

**What additional tax revenues will the Board receive as a result of a successful April 1 referendum?**

A successful referendum would raise an additional \$13.25 million above the tax capped revenue amount. Based on the projected Equalized Assessed Valuation, a 41-cent increase in the District's Educational Fund tax rate will generate the \$13.25 million.

The Official Ballot (at right) states the Board's request for an increase in the maximum tax rate from \$2.54 to \$2.95. In reality, because the District is only taxing at one-half of its authorized maximum education tax rate, the Board is requesting a 41-cent increase in the projected 2002 Education Fund tax rate from \$1.28 to \$1.69, with the total tax rate increasing from \$1.63 to \$2.04.

From 2003-04 on, the only new revenues projected are those that the anticipated tax cap percentages would yield. The Board of Education adopted this concept as their plan at the November 18, 2002 Regular Meeting and included such in their public materials at that meeting. In addition, this plan has been communicated in the numerous public presentations by the administration.

Questions? [www.newtrier.k12.il.us](http://www.newtrier.k12.il.us) or e-mail [bangserh@newtrier.k12.il.us](mailto:bangserh@newtrier.k12.il.us)



**New Trier Township High School District 203**

Board of Education  
385 Winnetka Avenue  
Winnetka, IL 60093-4295

New Trier Township High School District 203 serves Chicago's North Shore suburban communities of Glencoe, Kenilworth, Wilmette and Winnetka, most of Northfield and parts of Glenview and Northbrook.

**Board of Education**

John S. (Buz) Graettinger, Jr.  
David A. Grossberg  
Vice President  
Charles C. Happ  
Edward Mehlman  
Phyllis C. Myers, Ph.D.  
Onnie Scheyer  
President  
Adair L. Waldenberg

**Administration**

Henry S. Bangser, Ph.D.  
Superintendent  
Steven M. Baule, Ph.D.  
Assistant Superintendent for Information Technology  
Jan M. Borja  
Principal, Northfield Campus  
Betty A. Brockelman, Ed.D.  
Assistant Superintendent for Curriculum and Instruction  
Donald R. Goers  
Assistant Superintendent for Business  
Debra L. Stacey, Ph.D.  
Principal, Winnetka Campus

**Special Referendum Edition**

Exercise your right to vote on APRIL 1, 2003

Wording of the New Trier Referendum

**OFFICIAL BALLOT PROPOSITION TO INCREASE MAXIMUM ANNUAL EDUCATIONAL TAX RATE OF NEW TRIER TOWNSHIP HIGH SCHOOL DISTRICT NUMBER 203, COOK COUNTY, ILLINOIS**

Shall the maximum annual tax rate for educational purposes of New Trier Township High School District Number 203, Cook County, Illinois, commonly known as New Trier Township High School District Number 203, be increased and established at 2.95 percent upon all the taxable property of said District at the value, as equalized or assessed by the Department of Revenue, instead of 2.54 percent, the existing maximum rate otherwise applicable to the next taxes to be extended for said purposes?

Yes punch 428

No punch 432

**Board Report to the Community**

Produced by the New Trier Township High School District Personnel and Communications office. Laura Blair Bertani, Director

POSTAL PATRON LOCAL

Non-Profit Organization ECRWSS PAID Permit No. 319 Winnetka, Illinois



**Board Report to the Community**

March 2003  
New Trier Township High School District 203

**Special Edition**

**Answering frequently asked questions about the New Trier referendum on April 1, 2003**

**Why does New Trier need the referendum?**

Over the past 12 years, New Trier has experienced a 41% enrollment increase, with a 27% increase since the 1995-96 school year. Another 9% increase is expected by 2007. Revenue growth has not kept pace with the enrollment growth, causing the District to deficit spend and use reserve funds to cover the shortfall in the past two years. The referendum is needed to maintain the present level of programs and services for a growing enrollment and to reinstate financial stability.

**What enrollment model is this referendum intended to fund?**

The referendum will fund the current "1-3" enrollment model, with freshmen housed at the Northfield Campus and sophomores, juniors and seniors attending the Winnetka Campus. **The Board of Education does not intend to consider again an enrollment model with two four-year schools, which would cost at least \$3 million more in operating costs per year than the current "1-3" organization.**

**How has the State tax cap limited revenue increases?**

As a result of tax cap legislation passed in Springfield in 1995 and decreases in other sources of revenues, New Trier's increase in total revenues (property taxes and other sources) has averaged less than 1% for the last three years and less than 2% for the last six years. The tax cap limits school districts to an annual tax increase equal to

inflation (Consumer Price Index) or 5%, whichever is less. Inflation has averaged about half of the 5%. These revenue increases do not match the rising expenses from enrollment growth (averaging 3.9% per year) and the two-campus operation.

**What is the tax cap intended to do?**

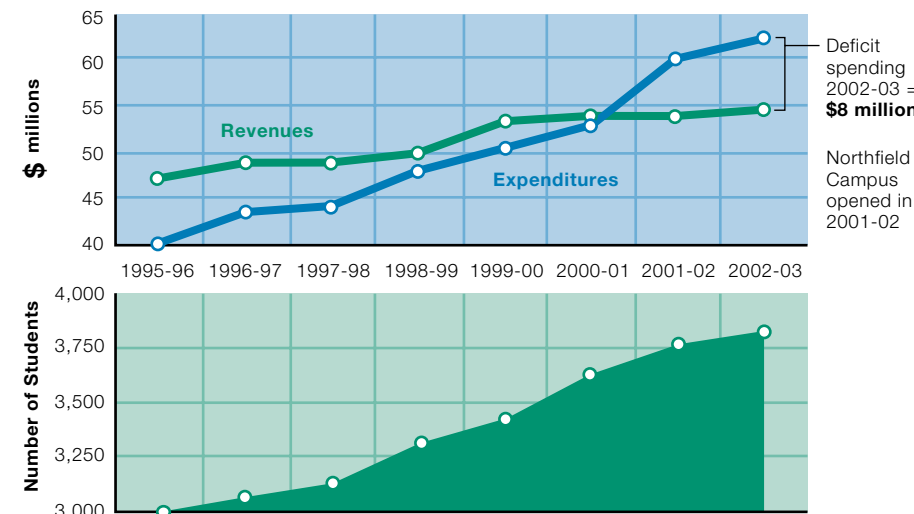
When the state legislature passed the tax cap, it did so intending to force public taxing bodies to referenda to raise additional funds from their community, when necessary. Almost 90% of New Trier revenues come from property taxes. While property values continue to increase and New Trier continues to serve as a key asset to local homeowners, the District is limited to

*The challenge for New Trier is to deliver the same high quality programs and services to each student in an environment of more students, higher costs and limited resources.*

these small annual increases in property tax revenue. The tax cap did not take into account growing enrollments or operating a second campus.

**Why is the District in deficit spending?**

Despite cost savings initiatives, this year's expenditures of \$62.4 million exceed revenues by \$8 million. Without a successful referendum, the deficit will be \$10 million in 2003-04. The continued deficit spending is driven by the increased enrollment. Knowing the enrollment increase would continue unabated, New Trier built up *(continued on page 2)*



## How has New Trier curtailed costs?

Cost-containment measures in the 2001-02 school year saved over \$1.5 million, with greater savings this school year.

Choosing an enrollment model was one of the Board of Education's major decisions impacting costs. The "1-3" model was less expensive than the voluntary enrollment model, which had additional costs projected at approximately \$6.5 million in capital, and would have resulted in more than \$3 million per year in additional operational costs.

With non-personnel budgets limited to amounts below inflation, the District has delayed or postponed maintenance repairs, and has reduced or eliminated capital needs requests.

Over \$13 million in requested projects have been denied since 2001, including more than half of the capital requests (equipment and building improvement). Purchases of instructional materials have been scaled back. Program enhancements have been put on hold. Also, the District is evaluating costs of food service, bus transportation, bookstore operations and health insurance benefits for employees.

In addition, recent cost savings include, but are not limited to, the following:

- \$775,000 annual savings from energy conservation measures and automated energy management system
- \$200,000 by reissuing refunding bonds to take advantage of lower interest rates
- \$125,000 by installing a computerized preventative maintenance system

- \$125,000 from changing property liability and workers' compensation insurance
- \$100,000 in early retirement costs
- \$80,000 annual savings by downsizing the New Trier Technology Cooperative
- \$60,000 by modifying telephone service contract
- \$50,000 from reducing disability and life insurance and modifying medical insurance benefits
- \$50,000 annual savings from joining a Cooperative to purchase electricity and gas
- \$40,000 annual savings in printing costs
- \$40,000 in transportation service contract

A cost containment committee is identifying additional ways to cut expenses.

*(continued from page 1)*

reserves in the 1990s for use now. These funds will be depleted in 2004 unless the referendum passes.

### Why can't New Trier balance the budget next year?

To balance the 2003-04 school year budget with a \$10 million deficit, New Trier would have to cut \$6 million in personnel costs and \$4 million in non-personnel costs. A reduction of \$6 million in personnel costs would be the equivalent of firing more than 100 employees. With cuts that severe, the educational program would be devastated for current and future students.

### What indicators show that New Trier has been fiscally responsible?

New Trier's per pupil expenditure increased at an annual rate of only 0.8% from 1995-2002. **During this same seven-year period, inflation increased at an annual rate of 2.6% — more than three times the rate of New Trier's per student expenditure increase.**

### When was New Trier's last tax rate referendum?

It occurred 27 years ago, in 1976. The last bond referendum was in 1998, when the community approved \$11 million in capital bonds, matched by \$11 million from the District fund balance to renovate the Northfield Campus and complete

several projects at the Winnetka Campus. A taxpayer's annual increase from that bond referendum was \$5 per \$1000 of total property taxes. Bonds have a lower impact on overall taxes because they are repaid over a long period of time, while tax rate increases have an annual impact.

### What is the referendum seeking?

The Board of Education unanimously agreed to seek community support of a tax rate referendum to raise an additional \$13.25 million above the tax capped revenue amount. **All budget revenue projections are based on that amount, with future tax increases subjected only to the tax cap. There is no intent to seek property tax revenues above the tax cap through another referendum for at least five years.**

### What would the April 1 referendum cost taxpayers?

**If the referendum passes, the tax rate of New Trier citizens will increase between 5% and 6% (approximately \$56 per \$1000 presently paid in total taxes), depending on the elementary district in which the taxpayer resides.**

**If New Trier has received only about 3% more per year in property taxes since 1995, why have my taxes increased at a greater rate?**

New Trier's increase in annual property taxes has been capped at the CPI, with

an adjustment for new property that has generated less than a 1% increase in annual tax revenues beyond the CPI. However, a critical change has occurred since the 1995 tax year. At that time, residential property comprised 85.89% of the total assessed valuation of the District and commercial or industrial property represented 14.11%.

In tax year 2000 (the last year information is available), residential property accounted for 87.41% compared to commercial/industrial at 12.59%. This shift of property taxes to homeowners from commercial and industrial sources will continue as commercial property tax appeals rise and the value of this type of property increases at a slower rate. Consistently, New Trier has opposed these commercial tax appeals on behalf of homeowners in the district.

Property taxes also have increased because four of the six elementary school districts (all but Avoca and Glencoe) have passed tax rate referenda since 1998, thus increasing the elementary school district portion of a taxpayer's total bill. Other taxing bodies within the Township also have increased taxes beyond the tax cap.



## What will the future New Trier "look like" with a successful referendum?

A successful referendum will fund New Trier's current organization — with freshmen attending the Northfield Campus and sophomores, juniors and seniors attending the Winnetka Campus (the "1-3" enrollment model).

New Trier will maintain a fund balance (reserves) at a level equal to four and one-half months of expenditures (38% of annual operating expenditures), which is the minimum the auditors recommend to the District.

New Trier will reinstate financial stability to the District with a property tax rate increase between 5% and 6% and no new referendum for at least five years.

Current class sizes will be retained and the District will hire the 10 additional teachers and 4 staff members to support the enrollment growth.

The District will continue to curtail costs (see page 2), and will explore more ways to reduce expenditures.

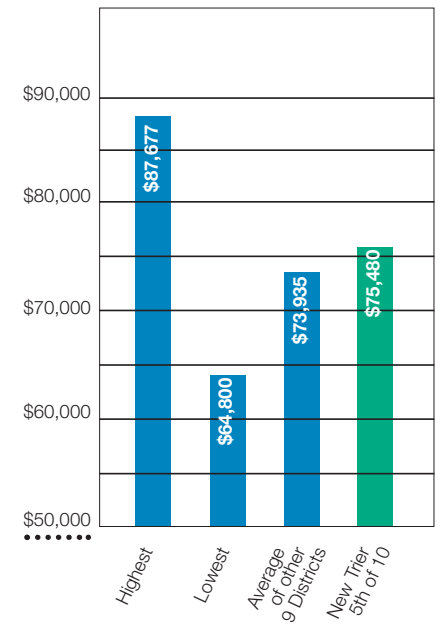
New Trier will protect the current level of individual attention to students, in a large school with academic and activities opportunities.

New Trier will maintain its present programs for the growing student population — programs in which students have performed at the highest levels across the nation.

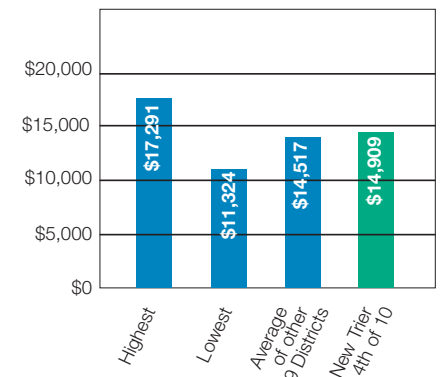
## How New Trier compares

The graphs at right indicate how New Trier compares with the nine other high school districts in north Cook and south Lake Counties (Arlington Heights, Evanston, Glenbrook, Highland Park-Deerfield, Lake Forest, Maine Township, Niles Township, Palatine-Schaumburg and Stevenson). Information relates to the 2001-02 school year. Data for Operating Expenditure Per Student obtained from the business official in each district; other data obtained from Illinois State Board of Education, Fall 2002 School Report Card.

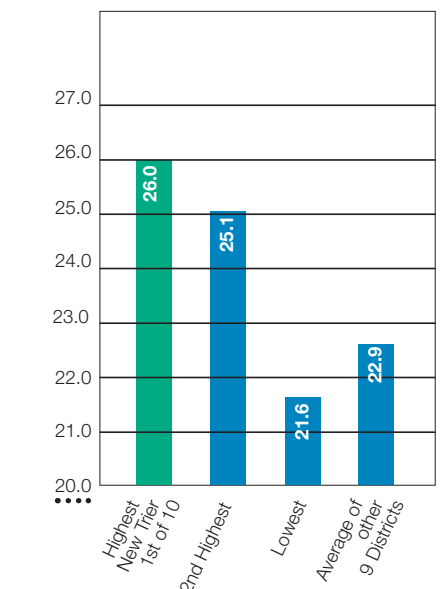
**Average Teacher Salary of 10 Area Districts**  
The average New Trier teacher has one more year of teaching experience than the average teacher in the other 9 districts.



**Operating Expenditure Per Student**



**ACT Performance**  
(average score of almost 90% of seniors on a national standardized test for college/university admissions)



ACT score = highest in the state and in the highest 1% in the nation

## What will the future New Trier "look like" with a failed referendum?

If the referendum fails, the District will never access all of the funds that would be lost. The District will have to seek another referendum sooner than the five years to which the Board of Education has committed.

New Trier will make \$3 million in cuts and must continue deficit spending next year of \$7 million, even after the cuts.

The District will initiate "user fees" for students who access some extracurricular programs. Classes with labs will have additional fees.

Athletic, intramural, performing arts and activities programs will be frozen at their current level and some coaching and sponsor positions will be cut, limiting student opportunities.

Class size will increase, as the District will freeze faculty hiring at the 2002-03 level. New Trier will not hire the additional teachers and the post-high school counselor recommended for the increasing student population.

Courses "capped" in size will have waiting lists, and students will be allowed significantly fewer options in their course selections.

New Trier will remain on the State's financial watch list, an indicator of financial instability.

New Trier programs for future students will be reduced compared with the opportunities available to present and former students.