



**To:** Dr. Mike Riggle  
Board of Education

**From:** Dr. R.J. Gravel

**Date:** Monday, November 13, 2017

**Re:** Estimated Tax Levy for 2017

**Recommendation**

It is recommended that the Board of Education approve the “Resolution Regarding Estimated Amounts Necessary to be Levied for the Year 2017”, further, it is recommended that the Board direct the administration to publish the estimated levy amounts, and to schedule a public hearing on the estimated tax levy as part of the regular board meeting scheduled for December 11, 2017.

**Background**

Each year the Business Services department prepares an estimated tax levy, to be presented and discussed with the Finance Committee and the Board of Education. The estimated levy identifies the amount of money requested to be raised by taxation for the year 2017. This is the first action in the process to secure the District’s property tax revenue.

To provide additional insight into the tax levy process, the following timeline has been constructed:

Estimated Date	Activity
November 7, 2017	Board of Education Finance Committee Reviews Estimated Tax Levy
November 13, 2017	Board of Education Reviews Estimated Tax Levy; Approves Resolution to Publish Estimated Levy
December 11, 2017	Public Hearing on Estimated Levy; Board of Education Certifies Tax Levy *
January 31, 2018	Cook County Treasurer Mails 1st Installment Bills to Taxpayers (55% of TY2016 Assessment); District Begins to Receive Tax Receipts for TY2017 **
May 1, 2018	Cook County Treasurer Finalizes Tax Rate and Levy Amounts (To Be Paid in 2018)
July 1, 2018	Cook County Treasurer Mails 2nd Installment Bills to Taxpayers (Remainder for TY2017 Assessment); District Begins to Receive Remaining Tax Receipts for TY2017 **

\* School districts are required to file a tax levy with the County Clerk annually, on or before the last Tuesday in December.

\*\* Property tax revenue is received across two fiscal years.

### Calculation of the Estimated Tax Levy for 2017

For the 2017-18 fiscal year, local property taxes represent 79.3% of the District's revenue. In certifying the tax levy, the Board of Education is formalizing its request for property tax revenue for the 2017 tax year, which is paid by taxpayers through two (2) installments during the 2018 calendar year.

To develop a levy, the school district begins by reviewing last year's property tax extension (finalized by the Cook County Clerk in June 2017), and determines if tax amounts levied in the prior year should be decreased, left at the same level, or increased. Historically, our school district has increased the tax levy by:

1. The maximum amount allowable under the Property Tax Extension Limitation Law (PTELL), which is the lesser of 5%, or the applicable percentage increase in the Consumer Price Index (35 ILCS 200).
2. A factor that represents new property growth added to the tax base since the last extension was calculated
  - a. Revenue from new growth is essential to the District in order to meet the economic challenges resulting from the new growth.
  - b. The value of new property can only be captured in the year in which it is added to the tax base. Overtime, the impact of not levying for new property in a given year compounds, resulting in a substantial loss in revenue to support educational programs.

Taking these two factors into consideration, the following data was utilized to develop the estimated tax levy for 2017 as presented:

- Equalized Assessed Value (EAV) for Tax Year 2016
  - \$5,264,632,513
    - Calculated by the Cook County Clerk; included on the District's Agency Tax Rate Report published in June 2017
- Percent change in the Consumer Price Index for All Urban Consumers (CPI-U) Not Seasonally Adjusted between December 2016 and 12 Months Ago (December 2015)
  - 2.1%
    - Calculated by the US Department of Labor's Bureau of Labor Statistics; Published by the Bureau on January 18, 2017
- Estimated New Property Growth Between Since the 2016 Tax Extension was Calculated
  - 2.3%
    - Calculated by the District based on trend-line analysis, known development activities, expiring tax incentives (e.g. 6(b), TIF), triennial reassessment activities

A detailed review of historical tax extensions and the 2017 levy, which incorporate the three previously stated factors has been attached to this memo. Please note that while the estimated levy presents a 4.3% increase, the actual amount to be raised by taxation will be limited by the maximum amount permissible with PTELL.

### Publication of the Estimated Levy and Public Hearing

In accordance with Truth in Taxation law (35 ILCS 200/18-56), taxing bodies with estimated tax levies that are more than 105% of the preceding year's extension, are required publish the estimated amounts, and hold a public hearing. While our estimated levy does not require us to perform these two activities, it is recommended that the District continue past practice by publishing the levy, and holding a public hearing to provide an opportunity for our community to express their thoughts regarding the proposal.

**Resolution Regarding Estimated Amounts  
Necessary To Be Levied For The Year 2017**

WHEREAS, the Truth in Taxation Act (35 ILCS 200/18-55) requires that all taxing districts in the State of Illinois determine the estimated amounts of money, exclusive of levies for debt service estimated to be necessary to be raised by taxation for the year 2017 not less than twenty (20) days prior to the official adoption of the aggregate tax levy of the district; and

WHEREAS, if the estimated aggregate amount necessary to be levied, exclusive of bond and interest costs, exceed 105% of the aggregate amount of property taxes extended or estimated to be extended, including any amount abated by the taxing district prior to such extension, upon the levy of the preceding year, public notice shall be given and a public hearing shall be held on the district's intent to adopt a tax levy in an amount which is more than 105% of such extension or estimated extension for the preceding year; and

NOW, THEREFORE, BE IT RESOLVED, by the Board of Education, Northfield Township High School District No. 225, County of Cook, State of Illinois, as follows:

Section 1: The aggregate amount of taxes, estimated to be levied for the year 2017 is \$106,256,303, exclusive of levies for bond and interest and including estimated levies for the specific purposes as follows:

Educational Purposes	\$96,106,303
Operations and Maintenance Purposes	\$4,000,000
Transportation Purposes	\$2,000,000
Illinois Municipal Retirement Fund Purposes	\$1,500,000
Social Security/Medicare Purposes	\$1,800,000
Working Cash Fund Purposes	\$850,000

Section 2: The amount of taxes estimated to be levied or to have already been levied for bond and interest purposes for the year 2017 is \$8,960,948.

Section 3: Appropriate public notice will be published and a public hearing scheduled on December 11, 2017 at 7:00 PM regarding the 2017 levy.

Section 4: This resolution shall be in full force and effect forthwith upon its adoption.

Board of Education, Northfield Township High School District No. 225

By: \_\_\_\_\_  
Skip Shein  
President, Board of Education

ATTEST:

\_\_\_\_\_  
Rosanne Williamson  
Secretary, Board of Education

Date: November 13, 2017

**Notice of Proposed Tax Increase for  
Northfield Township High School District No. 225**

- I. A public hearing to approve a proposed property tax levy increase for Northfield Township High School District No. 225 for 2017 will be held on December 11, 2017 at 7:00 PM at 3801 W. Lake Avenue., Public Meeting Room, Glenview, Illinois, 60026.

Any person desiring to appear at the public hearing and present testimony to the taxing district may contact Dr. Rosanne Williamson, Assistant Superintendent for Educational Services, at 3801 W. Lake Avenue, Glenview, Illinois, phone: (847) 486-4701, e-mail: [rwilliamson@glenbrook225.org](mailto:rwilliamson@glenbrook225.org).

- II. The corporate and special purpose property taxes extended or abated for 2016 were \$101,778,068.

The proposed corporate and special purpose property taxes to be levied for 2017 are \$106,256,303. This represents a 4.3% increase over the previous year.

- III. The property taxes extended for debt service and public building commission leases for 2016 were \$9,057,539.

The estimated property taxes to be levied for debt service and public building commission leases for 2017 are \$8,960,948. This represents a 1.1% decrease over the previous year.

- IV. The total property taxes extended for 2016 were \$110,835,607. The estimated total property taxes to be levied for 2017 are \$115,360,644. This represents a 4.0% increase over the previous year.

## Historical Tax Extensions and Estimated 2017 Levy

Equalized Assessed Value	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimated Levy	2016 Actual ^	Difference	2017 Estimated Levy
Agency Existing EAV	4,985,843,731	4,450,689,601	4,499,001,072	4,350,789,183	4,421,353,468	5,228,661,177	807,307,709	5,375,189,796
New Growth EAV	51,343,710	32,221,538	42,506,632	39,829,951	100,984,240	35,971,336	(65,012,904)	121,086,548
<b>Total EAV</b>	<b>5,037,187,441</b>	<b>4,482,911,139</b>	<b>4,541,507,704</b>	<b>4,390,619,134</b>	<b>4,522,337,708</b>	<b>5,264,632,513</b>	<b>742,294,805</b>	<b>5,496,276,344</b>

  

Tax Levy Percent	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimated Levy	2016 Actual ^	Difference	2017 Estimated Levy
Consumer Price Index (CPI-U)	3.0%	1.7%	1.5%	0.8%	0.7%	0.7%	0.0%	2.1%
New Growth Factor	0.9%	0.7%	0.9%	0.9%	2.3%	0.7%	-1.6%	2.3%
<b>Tax Levy Percent</b>	<b>3.9%</b>	<b>2.4%</b>	<b>2.4%</b>	<b>1.7%</b>	<b>3.0%</b>	<b>0.7%</b>	<b>-2.3%</b>	<b>4.4%</b>

  

Tax Levy Rate	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimated Levy	2016 Actual	Difference	2017 Estimated Levy
Educational	1.7030	1.9713	2.0028	2.1114	2.1220	1.7885	-0.3335	1.7486
Operations and Maintenance	0.0794	0.0892	0.0661	0.0683	0.0663	0.0587	-0.0076	0.0728
Transportation	0.0099	0.0056	0.0110	0.0114	0.0111	0.0098	-0.0013	0.0364
Municipal Retirement	0.0199	0.0223	0.0330	0.0342	0.0276	0.0245	-0.0031	0.0273
Social Security	0.0357	0.0402	0.0396	0.0410	0.0398	0.0352	-0.0046	0.0327
Working Cash	0.0169	0.0190	0.0187	0.0194	0.0188	0.0166	-0.0022	0.0155
Sub-total Operating	1.8648	2.1476	2.1712	2.2857	2.2856	1.9340	-0.3516	1.9332
Building Bonds *	0.1213	0.1471	0.1492	0.1581	0.1474	0.1263	-0.0211	0.1205
Limited Bonds **	0.0411	0.0463	0.0459	0.0487	0.0507	0.0457	-0.0050	0.0426
Sub-total Debt Services	0.1624	0.1934	0.1951	0.2068	0.1980	0.1720	-0.0260	0.1630
<b>Total Tax Rate</b>	<b>2.027</b>	<b>2.341</b>	<b>2.366</b>	<b>2.493</b>	<b>2.484</b>	<b>2.106</b>	<b>-0.378</b>	<b>2.096</b>

  

Tax Levy Extension	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Estimated Levy	2016 Actual	Difference	2017 Estimated Levy
Educational	85,783,696	88,369,820	90,955,281	92,702,146	95,962,710	94,156,068	(1,806,642)	96,106,303
Operations and Maintenance	4,000,000	4,000,000	3,000,000	3,000,000	3,000,000	3,090,000	90,000	4,000,000
Transportation	500,000	250,000	500,000	500,000	500,000	515,000	15,000	2,000,000
Municipal Retirement	1,000,000	1,000,000	1,500,000	1,500,000	1,250,000	1,287,500	37,500	1,500,000
Social Security	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000	1,854,000	54,000	1,800,000
Working Cash	850,000	850,000	850,000	850,000	850,000	875,500	25,500	850,000
Sub-total Operating	93,933,696	96,269,820	98,605,281	100,352,146	103,362,710	101,778,068	(1,584,642)	106,256,303
Building Bonds *	6,111,734	6,595,928	6,774,250	6,942,913	6,663,817	6,651,068	(12,749)	6,620,942
Limited Bonds **	2,071,052	2,076,320	2,085,563	2,136,750	2,291,877	2,406,471	114,594	2,340,006
Sub-total Debt Services	8,182,786	8,672,248	8,859,813	9,079,663	8,955,694	9,057,539	101,845	8,960,948
<b>Total Tax Extension</b>	<b>102,116,482</b>	<b>104,942,068</b>	<b>107,465,094</b>	<b>109,431,809</b>	<b>112,318,404</b>	<b>110,835,607</b>	<b>(1,482,797)</b>	<b>115,217,251</b>

^ Denotes a triennial reassessment year.

\* Building bonds are those issued as a result of an approved referendum.