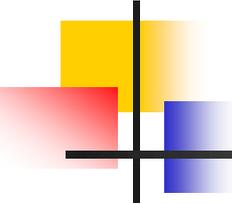


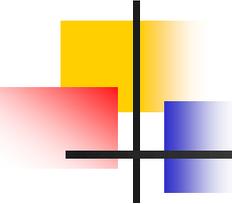
TAX LEVY

**Community Unit School
District #7
2020-21**



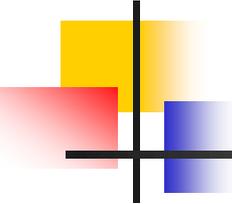
Generating Revenue

- What is a tax levy? A levy is the amount of dollars in each operating fund a school district requests from the county to pay the bills for the next school year. The Board has to adopt a levy no later than the last Tuesday in December and certify it with the County Clerks.
- It is important to remember that what we **levy** is the amount we are **requesting**; the **extension** is the amount of money we will actually **receive** and it will almost always be less than what we request.
- How is the extension processed? The Board of Education certifies a tax levy to the County Clerk. The County Clerk assigns appropriate tax rates to the various operation funds. The County Clerk processes tax bills that generate tax dollars extended to the school district.



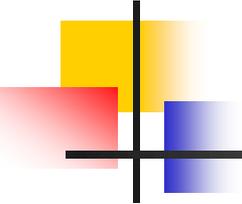
Generating Revenue

- What is Equalized Assessed Valuation (EAV)? EAV is the property valuation, for individual and total property of a school district, after the county and state equalization calculations are performed.
- How much will the EAV grow from last year? It is impossible to determine an exact amount, but the average over the last seven years has been 1.12%
- Why is EAV important? Any growth in EAV must be captured to ensure financial health of the district. The total district EAV is multiplied by the approved tax rate to arrive at the extension. Increases in EAV and/or new construction not captured that tax year will cost the district those new monies in perpetuity.



EAV History

- Over the past six years we've seen a decrease in EAV of as much as -3.1% and have seen it increase as much as 3.9%. The average has been an increase of 1.12%. (but has increased consistently since 2016)
- Even though we know the EAV will likely be somewhere around the historical average, we base our levy requests on a much higher amount so as not to lose revenue from new growth in the EAV and to make sure we account for potential new construction.
- We can do this without running the risk of overtaxing taxpayers because school districts will receive no more than we are entitled to by law as a result of rate limits.
- What keeps us from overtaxing are what are referred to as limiting rates in the various funds.



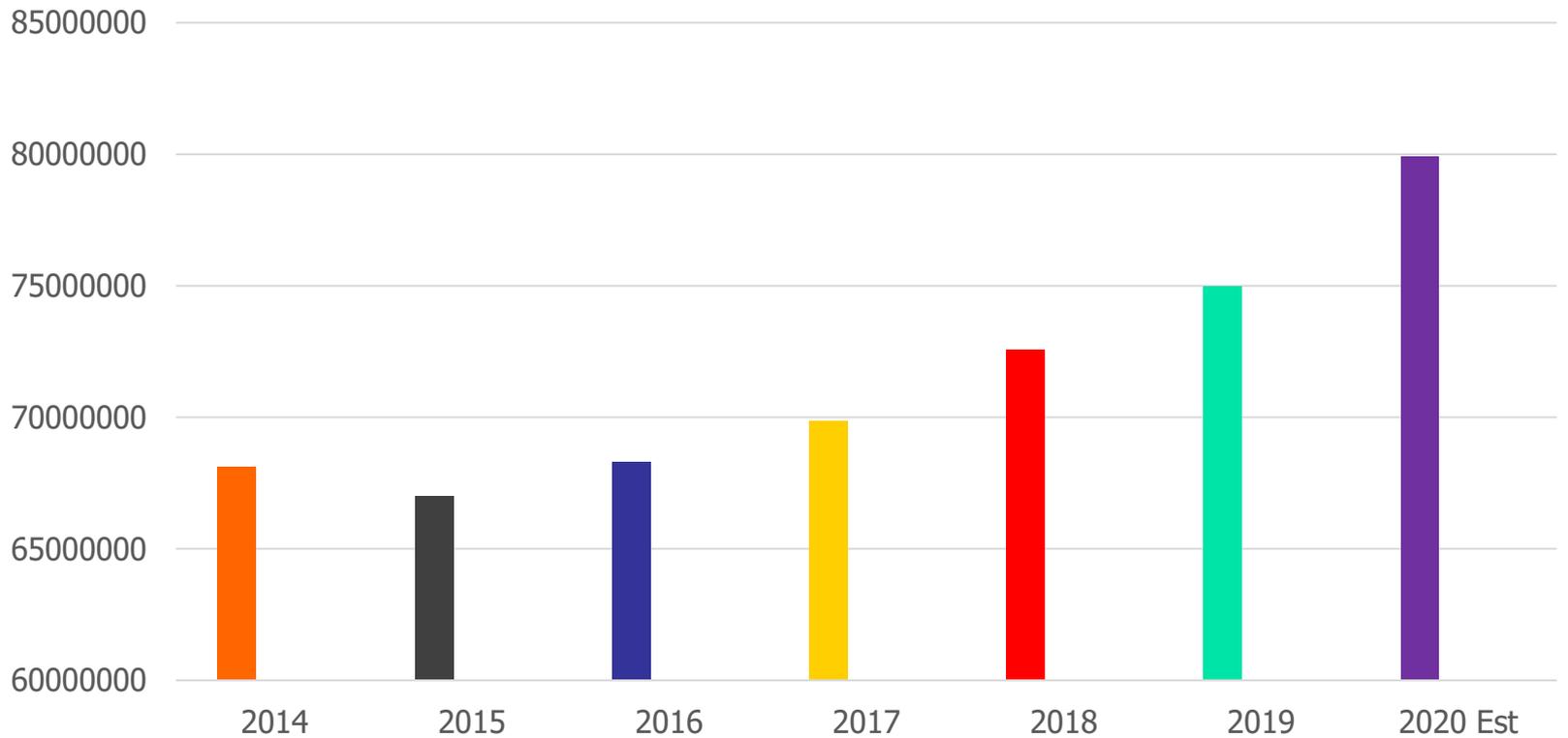
ASSESSED VALUATION HISTORY

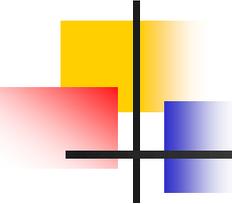
2014	\$68,105,288	-3.1%
2015	\$66,998,937	-1.6%
2016	\$68,295,850	1.9%
2017	\$69,847,262	2.3%
2018	\$72,553,661	3.9%
2019	\$74,961,151	3.3%
2020	*\$79,909,209	5.0%

*Estimated

EAV Growth for Gillespie CUSD

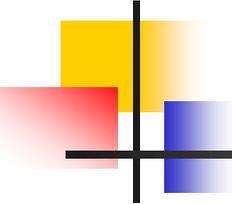
#7





PTELL

- Commonly referred to as “Tax Caps”
- Approved in Macoupin County in 1995 for taxes payable in the following year
- Tax Caps limits the increase in property tax extension to 5% or the percent of increase in the national Consumer Price Index (CPI), which ever is less.



Consumer Price Index

• 2013	1.7%
• 2014	1.5%
• 2015	.8%
• 2016	.7%
• 2017	2.1%
• 2018	2.1%
• 2019	1.9%
• 2020	2.3%

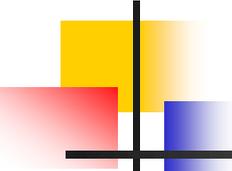
Taxes Extended

These amounts do not include B/I

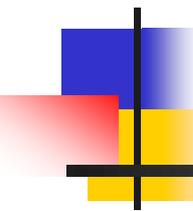
2014	\$2,009,454
2015	\$2,025,528
2016	\$2,033,208
2017	\$2,090,878
2018	\$2,147,304
2019	\$2,207,762

Impact Since 2013

(These amounts do not include Bond/Interest)



Tax Year	Levy Request	Capped (5% or CPI which ever is less) Actual Extension	Difference
2014	\$2,063,070	\$2,009,454	\$53,616
2015	\$2,109,928	\$2,025,528	\$84,400
2016	\$2,126,804	\$2,033,209	\$93,595
2017	\$2,134,869	\$2,090,878	\$43,991
2018	\$2,195,421	\$2,147,334	\$48,117
2019	\$2,350,839	\$2,207,762	\$143,077

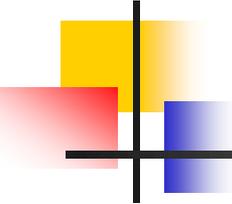


TAX LEVY PROPOSAL 2020

Payable in FSY 2021

Community Unit School District #7

FUND	Previous Ext.	Proposed	Projected Actual Extension based on C.P.I
Education	\$1,316,236	\$1,490,071	\$1,346,510
O & M	\$ 340,227	\$385,160	\$348,053
Transport	\$ 136,535	\$154,567	\$139,676
Work Cash	\$ 31,874	\$ 36,083	\$32,608
IMRF	\$ 91,715	\$ 103,828	\$93,825
Soc/Sec	\$ 82,967	\$93,924	\$84,876
Tort	\$182,711	\$206,841	\$186,914
Spec. Ed.	\$ 25,502	\$ 28,871	\$26,089
Bond & Int.	\$921,206	\$919,259	\$942,394
Total	\$3,128,969	\$3,418,604	\$3,200,936



Final Thoughts

- The key to remember is that by law the tax levy is due in December. However, there are so many things we won't know until after the first of the year. Specifically and most importantly, the true EAV and the actual amount of new construction.
- Therefore, we are forced to ask for more than we think we could possibly get, knowing that if we under levy we lose money forever and knowing that because of limits put on the tax levy we can guard against overtaxing property owners.
- The tax levy and this presentation will be on display, both in the district office and on the website until December 21st. On December 21st we will hold our Tax Levy Hearing and anyone who wishes to make public comments on the tax levy may do so at that time.