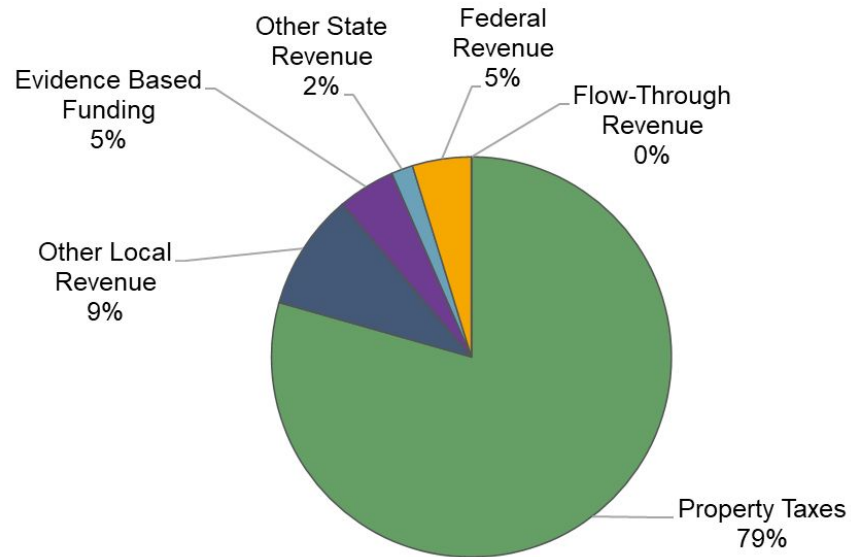


La Grange School District 105

2022 PROPERTY TAX LEVY PRESENTATION
NOVEMBER 14, 2022

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 first 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 2020
260.474



Prices paid in December 2021
278.802

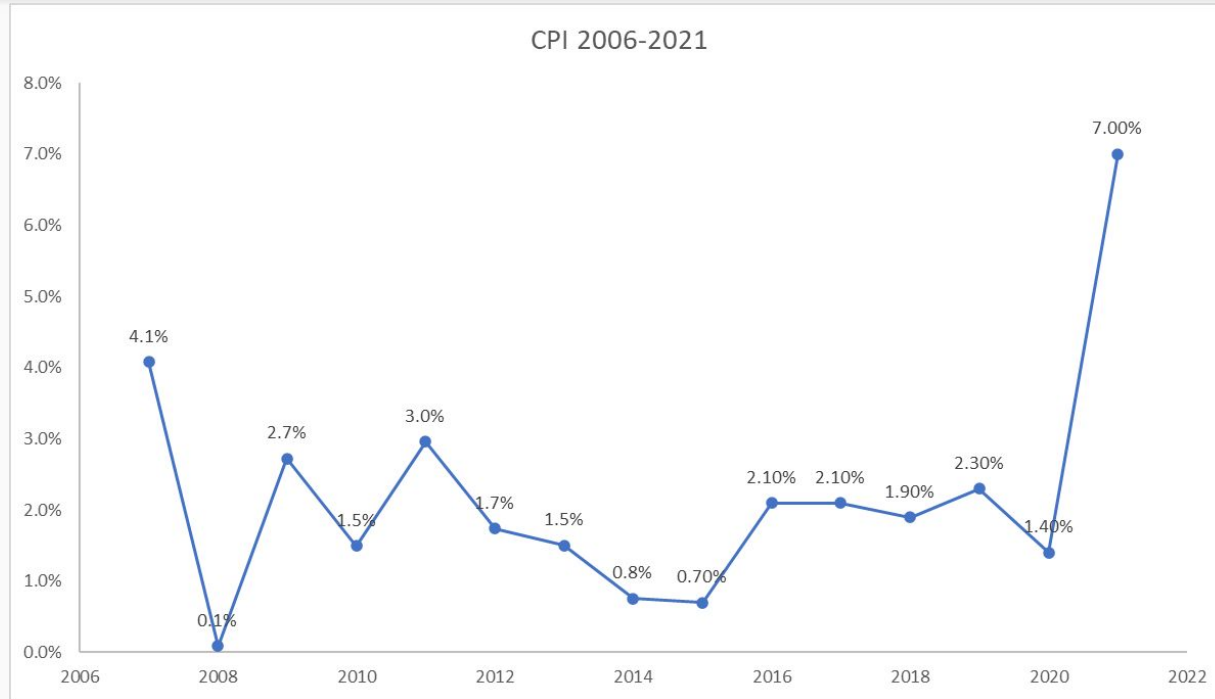


Change in Prices

$$(278.802/260.474) = 1.0703 \text{ or } \underline{7.0\%}$$

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: \$25,469,641.00

This equals an increase of 5.92%.

Extension - Receive

We expect to receive \$25,469,330.76

This equals an increase of 5.91%.

Projected Extension - “Actual”

The extension is projected to be **\$25,247,822.25**

- CPI capped at 5%
- AV assumed to be up 3%
- New Property assumed of \$6,000,000
- No over-levying, while ensuring getting the full levy

Projected Tax Rate

Tax rate - 2021 tax extension: \$3.58

Projected 2022 tax rate: \$3.69*

*Final tax rate is calculated when we have our EAV from the assessor's office.

Levy vs. Projected Extension

Fund	Levy	Projected Extension
Education	\$20,291,349.00	\$20,114,628.74
Special Education	\$1,451,327.00	\$1,438,687.19
Operations & Maint.	\$2,537,002.00	\$2,514,906.89
Transportation	\$337,833.00	\$334,891.76
Working Cash	\$34,319.00	\$34,020.11
Municipal Retirement	\$300,789.00	\$298,169.39
Social Security	\$300,789.00	\$298,169.39
Fire Prevention & Safety	\$5,000.00	\$4,956.45
Tort	\$211,233.00	\$209,393.34

Cash Balances - June 30, 2022 (unaudited)

<u>Fund</u>	<u>Balance</u>
Education	\$4,362,653.10
Operations & Maintenance	\$9,358,400.62
Debt Service	\$221,361.24
Transportation	\$582,729.41
Social Security and IMRF	\$876,885.67
Working Cash	\$2,864,339.20
Tort	\$152,975.60
Fire Prevention & Safety	\$665,286.15

Next Steps

- Approve projected levy tonight
- Publish notice for a truth in taxation hearing to occur on December 19, 2022.
- Hold truth in taxation hearing on December 19, 2022.
- Approve final levy on December 19, 2022.
- File levy with County Clerk by the last Tuesday in December (December 27, 2022).

Process Update

- ~~● Approve projected levy~~
- ~~● Publish notice for a truth in taxation hearing to occur on December 19, 2022.~~
- Hold truth in taxation hearing on December 19, 2022.
- Approve final levy on December 19, 2022.
- File levy with County Clerk by the last Tuesday in December (December 27, 2022).

La Grange School District 105

2022 Property Tax Levy Presentation

Questions or Comments?