

Hearing Agenda

Date: Thursday, December 19, 2019

Meeting: Levy Hearing as per OMA and 5ILCS120/2c

Time: 7:05 PM

Location: District Office
650 Dr. John Burkey Drive
Algonquin, IL 60102

Mission Statement: Our learning community will inspire, challenge and empower all students always.

Board of Education Members: President, Mr. Anthony Quagliano; Vice President, Mr. Kevin Gentry; Secretary, Mr. Paul Troy; Mr. William Geheren; Mrs. Melissa Maiorino; Mrs. Lesli Melendy; Mr. Sean Cratty.

Agenda

All times are approximate. D=Discussion, R=Report, A=Action

1. **Testimony for the 2019 Levy** (Mr. Altmayer)

Mr. Altmayer will present the 2019 Property Tax Levy.

2. **Levy Hearing** (Mr. Fleck)

Call to Order the Levy Hearing for December 19, 2019 at 7:05 p.m.

A quorum must be met.

Roll Call: Ayes () / Nays / Absent / **Motion** __.

3. **Testimony for the 2019 Levy** (Mr. Altmayer)

Mr. Altmayer will present the 2019 Property Tax Levy.

4. **Public Comment as per Policy 2:230** (Mr. Fleck)

The members of the public and district employees may comment on or ask questions of the Board, subject to reasonable constraints. A form is available at the agenda table. Please submit, prior to the meeting to the Board President or Secretary.

5. **Adjournment (A)** (Mr. Fleck)

Move to adjourn the Levy Hearing at __ p.m.

Voice Call: Ayes / Nays / **Motion** __

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Huntley Community School District 158

650 Dr. John Burkey Drive
Algonquin, Illinois 60102
(847) 659-6158 • www.district158.org

To: Board of Education and Administration

From: Mark Altmayer, Chief Financial Officer

Date: December 19, 2019

Subject: **2019 Tax Levy**
Levy Hearing and Board of Education Meeting, December 19, 2019

General

For your review there are several documents that will help guide you through the 2019 Tax Levy.

Attachment A – McHenry & Kane Assessor Estimated EAV Reports

Attachment B – 2019 Levy Calculation Page – Ballooned. See Tax Levy Summary below.

Attachment C – Certificate of Tax Levy – (Signatures required after final Board approval in December)

Attachment D - 2019 Levy Calculation Page – Not Ballooned. See Tax Levy Summary below.

Attachment E – Historical Tax Levy Extension Worksheet by Fund – Includes Estimated Tax Rates

District's Recommendation

Administration is recommending extending the 2019 Levy with the Consumer Price Index increase of 1.9% in accordance with the Property Tax Extension Limitation Law (PTELL).

In accordance with PTELL, the District extends additional property taxes in line with the Consumer Price Index (CPI). The CPI over the last three years are as follows; Levy Year 2016 .7%, Levy Year 2017 2.1%, and Levy Year 2018 2.1%.

With CPI at 1.9% for Levy Year 2019 (tax bills paid in 2020), including new construction, the District will extend approximately \$1.64M in additional operating property taxes in accordance with PTELL. As a result of new construction, approximately \$410k will be levied, which has no impact on existing homeowners.

At 1.9%, a homeowner with a \$300,000 home will see an approximate \$87 increase in the property tax bill for the school district. ***Please note, exclusive of the 1.9%, taxpayers should be aware that individual bills may go up or down based on individual assessments as determined by the township assessor, and/or fluctuations of apportionment between Kane and McHenry Counties.***

Truth in Taxation

In accordance with the Truth in Taxation law – A school district proposing to increase its aggregate levy more than 105% of its prior year's extension must publish notice prior to such a hearing as required by law. District 158 is **not** proposing to increase its aggregate levy by more than 105% of prior year's extension.

With CPI at 1.9% combined with the ballooning of the levy at 1.5% (to cover the estimate on new construction), the District's aggregate levy will be less than 105% of prior year's extension, at 104.07%.



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Although the actual extension is short of the 105%, Administration feels that it is still appropriate to conduct a hearing to discuss the levy.

The 2019 Tax Levy Summary as well as the timeline of the levy process follows:

- Levy Hearing - Thursday, December 19, 2019
- 2019 Property Tax Extensions Approval at Regular Board Meeting - Thursday, December 19, 2019
- File Certificate of Tax Levy with county clerks no later than Friday, December 20, 2019, although the tax levy is due to the County Clerk's Office no later than the last Tuesday in December.

Tax Levy Summary

Using the McHenry and Kane County assessor estimated EAV reports with new construction, the 2019 EAV (before Board Review) is expected to increase (6.69%) to approximately \$1.478B from \$1.386B in levy year 2018. Estimated new construction, which approximates \$9.1M, increased from prior year's \$6.07M, driven by an increase in residential property, as 71% of new construction is residential. Preliminary new construction at \$9.1M represents additional taxes to the District approximating \$410k. Again, please note that this is an estimated new construction number that may change.

Kane County's EAV, representing approximately 20.5% of the overall assessed value of the District, is estimated to increase 9.51% from \$275M to \$301M. Estimated new construction, primarily driven by commercial property, approximates \$1.3M versus last year's \$.9M. Please note, there have been several new commercial properties, such as Alden Courts of Huntley, an assisted living property for those with memory issues, that have recently opened that are not 100% on the tax rolls yet.

McHenry County's EAV, including current year's new construction, is estimated to increase 5.17% from \$1,111M to \$1,168M. Estimated new construction has increased from prior year's actual of \$5.1M to this year's estimate of \$7.8M, driven by increased available residential property.

Primarily driven by an increase in assessed values, combined with the 1.9% CPI, the operating funds capped tax rate is expected to decrease (3.63%) to approximate 4.51, down from last year's 4.68.

Consistent with prior year, the 2019 levy is ballooned so that if new construction comes in higher than the estimated \$9.13M, the levy request will be enough to cover any underestimate by the county on new construction. With a 1.5% balloon, the levy is in excess of the current estimated extension by approximately \$999k. Although highly unlikely, this overestimate will cover the District on an additional \$22.1M of new construction.

RECOMMENDATION

Administration recommends the Board of Education approve the 2019 Tax Levy.

Assessor Estimated EAV Report by Tax District
McHenry County

Tax Year: 2019

EU158 - SCHOOL DIST 158

Totals		Board of Review Abstract		New Construction	
Board of Review Abstract	1,281,025,025	Commercial	904,111	Commercial	1,281,025,025
- Exemptions	108,733,252	Farm	29,769	Farm	152,251
- Under Assessed	0	Industrial	516,593	Industrial	68,022
+ State Assessed	854,295	Local Rail Road	0	Local Rail Road	0
Total EAV	1,172,145,069	Mineral	0	Mineral	0
- Tif Increment / Ezone	4,098,943	Residential	6,374,853	Residential	854,296
Rate Setting EAV	1,168,046,126	Total	7,825,326	Total	1,168,046,126

Exemption Category	Commercial Value	Commercial Count	Farm Value	Farm Count	Industrial Value	Industrial Count	Local Rail Road Value	Local Rail Road Count	Mineral Value	Mineral Count	Residential Value	Residential Count	State Rail Road Value	State Rail Road Count	Totals Value	Totals Count
Parcel Count		259		494		161		0		0		14,062		0	1,281,025,025	14,976
Board of Review Abstract	56,276,776	0	21,224,756	4	2,584,279	0	0	0	0	0	1,179,879,212	0	0	0	1,281,025,025	0
- Home Improvement	0	0	62,584	4	0	0	0	0	0	0	89,667	13	0	0	152,251	17
- Veteran's	0	0	0	0	0	0	0	0	0	0	68,022	1	0	0	68,022	1
+ State Assessed	0	0	0	0	0	0	0	0	0	0	0	0	854,296	0	854,296	0
EAV	56,276,776	0	21,222,172	4	2,584,279	0	0	0	0	0	1,179,721,523	16	854,296	0	1,281,659,048	20
- Senior Assessment Freeze	0	0	256,503	8	0	0	0	0	0	0	11,176,673	691	0	0	11,433,176	699
- Owner Occupied	6,000	1	848,000	108	0	0	0	0	0	0	72,552,499	12,108	0	0	73,206,499	12,217
- Senior Citizen's	0	0	230,000	46	0	0	0	0	0	0	14,289,548	2,860	0	0	14,519,548	2,906
- Disabled Person	0	0	10,000	5	0	0	0	0	0	0	439,000	219	0	0	448,000	224
- Disabled Veteran	0	0	0	0	0	0	0	0	0	0	9,835,058	155	0	0	9,835,058	155
- Returning Veteran	0	0	0	0	0	0	0	0	0	0	5,000	1	0	0	5,000	1
- Natural Disaster	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Fraternal Freeze	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Vet Freeze	65,698	1	0	0	0	0	0	0	0	0	0	0	0	0	65,698	1
- Under Assessed	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
E-Zone	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- TIF	2,890,233	0	0	0	747,583	0	0	0	0	0	462,127	0	0	0	4,099,943	0
- Drainage	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Taxable Value	53,314,847	0	20,077,869	0	22,835,696	0	0	0	0	0	1,070,982,618	0	854,296	0	1,168,046,126	0

2019 LEVY CALCULATION PAGE

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI})}{\text{Total EAV} - \text{New Construction}}$

Limiting Rate: 4.5050%
Estimated Capped Extension: \$66,598,088.68

Consumer Price Index:	1.90%
Actual Total EAV for 2018:	\$1,385,629,252
Estimated % change from 2018 EAV:	6.03%
Estimated New Construction for 2019:	\$9,131,420
Estimated Total EAV for 2019:	\$1,478,314,116
Total change from prior year:	6.69%

	Prior Year Extension:	Maximum Tax Rate:	Individual Fund Estimated Maximum Extension:	Prorated Extension based on prior year extension:	Manual Override:	Balloon % input:	Levy Amount:
Educational	\$47,708,933.31	0.00%	\$0.00	\$48,917,562.65		1.50%	\$49,651,326.00
Operations & Maintenance	\$8,001,676.38	0.75%	\$11,087,355.87	\$8,204,386.02		1.50%	\$8,327,452.00
Transportation	\$2,086,716.08	0.00%	\$0.00	\$2,139,579.69		1.50%	\$2,171,673.00
Working Cash	\$393,532.56	0.05%	\$739,157.06	\$403,502.08		1.50%	\$409,555.00
Municipal Retirement	\$1,224,563.71			\$1,255,586.07		1.50%	\$1,274,420.00
Social Security	\$1,558,417.22			\$1,597,897.22		1.50%	\$1,621,866.00
Fire Prevention & Safety *	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$3,978,778.97	0.80%	\$11,826,512.93	\$4,079,574.96		1.50%	\$4,140,769.00
Leasing	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00

Capped Extension/Levy \$64,952,618.23 \$23,653,025.85 \$66,598,088.68 \$0.00 **Capped Levy** \$67,597,061.00 4.07% NO

Levy in excess of estimated extension: \$998,972.32

SEDOL IMRF \$0.00

SEDOL IMRF

\$0.00

Bond and Interest: \$9,902,471.49

Bond and Interest: \$10,808,900.00

\$10,808,900.00 9.15%

Total Extension/Levy \$74,855,089.72

Total Levy \$78,405,961.00 4.74%

Original:
 Amended:

ILLINOIS STATE BOARD OF EDUCATION
 School Business and Support Services Division
 217/785-8779

CERTIFICATE OF TAX LEVY

A copy of this Certificate of Tax Levy shall be filed with the County Clerk of each county in which the school district is located on or before the last Tuesday of December.

District Name Huntley Community School District	District Number 158	County McHenry, Kane
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Amount of Levy

Educational	\$ 49,651,326	Fire Prevention & Safety *	\$ 0
Operations & Maintenance	\$ 8,327,452	Tort Immunity	\$ 0
Transportation	\$ 2,171,673	Special Education	\$ 4,140,769
Working Cash	\$ 409,555	Leasing	\$ 0
Municipal Retirement	\$ 1,274,420		\$ 0
Social Security	\$ 1,621,866	Other	\$ 0
		Total Levy	\$ 67,597,061

* Includes Fire Prevention, Safety, Energy Conservation, Disabled Accessibility, School Security, and Specified Repair Purposes.

See explanation on reverse side.

Note: Any district proposing to adopt a levy must comply with the provisions set forth in the Truth in Taxation Law.

We hereby certify that we require:

the sum of 49,651,326 dollars to be levied as a special tax for educational purposes; and
 the sum of 8,327,452 dollars to be levied as a special tax for operations and maintenance purposes; and
 the sum of 2,171,673 dollars to be levied as a special tax for transportation purposes; and
 the sum of 409,555 dollars to be levied as a special tax for a working cash fund; and
 the sum of 1,274,420 dollars to be levied as a special tax for municipal retirement purposes; and
 the sum of 1,621,866 dollars to be levied as a special tax for social security purposes; and
 the sum of 0 dollars to be levied as a special tax for fire prevention, safety, energy conservation, disabled accessibility, school security and specified repair purposes; and
 the sum of 0 dollars to be levied as a special tax for tort immunity purposes; and
 the sum of 4,140,769 dollars to be levied as a special tax for special education purposes; and
 the sum of 0 dollars to be levied as a special tax for leasing of educational facilities or computer technology or both, and temporary relocation expense purposes; and
 the sum of 0 dollars to be levied as a special tax for _____; and
 the sum of 0 dollars to be levied as a special tax for _____
 on the taxable property of our school district for the year 2019

Signed this _____ day of _____ 2019 . _____
 (President)

 (Clerk or Secretary of the School Board of Said School District)

When any school is authorized to issue bonds, the school board shall file a certified copy of the resolution in the office of the county clerk of each county in which the district is situated to provide for the issuance of the bonds and to levy a tax to pay for them. The county clerk shall extend the tax for bonds and interest as set forth in the certified copy of the resolution, each year during the life of the bond issue. Therefore to avoid a possible duplication of tax levies, the school board should not include a levy for bonds and interest in the district's annual tax levy.

Number of bond issues of said school district that have not been paid in full 5 .

(Detach and Return to School District)

This is to certify that the Certificate of Tax Levy for School District No. 158 , McHenry, Kane County, Illinois, on the equalized assessed value of all taxable property of said school district for the year 2019 was filed in the office of the County Clerk of this County on _____ , 2019 .

In addition to an extension of taxes authorized by levies made by the Board of Education (Directors), an additional extension(s) will be made, as authorized by resolution(s) on file in this office, to provide funds to retire bonds and pay interest thereon. The total levy, as provided in the original resolution(s), for said purposes for the year 2019 , is \$ _____ .

 (Signature of County Clerk)

 (Date)

 (County)

2019 LEVY CALCULATION PAGE

Limiting Rate: $\frac{\text{Prior Year Extension} \times (1 + \text{Lesser of } 5\% \text{ or CPI})}{\text{Total EAV} - \text{New Construction}}$

Limiting Rate: **4.5050%**
 Estimated Capped Extension: **\$66,598,088.68**

Consumer Price Index:	1.90%
Actual Total EAV for 2018:	\$1,385,629,252
Estimated % change from 2018 EAV:	6.03%
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Transportation	\$2,086,716.08	0.00%	\$0.00	\$2,139,579.69			\$2,139,580.00
Working Cash	\$393,532.56	0.05%	\$739,157.06	\$403,502.08			\$403,502.00
Municipal Retirement	\$1,224,563.71			\$1,255,586.07			\$1,255,586.00
Social Security	\$1,558,417.22			\$1,597,897.22			\$1,597,897.00
Fire Prevention & Safety *	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
Tort Immunity	\$0.00			\$0.00			\$0.00
Special Education	\$3,978,778.97	0.80%	\$11,826,512.93	\$4,079,574.96			\$4,079,575.00
Leasing	\$0.00	0.00%	\$0.00	\$0.00			\$0.00
	\$0.00	0.00%	\$0.00	\$0.00			\$0.00

Capped Extension/Levy **\$64,952,618.23** **\$23,653,025.85** **\$66,598,088.68** **\$0.00** Capped Levy **\$66,598,089.00** 2.53% NO

Levy in excess of estimated extension: **\$0.32**

SEDOL IMRF **\$0.00**

SEDOL IMRF **\$0.00**

Bond and Interest: **\$9,902,471.49**

Bond and Interest: **\$10,808,900.00**

\$10,808,900.00 9.15%

Total Extension/Levy **\$74,855,089.72**

Total Levy **\$77,406,989.00** 3.41%



**Huntley Community School District 158
Property Tax Levy
2019 Levy**

% Chg in EAV 5.911%

% Chg in EAV 5.054%

% Chg in EAV 6.689%

EAV 1,318,973,538
New Growth 19,943,323

EAV 1,385,629,252
New Growth 6,068,320

EAV 1,478,314,166
New Growth 9,131,420

Fund
Education
Bond & Interest
Operations & Maintenance
IMRF
Transportation
Working Cash
Life Safety
Special Education
Tort
Social Security

2017 Levy Actual Extension	
Rate	Actual
3.489058	46,019,756
0.725332	9,566,938
0.585180	7,718,364
0.073070	963,771
0.198825	2,622,444
0.029094	383,742
0.000000	0
0.294159	3,879,873
0.000000	0
0.132687	1,750,103
4.802072	63,338,053
5.527404	72,904,991

2018 Levy Actual Extension	
Rate	Actual
3.443125	47,708,941
0.714655	9,902,467*
0.577476	8,001,676
0.088376	1,224,566
0.150597	2,086,715
0.028401	393,529
0.000000	0
0.287146	3,978,776
0.000000	0
0.112470	1,558,421
4.687590	64,952,624
5.402245	74,855,091

2019 Levy Estimated Extension	
Rate	Proposed
3.309010	48,917,563
0.731164	10,808,900
0.554983	8,204,386
0.084934	1,255,586
0.144731	2,139,580
0.027295	403,502
0.000000	0
0.275961	4,679,575
0.000000	0
0.108089	1,597,897
4.505002	66,598,089
5.236166	77,406,989

Operating Funds Capped
Total

Operating Funds Capped Rate

4.802072
2.11%

4.687590
2.38%

4.505002
3.90%