



Tax Levy Recommendation

*Committee of the Whole Meeting
Tuesday, September 19, 2017*

Tax Levy Recommendation – Background

- Since 2013, MCC has aggressively controlled the economic impact of the College on the taxpayer, while offering tremendous economic development value to our service district.
- One significant way in which this was done was through keeping the levy flat – and doing more with less/fewer resources.
- We have controlled spending repeatedly, to return value to the community.



Results

- We are in the minority of tax entities able to state that we have held the line.
- We are one of only eight (14%) organizations among the 56 taxing bodies that has said “no” to levy increases each year since 2013.
- The other seven taxing bodies are much smaller than MCC (Algonquin Village, Coral Township, Dunham Township, Hartland Township, Holiday Hills Village, Marengo City, McCullom Lake Village) and have had a combined impact on taxes of 65% of the impact of MCC on the community’s taxes.



Results (continued)

- MCC's impact on community savings from a flat levy has been greater than the seven other flat levy institutions combined. And the cost to the College has been much higher.
- In comparison to MCC, the K-12 school districts' impact on taxes is astronomical. Since 2013:
 - 22 school districts – combined total levy requests
 - \$4,605,550,407
 - MCC – combined total levy requests
 - \$141,562,744 (3.1% of combined schools requests)



Recommendation – Hold the Levy Flat Again

- If we hold flat again this year, we will have saved the taxpayers money for the fifth consecutive year, saving taxpayers approximately \$20.56 over the past five years.
- Based on the overall cost per parcel of \$206.84 (average), this amount represents a cut in taxes of about \$4.75 per year.
- Even a gesture of decreasing the levy by \$5 per year, per parcel, is not sustainable, and would create a significant decrease in revenue presented to the College.



Even a \$5 Break from an Average Homeowner's \$200 College Tax Would Be Harmful to MCC

\$	23,483,149	84.0%	of Total 2016 Levy" (Residential)
		96.00%	McHenry County Percentage of Revenue (Residential)
\$	22,543,823		McHenry County Share (est.) (Residential)
	112,582		2016 # of All Parcels McHenry County (excluding exempts) (Residential)
\$	200.24		Average Tax Cost per Parcel (McHenry County Only - 96%)
\$	5.00		Token Fee Good Reduction
	2.50%		% Reduction Needed
\$	195.24		Est Avg Tax Cost per Parcel
\$	586,364.58		Levy Cut Required to Support Token Cut (Residential)
\$	22,896,784		What New Levy Would Be After Token Cut (Residential)
\$	50,000.00		Avg Full Time Person (Est)
\$	25,000.00		Full Time Benefits
\$	75,000.00		Total Cost Per Full Time Employee
	7.82		Estimated Cut in Full Time Employees for Token Cut