



CCSD59 Capital Projects and Finance Q&A

- 1) What opportunities have been provided for parents, community members, and staff to be informed or involved in the planning process for facilities planning and finance?**
 - a) The Facilities Committee convened for its first meeting in July, 2019. All meetings are open to the public. The agenda of every meeting is posted on the district website at ccsd59.org/board-of-education/board-meetings.*

- 2) How does CCSD59 determine what facility projects should be completed?**
 - a) One of the primary goals of the Facilities Committee is to update the Capital Projects and Improvement Plan. As an annual part of the budgeting process, the board of education is asked to approve the capital projects and recommendations for improvements for the upcoming fiscal year.*

- 3) What is included in the Capital Projects and Improvement Plan?**
 - a) The Capital Projects and Improvement Plan outlines facility projects by priority, category of project (i.e. Health Life Safety project), type of project (i.e. roofs, boilers, parking lots), estimated cost, and estimated completion date. The Capital Projects and Improvement Plan does not include preventative maintenance projects. Those are included in the annual operating budget.*

- 4) What is a Health Life Safety (HLS) project ?**
 - a) A Health Life Safety project is one that has been identified by the district's architect and approved by State. These are done to conserve the health and safety and general welfare of the students, staff, and others who use public school facilities. An HLS Survey is completed every 10 years, per state law, to provide recommendations as to what projects should be completed to meet these guidelines. The last HLS Survey occurred at CCSD59 in 2016.*

- 5) Who determined what projects were included in the Capital Projects and Improvements Plan?**
 - a) Input was sought from CCSD59's architect, administration, maintenance and other staff members, and business partners to update the Capital Projects and Improvements Plan. Community members also have this opportunity at open meetings of the committee.*



- 6) What are the average lifespans of a roof or a heating/air conditioning units (HVAC)?**
- a) *The average life expectancy for a roof or HVAC unit is 25 years.*
- 7) Does CCSD59 have any roofs or HVACs that are failing?**
- a) *There are currently several CCSD59 schools with roof leaks that must be addressed this summer. There are schools with limited capacity or failing HVAC units, which is addressed in the Capital Projects and Improvements Plan.*
- 8) Why does there appear to be a large number of Capital Projects and Improvements that need to be completed?**
- a) *CCSD59 was fortunate to receive funds from O'Hare International Airport's Modernization to soundproof many of our schools. These funds afforded the District the opportunity to update the HVAC systems and add cooling units in the schools. Due to the timing of the award of these funds, multiple school's were updated at the same time. Thus, these units are reaching the end of their life spans at similar times.*
- 9) What is the total estimated cost to complete the projects outlined in the Updated Capital Projects and Improvement Plan?**
- a) *The total estimated cost is \$42.8 million to complete all of the projects in the three year and six year Plans. Health Life Safety projects make up \$38.7 million of the grand total.*
- 10) How long will it take to complete the \$42.8 million worth of projects identified in the Plan?**
- a) *Depending on the option selected by the Board, it will take three to six years to complete all of the projects outlined in the Plan.*
- 11) Why has a three-year plan been proposed?**
- a) *The proceeds from the sale of School Fire Prevention and Safety Bonds are required to be utilized within three years of the sale. Additionally, the board and our architects believe that a three-year plan will result in construction cost savings that will be obtained through: a) the efficiencies of completing larger projects in a short period of time rather than many smaller projects over a longer period of time, b) current construction costs versus increased future construction costs, and c) future interest rate uncertainties that create the possibility of decreasing cost to the community over a shorter, three-year span.*



12) Why has a six-year plan been proposed?

- a) *The Finance Committee discussed many financial options that would be solutions to complete \$42.8 million in capital projects. Yet, realizing that the proceeds from the sale of School Fire Prevention and Safety Bonds need to be spent within three years of issuance, the Finance Committee wanted to share with the Board of Education options that fit within these debt parameters. Thus, both a three-year option and a six-year option were proposed.*

13) What impact would School Fire Prevention and Safety Bonds have on taxpayers?

- a) *The financial impact to the taxpayer is based on the amount of the debt, the length of the debt, and interest rate at the time of the debt issuance. Thus, the financial option chosen will determine the financial impact. Within the financial options discussed, there was an option that does not increase the taxpayer's annual tax increase, but instead extends the debt obligation. Other options discussed would raise the annual tax increase and extend the debt obligations. Listed below are some examples of how a financial option may impact a CCSD59 taxpayer:*

- i) *Based on an estimated interest rate of 2.26%, if the Board issues \$18.9 million in School Fire Prevention and Safety Bonds, it is **estimated** that a homeowner with a home valued at \$250,000 will have the following tax increase:*

(1) Tax Year 2019:	\$34
(2) Tax Year 2020:	\$39
(3) Tax Year 2021 through 2023:	\$115
(4) Tax Year 2024:	\$53

- ii) *Based on an estimated interest rate of 2.44%, if the Board issues the maximum amount discussed, \$39 million in School Fire Prevention and Safety Bonds, it is **estimated** that a homeowner with a home valued at \$250,000 will have the following tax increase:*

(1) Tax Year 2019:	\$35
(2) Tax Year 2020:	\$39
(3) Tax Year 2021 through 2028:	\$115
(4) Tax Year 2029:	\$46



iii) *Based on an estimated interest rate of 2.25%, if the Board issues \$20 million in School Fire Prevention and Safety Bonds, it is **estimated** that a homeowner with a home valued at \$250,000 will have the following tax increase:*

<i>(1) Tax Year 2019:</i>	<i>\$34</i>
<i>(2) Tax Year 2020:</i>	<i>\$39</i>
<i>(3) Tax Year 2021 through 2023:</i>	<i>\$115</i>
<i>(4) Tax Year 2024:</i>	<i>\$82</i>

14) Will there be an opportunity for public input or a petition process for the School Fire Prevention and Safety Bonds?

a) *A public hearing was held on Monday, December 9, 2019, at the Professional Development and Administration Center. The board will also have discussions regarding the finance options at the January 13, 2020, board of education meeting. Section 17-2.11 of the Illinois School Code does not provide for the option of a petition process for School Fire Prevention and Safety Bonds, but we encourage anyone with feedback or input to attend the public hearing listed above to share your thoughts and feedback with the board.*