



**OAK PARK ELEMENTARY SCHOOL DISTRICT 97**  
PRESENTATION OF TENTATIVE TAX LEVY  
2019 LEVY YEAR

**NOVEMBER 2019**



# TIMETABLE FOR TAX LEVY ADOPTION

## ➤ NOVEMBER 9, 2019

PRESENTATION OF ESTIMATED AGGREGATE TAX LEVY AND DIRECTION TO PUBLISH NOTICE CALLING FOR A PUBLIC HEARING (TRUTH IN TAXATION HEARING)

*(NOT MORE THAN 14 DAYS NOR LESS THAN 7 DAYS PRIOR TO THE DATE OF THE PUBLIC HEARING (NOVEMBER 10, 2019), THE DISTRICT MUST POST NOTICE OF HEARING IN NEWSPAPER)*

## ➤ DECEMBER 10, 2019

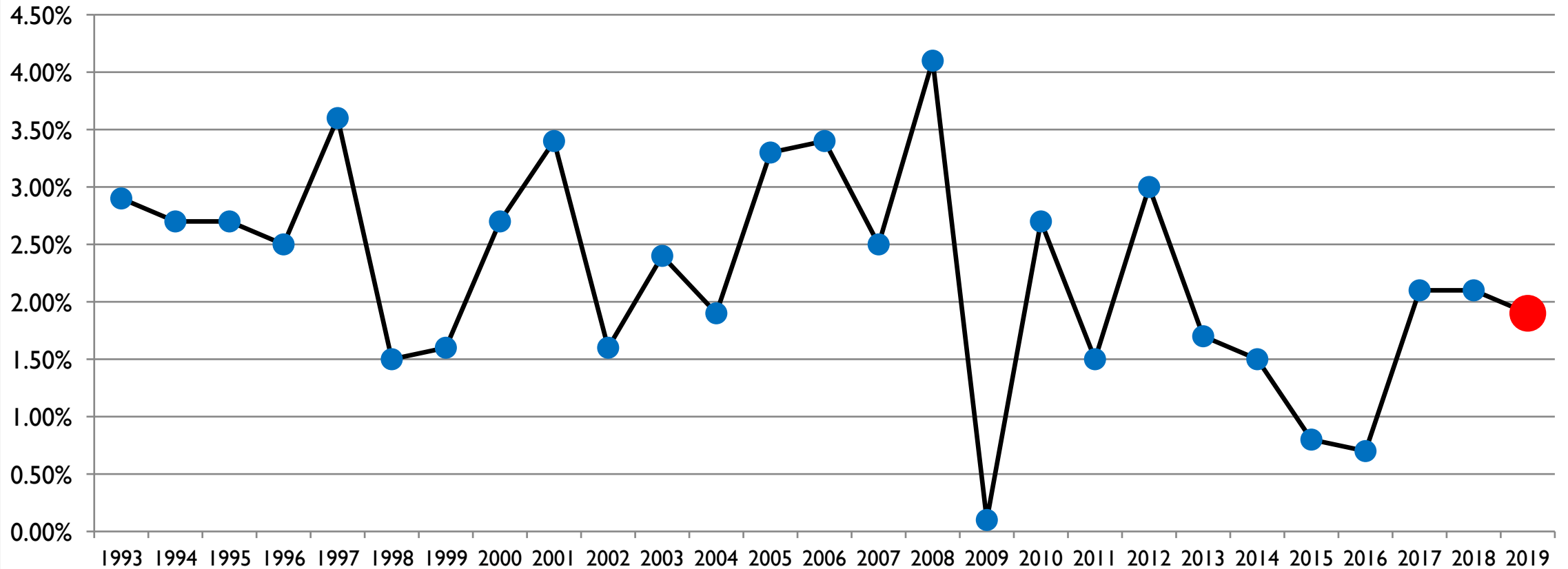
AT THE BEGINNING OF THE REGULAR BOARD MEETING, THE DISTRICT CONDUCTS A TRUTH IN TAXATION HEARING ON THE TAX LEVY. THE DISTRICT ALSO ADOPTS THE 2019 TAX LEVY, INCLUDING ALL APPROPRIATE RESOLUTIONS.

## ➤ DECEMBER 30, 2019

LAST DAY TO FILE NECESSARY DOCUMENTS WITH THE COOK COUNTY CLERK.

# HISTORICAL TAX CAP HISTORY

REAL ESTATE TAX GROWTH IN SCHOOL DISTRICTS TAX-CAPPED COUNTIES LIMITED BY RATE OF INFLATION



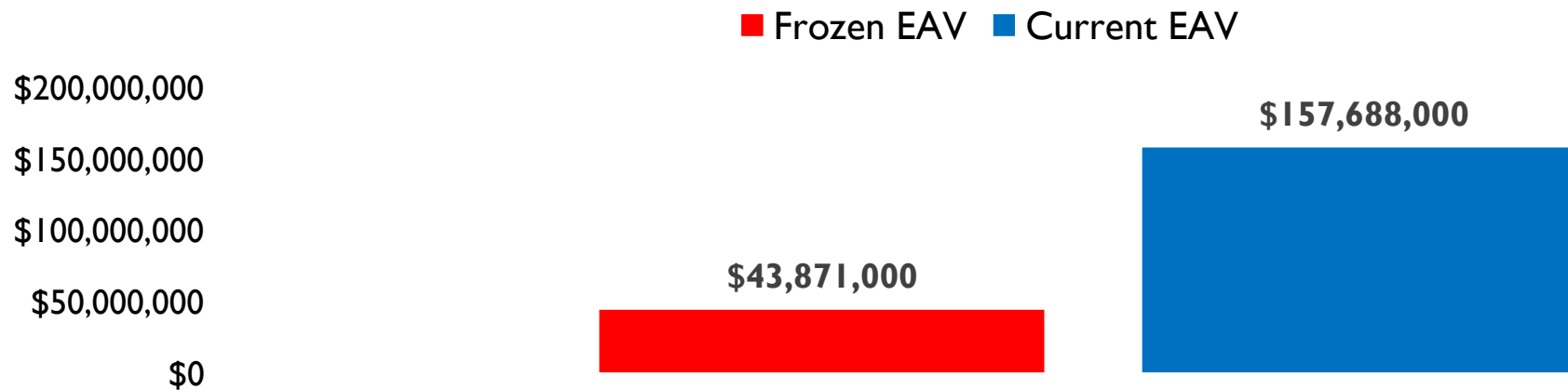
OTHER THAN ADDITIONAL REVENUES GENERATED FROM THE EXPIRING TIF'S AND NEW PROPERTY, THE DISTRICT IS LIMITED TO A 1.9% INCREASE VERSUS THE PRIOR YEAR.

# MAJOR ISSUE TO CONSIDER IN DECIDING TAX LEVY

WHETHER TO ACCESS TAXES GENERATED FROM GROWTH IN EXPIRING TIF PROPERTY

OVER THE PAST 24-36 YEARS, TAXABLE PROPERTY VALUES IN THESE DISTRICTS INCREASED \$113 MILLION. TAX REVENUES GENERATED FROM THIS GROWTH, NEVER WENT DIRECTLY TO OAK PARK ELEMENTARY SCHOOL DISTRICT 97

## GROWTH IN EAV IN MADISON STREET AND DOWNTOWN TIF AREAS SINCE INCEPTION



IN TAX YEAR 2018, THE \$113 MILLION INCREMENTAL GROWTH GENERATED \$14.4 MILLION IN PROPERTY TAXES, OF WHICH \$5.2 MILLION WAS GENERATED FROM DISTRICT 97'S TAX LEVY.

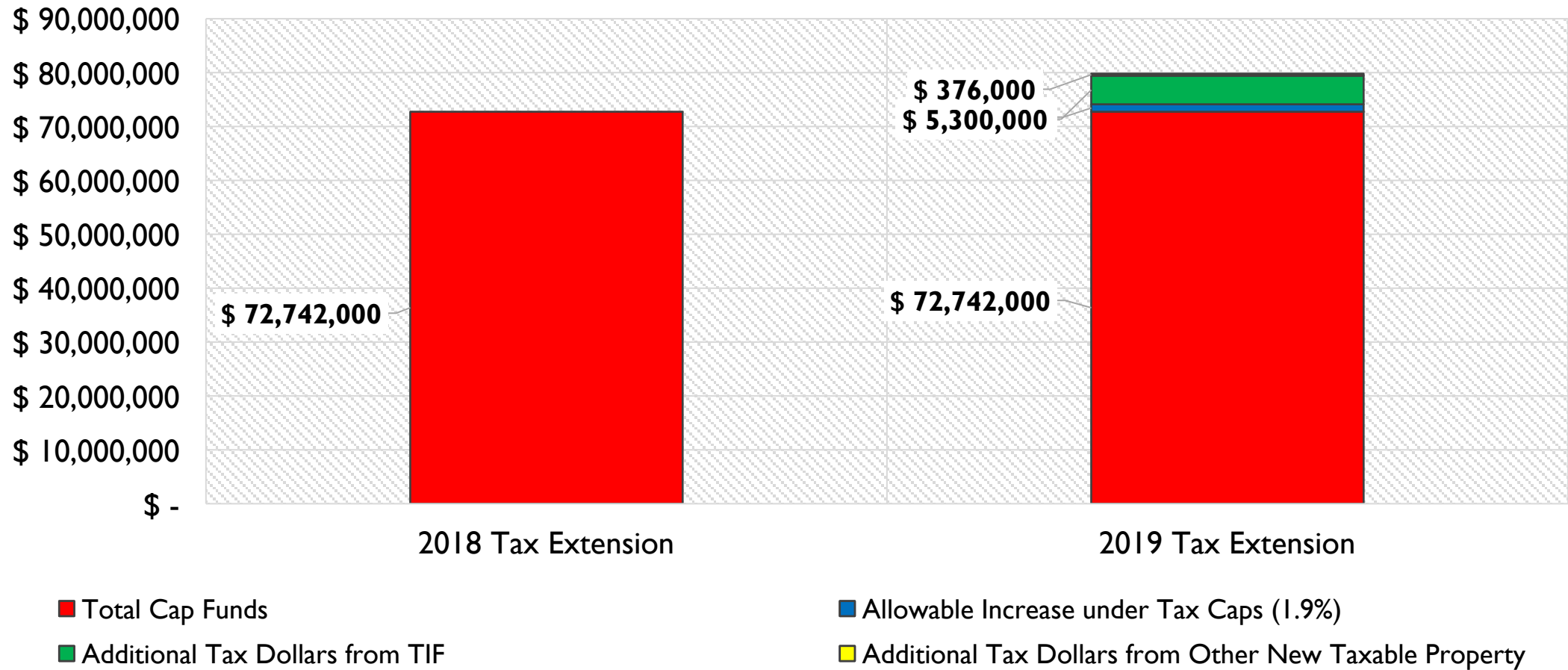
ALL TAXES COLLECTED DURING THIS PERIOD WENT INTO THE TIF FUND MANAGED BY THE VILLAGE RATHER THAN TO THE TAXING BODIES

# MAJOR LEVY DECISION

- BOTH TIF DISTRICTS EXPIRE AT THE END OF THIS YEAR
- **TAXING BODIES ONLY HAVE ONE OPPORTUNITY TO DIRECTLY CAPTURE THE TAX REVENUES GENERATED FROM THE GROWTH THAT OCCURRED DURING THE LIFE OF A TIF**
- THAT ONE OPPORTUNITY OCCURS DURING THIS TAX LEVY
- IF THE DISTRICT CAPTURES THE TAXES (APPROXIMATELY \$5.2 MILLION), IT PRESERVES THE OPPORTUNITY TO CAPTURE THOSE REVENUES IN FUTURE YEARS
- IF THE DISTRICT DOES NOT CAPTURE THE TAX REVENUES IN THIS TAX LEVY, THAT OPPORTUNITY IS FOREVER LOST

# RECOMMENDED TAX LEVY – ACCESS MAXIMUM ALLOWABLE DOLLARS

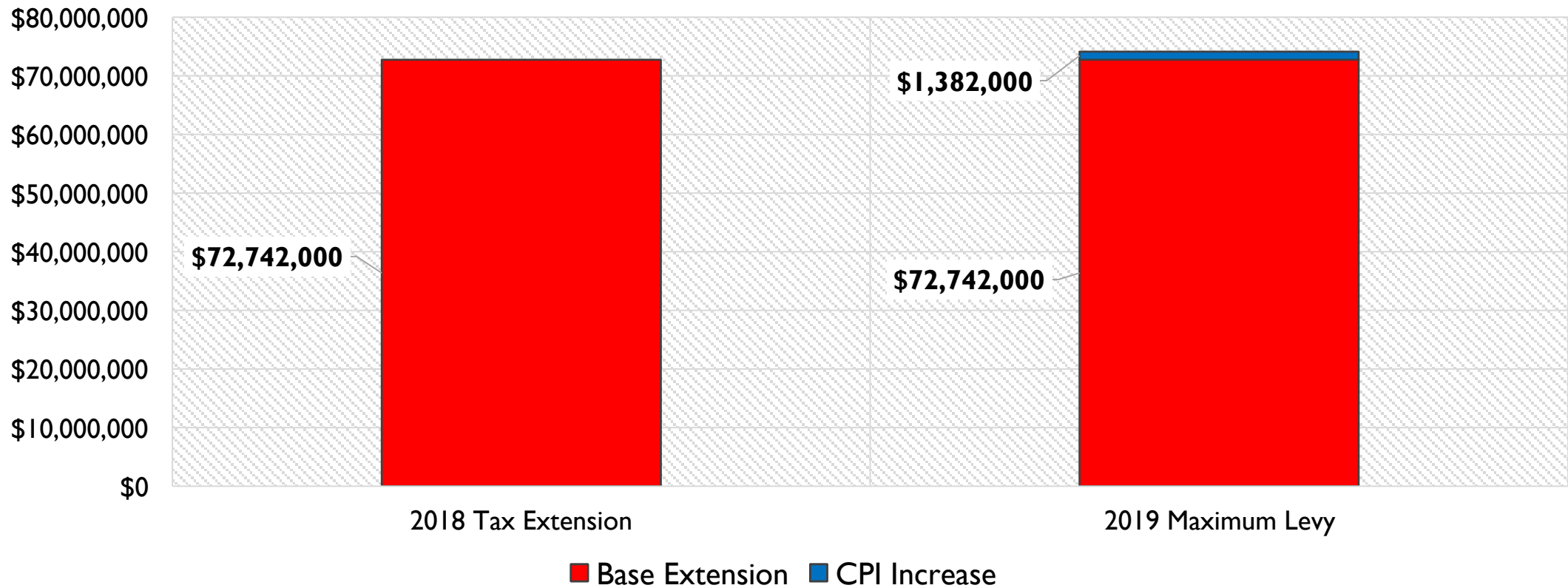
FINAL EXTENSION WOULD GENERATE AN INCREASE OF APPROXIMATELY 9.7% IN DISTRICT'S TAX EXTENSION VERSUS THE PREVIOUS YEAR



# RECOMMENDED TAX LEVY

NET IMPACT TO TAXPAYERS OUTSIDE OF TIF/NEW PROPERTY AREA

FINAL EXTENSION (EXCLUDING NEW TAX DOLLARS FROM TIF AND NEW PROPERTY) WOULD GENERATE AN INCREASE OF APPROXIMATELY **1.9% TO TAXPAYERS OUTSIDE OF TIF AND NEW TAXABLE PROPERTY AREAS**



## BREAKDOWN OF LEVY REQUEST

Fund Description	Levy Amount
IMRF Fund	800,000
Social Security Fund	800,000
Liability Insurance Fund	900,000
Transportation Fund	1,800,000
Education Fund	61,800,000
Building Fund	8,000,000
Working Cash Fund	700,000
Life Safety Fund	0
Special Education Fund	5,000,000
Leasing Fund	<u>0</u>
<b>Total Levy</b>	<b>79,800,000</b>



## **ESTIMATED IMPACT TO DISTRICT** *(VERSUS PRIOR YEAR)*

- IT IS ESTIMATED THAT THE TAX EXTENSION FOR NON- BOND AND INTEREST FUNDS WILL INCREASE APPROXIMATELY \$7,103,000.
- THIS REPRESENTS AN INCREASE OF 9.7% VERSUS THE PRIOR YEAR.

**ESTIMATED IMPACT TO TAXPAYER  
OUTSIDE OF TIF/NEW PROPERTY  
(ASSUMING \$400,000 MARKET VALUE HOME)**

- IT IS ESTIMATED THAT THE TAX EXTENSION FOR NON-BOND AND INTEREST FUNDS WILL INCREASE APPROXIMATELY 1.9% VERSUS THE PRIOR YEAR.
- THIS REPRESENTS AN INCREASE IN THE TAX BILL FOR THIS PROPERTY OF APPROXIMATELY \$90 FOR THE PORTION OF THE TAX BILL DUE TO OAK PARK ELEMENTARY SCHOOL DISTRICT 97 (TOTAL ANNUAL INCREASE).

## FACTORS TO CONSIDER IN MAKING LEVY DECISION

- THE DECISIONS MADE CONCERNING THIS 2019 TAX LEVY WILL HAVE A SIGNIFICANT LONG-TERM IMPACT ON THE SCHOOL DISTRICT. A DECISION TO CAPTURE ALL OF THE AVAILABLE TAX LEVY WILL:
  - SIGNIFICANTLY DELAY THE NEED TO HAVE TO GO TO REFERENDUM
  - WILL ALLOW THE DISTRICT TO ADDRESS MORE FACILITY NEEDS WITHOUT ISSUING DEBT
- AFTER THE TIF EXPIRES, THE DISTRICT WILL NO LONGER RECEIVE TIF SURPLUS DOLLARS, WHICH HAVE AVERAGED \$3 MILLION OVER THE PAST FIVE YEARS. ADDITIONAL TAX DOLLARS WILL BE NEEDED TO OFFSET THIS LOSS IN REVENUES IN ORDER TO BE REVENUE NEUTRAL
- THERE EXISTS A REALISTIC POSSIBILITY THAT THE GENERAL ASSEMBLY WILL FREEZE PROPERTY TAX REVENUE GROWTH. STRONG CONSIDERATION MUST BE GIVEN TO MAINTAINING A HIGHER BASE TAX LEVEL IN ANTICIPATION OF THIS POSSIBILITY

**END OF PRESENTATION**