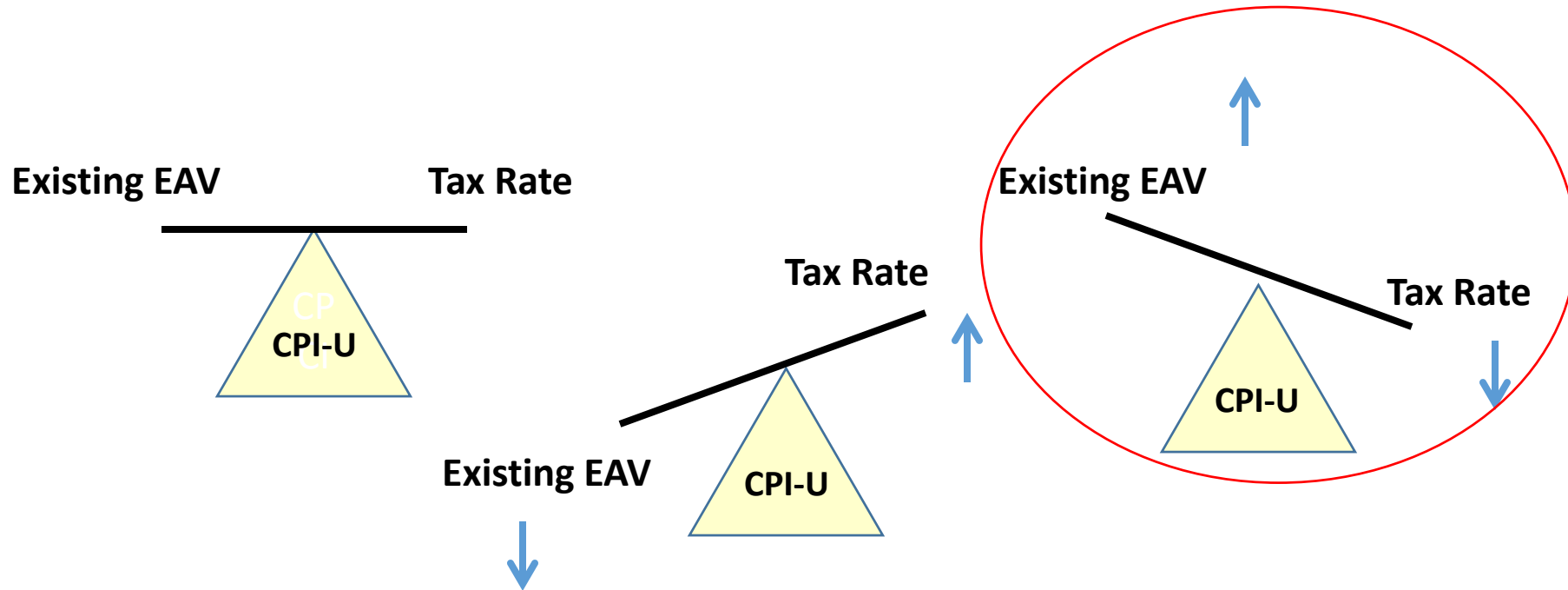
This rate is used to calculate the total tax extension.

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

Notes:

- 1) The Limiting Rate is based on the prior year extension
- 2) New Property (construction) is outside the tax cap
- 3) Debt Service payments are outside the tax cap

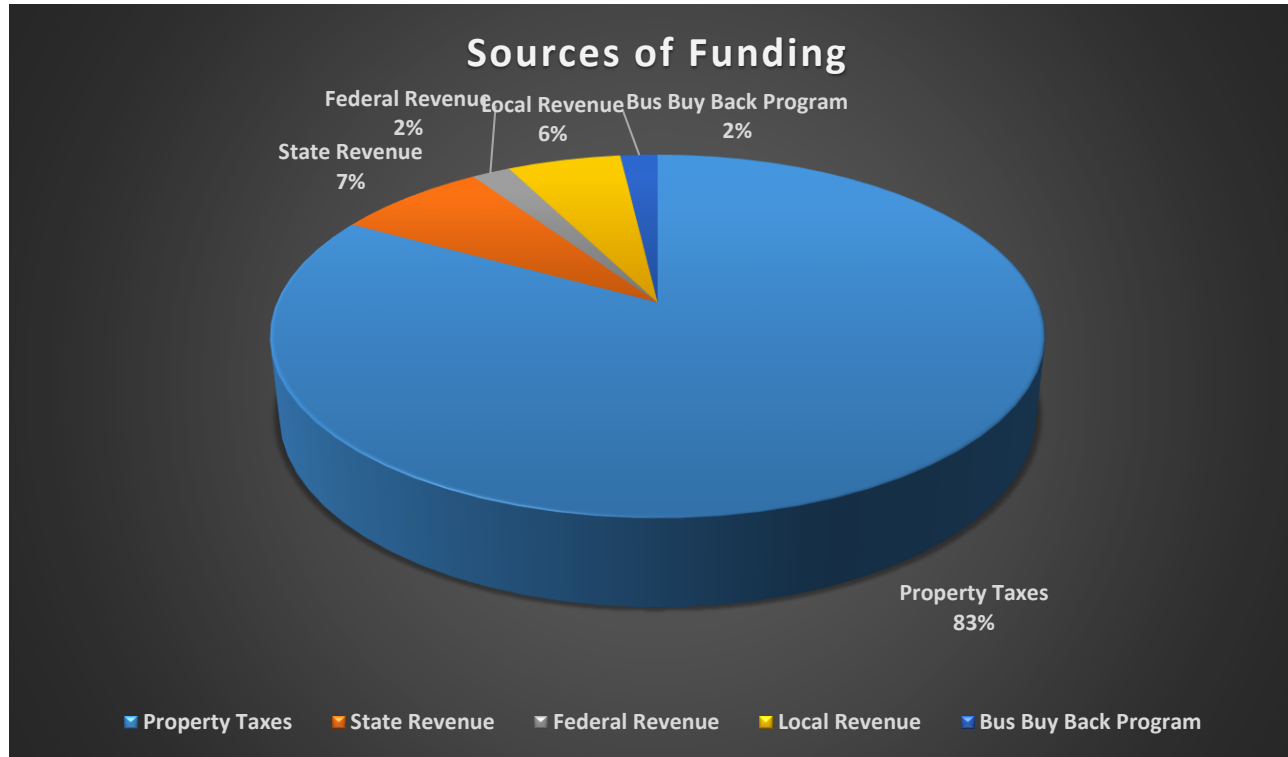
EAV Change, CPI, and Tax Rate



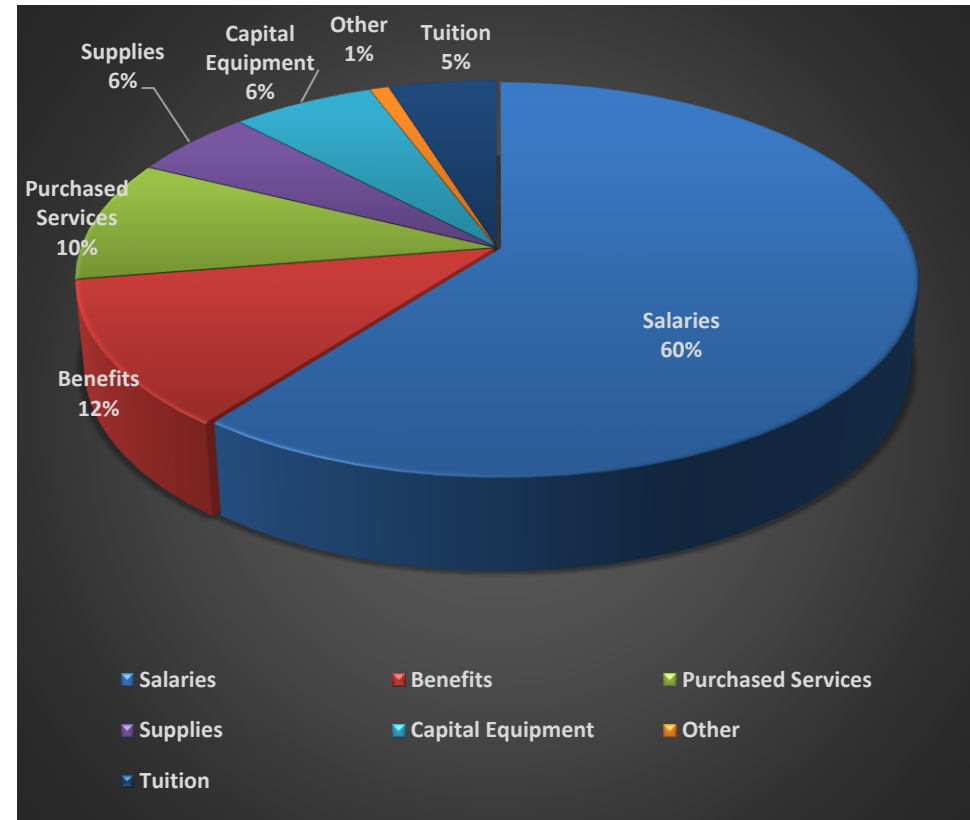
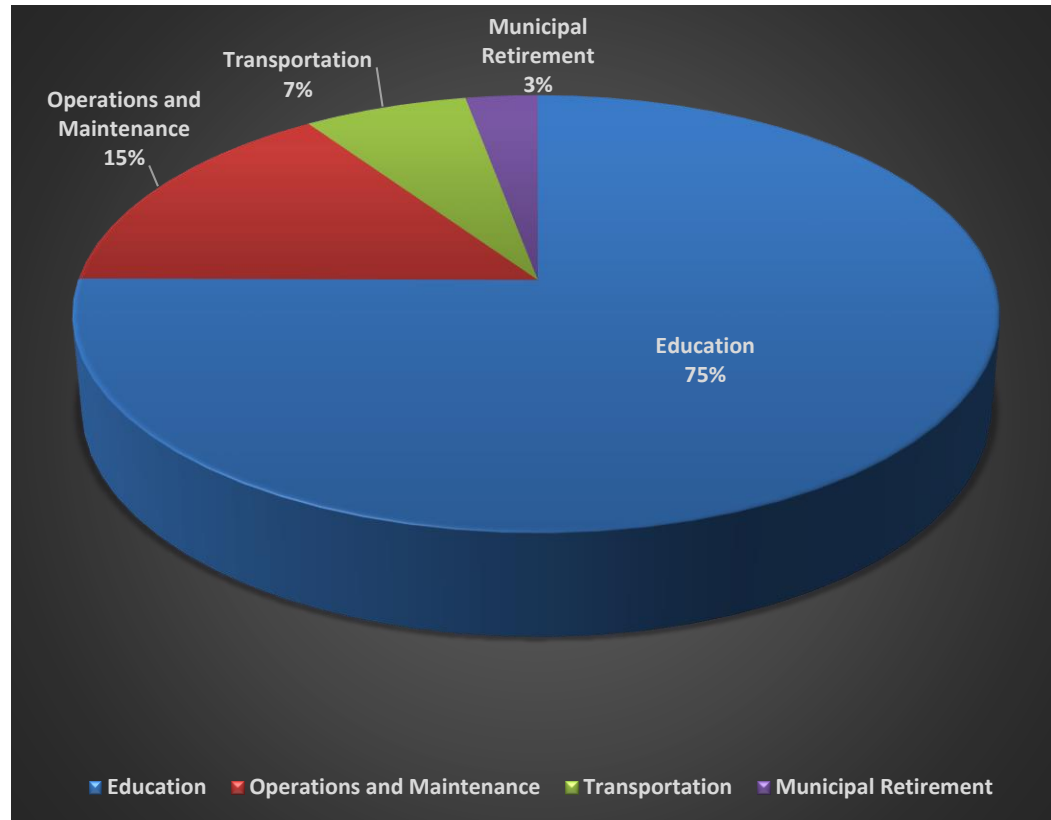
- If EAV is flat and CPI-U is flat, the Tax Rate is flat
- If EAV is declining or increasing less than the CPI-U increase, the Tax Rate will increase.
- If EAV increase is more than the CPI-U increase, the Tax Rate will decline

School District Budgets

The tax levy provides approximately 83% of the district's operating revenue budget.



School District Budgets



Debt Service

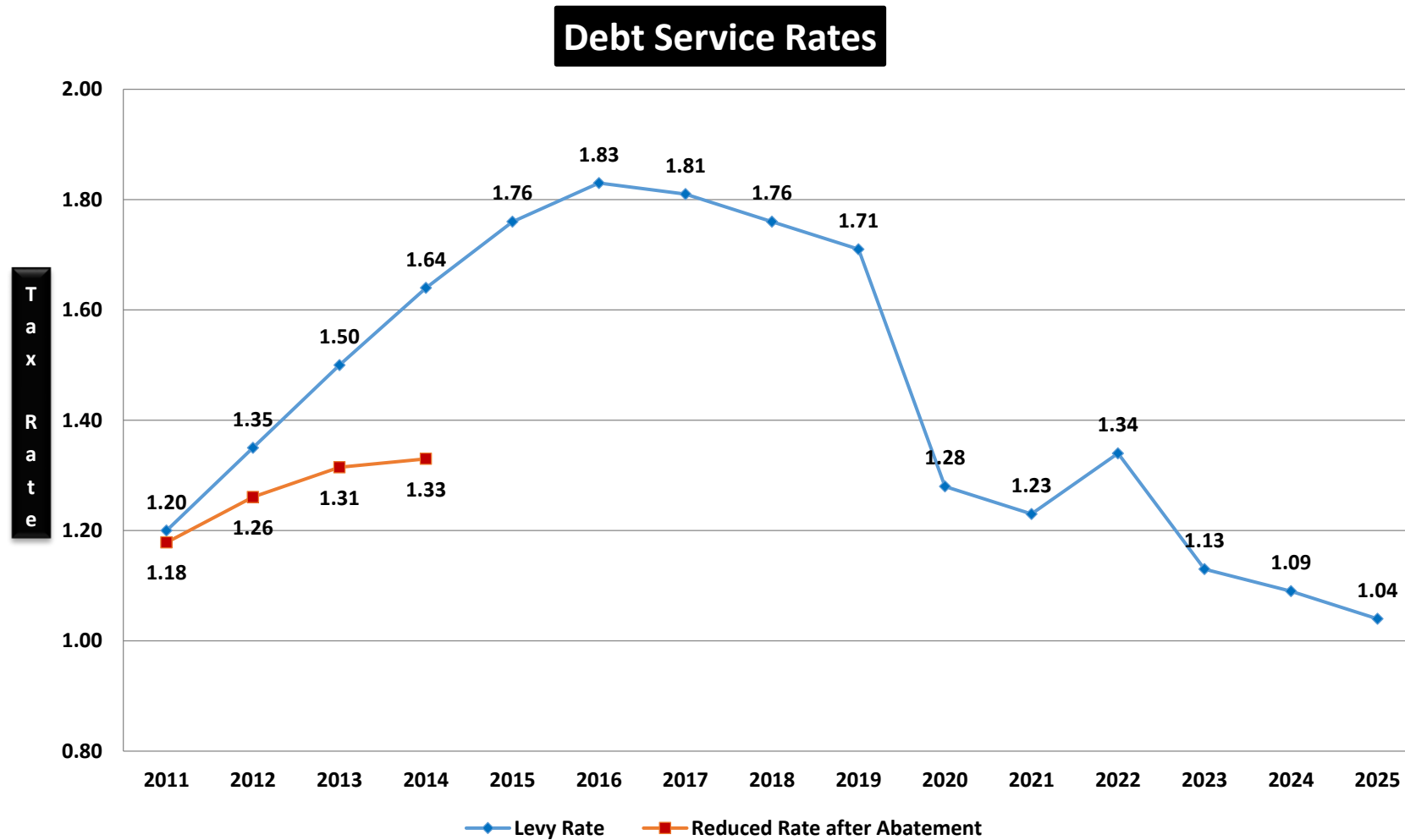
Debt service referred to as bond and interest, is outside the levy process. The amount due for payment is filed with the county clerk when the bond is issued. The county clerk levies the amount needed for the yearly payment.

As of July 1, 2016, Geneva has \$136 million outstanding bond debt. These bonds were issued to build and renovate schools as well as provide a working cash fund to be utilized for cash flow purposes.

Abatement

Levy Year	Debt Levy	Tax Rate for Debt	2011 Levy Abate	2012 Levy Abate	2013 Levy Abate	2014 Levy Abate	2015 Levy Abate	Debt Levy with Abatement	Tax Rate with Abatement	Rate Reduction	
			FY 11	FY12	FY13	FY14	FY15				
2011	15,951,903	1.20	1,220,895					14,731,008	1.12	0.08	
2012	17,302,070	1.35	2,003,934	298,136				15,000,000	1.18	0.17	
2013	18,730,973	1.50		3,230,973				15,500,000	1.26	0.24	
2014	20,293,283	1.64		1,460,891	2,532,392			16,300,000	1.31	0.33	
2015	22,013,633	1.76			3,399,246	1,648,064	1,000,000	16,966,323	1.33	0.43	
2016	23,618,248	1.83				1,870,723	4,891,672	16,855,853			
2017	24,302,850	1.81									
2018	24,590,110	1.76									
2019	24,928,505	1.71									
2020	19,344,395	1.28									
2021	19,346,975	1.23									
2022	21,857,908	1.34									
2023	19,204,313	1.13									
2024	19,213,363	1.09									
2025	19,209,750	1.04									
			3,224,829	4,990,000	5,931,638	3,518,787	5,891,672			23,556,926	Total Abatements

Debt Service



Tax Increment Financing

TIF 1 – Riverfront TIF 1982-2005

Base EAV	\$1,625,618
<u>Increment</u>	<u>\$15,591,676</u>
2004 EAV	\$17,311,746

Estimated District Portion \$13,876,592

*Final parcels 167

** City of Geneva Joint Review Board 2005

TIF 2- East State Street 2000-2023

Base EAV	\$3,201,379
<u>Increment</u>	<u>\$2,536,474</u>
2015 EAV	\$5,737,853

Estimated District Portion \$2,257,462

*Parcels 49

** City of Geneva Joint Review Board 2015

TIF 3- Fox River 2016-2039

Base 2014 EAV	\$7,002,759
<u>Anticipated Increment</u>	<u>\$19,397,241</u>
Anticipated 2039 EAV	\$26,400,000

Estimated District Portion \$17,263,544

*Redevelopment Project Cost \$30,000,000

*Parcels 84

** City of Geneva-SB Friedman Study

Capital Development Block Grant

Geneva School District applications for construction funds to support additional schools and renovation to existing schools were submitted to the Illinois State Board of Education for:

Geneva Middle School North	\$17,140,242	-Project #301-772-089-523
Fabyan Elementary School	\$8,050,000	
Williamsburg Elementary School	\$8,050,000	
Renovation to existing schools	\$11,896,500	

Issuance of funding from the State has been suspended since 2004 until direction is received from the General Assembly and the Governor.

Questions??