

**COMMUNITY UNIT SCHOOL DISTRICT #6
WAVERLY, ILLINOIS**

TAX HEARING

1) **What Is A Levy?**

A levy is a request for funds by the school district from the county treasurer's office. The levy is based upon the equalized assessed value (EAV) of property within the boundaries of the school district, multiplied by the fixed and unlimited tax rates which may apply.

2) **What Is The Estimate Of This Year's Equalized Value (EAV)?**

Our EAV last year was \$39,337,754 which was a \$2,815,214 increase over the year before. We may have had some new construction in the school district last year, so we increased the levy to capture all new growth.

Equalized Assessed Value						
1998	1999	2000	2001	2002	2003	2004
\$ 26,641,598	\$27,932,668	\$29,778,874	\$30,076,662	\$32,981,514	\$34,300,100	\$33,851,051
2005	2006	2007	2008	2009	2010	2011
\$31,718,255	\$30,792,860	\$30,004,508	\$32,035,634	\$32,942,728	34,516,005	36,522,540
2012						
\$39,337,754						

This increase will help make sure that we capture all the new EAV growth. This is important, since with the Property Tax Extension Limitation Law (Tax Caps) in place, this new property is lost to the school district if not captured in full in the first year. In 2004 we saw a larger decrease due to the impact of the Homestead Exemption Act. Currently we are seeing a slower growth rate of new property due to economic conditions.

3) **What Are Tax Caps?**

The Property Tax Extension Limitation Law (PTELL) limits the increase in property tax extension in certain counties to 5% or the percent increase in the National Consumer price Index (CPI), whichever is less.

When the county clerk compares the calculated aggregate tax rate (based on the amounts levied by the school district) to the limiting rate and determines that the calculated aggregate rate is greater than the limiting rate, the county clerk will reduce each rate by the same percentage.

4) **Will The District Get The Entire Extra % Being Requested?**

No. Levying in December is an "estimate" because the District will not receive certified equalized assessed values (EAV) until the beginning of April. Many Districts over estimate the EAV to insure that they capture all of the tax money necessary to operate the district. If the EAV is less, then the District will get less, but only to what is entitled. It is important to levy appropriately to capture the full value of new growth the first year new property goes on the tax role.

5) **What Are Fixed Funds In The Tax Levy?**

These are funds which the District may levy (request funding) but only up to a fixed limit or rate and no higher without voter approval. A district may transfer dollars from one fund to another after the levy is approved by the County.

<u>FUNDS</u>	<u>MAXIMUM FIXED RATE</u>	<u>2012 RATE</u>
Education	\$ 4.00	3.74
Operation and Maintenance	\$.75	.66
Transportation	\$.20/As needed	.36
Special Education	\$.8	.04
Working Cash	\$.05	.047
Fire Prevention and Safety	\$.05	.05

6) **What Are The Unlimited Rate Funds In The Tax Levy?**

In some funds, the District is allowed to levy (request funding) for what they need during the upcoming year. The rate is determined by dividing the EAV into the amount of levy. The Illinois Municipal Retirement Fund (IMRF) is used to help pay retirement for support staff such as cooks, bus drivers, secretaries and custodians. The teachers' and administration retirement contribution (TRS) of 9% is also levied as per need.

Social Security Funds are levied to supplement the support staffs' contribution to Social Security. Teachers and Administrators do not pay into the Social Security System, though all employees do pay into Medicare, except those hired before 1985.

ADDITIONAL INFORMATION

District #6 Operating Expense was \$1,800 below state average in 2010.

2010 Operating Expenses Per Pupil - Illinois State Average - \$11,000

District #6 in 2010

(OEPP) \$9,680 (PCTC) \$8,297
(Per Capita Tuition Charge)