

2023 Property Tax Levy Presentation



**November 14, 2023
Board of Education Meeting**



Tax Levy Information

What is the difference between a tax levy and a tax extension?

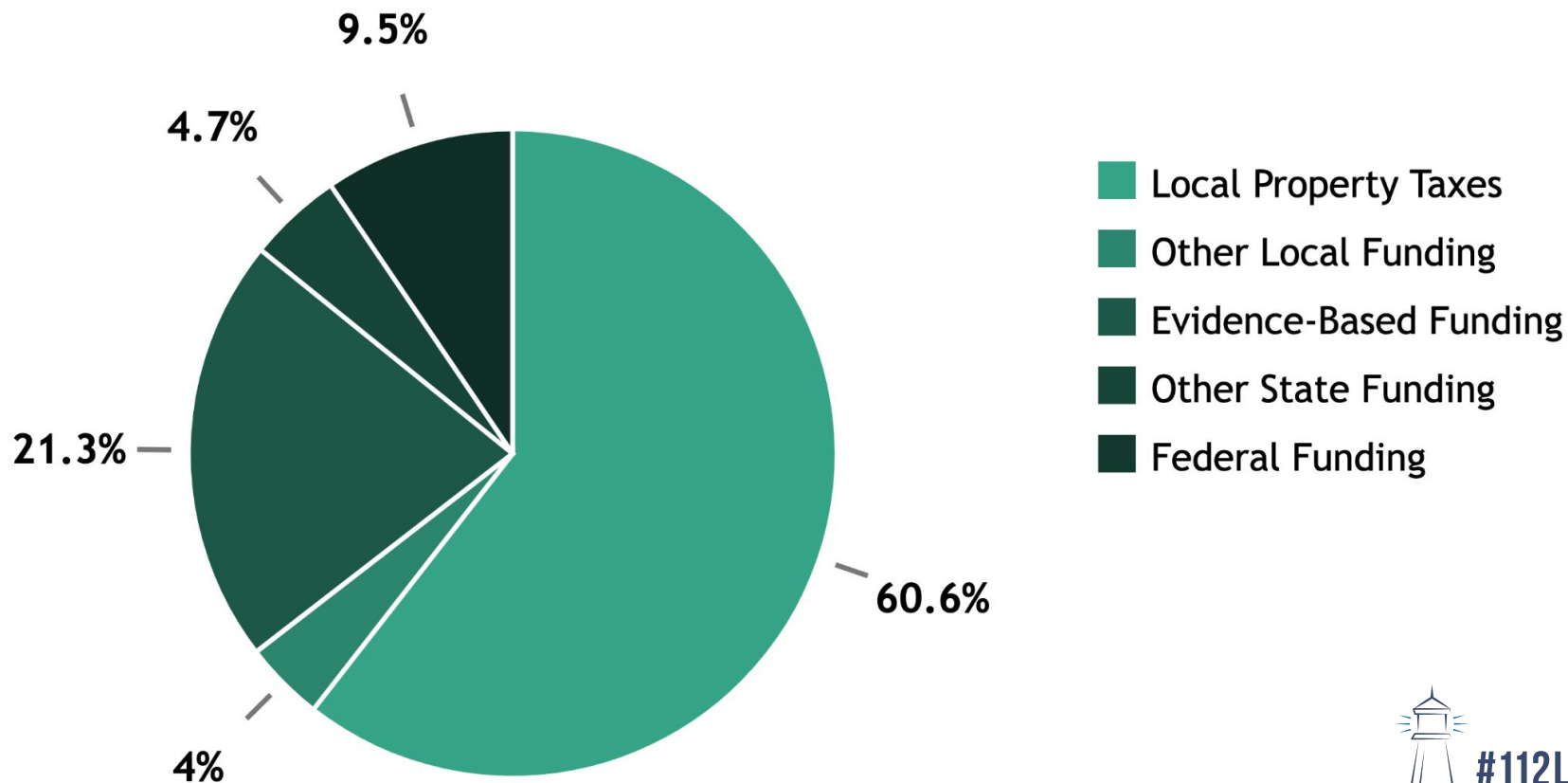
- A tax levy is the amount of money a school district requests to be raised from property taxes. A tax extension is the amount of money that a school district receives from property taxes.

Why are a tax levy and tax extension important?

- Most Illinois school district revenue comes from local property taxes.
- For tax-capped school districts, each tax extension is limited by its prior year tax extension plus inflation (CPI-U) or 5%, whichever is less.



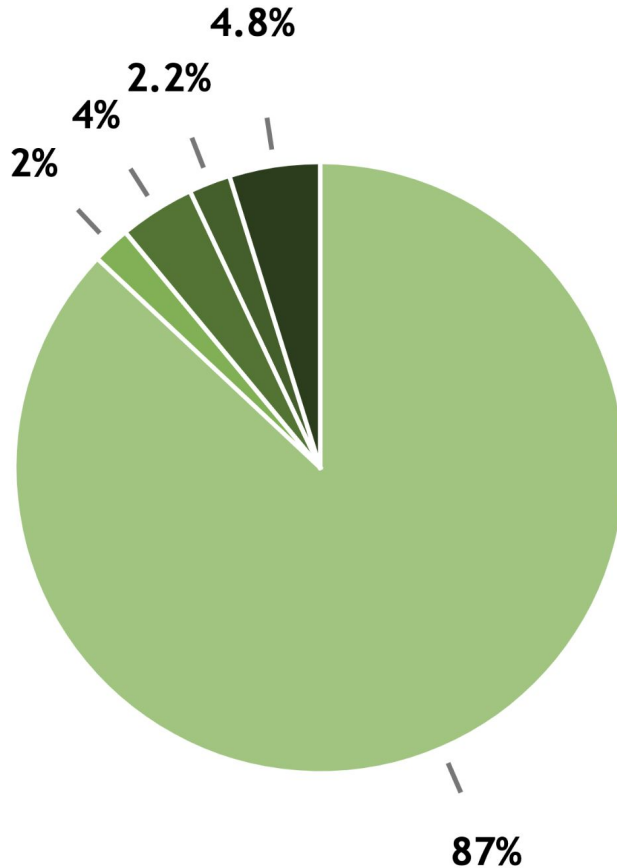
Illinois School District Averages - Revenue Percentages (FY 2021)



Source: [Illinois School District Report Card](#)



District Financial Information - Revenue Percentages (FY 2021)



\$85 M

- Local Property Taxes
- Other Local Funding
- Evidence-Based Funding
- Other State Funding
- Federal Funding

Source: [Illinois School District Report Card](#)



Tax Levy Information

What is the Property Tax Extension Limitation Law (PTELL)?

- Each tax extension is limited by the prior year's tax extension multiplied by the December Consumer Price Index for all Urban Consumers (CPI-U) or 5%, whichever is less, for the preceding calendar year. PTELL is also known as a "tax cap."

Does new property count against the tax cap?

- No, new property is added to the tax rolls after the "limiting rate" is calculated. Thus, new property provides additional revenue in excess of the tax cap.



Public Act 102-0895

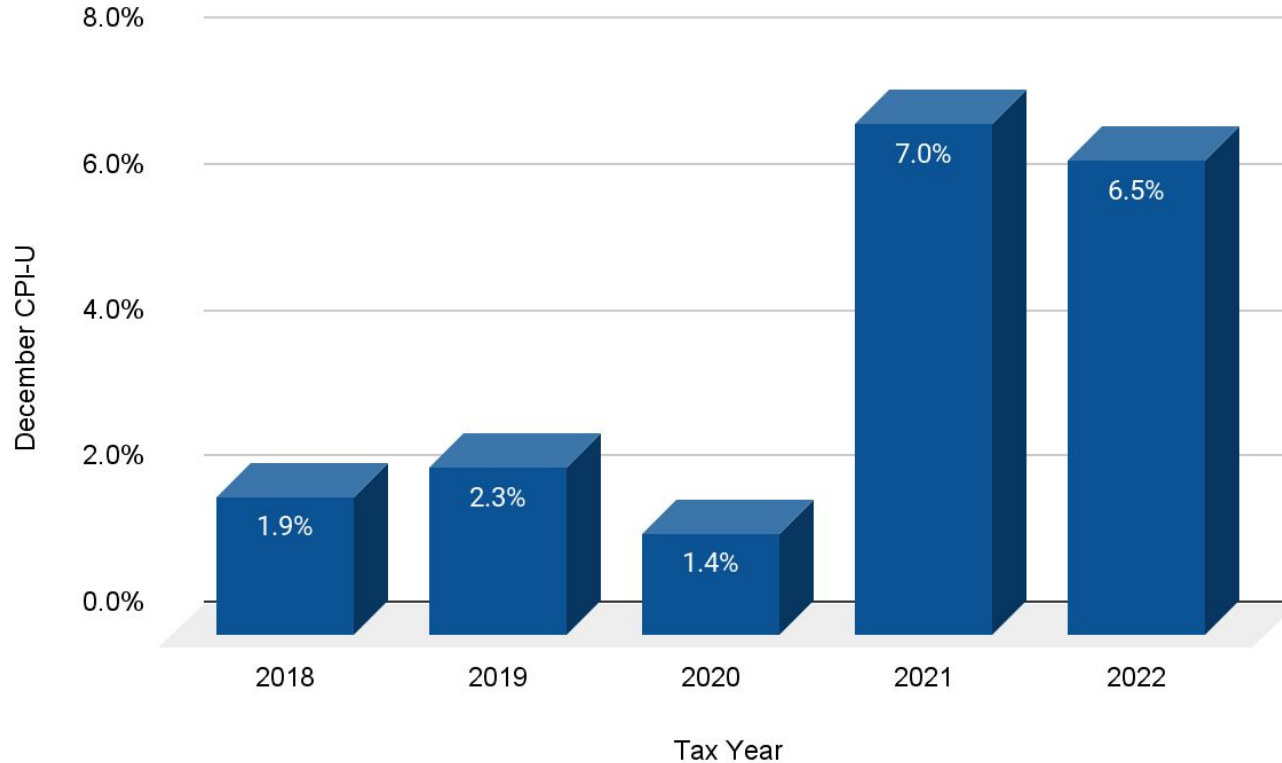
The District funds its Alternate Revenue Bond payments (approximately \$3.9 million per year) from its Operations & Maintenance Fund.

North Shore School District 112 Summary of Cash & Investments October 31, 2023

	Cash & Investments October 31, 2023	% of Total	Cash & Investments September 30, 2023	Monthly Change in Cash & Investments	Cash & Investments October 31, 2022	% of Total	Annual Change in Cash & Investments
10 Education	\$ 87,994,479.74	51%	\$ 85,491,717.74	\$ 2,502,762.00	\$ 88,152,845.41	72%	\$ (158,365.67)
20 Operations and Maintenance	\$ 10,986,476.58	6%	\$ 10,428,098.62	\$ 558,377.96	\$ 14,631,902.43	12%	\$ (3,645,425.85)
30 Debt Service	\$ 7,628,953.23	4%	\$ 6,692,608.71	\$ 936,344.52	\$ 78,027.26	0%	\$ 7,550,925.97
40 Transportation	\$ 5,384,262.15	3%	\$ 4,740,999.62	\$ 643,262.53	\$ 5,577,971.77	5%	\$ (193,709.62)
50 Municipal Retirement	\$ 4,021,962.31	2%	\$ 3,919,467.62	\$ 102,494.69	\$ 3,735,526.47	3%	\$ 286,435.84
60 Capital Projects	\$ 53,379,746.70	31%	\$ 53,556,378.77	\$ (176,632.07)	\$ 7,318,297.09	6%	\$ 46,061,449.61
70 Working Cash	\$ 3,454,845.01	2%	\$ 3,419,585.50	\$ 35,259.51	\$ 3,178,256.16	3%	\$ 276,588.85
Total District Funds	\$ 172,850,725.72	100%	\$ 168,248,856.58	\$ 4,601,869.14	\$ 122,672,826.59	100%	\$ 50,177,899.13
99 Student Activity	\$ 220,958.85	0%	\$ 226,898.04	\$ (5,939.19)	\$ 215,772.51	0%	\$ 5,186.34
Total All Funds	\$ 173,071,684.57	100%	\$ 168,475,754.62	\$ 4,595,929.95	\$ 122,888,599.10	100%	\$ 50,183,085.47

**Please note that the District is reporting cash and investments on a cost basis.

CPI - Historical



Levy Process Flow

CPI 6.5%
December 2022



Levy Hearing
Fall 2023



Fiscal Year
July 2024 – June
2025



Receipts
May - September
2024



#112LEADS

E31112: NORTH SHORE SCHOOL DISTRICT #112

Tax Year: 2023

Parcel Count: 14,039

Assessed Value (AV):		2,858,603,422
Homestead Impv Exmpt:	-	3,401,293
Disabled Vet Homestead Exmpt:	-	0
Pre-State Multiplier AV:		2,855,202,129
State Multiplier:	x	100%
Post-State Multiplier AV:		2,855,202,129
Farm AV:	+	2,946
Pollution Control AV:	+	0
Railroad AV:	+	4,316,744
General Homestead Exmpt:	-	74,016,000
Senior Homestead Exmpt:	-	23,499,830
Senior Freeze Exmpt:	-	3,103,298
Returning Vet Exmpt:	-	0
Disabled Vet Standard Exmpt:	-	5,199,003
Disabled Person Exmpt:	-	64,000
Natural Disaster Exmpt:	-	0
EAV incl. <150 AV PINs:		2,753,639,688
EAV w/out <150 AV PINs:		2,753,634,930
TIF Increment:	-	44,980,944

District Taxable EAV (incl. new const.):	2,708,653,986
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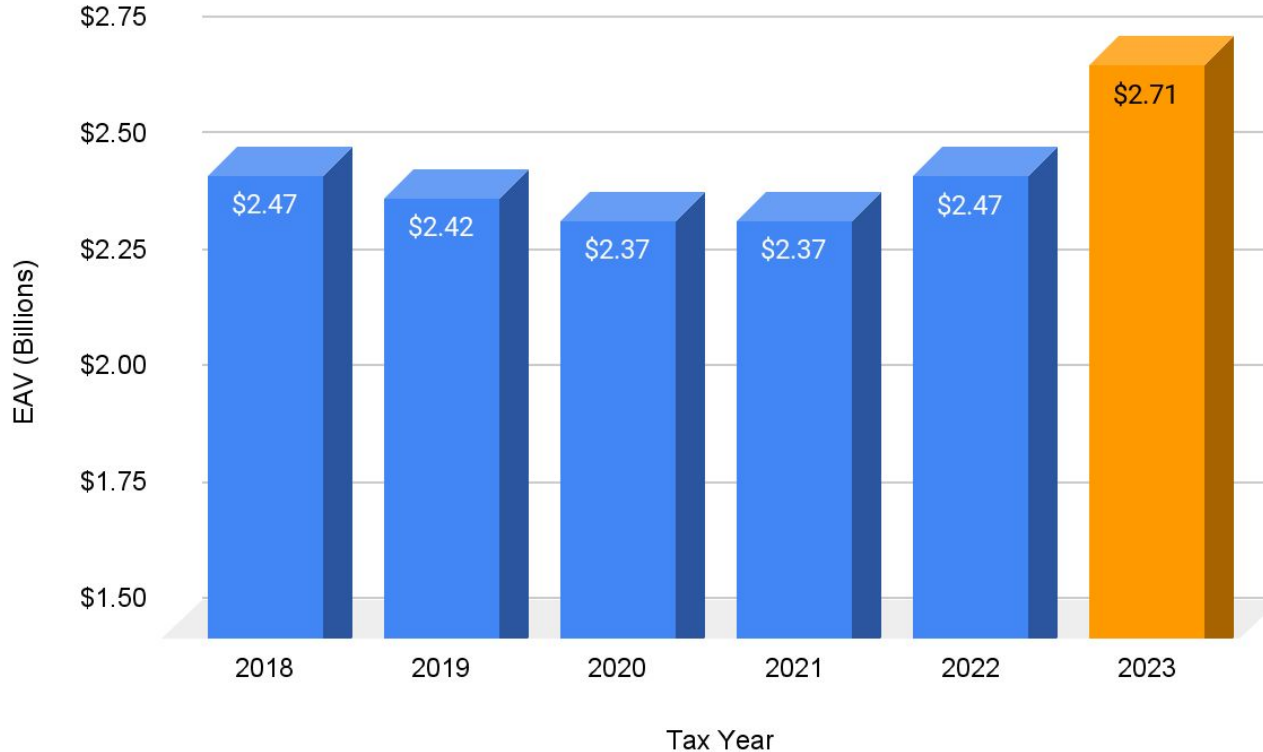
New Const. incl. in TIF Increment:	10,240
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New Const. incl. in District Taxable EAV:	9,885,183
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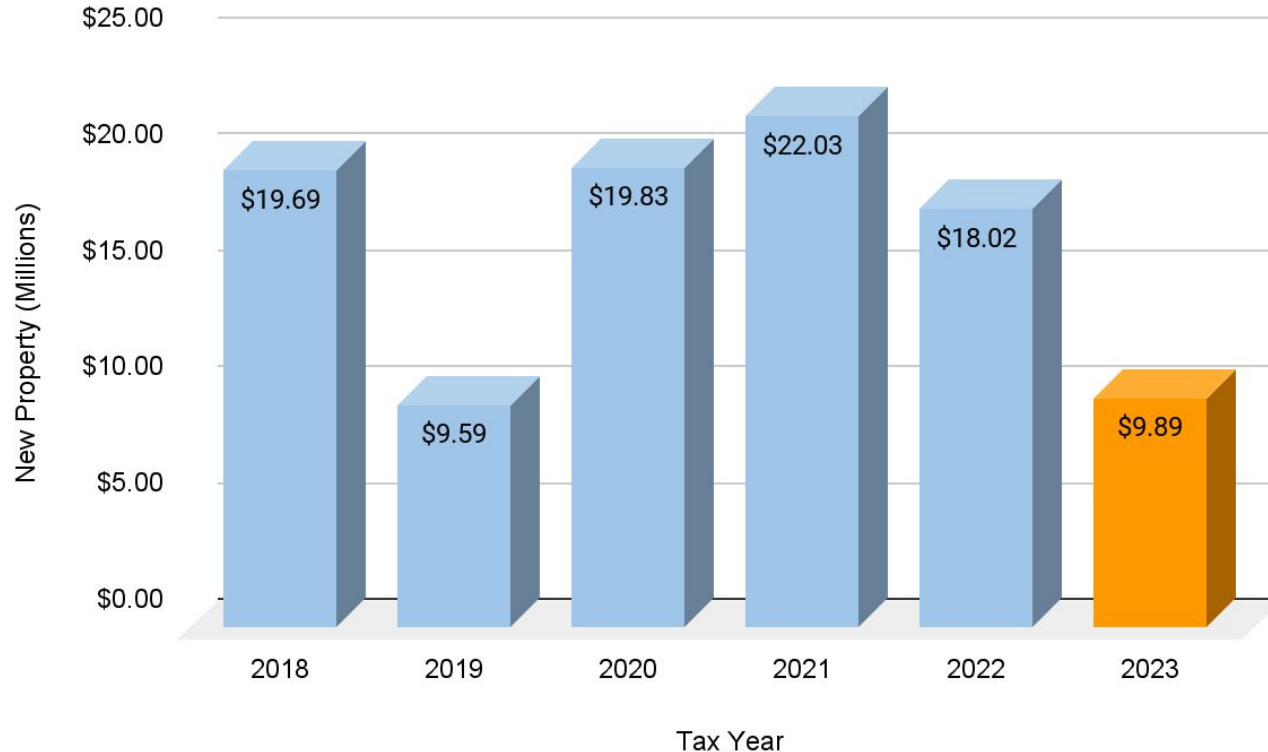


#112LEADS

D112 EAV - Historical & One Year Estimated



New Property - Historical & One Year Estimated



Levy Comparison

Prior Year, Current Request, & Anticipated Extension

Fund	Actual Prior Year Extension	Recommended Levy Request	Levy Request % Increase	Est. Current Year Extension	\$ Change from Prior Year	% Change from Prior Year
Education	\$64,895,220	\$69,944,685	7.78%	\$69,389,566	\$4,494,346	6.93%
Operations & Maintenance	\$12,474,910	\$12,243,809	-1.85%	\$12,146,635	-\$328,275	-2.63%
Transportation	\$3,493,007	\$3,710,541	6.23%	\$3,681,092	\$188,085	5.38%
Working Cash	\$199,606	\$212,037	6.23%	\$210,354	\$10,748	5.38%
Special Education	\$758,478	\$805,714	6.23%	\$799,319	\$40,841	5.38%
Subtotal Capped Funds	\$81,821,222	\$86,916,786	6.23%	\$86,226,967	\$4,405,745	5.38%
Prior Year Recapture	\$771,028	N/A	N/A	\$771,028	\$0	0.00%
Referendum Debt Service	\$8,227,846	N/A	N/A	\$8,146,364	-\$81,483	-0.99%
Total Levy/Extension	\$90,820,096	\$86,916,786	N/A	\$95,144,358	\$4,324,262	4.76%

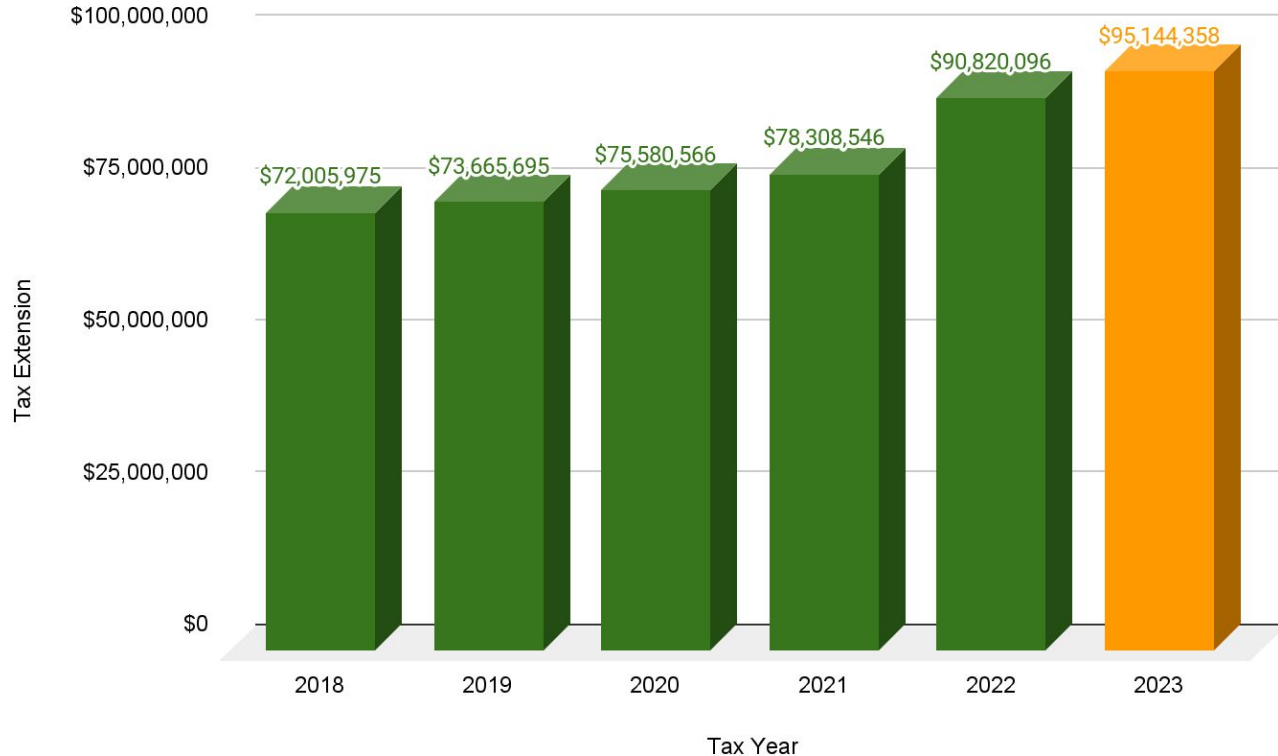
Tax Levy Information

$$\text{Tax Rate} = \frac{\text{Tax Extension}}{\text{EAV}}$$

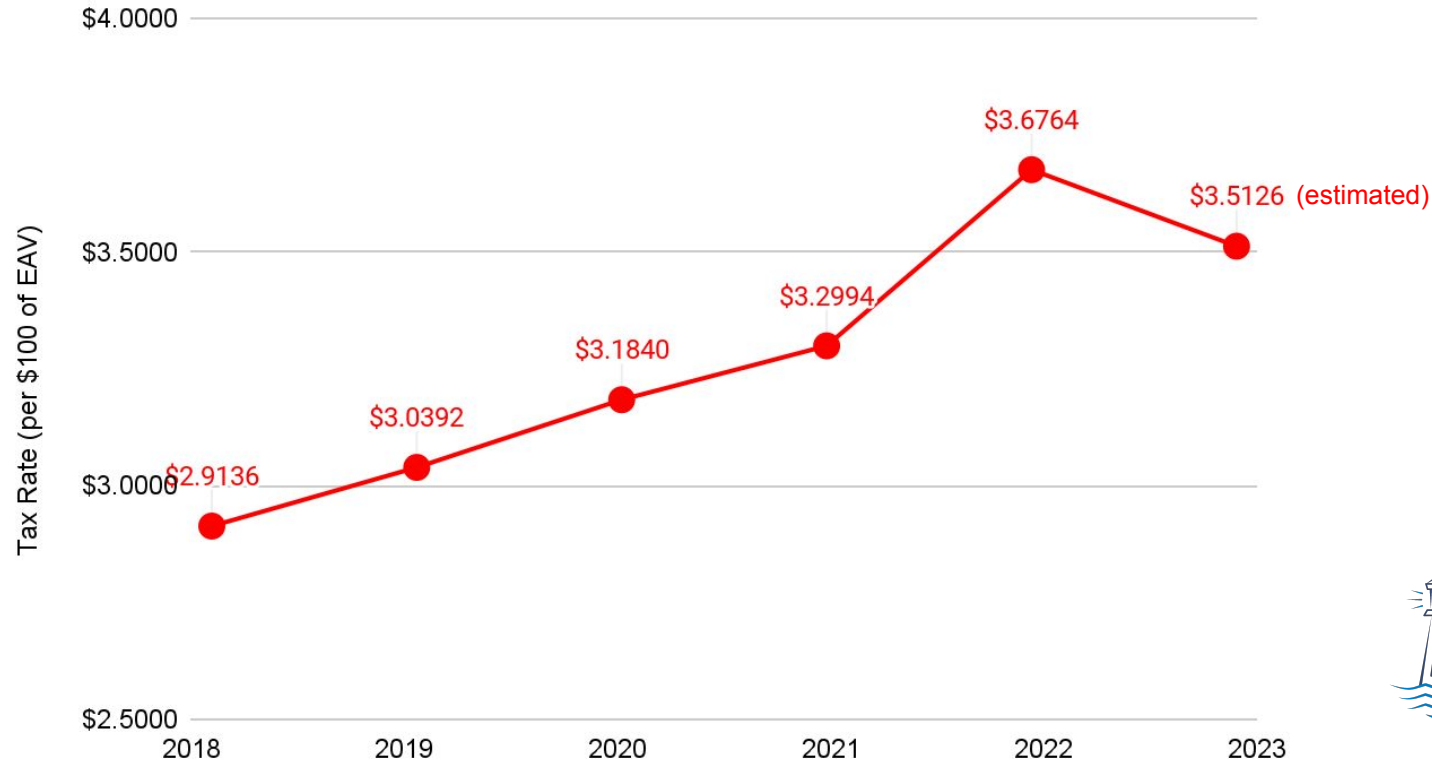
EAV = Equalized Assessed Valuation (D112 property values)



Tax Extension - Historical & One Year Estimated



Tax Rate - Historical & One Year Estimated



Why is NSSD 112 Requesting an Increased Levy?

- 6 of the District's 7 elementary schools have millions of dollars in deferred maintenance that must be addressed.
- Inflation (CPI-U) is averaging 5.9% over the last 2 years. This levy will help the District keep up with inflation. The District has maintained its educational programming, so more money is needed to operate our programs.
- This year, District 112 does not have a balanced operating budget. This levy will give us the revenue we need to create balanced budgets in the future.



Increasing Costs & Other Considerations

- Contracts increasing at 5% or more:
 - NSSSA (Classified) Employment Contract (13.3%)
 - First Student Transportation (5.0%)
 - Safeway Transportation (5.0%)
 - ABM Custodial Services (6.5%)
 - Organic Life (8.8%)
- Other Considerations:
 - NSEA contract must be negotiated; many area raises have been in excess of 5%
 - ESSER stimulus funds are expiring



What does this mean for an individual taxpayer?

Fair Cash Value of House:	\$650,000
EAV of House ($\frac{1}{3}$ of Fair Cash Value):	\$216,667
2022 D112 Tax Rate:	\$3.6764 per \$100 of EAV
Estimated 2023 Increase:	5.00%
2022 D112 Taxes Paid:	(\$7,965.55)
Estimated 2023 D112 Taxes:	\$8,363.82
Estimated 2023 Increase:	\$398.27*



*Estimated tax increase is \$33.19 per month for a \$650,000 house



Levy Timeline

- ~~● Approve an estimated tax levy on October 17, 2023.~~
- ~~● Publish the required Truth in Taxation notice in The Highland Park News on November 2, 2023.~~
- Hold a public hearing and approve the 2023 final tax levy on November 14, 2023.
- File the 2023 adopted certificate of tax levy no later than the last Tuesday of December in 2023 (December 26th).



Key Takeaways

- NSSD 112's Tax Levy increase is limited to a 5% increase, despite inflation running higher over the past 2 years.
- District 112 has millions of dollars in deferred maintenance that must be addressed.



ANY QUESTIONS?



Levy Comparison

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