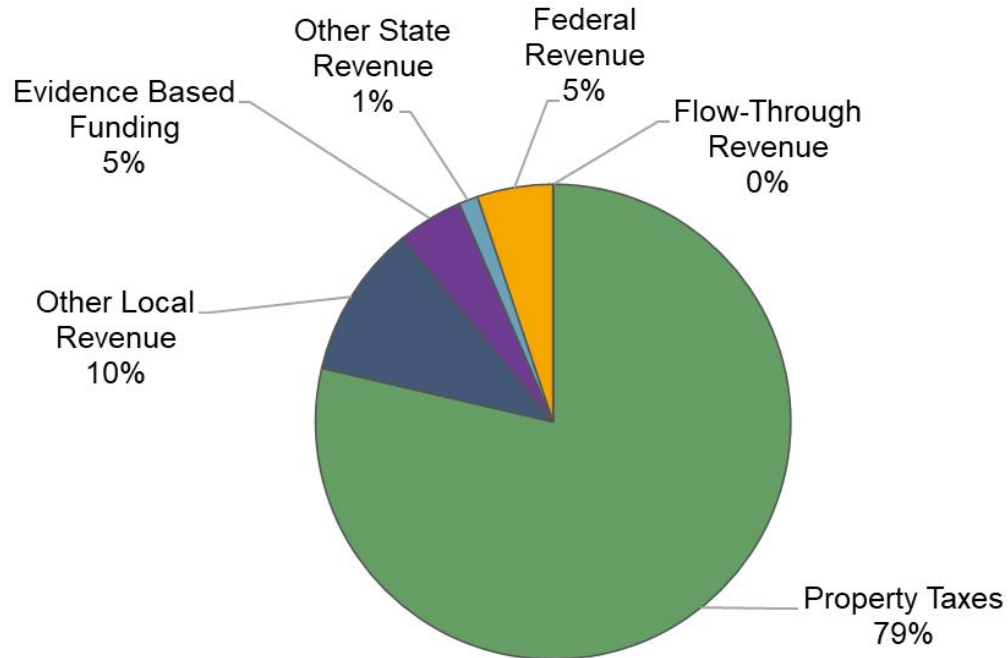


LaGrange School District 105

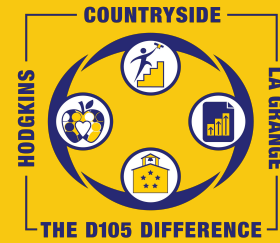
**2023 Tax Levy
Presentation**

Property Taxes

Budgeted Revenue Allocation by Source

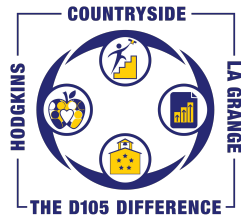


Key points about Property Taxes

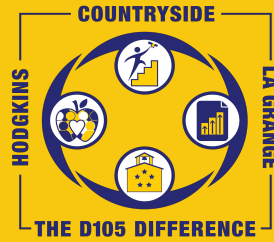


- A property tax is a real estate tax calculated by a local government and is based on the value of the owned property, including land.
- For most school districts in Illinois property taxes are the single largest source of revenue.
- In Illinois, counties that fall under the **tax cap** are subject to the Property Tax Extension Limitation Law (PTELL).
- Cook county enacted PTELL in 1994.
- PTELL limits the increase in a tax levy to the lesser of 5% or CPI, plus new property.
- **This is the second year since PTELL was enacted that the 5% ceiling has been reached.**

PTELL Components



PTELL Components



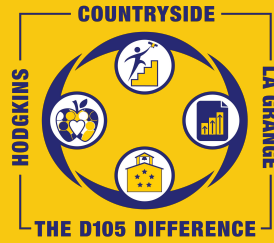
Known Variables:

- Prior Year Extension (from County)
- CPI (from BLS)

Unknown Variables:

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

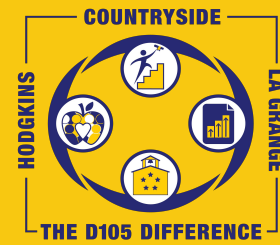
How are Property Taxes Calculated under PTELL?



PTELL is a math formula that determines a Limiting Rate:

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

PTELL Components: Consumer Price Index (CPI)



Prices paid in December 2021
278.802



Prices paid in December 2021
296.924

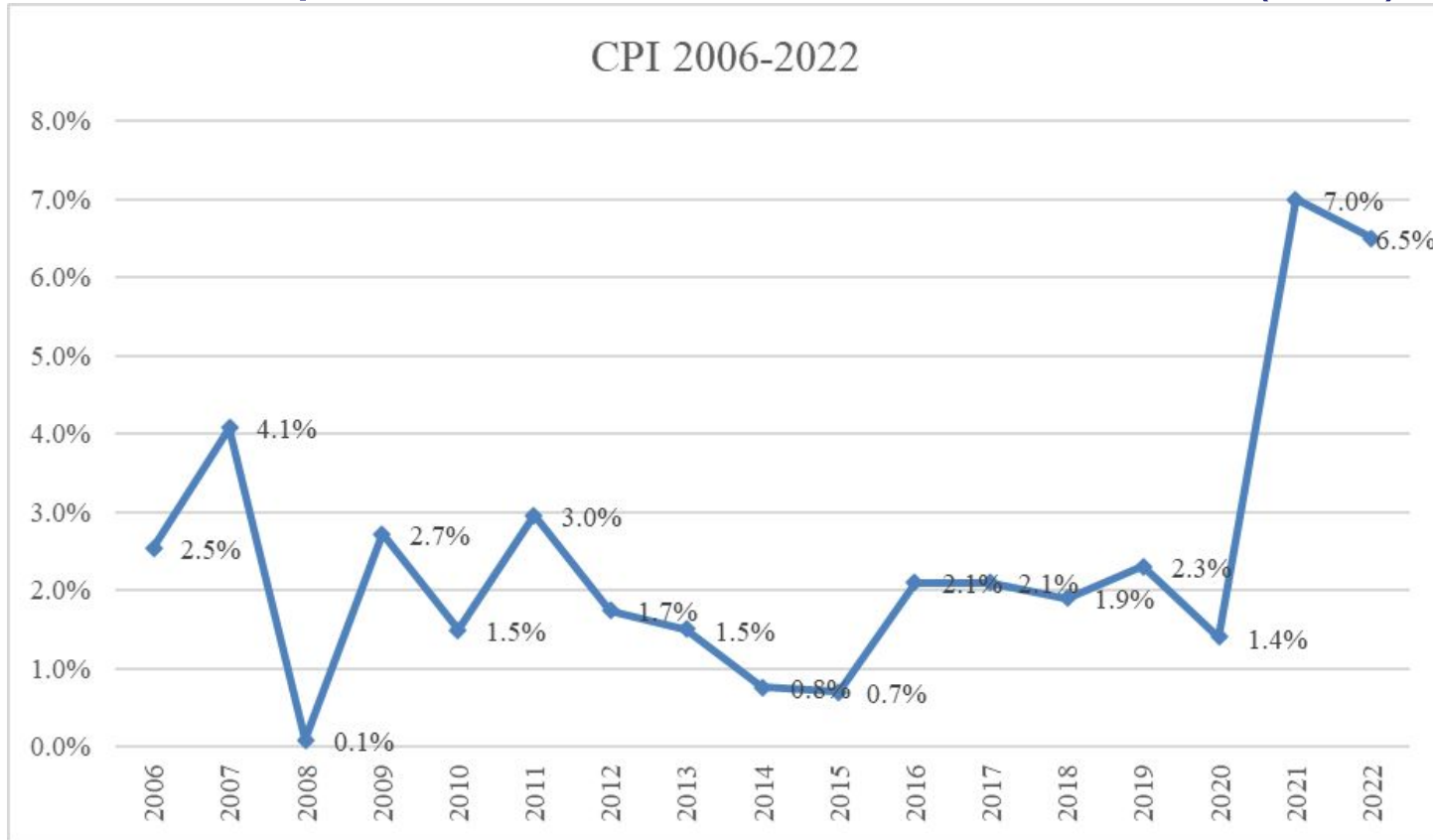


Change in Prices

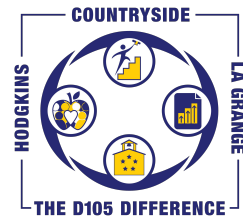
$$(296.924/278.802) = 1.0649 \text{ or } \underline{6.5\%}$$

PTELL Caps the change in the levy on existing taxes to 5%.

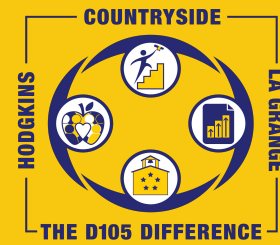
PTELL Components: Consumer Price Index (CPI)



Putting it all together



Levy - “Ask” vs Extension - “Receive”



Levy - Ask

The total ask is for: \$26,877,159.00.

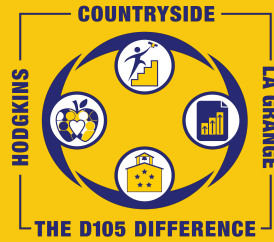
This equals an increase of 5.88%.

Extension - Receive

We expect to receive \$26,654,005.35

This equals an increase of 5.01%.

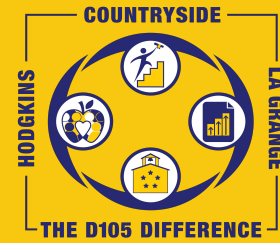
Projected Extension - “Actual”



The extension is projected to be **\$26,654,005.35**

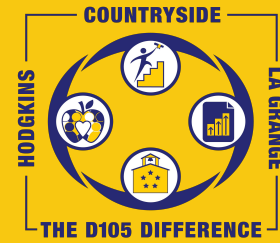
- CPI capped at 5%
- AV assumed to be up 35%
- New Property assumed of \$7,250,000
- No over-levying, while ensuring getting the full levy

Levy Vs. Projected Extension



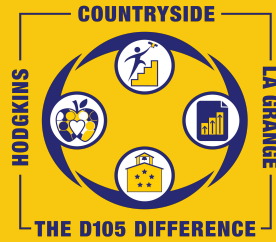
Fund	Levy	Projected Extension
Education	\$21,152,993.00	\$20,977,365.52
Special Education	\$1,582,121.00	\$1,568,985.09
Operations & Maint.	\$2,848,606.00	\$2,824,954.81
Transportation	\$393,303.00	\$390,037.51
Working Cash	\$36,323.00	\$36,021.42
Municipal Retirement	\$267,627.00	\$265,404.97
Social Security	\$367,627.00	\$364,574.69
Fire Prevention & Safety	\$5,000.00	\$4,958.49
Tort	\$223,559.00	\$221,702.85

Cash Balances - June 30, 2023



Fund	Balance
Education	\$6,465,627.00
Operations & Maint.	\$9,088,816.00
Debt Service	\$565,654.00
Transportation	\$251,107.00
Social Security and IMRF	\$739,243.00
Capital Projects	\$1,907,657.00
Working Cash	\$2,990,131.00
Tort	\$317,090.00
Fire Prevention & Safety	\$736,578.00

Next Steps



- Approve projected levy tonight
- Publish notice for a truth in taxation hearing to occur on December 18, 2023.
- Hold truth in taxation hearing on December 18, 2023 at 7th Avenue School.
- Approve final levy on December 18, 2023.
- File levy with County Clerk by the last Tuesday in December (December 26, 2023).

