

# Lincolnshire-Prairie View School District 103

**2023 Levy for  
Fiscal Year 2024+  
November 14, 2023**

Patrick Palbicke, Assistant Superintendent for Business/CSBO





# Budget and Levy Schedule

- **Monthly** Review Actual to Budget
- **July/Sept** Submit Approved Budget to ROE and Lake County Clerks office
- **October** Prepare 2023 Levy Report for Budget
- **Nov/Dec** **Levy Hearing & Approve 2023 Levy for 2024+ Budget**
- **Dec/Mar** Review Status 2024 Budget & Prepare 2025 Preliminary Budget/Fees Information
- **April** Approve 2023 Tax Extension/Prelim 2025 Budget
- **May/July** Amend 2024 Budget – 2025 Tentative Budget
- **June/Sept** Budget Hearing/Approve Amended 2024 Budget/Approve 2025 Budget



# GOALS

Each school year we use a strategic planning framework to address the educational needs of our students. Our action planning goals incorporate the district's vision, mission, core values and strategic planning direction

➤ **Vision:**

To be "Leaders in Learning" - the premier educational organization.

➤ **Mission:**

To provide innovative learning experiences which empower each student to excel and make a difference in a diverse and interconnected world.

➤ **Core Values:**

- Academic Excellence
- Meeting Individual Student Needs
- Social Responsibility
- Global Preparedness
- Continuous Improvement
- Safe and Healthy Environment
- Long Term Perspective
- Partnership Among All Stakeholders

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# Budgeting and Operating Funds

## What is a school district budget?

- ❑ Illinois Law requires the BOE to budget its income and expenses each year and to make the budget available for public inspection.

## The budget serves two purposes:

- ❑ To demonstrate a plan for receiving and spending in each of the district's operating funds.
- ❑ To demonstrate the amount of taxes levied on real property within the district.



# Generating Revenue

## What is a tax extension?

- ❑ A levy is the amount of money a district asks for; however, the extension is the amount of money a district actually receives.

## How is the extension processed?

- ❑ The BOE certifies a tax levy to the County Clerk.
- ❑ The clerk assigns appropriate tax rates to the various operation funds when EAV is determined.
- ❑ The County Clerk processes tax bills that generate tax dollars extended to the school district.



# Budgeting and Operating Funds

## **Operating Funds:**

- Education Fund
- Operation & Maintenance (Building) Fund
- Transportation Fund
- Working Cash
- IMRF
- Social Security Fund
- Fire Prevention & Life Safety Fund
- Tort Fund
- Special Education Fund
- Bond & Interest Fund
- Capital Projects Fund

**Aggregate Funds  
Subject to Levy**



# PTELL - The Tax Cap

## PROPERT TAX EXTENSION LIMITATION LAW (PTELL)

Limits tax extensions to the lower of 5% or CPI

New Property taxed at full value

Caps the amount of taxes a district can receive, **not** the amount of taxes a property owner pays.

**Prior Year's Taxes x Consumer Price Index**

**Equalized Assessed Value (EAV) - New Construction**

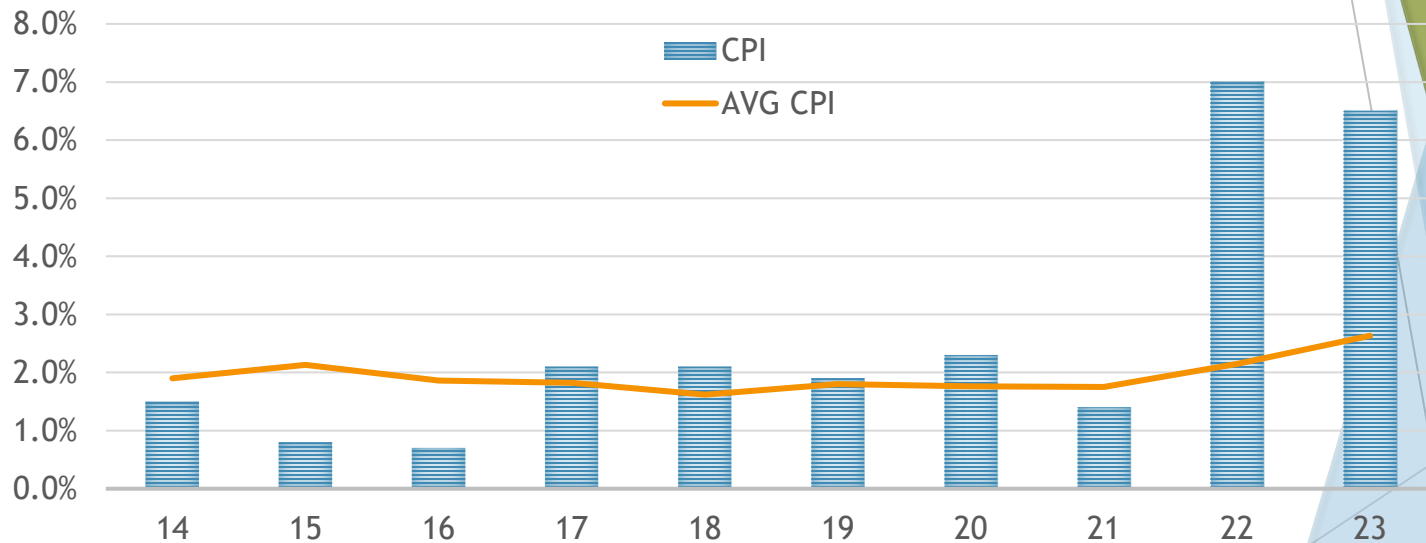
This formula creates the limiting rate, the official term for the Tax Cap. This limits the tax rate for those levies that provide funds for the Operating Funds. Debt Service taxes are exempt from the Tax Cap.



# Consumer Price Index

Ten Year Average CPI - 2.6%

YEARLY C.P.I.







# Assumptions

- Prior Year Extension \$34,998,494 (Known)
- CPI at 6.4% (Known); Limited to 5.0% for PTELL
- Existing EAV at \$1,135,676,282 (Unknown; Estimated)
- New construction \$13,186,829 (Unknown; Estimated)

**These assumptions would yield a rate increase of .027%**

- 2021 Limited Rate 3.1312%
- 2022 Limited Rate 3.2468%
- **2023 Expected Limited Rate 3.2738%**



# 2023 Proposed Tax Levy

<b><u>FUND</u></b>	<b>2022 Tax Extension</b>	<b>2023 Tax Levy</b>
• Education	\$27,965,004	<b>\$29,900,000</b>
• O & M	\$3,476,996	<b>\$3,775,000</b>
• Transportation	\$1,986,861	<b>\$2,125,000</b>
• IMRF	\$680,504	<b>\$750,000</b>
• Social Sec	\$889,129	<b>\$960,000</b>
• Debt Service	\$423,869	<b>\$446,434</b>

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# 2023 Proposed Tax Levy

		Proposed Tax Rate 2023 Tax Year	Expected Tax Rate 2023 Tax Year	Final Tax Rate 2022 Tax Year
<b>Assessed Valuation</b>		\$1,135,676,282	\$1,135,676,282	\$1,067,887,664
<b>Tax Rates</b>	<b>Maximum</b>			
Educational	As Needed	2.6328	2.6164	2.5943
Tort Immunity	As Needed	0.0000	0.0000	0.0000
Special Education	0.4000	0.0000	0.0000	0.0000
O & M	0.5500	0.3324	0.3256	0.3226
Transportation	As Needed	0.1871	0.1850	0.1843
Municipal Retirement	As Needed	0.0660	0.0637	0.0631
Social Security	As Needed	0.0845	0.0832	0.0825
Fire Prevent & Life Safety	0.100	0.0000	0.0000	0.0000
Working Cash	0.050	0.0000	0.0000	0.0000
<b>Limited tax rate</b>		3.3029	3.2738	3.2468
PTAB Recapture	As Needed	0.0119	0.0119	0.0119
Bond & Interest	Not Under Tax Cap	0.0393	0.0393	0.0393
<b>Total Tax Rate</b>		3.3541	3.3251	3.2980
<b>Total Levy (EAV * TTL Tax Rate)</b>		<b>\$38,091,583</b>	<b>\$37,761,827</b>	<b>\$35,218,935</b>



# Cash Balances

	June 30	Oct 31	May 31
	2023	2023	2024 Estimated
	Cash Balance	Cash Balance	Cash Balance
Operating Funds	\$26,557,442	\$31,171,837	\$15,833,455
Restricted Funds	\$196,166	\$517	-\$496,000
<b>Total Cash Balances</b>	<b>\$26,753,608</b>	<b>\$31,172,354</b>	<b>\$15,337,455</b>

- Tax receipts primarily happen in June and September each year
- June receipts are to fund the following fiscal year and are considered as “Early Taxes”
- The district collects ~\$511K per month in other revenues
- District spends ~\$3.46M each month on expenses
- September receipts are to help fund the district through the following May until the Tax Extension is applied



# The Levy and Extension

## **LEVY (November/December)**

- PTAB Recapture is processed by the County Clerk
- Debt service is uncapped and outside of the aggregate Levy
- No penalty for guessing too high
- Big penalty for guessing too low
- When EAV drops tax rates rise

## **EXTENSION (April)**

- County Clerk collects assessments for EAV
- County Clerk calculates rates
- If levy is higher than allowed, County clerk calls Business office to reduce levy to correct amount



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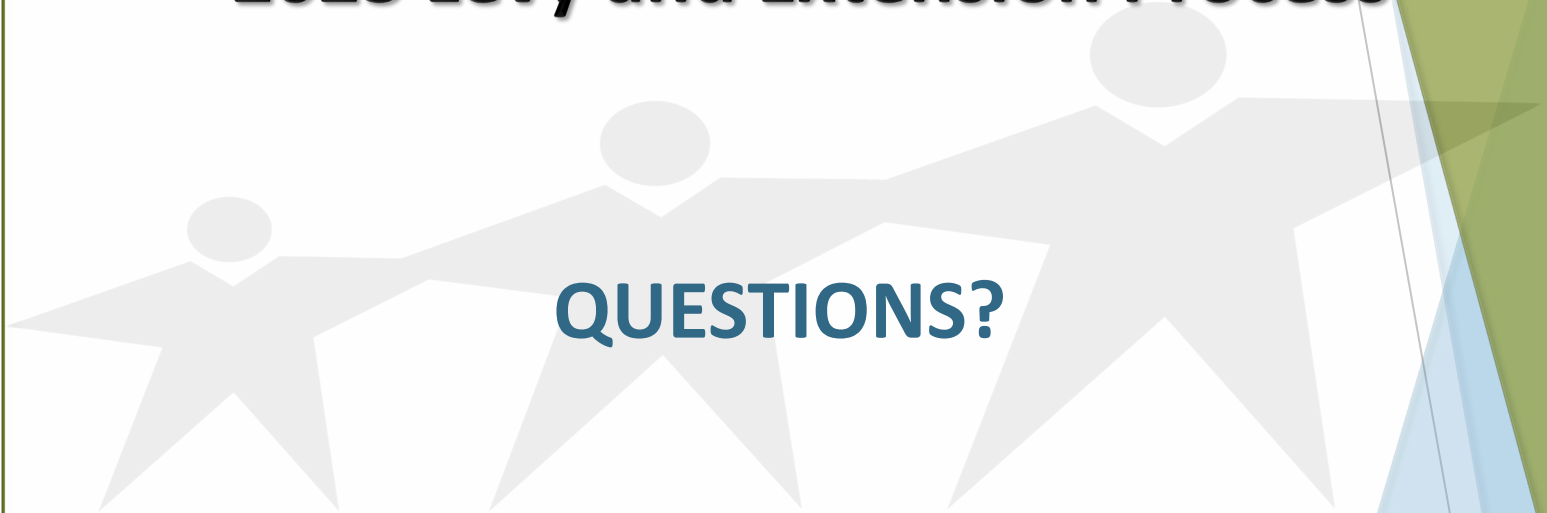
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## **2023 Levy and Extension Process**



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