

U-46 Facilities Master Plan Update October 23, 2023

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Dr. Ann Williams, Deputy Superintendent of Operations



SCHOOL DISTRICT U-46



Today's Agenda

- Enrollment update
- Proposal for Hawk Hollow construction
- Proposals for architectural services
- Resolution of intent to issue referendum bonds



SCHOOL DISTRICT U-46



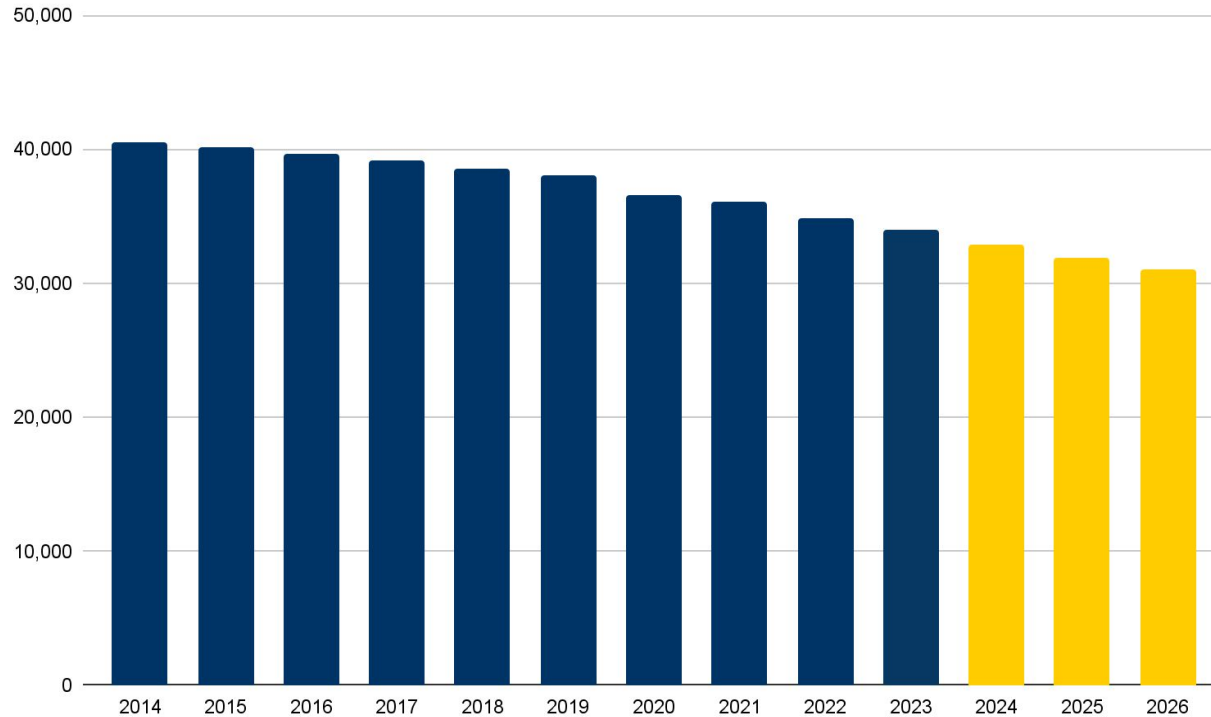
U-46 Enrollment Update

U-46 Enrollment Trend Data

Year	Enrollment	Change
2014-2015	40,487	
2015-2016	40,137	-350
2016-2017	39,711	-426
2017-2018	39,205	-506
2018-2019	38,571	-634
2019-2020	38,014	-557
2020-2021	36,623	-1,391
2021-2022	36,107	-516
2022-2023	35,338	-769
2023-2024	34,864	-474

Includes Private Placement, Central Schools Program, DCFS, and Home/Hospital

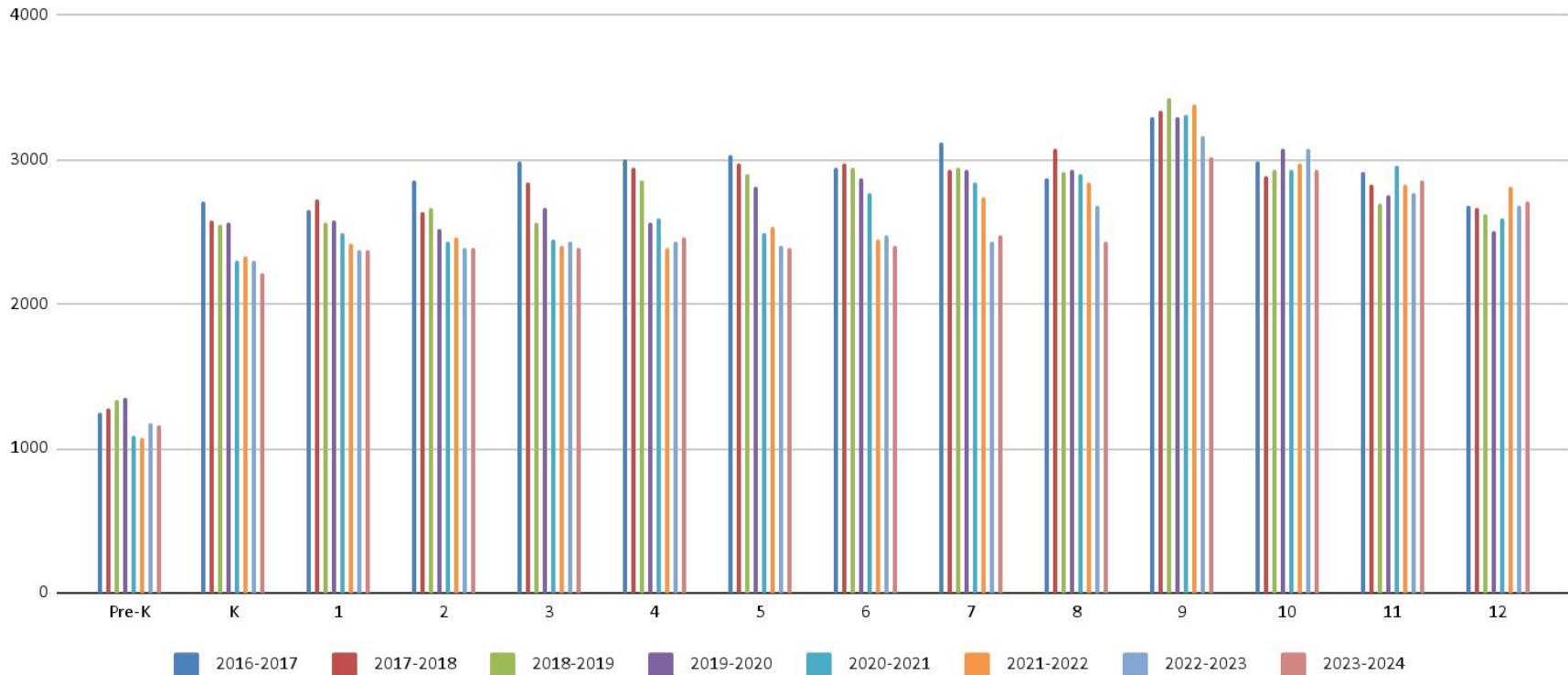
U-46 Enrollment Trend Data



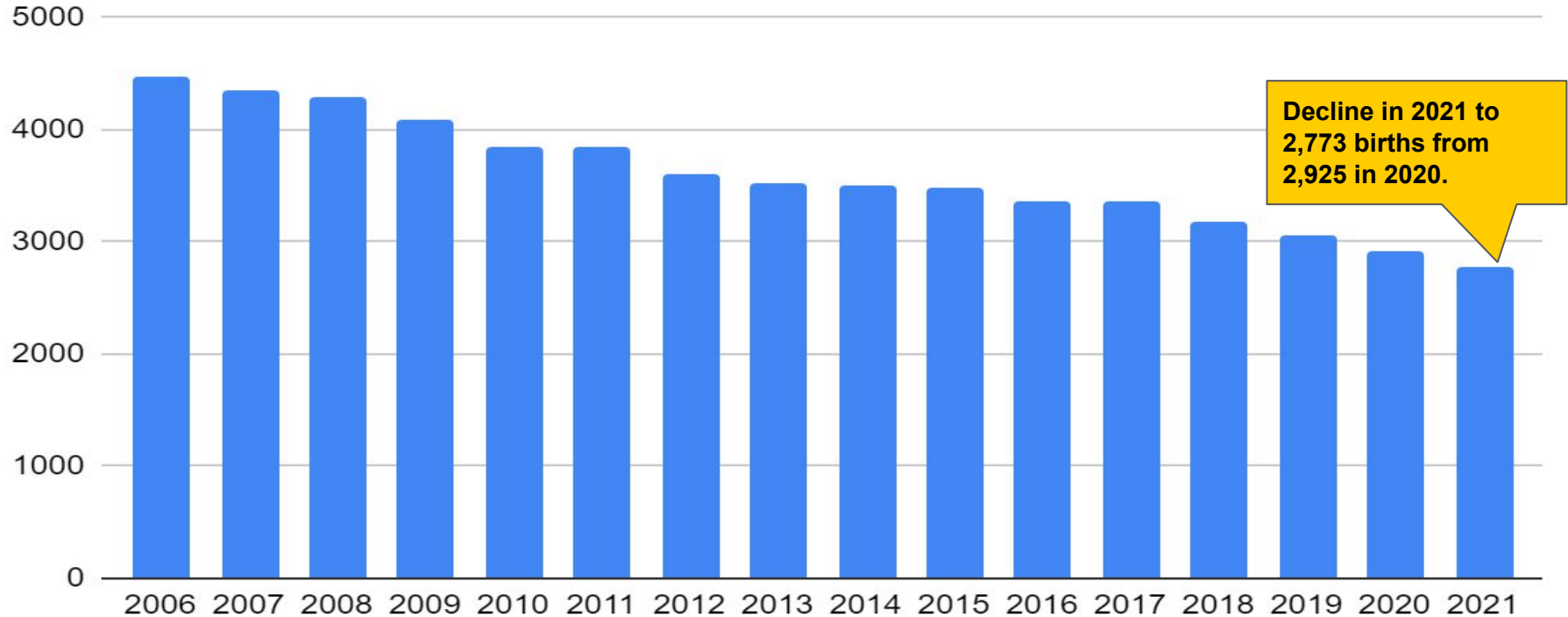
**Enrollment forecast
projects continuing
to lose several
hundred students
per year**

U-46 Enrollment History

Number of Students by Grade Level
Excludes Externally Placed Students



Impact of Declining Birth Rates



Historical Birth Data in U-46 Attendance Area

Source: Vital Statistics Dept of Illinois. Includes births in the zip codes / communities served by U-46.

Early Childhood Enrollment Comparison

2021	1,030
2022	1,108
2023	1,166
difference	58

Total Elementary School Enrollment Comparison

(Excludes Private Placement, DCFS, Home/Hospital)

2022-2023	16,808
2023-2024	16,634
difference	-174

20 Elementary Schools Decreased in Enrollment

Significant increases:

- Channing 118
- Huff 66
- Prairieview 203
- Spring Trail 49

Significant decreases:

- Coleman (-29)
- Hilltop (-38)
- Ridge Circle (-25)

Total Middle School Enrollment Comparison

Excludes Private Placement, CSP, DCFS, and Home/Hospital

2022-2023	5,109
2023-2024	4,900
difference	-209

6 of our 8 middle schools decreased in enrollment

Increases:

- Abbott 10
- Eastview 21

Decreases:

- Canton (-29)
- Ellis (-44)
- Kenyon Woods (-43)
- Kimball (-34)
- Larsen (-67)
- Tefft (-23)

Total High School Enrollment Comparison

Excludes Private Placement, CSP, DCFS, and Home/Hospital

2022-2023	11,954
2023-2024	11,849
difference	-105

4 of our 5 Comprehensive High Schools Decreased in Enrollment

Increases:

- DREAM (54)
- BHS(24)

Decreases:

- EHS (-101)
- LHS (-35)
- SEHS (-38)
- SHS (-20)

Proposal for Hawk Hollow construction



Hawk Hollow Construction Recommendation

- Invitation to bid released August 14
- Six bids were submitted and reviewed by team
- Recommendation is to award the bid to George Sollitt Construction Company for \$52.4M
- Substantial completion planned for July 2025

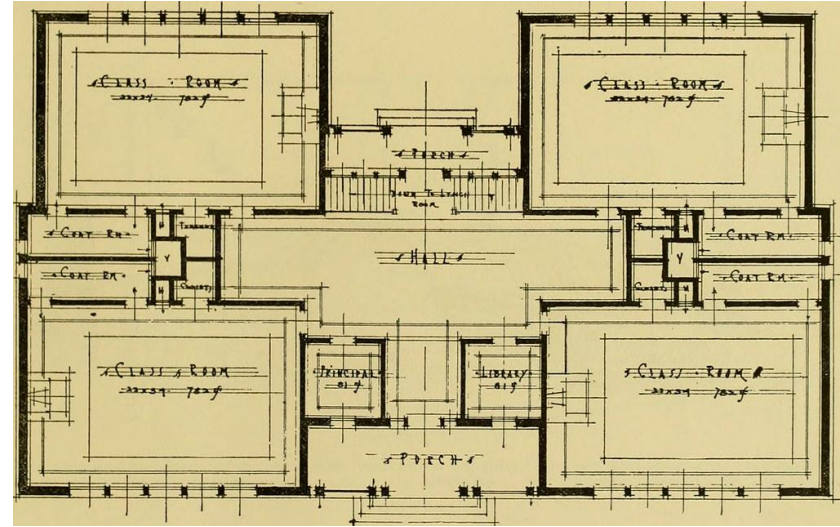


Proposals for architectural services



Proposal for Architectural Services

- Recommendation to approve proposals from DLA Architects for the construction of a new Elgin middle school and an addition/renovations to Kimball Middle School
- Kenyon Woods Middle School proposals are still under consideration
- Substantial completion dates of both projects by July 2026



Financing the Unite U-46 Initiative



Funding Sources For Buildings



Operating Funds

Ongoing expenses

Examples

Salaries
Utilities



Reserve Funds

One-Time Expenses

Examples

Facility Updates
One-Time Economic Changes



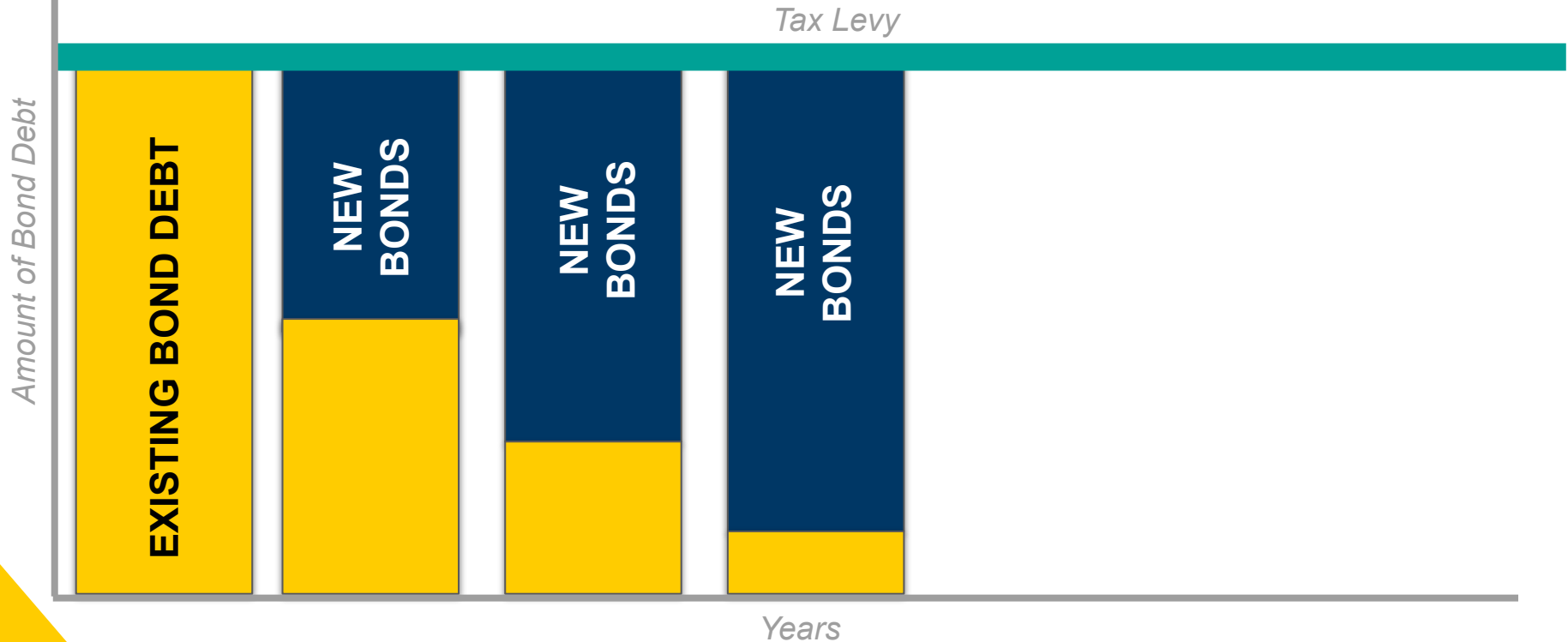
Bonds

Large Capital Expenses

Examples

New Buildings
Major Facility Updates

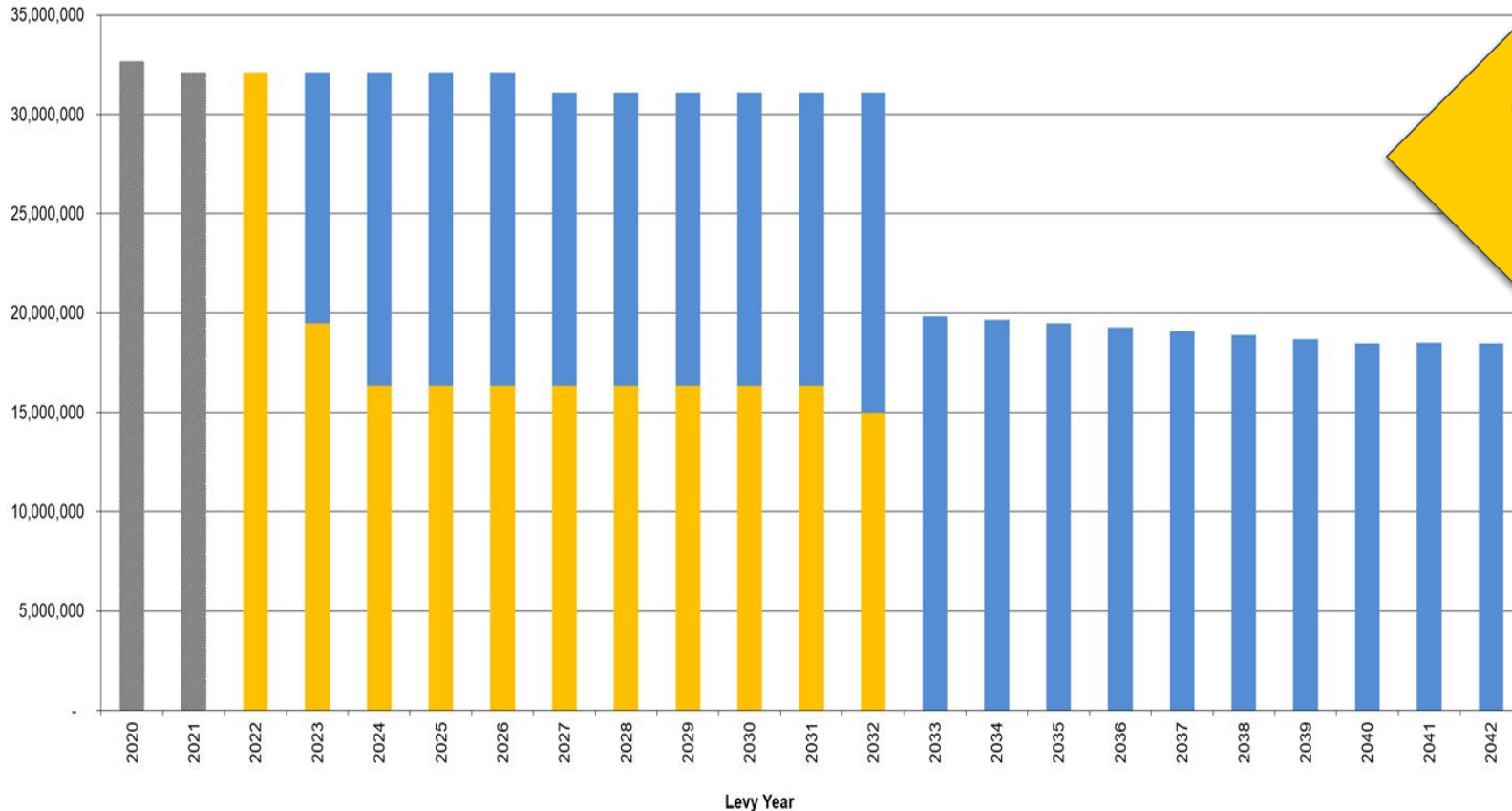
Example of New Bond Debt The District Can Issue Without Changing The Amount The Community Pays



Proposed Debt Summary

(from Sept. 2022 Unite-U46 session)

Proposed \$179.6M Referendum Bonds and \$27.1M DSEB Bonds December 2023



**Zero rate
increase**

From the Unite U-46 Committee
Recommendations to the Board of
Education in December 2022



INVESTMENT
\$310-\$380
MILLION

Proposal Would Result In
Zero Tax Rate Change
For Residents*

**Combination of reserve and bond
financing.**

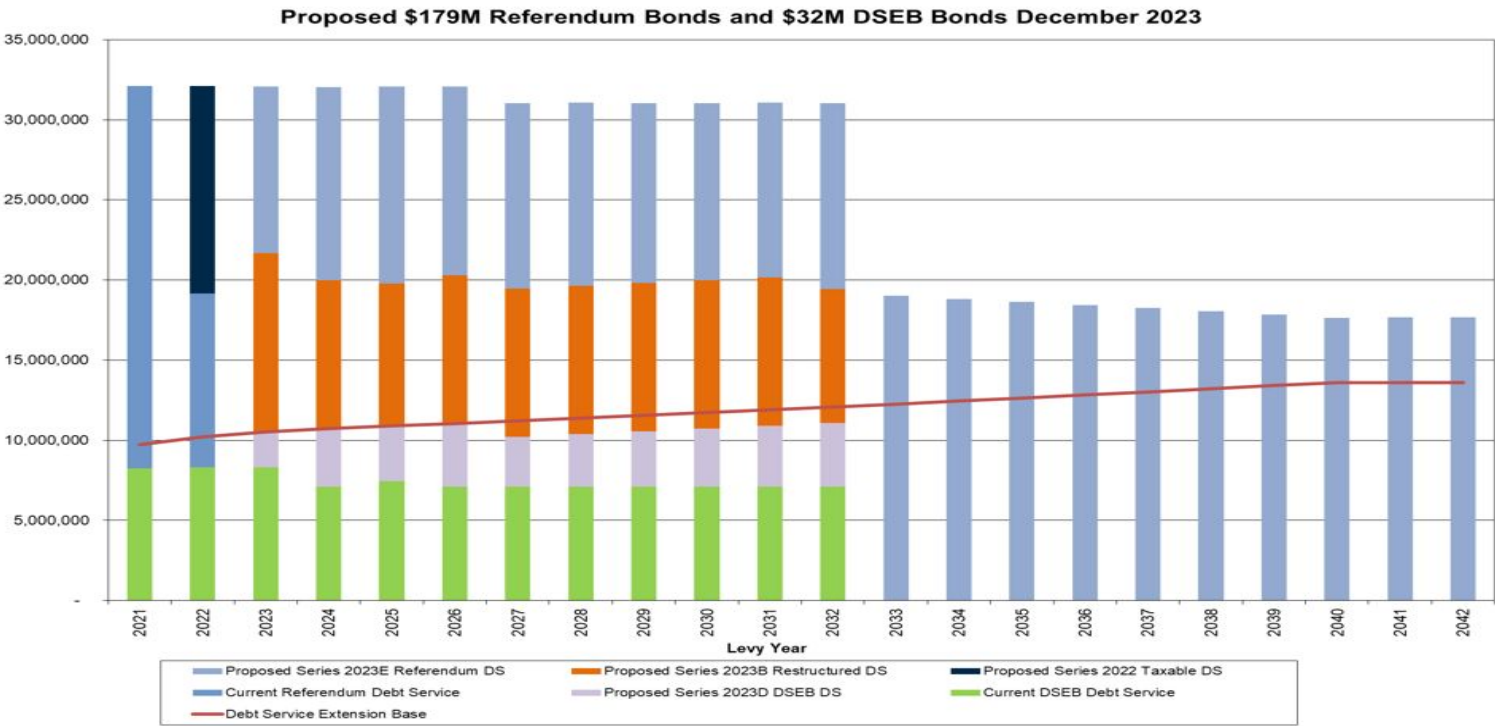
**Requires a successful referendum in
April 2023 to raise \$179M.**

** Zero impact to the portion of tax rate
used for paying down U-46 debt.*

Fulfilling the Promise: Improving Schools without a debt tax rate increase

THE PROMISE (INCLUDED REFERENDUM AND NON-REFERENDUM BONDS)

PUBLIC FINANCE



During the referendum campaign, the District promised taxes would not increase for the debt portion of the levy due to retirement of existing bonds.

Referendum vs. Non-referendum Debt



Referendum debt- requires ballot question

Non-referendum debt- requires room within a district's debt service extension base*.

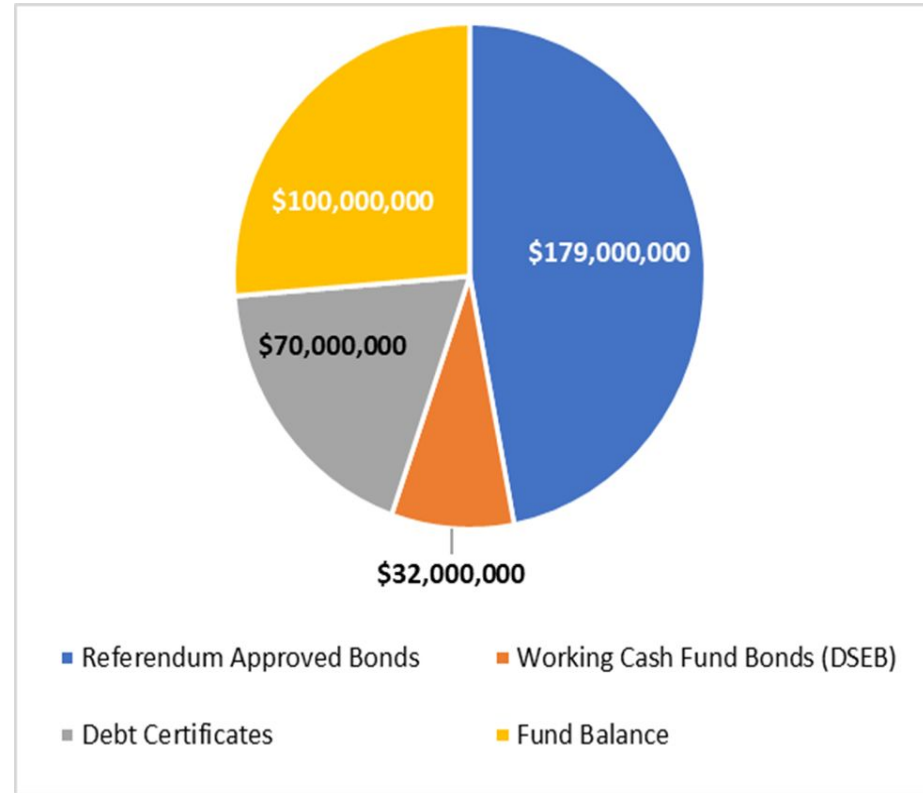
- working cash bonds
- life safety bonds
- funding bonds
- debt certificates*

*Debt certificates are not subject to the debt service extension base

Unite U-46

Estimated Summary of Funding Sources

Fulfilling the Unite U-46 Promise will require multiple funding sources including referendum bonds, working cash (DSEB) bonds, fund balance, and possibly debt certificates



Funding Sources for Unite U-46 Initiatives

Building Bonds-used to pay the cost of acquiring school sites and construction of school buildings

Working Cash Fund Bonds-a savings account that may be transferred to other funds for operational or capital project purposes

Cash Reserves-cash that the district keeps on hand to address cash flow needs, emergencies or for savings

Debt Certificates-installment financing agreement paid from operating funds



Debt Service Extension Base

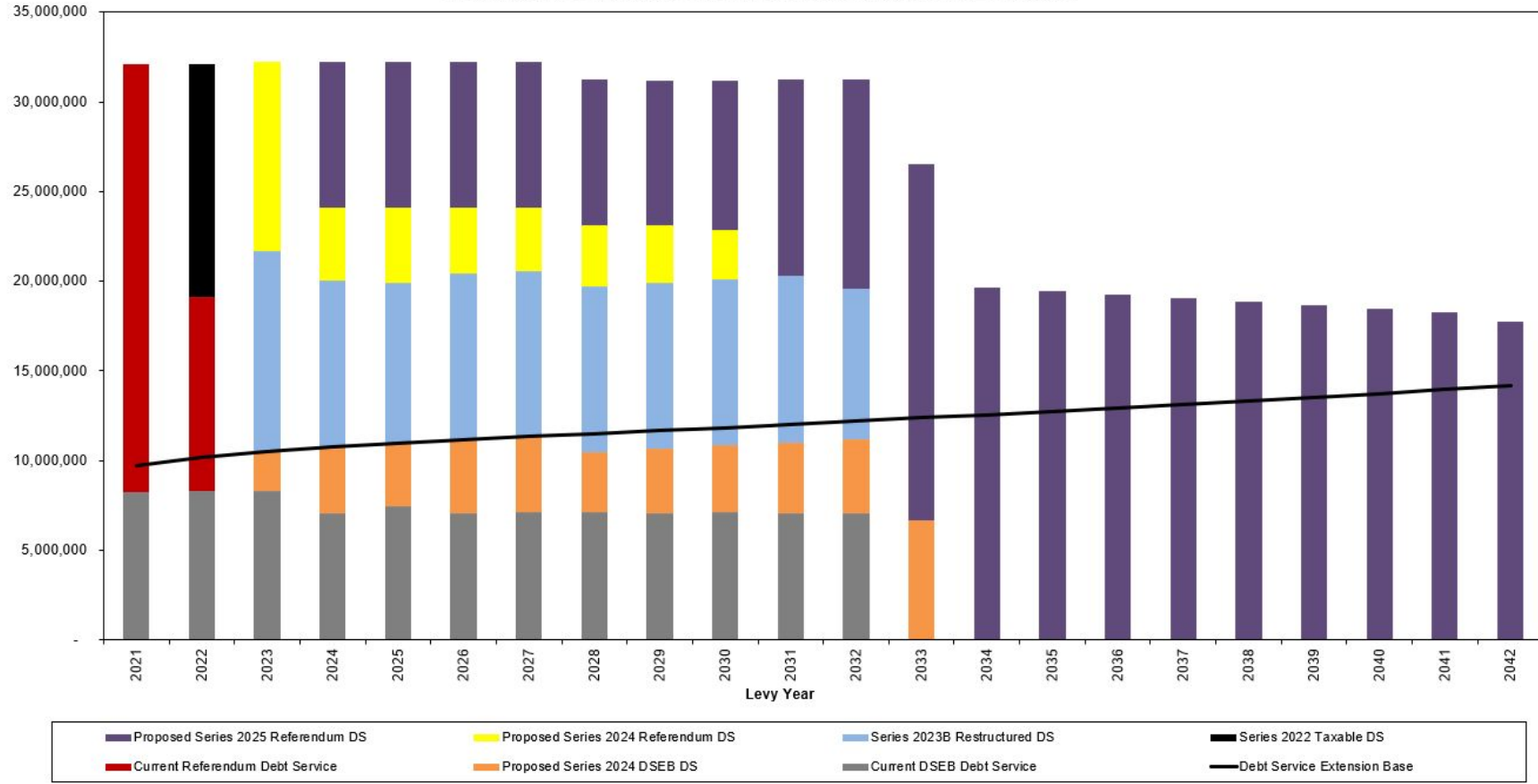
**The district's debt service
extension base is roughly
\$10.2 Million (TY 2022)**

**The debt service extension
base represents the
maximum annual tax levy
that a taxing body can
extend to pay principal and
interest on its
non-referendum debt.**

Proposed Unite U-46 Debt Plan



Proposed \$179M Referendum Bonds and \$32M DSEB Bonds



Unite U-46 Bond Issuance Timeline



October 23rd

- Discuss financial plan for Unite U-46 work

November 6th

- Review Unite-46 construction funding plan and schedule
- Introduction of Resolution of Intent to Issue \$35M non-referendum working cash bonds and recommendation to set public hearing date
- Introduction of Parameters Resolution for the issuance of \$35M non-referendum working cash bonds and a portion of the \$179M referendum approved bonds

November 13th

- Conduct Public Hearing
- Continued discussion on Resolution of Intent to Issue Bonds
- Continued discussion on Parameters Resolution

November 20th

- Approve Resolution of Intent to Issue Bonds

Unite U-46 Bond Issuance Timeline

continued

December 4th BOE Meeting

- Continued discussion on Parameters Resolution (as needed)
- Introduce Abatement Resolution

December 11th Meeting

- Continued discussion on Parameters Resolution (as needed)
- Continue discussion on Abatement Resolution

December 18th Meeting

- Approve Parameters Resolution

January - February

- Sell bonds (date will depend on market conditions)
- Close bond issues, invest bond proceeds

February 26th BOE Meeting

- Approve Abatement Resolution

In Summary...

- **Initiating the bond issuance Process includes:**
 - Intent to Issue \$62M in various bond instruments
 - Public notice and hearing
 - Consideration of bond issuance resolutions
 - Issuance of bonds
- **The District has five years from the time of referendum (April 2023) to issue all of the \$179M referendum bonds**
 - Additional details will be provided during the November Finance Committee meeting and November and December Board meetings



Next Steps

November 6, 2023 Finance Committee Meeting

- Review Unite-46 construction funding plan and schedule

November 6, 2023 Board Meeting

- Introduction of Resolution of Intent to Issue \$35M non-referendum working cash bonds and recommendation to set public hearing date
- Introduction of Parameters Resolution for the issuance of \$35M non-referendum working cash bonds and a portion of the \$179M referendum approved bonds

THANK YOU!

