



# Komarek School District Number 94

## Overview of \$22,000,000 Bond Referendum

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# Example Tax Code

## TAXING BODIES WITHIN TAX CODE 34004

*(NORTH RIVERSIDE RESIDENT)*

Cook County  
Cook County Forest Preserve District  
County Public Safety and Health Facilities  
Consolidated Elections  
Riverside Township  
General Assistance/Road and Bridge  
Village of North Riverside  
Riverside Mental Health District  
~~North Riverside Library District~~  
Komarek School District Number 94  
Riverside Brookfield HSD Number 208  
Community College District Number 504  
Metropolitan Water Reclamation District  
Des Plaines Valley Mosquito Abatement District

## TAXING BODIES WITHIN TAX CODE 31094

*(BROADVIEW RESIDENT)*

Cook County  
Cook County Forest Preserve District  
County Public Safety and Health Facilities  
Consolidated Elections  
Proviso Township  
General Assistance/Road and Bridge  
Village of Broadview  
Proviso Mental Health  
~~Broadview Library & Broadview Park District~~  
Komarek School District Number 94  
Riverside Brookfield HSD Number 208  
Community College District Number 504  
Metropolitan Water Reclamation District  
Des Plaines Valley Mosquito Abatement District

Source: Cook County Clerk's Office

# School Funding Sources

- School Districts are funded primarily through property tax levies with a lesser contribution from state and federal sources
  - Tax Collections are broken down into two categories
    - Operating Funds
      - Ed, O&M, Transportation, etc.
    - Bond and Interest
      - Limited Bonds (do not require voter approval)
      - Building Bonds (require voter approval)
- D94 averages 70% local sources and 24% state sources annually

- Each December, District 94 sends their tax levy to Cook County
  - This is a dollar amount, based on budget needs for each fund
    - The county applies applicable limitations to the levy
      - County also makes adjustments as necessary
      - This process determines what amount will be on your tax bill each year

# Breakdown of District's Funds

CLRTM539-A		OFFICE OF THE COUNTY CLERK									
DATE 06/20/18		TAX YEAR 2017		AGENCY TAX RATE REPORT							
AGENCY 04-0550-000 SCHOOL DISTRICT 94		2016 AGGREGATE EXTENSION X 1.0210		2017 EAV MINUS NEW PROP, ANNEX., REC TIF VAL, EXP. INCENTIVES PLUS DISCONNECTIONS		LIMITING RATE CALCULATION		LIMITING RATE		2017 EAV	
		4,411,334	/	150,134,065	=	2.939			168,944,806		
										COOK COUNTY DUPAGE LAKE WILL KANE MCHENRY DEKALB GRUNDY KANKAKEE KENDALL LA SALLE LIVINGSTON	
										AGENCY OVERALL EAV 168,944,806 TOTAL 168,944,806	
FUND DESCRIPTION OF FUND	LEVY	AMOUNT	LOSS	TOTAL	TAX RATE	MAXIMUM	PRELIMINARY	PTELL	100.00% OF	FINAL TAX	
			%		CEILING	ALLOWABLE	TAX RATE	REDUCED LEVY	BURDEN IN	RATE	
						LEVY		SEE	COOK COUNTY		
								BELOW			
008 I.M.R.F.	113,300	3	116,699	0.0000	116,699	0.0691			116,699	0.0691	
	3,399										
019 LIABILITY INSURANCE	0	3	0	0.0000	0	0.0000			0	0.0000	
	0										
051 TRANSPORTATION	46,350	3	47,741	0.0000	47,741	0.0283			47,741	0.0283	
	1,391										
052 EDUCATION	4,200,752	3	4,326,775	0.0000	4,326,775	2.5611	3,919,566*		3,919,566	2.3200	
	126,023										
053 BUILDING	448,050	3	461,492	0.5500	461,492	0.2732			461,492	0.2732	
	13,442										
054 BUILDING BONDS (BONDS & INT. SCHOOL)	0	5	0	0.0000	0	0.0000			0	0.0000	
	0										
055 WORKING CASH FUNDS	83,173	3	85,668	0.0500	74,285	0.0440		1*	1	0.0000	
	2,495										
056 LIFE SAFETY	0		0	0.1000	0	0.0000			0	0.0000	
	0										
058 SPECIAL EDUCATION	406,850	3	419,056	0.4000	419,056	0.2480			419,056	0.2480	
	12,206										
182 LIFE SAFETY BOND	0	5	0	0.0000	0	0.0000			0	0.0000	
	0										
400 LIMITED BONDS	396,550	5	416,378	0.0000	416,378	0.2465			416,378	0.2465	
	19,828										
402 LIFE SAFETY LIMITED BONDS	0	5	0	0.0000	0	0.0000			0	0.0000	
	0										
TOTAL CAP FUNDS			5,457,431		5,446,048	3.224	3,919,567		4,964,555	2.939	
TOTAL NON CAP FUNDS			416,378		416,378	0.2465			416,378	0.2465	
AGENCY GRAND TOTAL			5,873,809		5,862,426	3.471	3,919,567	5,380,933	5,380,933	3.186	
								AGENCY'S REDUCTION			

2017 NON CAP FUNDS TAX EXTENSION TOTAL 416,448.95 2017 TAX EXTENSION GRAND TOTAL 5,382,581.52

# Breakdown of District's Funds

FUND DESCRIPTION OF FUND	LEVY AMOUNT LOSS AMOUNT	LOSS %	TOTAL LEVY	TAX RATE CEILING	MAXIMUM ALLOWABLE LEVY	PRELIMINARY TAX RATE
008 I.M.R.F.	113,300 3,399	3	116,699	0.0000	116,699	0.0691
019 LIABILITY INSURANCE	0 0	3	0	0.0000	0	0.0000
051 TRANSPORTATION	46,350 1,391	3	47,741	0.0000	47,741	0.0283
052 EDUCATION	4,200,752 126,023	3	4,326,775	0.0000	4,326,775	2.5611
053 BUILDING	448,050 13,442	3	461,492	0.5500	461,492	0.2732
054 BUILDING BONDS (BONDS & INT. SCHOOL)	0 0	5	0	0.0000	0	0.0000
055 WORKING CASH FUNDS	83,173 2,495	3	85,668	0.0500	74,285	0.0440
056 LIFE SAFETY	0 0		0	0.1000	0	0.0000
058 SPECIAL EDUCATION	406,850 12,206	3	419,056	0.4000	419,056	0.2480
182 LIFE SAFETY BOND	0 0	5	0	0.0000	0	0.0000
400 LIMITED BONDS	396,550 19,828	5	416,378	0.0000	416,378	0.2465
402 LIFE SAFETY LIMITED BONDS	0 0	5	0	0.0000	0	0.0000

# Overview of Referendum Process

- School Bond Referendum is generally reserved for significant building additions, major capital projects or new buildings
- Ballot Resolution must be passed by the Board of Education
  - Deadline for adoption by School Board is **January 14<sup>th</sup>, 2019**
    - The Board will vote at the December 11<sup>th</sup>, 2018 meeting
  - Deadline to file with County Clerk is **January 24<sup>th</sup>, 2019**
- Once Ballot Resolution is filed, campaigning efforts would begin by a community committee (not district employees)
- The question is voted upon by registered voters living within the School District's boundaries on **April 2, 2019**



# Successful Referendum – What Now?

- Once bond issue closes, proceeds deposited in Capital Projects Fund
  - Once in Capital Projects Fund, can only be used for the approved Capital Projects
  - Cannot be used for operational cash flow, or any other purpose
- Legal requirement to spend 85% of bond proceeds in 3 years

- Under statute, a school bond issue must be repaid within 20 years of issuance
  - Individuals can take out 30 year mortgages, schools can issue 20 year bonds
- The Building Bonds can be refunded at a later date to change the repayment period and stretch the payments further
  - Extending the repayment reduces the annual impact to taxpayers, but additional interest would be paid over time

# How Impact is Calculated

TAX CALCULATOR			
2016 Assessed Value	17,722	2017 Total Tax Before Exemptions	5,228.66
2017 Property Value	214,230	Homeowner's Exemption	-823.80
2017 Assessment Level	X 10%	Senior Citizen Exemption	-659.04
2017 Assessed Value	21,423	Senior Freeze Exemption	-1,345.68
2017 State Equalizer	X 2.9627		
2017 Equalized Assessed Value (EAV)	63,470	2017 Total Tax After Exemptions	2,400.14
2017 Local Tax Rate	X 8.238%	First Installment	1,780.54
2017 Total Tax Before Exemptions	5,228.66	Second Installment +	619.60
		Total 2017 Tax (Payable in 2018)	2,400.14

Note:

- The image above is an excerpt of a 2017 Tax Bill
- The highlighted “2017 Property Value” should be used for calculating impacts

# Estimated Impacts of Bond Issue

Bond Year Ending Dec 1	Tax Impact on \$150,000 Home <sup>(1)</sup>		Tax Impact on \$200,000 Home <sup>(1)</sup>		Tax Impact on \$250,000 Home <sup>(1)</sup>		Tax Impact on \$300,000 Home <sup>(1)</sup>	
	Annual	Monthly	Annual	Monthly	Annual	Monthly	Annual	Monthly
2019	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2020	\$199	\$17	\$281	\$23	\$351	\$29	\$421	\$35
2021	\$235	\$20	\$331	\$28	\$414	\$34	\$496	\$41
2022	\$267	\$22	\$376	\$31	\$470	\$39	\$564	\$47
2023	\$300	\$25	\$423	\$35	\$529	\$44	\$635	\$53
2024	\$334	\$28	\$470	\$39	\$588	\$49	\$705	\$59
2025	\$367	\$31	\$518	\$43	\$647	\$54	\$777	\$65
2026	\$401	\$33	\$565	\$47	\$706	\$59	\$847	\$71
2027	\$435	\$36	\$612	\$51	\$766	\$64	\$919	\$77
2028	\$468	\$39	\$659	\$55	\$824	\$69	\$989	\$82
2029	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104
2030	\$592	\$49	\$835	\$70	\$1,044	\$87	\$1,252	\$104
2031	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104
2032	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104
2033	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104
2034	\$592	\$49	\$835	\$70	\$1,043	\$87	\$1,252	\$104
2035	\$591	\$49	\$834	\$69	\$1,042	\$87	\$1,250	\$104
2036	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104
2037	\$591	\$49	\$833	\$69	\$1,042	\$87	\$1,250	\$104
2038	\$592	\$49	\$834	\$70	\$1,043	\$87	\$1,251	\$104

These Payments can be refinanced at a later date

(1) See previous slide for appropriate value to be used in determining your estimated impact.

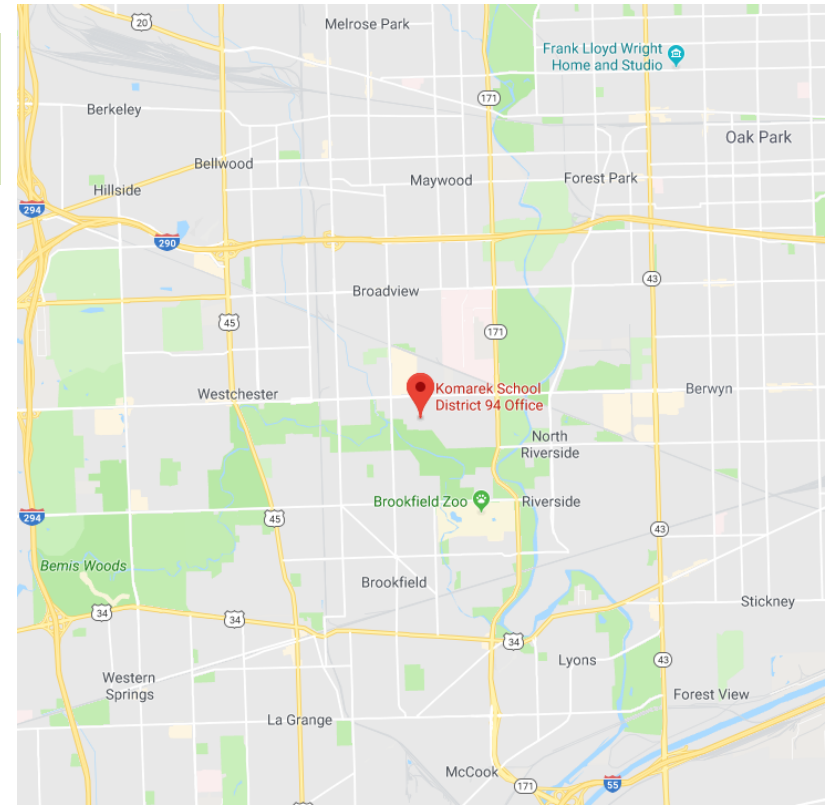
# Assumptions for Impacts

- These impacts are based upon the following assumptions:
  - \$22,000,000 of Building Bonds issued in 2019
  - Market conditions as of November 21, 2018
  - The current 2017 EAV for District 94 and Cook Co. Equalization Factor
  
- These impacts do not include the Cook County Homeowner's exemption of \$10,000
  
- Other exemptions a homeowner may qualify for, such as the Senior Citizen Homestead Exemption and Disabled Veteran Homestead Exemption, would bring the estimates lower
  
- This information is for discussion purposes only and can change depending on future market conditions at the time of issuance

# Comparative Tax Rates

Cook County School District	Levy Year 2017 Tax Rate
93	2.358
92.5	3.178
<b>94</b>	<b>3.186</b>
89	3.230
90	3.852
99	4.111
91	4.309
95	4.394
97	4.489
88	4.507
87	4.509
84.5	4.558
96	4.647
100	5.076
92	6.227
<b>Average</b>	<b>4.175</b>

**First Year  
After Referendum  
3.6596**



# Have Finance Specific Questions?

BAIRD

## Finance Questions Open House

When:

Wednesday, December 12<sup>th</sup>, 2018

noon – 7:00pm

Where:

District Office

8940 W 24<sup>th</sup> Street, North Riverside, IL 60546

Please feel free to stop in if you have additional questions!



## Small Group Discussion Questions

1. What surprised you? What was new information? E.g. - The needs of the building? How to address the needs? etc.
2. What do you want to know more about? What questions do you have?
3. Would you/how would you like to continue to be informed and engaged going forward?