



To: Dr. Charles Johns
Board of Education

From: Dr. R.J. Gravel

Date: Monday, November 14, 2022

Re: Resolution Regarding Estimated Amounts Necessary to be Levied for the Year 2022

Recommendation

It is recommended that the Board of Education approve the “Resolution Regarding Estimated Amounts Necessary to be Levied for the Year 2022”. 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 12, 2022.

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 2022. 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 14, 2022	Board of Education Finance Committee Reviews Estimated Tax Levy
November 14, 2022	Board of Education Reviews Estimated Tax Levy; Approves Resolution to Publish Estimated Levy
December 12, 2022	Public Hearing on Estimated Levy; Board of Education Certifies Tax Levy*
January 31, 2023+	Cook County Treasurer Mails 1st Installment Bills to Taxpayers (55% of TY2021 Assessment); District Begins to Receive Tax Receipts for TY2022**
June 15, 2023	Cook County Clerk Finalizes Tax Rate and Levy Amounts
July 1, 2023	Cook County Treasurer Mails 2nd Installment Bills to Taxpayers (Remainder for TY2022 Assessment); District Continues Receiving Tax Receipts for TY2022**

* 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.

+ It is possible that the Illinois General Assembly will act to delay the distribution of property tax bills for TY2022.

Calculation of the Estimated Tax Levy for 2022

For the 2022-23 fiscal year, local property taxes represent 87.2% of direct revenue receipts. In certifying the tax levy, the Board of Education is formalizing its request for property tax revenue for the 2022 tax year, which is paid by taxpayers through two (2) installments during the 2022 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 November 2022) 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:

- 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).
- A calculated factor that represents new property growth added to the tax base since the last extension was finalized. It is important to note that:
 - Increased revenue as a result of new property provides the financial resources necessary to provide educational services to the increased student population.
 - The ability to increase the District's tax extension as a result of the new property only exists in the year in which the new property is added to the tax base. If the levy does not reflect a calculation to capture the potential new property in a given year, the negative financial impact compounds each year.

Taking these two factors into consideration, the following data was utilized to develop the estimated tax levy for 2022:

- Equalized Assessed Value (EAV) for Tax Year 2021
 - \$6,108,201,412
 - Calculated by the Cook County Clerk; included in the District's Agency Tax Rate Report published in November 2022¹.
- Percent change in the Consumer Price Index for All Urban Consumers (CPI-U) Not Seasonally Adjusted between December 2020 and December 2021 (12-month comparison period).
 - 5.0%
 - 7% was calculated by the US Department of Labor's Bureau of Labor Statistics; Published by the Bureau on January 12, 2022².
 - PTELL limits this amount to 5%.
- Estimated New Property Growth Between Since the 2021 Tax Extension was Finalized
 - 1.0%
 - Calculated by the District based on trend-line analysis, known development activities, expiring tax incentives (e.g. 6(b), TIF), and triennial reassessment activities.
 - New property captured during the 2021 tax year was \$513.7M. This large increase was due to the conclusion of The Glen TIF district.
 - Excluding the 2021 tax year, the school district averages \$52M. Due to the volatility of the EAV of new property from one year to the next, utilizing a percent of the school district's EAV provides greater security to ensure that we capture all new growth.

¹ Cook County Clerks Office. (n.d.). *Tax Agency Report for Tax Year 2021 for Agency 04-2220-000*. <https://www.cookcountyclerkil.gov/service/tax-agency-reports>

² U.S. Bureau of Labor Statistics. (2022, January 12). *Consumer Price Index News Release*. https://www.bls.gov/news.release/archives/cpi_01122022.htm

A detailed review of historical tax extensions and the 2021 levy, which incorporates the three previously stated factors has been attached to this memo. **Please note that while the estimated levy presents a 6.0% increase, exclusive of the amounts required for previously approved debt service payments, the actual amount to be raised by taxation will be limited by the maximum amount permissible under PTELL. The Cook County Clerk will reduce this amount in accordance with PTELL.**

Publication of the Estimated Levy and Public Hearing

In accordance with Truth in Taxation law (35 ILCS 200/18-56), a taxing body with estimated tax levies that are more than 105% of the preceding year's extension, is required to publish the estimated amounts, and hold a public hearing. Even in times when the district's tax levy does not exceed 105%, it has been our practice to publish the levy and hold 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 2022**

WHEREAS, the Truth in Taxation Act (35 ILCS 200/18-55) requires that all taxing districts in the State of Illinois determine the estimated amount of money, exclusive of levies for debt service estimated to be necessary to be raised by taxation for the year 2022 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, exceeds 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

WHEREAS, while the estimated aggregate amount necessary to be levied for the year 2022 does exceed 105%.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Education, Glenbrook High School District 225, County of Cook, State of Illinois, as follows:

Section 1: The aggregate amount of taxes, estimated to be levied for the year 2022 is \$135,340,963, exclusive of levies for bond and interest and including estimated levies for the specific purposes as follows:

Educational Purposes	\$117,540,963
Operations and Maintenance Purposes	\$11,000,000
Transportation Purposes	\$3,500,000
Illinois Municipal Retirement Fund Purposes	\$900,000
Social Security/Medicare Purposes	\$2,200,000
Working Cash Fund Purposes	\$200,000

Section 2: The amount of taxes estimated to be levied or to have already been levied for bond and interest purposes for the year 2022 is \$10,419,842.

Section 3: Appropriate public notice will be published and a public hearing scheduled on December 12, 2022, at 7:00 PM regarding the 2022 levy.

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

Board of Education, Glenbrook High School District 225

By:

Bruce Doughty
President, Board of Education

ATTEST:

Rosanne Williamson
Secretary, Board of Education

Date: November 14, 2022

**Notice of Proposed Tax Increase for
Glenbrook High School District 225**

- I. A public hearing to approve a proposed property tax levy increase for Glenbrook High School District 225 for 2022 will be held on November 28, 2022, 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.

- II. The corporate and special purpose property taxes extended or abated for 2021 were \$127,680,154.

The proposed corporate and special purpose property taxes to be levied for 2022 are \$135,340,963. This represents a 6% increase over the previous year.

- III. The property taxes extended for debt service and public building commission leases for 2021 were \$10,752,451.

The estimated property taxes to be levied for debt service and public building commission leases for 2022 are \$10,419,842. This represents a 3.09% decrease over the previous year.

- IV. The total property taxes extended for 2021 were \$138,432,605. The estimated total property taxes to be levied for 2022 are \$145,760,805. This represents a 5.29% increase over the previous year.

Historical Tax Extensions and Estimated 2022 Levy

Equalized Assessed Value	2017 Actual	2018 Actual	2019 Actual^	2020 Actual	2021 Estimated Levy	2021 Actual	Difference	2022 Estimated Levy
Agency Existing EAV	5,368,343,182	5,272,721,056	6,035,167,626	5,995,105,565	6,131,732,492	5,594,504,048	(537,228,444)	6,413,611,483
New Growth EAV	68,509,336	45,843,135	65,381,035	51,967,899	822,401,991	513,697,364	(308,704,627)	61,082,014
Total EAV	5,436,852,518	5,318,564,191	6,100,548,661	6,047,073,464	6,954,134,484	6,108,201,412	(845,933,072)	6,474,693,497

Tax Levy Percent	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Estimated Levy	2021 Actual	Difference	2022 Estimated Levy
Consumer Price Index (CPI-U)	2.1%	2.1%	1.9%	2.3%	1.4%	1.4%	0.0%	5.0%
New Growth Factor	1.3%	2.3%	1.1%	0.9%	13.6%	8.4%	-5.2%	1.0%
Tax Levy Percent	3.4%	4.4%	3.0%	3.2%	15.0%	9.8%	-5.2%	6.0%

Tax Levy Rate	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Estimated Levy	2021 Actual	Difference	2022 Estimated Levy
Educational	1.7447	1.8427	1.6597	1.7435	1.6466	1.7859	0.1393	1.8154
Operations and Maintenance	0.0758	0.0775	0.0675	0.0852	0.1438	0.1686	0.0248	0.1699
Transportation	0.0379	0.0387	0.0338	0.0255	0.0431	0.0506	0.0075	0.0541
Municipal Retirement	0.0284	0.0290	0.0253	0.0170	0.0259	0.0304	0.0045	0.0139
Social Security	0.0341	0.0349	0.0304	0.0307	0.0431	0.0506	0.0075	0.0340
Working Cash	0.0161	0.0165	0.0144	0.0043	0.0036	0.0042	0.0006	0.0031
Sub-total Operating Funds	1.9370	2.0400	1.8320	1.9070	1.9062	2.0910	0.1848	2.0903
Recapture Levy						0.0428		0.0000
Building Bonds *	0.1251	0.1290	0.1329	0.1346	0.1078	0.1333	0.0255	0.1221
Limited Bonds **	0.0393	0.0469	0.0415	0.0424	0.0417	0.0427	0.0010	0.0388
Sub-total Non-Capped Funds	0.1644	0.1759	0.1744	0.1770	0.1494	0.2188	0.0694	0.1609
Total Tax Rate	2.102	2.216	2.006	2.084	2.056	2.310	0.254	2.251

Tax Levy Extension	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Estimated Levy	2021 Actual	Difference	2022 Estimated Levy
Educational	94,857,484	98,002,874	101,251,040	105,433,273	114,510,239	109,088,654	(5,421,585)	117,540,963
Operations and Maintenance	4,120,000	4,120,000	4,120,000	5,150,000	10,000,000	10,300,000	300,000	11,000,000
Transportation	2,060,000	2,060,000	2,060,000	1,545,000	3,000,000	3,090,000	90,000	3,500,000
Municipal Retirement	1,545,000	1,545,000	1,545,000	1,030,000	1,800,000	1,854,000	54,000	900,000
Social Security	1,854,000	1,854,000	1,854,000	1,854,000	3,000,000	3,090,000	90,000	2,200,000
Working Cash	875,500	875,500	875,500	257,500	250,000	257,500	7,500	200,000
Sub-total Operating	105,311,984	108,457,374	111,705,540	115,269,773	132,560,239	127,680,154	(4,880,085)	135,340,963
Recapture Levy						2,611,278		-
Building Bonds *	6,483,567	6,859,431	8,109,851	8,139,781	7,493,200	8,144,674	651,474	7,907,700
Limited Bonds **	2,454,600	2,493,861	2,531,270	2,567,257	2,897,847	2,607,777	(290,070)	2,512,142
Sub-total Non-Capped Funds	8,938,167	9,353,292	10,641,121	10,707,038	10,391,047	13,363,729	2,972,682	10,419,842
Total Tax Extension	114,250,151	117,810,666	122,346,661	126,021,011	142,951,286	141,043,883	(1,907,403)	145,760,805
Total Property Tax Revenue	123,860,841	126,820,542	131,315,333	135,080,567		141,043,883		145,760,805

< Includes the addition of ant new property growth.

< This is not the actual amount will be collected. This value represents a "balloon" levy that the value of anticipated property is captured. The County Clerk will reduce the amount in accordance with Property Tax Extension Law (PTELL).

< This amount is calculated by County Treasurer by Noven each year, and represents a levy for the prior years tax uncollected due to a certification error, court order, or PTAB

^ Denotes a triennial reassessment year.

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

** Limited bonds are those issued as part of the debt service extension base.