



LAKE ZURICH COMMUNITY UNIT
School District 95

Finances and Facilities

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We are continuous learners who are responsible, caring citizens in a global community.



Finances and Facilities

Outcomes:

To understand the current and near-term state of the district in terms of:

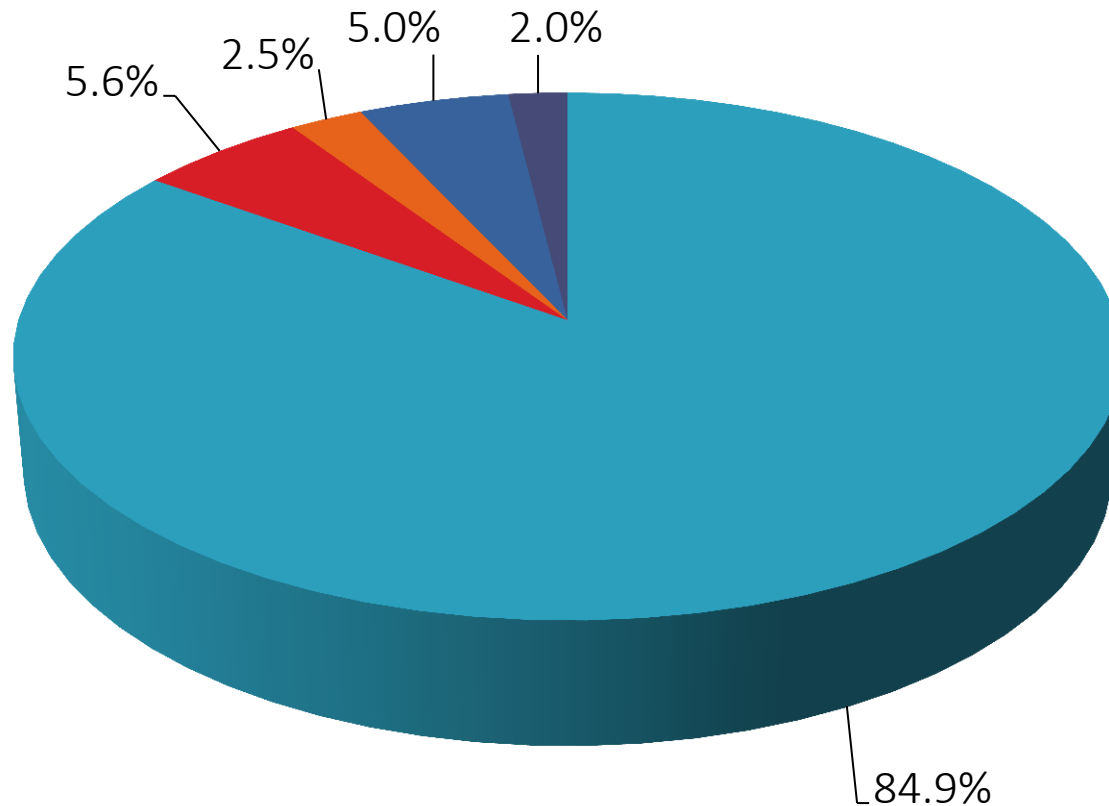
- ▶ Fiscal health
- ▶ Facilities status, and
- ▶ Ability to finance facility improvements

Finances and Facilities

Outline:

- Revenue - Its drivers and status
- Expenditures Types and Benchmarks
- Debt Service and Ratio
- Fund Balance
- Facilities
 - Criteria used to identify improvements
 - By building snapshots
- Options for financing capital improvements

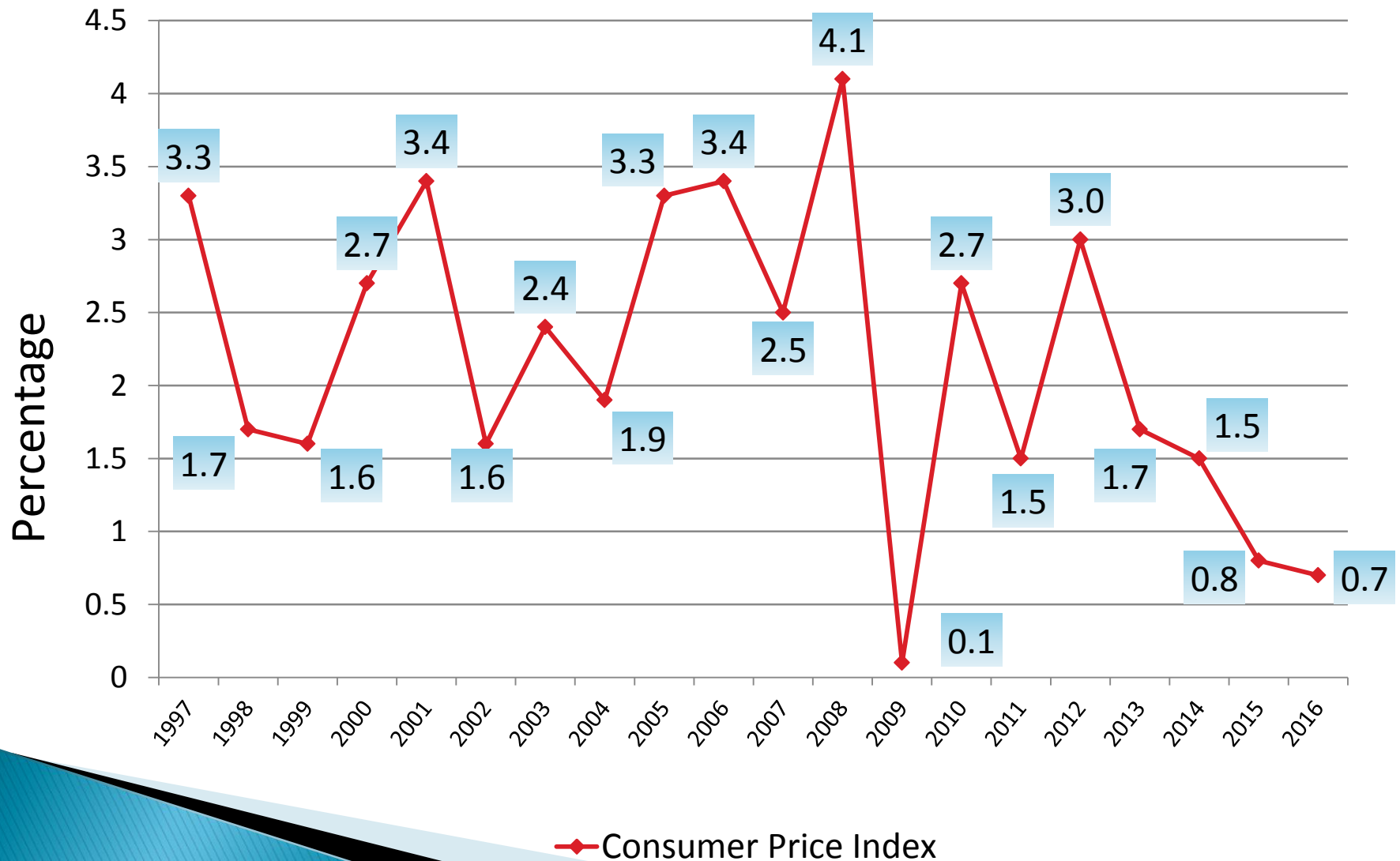
Revenue



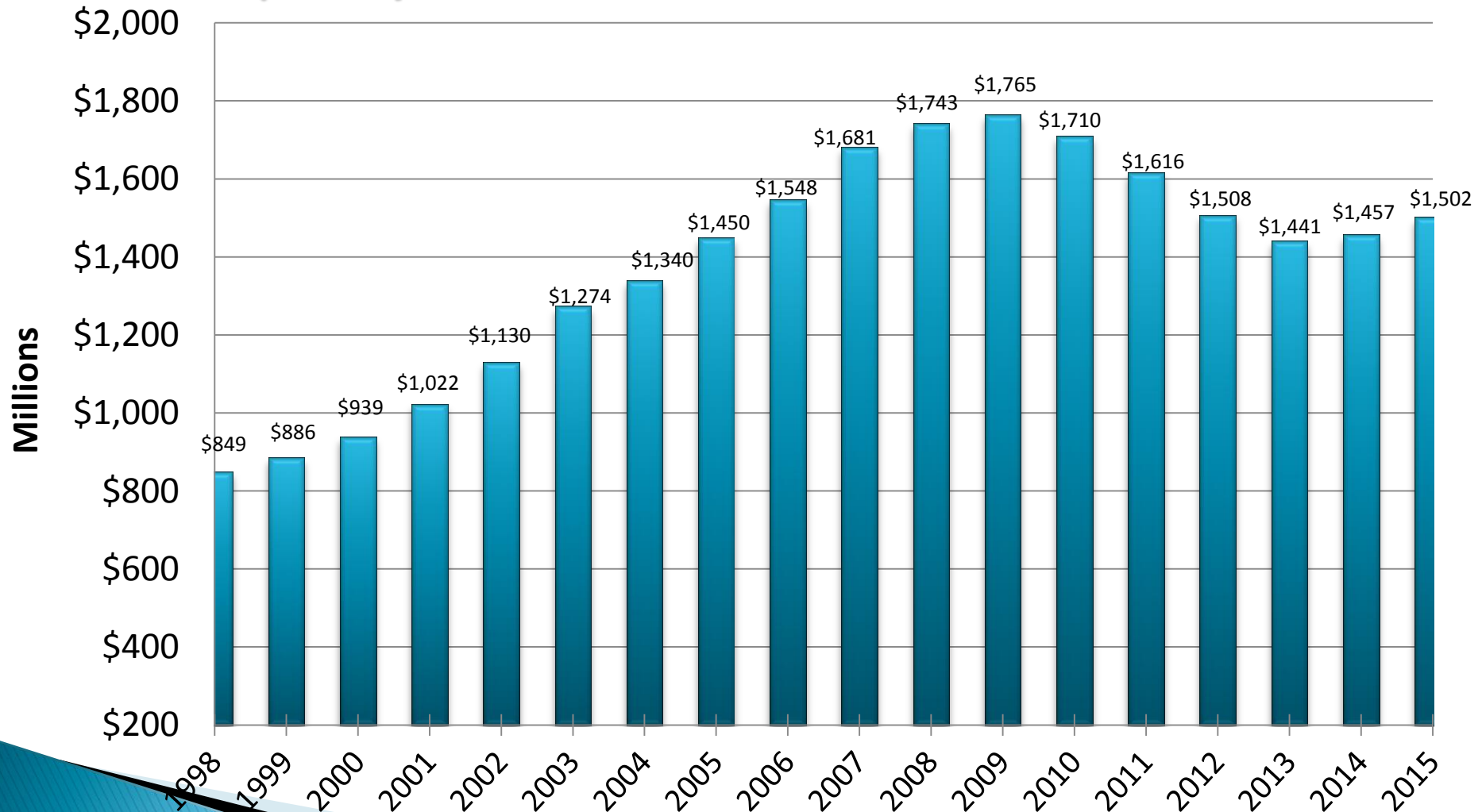
- Local Property Taxes (\$77,481,727)
- Other Local Revenue (\$5,148,567)
- General State Aid (\$2,239,630)
- Other State Revenue (\$4,574,429)
- Federal (\$1,794,783)

Direct Revenue – FY16

Consumer Price Index

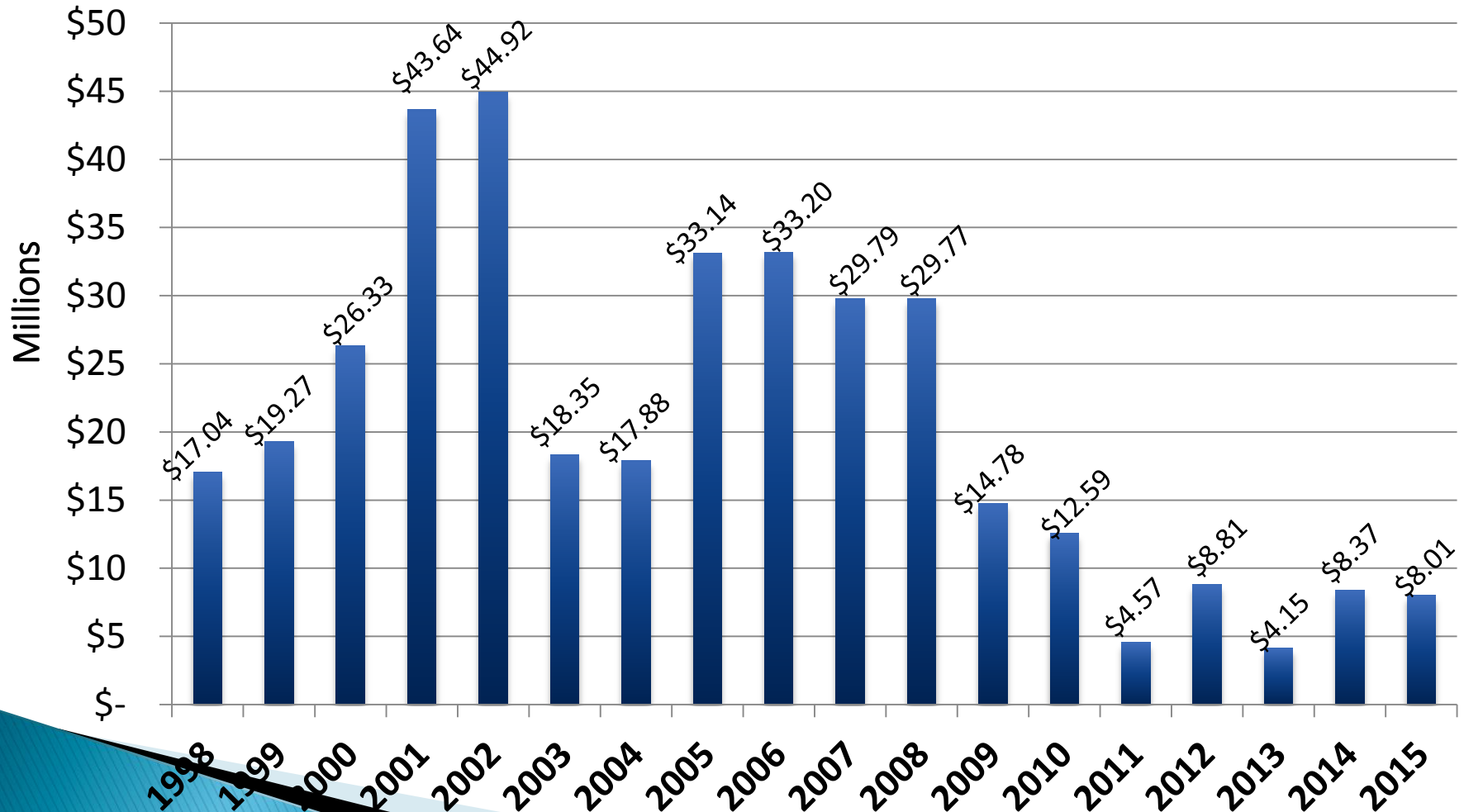


Equalized Assessed Valuation of Property in District 95

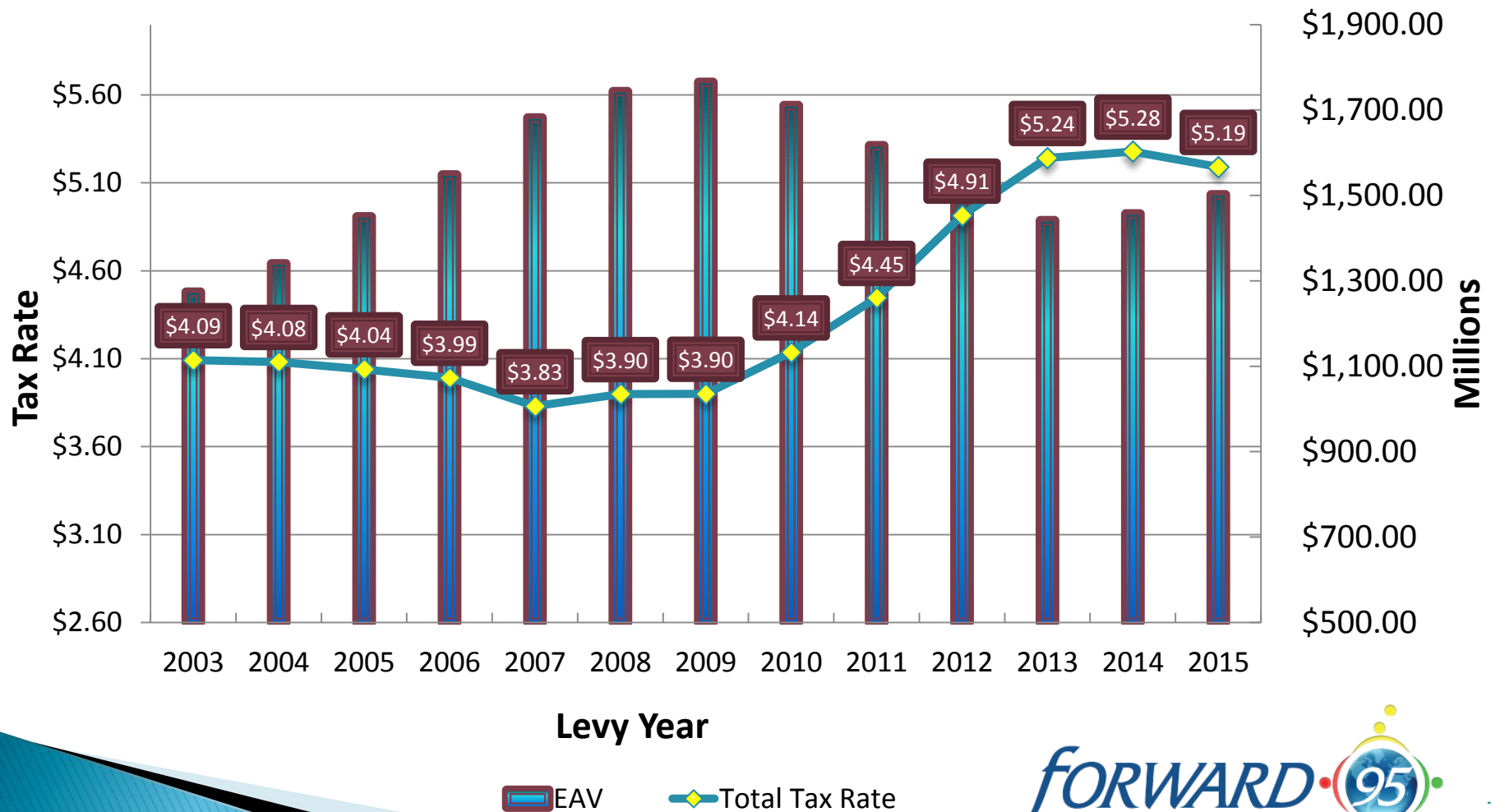


New Property Value

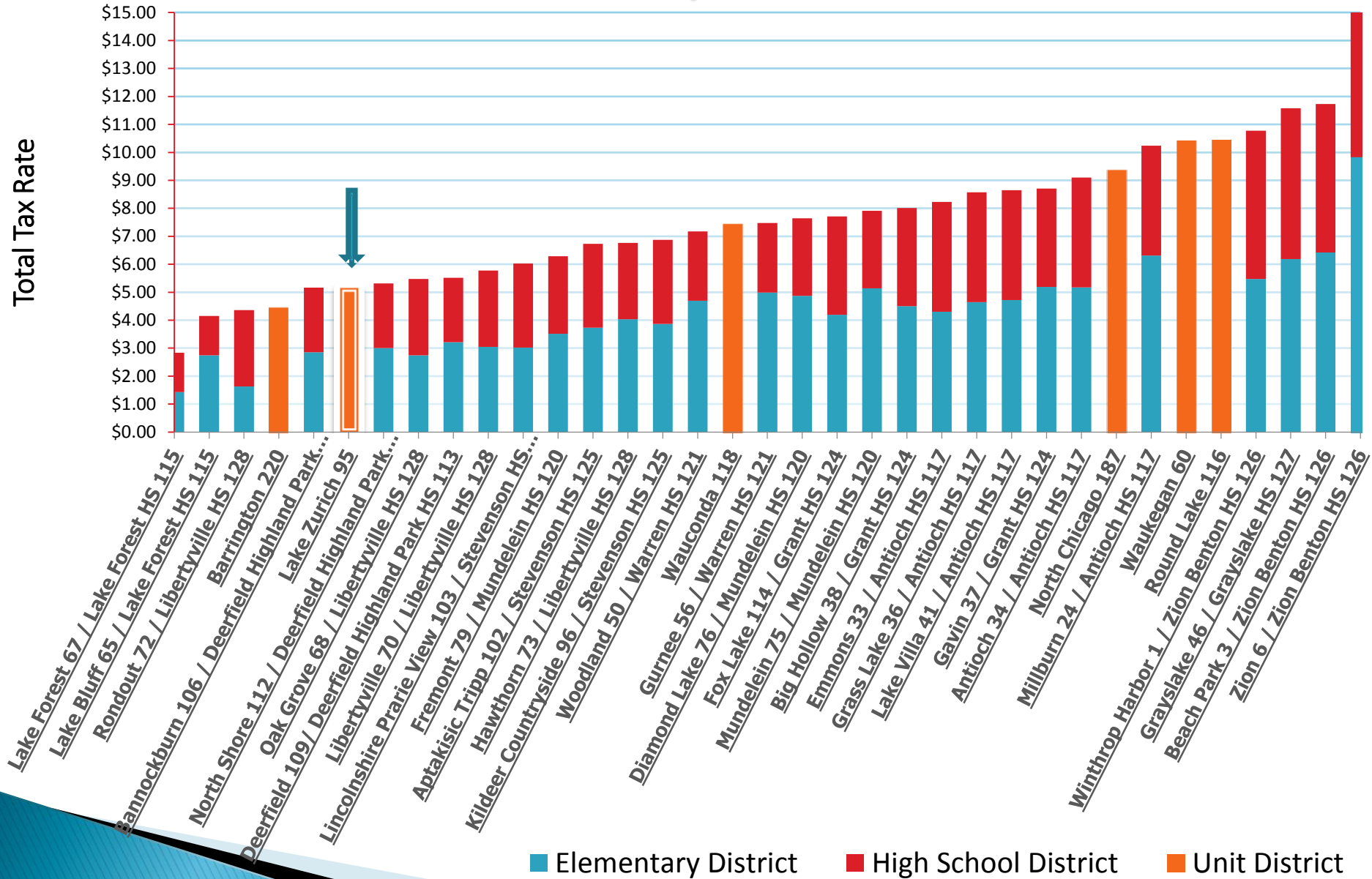
New Construction



Tax Rate and Equalized Assessed Valuation



Lake County Tax Rates



Elementary District

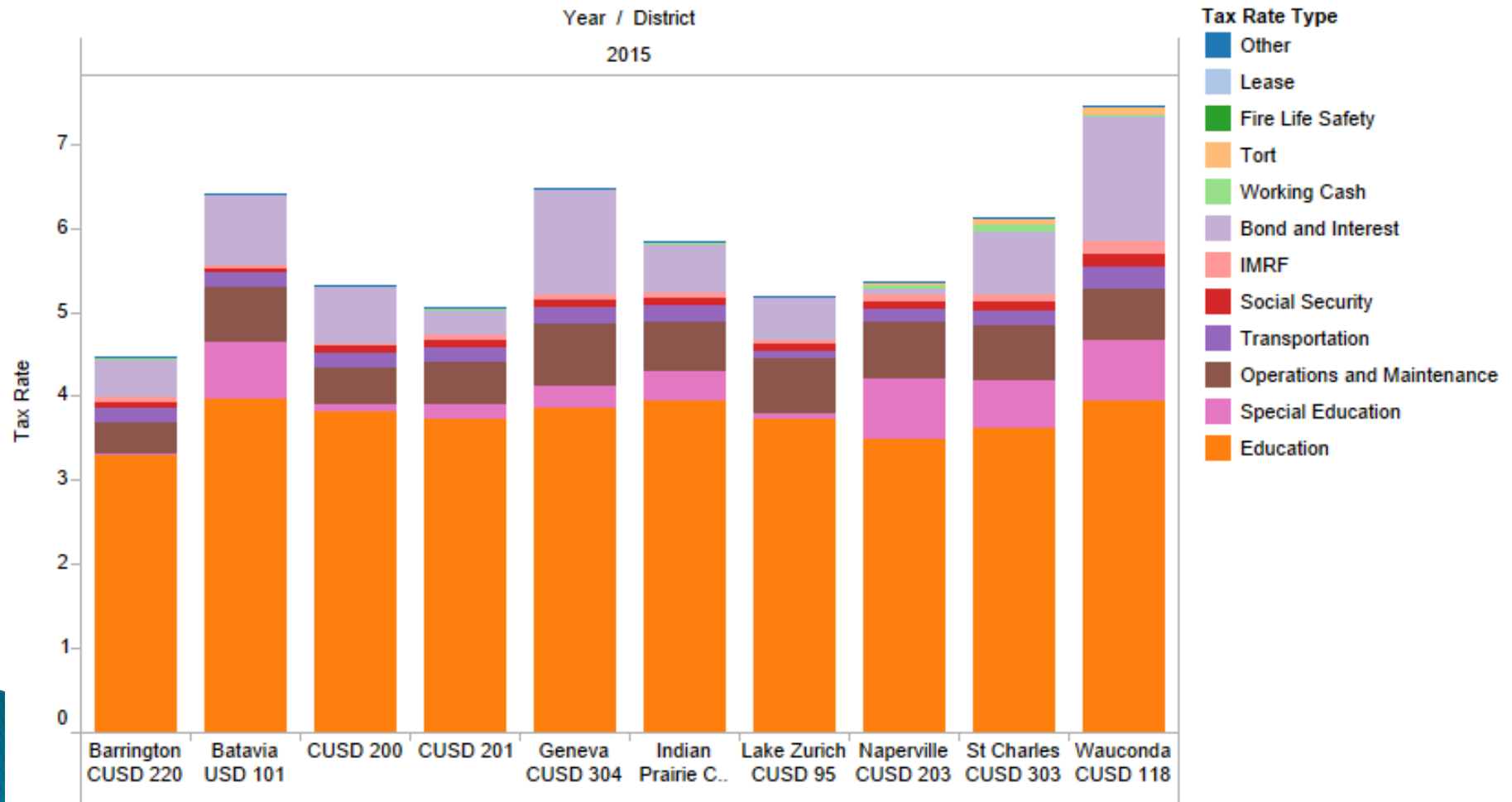
High School District

Unit District

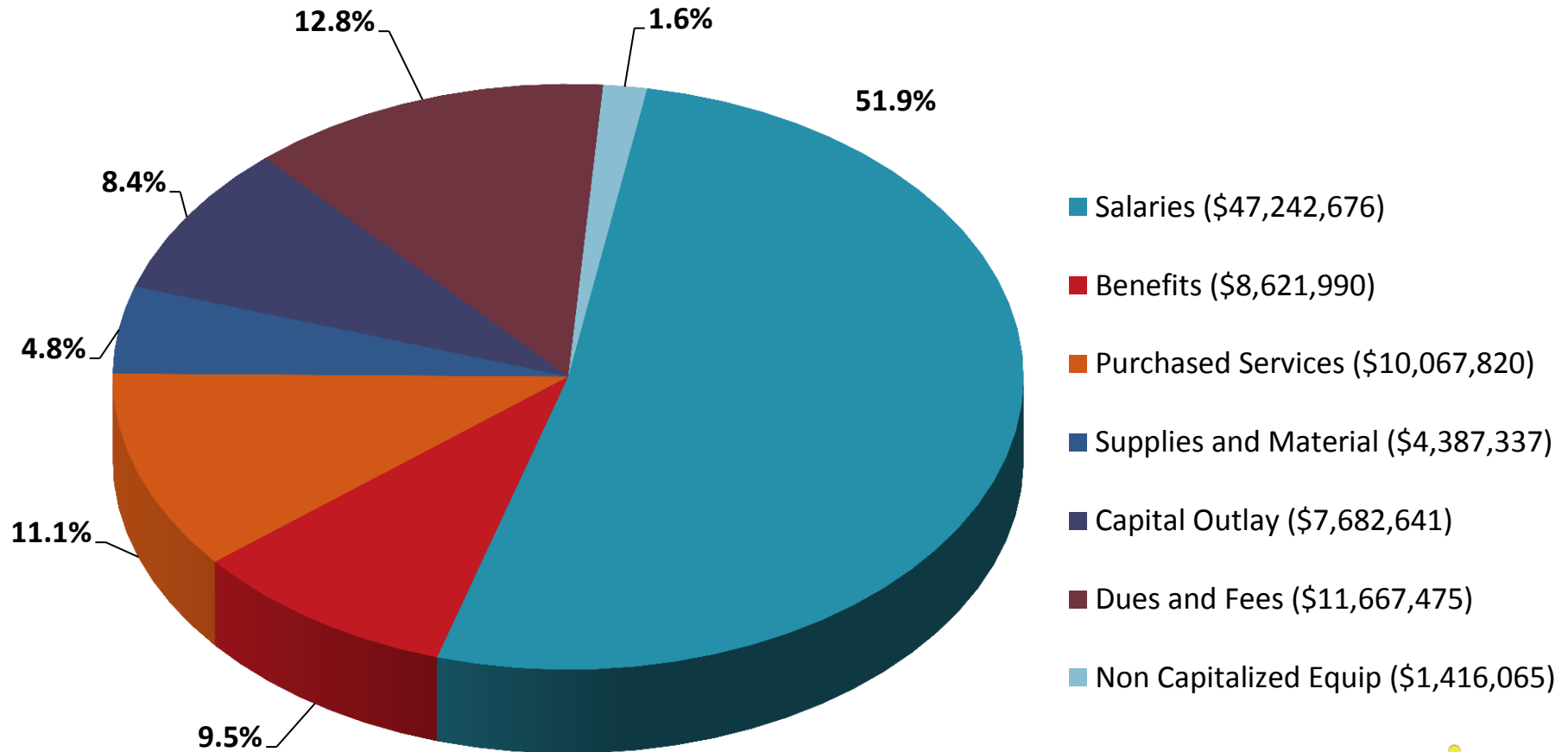
Tax Rate – Peer Group

Tax Rates

Source: ISBE General State Aid data



Expenditures by Object – FY16

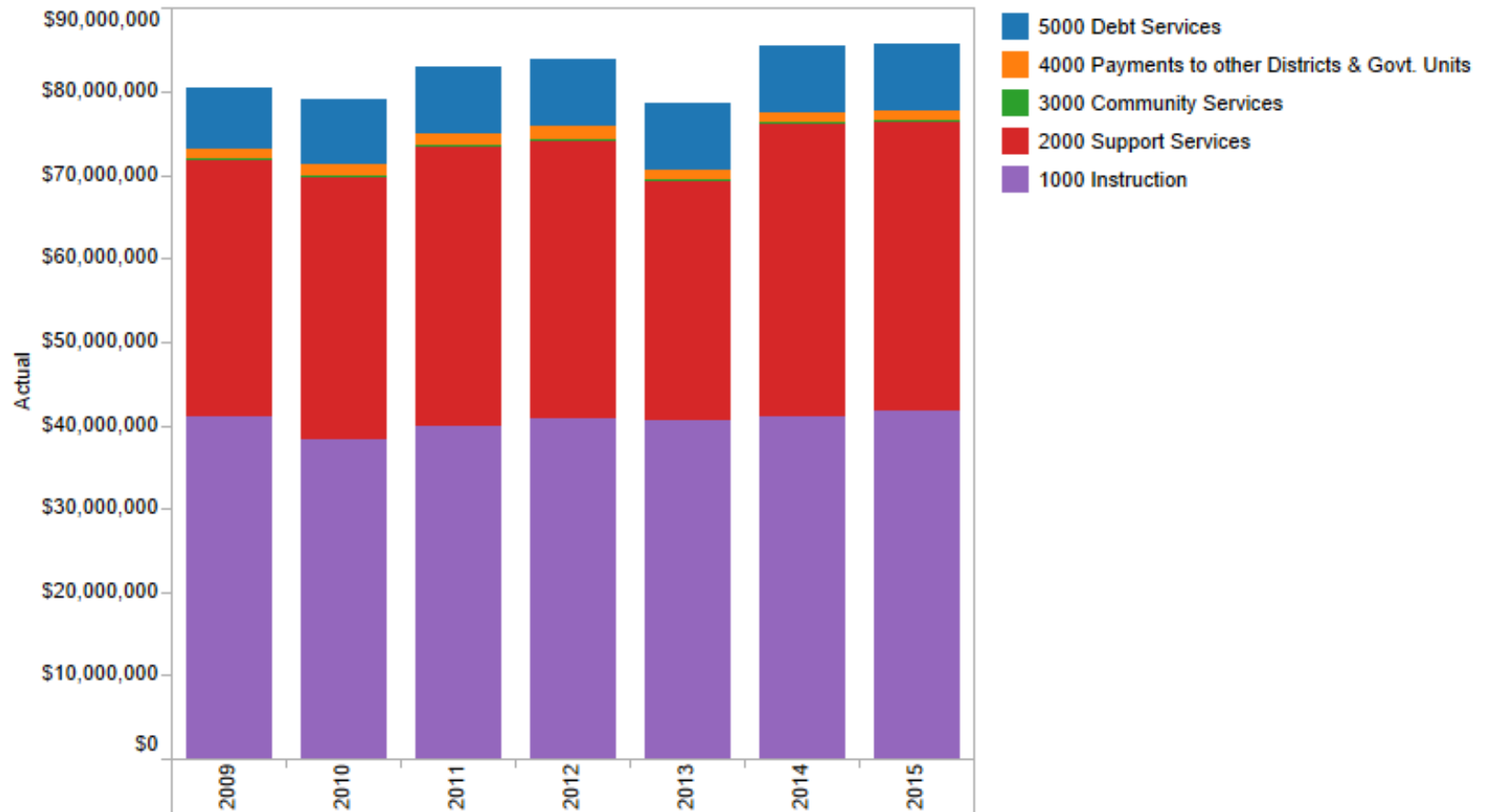


Expenses by Function

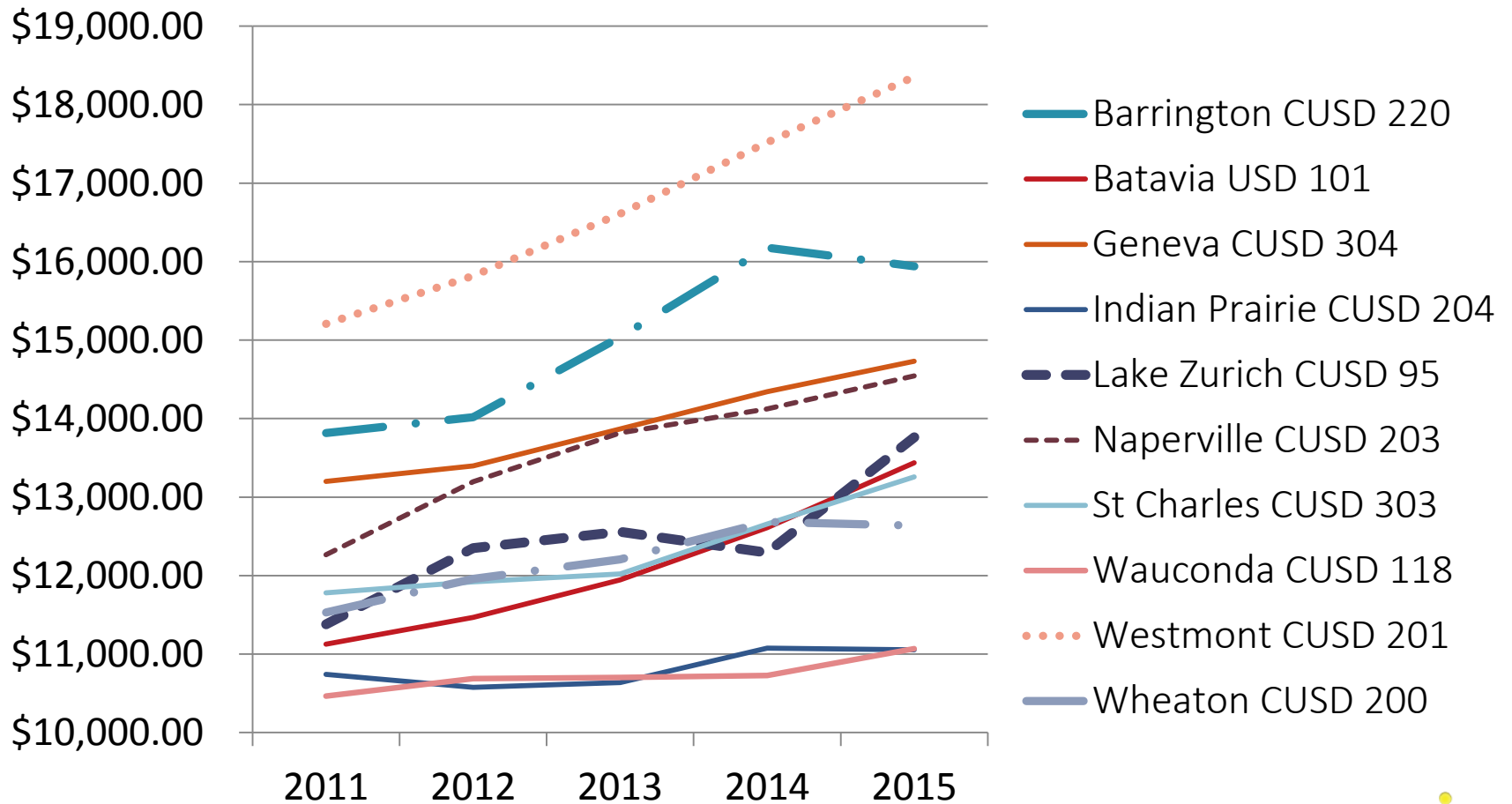
Lake Zurich CUSD 95 - Expenses Bar Chart

By: Function

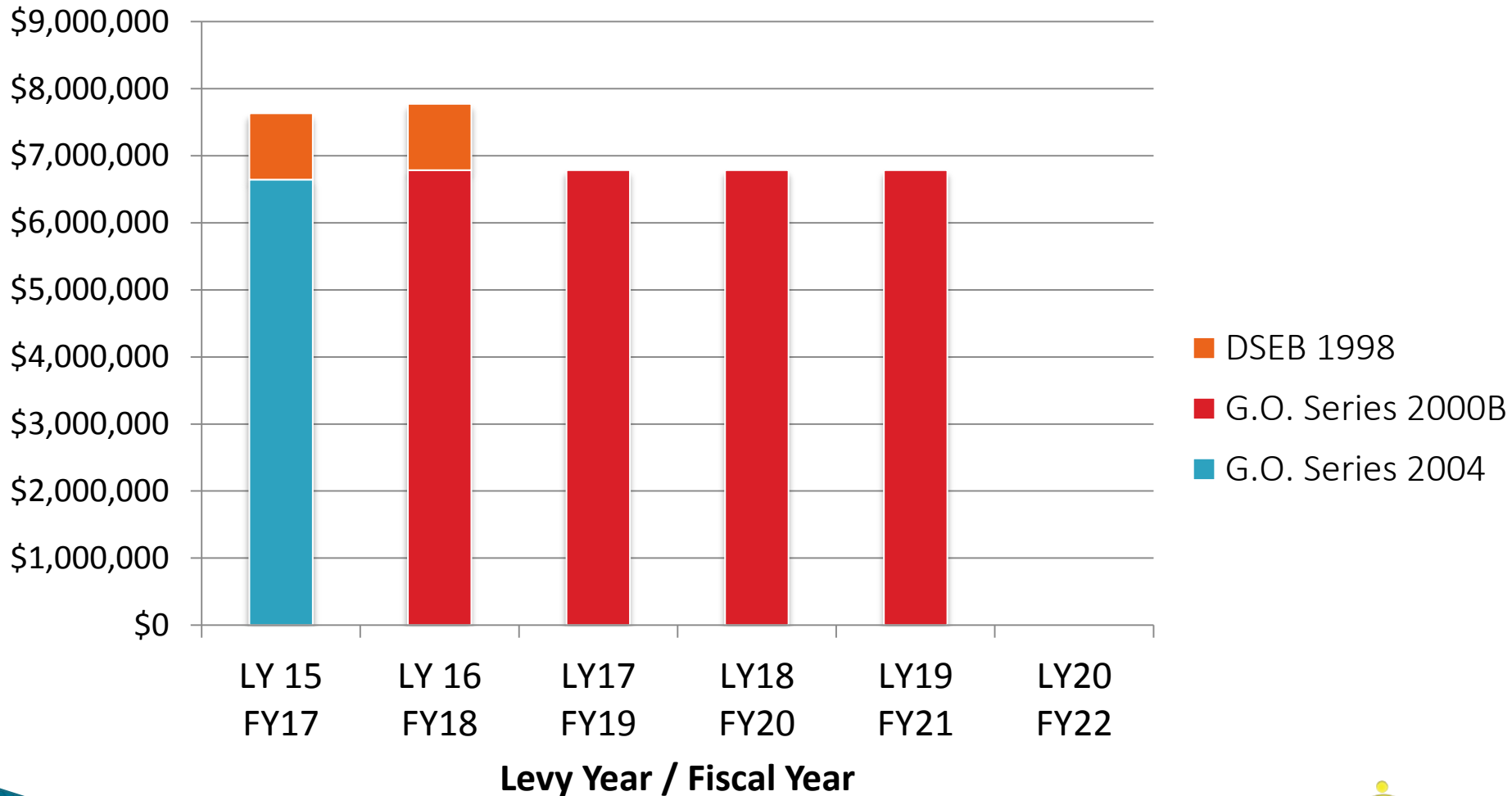
Source: 5 Year Budget and AFR



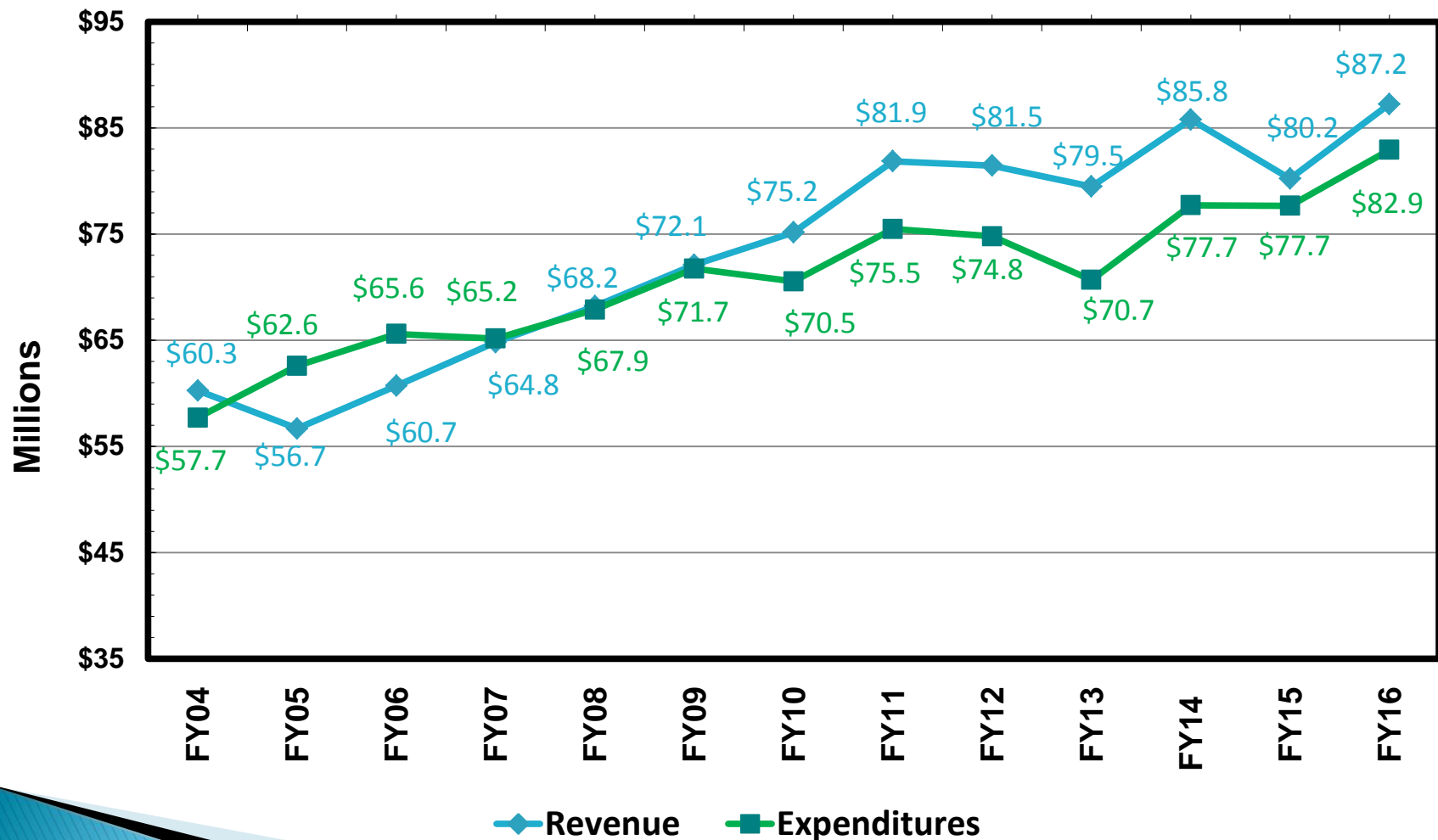
Operating Expense Per Pupil



Debt Service

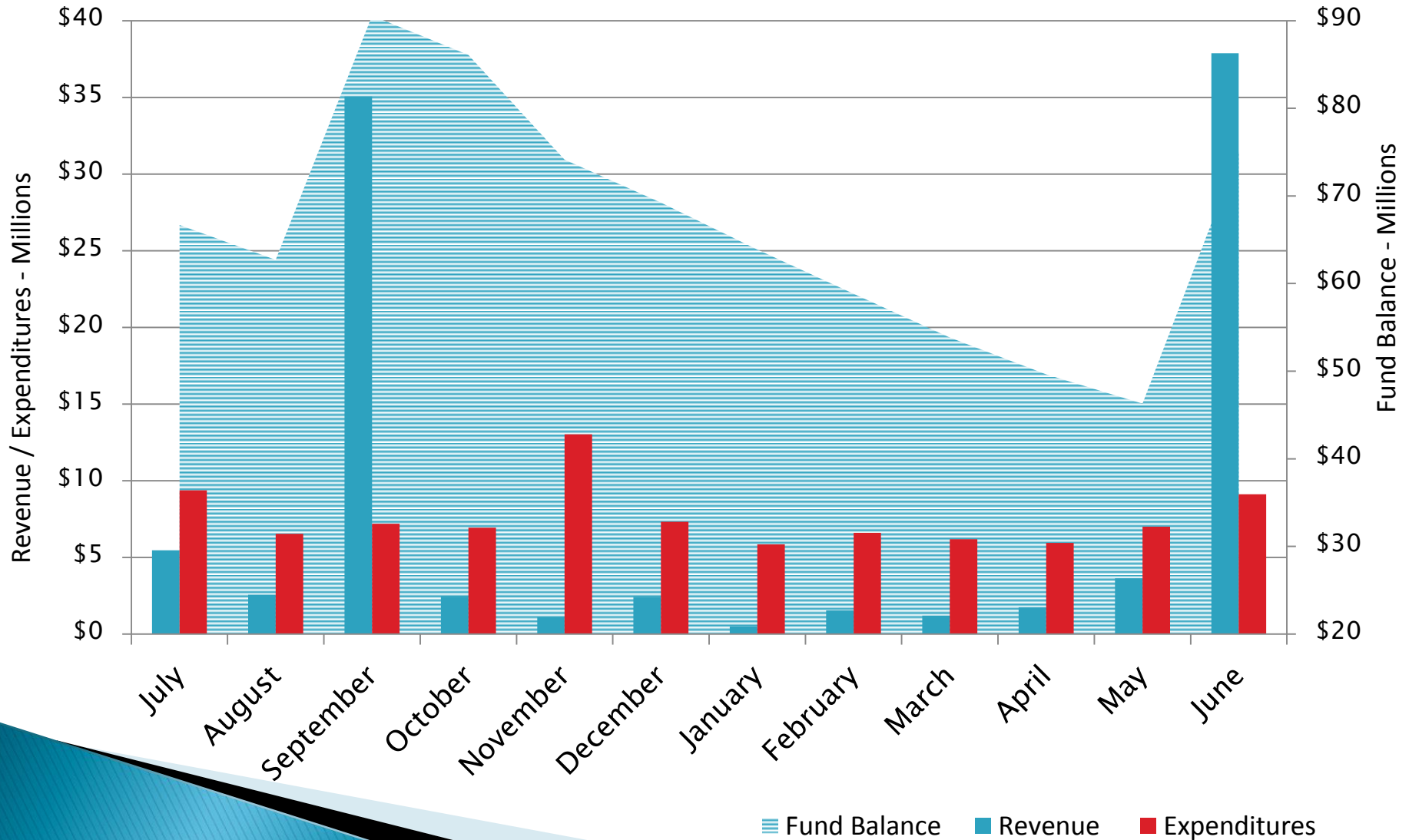


Revenue vs. Expenditures – Operating Funds



Education Fund – Operations and Maintenance Fund –
Transportation Fund – IMRF/Social Security Fund

Revenue – Expenditures - Fund Balance



Financial Profile Score – FY15

Category	Score
Fund Balance to Revenue Ratio	4
Expenditure to Revenue Ratio	4
Days Cash on Hand	4
Percentage of Short-Term Borrowing Maximum Remaining	4
Percentage of Long-Term Debt Margin Remaining	4

PROFILE SCORE: 4.0 -- RECOGNITION

Facilities Review

- DLA Architects conducted a Facilities Assessment of all District 95 buildings in 2015
 - DLA looked at overall building conditions, identified and made recommendations for what we should plan and budget for in the next 10 years.
 - The Facilities Committee, with the assistance of DLA, developed ideas for Capital Improvements that would improve and align our buildings with 21st Century teaching practices
 - The Facilities Committee investigated and suggested funding options to the Board of Education
- Concurrently DLA performed a Life Safety Inspection of all schools except the High School
 - Life Safety is defined as “problems that present an immediate hazard to the safety of students” (Urgent) or “are necessary for a safe environment but present less of an immediate hazard” (Required) – Illinois School Code 105 ILCS 5/2-3.12

Methodology for Prioritization

The Facilities Committee developed a list of criteria to evaluate capital improvement projects

- ❖ Impact on creating a culture of learning
- ❖ Immediate need
- ❖ Mandated/code required
- ❖ Security
- ❖ Form follows function
- ❖ Parity/equity
- ❖ Community value

Future decisions will be evaluated on a cost/benefit analysis.



Isaac Fox Elementary School

Built – 1993

Additions – 1996

Size – 63,295 Sq. Ft.

Height – Single Story

Houses – K thru 5th Grade

Student Population – 505 (As of 9-1-16)

Staff – 54

Air-conditioning – No

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$824,139.98

Isaac Fox Elementary

Life Safety/Maintenance – \$2,906,730

Roof Replacement

Ceilings

Plumbing

Floor Replacement

Doors and Door Frames

Electrical

Capital Improvement – \$1,775,000

Library Programming

ELL/Special Education Programming

Air-conditioning - \$3,480,000 (2013 AC Feasibility Study)

Total Capital Needs – \$8,161,730

Furniture – \$10,000/Classroom & \$83,000/Library*

*Not included in the “Total Capital Needs” figure at this time



May Whitney Elementary School

Original Structure – 1929

Additions – 1952, 1959, 1990

Size – 125,958 Sq. Ft. - includes an unoccupied second floor

Height – 3 Stories

Houses – PK – 5th Grade

Student Population – 495 (As of 9-1-16)

Staff – 69

Air Conditioning – No

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$1,320,916.92

May Whitney Elementary

Life Safety/Maintenance - \$2,798,378

Roof Replacement

Ceilings

Plumbing

ADA

Floor Replacement

Doors and Door Frames

Electrical

Capital Improvement - \$2,996,000

Secure Front Entrance

ELL/Special Education Programming

Library Programming

Air-conditioning - \$7,076,000 (2013 AC Feasibility Study)

Total Capital Needs - \$12,870,378

Furniture – \$10,000/classroom & \$83,000/Library*

*Not included in the “Total Capital Needs” figure at this time



Sarah Adams Elementary School

Original Structure – 1981

Additions – 1990, 1999

Size – 59,462 sq. ft.

Height – Single Story

Houses – K – 5th Grade

Student Population – 371 (As of 9-1-16)

Staff – 66

Air-conditioning – No

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$1,223,568.10

Sarah Adams Elementary

Life Safety/Maintenance - \$2,341,347

Roof Replacement

Mechanical

Plumbing

Parking/Hardscape Surfaces

Electrical

ADA

Capital Improvement - \$1,445,000

Library Programming

ELL/Special Education Programming

Air-conditioning - \$3,016,000 (2013 AC Feasibility Study)

Total Capital Needs - \$6,802,347

Furniture – \$10,000 per classroom & \$83,000/Library*

*Not included in the “Total Capital Needs” figure at this time



Seth Paine Elementary School

Built – 1957, Rebuilt in 1967

Additions – 1967, 1996

Size – 55,055 Sq. Ft.

Height – Single Story w/Basement Cafeteria

Houses – K thru 5th Grade

Student Population – 408 (As of 9-1-16)

Staff – 49

Air-conditioning – No

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$236,629.12

Seth Paine Elementary

Life Safety/Maintenance – \$3,502,881

Roof Replacement

Building Envelope

Plumbing

Parking Lot

Electrical

Mechanical

Capital Improvement – \$3,675,000

Above grade Cafeteria and Kitchen

Library Programming

ELL/Special Education Programming

Air-conditioning - \$2,552,000 (2013 AC Feasibility Study)

Total Capital Needs – \$9,729,881

Furniture – \$10,000/Classroom, \$83,000/Library & \$75,000/Cafeteria*

*Not included in the “Total Capital Needs” figure at this time



Spencer Loomis Elementary School

Original Structure – 2003

Additions – None

Size – 62,734 sq. ft.

Height – Two Story

Houses – K thru 5th Grade

Student Population – 526 (As of 9-1-16)

Staff – 57

Air-conditioning – Yes

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$246,641.09

Spencer Loomis Elementary

Life Safety/Maintenance – \$648,285

Doors and Door Frames

Flooring

Ceilings

Windows

Sidewalks

Roof

Capital Improvement – \$1,750,000

Library Programming

ELL/Special Education Programming

Air-conditioning – \$87,000

Total Capital Needs – \$2,248,285

Furniture – \$10,000/Classroom & \$62,500/Library*

*Not included in the “Total Capital Needs” figure at this time



Middle School North

Original Structure – 2003

Size - 133,387 sq. ft.

Height – Two Story

Houses – 6th thru 8th Grade

Student Population – 714 (As of 9-1-16)

Staff – 81

Air-conditioning – Yes

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$397,534.88

Middle School North

Life Safety/Maintenance – \$1,304,917

Mechanical

Plumbing

Flooring

Electrical

Roadway/Parking

Roof

Capital Improvement – \$2,800,000

STEM Lab

Library Soundproofing Improvements

Air-conditioning – \$87,000

Total Capital Needs – \$4,191,917

Furniture – \$15,000/Classroom & \$100,000/STEM Lab*

*Not included in the “Total Capital Needs” figure at this time



Middle School South

Original Structure – 1993

Additions – 1996, 1999

Size - 148,124 sq. ft.

Height – Single Story

Houses – 6th thru 8th Grade

Student Population – 640 (As of 9-1-16)

Staff – 67

Air-conditioning – No

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$824,314.00

Middle School South

Life Safety/Maintenance – \$5,625,887

Roof Replacement
Ceilings
Mechanical
Electrical

Floor Replacement
Doors and Door Frames
Plumbing

Capital Improvement – \$2,510,000

STEM Lab
Library Upgrades

Air-conditioning - \$6,728,000 (2013 AC Feasibility Study)

Total Capital Needs – \$14,863,887

Furniture – \$15,000/Classroom & \$100,000/STEM Lab*

*Not included in the “Total Capital Needs” figure at this time



Lake Zurich High School

Original Structure – 1971

Additions – 1991, 1994, 2003

Size – 349,999 sq. ft.

Height – Two Story

Houses – 9th thru 12th Grade

Student Population – 1912 (As of 9-1-16)

Staff – 212

Air-conditioning – Yes

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$7,410,489.96

Lake Zurich High School

Life Safety/Maintenance – \$7,968,055

Roof Replacement

Electrical

Plumbing

ADA

Flooring

Mechanical

Ceilings

Parking/Roadway

Capital Improvement – \$7,025,000

Library Programming

Secure entrance

Second Floor Classroom Renovations

Air-conditioning - \$465,000

Total Capital Needs – \$15,458,055

Furniture – \$375,000/Second Floor Classrooms & \$165,000/Library*

*Not included in the “Total Capital Needs” figure at this time



Administrative Building

Original Structure – Unknown

Size – 9600 sq. ft.

Height – Two Story with basement

Houses – Superintendent, Curriculum, Business and Finance, Human Resources, Special Education

Staff – 21

Air-conditioning – Yes

Capital, Life Safety and Maintenance Expenditures (FY's 13 – 16) \$46,435.25

Administrative Building

Operations/Maintenance – \$366,935 (Existing Building)

Roof Replacement	Mechanical
Doors and Door Frames	Windows

Capital Improvement – \$2,000,000

Replacement of existing building due to space constraints on operations for full District administrative staff, meeting, storage, processing, ADA accessibility

Total Capital Needs – \$2,000,000

Summary of District 95 Capital Needs

Life Safety / Maintenance	\$27,096,480
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Capital Improvements	\$25,976,000
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Air-conditioning	\$23,491,000
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Architectural, Engineering and Contingencies	\$10,147,800
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Grand Total	\$86,711,280
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Multiple Funding Opportunities



Option A - Current budget for major Life Safety/Maintenance and Capital Improvements

~\$3.3 million per year

Option B - Reissue debt under Debt Service Extension Base

No increase in tax rate

~\$4.5million every 4 years or

~\$15.5 million for 20 years

Option C - Reissue Existing Debt

No increase in tax rate - requires referendum approval

Up to ~\$70.3 million could be issued

Option D - Tax Increase

Increase in tax rate - requires referendum approval

Greater than \$70.3 million available

Option A

Continue current practice to fund projects out of available O & M Operating Budget

What we can address

- Most currently identified Life Safety projects (additional priority items will emerge over time)
- Select, high priority, capital investment projects as funds allow
- High priority environmental projects

What we cannot address

- ▶ All Life Safety and environmental projects
- ▶ Many capital investment projects
- ▶ Many of the equity issues among various buildings

Funding

- ▶ Through the current “pay as you go” process

Timeline

- ▶ Approx. 13 years to complete - “Finished” in summer of 2028

Considerations

- ▶ Longest timeline
- ▶ As facilities age, the costs of operation and need for maintenance will increase
- ▶ Delayed implementation of 21st century learning environments
- ▶ Deferring maintenance based on available funding – funds may not continue to be available at the current level

Option B

Debt Service Extension Base and current spending

What we can address

- ▶ Most currently identified Life Safety items (additional priority items will emerge over time)
- ▶ Select, high priority, capital investment projects as funds allow
- ▶ High priority environmental projects

What we cannot address

- ▶ All Life Safety and environmental projects
- ▶ Many important capital investment projects
- ▶ Many of the equity issues among various buildings

Funding

- ▶ Every four years additional financing is available to fund the improvement of our facilities under the Long Range Plan with manageable debt and no tax rate increase
- ▶ Continue to fund many projects through current “pay as you go” process

Timeline

- ▶ Approximately 9 years to complete – Completed 4 years earlier than Option A

Considerations

- ▶ As facilities age, the cost of operation and need for maintenance will increase
- ▶ Delayed implementation of 21st century learning environments
- ▶ Deferring maintenance based on available funding – funds may not continue to be available at the current level in the future

Option C

New financing for Capital Improvements

What we can address

- ▶ All currently identified Life Safety items (additional priority items will emerge over time)
- ▶ Majority of capital improvement projects
- ▶ Implementation of many 21st Century improvements
- ▶ Greater equity and parity across all District buildings
- ▶ Lower the on-going cost of operation and maintenance for our facilities
- ▶ Positions the facilities to meet future needs

What we cannot address

- ▶ Lower priority projects

Funding

- ▶ Reissue expiring debt with no tax rate increase with taxpayer approval
- ▶ The option every four years for additional financing is available to address on-going capital needs
- ▶ “Pay as you go” funds to be used for on-going and preventative maintenance

Timeline

- ▶ Approximately 4-6 years to complete

Considerations

- ▶ Fulfills the priorities identified in the “Methodology for Prioritization”
- ▶ Reduces on-going maintenance costs
- ▶ Establishes 21st Century Learning environments for a generation of learners

Option D

New financing for Capital Improvements

What we can address

- ▶ All currently identified Life Safety items (additional priority items will emerge over time)
- ▶ Accomplishes all identified capital improvement projects
- ▶ Implementation of 21st Century improvements
- ▶ Greater equity and parity across all District buildings
- ▶ Lower the on-going cost of operation and maintenance for our facilities
- ▶ Positions the facilities to meet future needs

What we cannot address

- ▶ Only projects not selected for completion at this time

Funding

- ▶ Reissue expiring debt with a tax rate increase with taxpayer approval
- ▶ The option every four years for additional financing is available to address on-going capital needs
- ▶ “Pay as you go” funds to be used for on-going and preventative maintenance

Timeline

- ▶ Approximately 4-6 years to complete

Considerations

- ▶ Fulfills the priorities identified in the “Methodology for Prioritization”
- ▶ Reduces on-going maintenance costs
- ▶ Establishes 21st Century Learning environments for a generation of learners