

Levy Chapter 2:



Two Components of a Levy

LEVY: TWO KEY COMPONENTS

OPERATING FUND LEVY (Sum of total levy for operating funds)



DEBT SERVICE LEVY (Determined by Debt Repayment Schedule-
Not included in Operating Fund levy)

TOTAL LEVY AMOUNT/ EXTENSION

The maximum allowable levy amount is the combination of the District's Operating Funds AND Debt Service Fund.

Debt Service Levy



- ☞ Taxing bodies may only file for a Debt Service Levy if they have debt to repay
- ☞ The Debt Service Levy amount is determined by the annual debt repayment schedule
- ☞ The Debt Service Levy is NOT subject to the “Tax Cap”

***D211 does NOT have a
Debt Service Levy***

***and therefore may only levy within the
limitations of the Tax Cap***

Operating Fund Levy



- Subject to a limited increase over the prior year
 - Sum of all operating fund levy amounts may not exceed the prior year total by more than CPI + new property growth (known as the “Tax Cap”)
- The law defines 10 funds which comprise the total operating fund levy
 - District 211 levies into 6 of these 10 funds (Educational, Operations/Maintenance, Transportation, IMRF, Social Security, Working Cash)
 - District 211 does not levy into the remaining 4 funds (Tort, Special Education, Life Safety, Rentals)

Understanding the “Tax Cap”

- Property Tax Extension Limitation Law (PTELL) also known as the “Tax Cap”
- Impacts all school districts in Cook County and numerous other counties throughout the state
- Limits operating fund levy to
 - A) increase in the prior year’s CPI % plus
 - B) addition of new property growth
- Districts cannot recover full operating revenue if amounts are levied less than CPI
- Each year’s levy sets the foundation amount by which taxes may be levied for the following year
 - If one of the prior three years is higher than the current year (i.e. 2018 levy is higher than 2019 levy), then the highest year becomes the baseline levy amount
 - Under this scenario, taxing bodies still cannot recover full operating revenue

CPI-U History (by levy year)	
2010	2.7%
2011	1.5%
2012	3.0%
2013	1.7%
2014	1.5%
2015	0.8%
2016	0.7%
2017	2.1%
2018	2.1%
2019	1.9%

TOTAL LEVY = OPERATING AND DEBT SERVICE FUND LEVY

- Educational
- Working Cash
- Oper. / Maintenance
- Transportation
- IL. Municipal Retire.
- Social Security

OPERATING FUNDS

Combined Operating Fund levy is "capped" at an increase of CPI % + the new property growth %

The current year levy sets the foundation for all future levy amounts

Amounts levied less than the cap are "lost" and cannot be recovered in future years

These "losses" compound annually



- Debt Service Fund

DEBT SERVICE FUND

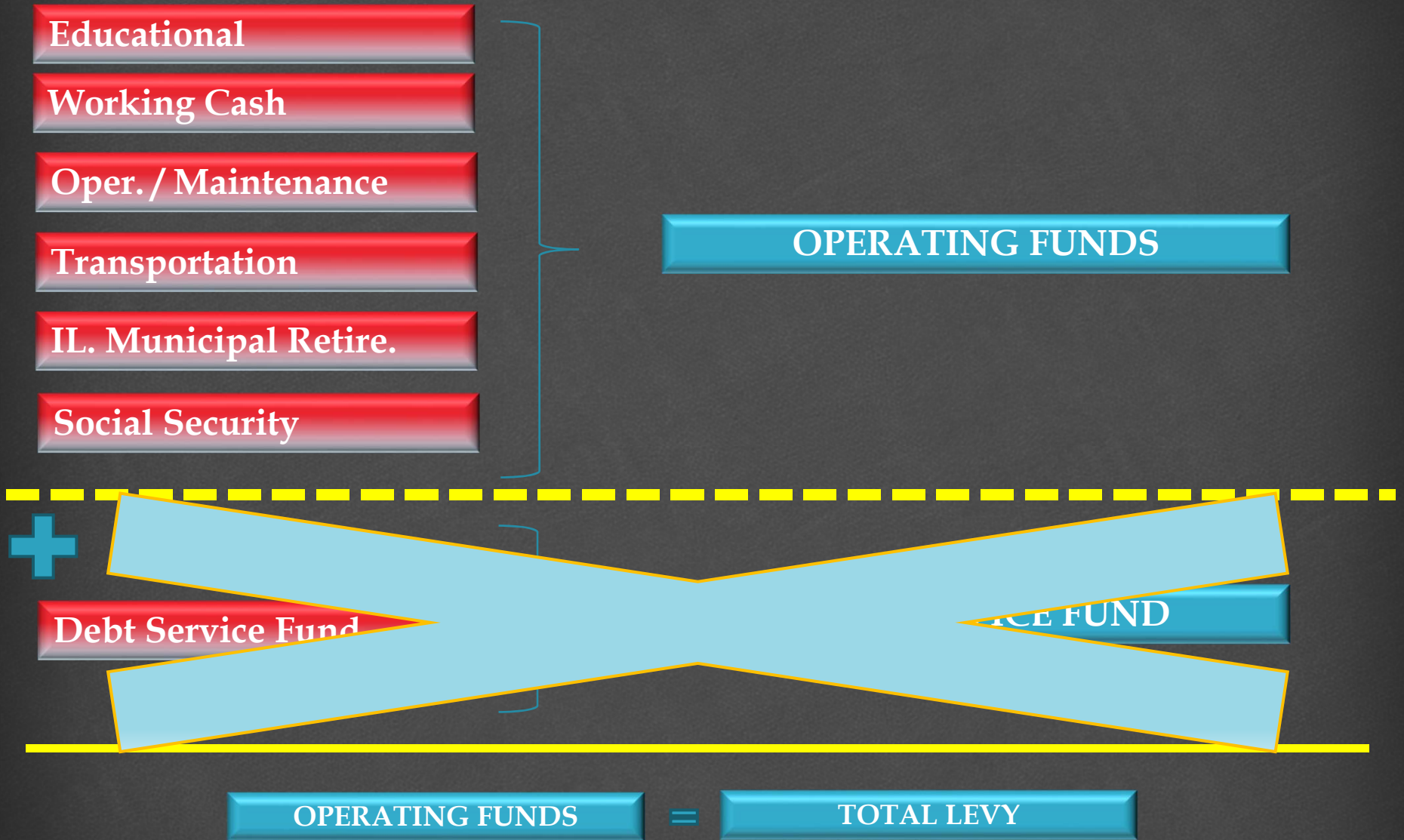
Debt Service levy is tied to the District's outstanding debt and NOT capped by CPI

The debt repayment schedule determines the Debt Service levy amount

Reductions (abatements) are one year only and do not affect future years' levies

OPERATING FUNDS + DEBT SERVICE FUND = TOTAL LEVY

D211's Total Levy is Equal to Only the Operating Funds



No Debt Service Levy = Savings to Taxpayers