

Overview of Debt Service Extension Base Referendum



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Overview of Debt Service Extension Base Referendum

Debt Service Extension Base (“DSEB”) Referendum – Voters are asked to approve a maximum annual bond levy.

- The DSEB Question asks voters to approve a specific annual bond levy limitation to be set for future bond issues, which would require a petition period instead of a full referendum.
- To match current bond payments, and create no tax increase, the District will ask for a DSEB of \$425,000.
 - This would achieve approximately \$6.0-6.5 million of new money for projects assuming a 20-year borrowing.
- The Question on the ballot will read as follows:

To the Voters of School District Number 92

“Shall the debt service extension base under the Property Tax Extension Limitation Law for Lindop School District Number 92, Cook County, Illinois, for payment of principal and interest on limited bonds be established at \$425,000 for the 2022 levy year and all subsequent levy years, such debt service extension base to be increased each year by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12 month calendar year preceding the levy year?”

Yes/No

- This is the District’s first attempt at a bond-related referendum since 2002.

Dates and Deadlines Related to Referendum

Upcoming Election Dates

Election Date	Election Type
June 28, 2022	Primary Election
November 8, 2022	General Election
April 11, 2023	Consolidated Election
March 12, 2024	Primary Election

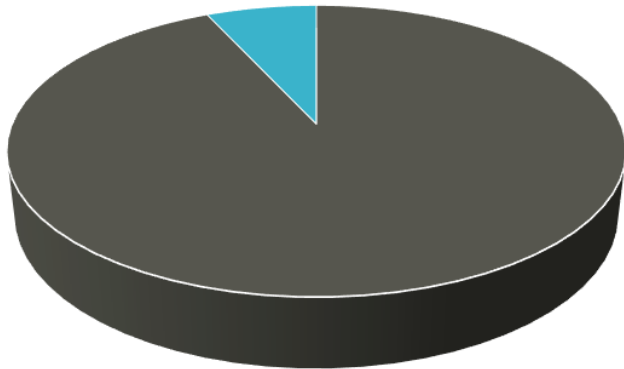
- In order to utilize one of the dates listed to the left, the District would need to adhere to specific deadlines (Bond Counsel will assist in the process), including:
 - Adopting and then filing Ballot Resolution with County Clerk.
 - Posting and publishing proper notices in a timely manner
- To accomplish no tax increase or decrease, it would be ideal for either of the hypothetical ballot questions to pass at the June 2022 election.

Deadlines to Place Question on June 28, 2022 Election Ballot

Action Item	Deadline
Board adoption of Election Resolution	April 11, 2022
Publication of Election Notice in Local Paper	April 29-June 18, 2022
Election Notice Posted at Principal Office of the District	Before June 18, 2022

Statistics Related to Bond Referendum

Breakdown of 2020 Tax Levy - Lindop SD 92



■ 2020 Operating Levy ■ 2020 Bond Levy

Current Bond Levy Represents 6.88% of Overall Levy for District 92

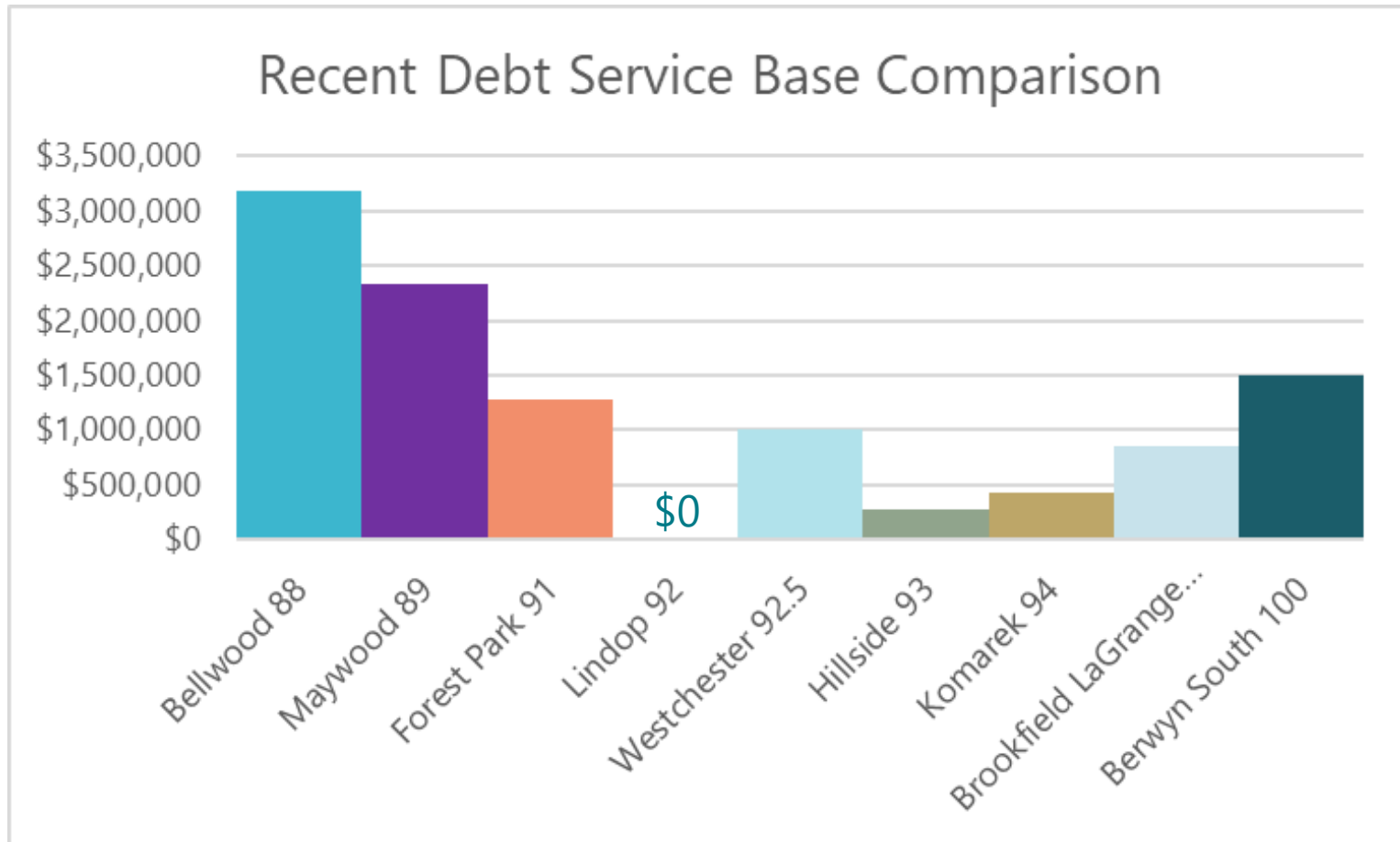
Annual Impacts to \$100,000 & \$200,000 Homes (with & without Homeowner's Exemption)

Market Value	\$100,000	\$100,000	\$200,000	\$200,000
EAV	\$32,234	\$32,234	\$64,468	\$64,468
Exemption	\$0	(\$10,000)	\$0	(\$10,000)
Net EAV	\$32,234	\$22,234	\$64,468	\$54,468
Amount of Bond Levy	\$425,000	\$0.3209 Tax Rate	\$103.44	\$71.35
			\$206.88	\$174.79

Current Bond Levy

Current Bond Payment is approximately \$6-\$17 per month for the owner of a \$100,000-200,000 home.

Current Local Debt Service Extension Base Comparison



Key Takeaways

What is the District Proposing?

- The District is proposing a DSEB Referendum to allow the District to extend the exact same bond payment for the purpose of financing capital projects.

When is this taking place?

- June 28, 2022 General Primary Election

Why is this District proposing the referendum?

- The District has much needed life safety and other capital improvements that are not feasible to fit within the annual budget of the District. Also, the referendum will bring the District to be more on par with neighboring school districts' capabilities to finance projects when needed.

What happens if referendum fails?

- The District will not be able to keep up with capital projects and life safety improvements that currently need to be addressed.

What is the tax impact of this referendum?

- There will be no tax increase as the referendum would simply allow the District to extend the same bond payment that was originally authorized through a bond referendum back on November 5, 2002.

Illustration of Bond Payment After Debt Service Extension Base Referendum

