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407 S. Dearborn Street • Suite 1170 • Chicago, IL 60605-1150 • Fax: (312) 427-5139
• www.taxpayersunited.org • E-mail: tobin@taxpayersunited.org

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Contact: Jim Tobin (312) 427-5128
(773) 354-2076

SD200 Hiking Property Taxes with \$123 Million Cash Hoard!

CHICAGO--Oak Park/River Forest High School Dist. 200 school board will vote on a property tax increase December 20 while sitting on a hoard of cash totaling \$123 million, according to Barry Jay Epstein, Ph.D., CPA, CFF, a Chicago-based forensic accountant.

Furthermore, [Epstein's analysis](#) shows that funds from the 2002 property tax increase were essentially never used for the purposes they were purportedly needed, and have sat idle, earning little or no return as they have accumulated over the decade.

"Even with worst-case assumptions, projections show no need for another increase for many years into the future," stated Epstein. "This school board has been accumulating millions of dollars at the expense of homeowners."

"Oak Park and River Forest High School is the only school in District 200 and is one of the most lavishly funded and financially viable schools in the state."

"Over the past ten years, thanks in part to the additional property taxes imposed in 2002 (and phased in through 2005), the District's cash and temporary investments have grown from about \$23 million, at June 30, 2003, to over \$123 million at the latest fiscal year-end due to annual operating surpluses."

"This remarkable accumulation of unused wealth strongly implies that the claimed need for the 2002 property tax levy increase was, most charitably stated, ill-considered. Indeed, this fact alone would serve to argue for a tax *decrease* in 2012, rather the \$8 million property tax increase the Board is seeking."

"Equally disturbing is the fact that this accumulation of cash has seemingly not been well-managed. The Board's 2012 comprehensive annual financial report shows only \$459,000 in earnings on an average of over \$110 million in investable funds, for a return of less than one-half of one percent. Even in today's low-interest rate environment, this is incomprehensible – adding insult to injury for the taxpayers who were forced to remit these apparently unneeded funds."

"The Educational Fund surplus has grown at almost a 30% annual rate, and the District's funds' total surplus has grown at over 20% annually, over the past decade. Apparently, this remarkable performance record is not good enough, however, as the Board wants to impose even heavier taxes. To fund what? – a question the Board must answer."

"The current cash hoard of over \$123 million, and the unrestricted surplus of almost \$100 million (both as of June 30, 2012), are more than adequate to carry the District for perhaps as long as another fifteen years. A property tax decrease, not an increase, is indicated," concluded Epstein.