

**TAX RATE LIMITATIONS FOR THE 2001-2002 SCHOOL YEAR**  
**School District Tax Rate Limitations<sup>1</sup>**

Purpose	District Type	Percent without Referendum	Percent with Referendum
Educational	Elementary	0.92	3.50
	Secondary	0.92	3.50
	Unit	1.84	4.00
Operations and Maintenance	Elementary	0.25	0.55
	Secondary	0.25	0.55
	Unit	0.50	0.75
Transportation	Elementary	0.12	As Needed
	Secondary	0.12	As Needed
	Unit	0.20	As Needed
Special Education	Elementary	0.02	0.40
	Secondary	0.02	0.40
	Unit	0.04	0.80
Area Vocational Education	Secondary	N/A	0.05
	Unit	N/A	0.05
Summer School	All	N/A	0.15
Bond and Interest	All	N/A	As Needed
Rent	All	N/A	As Needed
Health Insurance	All	N/A	As Needed
Municipal Retirement/Social Security	All	As Needed	N/A
Tort Immunity	All	As Needed	N/A
Tort Judgement Bonds	All	As Needed	N/A
Working Cash Fund	All	0.05	N/A
Fire Prevention, Safety, Energy Conservation, and School Security	All	0.05	0.10
Capital Improvements	All	N/A	0.75
Leasing	All	0.05	0.10
Temporary Relocation	All Eligible	0.05	N/A

<sup>1</sup> Tax Rates may be impacted by the Property Tax Extension Limitation Law (Chicago District 299 not included)

**ILEARN**

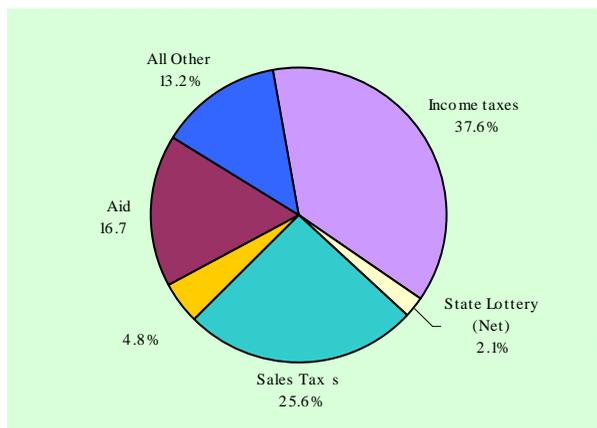
**Illinois Local Education Agency Retrieval Network**



**What is ILEARN? Why would I want to use ILEARN?** – ILEARN is your source for financial data on every school district in Illinois. Aggregate totals of revenues and expenditures as well as operating expenses and per capita tuition amounts are delivered directly to you on the Internet. Cumulative tax rate figures, ranks, and averages are also available. Compare any district to another, to a county or even to the state. For further studies, use the base of details. The Annual Financial Report information, as shown for any specific district, can be utilized for all districts at once with the base of details. Four years of data are currently available. ILEARN can be directly accessed on the agency's homepage: [www.isbe.net](http://www.isbe.net).

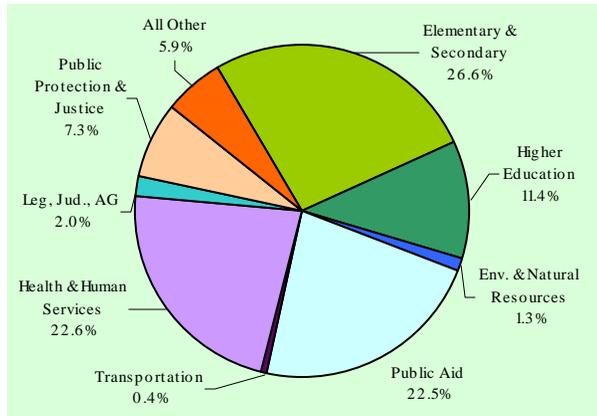
**FY2002**

**ESTIMATED REVENUES BY SOURCE - General Funds**



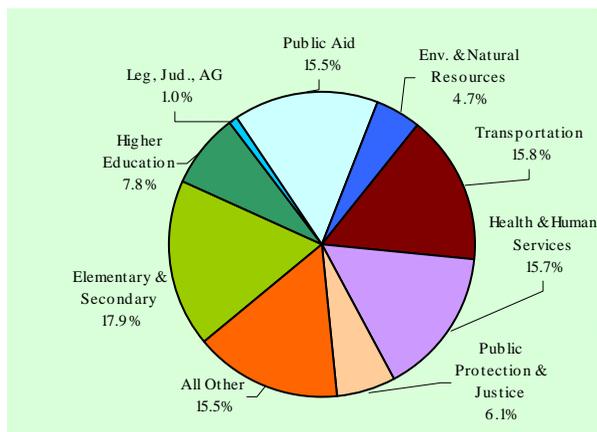
Estimated \$25.0 Billion

**APPROPRIATION BY MAJOR PURPOSE - General Funds**



Estimated \$23.4 Billion

**APPROPRIATION BY MAJOR PURPOSE - All Funds**



Estimated \$51.8 Billion

**STATE, LOCAL AND FEDERAL RECEIPTS FOR THE COMMON SCHOOLS**

(\$ IN MILLIONS)

Fiscal Year	State \$	State %	Local \$	Local %	Federal \$	Federal %	Total \$
2002*	\$6,995.2	37.9%	\$9,835.6	53.2%	\$1,639.0	8.9%	\$18,469.8
2001	6,785.1	37.7	9,331.6	51.9	1,868.0	10.4	17,984.7
2000	6,354.0	37.8	8,907.0	52.9	1,565.8	9.3	16,826.8
1999	5,654.4	36.1	8,571.1	54.7	1,434.3	9.2	15,659.8
1998	4,849.3	33.9	8,052.0	56.2	1,417.9	9.9	14,319.2

\*Estimates

**HISTORICAL PROGRAM AND APPROPRIATION DATA**

(\$ IN THOUSANDS)

	FY00	FY01	FY02*	Change over Previous Year	% Change
<b>Total Elementary &amp; Secondary General Revenue Funds</b>	<b>\$4,898,289.0</b>	<b>\$5,144,470.2</b>	<b>\$5,356,420.2</b>	<b>\$211,950.0</b>	<b>4.1%</b>
General State Aid	2,982,563.6	2,994,715.0	3,225,000.0	230,285.0	7.7%
Foundation Level (Actual \$ - per student)	4,325	4,425	4,560	135	3.1%
GSA - Hold Harmless	48,000.0	65,845.0	37,000.0	-28,845.0	-43.8%
School Safety & Ed Improvement Block Grant	42,594.4	111,594.4	72,000.0	-39,594.4	-35.5%
Reading Improvement Block Grant	83,389.5	83,389.5	83,389.5	0	0
Early Childhood Block Grant	170,171.8	180,171.8	184,171.8	4,000.0	2.2%
Technology for Success	48,750.0	49,250.0	49,250.0	0	0
Bilingual Chicago	31,833.2	35,333.2	35,333.2	0	0
Bilingual Downstate	23,718.8	27,218.8	27,218.8	0	0
Extraordinary - Sp. Ed.	208,419.7	228,367.5	230,800.0	2,432.5	1.1%
Ill Free Lunch/Breakfast	19,500.0	20,500.0	21,500.0	1,000.0	4.9%
Orphanage Tuition 14.7 - Spec. Ed.	128,500.0	127,000.0	113,000.0	-14,000.0	-11.0%
Orphanage Tuition 18-3 - Reg. Ed.	16,000.0	16,000.0	17,300.0	1,300.0	8.1%
Personnel - Sp. Ed.	283,498.6	300,225.0	318,200.0	17,975.0	6.0%
Private Tuition - Sp. Ed.	49,235.6	48,000.0	42,500.0	-5,500.0	-11.5%
Summer School - Sp. Ed.	5,600.0	6,500.0	5,400.0	-1,100.0	-16.9%
Transportation - Reg/Voc	195,716.3	215,437.5	234,000.0	18,562.5	8.6%
Transportation - Sp. Ed.	181,492.1	205,875.0	223,800.0	17,925.0	8.7%

\*as of September 2001

**OPERATING EXPENSE PER PUPIL (OEPP) & PER CAPITA TUITION CHARGE (PCTUIT)**

Fiscal Year	Elementary Districts		High School Districts		Unit Districts		State	
	OEPP	PCTUIT	OEPP	PCTUIT	OEPP	PCTUIT	OEPP	PCTUIT
2000	\$6,959	\$6,014	\$10,765	\$9,901	\$7,124	\$5,496	\$7,483	\$6,122
1999	6,613	5,857	10,305	9,567	6,816	5,484	7,146	6,032
1998	6,193	5,454	9,662	8,963	6,359	5,188	6,682	5,678
1997	5,979	5,341	9,265	8,648	5,875	4,793	6,280	5,367
1996	5,684	5,101	8,975	8,341	5,850	4,788	6,157	5,269

## DIVISION OF SCHOOL BUSINESS & NUTRITION SUPPORT SERVICES

The School Business and Nutrition Support Services Division is a newly formed division of 65 staff. Forty-six of the staff are geographically located throughout the state which is beneficial to school districts as staff can respond to requests for assistance quickly and efficiently. Currently the division provides a wide range of services covering state/federal claim completion, the use of the agency technology services such as electronic reporting of claim & expenditure data, and transportation & nutrition program assistance. In addition, the division is in the process of developing the capacity of providing school districts with on-site technical assistance as it relates to school finance issues.

## SCHOOL FACILITIES

The School Construction and Facility Services Division focuses on school facilities and the programs that affect construction, expansion, renovation and maintenance, assisting local educational agencies in providing safe, quality learning environments for all students in Illinois. Programs include: School Renovation (Federal), School Construction, Temporary Relocation and Health/Life Safety. For additional information, please contact 217/785-8779.

## EDUCATION FUNDING ADVISORY BOARD

The Education Funding Advisory Board was appointed by Governor Ryan in July 2000. The ongoing board, chaired by Robert Leininger, consists of 5 voting members and 12 non-voting members. The board is charged with making recommendations to the General Assembly on school funding issues, and in particular the general state aid formula funding level and poverty grant amounts, in January of odd years. The first report was delivered in January 1, 2001. Many of the EFAB recommendations were adopted for FY02. For more information, visit our web site: [www.isbe.net/efab](http://www.isbe.net/efab)

## PROPERTY TAX EXTENSION LIMITATION LAW (PTELL) - "TAX CAPS"

The provisions of this law limit the increase in property tax extensions in downstate districts to 5% or the percent increase in the Consumer Price Index (CPI-U) for all urban consumers, whichever is less. If a school district is located in more than one county, the rules of PTELL that apply should be confirmed with each applicable county clerk.

If separate levies are made, certain types of debt instruments are excluded from the limitation. In general, bonds issued on or after the effective date when the taxing district became subject to PTELL are not excluded from the limitation provisions unless they are approved by voter referendum or can be issued as "limited bonds." There are 464 school districts (52%) subject to tax caps at the present time. It is estimated that school districts have potentially lost in excess of \$700 million since the inception of PTELL (1991) through tax year 1998, based on data supplied by the Illinois Department of Revenue.

## LIMITATION OF ADMINISTRATIVE COSTS

Administrative expenditures are limited to a year-to-year increase not to exceed 5%. The percentage is calculated from actual expenditures of the Annual Financial Report FY01 as compared to budgeted expenditures FY02. Districts may waive the limitation if they are in the 4<sup>th</sup> quartile by district type and have a two-thirds vote of the school board. (ISBE must be notified within 45 days of said board action). Districts not in the 4<sup>th</sup> quartile may request a waiver pursuant to 17-1.5 and 2-3.25g of the School Code. ISBE must publish a report listing the districts not in compliance with the Act. ISBE may impose sanctions on districts not in compliance; however, districts awaiting legislative review of waivers are exempt from such sanctions.

## INTERNAL AND EXTERNAL BORROWING SOURCES

- Permanent transfers among operating funds (105 ILCS 5/17-2A)
- Transfer of Interest earned (105 ILCS 5/10-22.44)
- Transfer of excess Bond and Interest Fund monies (105 ILCS 5/17-2.11, 5/10-22.14 and 5/10-22.44)
- Transfer of excess fire prevention and safety tax proceeds (105 ILCS 5/17-2.11)
- Transfer of Working Cash Fund monies (105 ILCS 5/20-5, 5/20-8 and 5/20-9)
- Interfund loans (105 ILCS 5/10-22.33 and 5/20-4)
- State Aid Anticipation Certificates (105 ILCS 5/18-18)
- Personal Property Replacement Tax Notes (50 ILCS 420/4.1)
- Tax Anticipation Notes (30 ILCS 305/2 and 50 ILCS 420/5)
- Tax Anticipation Warrants (105 ILCS 5/17-16)
- Teachers' Orders (105 ILCS 5/8-16)
- Employees' Orders (105 ILCS 5/32-7.2)
- Anticipation of revenue (50 ILCS 425/1 et seq.)
- Health/Life Safety Bonds (105 ILCS 5/17-2.11)
- Working Cash Fund Bonds (105 ILCS 5/20-1 et seq.)
- Funding Bonds (105 ILCS 5/19-8 and 5/19-9)
- Refunding Bonds (105 ILCS 5/19-15 and 5/19-16)
- Building Bonds (105 ILCS 5/19-2 and 5/19-3)
- Certificates of Participation – Leasing (105 ILCS 5/17-2.2.c)
- Revenue Bonds for Exhibition Facilities (105 ILCS 5/19a-1 et seq.)
- Tort Judgement Bonds (745 ILCS 10/9-105)
- Limited Bonds (30 ILCS 350/15)
- Alternate Bonds (30 ILCS 350/3 et seq.)

## REORGANIZATION

Reorganization is the act or process affecting the boundaries and legal descriptions of more than one school district. The following are types of school reorganization: Consolidation, Conversion, Cooperative High School, Detachment/Annexation, Deactivation, and Dissolution/Annexation. The reorganized district may qualify for financial incentives from the state which are payable for up to the first four years of reorganization. Each reorganization situation is unique. Many items will depend on the individual circumstances that surround the particular school districts involved.

Many school district administrators have expressed interest in a "cooperative high school." What is a "cooperative high school?" A cooperative high school exists when two or more contiguous unit or high school districts come together to operate one or more cooperative high schools. A primary benefit of a cooperative high school formation is the opportunity to increase students' curriculum opportunities. A referendum is required and, if passed, the resultant cooperative high school is in effect for a minimum of 20 school years.

Also, during FY02, an allocation of \$150,000 has been made available for school districts to enter into contracts for a reorganization feasibility study. ISBE is working in concert with the regional superintendents to make contractual dollars available on a first-come, first-served basis. The maximum allotment per study is \$10,000. These studies will provide data to the affected school districts regarding future projections and benefits of reorganization. As with all reorganization issues, ISBE staff offers technical assistance ranging from answering questions over the phone to on-site assistance, including presentations. For more information, please contact School Financial Management Services at 217/785-0583.

## DATES TO REMEMBER

### SCHOOL BUDGET (ISBE Form 50-36)

- Publish notice of availability for public inspection and hearing before **September 1**.
- Hold public hearing on tentative budget prior to budget adoption.
- Hold public meeting to adopt budget on or before **September 30**.
- File adopted budget and revenue estimates with county clerk within 30 days after adoption.

### LIMITATION OF ADMINISTRATIVE COSTS (ISBE Form 54-32)

- Notify ISBE within 45 days if your district is waiving the limitation due to inclusion in the 25 percentile and two-thirds vote of school board. (Public notice and hearing are required prior to action.)
- File Limitation of Administrative Costs Worksheet with ISBE on or before **November 15**.
- If a notice of deficiencies is received from ISBE, address the deficiencies within 60 days.

### ANNUAL FINANCIAL REPORT/AUDIT (ISBE Form 50-35)

- Deliver to Regional Office of Education (ROE) on or before **October 15**.
- ROE forwards copy of AFR/Audit to ISBE on or before **November 15**.

### STATEMENT FOR PUBLICATION (ISBE Form 50-37)

- Publish in a newspaper with general circulation in the district on or before **December 1**. (See 10-17 of the School Code if no local newspaper is published.)
- A certified statement that the publication has been made together with a copy of the newspaper containing it must be filed with the Regional Office of Education on or before **December 15**.

### TRUTH IN TAXATION

- Public notice of public hearing not more than 14 days nor less than 7 days prior to the public hearing.

### Districts that do not have any taxable territory in Cook County:

- Only applicable if the aggregate levy exceeds the prior year aggregate extension by more than five percent.
- Hold public hearing on or before the last Tuesday in December.

### Districts that have taxable territory in Cook County:

- Applicable when the aggregate levy exceeds the prior year aggregate extension.
- Hearings shall be held according to the following schedule:
  - ⇒ **First Tuesday in December** – All school districts except high school districts.
  - ⇒ **First Wednesday in December** – High school districts.

### TAX LEVIES (ISBE Form 50-02)

- File with appropriate county clerk(s) on or before the last Tuesday in December along with affidavit of Truth in Taxation compliance.

# Illinois School Finance At A Glance Fiscal Year 2002



## Illinois State Board of Education Division of School Financial Management

Services  
217/785-0583  
[www.isbe.net/sfms](http://www.isbe.net/sfms)

Making Illinois Schools *Second to None*  
Glenn W. McGee  
State Superintendent of Education

Ronald Gidwitz - Chairman  
Illinois State Board of Education