

Bloomington Public Schools



**2010 LEVY
2012 BUDGET
OCTOBER, 2010**

Agenda



- Levy Calendar
- What is the Levy and why is it important
- Levy calculation, assumptions and data

Calendar



- October 27 Tax Levy Report
- November 26 Publish Hearing Notice
- December 8 Public Hearing & Levy Resolution
- December 28 File Levy with County
- March/April Verify Levy & Extension
- May/June County Sends Tax Bills
- June/July Collections Begin

The Levy Is



- The maximum dollar amount the Board needs from the property tax for next years budget (2012).
- The County sets a lower extension once it has actual EAV data. Collection issues also reduce the amount received.
- The Levy is the first projection of next year and is approved months before the current fiscal year ends.

The Levy Is Important



- The Property Tax:
 - Our largest revenue source.
 - A growing revenue source.
 - Our most stable and reliable revenue source.
 - Arrives early and provides cash flow and earns interest.
- The Board has more control over the Property Tax than most other revenue sources.

Levy Assumptions



- Keep the overall tax rate as flat as possible.
- Fund debt service schedule to repay bonds.
- TIF ends and District receives revenue in 2012.
- Project 2012 budget and EAV growth.

Levy Process



- A public hearing must be held if the levy is 105% of the prior years extension.
- Board approves a resolution to:
 - Estimate property tax revenues necessary for 2012,
 - Establish the date of required public hearing, and
 - Approve publishing notice of the public hearing.

How to Estimate the Levy Amount



- 2011 Education fund expenditures estimated - \$49.0 M.
- 2012 expenditures projected - \$50.5 M (3.0% growth).
- Property tax approximately 57% of revenues.
- Need approximately \$28.8 M from the property tax to balance the budget.

How to Estimate the Levy Amount



- Assuming TIF + 3% EAV growth (4.97%), the Levy raises the same amount as the extension \$28.8 M and collect \$28.3 M.
- The overall tax rate goes up \$0.02 to \$4.63.

How to Estimate the Levy Amount



- Assuming EAV loss of \$2 M and transfer of the TIF to the District (1.91%), the Extension raises \$27.9 M and collections raise \$27.5 M.
- The overall tax rate increases \$0.04 to \$4.65.
- In summary: We need \$28.8 M
We receive \$28.3 M - \$27.5 M.

Tax Rate Limits



- The following funds are at their statutory maximum rates:

— Education	\$3.12
— Operations & Maintenance	\$0.50
— Special Education	\$0.04
— Life Health Safety	\$0.05
— Transportation	\$0.20
— Working Cash	\$0.05
— Lease (Technology & Facilities)	\$0.05

Tax Rate Limits



- The following funds have no statutory maximum rates:

	<u>Levy Rate</u>
— IMRF	\$0.08271
— Tort	\$0.09439
— Social Security & Medicare	\$0.09731
— Bonds & Interest	\$0.39951

Levy / Extension Calculation



- The County calculates the final tax rate and sets the extension based on the levy and the actual EAV.

$$\frac{\$ 28,800,000 \text{ Levy}}{\$896,122,968 \text{ EAV}} = \$3.21$$

Levy / Extension Calculation



- The County cannot exceed the maximum statutory tax rate of \$3.12 for the Education Fund. The EAV is set. Thus, it reduces the Levy to the lower Extension amount.

\$ 27,959,036 Extension	=	\$3.12

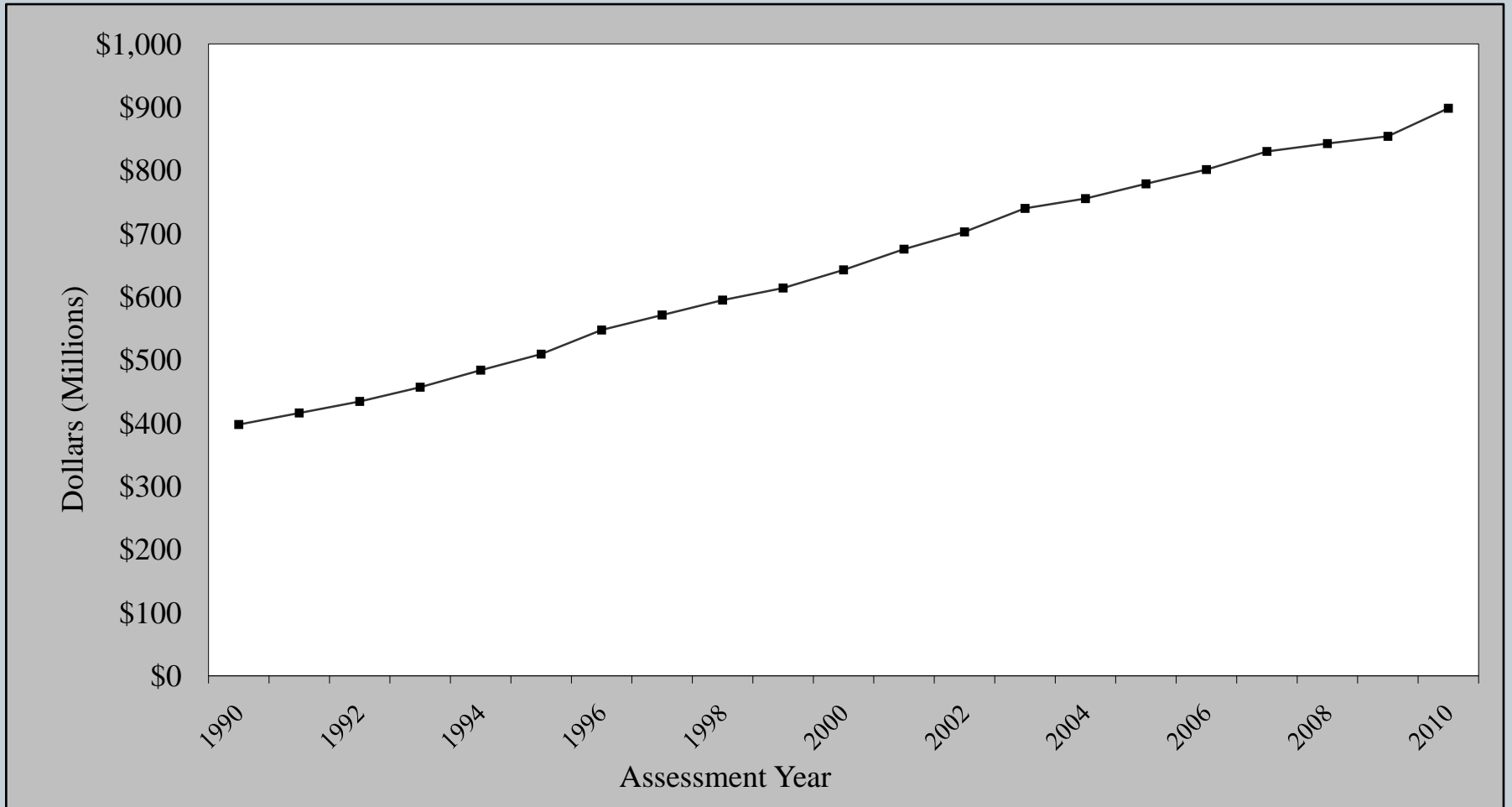
\$896,122,968 EAV		

EAV By Type

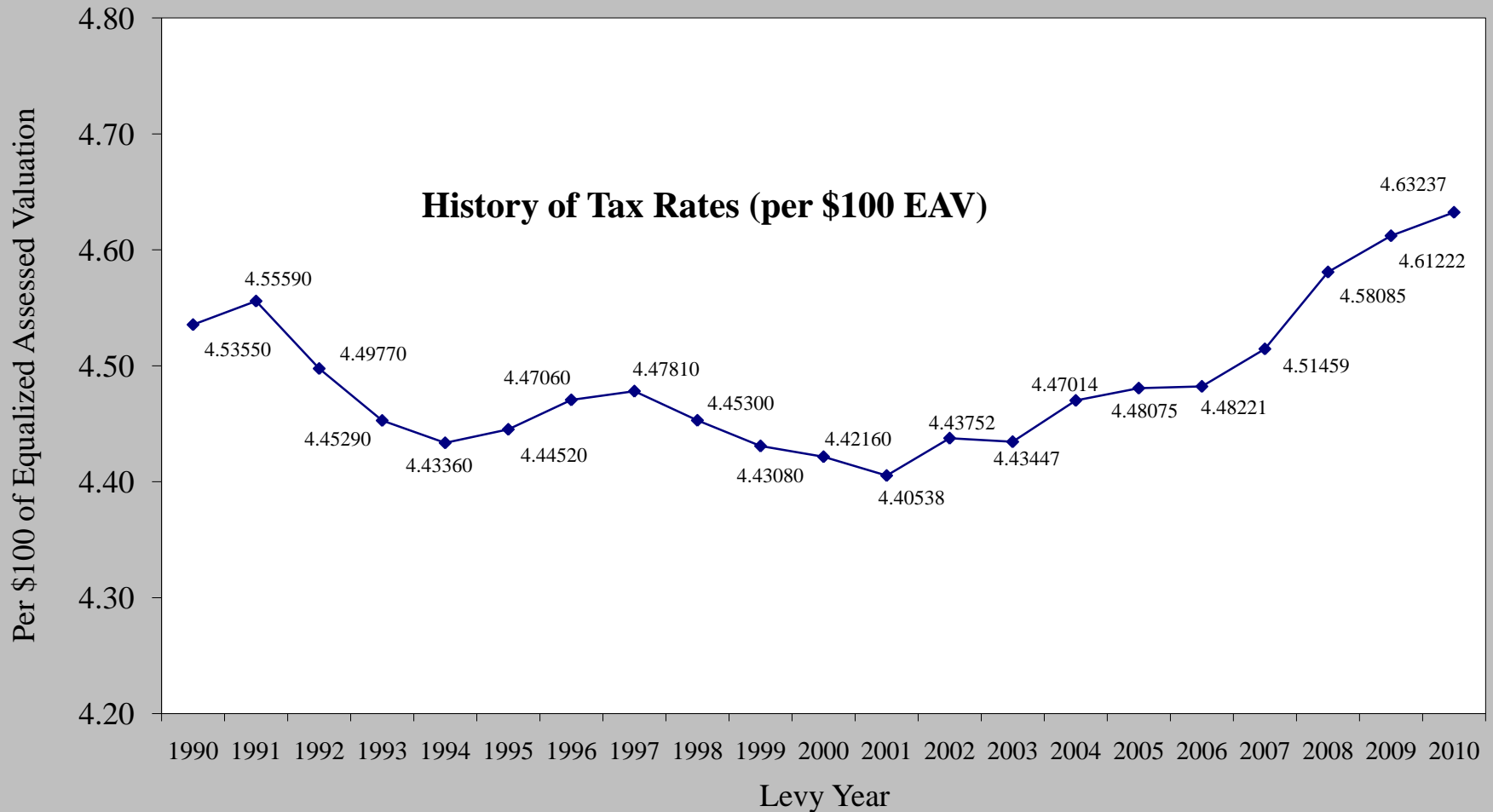


Budget Year	2006	2007	2008	2009	2010	2011	2012
<u>Levy Year</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Residential	455,977,159	474,194,627	490,344,367	515,525,482	525,724,381	540,290,650	542,280,604
Commercial	292,230,382	297,413,922	303,796,634	307,066,383	309,315,797	306,299,322	322,517,528
Industrial	6,514,585	6,454,899	6,543,092	6,729,322	6,712,961	6,562,786	6,676,952
Railroad	359,353	355,924	384,536	389,753	434,463	528,343	528,343
<u>Farm</u>	<u>169,388</u>	<u>128,807</u>	<u>126,016</u>	<u>125,130</u>	<u>129,785</u>	<u>18,872</u>	<u>18872</u>
Total	755,250,867	778,548,179	801,194,645	829,836,070	842,317,387	853,699,973	872,022,299
Residential	1.13%	4.00%	3.41%	5.14%	1.98%	2.77%	0.37%
Commercial	3.59%	1.77%	2.15%	1.08%	0.73%	-0.98%	5.29%
Industrial	2.33%	-0.92%	1.37%	2.85%	-0.24%	-2.24%	1.74%
Railroad	61.56%	-0.95%	8.04%	1.36%	11.47%	21.61%	0.00%
<u>Farm</u>	<u>34.87%</u>	<u>-23.96%</u>	<u>-2.17%</u>	<u>-0.70%</u>	<u>3.72%</u>	<u>-85.46%</u>	<u>0.00%</u>
Total	2.11%	3.08%	2.91%	3.57%	1.50%	1.35%	2.15%

EAV History (TIF + 3.0% in 2010)



Tax Rate History (TIF + 3.0% in 2010)



2010 Levy (TIF + 3.0% EAV Growth)



FUND LEVIED	LEVY AMOUNT	RATE PER 100 E.A.V.	TAX EXTENSION	Estimated 98.5% Collection
EDUCATIONAL	28,023,309	3.12000	27,959,036.60	27,539,651
OPER/BLDG/MAINT	4,490,915	0.50000	4,480,614.84	4,413,406
LEASE & TECHNOLOGY	449,091	0.05000	448,061.48	441,341
TRANSPORTATION	1,796,366	0.20000	1,792,245.94	1,765,362
WORKING CASH	0	0.00000	0.00	0
TORT IMMUNITY	845,862	0.09439	845,861.63	833,174
IMRF	741,219	0.08271	741,218.95	730,101
SOC SEC/MEDICARE	872,022	0.09731	872,022.30	858,942
SPEC. EDUCATION	359,273	0.04000	358,449.19	353,072
LIFE/SAFETY	449,091	0.05011	449,091.48	442,355
TOTAL OPERATIONAL TAXES	38,027,148	4.23453	37,946,602.41	37,377,403
BOND & INTEREST	3,580,096	0.39951	3,580,096.00	3,526,395
TOTAL TAXES	41,607,244	4.63404	41,526,698.41	40,903,798