

**Oak Park
Elementary
School District 97**

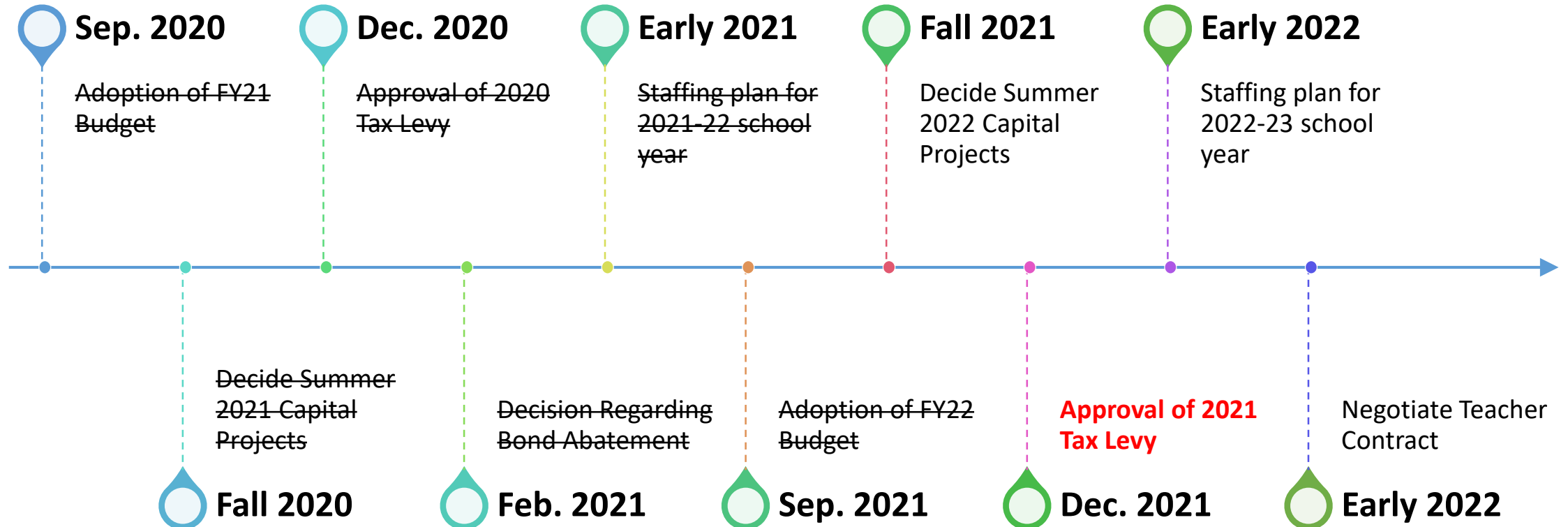
Presentation of the
2021 Tentative Tax Levy

November 2021

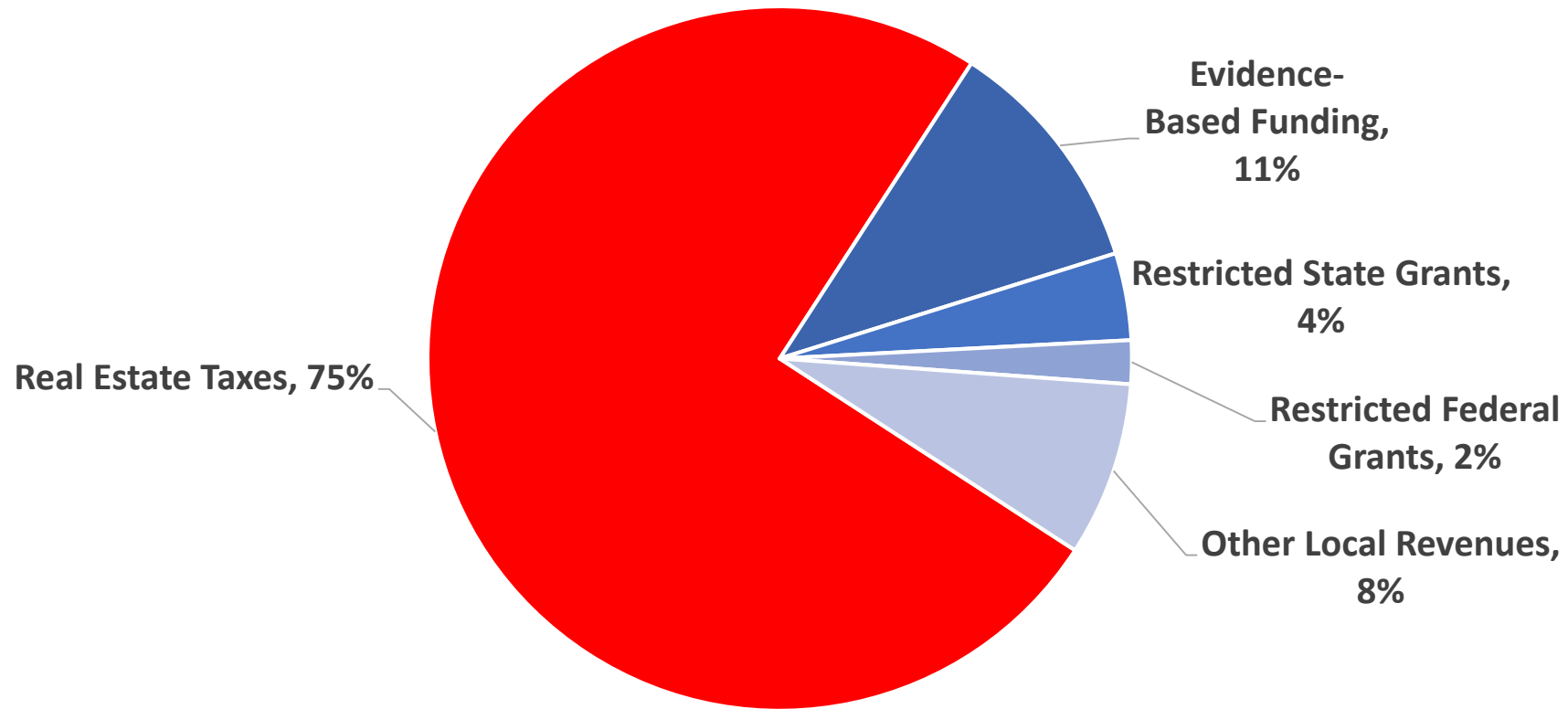


Major Financial Decisions

July 2020 through June 2022



Importance of Real Estate Tax Revenues to D97

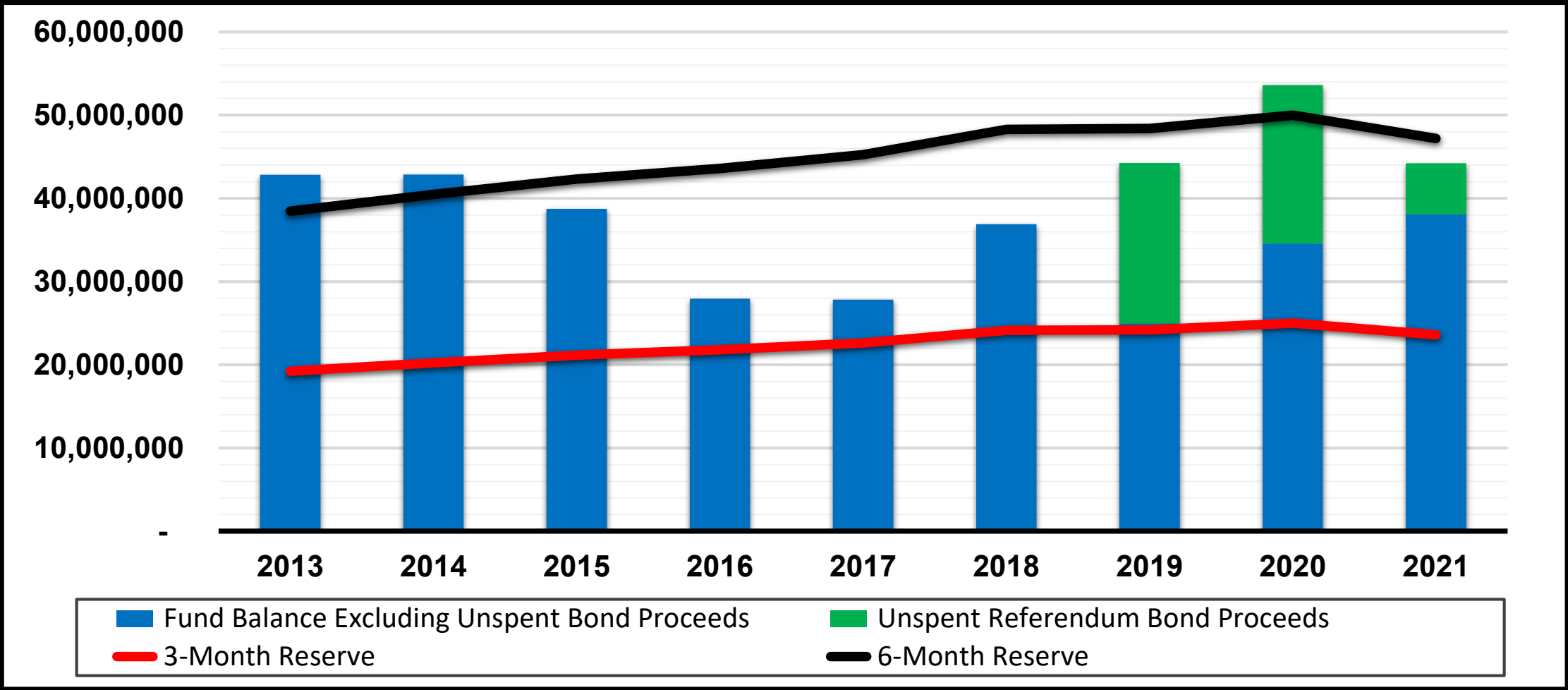




Fund Balance Analysis

Historical Fund Balances – All Funds

Accrual Basis (2013-2020) - Cash Basis Unaudited (2021)

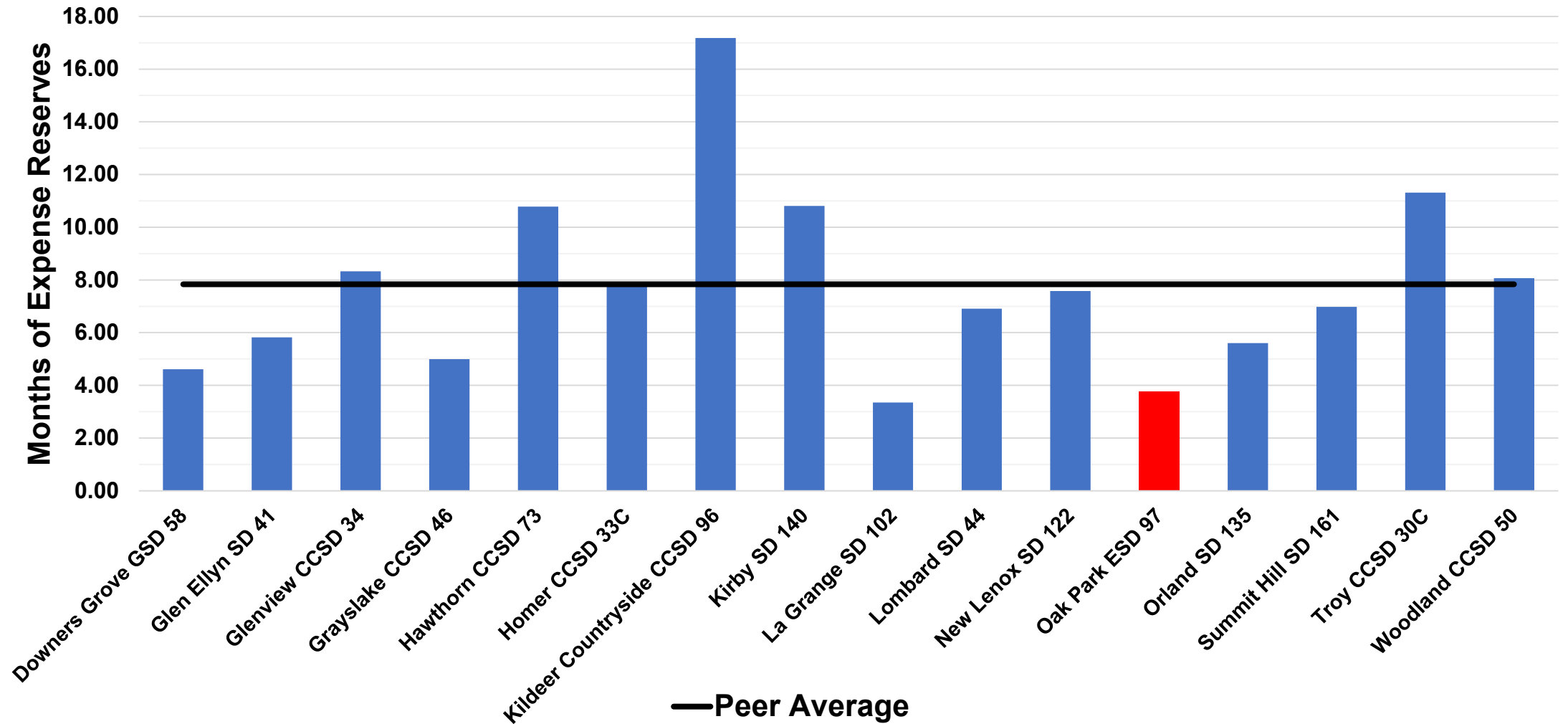


The District has a fund balance policy with targeted fund balances equaling 3-6 months worth of reserves

Fund Balance Comparison to Peer Group

Months of Expense Reserves

Based off 2020 Audited Figures





The Tentative Tax Levy

(Recommended by FORC)

Factors to Consider in Making Levy Decision

- **Impact of the decision on the long-term financial condition of the District**

How does the decision impact the fund balance policy of maintaining 3-6 months of fund balance reserves?

- **Impact of the decision on long-term quality of educational services in the District**

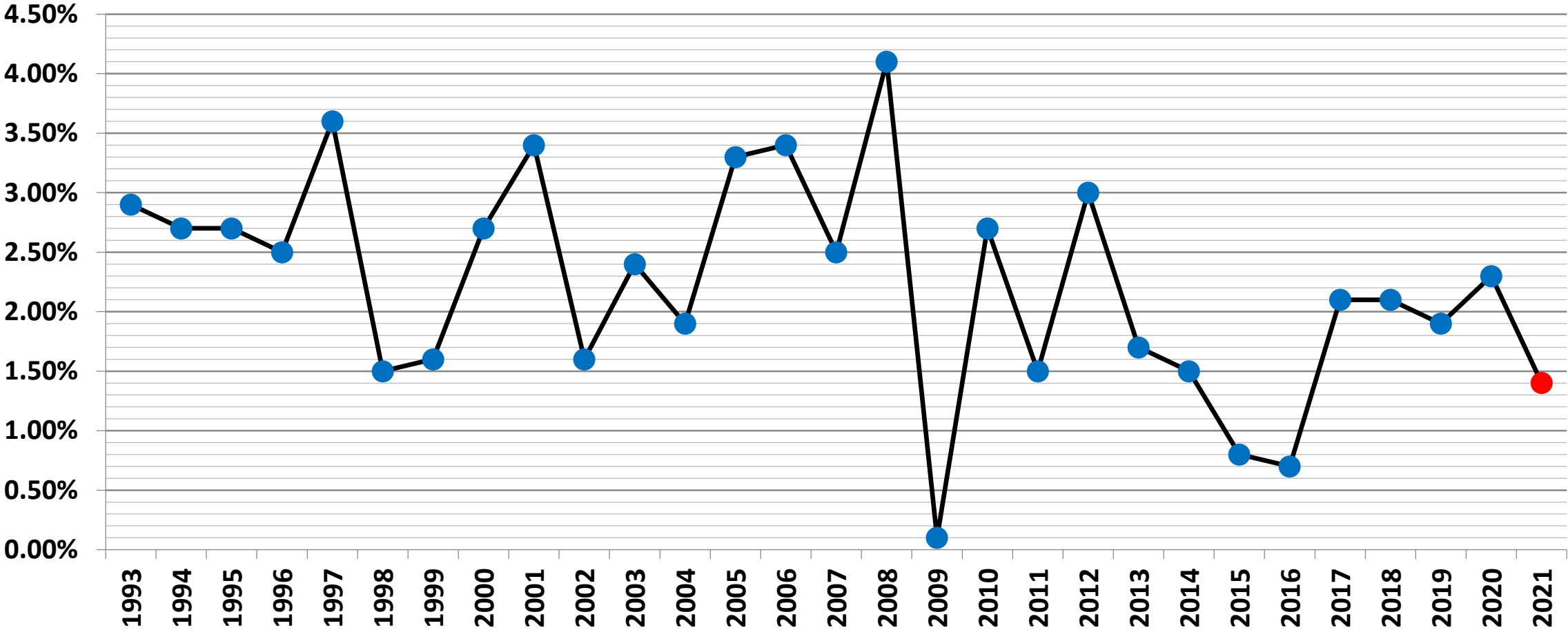
Will the District be able to maintain fund balance reserve targets without adversely impacting staffing and programming?

- **Impact of the decision on the condition of the District's facilities**

Will the District be able to address critical repairs in its buildings while both maintaining fund balance reserve targets and desired educational services?

Historical Tax Cap History – Annual Rate of Inflation

Real Estate Tax Growth in School Districts in Tax-Capped Counties Limited by Rate of Inflation (except for new taxable property growth and referendum approved increases)



2021 levy will be capped by CPI increase of 1.4%. CPI currently trending higher for the 2021 calendar year, which would impact 2022 levy.

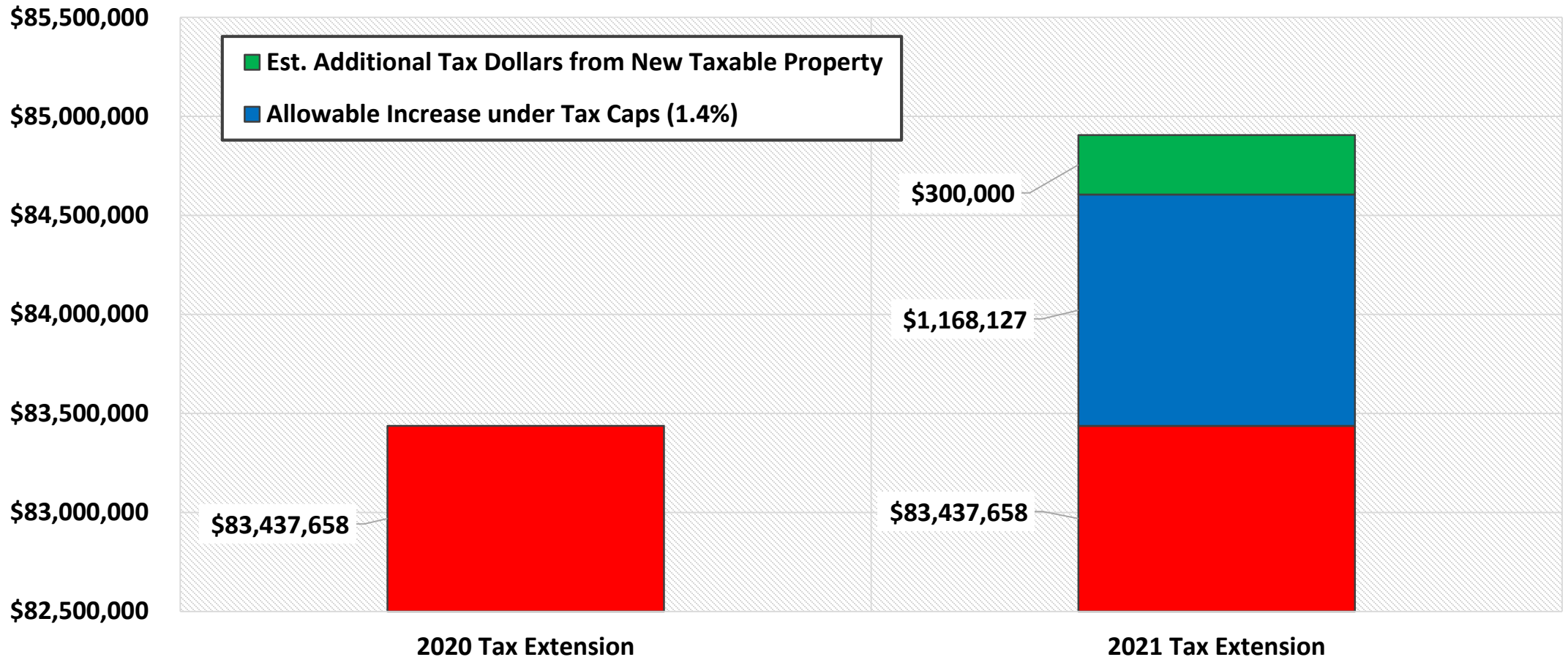
Breakdown of Levy Request – Recommended by Administration

Represents an increase of 1.4% versus the Prior Extension

Fund Description	Levy Amount
IMRF Fund	10,000
Social Security Fund	10,000
Liability Insurance Fund	1,000
Transportation Fund	2,000,000
Education Fund	68,500,000
Building Fund	8,984,000
Working Cash Fund	100,000
Special Education Fund	<u>5,000,000</u>
Total Levy	84,605,000

2021 Tax Levy – Accessing Maximum Allowable Dollars

Final extension would generate an increase of approximately 1.8% in the District's tax extension versus the previous year (1.4% CPI growth + 0.4% due to new taxable property)



Estimated Impact to the Taxpayer

(Assuming \$400,000 Market Value Home)

- The tax extension for the non-bond and interest funds will increase 1.4% versus the prior year.
- The tax extension for the bond fund will only include the levy associated with the voted referendum bonds and will be flat versus the prior year.
- This represents an annual increase of approximately \$68 for the portion of the tax bill due to Oak Park Elementary School District 97.

Justification for Levy Request

- The levy request best ensures the District maintain fiscal stability within its fund balance policy
- The District has identified approximately \$27 million of capital expenses it must consider addressing over the next five years
- There is an ongoing concern that the State of Illinois' fiscal crisis will potentially place an additional strain on the District's financial condition

Final Thought on Tax Levy

The Board of Education should make its decision on the tax levy with consideration of (1) the District's fund balance targets, (2) the District's capital needs and wants and (3) the potential financial challenges emanating from the State's own fiscal crisis.

Long-term fiscal and academic stability without the need for future referendum dollars should be the objective.



End of Presentation