



CROW ISLAND



2022 Downsized Capital Improvement Presentation

Referendum: November 8, 2022

Agenda

- Introductions
- Overview of Citizen Task Force process
- Summary of 2022 Downsized Capital Improvement Plan
 - Educational Benefit
 - Enrollment
 - Financial Analysis
- Tax impact and role of property tax reassessment
- Other considerations
- Upcoming Dates

Citizens Task Force

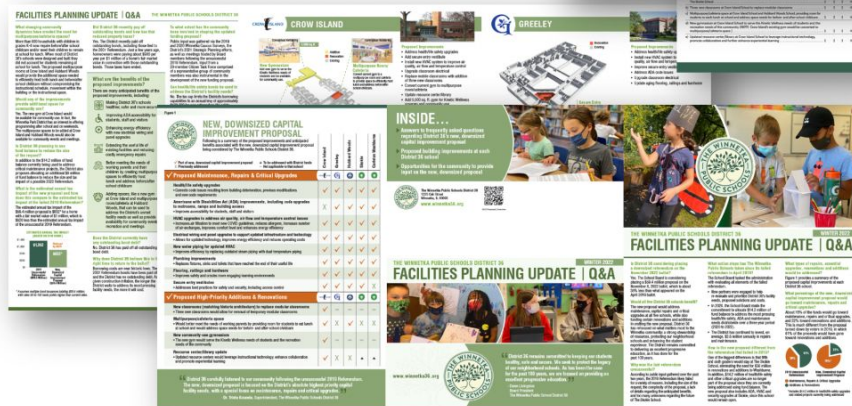
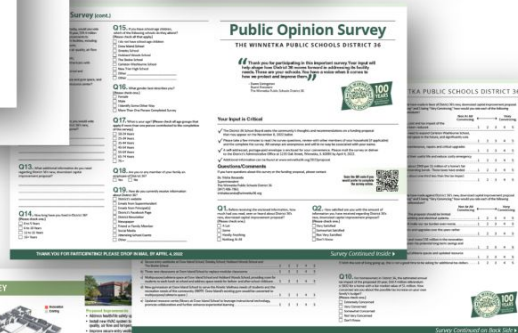
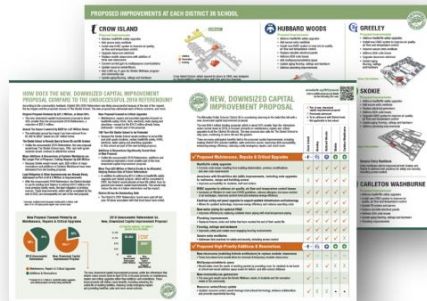
April 2021 to April 2022

- Representative Group of Winnetka Residents
- Provided anecdotal feedback from 2019 referendum effort
- Provided insight into what elements needed to be prioritized and what would not be supported by the community
- Analyzed public opinion research and other input gathered at community engagement sessions
- Developed final recommendations for the Superintendent
- Reviewed details of Downsized Capital Improvement Proposal
- Led by Paul Hanley, from Beyond Your Base, and Jim Hobart, from Public Opinion Strategies

Public Information Program

Information publicly shared with the community January - March 2022

- ✓ Presentations
- ✓ Website
- ✓ Letter/attachment
- ✓ Newsletter
- ✓ Screencast
- ✓ Mail Survey (Online Option)
- ✓ Hybrid Poll
- ✓ Other



Downsized Capital Improvement Plan:

\$59.4 Million ask of the Community

Referendum Ballot Language

“Shall the Board of Education of Winnetka School District Number 36, Cook County, Illinois, alter, repair and equip all existing school buildings; construct Health/Life Safety Code improvements, secure entry vestibules and additional safety and accessibility improvements under the Americans with Disabilities Act; replace flooring, plumbing, HVAC and electrical systems; remove temporary trailers, renovate the multi-purpose room/cafeteria and library/resource center and build and equip a three-classroom and gymnasium addition at the Crow Island School Building; build and equip a multi-purpose room/cafeteria addition at the Hubbard Woods School Building; improve sites; and issue bonds of said School District to the amount of \$59,400,000 for the purpose of paying the costs thereof?”

Why The District Needs This Referendum



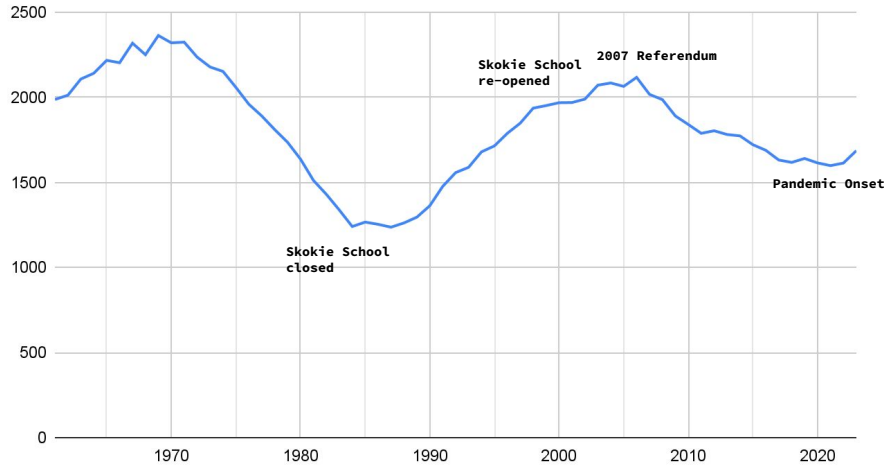
★ Educational programming needs are significantly different than when the schools were first built

- Safety threats and needs have evolved
- 97% of Students remain at school for lunch, a significant increase from the past
- A marked increase in individualized education plans and student needs for specialized support require specific learning environments to be appropriately equipped
- Kinetic Wellness is a required class to be programmed for on a daily basis
- The current building schedules are constrained by what can be offered given the limitations of space for both lunch and kinetic wellness
- More than 10% of days are deemed “heat days” and the need for air quality control has never been higher
- Lack of control for air temperature and humidity (thermal comfort) has a noticeable impact on a student’s ability to engage in learning as well as a teacher’s ability to perform at their best (Harvard)
- Crow Island students continue to be taught in “temporary trailers” installed in 2016
- Increased demand for before and after school care with more dual-working families

★ Schools are forced to make suboptimal programming choices driven by the building limitations

- Extra human effort is required to ensure school safety and security
- Lunch space is limited and students at Crow Island and Hubbard Woods eat lunch in a variety of atypical locations as a result (i.e. hallways, classrooms, floor, foyer)
- In a number of schools, space limitations do not allow for cross-aged interactions at lunch
- Student programming and scheduling is limited by gym and multipurpose space, often not allowing for the full KW curriculum to be safely delivered and common planning times for grade-level teachers and staff to coordinate instruction
- On “heat days” student must be continually rotated through air conditioned areas of the school, disrupting learning
- With the exception of Carleton Washburne, there is no building-wide central HVAC to control for air quality

The Referendum is *Not* Driven By Enrollment



- Enrollment has fluctuated over the last 70+ years and Winnetka has responded to meet the needs of the community
- The pandemic led to instability in the population; however, current trends point to modest growth
- Core driver of the referendum is safety, health and education
- Further redistricting is a massive undertaking and will not solve for the overall outlined needs

**Referendum “ask” is centered on the priorities of safety, security and necessary facility improvements
at all 5 Winnetka Public Schools**

2019 Referendum vs. 2022 Proposal

	2019 Referendum	2022 Proposal
Size of Request	\$90.6 Million	\$59.4 Million
Est. Tax Impact for \$1M Home	\$1,352	~\$929
Status of The Skokie School	Closed	To Stay Open
Major Renovations & Additions to Carleton Washburne	\$36 Million	\$0
Outstanding Debt Tied to 2007 Referendum	Yes	No

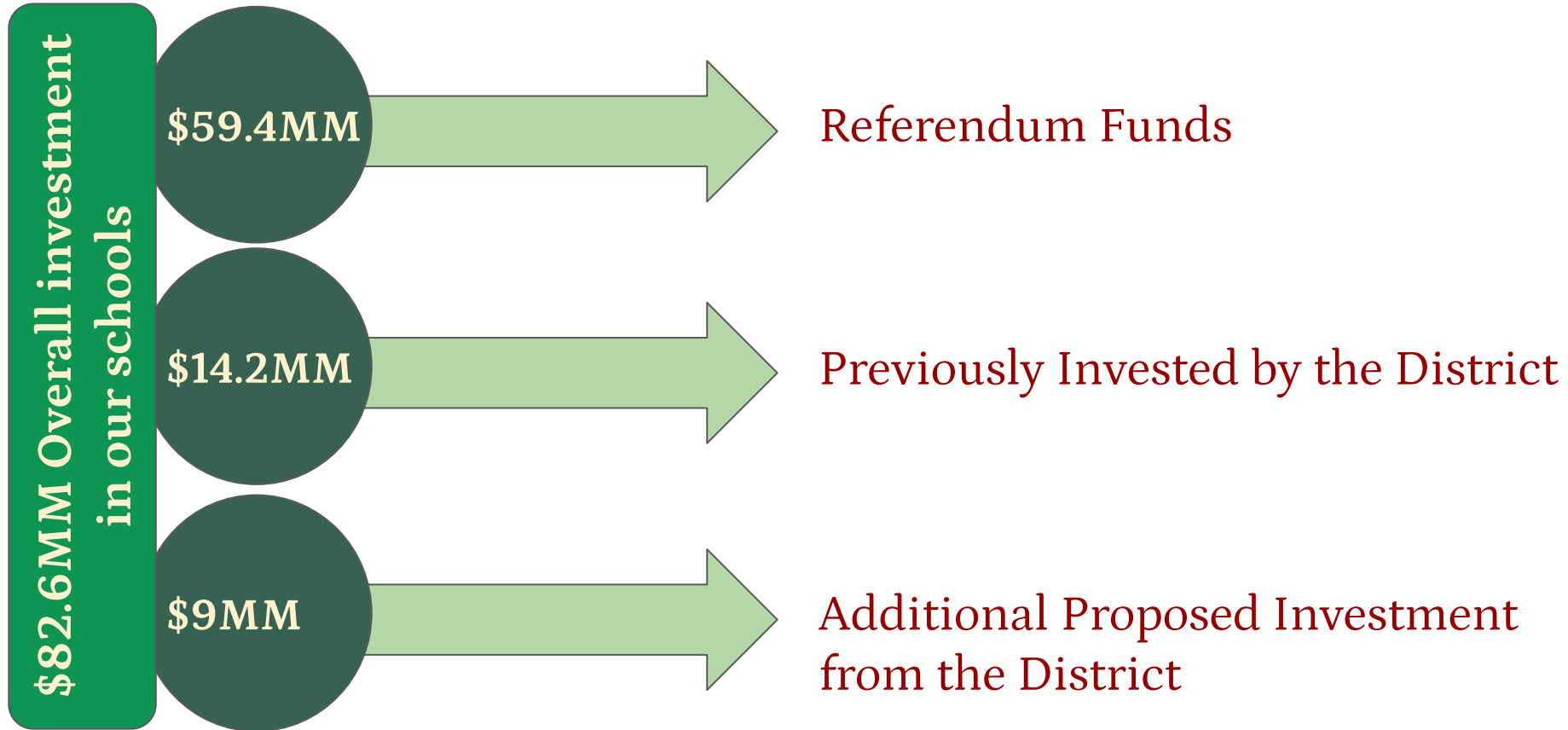
Other Funding Details

3-Year Capital Improvement Plan (2020-2022)	\$0 Million	\$14.2 Million*
Allocation of Fund Balance	\$10 Million	\$9 Million*

*Funds contributed by the district in an effort to reduce the overall referendum request



Projected Total Project Costs for all needed work = \$82.6MM
Referendum Funds Plus District Contribution for all necessary projects



Projected Total Project Costs $\$59.4\text{MM} + \$14.2\text{MM} + \$9\text{MM} = \82.6MM
Referendum Funds Plus District Contribution for all necessary projects

\$48.4MM
59%

Health & Safety Improvement

- Secure Entry Vestibules at four schools
- Security upgrades at all five schools
- Health Life Safety updates at all five schools*
- Accessibility updates at four schools
- Heating, Cooling and air quality improvements at all five schools

\$17.4MM
21%

Critical Repairs

- Water piping and plumbing at all five schools*
- Electrical upgrades and improvements at all five schools
- Cosmetic resolutions due repairs and replacements

\$16.8MM
20%

Priority Additions & Renovations

- Cafeteria/Multipurpose room at Hubbard Woods
- Renovation of existing Crow Island gym as Cafeteria/Multipurpose
- Replacing classroom trailers with permanent space at Crow Island
- Addition of gym to meet school needs and provide lunch space

*Work partially completed via District Funds

For Whom and How the referendum will make an impact

Student & Staff Experience

Health & Safety Improvement

- Safe and Secure Places to learn and work
- Buildings that are accessible to all students and staff
- Heating, Cooling and air quality that makes for healthy and comfortable environments to learn and work

Teacher Recruitment

Critical Repairs

- Buildings that reflect a quality of facility that matches our quality of instruction
- Learning environments that afford a physical space with similar amenities to other districts within the township

Longevity of our Schools

Priority Additions & Renovations

- Learning and work spaces that will serve the community for years to come
- Shared community space that offers the opportunity for our students, families, staff and community to come together
- Permanent learning space that reflects a level of quality that we can be proud of

Financial Summary - 2022 Downsized Capital Plan

Total All Years Inflated	Crow Island	Greeley	Hubbard Woods	Skokie	Washburne	Totals
Additions	\$14,010,000		\$2,800,000			\$16,810,000
Accessibility	\$0	\$790,000	\$1,190,000	\$270,000	\$1,460,000	\$3,710,000
Interior Finishes	\$140,000	\$660,000	\$160,000	\$320,000	\$500,000	\$1,780,000
Mandated Health Life/Safety	\$2,160,000	\$1,360,000	\$2,040,000	\$750,000	\$510,000	\$6,820,000
Air/Quality, Air Conditioning/	\$3,070,000	\$2,255,000	\$2,035,000	\$4,930,000	\$4,150,000	\$16,440,000
Water Piping	\$0	\$0	\$0	\$0	\$0	\$0
Electrical	\$1,120,000	\$1,190,000	\$780,000	\$840,000	\$5,890,000	\$9,820,000
Plumbing	\$35,000	\$40,000	\$0	\$70,000	\$90,000	\$235,000
Fire Protection	\$0	\$0	\$0	\$10,000	\$0	\$10,000
Safety and Security	\$2,500,000	\$2,030,000	\$1,600,000	\$2,560,000	\$4,060,000	\$12,750,000
Subtotal	\$23,035,000	\$8,325,000	\$10,605,000	\$9,750,000	\$16,660,000	\$ 68,375,000

The district has and will cover up to ~\$23MM in needs. The ask of the taxpayer has decreased 35% and addresses the needs of all five schools at a point when the district is in strong financial standing of being debt free and AAA rated.

PROPOSED IMPROVEMENTS

CROW ISLAND SCHOOL



- ✓ Add secure entry vestibule
- ✓ Address health/life safety upgrades
- ✓ Install new HVAC system to improve air quality, air flow and temperature control
- ✓ Upgrade classroom electrical
- ✓ Replace mobile classrooms with addition of three new classrooms
- ✓ Convert current gym to multipurpose room/cafeateria
- ✓ Update resource center/library
- ✓ Add 5,500 sq. ft. gym for Kinetic Wellness program and community use
- ✓ Update aging flooring, railings and hardware
- ✓ Address plumbing improvements
- ✓ Upgrade classroom electrical



Three New Classrooms to Replace Modulars

Add new classrooms to replace temporary modular classrooms.



Multipurpose Room/Cafeteria

Convert current gym to a multipurpose room and cafeteria to provide space to efficiently host lunch and address before- and after-school childcare.



New Gymnasium

Add new gym to serve the Kinetic Wellness needs of students and be available for community use.



Updated Resource Center/Library

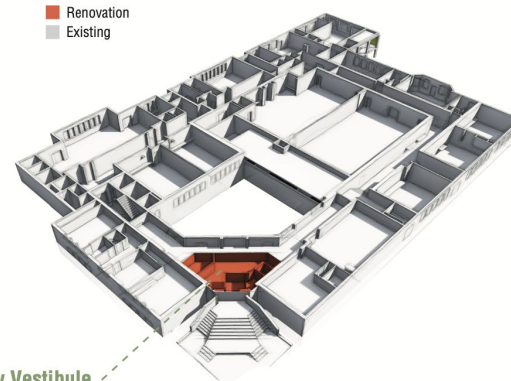
Update the resource center/library to leverage instructional technology, promote collaboration and enhance experiential learning.



PROPOSED IMPROVEMENTS GREELEY SCHOOL



- ✓ Address health/life safety upgrades
- ✓ Install new HVAC system to improve air quality, air flow and temperature control
- ✓ Improve secure entry vestibule
- ✓ Address ADA code issues
- ✓ Upgrade classroom electrical
- ✓ Update aging flooring, railings and hardware
- ✓ Upgrade classroom electrical



Secure Entry Vestibule

A new secure entry vestibule would address best practices for safety and security, including access control.



PROPOSED IMPROVEMENTS HUBBARD WOODS SCHOOL



- ✓ Add secure entry vestibule
- ✓ Address health/life safety upgrades
- ✓ Install new HVAC system to improve air quality, air flow and temperature control
- ✓ Replace electrical panels that have reached the end of their life
- ✓ Address ADA code issues
- ✓ Add multipurpose/cafeteria space
- ✓ Update aging flooring, railings and hardware
- ✓ Address plumbing improvements
- ✓ Upgrade classroom electrical



Conceptual Rendering

Secure Entry Vestibule

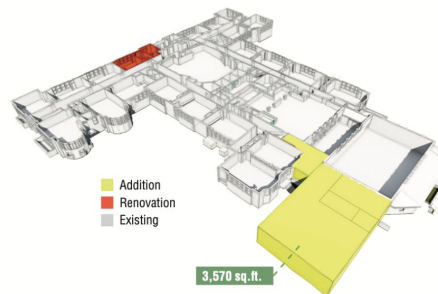
A new secure entry vestibule would address best practices for safety and security, including access control.



Conceptual Rendering

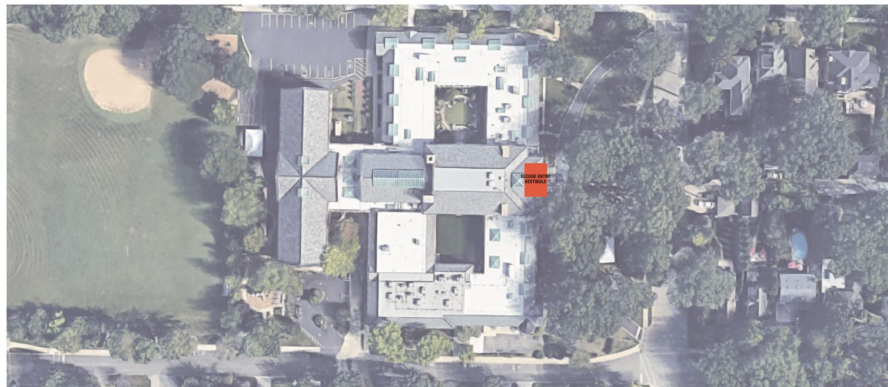
Multipurpose Room/Cafeteria

A new multipurpose room would provide space to efficiently host lunch and address before- and after-school childcare.





PROPOSED IMPROVEMENTS THE SKOKIE SCHOOL



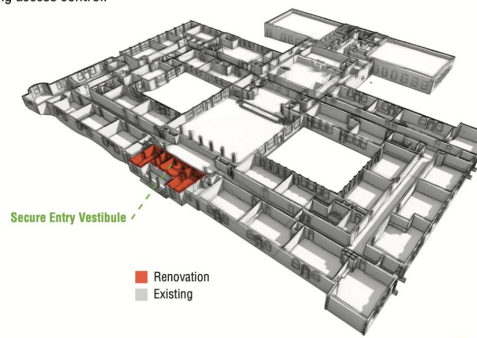
- ✓ Add secure entry vestibule
- ✓ Address health/life safety upgrades
- ✓ Replace electrical generators
- ✓ Address ADA code issues
- ✓ Upgrade HVAC system to improve air quality, air flow and temperature control
- ✓ Update aging flooring, railings and hardware
- ✓ Address plumbing improvements
- ✓ Upgrade classroom electrical



Conceptual Rendering

Secure Entry Vestibule

A new secure entry vestibule would address best practices for safety and security, including access control.



■ Renovation
■ Existing



PROPOSED IMPROVEMENTS

CARLETON WASHBURNE SCHOOL



✓ **Improve secure entry vestibule**

✓ **Address health/life safety upgrades**

Corrects code issues resulting from building deterioration, previous modifications and new code requirements

✓ **Upgrade HVAC system to improve air quality, air flow and temperature control**

Increases air filtration to meet new COVID guidelines, reduces allergens, increases number of air-exchanges, improves comfort level and enhances energy efficiency

✓ **Update PA system and alarms**

Improves both school security and fire safety with replacement of outdated public announcement system and fire alarms

✓ **Replace obsolete electrical panels**

Allows for updated technology, improves energy efficiency and reduces operating costs

✓ **Address ADA code issues**

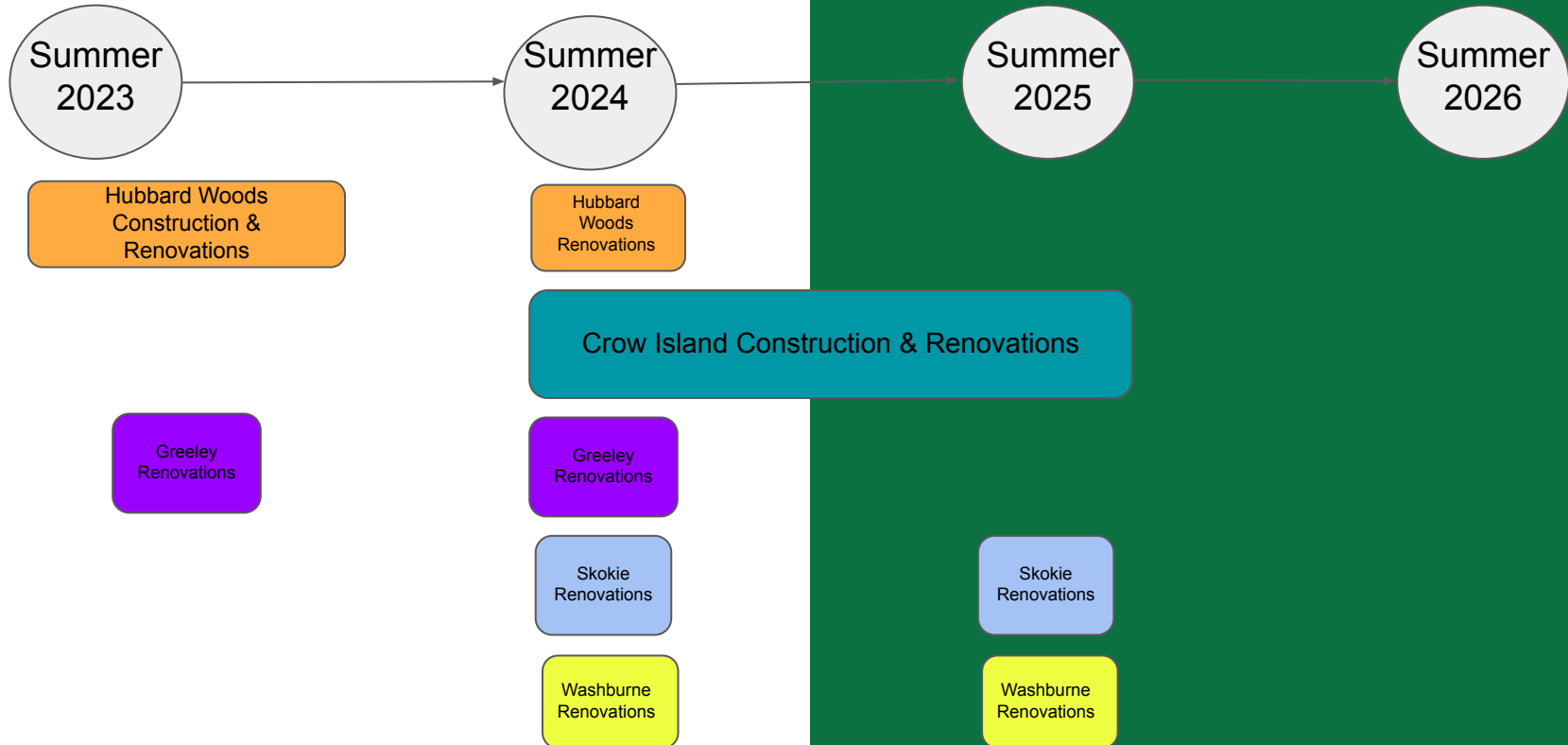
Improves accessibility for students, staff and visitors

✓ **Update aging flooring, railings and hardware**

Improves safety and creates more engaging learning environments

✓ **Upgrade classroom electrical**

Proposed Construction & Renovation Timeline



Clarity on Property Tax Reassessment:

Q&A with Bob Lewis,
Senior Vice President, PMA Securities
Financial Advisory to the District

[Q&A Video](#)



Scenario 1: Tax Impact on \$1 Million Home

\$59.4 Million

December 2022 Proceeds.....	\$20,300,000
May 2023 Proceeds.....	\$14,890,000
March 2024 Proceeds.....	\$24,210,000
Estimated Total Debt Service (1).....	\$88,191,597
Average Annual Debt Service (1).....	\$4,199,600
Estimated B&I Tax Rate in LY2022 (2).....	\$0.297
Estimated B&I Tax Payment Impact in LY2022 for \$1,000,000 Homeowner (3)...	\$929

(1) Rates based upon market conditions as of July 18, 2022 and recent bond sales which PMA believes to be accurate and reliable for 2022 and plus 0.50% for 2023 and 2024.

(2) Actual tax rates and payments may vary based on District-wide EAV growth, individual homeowner reassessment, State Law changes, property tax rate initiatives, Cook County equalization factor and other factors.

(3) Includes \$10,000 homeowner exemption.

NOTE: Scenarios where a greater portion of the overall debt is issued in advance of the expenditures of the proceeds will likely result in higher fees earned by the investment manager of the debt proceeds.

[LIVE Tax Calculator](#)

Other Considerations

Winnetka Park District Partnership

Capital Planning Without Referendum Funds

Winnetka Park District Partnership - Land Conveyance

- Verbal agreement from Park District regarding land conveyance that would allow for space necessary to complete Crow Island gymnasium build
- Land conveyance would only happen with a successful referendum
- Land survey work began as a part of the Board approved Crow Island design work this summer

If the Referendum Does Not Pass

- Absence of referendum funds will require the district to engage other funds earmarked for education in order to address the critical needs
- \$51.6MM in Health/Life Safety & critical needs must be addressed
 - 19 year plan prioritizing \$4mm spending per year (inflation factored at 4%)
 - Plan would be achieved 16 years later than referendum work
- Educational programming at Hubbard Woods and Crow Island would be impacted and schedules further adjusted
- An incremental educational tax levy may be needed to fund school operations
- Non-building impacts:
 - Limit ability to make typical upgrades to technology and respond to evolving needs
 - Impact on teacher recruitment in coming years with scheduled retirements and continued facility needs
- A 3-5 Year Critical Capital Plan will be necessary based on the facility information gathered during referendum planning
 - This capital planning process would begin in November 2022, with Summer 2023 already addressed through the fall bid process
 - Funds would be distributed across all schools

Summary of Overall Referendum “Ask”

For more information visit -

[https://www.winnetka36.org/district/
2022-downsized-capital-improvement-plan](https://www.winnetka36.org/district/2022-downsized-capital-improvement-plan)



SUMMARY OF PROPOSED IMPROVEMENTS AT EACH SCHOOL

The Winnetka Public Schools District 36 is returning to the ballot this fall with a new, downsized capital improvement proposal.

The new \$59.4 million funding proposal, which is about 35% smaller than the referendum voters turned down in 2019, is focused primarily on maintenance, repairs and critical upgrades to all five District 36 schools. The new proposal also calls for The Skokie School to stay open, continuing to serve 5th and 6th graders.

Among the many anticipated benefits of the proposed capital improvements include making District 36's schools healthier, safer and more secure; improving ADA accessibility; enhancing energy efficiency; and reducing emergency repairs.

- ✓ Part of new, downsized capital improvement proposal
- X Previously addressed
- ▲ To be addressed with District funds
- Not applicable to that school

	Crow Island	Greeley	Hubbard Woods	The Skokie School	Carlton Washburne
✓ Proposed Improvements					
Secure entry vestibules • Addresses best practices for safety and security, including access control	✓	✓	✓	✓	✓
Health/life safety upgrades • Corrects code issues resulting from building deterioration, previous modifications and new code requirements	✓	✓	✓	✓	✓
Americans with Disabilities Act (ADA) improvements, including code upgrades to restrooms, ramps and building access • Improves accessibility for students, staff and visitors	X	✓	✓	✓	✓
HVAC upgrades to address air quality, air flow and temperature control issues • Increases air filtration to meet new COVID guidelines, reduces allergens, increases number of air-exchanges, improves comfort level and enhances energy efficiency	✓	✓	✓	✓	✓
Electrical wiring and panel upgrades to support updated infrastructure and technology • Allows for updated technology, improves energy efficiency and reduces operating costs	✓	✓	✓	✓	✓
New water piping for updated HVAC • Improves efficiency by replacing outdated steam piping with dual-temperature piping	✓	✓	✓	✓	✓
Plumbing improvements • Replaces fixtures, sinks and toilets that have reached the end of their useful life	✓	✓	✓	✓	✓
Flooring, railings and hardware • Improves safety and creates more engaging learning environments	✓	✓	✓	✓	✓
New classrooms (matching historic architecture) to replace modular classrooms • Three new classrooms would allow for removal of temporary modular classrooms	✓	—	—	—	—
Multipurpose/cafeteria space • Would better meet the needs of working parents by providing room for students to eat lunch at school and would address space needs for before- and after-school childcare	✓	X	✓	X	X
New community-use gymnasium • The new gym would serve the Kinetic Wellness needs of students and the recreation needs of the community	✓	—	—	—	—
Resource center/library update • Updated resource centers would leverage instructional technology, enhance collaboration and promote experiential learning	✓	X	X	▲	▲

Election Day

- Tuesday, November 8
- Required non-attendance day in the state of Illinois

Questions

→ **Zoom: Submit Questions
in the Chat**



CROW ISLAND



Thank you!

Appendix



Questions and Answers

- ▶ **Impact of reassessment on the operating portion of the tax bill?**
 - ▶ Through the functioning of the tax cap law, large changes in reassessment will cause the limiting property tax rate to decrease significantly so that the District can only increase the tax extension by the lesser of CPI or 5% (plus new property).
 - ▶ As a reminder, Illinois collects taxes in arrears which means that the fall 2022 tax bill will incorporate the 2021 CPI of 1.4%.
 - ▶ Since the District is primarily residential (~95%), a home with an average re-assessment will see its fall 2022 tax bill increase by about 1.4 % for the District portion of the tax bill.
 - ▶ For example, the tax bill for a \$1 million home could vary by about \$70 for every 1% difference in its reassessment from the average.



Questions and Answers

- ▶ Impact of reassessment on the bond portion of the tax bill?
 - ▶ For a fixed bond levy, a larger reassessment rate will lower the bond tax rate such that the computation of the tax impact in terms of dollars will be about the same (i.e. currently approximately \$929 for a \$1 million home).
 - ▶ The bond portion of the tax bill for a \$1 million home could vary by about \$7 for every 1% difference in its reassessment from the average.



Questions and Answers

- ▶ **How does the reassessment impact the finances of the District?**
 - ▶ Since the District is subject to tax caps, the effect of reassessment on the District's finances is nil since new property tax revenues are capped by the lesser of CPI or 5%, and the new property added to the tax rolls. The tax cap will lower the tax rate to offset the increase in property values.
- ▶ **Will the reassessment impact the amount asked for in the referendum?**
 - ▶ No. The amount requested in the referendum is determined by the estimated construction costs for the project and the taxpayer impact is determined by the amount needed for the project and interest rates when the bonds are sold.



Scenario 1: Tax Impact on \$10,000 Bill

	2020	Add'l Rate for Bonds
Cook County	\$ 0.453	
Cook County Forest Preserve	0.058	
Consolidated Elections	0.000	
New Trier Twp	0.053	
Road and Bridge	0.000	
General Assistance	0.008	
Metropolitan Water Rec District	0.378	
North Shore Mosquito Abatement	0.009	
High School Dist 203	2.085	
Community College Dist 535	0.227	
Winnetka Park District	0.389	
Village of Winnetka	1.025	
Winnetka Public Library	0.223	
The District	3.015	0.297
TOTAL	\$ 7.923	\$ 8.220
 Total 2020 Tax Bill	 \$ 10,000	 \$ 10,375

Calculation based on tax bills for levy year 2020 paid in 2021, the most recent information available, for a taxpayer living in the Village of Winnetka with a total tax rate of \$7.923/\$100 of EAV and the 2020 Cook County multiplier of 3.2234. The computation includes the \$10,000 homeowner exemption (note certain taxpayers qualify for additional exemptions). The actual tax rates and payment may vary based on EAV growth relative to the District's EAV growth, State Law changes, property tax rate initiatives (e.g. a new bond issue for one of the other overlapping governments) and other factors. Does not include additional taxes available for operating purposes to all applicable taxing bodies under the property tax extension limitation law which would approximate \$140 for this example based on the applicable 1.4% CPI adjustment factor for levy year 2021 collected in 2022.

Source: Cook County Clerk

Increase:

\$ 375

If the Referendum Does Not Pass...

- Summer 2023's expected work has been divided into a base bid (should a referendum not pass) and alternates (to be added should a referendum pass)
- A 3-5 Year Critical Capital Plan will be necessary based on the facility information gathered during referendum planning
 - This capital planning process would begin in November 2022, with Summer 2023 already addressed through the fall bid process
 - Funds would be distributed across all schools