


[Pioneer Press Home](#)
[ABOUT US](#)
[SEARCH](#)
[SUBSCRIBE](#)
[AD INFO](#)
[E-MAIL US](#)
[Search](#)
[Results](#)
[<< Back](#)

[New Query](#)
[Advanced](#)
[Help!](#)

D 35 officials will follow tax cap

April 14, 2005

[News](#)
[Sports](#)
[Diversions](#)
[Calendar](#)
[Classifieds](#)
[Weather](#)
[Home](#)

BY ANDREW SCHROEDTER

STAFF WRITER

In the wake of Glencoe's backing a tax hike to benefit Elementary School District 35, School Board members said they'll uphold their promise to refrain from increasing the district's tax levy more than the 50-cents they campaigned for prior to the election.

A loophole in the state tax cap law would allow the district to increase its tax levy beyond what 70 percent of voters approved April 5 at the polls. And because the referendum has already passed, voters could do nothing to block it.

"There's nothing to stop them except for the integrity of the board," said Richard Skiba, a panelist with the Institute for Truth in Accounting, a Glencoe-based watchdog group.

Printer Friendly

The district campaigned for a tax-rate increase of 50 cents for every \$100 of equalized assessed valuation, but the required ballot language that was approved by voters raised the maximum tax rate from \$3 to \$3.50. School officials have said the 50-cent hike will generate \$2.7 million annually by adding an additional \$600 to a \$10,000 property tax bill.

Ronald Chilcote, the district's business manager, said the district was aware of the loophole, which legally permits the board to institute an additional tax rate increase of 50 cents per year until its Education Fund rate reaches the \$3.50 maximum limit.

The district's tax rate was \$3 at the time the tax cap was imposed and that's the amount required by the state for the ballot question. Over time, however, the district's property values have increased, dropping the rate proportionately to its pre-referendum level of \$2.01.

"Technically, if the board desired, we could essentially go from \$2.01 to \$2.51 this year," Chilcote said. "And (the board) could continue doing so every year."

The district's current annual tax revenue stands at about \$10.8 million. With the passage of the referendum, that amount will jump \$2.7 million to about \$13.5 million.

If it were to take advantage of the loophole, Chilcote said the district's tax revenue in three years could top out at more than \$18.8 million, an increase

that would reflect an additional \$2.7 million in tax revenue every year. The money would come from Glencoe property owners.

School Board members said they had no intention of exploiting the loophole.

"Absolutely not," School Board President John Myefski said after Monday's board meeting.

Chilcote said the district's goal was to generate \$2.7 million in new revenue the first year and only increase within the tax cap in future years. That's what the board intends to do, he said.

Tax cap laws limit annual tax increases to 5 percent or the consumer price index, whichever is less.

"All future increases after this one will (fall under) tax cap laws," said School Board member Edward Chez.

Board members said they'll pass a good faith resolution in August that will direct the Cook County tax extension director to prevent them from attacking the loophole.

However, Chilcote said it's legally possible the board could reverse its decision. Board members said that isn't likely to happen.

"Our intention is not to take advantage of it," said School Board member Catherine Schulte.



pioneer press



Copyright© 2004, Digital Chicago Inc.