

2021 ANNUAL DISCLOSURE REPORT

(Pursuant to the Securities and Exchange Commission Rule 15c-2-12)

Related to:

CUSIP # 504516

**PERU ELEMENTARY SCHOOL DISTRICT NO. 124,
LASALLE COUNTY, ILLINOIS**

\$1,200,000 General Obligation School Bonds, Series 2015

\$13,760,000 General Obligation School Refunding Bonds (Alternate Revenue Source), Series 2015A

\$1,610,000 Taxable General Obligation School Bonds, Series 2016

\$860,000 Taxable General Obligation School Bonds, Series 2019

Prepared By:

**PERU ELEMENTARY SCHOOL DISTRICT NO. 124
LaSalle County, Illinois**

1800 Church Street
Peru, Illinois 61354
Phone: (815) 223-1111

PERU ELEMENTARY SCHOOL DISTRICT NO. 124
LaSalle County, Illinois

1800 Church Street
Peru, Illinois 61354
Phone: (815) 223-1111

Board of Education

Board President
Patti Leynaud

Board Vice President
Dr. Chithambarathanu Pillai

Board Secretary
Megan Baltikauski

Board Members
Rob Ankiewicz
Josanne Bruins
Austin Taylor
John Atkins
Simon Kampwerth, Jr.

Superintendent
Jamie Craven

School Treasurer
Eric Heagy

District Counsel
Ice Miller LLP
Bloomington, IL

DISTRICT INFORMATION

General

The District serves approximately 943 students with a variety of programs to meet the changing needs of its students. District students consistently score above State and national averages in all subject areas at all grade levels on standardized testing.

Approximately 120 staff personnel are located in the two district facilities, Northview Elementary School (PreK – 4) and Parkside Middle School (5 – 8). Several staff members have been recognized at the local and State levels for their dedication and professionalism.

The City of Peru (the “City”) is a thriving community located in the heart of the Illinois Valley, approximately 100 miles southwest of Chicago near the junction of Interstates 39 and 80. The City is approximately a one-hour drive from the Quad Cities, Rockford, Peoria, and the Bloomington-Normal area.

The District operates schools with grades Pre-K through 8. Programs offered by the District are comprehensive with an academic curriculum encompassing math, science, literature, technology, gifted programs, and fine arts.

The District feeds into LaSalle-Peru Township High School District 120. Higher education is provided by Illinois Valley Community College District No. 513, located in the City of Oglesby, southeast of the City. A private high school located in the City, St. Bede Academy, is also available to residents.

The District operates on a fiscal year commencing July 1 of each year and ending on June 30 of the following calendar year (the “Fiscal Year”).

Board of Education and Administration

The District is governed by the Board of Education (the “Board”). The Board is composed of seven members elected at large for staggered four year terms. Subsequent to each election, the Board elects a president and vice president, and appoints a secretary and treasurer.

The chief executive officer is the Superintendent of the District, whom is selected by the Board. The day-to-day affairs of the District are managed by the Superintendent under the direction of the Board. In addition to day-to-day management, the Superintendent’s responsibilities include, among others, making policy recommendations to the Board of Education, recommending all additions or changes in personnel and personnel policies, and directing school constructions or new programs. The administrative staff also includes principals at each school.

Facilities

The District operates two school sites in grades PreK through 8. The following table contains descriptive information on the various schools operated by the District.

<u>School</u>	<u>Grades</u>	<u>Student Enrollment</u>	<u>Year Constructed</u>	<u>Additions</u>
Northview Elementary School	PreK – 4	588	1959 and 2015	2
Parkside Middle School	5 – 8	355	2009	0

Source: The District.

Enrollment

The following table sets forth the District’s enrollment for the past five school years.

<u>School Year</u>	<u>Enrollment</u>
2017/18	918
2018/19	977
2019/20	965
2020/21	912
2021/22	943

Source: The District and Illinois State Board of Education - Fall Enrollment Counts, 2017-2021.

Employees

The District currently has 120 employees including 5 administrative personnel, 75 teachers or certified personnel, and 40 support personnel. The following table sets forth District's staffing at the beginning of each of the past four Fiscal Years and the current Fiscal Year.

<u>Staff⁽¹⁾</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Administrators	6	6	6	6	5
Teachers	69	72	73	74	75
Support Staff	<u>38</u>	<u>40</u>	<u>41</u>	<u>41</u>	<u>40</u>
Total	113	118	120	121	120

⁽¹⁾ Administrators include superintendents, principals and area directors. Teachers includes teachers, librarians, counselors and teacher aides. Support Staff includes maintenance, custodial, food service, secretaries, clerks, nurses, etc.

Source: The District.

Financial Profile

As of the date of this Official Statement, the Illinois State Board of Education ("ISBE") uses a system for assessing a school district's financial health referred to as the "School District Financial Profile" (the "System") which replaced the Financial Watch List and Financial Assurance and Accountability System ("FAAS"). The System identifies those school districts which are moving into financial distress.

The System uses five indicators which are individually scored and weighted in order to arrive at a composite district financial profile. The indicators are as follows: fund balance to revenue ratio; expenditures to revenue ratio; day's cash on hand; percent of short-term borrowing ability remaining; and percent of long-term debt margin remaining.

Each indicator is calculated and the result is placed into a category of a four, three, two, or one, with four being the highest and best category possible. Each indicator is weighted as follows:

Fund balance to revenue ratio	35%
Expenditures to revenue ratio	35%
Days cash on hand	10%
Percent of short-term borrowing ability remaining	10%
Percent of long-term debt margin remaining	10%

The scores of the weighted indicators are totaled to obtain a district's overall score. The highest score is 4.0 and the lowest score is 1.0. A district is then placed in one of four categories as follows:

- *Financial Recognition.* A school district with a score of 3.54-4.00 is assigned to this category, which is the best category of financial strength. These districts require minimal or no active monitoring by ISBE unless requested by the district.
- *Financial Review.* A school district with a score of 3.08-3.53 is assigned to this category, the next highest financial strength category. These districts receive a limited review by ISBE, but are monitored for potential downward trends. ISBE staff also review the next year's school budget for further negative trends.
- *Financial Early Warning.* A school district with a score of 2.62-3.07 is placed in this category. ISBE monitors these districts closely and offers proactive technical assistance, such as financial projections and cash flow analysis. These districts also are reviewed to determine whether they meet the criteria set forth in Article 1A-8 of the School Code to be certified in financial difficulty and possibly qualify for a Financial Oversight Panel.
- *Financial Watch.* A school district with a score of 1.00-2.61 is in this category, the highest risk category. ISBE monitors these districts very closely and offers technical assistance with, but not limited to, financial projections, cash flow analysis, budgeting, personnel inventories, and enrollment projections. These districts are also assessed to determine if they qualify for a Financial Oversight Panel.

The District's overall score for 2021 (based on District data for its Fiscal Year ended June 30, 2020) was 3.25, thus placing the District in the Review category. The District's score was 3.25 for its Fiscal Year ended June 30, 2019.

State Aid

General. The State provides aid to local school districts (“State Aid”) on an annual basis as part of the State’s appropriation process. Many school districts throughout the State rely on such State Aid as a significant part of their budgets. For the District’s Fiscal Year ended June 30, 2021, 16.13% of the District’s Educational Fund and Operations and Maintenance Fund revenue came from sources at the State, including State “On-Behalf” Payments and State Aid. See “**FINANCIAL INFORMATION**” herein for more information concerning the breakdown of the District’s revenue sources.

General State Aid – Evidence-Based Model. Through State FY 2017, General State Aid was allocated to each Illinois school district based on the difference between available local resources per pupil (which was calculated based on a number of factors, including the district’s equalized assessed valuation (“EAV”), the number of students in attendance in the district and the district’s corporate personal property replacement tax receipts) and a foundation level (the “Foundation Level”). The Foundation Level was an amount established annually by the State’s budget representing the minimum level of per pupil financial support that was to be available to provide for the basic education of each pupil.

The State appropriation for General State Aid in some State FY’s prior to State FY 2017 was reduced. As such, the State was not able to fully fund General State Aid and the amount each district received was prorated in each of State FY’s 2010 through 2016. For State FY 2017, the State appropriation was increased to fully fund General State Aid.

The State FY 2021 budget appropriated General State Aid at approximately the same level as the appropriation for State FY 2020. Therefore, school districts did not receive New State Funds during State FY 2021. The State FY 2022 Budget appropriates General State Aid in an amount \$350 million greater than the appropriation in the State FY 2021 Budget. Such additional funds will be distributed to school districts under the Evidence-Based Model. Under the Evidence-Based Model, the new school funding formula ties individual school funding to 27 essential elements (the “Essential Elements”) that certain research has identified to enhance student achievement in the classroom, such as reduced classroom sizes, updated technology, advanced teacher training, and increased support for English-learning students. Each year, an adequacy target (the “Adequacy Target”) will be calculated for each school district based upon the cost and availability of the Essential Elements. A determination will be made as to how close a district is to its Adequacy Target (“Percent of Adequacy”) based on its State resources and its expected property tax collections (“Local Capacity Target”). Each district will be placed in one of four tiers, depending on its Percent of Adequacy, and all State funds appropriated for General State Aid in excess of the amount needed to fund the Base Funding Minimum (as defined below) for all school districts (“New State Funds”) will be distributed first to those districts with the lowest Percent of Adequacy (Tier One) and last to those with the highest Percent of Adequacy (Tier Four). Of the funds available, Tier One receives the first 50%, Tier Two receives the next 49%, Tier Three receives 0.9%, and Tier Four receives the final 0.1%.

The District’s Percent of Adequacy assigned by ISBE is approximately 70.1% of its Adequacy Target and it has been placed in Tier Two for school year 2021-2022. For school year 2021-2022, the District received approximately \$52,667.11 of New State Funds.

Public Act 100-0465 also provides that the District will receive at least as much in General State Aid in future years as it received in the most recently completed school year (such amount being the District’s “Base Funding Minimum”). The Base Funding Minimum for the District for school year 2020-2021 was \$1,768,679.42. The Base Funding Minimum for State FY 2021 consists of three components: the Base Funding Minimum amount for State FY 2020, the State FY 2020 tier funding amount, and the State FY 2020 Property Tax Relief Pool grants for applicable districts. No district should receive less General State Aid funds than it received in the prior year since any New State Funds received by a district in a year become part of its Base Funding Minimum the following years. If the State appropriates insufficient funds to cover the cost of the Base Funding Minimum, reductions will be made first to the Base Funding Minimum for all Tier Three and Tier Four school districts and lastly, if necessary, to all school districts on a per pupil basis; provided, however, that such reductions may not reduce State funding for such districts below the Base Funding Minimum for school year 2017-2018. Therefore, reduced appropriations for General State Aid in future years could result in the District receiving less than its Base Funding Minimum in future Fiscal Years.

Future legislation could be introduced to repeal or materially change the current General State Aid formula. The District cannot predict whether, or in what form, any change to the General State Aid formula will occur, nor can the District predict the effect of any such change on the District’s future finances.

Property Tax Relief Pool Funds. For the purpose of encouraging high tax rate school districts to reduce property taxes, Public Act 100-0465 also established a property tax relief grant program (the “Property Tax Relief Pool”). Eligible school districts must have a tax rate above a threshold tax rate determined by ISBE and must apply for the grant and indicate an amount of intended property tax relief, which may not be greater than 1% of EAV for a unit district, 0.69% of EAV for an elementary school district, or 0.31% of EAV for a high school district. Public Act 100-0465 directs ISBE to process Property Tax Relief Pool applications and, subject to appropriation, provide grants to eligible school districts in order of priority

(highest tax rate school districts first) until the Property Tax Relief Pool is exhausted. A school district which receives a property tax relief grant is required to abate its property tax levy by an amount not less than the amount of the grant. The amount of such property tax abatement is based on a statutory calculation which takes into account relative Local Capacity Targets. Pursuant to such calculation, a school district with a low Local Capacity Target will be required to abate less than a school district with a high Local Capacity Target, assuming the amount of property tax relief grants received by the school districts are the same. Property tax relief grants received by a school district also are included in future calculations of its Base Funding Minimum. The State FY 2021 budget did not appropriate sufficient funds for a funding of a Property Tax Relief Pool for Fiscal Year 2021. Of the \$305 million of New State Funds appropriated in the State FY 2022 budget, \$50 million was allocated to the Property Tax Relief Pool.

Mandated Categorical State Aid. Illinois school districts are entitled to reimbursement from the State for expenditures incurred in providing programs and services legally required to be available to students under State law. Such reimbursements, referred to as “Mandated Categorical State Aid,” are made to the school district in the fiscal year following the expenditure, provided that the school district files the paperwork necessary to inform the State of such an entitlement. Prior to State FY 2018, the School Code provided for Mandated Categorical State Aid with respect to mandatory school programs relating to: (i) special education, (ii) transportation, (iii) free and reduced breakfast and lunch, and (iv) orphanage tuition. Beginning with State FY 2018, Mandated Categorical State Aid is available only with respect to mandatory school programs relating to: (i) transportation and (ii) extraordinary special education. Mandated Categorical State Aid received by a district in State FY 2017 for programs no longer available for Mandated Categorical State Aid in State FY 2018 is included in the district’s Base Funding Minimum.

Though school districts are entitled to reimbursement for expenditures made under these programs, these reimbursements are subject to the State’s appropriation process. In the event that the State does not appropriate an amount sufficient to fully fund the Mandated Categorical State Aid owed to each school district, the total Mandated Categorical State Aid is proportionally reduced such that each school district receives the same percentage of its Mandated Categorical State Aid request with respect to a specific category of such aid as every other school district.

In past years, the State has not fully funded all Mandated Categorical State Aid payments. Therefore, pursuant to the procedures discussed above, proportionate reductions in Mandated Categorical State Aid payments to school districts have occurred. However, because these programs are “mandatory” under the School Code, each school district must provide these programs regardless of whether such school district is reimbursed by the State for the related expenditures. No assurance can be given that the State will make appropriations in the future sufficient to fully fund the Mandatory Categorical State Aid requirements. As such, the District’s revenues may be impacted in the future by increases or decreases in the level of funding appropriated by the State for Mandated Categorical State Aid.

Competitive Grant State Aid. The State also provides funds to school districts for expenditures incurred in providing additional programs that are allowed, but not mandated by, the School Code (“Competitive Grant State Aid”). In contrast to Mandated Categorical State Aid, such aid is not guaranteed to a district that provides these programs. Instead, a district applying for Competitive Grant State Aid must compete with other districts for the limited amount appropriated for such program.

Competitive Grant State Aid is allocated, after appropriation by the State, among certain school districts selected by the State. The level of funding is determined separately for each category of aid year-to-year based on the State’s budget. This process does not guarantee that any funding will be available for Competitive Grant State Aid programs, even if a school district received such funding in a prior year. Therefore, school districts may incur expenditures tied to certain Competitive Grant State Aid programs without any guarantee that the State will appropriate the money necessary to reimburse such expenditures.

Payment for Mandated Categorical State Aid and Competitive Grant State Aid. The State makes payments to school districts for Mandated Categorical State Aid and Competitive Grant State Aid (together, “Categorical State Aid”) in accordance with a voucher system involving ISBE. ISBE vouchers payments to the State on a periodic basis. The time between vouchers varies depending on the type of Categorical State Aid in question. For example, with respect to the categories of Mandated Categorical State Aid related to special education and transportation, ISBE vouchers the State for payments on a quarterly basis. With respect to Competitive Grant State Aid, a payment schedule is established as part of the application process, and ISBE vouchers the State for payment in accordance with this payment schedule.

Once ISBE has vouchered the State for payment, the State is required to make the Categorical State Aid payments to the school districts. As a general matter, the State is required to make such payments within 90 days after the end of each State FY.

Federal COVID-19 Legislation. The State’s allocation from the Coronavirus Relief Fund (by population proportions) is approximately \$4.9 billion split between the State (\$2.7 billion) and local governments (the City of Chicago and State

counties with populations that exceed 500,000) (\$2.2 billion). The CARES Act also provides \$30.75 billion for an Education Stabilization Fund for states, school districts, and institutions of higher education for costs related to COVID-19. Of that amount, \$13.5 billion is available for elementary and secondary education as formula-grants to states based on the following formula: 60% of the funds are distributed based on the relative number of 5- to 24-year-olds in a state; and 40% of the funds are distributed based on the relative number of individuals younger than 21. States will then distribute 90% of the funds to local educational agencies (“LEAs”) based on their proportional allocation of Every Student Succeeds Act (“ESSA”) Title I-A funds. State education agencies can reserve up to 10% of funds for emergency needs as determined by the state. Funds distributed to LEAs can be used for coronavirus-response activities, such as planning for and coordinating during long-term school closures; purchasing educational technology to support online learning for all students served by the LEA; and additional activities authorized by federal elementary and secondary education laws.

The amount of funds the District has received from the CARES Act is approximately \$171,996. The District expects to receive additional funds in the amount of approximately \$824,498 pursuant to the Supplemental CARES Act. The District also expects to receive \$1,850,810 under ARPA, but the timing of receipt of such funds is not yet known. The State will also receive funds pursuant to ARPA, certain of which amounts were included in the State FY 2022 Budget.

SOCIO-ECONOMIC INFORMATION

Comparative Statistics

	Population			
	<u>1990</u>	<u>2000</u>	<u>2010</u>	2020
City of Peru	9,302	9,835	10,295	9,896
LaSalle County	106,913	111,509	113,924	109,658
State of Illinois	11,430,602	12,419,293	12,830,632	12,812,508

Source: U.S. Census Bureau, the 2015-2019 American Community Survey (“ACS”) 5-year population estimates.

	Median Family Income		
	<u>2000</u>	Est. 2006- <u>2010</u>	Est. 2015- <u>2019</u>
City of Peru	\$48,180	\$62,558	\$71,824
LaSalle County	49,533	62,262	71,049
State of Illinois	55,545	68,236	83,279

	Median Home Value		
	<u>2000</u>	Est. 2006- <u>2010</u>	Est. 2015- <u>2019</u>
City of Peru	\$85,700	\$118,300	\$127,400
LaSalle County	87,000	125,500	127,200
State of Illinois	130,800	202,500	194,500

Source: U.S. Census Bureau, 2006–2010 and 2015–2019 ACS 5-Year Estimates.

Average Annual Unemployment Rates⁽¹⁾

<u>Year</u>	<u>City</u>	<u>County</u>	<u>State</u>
2016	6.0%	6.8%	5.9%
2017	4.7	5.6	5.0
2018	5.0	5.7	4.4
2019	4.6	5.1	4.0
2020	9.5	9.4	9.5
2021 ⁽²⁾	N/A	4.6	4.5

⁽¹⁾Annual average unemployment rates were revised in 2021.

⁽²⁾Preliminary for November 2021. Monthly rates are not available for small communities such as the City.

Source: Illinois Department of Employment Security.

Major Area Employers

<u>Name</u>	<u>Type of Business</u>	<u>Approximate Number of Employees</u>
St. Margaret’s Hospital Health – Peru	Hospital	600
Eakas Corp.	Corporate headquarters, decorative plastic automotive parts	400
Super Wal-Mart	Discount retail store	367
Martin Engineering	Electric, hydraulic, truck mounted DC, turbine, ball, ring and piston air vibrators and cannons	250
James Hardie Building Products, Inc.	Fiber cement siding products	225
Carus LLC	Company headquarters, chemicals, products, and services to water treatment applications	220
Liberty Village	Retirement community	200
Flints Hills Resources L.P.	Expandable polystyrene materials	200
American Nickeloid Co.	Company headquarters, coil processing of decorative and functional metals	170
Horizon House of Illinois Valley	Services and supports to people with disabilities and their families	168

Source: 2021 Illinois Manufacturers Directory, 2021 Illinois Services Directory, and Illinois Valley Chamber of Commerce.

DEBT INFORMATION

General Obligation Bonded Debt
(Principal Only, as of January 7, 2022)

<u>Calendar Year</u>	<u>Series 2015 Bonds (Dec. 15)</u>	<u>Series 2015A Bonds (1) (Dec. 15)</u>	<u>Series 2016 Bonds (Dec. 15)</u>	<u>Series 2019 Bonds 2019 (Dec. 15)</u>	<u>Total Principal Outstanding</u>	<u>Cumulative Principal Retired Amount</u>	<u>Percent</u>
2022	95,000	1,090,000	240,000	80,000	\$ 1,505,000	1,505,000	14.22%
2023	95,000	1,145,000	250,000	85,000	\$ 1,575,000	3,080,000	29.10%
2024	100,000	1,195,000	260,000	90,000	\$ 1,645,000	4,725,000	44.64%
2025	105,000	1,265,000	-	90,000	\$ 1,460,000	6,185,000	58.43%
2026	105,000	1,325,000	-	100,000	\$ 1,530,000	7,715,000	72.89%
2027	110,000	1,385,000	-	100,000	\$ 1,595,000	9,310,000	87.95%
2028	95,000	1,075,000	-	105,000	\$ 1,275,000	10,585,000	100.00%
Total	\$ 705,000	\$ 8,480,000	\$ 750,000	\$ 650,000	\$ 10,585,000		

Note: (1) Payable from one-half of one percent sales tax levied by the City.

Source: The District.

Legal Debt Margin⁽¹⁾
(as of January 7, 2022)

2020 Equalized Assessed Valuation (E.A.V.).....	\$	195,525,155
Statutory Debt Limit (6.9% of E.A.V.).....	\$	13,491,236
General Obligation Debt Applicable to Limitation:		
Taxable General Obligation School Bonds, Series 2019	\$	650,000
Taxable General Obligation School Bonds, Series 2016	\$	750,000
General Obligation School Bonds, Series 2015.....	\$	705,000
General Obligation School Refunding Bonds (ARS), Series 2015A.....	\$	8,480,000
Total General Obligation Debt :.....	\$	10,585,000
Less Self-Supporting Bonded Debt.....		(8,480,000)
Total Direct General Obligation Debt.....	\$	2,105,000
Available Legal Debt Margin.....	\$	11,386,236

(1) Pursuant to the provisions of the Debt Reform Act, self supporting bonds, do not count against the District's overall 6.9% of E.A.V. statutory debt limitation unless the District fails to abate the property tax levies made for the payment therein.

(2) Total EAV; includes tax increment financing ("TIF") incremental value and enterprise zone value. There are currently no enterprise zones in the District.

Source: LaSalle County, Illinois Clerk's Office.

Detailed Overlapping Bonded Debt
(as of January 7, 2022)

<u>Taxing Body</u>	<u>Outstanding Debt</u>	<u>Applicable to District</u>	
		<u>Percent</u>	<u>Amount</u>
City of Peru	\$ 18,450,000	71.46%	\$ 13,184,370
High School District #120	\$ 40,510,000	32.91%	\$ 13,331,841
City of LaSalle	\$ 970,000	0.46%	\$ 4,462
LaSalle County	\$ 14,250,000	6.82%	\$ 971,850
Total Overlapping Debt.....			\$ 27,492,523

(1) Excludes principal amounts of outstanding self supporting Bonds, which are expected to be paid from sources other than property taxes.

Source: LaSalle County, Illinois Clerk's Office.

Statement of Long-Term Bonded Indebtedness
(as of January 7, 2022)

	<u>Amount</u>	<u>Per Capita</u> (2015-2019 Est. <u>Pop. 9,955</u>)	<u>Percent of</u>	
			<u>Equalized</u>	<u>Estimated</u>
			<u>Assessed</u> <u>Valuation</u>	<u>True Value</u>
Equalized Assessed Valuation, 2020 ⁽²⁾	\$ 193,691,330	\$ 19,456.69	100.00%	33.33%
Estimated True Value, 2020.....	\$ 581,073,990	\$ 58,370.06	300.00%	100.00%
Direct General Obligation Debt	\$ 10,585,000	\$ 1,063.28	5.46%	1.82%
Less: Self-Supported Bonded Debt ⁽¹⁾	\$ (8,480,000)	\$ (851.83)	<u>-4.38%</u>	<u>-1.46%</u>
Total Direct General Obligation Debt.....	\$ 2,105,000	\$ 211.45	1.09%	0.36%
Total Overlapping Bonded Debt.....	\$ 27,492,523	\$ 2,761.68	<u>14.19%</u>	<u>4.73%</u>
Total Direct & Overlapping Debt.....	\$ 29,597,523	\$ 2,973.13	15.28%	5.09%

(1) Pursuant to the provisions of the Debt Reform Act, self supporting bonds do not count against the District's overall 6.9% of E.A.V. statutory debt limitation unless the District fails to abate the property tax levies made for the payment therein.

(2) Net taxable EAV; excludes exemptions, TIF incremental value, and enterprise zone

value. There are currently no enterprise zones in the District. This is the value upon which property taxes are extended for all taxable property in the District.

Source: LaSalle County, Illinois Clerk's Office.

EQUALIZED ASSESSED VALUATION

Equalized Assessed Valuation (EAV) is estimated at 33-1/3% of fair market value.

Equalized Assessed Valuation by Classification

<u>Levy Year</u>	<u>Residential</u>	<u>Farm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Mineral</u>	<u>Railroad</u>	<u>Total⁽¹⁾</u>	<u>% Increase</u>
2016	124,442,475	735,561	42,043,798	6,638,809	2,677	353,673	174,216,993	3.83%
2017	130,551,129	806,457	43,710,808	7,079,023	2,677	401,874	182,551,968	4.78%
2018	131,843,939	897,186	43,211,498	7,777,438	2,677	412,806	190,886,943	4.57%
2019	135,148,569	924,232	45,989,428	7,577,440	2,677	412,806	190,055,152	-0.44%
2020	137,474,624	955,110	47,013,606	7,568,537	2,677	676,776	193,691,330	1.91%

<u>Levy Year</u>	<u>Net Taxable EAV⁽¹⁾</u>	<u>TIF Increment</u>	<u>Enterprise Zone EAV Reduction</u>	<u>Total EAV⁽²⁾</u>
2016	174,216,993	2,332,018	1,422,932	177,971,943
2017	182,551,968	2,345,645	-	184,897,613
2018	190,886,943	2,398,007	-	188,796,751
2019	190,055,152	1,501,094	-	191,556,246
2020	193,691,330	1,833,825	-	195,525,155

Source: LaSalle County, Illinois Clerk’s Office.

TAX INFORMATION

Tax Extensions and Collections

<u>Levy Year</u>	<u>Extension</u>	<u>Collection</u>	<u>Percent Collected</u>
2016	5,545,710	5,523,959	99.61%
2017	5,830,601	5,807,532	99.60%
2018	5,947,514	5,935,434	99.80%
2019	6,142,925	6,102,026	99.33%
2020*	6,271,919	6,248,591	99.63%

*Collections not final

Sources: LaSalle County Treasuere’s Office .

Largest Taxpayers

<u>Type of Business or Property</u>	<u>2020 EAV⁽¹⁾</u>	<u>% of District's EAV</u>
Nursing home, retirement complex	\$2,532,752	1.30%
Polyurethane products	2,413,448	1.23%
Hospital	1,939,071	0.99%
Nursing home	1,891,313	0.97%
Hospital	1,594,543	0.82%
Industrial storage buildings	1,465,168	0.75%
Coated coil products	1,343,143	0.69%
Plain and zinc coated nails and ring and screw shanks	1,320,924	0.68%
Car dealership, other retail, and residential property	1,076,079	0.55%
Residential and commercial properties	<u>1,042,495</u>	0.53%
	\$16,618,936	8.50%

⁽¹⁾Based on the District’s 2020 EAV of \$195,525,155, which includes TIF incremental value and excludes exemptions. Source: County Clerk’s Office.

District Tax Rate Trend
(Per \$100 of Equalized Assessed Valuation)

<u>FUND</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Education	\$ 2.27000	\$ 2.27000	\$ 2.27000	\$ 2.27000	\$ 2.27000
Fire Safety Bond	-	-	-	-	-
Bonds and Interest	0.12209	0.16972	0.23049	0.22401	0.22251
Building	0.25000	0.25000	0.25000	0.25000	0.25000
I.M.R.F.	0.06027	0.07114	0.06619	0.06382	0.06573
Transportation	0.12000	0.12000	0.12000	0.12000	0.12000
Working Cash	0.05000	0.05000	0.05000	0.05000	0.05000
Fire Prevention / Safety	-	-	-	-	-
Special Education	0.02000	0.02000	0.02000	0.02000	0.02000
Liability Insurance	0.11050	0.11686	0.10183	0.11041	0.11371
Accum Building	0.05000	-	-	-	-
Social Security	0.08036	0.07622	0.07128	0.07394	0.07615
Lease	0.05000	0.05000	0.05000	0.05000	0.05000
Total	\$ 3.18322	\$ 3.19394	\$ 3.22979	\$ 3.23218	\$ 3.23810

Source: LaSalle County Clerk's office.

Representative Tax Rate
(Per \$100 of Equalized Assessed Valuation)

<u>TAXING BODY</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
LaSalle County	\$ 1.03354	\$ 1.05473	\$ 1.06441	\$ 1.06335	\$ 1.04049
Peru Township	0.10114	0.10133	0.10180	0.09686	0.09555
Peru Twp Road	0.12008	0.12500	0.12500	0.12047	0.11884
LaSalle/Peru H.S. #120	2.60583	2.54053	2.55151	2.56923	2.56729
Peru Elem. #124	3.18322	3.19394	3.22979	3.23218	3.23810
IVCC Junior College #513	0.36854	0.36470	0.36664	0.36440	0.35705
City of Peru	0.29345	0.28545	0.29984	0.29737	0.30853
Peru Library	0.27032	0.26078	0.26082	0.25663	0.26611
Total	\$ 7.97612	\$ 7.92646	\$ 7.99981	\$ 8.00049	\$ 7.99196

Source: LaSalle County Clerk's Office.

FINANCIAL INFORMATION

The General Fund is accounted for using the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Revenues are recognized when cash is received, and expenditures are recognized when cash is disbursed.

Shown below are the District's Balance Sheet and Income Statement for the Education Fund and Operations and Maintenance Fund, which together comprise the General Fund.

**STATEMENT OF REVENUES RECEIVED/REVENUES, EXPENDITURES/DISBURSED/EXPENDITURES,
OTHER SOURCES (USES) AND CHANGES IN FUND BALANCE
General Fund (Educational and Operations & Maintenance)
For Years Ending June 30th,**

<u>RECEIPTS / REVENUES</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Local Services	\$ 5,344,476	\$ 5,479,333	\$ 5,690,005	\$ 5,726,909	\$ 5,816,416
State Sources	1,584,523	1,876,384	2,065,752	2,153,871	2,129,051
Federal Sources	<u>551,585</u>	<u>767,137</u>	<u>626,530</u>	<u>668,815</u>	<u>885,905</u>
Total Direct Revenues	\$ 7,480,584	\$ 8,122,854	\$ 8,382,287	\$ 8,549,595	\$ 8,831,372
Revenues for "On Behalf" Payments	<u>1,814,084</u>	<u>3,427,254</u>	<u>3,437,001</u>	<u>4,114,401</u>	<u>4,369,091</u>
Total Receipts/Revenues	\$ 9,294,668	\$ 11,550,108	\$ 11,819,288	\$ 12,663,996	\$ 13,200,463
 <u>DISBURSEMENTS/EXPENDITURES</u>					
Instruction	\$ 5,033,303	\$ 5,071,500	\$ 5,342,019	\$ 5,387,344	\$ 5,880,784
Support Services	2,987,854	2,995,135	3,182,109	3,187,529	3,157,689
Community Services	11,080	16,216	16,779	26,517	37,972
Payments to Other Districts & Gov'n't Units	242,616	238,960	230,514	292,510	280,716
Debt Service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Disbursements/ Expenditures	\$ 8,274,853	\$ 8,321,811	\$ 8,771,421	\$ 8,893,900	\$ 9,357,161
Expenditures for "On Behalf" Payments	<u>1,814,084</u>	<u>3,427,254</u>	<u>3,437,001</u>	<u>4,114,401</u>	<u>4,369,091</u>
Total Expenditures	\$ 10,088,937	\$ 11,749,065	\$ 12,208,422	\$ 13,008,301	\$ 13,726,252
Excess of Revenues Over (Under) Expenditures	\$ (794,269)	\$ (198,957)	\$ (389,134)	\$ (344,305)	\$ (525,789)
 OTHER SOURCES OF FUNDS					
Abolishment of the Working Cash Fund	\$ -	\$ 750,000	\$ 650,000	\$ 350,000	\$ 500,000
Sale or Compensation for Fixed Assets	<u>459</u>	<u>470</u>	<u>910</u>	<u>175</u>	<u>1,266</u>
Total Other Financing Sources	\$ 459	\$ 750,470	\$ 650,910	\$ 350,175	\$ 501,266
 OTHER USES OF FUNDS					
Other Uses not Classified Elsewhere	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Other Financing Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Sources/Uses of Funds	\$ 459	\$ 750,470	\$ 650,910	\$ 350,175	\$ 501,266
Excess of Receipts/Revenues and Other Sources of Funds (Over/Under) Expenditures/ Disbursements and Other Uses of Funds	\$ (793,810)	\$ 551,513	\$ 261,776	\$ 5,870	\$ (24,523)
Fund Balance, Beginning	\$ 2,303,737	\$ 1,509,927	\$ 2,061,440	\$ 2,323,216	\$ 2,329,086
Fund Balance, Ending	\$ 1,509,927	\$ 2,061,440	\$ 2,323,216	\$ 2,329,086	\$ 2,304,563

Source: The District's Audited Financial Statements for Fiscal Years 2017 through 2021. See **APPENDIX A** for a complete copy of the District's 2021 Audited Financial Statements.

STATEMENT OF ASSETS AND LIABILITIES ARISING FROM CASH TRANSACTIONS
General Fund (Educational and Operations & Maintenance)
For Years Ending June 30th ,

<u>CURRENT ASSETS</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Cash	\$ 305,347	\$ 649,021	\$ 532,523	\$ 556,488	\$ 286,132
Investments	1,204,580	1,412,419	1,790,693	1,772,598	2,018,431
Total Assets	\$ 1,509,927	\$ 2,061,440	\$ 2,323,216	\$ 2,329,086	\$ 2,304,563
 <u>Liabilities and Fund Balances:</u>					
Reserved Fund Balance	\$ -	\$ -	\$ -	\$ 7,148	\$ -
Unreserved Fund Balance	1,509,927	2,061,440	2,323,216	2,321,938	2,304,563
Total Liabilities and Fund Balances	\$ 1,509,927	\$ 2,061,440	\$ 2,323,216	\$ 2,329,086	\$ 2,304,563

Source: The District's Audited Financial Statements for Fiscal Years 2017 through 2021. See **APPENDIX A** for a complete copy of the District's 2021 Audited Financial Statements.

Composition of Local, State, and Federal Sources of Revenue
Educational and Operations & Maintenance Funds
Years Ended June 30,

<u>Sources</u>	<u>2017</u>		<u>2018</u>		<u>2019</u>		<u>2020</u>		<u>2021</u>	
	<u>Revenue</u>	<u>% of Total</u>	<u>Revenue</u>	<u>% of Total</u>	<u>Revenue</u>	<u>% of Total</u>	<u>Revenue</u>	<u>% of Total</u>	<u>Revenue</u>	<u>% of Total</u>
Local	\$5,344,476	71.44%	\$5,479,333	67.46%	\$5,690,005	67.88%	\$5,726,909	66.98%	\$5,816,416	65.86%
State	1,584,523	21.18%	1,876,384	23.10%	2,065,752	24.64%	2,153,871	25.19%	2,129,051	24.11%
Federal	<u>551,585</u>	<u>7.37%</u>	<u>767,137</u>	<u>9.44%</u>	<u>626,530</u>	<u>7.47%</u>	<u>668,815</u>	<u>7.82%</u>	<u>885,905</u>	<u>10.03%</u>
Total ⁽¹⁾	\$7,480,584	100.00%	\$8,122,854	100.00%	\$8,382,287	100.00%	\$8,549,595	100.00%	\$8,831,372	100.00%

⁽¹⁾Total revenue does not include "On-Behalf" Payments, which are shown in the 5-year snapshot of the District's Educational and Operations & Maintenance Funds on the previous page.

Source: The District's Audited Annual Financial Reports for Fiscal Years ended June 30, 2017 through 2021. See **APPENDIX B** for a complete copy of the District's Fiscal Year ended June 30, 2021 Audited Annual Financial Report.

Fiscal Year 2021 and 2022 Budget

The District budgeted to have a \$671,551 deficit for its combined Educational and Operations and Maintenance Funds for Fiscal Year 2021 and ended with a \$525,789 deficit. The District budgeted to have a \$234,124 surplus for its combined Educational and Operations and Maintenance Funds for Fiscal Year 2022.

PENSION AND RETIREMENT OBLIGATIONS

Notes 4 and 12 of the District's Audited Financial Statements describe pension and retirement obligations in full detail. Please see **APPENDIX A** for a copy of the District's 2021 Audited Financial Statements.

CONTACT PERSON

Financial Information and Notices of material Events can be obtained from:

Superintendent,
Peru Elementary School District No. 124
1800 Church Street
Peru, Illinois 61354
Phone: (815) 223-1111

SIGNATURE OF ACCEPTANCE

The undersigned, on behalf of the Peru Elementary School District No. 124, LaSalle County, Illinois has reviewed that the information enclosed constitutes the Annual Report which is required to be provided pursuant to the District's Continuing Disclosure Undertaking.

Dated: _____

PERU ELEMENTARY SCHOOL DISTRICT NO. 124
LASALLE COUNTY, ILLINOIS

By: _____

Its: _____

APPENDIX A

**Peru Elementary School District No. 124
Audited Financial Statements**

Fiscal Year Ending June 30, 2021