

## **District 23 Finance Committee Meeting**

Monday, April 3, 2023 6:00 PM

Grodsky Administration Building, 700 N Schoenbeck Rd, Prospect Heights, IL  
60070

### **I. Call to Order**

### **II. Discussion Items**

II.A. FY24 Preliminary Budgetary Guidelines

II.B. MaRous & Company Appraisal Report on  
Carousel Park

II.C. Gymnasium Painting Services Bid -  
Recommendation for Award

II.D. NSSEO - FY24 Preliminary Budget

II.E. FY24 EBC Insurance Renewal Rates

II.F. Workers' Compensation Renewal

II.G. Honeywell Building Performance Service  
Agreement - Renewal

II.H. Financial Overview

II.I. Joint Construction Committee

### **III. Old Business**

### **IV. New Business**

### **V. Adjournment**



**PROSPECT HEIGHTS DISTRICT 23  
BOARD OF EDUCATION  
INFORMATION ITEM**

**Date:** October 12, 2022

**Title:** 2023-24 Budget Calendar

**Contact:** Amy McPartlin, Assistant Superintendent for Finance & Operations

DATE RANGE	BUDGET PROCESS
10/12/2022	Board Approves the 2022-23 Budget Calendar
11/9/2022	Board Approves the 2022 Tentative Property Tax Levy
12/14/2022	Board Holds Public Hearing on the 2022 Property Tax Levy
	Board Approves the 2022 Property Tax Levy
01/11/2023	Resolution to Authorize Appointment of Individual to Prepare Budget
01/01 - 02/15/2023	Administration Develops Preliminary Financial Guidelines & Assumptions
02/27/2023	202-24 Preliminary Financial Guidelines and Assumptions are Presented to Finance Committee
03/08/2023	Board Approves the 2023-24 Preliminary Financial Guidelines & Assumptions
03/15 - 04/30/2023	Building Principals and Program Administrators Develop Tentative Budgets
04/15 - 05/30/2023	Budget Meetings with Building Principals & Program Administrators
05/01 - 06/30/2023	Business Office Assembles the 2023-24 Tentative Budget
06/30/2023	Finance Committee to Receive Tentative Budget
07/15 - 08/01/2023	Business Office Prepares the Final Budget
08/9/2023	Board Approves the 2023-24 Tentative Budget and Sets the Date for Public Hearing on Final Budget
	Board Secretary Places the 2023-24 Tentative Budget on Public Display
09/13/2023	Board Holds Public Hearing on the 2023-24 Final Budget
	Board Approves the 2023-24 Final Budget



**PROSPECT HEIGHTS DISTRICT 23  
BOARD OF EDUCATION  
ACTION ITEM**

---

**Date:** April 12, 2023  
**Title:** 2023-24 Preliminary Budget Guidelines and Assumptions  
**Contact:** Amy McPartlin, Assistant Superintendent for Finance & Operations

---

**BACKGROUND INFORMATION**

Budgets are estimates of projected revenues and expenditures for a specified period of time. For school districts this is a one-year period (fiscal year), which runs from July 1 through June 30.

In December 2022, the Board of Education approved its 2022 Property Tax Levy having made the following adjustments in order to maximize funding to the Education Fund:

- Slightly Reduced the Extension to Working Cash
- Continued to Reduce the Extension to Transportation
- Reduced the Extension to Tort

The District continues to look at increasing efficiencies across all programs. Currently, budgeted Operating (10, 20, 40, 50, 80) fund revenues for FY23 are estimated at \$28,183,830. Budgeted Operating and fund expenditures for FY23 are estimated at \$27,454,090.

Projections as of January 31, 2023 show expenditures currently under budget by approximately \$87,000. We are still seeing delays in receipts of Cook County property taxes as the due date for the first installment of 2022 taxes was moved to April 3rd. Revenues that typically started in February are just starting during the last few days of March and have not yet been recorded. Other revenues are coming in as projected and spending is on track with prior years. As we work to close out the fiscal year, we will continue to keep the Board informed of the progression of revenue receipts.

**ADMINISTRATIVE CONSIDERATIONS**

The Board of Education has authorized the development of the District's budget for the 2023-24 fiscal year.

Based on changes in economic conditions at the local, state, and federal level, these estimates are subject to change since many factors that impact the new budget are unknown during the early stages of its development. As financial data is updated, we will adjust the District 23 budget accordingly.

Listed below are the guidelines, assumptions, and parameters that will be used in developing the 2023-24 budget:

## **REVENUE**

- State funding for the 2023-24 school year is projected to increase slightly. This will continue to be beneficial for District operations.
- We continue to receive quarterly grant revenue on a reimbursement basis from our available funding. As was the case with FY23, we will allow for the rollover of unused grant funds to be spent in FY24 but are pushing for the prompt reconciliation for year-end expenditures.
- The Equalized Assessed Valuation (EAV) for 2021 was \$554,709,239, down from 2020's EAV of \$606,125,712. The EAV for 2019 was \$607,532,209. The EAV for 2018 was \$548,505,405. The EAV for 2017 was \$553,717,876.
- Next year's overall tax receipts are based on the Consumer Price Index (CPI), the estimated new growth to the tax base, the impact of tax caps, and refunds.
- The Consumer Price Index (CPI) reported as of December 31, 2022 is 6.5%. As we are subject to the Property Tax Limitation Law, our property tax revenue increase due to CPI will be capped at 5%.
- Evidence-Based Funding (EBF) consolidates and replaces five grant programs: General State Aid, Special Education Personnel, Special Education Funding for Children Requiring Services, Special Education Summer School, and English Learner Education. EBF distributes these funds through a single grant, called the Base Funding Minimum. EBF funding for the 2023-24 school year is expected to reflect minor increases.
- Interest rates on investments continue to remain relatively low. During 2023-24 it is anticipated that rates will increase incrementally. District 23 continues to receive less interest income based on deferred and delayed state and local revenues.
- Property taxes are the District's largest source of revenue for 2023-24. In alignment with historical collection rates of 99% - 102% (prior years' collections), estimated collection rates for 2023-24 will be budgeted between 99% and 100%.
- As was the case with all Cook County taxing bodies this past fall, the District experienced significant delays in the receipts of property tax revenues. By acting to accelerate the issuance of its planned \$2M Working Cash Bond issuance the District was able to avoid more costly short term borrowing. This funding is now available and being held in the Working Cash Fund for upcoming Capital Projects.

- Facility rentals continue to return to their pre-pandemic levels with the two Polish Schools and The Day Group fully in-person. 2023-24 should continue to realize revenues from additional renters that had previously scaled back their offerings and operations during the pandemic.
- The renegotiated contract with Township High School District 214 resulted in an additional \$30,000/year which will continue to be partially allocated towards district wide projects.

### **ENROLLMENT**

- The three-year cohort survival enrollment projections will be used in calculations for enrollment related budget allocations. The enrollment report shared at the January Board of Education meeting reflected a slight decrease from 2022-23 to 2023-24 with overall student enrollment dropping from 1,416 to 1,374 (not including Early Childhood).

### **SALARIES**

- Negotiations are still underway with the Prospect Heights Education Association. Anticipated increases to (PHEA) employees' base salaries have been projected and will be reflected in the preliminary budget.
- Negotiations with the Service Employees International Union - Local 73 (SEIU) employees' will begin mid-April. Anticipated increases to (SEIU) employees' base salaries have also been projected and will be reflected in the preliminary budget.
- Administrator and director salaries will be negotiated for a start date of July 1, 2023.

### **STAFFING**

- The staffing calendar identifies the dates that staffing decisions are scheduled. As specific staffing decisions are made, adjustments will be incorporated in the budget.
- For the purposes of the development of the preliminary 2023-24 budget, staffing has been determined based on estimated student enrollment, program needs, and funding sources.
- Review and plan for reallocation, attrition, and efficiency of operations based on program needs and funding sources. At this time, six full-time (five certified and one ESP) PHEA staff members will be retiring at the end of the 2022-23 school year. All six positions have been posted for replacement hires.
- As previously discussed with the Board at the March 8th Board meeting, the following staffing changes have been proposed for the 2023-24 school year:
  - Decrease 2 FTE - MacArthur 6th Grade
  - Increase in 2 FTE - ESL Teachers (Newcomer & Testing Support)
  - Increase .5 FTE Behavioral Coach, SAIL Program
  - Increase .5 FTE - .25 Each at Ross & Sullivan for Library Aides

- Increase .375 FTE - Clerical Support in Main Elementary Offices (3)
- Increase of .2 FTE and Reallocation of .3 Custodial - Clerical Support at Admin.
- Special Education Specialist Increase of \$10,000
- Currently allocated \$55,000 Staffing Contingency may be utilized by 4th Grade, based on actual enrollment
- Retirements and Replacements of 6 PHEA Members as shared above
- Total Change in FTE: + 2.325 FTE
- Total Net Impact to Budget: Approximately \$155,000 in overall savings
- Other Staffing Considerations:
  - Dedicated Buildings Subs - Administration is investigating continuing to fund these 4 FTE from contracted services at a cost of \$35,000 each. Preselected benefits would be offered.
  - School Resource Officer - Administration is investigating a partnership with Prospect Heights Police Department to contract for a dedicated SRO. Estimated costs are \$125,000 for prorated salary and benefits.
  - Social/Emotional/Behavior Program - Administration is investigating the development of an in-house program to serve students with behavioral needs. Dr. Sroka will present at the April Board meeting and explain the purpose and costs/savings associated with adding this service.

### **SEIU Custodial Association (SEIU) Staffing**

- Review and plan for reallocation, attrition, and efficiency of operations based on program needs and funding sources. At this time, there are no projected custodial retirements through the end of the 2022-23 school year.

### **Educational Support Staffing**

- Review and plan for reallocation, attrition, and efficiency of operations based on program needs and funding sources.

### **BENEFITS / INSURANCE**

- For 2023-24, insurance markets are projected to remain challenging. This year the premium for the District's property and liability coverage offered through the Suburban School Cooperative Insurance Pool (SSCIP) reflects an increase of 5.45% over last year's premium.
- SSCIP is also projecting a 17% increase in our cyber-liability coverage of approximately \$16,000. While significant, this is still far lower than we are seeing across the market.
- With regard to our medical and dental benefits, the Educational Benefits Cooperative (EBC) is currently projecting a 11.4% increase in PPO and a 7.5% increase in the HMO option for health insurance costs. Dental insurance is expected to increase 2.6% in the coming year. Increases to employee benefit costs have been projected and will be reflected in the preliminary budget.

## **BUDGET ADJUSTMENTS**

- In general, line items for purchased services, supplies, and equipment are being frozen or reduced based on actual spending amounts.
- To support programmatic needs, the following adjustments will be made to the 2023-24 Budget:
  - The additional 2.325 FTE as proposed in the Preliminary Staffing Plan will result in an approximate \$155,000 reduction to the staffing budget. These funds may be allocated to additional staffing being presented at the April Board Meeting.
  - As has been previously discussed with the Board, an additional allocation of \$100,000 will be requested as part one of the two-year plan for replacement of all District wireless access points. Total projected cost is anticipated at \$215,000.
  - The Per Pupil Allocation will again be held at \$188.00/student for the 2023-24 school year. This amount has been held since the 2019-20 school year. As we have eliminated the practice of allowing for budgetary carryovers, principals have been encouraged to spend their budgets thoughtfully and within the appropriate school year. We will continue the non-discretionary set aside amount equal to 25% of the Cost Per Pupil (\$47/student) for furniture replacements. These non-discretionary funds total \$66,458. We will also continue to budget an additional non-discretionary allocation of \$50,000 for the District-wide Furniture Replacement Plan to be split between the buildings based on a per-pupil basis.

## **SPECIAL EDUCATION**

- 2023-24 NSSEO tuition costs and programs are being reviewed and budgeted by NSSEO. Final NSSEO program costs will reflect necessary changes with the member districts' shares being budgeted by each district.
- Administration will continue to budget for the needs of its current Special Education population. Additional funds will be allocated in the Special Education functions for unanticipated student outplacements and obligations.

## **CAPITAL PROJECTS**

- Final HVAC retrofit work will continue during the summer of 2023 at MacArthur in FY24.
- Approved capital projects will continue to be funded largely by the 2021 and Fall, 2022 Working Cash Bond proceeds. Total Fund 60 work for 2022-23 will be budgeted at \$1.3M which includes the Phase II HVAC work at MacArthur and potential funds for pavement repair and the district's potential 50% share of the Ross Sullivan MPR wall replacement of approximately \$80,000.
- Fund 20 projects for 2023-24 will include ongoing facility maintenance and repair work with the budget remaining flat.

## **TECHNOLOGY**

- Technology Services is anticipating continued replacement and updates of equipment and applications during 2023-24. At this point, they anticipate completing the scheduled projector replacements at Eisenhower over the summer.
- Ongoing cabling, network upgrades, replacements of access points, staff and student devices, and continued support of instructional software needs remains a priority and will be budgeted with existing allocations.

## **TRANSPORTATION**

- The transportation contract with First Student was verbally re-negotiated for an additional one-year term, effective August 1, 2023.
- For 2023-24 increases in student transportation costs are estimated to be budgeted at a 9% increase based on our current contract, fuel costs and usage of taxi transportation for SPED and McKinney-Vento students.
- While transportation revenues continue to be a concern based on possible State transportation revenue prorations and reductions, we have not yet received word of any planned reductions for the 2023-24 school year.
- Administration continues to review options for student transportation cost containments through route refinements and pairings.

## **TRANSFERS, LOANS, AND ACCOUNTING RECOMMENDATIONS**

- The transfer from Operations and Maintenance to the Capital Projects Fund may be recommended for the funding of future capital projects.
- The State of Illinois makes employer pension contributions directly to Teachers' Retirement System (TRS) on behalf of the District. Since the District has no responsibility in oversight of the process and the net effect on the annual budget is \$0, the District will not include an estimate for these "on-behalf" receipts and disbursements in its budget.
- Through the district's audit firm, Baker Tilly, the Business Office is in the process of transitioning to a modified accrual basis of accounting. This process will lead to a more transparent and reflective process of expenditure and revenue recognition, while acknowledging the district's longer-term obligations.

## **RECOMMENDED ACTION**

That the Board of Education approves the proposed guidelines, assumptions and budget adjustments relative to the preparation of the 2023-24 fiscal year budget.



February 15, 2023

Prospect Heights School District 23  
700 North Schoenbeck Road  
Prospect Heights, Illinois 60070

Attention: Amy K. McPartlin, CSBO

Subject: Carousel Park  
1925 East Suffield Drive  
Arlington Heights, Illinois 60426  
PIN 03-16-105-006

Dear Ms. McPartlin:

The land located at 1925 East Suffield Drive in Arlington Heights, Illinois, has been inspected and appraised. The subject property consists of approximately 211,714 square feet.

#### **PURPOSE OF THE ASSIGNMENT, DATE, AND INTENDED USE AND USER OF THE APPRAISAL**

This restricted appraisal report has been prepared specifically for the use of Prospect Heights School District 23. Anyone else who uses this report is considered to be an unintended user. A restricted appraisal report includes less written detail and analysis; sets forth only the conclusions; and, as stated by the *Uniform Standards of Professional Appraisal Practice* (USPAP), Standard 2-2(b)(I), “the rationale for how the appraiser arrived at the opinions and conclusions set forth in the report may not be understood properly without additional information in the appraiser’s work file.”

The purpose of this appraisal is to estimate the fee simple value of the subject property, as of January 24, 2023, the date of inspection, in order to assist the client in determining at what price the property would sell if exposed for sale in the open market, litigation purposes, and for potential acquisition of the property.

#### **DEFINITION OF MARKET VALUE**

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are informed or well advised, and acting in their best interests;

- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.<sup>1</sup>

## **SCOPE OF WORK, APPRAISAL DEVELOPMENT, AND REPORTING PROCESS**

In order to develop the fair market value of the fee simple estate of the subject property, an inspection was made by Michael S. MaRous and Stephen A. Vizcarra on January 24, 2023. Information from the immediate and general areas for land sales were gathered, as applicable.

In addition, the physical and economic factors that could affect the property being appraised were researched. General and specific information pertaining to the subject property and its surrounding neighborhood was analyzed to determine the highest and best use of the land as though vacant.

Market research was conducted to compile information concerning the general conditions affecting the type of property being appraised and to develop sales of comparable properties. General and specific information regarding the subject property, comparable land sales, and/or relevant market data was taken from a variety of public and/or subscription sources, including mapping programs, governmental and private sector websites, and other miscellaneous resources and reference materials. Unless otherwise indicated, site sizes and land dimensions were taken from public records. No plat of survey was provided to us. Interviews with brokers, appraisers, developers, and lending institution representatives, as well as information from within MaRous & Company office files, were used to provide information for this report.

This restricted appraisal report sets forth only the appraisal conclusions. Supporting documentation is retained in the MaRous & Company files.

## **HISTORY AND USE**

The *Uniform Standards of Professional Appraisal Practice* (USPAP) requires reporting and analysis of any sale transactions and any current listing, pending sale, or option involving the subject property during the past 3 years. According to public record, the subject property is owned by Prospect Heights School District 23 and has been so owned for a period exceeding 3 years. The subject property is not currently listed for sale as of the date of this report.

---

<sup>1</sup> 12 C.F.R. Part 34.42(g); 55 *Federal Register* 34696, August 24, 1990, as amended at 57 *Federal Register* 12202, April 9, 1992; 59 *Federal Register* 29499, June 7, 1994.

## EXTRAORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

Please refer to the standard assumptions and limiting conditions in this report. MaRous & Company has not been provided copies of the plat of survey of the property being appraised. If additional information about the subject property is received or becomes known, MaRous & Company reserves the right to determine whether this information has a substantive impact on the valuation of the subject property and to adjust values accordingly.

## LOCATION DESCRIPTION

Arlington Heights provides direct access to Interstate 90 with a full interchange at Arlington Heights Road. Route 53 provides links to Interstate 90, Interstate 290, Interstate 355, and Interstate 55. Route 53 offers six interchanges in Arlington Heights. Interstate 294 (the Tri-State Tollway) is located 8 miles southeast of Arlington Heights via Interstate 90. This provides access to Chicago and O'Hare International Airport. The village's two train stations provide commuters Metra service to Chicago in generally over 30 minutes during rush hour. Pace bus services are also available.

<b>Area:</b>	16 Square Miles
<b>County:</b>	Cook
<b>Government:</b>	Council-Manager
<b>Population:</b>	77,676 (2020 ESRI Data); 76,871 (2022 ESRI Data); 74,890 (ESRI Projection 2027)
<b>Income (2020):</b>	Median Household Income: \$112,650 Average Household Income: \$153,205
<b>Housing (2022):</b>	76% owner-occupied 24% renter-occupied
<b>Employment:</b>	39,104 unemployment insurance-covered jobs
<b>Office Development:</b>	Over 5 million square feet including major office complexes and headquarters
<b>Industrial/Flex Development:</b>	Over 5 million square feet with three industrial corridors
<b>Retail Development:</b>	Over 5 million square feet, conducting more than \$1.2 billion in annual retail sales
<b>Lodging:</b>	Nine national chain hotels and motels Nearly 1,700 rooms
<b>Restaurants:</b>	Approximately 200 establishments

Additional attractions include Metropolis Performing Arts Centre and a movie theater, both downtown, a Japanese grocery store, quaint shops, national store chains, and a mix of businesses.

Arlington Alfresco is an open-air, pedestrian friendly, shopping, dining, and entertainment experience in downtown Arlington Heights. Featuring expanded outdoor seating areas at popular restaurants, Arlington Alfresco is open May - September each year, and is a unique destination in the village. This was first introduced in the summer of 2020, to provide additional outdoor seating for restaurants during the COVID-19 pandemic. Its creation was the result of an “explore all options” approach taken by staff, when identifying ways to support local businesses. After a first year in 2020, Arlington Alfresco grew in popularity and welcomed more guests and visitors in the summer of 2021.

In September 2021, the Chicago Bears signed an agreement for the purpose of acquiring 326 acres of the Arlington Race Track property in Arlington Heights.

If the team does proceed with the purchase of the Arlington Park property, and if the Bears organization then chooses to proceed with the development of the property, the project will be one of the largest development projects in Illinois state history. They envision a multi-purpose entertainment district anchored by a new, best-in-class enclosed stadium, providing Chicagoland with a facility worthy of hosting global events such as the Super Bowl, college football playoffs, and Final Four. Any development of Arlington Park will propose to include a multi-purpose entertainment, commercial/retail, and housing district that will provide economic benefits to Cook County, the surrounding region, and State of Illinois. The long-term project vision for the entire property is an ongoing work-in-progress, but could include restaurants, office space, hotel, fitness center, new parks and open spaces, and other improvements for the community to enjoy.

## **MARKET OVERVIEW**

The following data is taken from Midwest Real Estate Data. The following table highlights single-family, detached residence sales between January 2021 and January 2023.

Market Trends Criteria

**Months Back:** Jan 2021-Jan 2023 **Property Type:** Detached Single **Area:** Arlington Heights

Detached Single

	No. New	Avg. New OLP	Med. New OLP	No. Sold	Avg. Sale Price	Med. Sale Price	Avg. Days	Med. Days
Jan 2021	111	\$502,894	\$445,000	37	\$377,729	\$340,000	80	39
Feb 2021	105	\$497,550	\$439,900	45	\$403,270	\$401,500	75	46
Mar 2021	153	\$506,203	\$449,925	90	\$489,840	\$419,750	60	16
Apr 2021	166	\$496,942	\$427,450	112	\$457,522	\$405,500	57	6
May 2021	173	\$486,696	\$450,000	102	\$479,211	\$425,000	45	6
Jun 2021	190	\$541,429	\$475,000	130	\$487,135	\$431,000	30	7
Jul 2021	166	\$510,428	\$449,900	112	\$486,151	\$435,000	34	9
Aug 2021	169	\$493,794	\$439,900	106	\$475,855	\$426,000	23	10
Sep 2021	102	\$488,604	\$420,000	76	\$519,887	\$469,500	31	15
Oct 2021	100	\$472,484	\$424,950	92	\$468,649	\$420,000	41	25
Nov 2021	61	\$488,446	\$474,900	82	\$432,688	\$400,000	52	33
Dec 2021	35	\$494,197	\$425,000	65	\$440,868	\$386,000	59	44
Jan 2022	65	\$569,841	\$499,000	49	\$454,948	\$425,000	56	34
Feb 2022	88	\$540,739	\$499,450	49	\$502,464	\$480,000	55	20
Mar 2022	89	\$500,869	\$439,000	59	\$508,206	\$455,000	179	5
Apr 2022	117	\$515,417	\$458,900	80	\$530,239	\$489,500	29	6
May 2022	124	\$520,625	\$475,000	78	\$530,103	\$475,000	25	5
Jun 2022	123	\$518,347	\$445,000	88	\$508,720	\$470,000	11	6
Jul 2022	120	\$534,890	\$499,900	70	\$502,224	\$438,750	27	8
Aug 2022	76	\$494,317	\$449,950	80	\$509,079	\$460,000	18	8
Sep 2022	74	\$540,026	\$487,450	58	\$472,986	\$453,750	33	23
Oct 2022	58	\$540,215	\$489,250	47	\$435,643	\$410,000	46	15
Nov 2022	36	\$543,966	\$485,000	39	\$502,212	\$470,000	36	29
Dec 2022	23	\$469,392	\$429,900	38	\$463,228	\$416,500	48	21
Jan 2023	41	\$592,741	\$479,000	25	\$495,868	\$400,000	46	30

The following table describes single-family, detached homes sold recently in the immediate subdivision of Carousel Park.

Detached Single  
Sold - Detached Single

#	MLS #	Address	Status	Area	Beds	Baths	Type	SCI	LMT	MT	LP	SP	Close Date
1	11470155	1736 E Waverly	CLSD	5	3	2.1	Split Level w/ Sub	Variable	18	18	\$395,000	\$370,000	09/13/2022
2	11431688	1836 E Crabtree	CLSD	5	4	2.1	2 Stories	None	43	43	\$399,900	\$400,000	09/06/2022
3	11448903	2643 N Prindle	CLSD	5	3	2	Split Level	None	5	19	\$399,000	\$401,000	07/29/2022
4	11665279	1930 E Crabtree	CLSD	5	4	3	Split Level	None	12	12	\$429,900	\$425,000	12/14/2022
5	11345307	1729 E Peachtree	CLSD	5	3	2	Split Level	None	5	5	\$424,900	\$435,000	06/02/2022
6	11429196	2107 E Waverly	CLSD	5	4	2.1	Split Level w/ Sub	None	19	19	\$479,900	\$439,200	08/03/2022
7	11412768	1922 E Waverly	CLSD	5	3	3	Split Level w/ Sub	None	5	5	\$439,000	\$470,000	06/30/2022
8	11375762	1508 E Waverly	CLSD	5	3	2.1	Split Level w/ Sub	None	6	6	\$450,000	\$502,250	05/27/2022
9	11623078	2641 N Forrest	CLSD	5	4	2.1	Split Level w/ Sub	None	7	7	\$515,900	\$508,000	10/21/2022
10	11355894	2611 N Phelps	CLSD	5	3+1 bsmt	2.1	Split Level w/ Sub	None	6	6	\$499,999	\$550,000	04/28/2022

10 Sold - Detached Single Statistics

	High	Low	Average	Median
<b>List Price</b>	\$515,900	\$395,000	\$443,350	\$434,450
<b>Sold Price</b>	\$550,000	\$370,000	\$450,045	\$437,100
<b>Listing Market Time</b>	43	5	13	6
<b>Market Time</b>	43	5	14	9

Here are the following key market factors derived from the previous tables and demographic data from the location description.

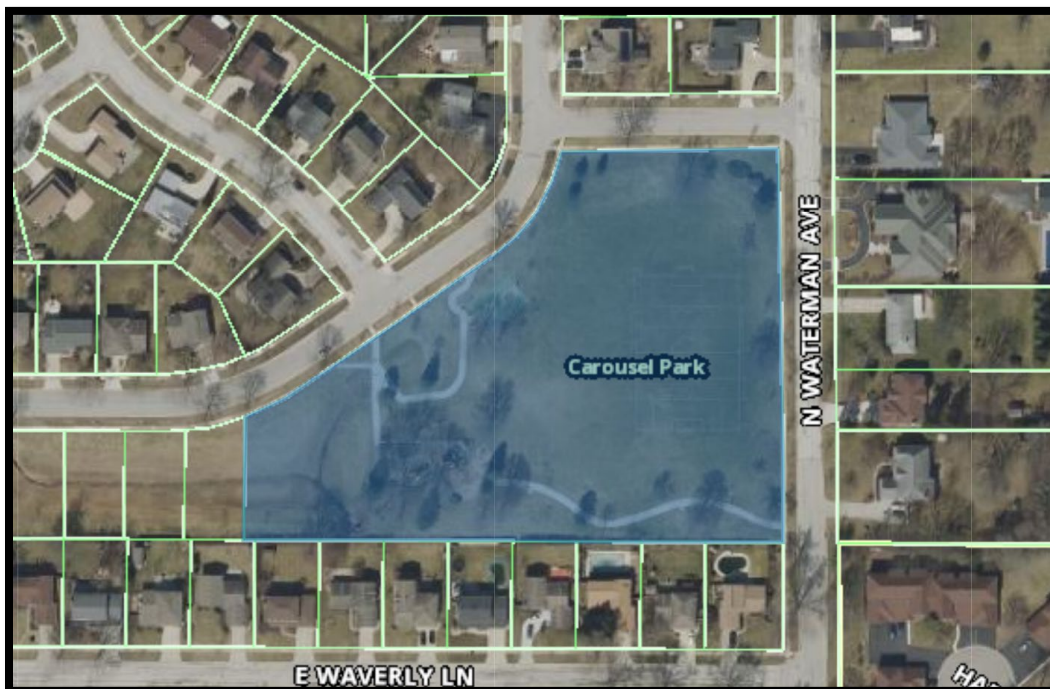
- The recent trend of the number of single-family homes sold in Arlington Heights monthly is on a downward trend.
- The overall/recent trends from the average and median sold price from Arlington Heights is at consistent strength.
- The population for Arlington Heights is on a downward trend.
- The home sales in the immediate area reflect a strong interest in the subject single-family market.
- The income profile and percentage of owner-occupied units in Arlington Heights reflect strong demographics.

As of the date of value, the demand for single-family investment in the Arlington Heights submarket and subject immediate area is relatively strong, despite the rise in interest rates and recent slow-down in its single-family market. Development of the subject property for single-family use will bring additional supply to the subject's residential market and will likely meet profitable demand.

## PROPERTY DESCRIPTION

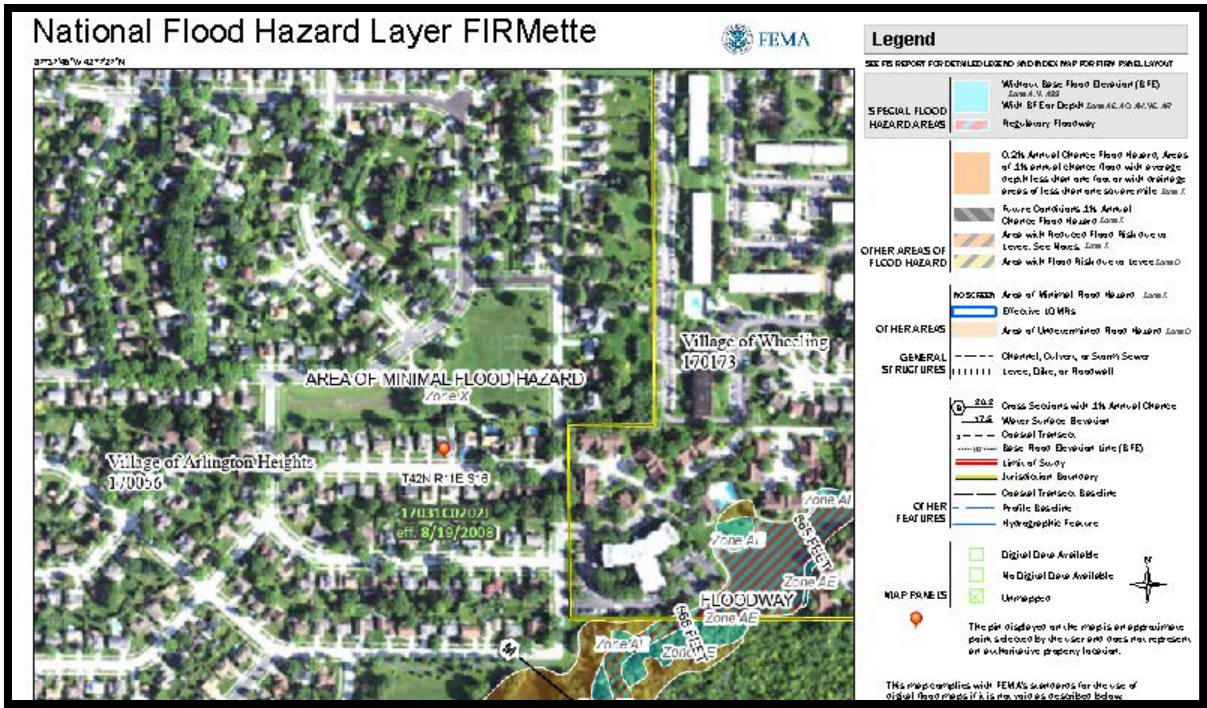
Based upon review of the Cook County Map Application and Google Maps, the subject site consists of 211,714+/- square feet. The subject is an irregular-shaped parcel that is located at 1925 East Suffield Drive, Arlington Heights. The parcel has frontage on East Suffield Drive and North Waterman Avenue.

The topography of the land is generally flat yet drops lower on the west side of the property for water detention. The property is improved with a walk path, playground, and basketball court. The subject property is zoned R-3, One Family Dwelling District, by the Village of Arlington Heights. Utilities appear to be proximate due to the zoning and uses directly adjacent; capacity of such are unknown.



The entire subject property is bounded by single-family residences zoned R-3. West adjacent is vacant land.

Based upon review of the Flood Insurance Rate Map (FIRM), Community Panel Number 17031C0202J, effective August 19, 2008, the subject site is located in Zone X, area of minimal flood hazard. The following is the FEMA flood map.



**EXPOSURE TIME**

Exposure time is the length of time a property would be offered on the market prior to a hypothetical sale as of the appraisal date. It is “An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal.”<sup>2</sup> Parallel with this concept is that of marketing time, which is “[a]n opinion of the amount of time to sell a property interest at the concluded market value level or at a benchmark price during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which precedes the date of an appraisal.”<sup>3</sup>

Based upon the market conditions in the subject market, the exposure period for the subject property at the date of inspection, January 24, 2023, is estimated to be 6 to 12 months.

**HIGHEST AND BEST USE**

Highest and best use is defined as “The reasonably probable use of property that results in the highest value....” To be reasonably probable, a use must meet certain conditions:

<sup>2</sup> *The Dictionary of Real Estate Appraisal*. 7th ed., (Chicago: Appraisal Institute, 2022) 68 (citation omitted).

<sup>3</sup> *Ibid.* 116 (citation omitted).

- The use must be *physically possible* (or it is reasonably probable to render it so).
- The use must be *legally permissible* (or it is reasonably probable to render it so).
- The use must be *financially feasible*.

Uses that meet the three criteria of reasonably probable uses are tested for economic *productivity*, and the reasonably probable use with the highest value is the highest and best use.<sup>4</sup>

### **Physically Possible**

Based upon review of the Cook County Map Application and Google Maps, the subject site consists of 211,714+/- square feet. The subject is an irregular-shaped parcel that provides some challenges to development. The parcel has frontage on East Suffield Drive and North Waterman Avenue. Utilities appear to be proximate due to the zoning and uses directly adjacent; capacity of such are unknown. The property does not suffer from any major issues, and the adjacent uses support developability of the subject site.

Based on the subject zoning, the minimum lot size is 8,750 square feet for regular lots, and 9,900 square feet for corner lots. We estimate the subject property could develop 12-15 residential lots.

Therefore, it seems likely that development of the subject property for single-family residential use is physically possible.

### **Legally Permissible**

The subject property is zoned R-3, One Dwelling Unit District, by the Village of Arlington Heights. The R-3, One Dwelling Unit District "...is to provide for residential developments of predominantly single-family homes. These districts should preserve the value of land and protect homes from adverse living conditions." The R-3 residential district allows for uses such as single-family residences, religious buildings, day care homes, and community residences.

Therefore, development of the subject property for residential use is legally permissible.

### **Financially Feasible and Maximally Productive**

Overall, the lot sales reviewed in this report are reflective of a fair amount of interest in the subject area for single-family use-- interest that is consistent with the strength of the subject site's single-family

---

<sup>4</sup> *The Appraisal of Real Estate*. 15th ed., (Chicago: Appraisal Institute, 2020) 332.

market, as discussed in greater detail previously in the single-family market overview. Additionally, the lack of comparable acreage sales to the subject property reflects low supply of such sites within convenient developed subdivisions in the western Chicagoland suburbs. Development of the subject property for single-family use will bring additional supply to the subject's residential market and will likely meet profitable demand.

Therefore, single-family use is maximally productive and the highest and best use of the subject site.

## **REAL ESTATE TAX INFORMATION**

The county has assigned the following parcel identification number of 03-16-105-066 to the subject property. Since the property is owned by the school district, the property is exempt from taxes and pays the village only 1\$ per year.

## **VALUATION PROCESS AND ANALYSIS**

For purposes of this assignment, only the sales comparison approach has been utilized to value the subject property, as land traditionally is valued via the sales comparison approach. Neither the cost approach nor the income capitalization approach to value is considered to be relevant in this instance.

All pertinent data supporting these conclusions are contained in MaRous & Company office files. These files are available for inspection by the client, such third parties as may be authorized by due process of law, and a duly authorized professional peer review committee.

## **SALES COMPARISON APPROACH**

The sales comparison approach assumes that a prudent buyer would not buy a property for more than it would cost to purchase a comparable property. Because no two properties are ever identical, an analysis of differences in quality, location, size, and market appeal is a function of appraisal experience and judgment.

In order to estimate a value for the subject property, sales of the fee simple interest in properties similar to the finished lots that the subject property would produce near the date of value were researched. Acreage sales similar to the entire subject site were researched as well.

Adjustment grids are included with each sales table to compare each variable of sale. The adjustment comparisons in the following analyses are qualitative. A qualitative analysis involves using quality ratings

based on how the sales compare to the subject property and does not require using dollar adjustments.<sup>5</sup>

The sales are adjusted with the notations of superior (-), similar (o), and inferior (+). The superior variables are given downward adjustments to meet the related variables of the subject property. The similar variables do not require adjustments. The inferior variables are given upward adjustments in order to meet the related variables of the subject property.

---

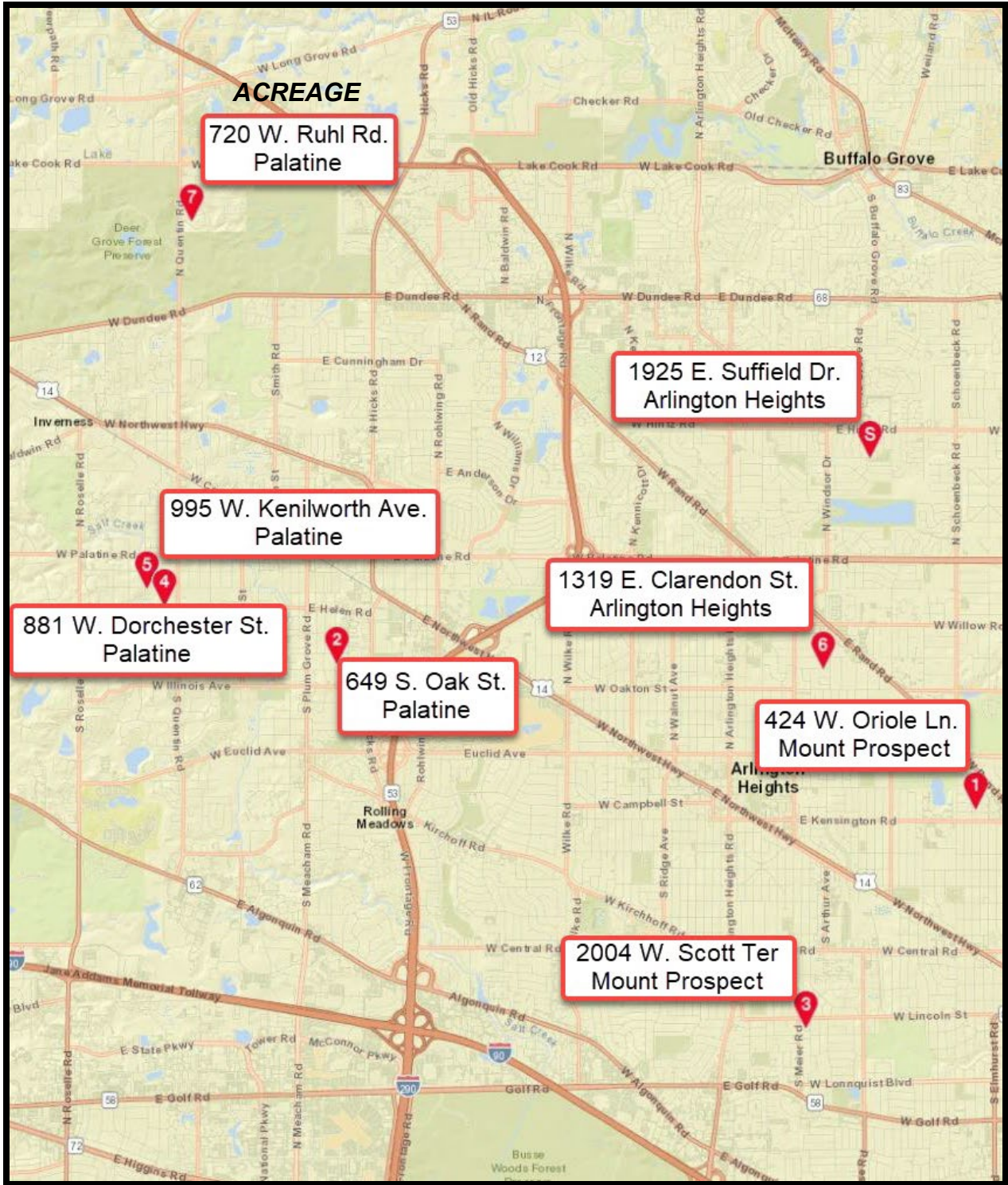
<sup>5</sup> Horn, T. (2015, September 3). *What qualitative analysis is and how agents can use it to price their listings* • Birmingham Appraisal Blog. Retrieved from <https://birminghamappraisalblog.com/appraisal/what-qualitative-analysis-is-and-how-agents-can-use-it-to-price-their-listings/>

### Residential Lot Sales (and One Acreage Sale)

Sale No.	Location	Sale Price	Sale Date	Gross Square Feet	Sale Price/Square Foot (Rounded)	Zoning	School District	Comments
1	424 West Oriole Lane, Mount Prospect	\$145,000	07/01/2020	9,940	\$14.59	R-1	Prospect (214)	Non-corner average lot
2	649 South Oak Street, Palatine	\$130,000	01/06/2023	7,248	\$17.94	R-2	Fremd (211)	Non-corner east adjacent commercial use
3	2004 West Scott Ter, Mount Prospect	\$167,000	03/25/2021	8,952	\$18.66	R-1	Rolling Meadows (214)	Non-corner average lot
4	881 West Dorchester Street, Palatine	\$220,000	06/27/2022	9,601	\$22.91	R-2	Fremd (211)	Non-corner average lot
5	995 West Kenilworth Avenue, Palatine	\$246,900	06/30/2022	10,934	\$22.58	R-2	Fremd (211)	Corner Lot
6	1319 East Clarendon Street, Arlington Heights	\$340,000	08/10/2022	12,602	\$26.98	R-3	John Hersey (214)	Corner Lot
7	<b>(ACREAGE)</b> 720 West Ruhl Road, Palatine	\$935,000	01/26/2022	194,997	\$4.79	P	Palatine (211)	Previously improved land
S	1925 East Suffield Drive, Arlington Heights			8,750-9,900 (211,714)		R-3	Wheeling (214)	

### ADJUSTMENT GRID – RESIDENTIAL LOTS

Sale No.	Address	Sale Date	Location	Shape	Lot Characteristics	Size	School District
1	424 West Oriole Lane, Mount Prospect	+	+	o	o	-	-
2	649 South Oak Street, Palatine	o	-	o	+	+	-
3	2004 West Scott Terrace, Mount Prospect	-	+	o	o	+	-
4	881 West Dorchester Street, Palatine	o	-	o	o	-	-
5	995 West Kenilworth Avenue, Palatine	o	-	o	o	-	-
6	1319 East Clarendon Street, Arlington Heights	o	o	o	o	-	-
7	<b>(ACREAGE)</b> 720 West Ruhl Road, Palatine	-	o	o		o	-
+	Positive adjustment based on comparable being inferior in comparison to the subject property						
-	Negative adjustment based on comparable being superior in comparison to the subject property						
o	No adjustment necessary						



**RESIDENTIAL LOT SALES MAP**

## VALUE CONCLUSIONS

When analyzing the subject property as of the date of inspection, January 24, 2023, in comparison to the preceding residential lot sales, generally the subject property lots are weaker due to its associated school district. The families purchasing single-family homes seriously consider the home location's school district.

The subject property is most comparable to Lot Sales #1, #2, and #3.

When comparing the subject property to Lot Sale #1, the sale is inferior to the subject due to its location and largely inferior residential market at its time of sale. The sale is similar to a non-corner subject lot in its shape and characteristics. The sale is superior to the subject in its larger size and its superior school district. Therefore, Lot Sale #1 must be adjusted upward to match the subject property.

When comparing the subject property to Lot Sale #2, the sale is inferior to the subject due to its lot characteristics and smaller size. The sale is similar to a non-corner subject lot in its shape and residential market conditions. The sale is superior to the subject in its superior location and its superior school district. Therefore, Lot Sale #2 does not need to be adjusted to match the subject property.

When comparing the subject property to Lot Sale #3, the sale is inferior to the subject due to its location and smaller size. The sale is similar to a non-corner subject lot in its shape and lot characteristics. The sale is superior to the subject in its superior residential market at the time and its superior school district. Therefore, Lot Sale #3 does not need to be adjusted to match the subject property.

Based on the minimum lot size of 8,750 square feet for regular lots, and 9,900 square feet for corner lots, we estimate the subject property could develop 12-15 residential lots.

Based on such, we have developed an adjusted unit value range of \$150,000 to \$175,000 per finished lot, or \$17.14 to \$20.00 per square foot of finished lot. It is our opinion that the subject finished lots lie in the middle of that range, or \$162,500, or \$18.57 per square foot of finished lot. Considering that the subject can develop 12-15 lots, the unit value range of the finished subject property is between \$1,950,000 and \$2,437,500.

We estimate that each finished lot would cost approximately \$75,000 to develop, including roads, grading, legal fees, utilities, and sidewalks.

This unit value range must be adjusted for its costs to develop to match the subject property as-is. Considering \$75,000 to develop each lot, this brings the value range of the subject property as-is between **\$1,050,000** and **1,310,000**, or **\$4.96** and **\$6.19** per square foot.

Therefore, it is our opinion that the entire subject property lies at the lower end of that range, or an overall value of **\$5.00** per square foot, or **\$1,100,000** (rounded).

When researching land sales to compare to the subject property as-is, there was only one sale that could be considered comparable. The lack of comparable acreage sales to the subject property reflects low supply of such sites within convenient developed subdivisions in the western Chicagoland suburbs. There were insufficient acreage sales to determine a value for the subject property, however, the forementioned Land Sale #7 supports the value indicated through the finished lot sales.

### **FINAL VALUE CONCLUSION**

In this instance, only the sales comparison approach has been utilized to value the subject property, as land traditionally is valued via the sales comparison approach. Neither the cost approach nor the income capitalization approach to value is considered to be relevant in this instance. In the following value, we have considered the market of the subject property, its school district and its shape.

Therefore, based on the facts reviewed herein and the data analyzed in connection with this appraisal, the estimated market value of the fee simple interest in the appraised property as of January 24, 2023, the date of inspection, is:

**ONE MILLION ONE HUNDRED THOUSAND DOLLARS**  
**(\$1,100,000)**

This value estimate is contingent upon the estimated exposure time of 6 to 12 months from the date of value, January 24, 2023. It is a gross value; no allowance was made for brokerage commissions, real estate taxes, or other carrying costs during the marketing period.

MaRous & Company has received and has relied upon verbal and written communications and documents regarding the subject property in the preparation of this appraisal report. If additional information about the subject property is received or becomes known, MaRous & Company reserves the right to determine whether this information has a substantive impact on the valuation of the subject property and to adjust values accordingly.

This document conforms to my understanding of the appraisal report requirements under Standard Rule 2-2 (b)(I) of the *Uniform Standards of Professional Appraisal Practice and Advisory Opinions* (USPAP). This appraisal report is a brief recapitulation of the appraisal data, analyses, and conclusions. Supporting documentation is retained in MaRous & Company office files.

Respectfully submitted,

MaRous & Company

A handwritten signature in blue ink, appearing to read "Michael S. MaRous".

Michael S. MaRous, MAI, CRE

Illinois Certified General - #553.000141 (09/23 expiration)

A handwritten signature in blue ink, appearing to read "Stephen A. Vizcarra".

Stephen A. Vizcarra

Illinois Associate Real Estate Trainee Appraiser - #557.006105 (09/23 expiration)

## ASSUMPTIONS AND LIMITING CONDITIONS

### Reporting Requirements

This restricted appraisal report is intended to comply with the reporting requirements set forth under Standard Rule 2-2 (b)(I) of the *Uniform Standards of Professional Appraisal Practice* for a restricted appraisal report. As such, this report might not include full descriptions of the data, reasoning, and analyses that were used in the appraisal process to develop the opinion of value. Supporting documentation concerning the data, reasoning, and analyses is retained in the MaRous & Company office files. The information contained in this report is specific to the needs of the client and for the intended use stated in this report. MaRous & Company is not responsible for unauthorized use of this report.

### Title and Survey

It is assumed that the title to the subject property is good and marketable. No survey or legal description was provided to MaRous & Company, and neither was developed for the accompanying appraisal report. All values contained in this appraisal report are subject to a review of a current plat of survey. Furthermore, MaRous & Company reserves the right to adjust values accordingly. The value estimate is given without regard to any questions of title, boundaries, encumbrances, or encroachments.

### Hazardous Waste

Unless otherwise stated in this appraisal report, MaRous & Company has no knowledge of the existence of hazardous environmental conditions or substances, including and without limitation asbestos, polychlorinated biphenyls, petroleum leakage, and agricultural chemicals that may or may not be present on the subject property. Moreover, MaRous & Company appraisers are not qualified to test for these substances or conditions. Because the presence of substances such as asbestos, urea formaldehyde foam insulation, and other hazardous substances and environmental conditions may affect the value of a property, the value estimate is predicated on the assumption that no such condition exists on or in the subject property or in such proximity thereto that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them.

**Hidden Defects**

All structures and other constructed components are assumed to be in sound, operable condition unless otherwise stated, and the value conclusions are based on that assumption. Additionally, the value estimate assumes no soil or subsoil conditions that would cause a loss in value. No responsibility is assumed for architectural, structural, engineering, or mechanical matters, and MaRous & Company appraisers are not qualified to make professional judgments in these areas.

**Management**

Competent and prudent management of the subject property is assumed. The estimate of value reported herein assumes that the assessments are entirely paid and that the property is free and clear of such assessments. Opinions and statistics furnished by others during this investigation are assumed to be correct, and no responsibility is assumed for their accuracy.

**Market Conditions**

The value conclusions contained herein are based on the research of market conditions as of the valuation date. Every effort has been made to consider the effect of predictable governmental actions, as well as any environmental or ecological concerns, on the subject property; however, no responsibility is assumed for subsequent changes in the local or national economy or for subsequent changes in local market conditions resulting from local or national economy changes. Because this is an appraisal of market value and is not a feasibility study, no responsibility can be assumed for the ability of the property owner to find a purchaser of the subject property at the appraised value.

**ADA Compliance**

The Americans with Disabilities Act (ADA) became effective January 26, 1992. No specific determination of compliance with the various detailed requirements of the ADA was made for the subject property. It is possible that a complete compliance survey of the subject property together with a detailed analysis of the ADA requirements could show that the property is not in compliance with one or more of the requirements of the act. If so, this fact could have a negative effect upon the value of the subject property. Because no direct evidence relating to this issue was developed, possible lack of compliance with the ADA was not considered in estimating value.

**Other**

An authentic copy of this appraisal report is signed in ink on the certification; be aware of the potential for alterations on copies. Exhibits, including maps, site plans, and photographs, are provided for informational purposes and are not necessarily to scale. Nothing contained in this appraisal report, particularly the valuation conclusions, the identity of any appraiser, and any reference to the Appraisal Institute or the MAI designation, is to be conveyed to a third party or to the public through advertising, public relations, news, sales, or other medium without the written consent and approval of MaRous & Company. If such consent is secured, the report must be used in its entirety and cannot be altered in any way, and must include all limiting conditions, certifications, and qualifications.

## CERTIFICATION

We do hereby certify that, to the best of our knowledge and belief:

1. The statements of fact contained in this appraisal report are true and correct;
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. We have no present or prospective personal interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. We have performed no services as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
5. We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
6. Our engagement in this assignment was not contingent upon developing or reporting predetermined results;
7. The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the *Uniform Standards of Professional Appraisal Practice*;
9. We have personally inspected the subject property on January 24, 2023;
10. The reported analysis, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of The Appraisal Foundation;
11. The use of the report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives;
12. No one provided significant real property appraisal assistance to the appraisers signing this certification; and
13. As of the date of this report, Michael S. MaRous, MAI, CRE, has completed the continuing education requirements for Designated Members of the Appraisal Institute.

MaRous & Company



Michael S. MaRous, MAI, CRE  
Illinois Certified General - #553.000141 (9/23 expiration)



Stephen A. Vizcarra  
Illinois Associate Real Estate Trainee Appraiser- #557.006105 (9/23 expiration)

**PHOTOGRAPHS OF THE SUBJECT PROPERTY**



**SUBJECT PROPERTY FACING WEST**



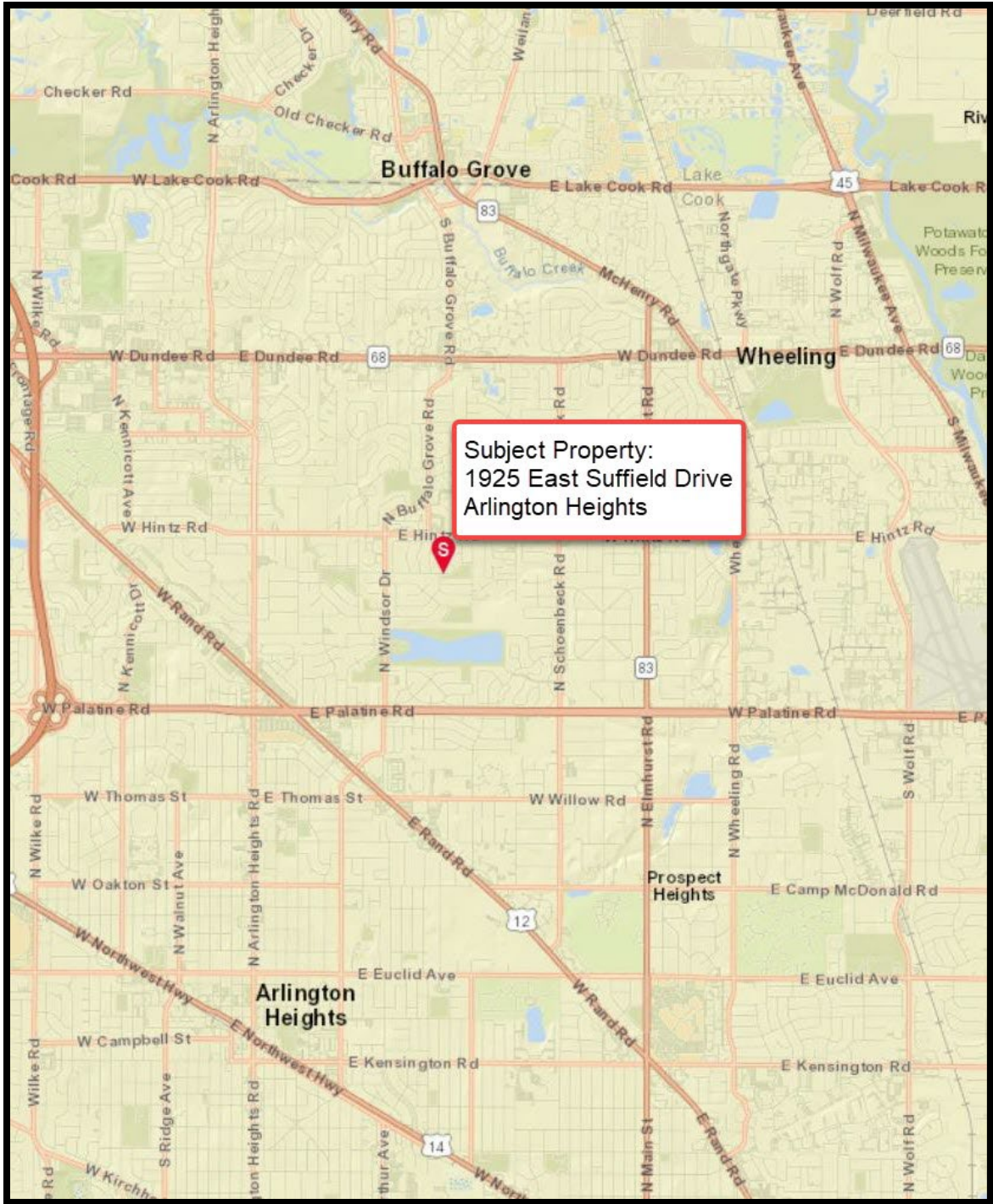
**SUBJECT PROPERTY FACING WEST**



**SUBJECT PROPERTY BASKETBALL COURT FACING EAST**



**SUBJECT PROPERTY PARK**



SUBJECT LOCATION MAP

## Definitions

### Highest and Best Use

Highest and best use is defined as "the reasonably probable use of property that results in the highest value."<sup>6</sup> In arriving at an opinion of highest and best use, the most profitable competitive use for the land or a site as though vacant and as improved is analyzed. The highest and best use of land or a site as though vacant is based on the assumption that a parcel of land is vacant or can be made vacant through demolition of any improvements. The highest and best use of a property as improved involves an analysis of the existing property.

### Cost Approach

The cost approach is based upon the principle of substitution, comparing the cost to develop a property with the value of the existing or a similarly developed property. An estimate is made of the current cost to construct a reproduction of the existing structure from which is deducted accrued depreciation. To this is added entrepreneurial profit if appropriate and the estimated value of the underlying land.

### Income Capitalization Approach

The income capitalization approach consists of "[s]pecific appraisal techniques applied to develop a value indication for a property based on its earning capability and calculated by the capitalization of property income."<sup>11</sup>

### Sales Comparison Approach

The sales comparison approach to value is based upon the principle of substitution, that is, when a property is replaceable in the market, its value tends to be no more than the cost of acquiring an equally desirable substitute property, assuming no costly delay in making the substitution.

---

<sup>6</sup> *The Appraisal of Real Estate*. 15th ed., (Chicago: Appraisal Institute, 2020) 305.

<sup>11</sup> *The Dictionary of Real Estate Appraisal*. 7th ed., (Chicago: Appraisal Institute, 2022) 94.

## **QUALIFICATIONS**

### **STEPHEN VIZCARRA**

Stephen Vizcarra has been active in real estate appraisal since 2021 and employed at MaRous & Company since 2020. He is also a State of Illinois Associate Real Estate Trainee Appraiser, License Number 557.006879 (9/23). Mr. Vizcarra has assisted in a variety of types of appraisal projects such as estate planning, real estate tax appeal, market impact and acquisition.

### **Appraisal Experience**

- Industrial Land
- Residential Land
- Commercial Land
- Farmland
- Market Impact Analysis
- Highest and Best Use Studies

### **Professional Designations and Affiliations**

Illinois Associate Real Estate Trainee Appraiser, License Number 557.006879, expiration (9/23)

### **Education**

Associates degree in Computer Information Systems, Harper Community College, graduated 2019

## **MICHAEL S. MAROUS STATEMENT OF QUALIFICATIONS**

Michael S. MaRous, MAI, CRE, is president and owner of MaRous and Company. He has appraised more than \$15 billion worth of primarily investment-grade real estate in more than 25 states. In addition to providing documented appraisals, he has served as an expert witness in litigation proceedings for many law firms; financial institutions; corporations; builders and developers; architects; local, state, county, and federal governments and agencies; and school districts in the Chicago metropolitan area. His experience in partial interest, condemnation, damage impact, easement (including aerial and subsurface), marital dissolutions, bankruptcy proceedings, and other valuation issues is extensive. He has provided highest and best use, marketability, and feasibility studies for a variety of properties. Many of the largest redevelopment areas and public projects, including Interstate 355, the Chicago O'Hare International Airport expansion, the Chicago Midway International Airport expansion, and the McCormick Place expansion, are part of Mr. MaRous' experience. Mr. MaRous also has experience in regard to mediation and arbitration proceedings. Also, he has purchased and developed real estate for his own account.

### **APPRAISAL AND CONSULTATION EXPERIENCE**

Business Parks Distribution Centers	<b>Industrial Properties</b> Manufacturing Facilities Research Facilities	Self-storage Facilities Warehouses
Auto Sales/Service Facilities Banquet Halls Big Box Stores	<b>Commercial Properties</b> Gasoline Stations Hotels and Motels Office Buildings	Restaurants Shopping Centers Theaters
Bowling Alleys Cemeteries Farms Golf Courses Lumber Yards	<b>Special-Purpose Properties</b> Nurseries Riverboat Gambling Facilities Schools Stadium Expansion Issues Solar Farms	Tank Farms Underground Gas Aquifers Utility Corridors Waste Transfer Facilities Wind Farms
Apartment Complexes Condominium Conversions	<b>Residential Properties</b> Condominium Developments Single-family Residences	Subdivision Developments Townhouse Developments
Agricultural Alleys Commercial	<b>Vacant Land</b> Easements Industrial Residential	Rights of Way Streets Vacations
Corporations Financial Institutions	<b>Clients</b> Law Firms Not-for-profit Associations	Private Parties Public Entities

### **EDUCATION**

B.S., Urban Land Economics, University of Illinois, Urbana-Champaign  
Continuing education seminars and programs through the Appraisal Institute  
and the American Society of Real Estate Counselors, and real estate brokerage classes

### **PUBLIC SERVICE**

Mayor, City of Park Ridge, Illinois (2003-2005)  
Alderman, City of Park Ridge, including Liaison to the Zoning Board of Appeals and Planning and Zoning and  
Chairman of the Finance and Public Safety Committees (1997-2005)

## PROFESSIONAL AFFILIATIONS AND LICENSES

Appraisal Institute, MAI designation, Number 6159  
Counselors of Real Estate, CRE designation  
Illinois Certified General Real Estate Appraiser, License Number 553.000141 (9/23)  
Indiana Certified General Real Estate Appraiser, License Number CG41600008 (6/24)  
Wisconsin Certified General Real Estate Appraiser, License Number 1874-10 (12/23)  
Minnesota Certified General Real Estate Appraiser, License Number 40330656 (8/24)  
Iowa Certified General Real Estate Appraiser, License Number CG03468 (6/24)  
South Dakota Certified General Real Estate Appraiser, License Number 1467CG (9/24)

Licensed Real Estate Broker (Illinois)

## PROFESSIONAL ACTIVITIES

Mr. MaRous is past president of the Chicago Chapter of the Appraisal Institute. He is former chair and vice chair of the National Publications Committee and has sat on the board of The Appraisal Journal. In addition, he has served on and/or chaired more than 15 other committees of the Appraisal Institute, the Society of Real Estate Appraisers, and the American Institute of Real Estate Appraisers.

Mr. MaRous served as chair of the Midwest Chapter of the Counselors of Real Estate in 2006 and 2007 and has served on the National CRE Board since 2011. He sat on the Midwest Chapter Board of Directors, the Editorial Board of Real Estate Issues, and on various other committees.

Mr. MaRous also is past president of the Illinois Coalition of Appraisal Professionals. He also has been involved with many other professional associations, including the Real Estate Counseling Group of America, the Northwest Suburban Real Estate Board, the National Association of Real Estate Boards, and the Northern Illinois Commercial Association of Realtors.

## PUBLICATIONS AND PROFESSIONAL RECOGNITION

Mr. MaRous has spoken at more than 20 programs and seminars related to real estate appraisal and valuation.

### Author

"Low-income Housing in Our Backyards," *The Appraisal Journal*, January 1996  
"The Appraisal Institute Moves Forward," *Illinois Real Estate Magazine*, December 1993  
"Chicago Chapter, Appraisal Institute," *Northern Illinois Real Estate Magazine*, February 1993  
"Independent Appraisals Can Help Protect Your Financial Base," *Illinois School Board Journal*, November-December 1990  
"What Real Estate Appraisals Can Do for School Districts," *School Business Affairs*, October 1990

### Awards

Appraisal Institute - George L. Schmutz Memorial Award, 2001  
Chicago Chapter of the Appraisal Institute – Heritage Award, 2000  
Chicago Chapter of the Appraisal Institute - Herman O. Walther, 1987 (Distinguished Chapter Member)

### Reviewer or Citation in the Following Books

*Rural Property Valuation*, 2017  
*Real Estate Damages*, 1999, 2008, and 2016  
*Golf Property Analysis and Valuation*, 2016  
*Dictionary of Real Estate Appraisal*, Fourth Edition, 2002 and Sixth Edition, 2015  
*Market Analysis for Real Estate*, 2005 and 2014  
*Appraisal of Real Estate*, Twelfth Edition, 2001, Thirteenth Edition, 2008, Fourteenth Edition, 2013  
*Shopping Center Appraisal and Analysis*, 2009  
*Subdivision Valuation*, 2008  
*Valuation of Apartment Properties*, 2007  
*Valuation of Billboards*, 2006  
*Appraising Industrial Properties*, 2005  
*Valuation of Market Studies for Affordable Housing*, 2005  
*Valuing Undivided Interest in Real Property: Partnerships and Cotenancies*, 2004  
*Analysis and Valuation of Golf Courses and Country Clubs*, 2003  
*Valuing Contaminated Properties: An Appraisal Institute Anthology*, 2002  
*Hotels and Motels: Valuation and Market Studies*, 2001  
*Land Valuation: Adjustment Procedures and Assignments*, 2001  
*Appraisal of Rural Property*, Second Edition, 2000  
*Capitalization Theory and Techniques, Study Guide*, Second Edition, 2000  
*Guide to Appraisal Valuation Modeling Land*, 2000  
*Appraising Residential Properties*, Third Edition, 1999  
*Business of Show Business: The Valuation of Movie Theaters*, 1999  
*GIS in Real Estate: Integrating, Analyzing and Presenting Locational Information*, 1998  
*Market Analysis for Valuation Appraisals*, 1995

## **REPRESENTATIVE WORK OF MICHAEL S. MAROUS**

### **Headquarters/Corporate Office Facilities in Illinois**

Fortune 500 corporation facility, 200,000 sq. ft., Libertyville  
Corporate headquarters, 300,000 sq. ft. and 500,000 sq. ft., Chicago  
Fortune 500 corporation facility, 450,000 sq. ft., Northfield  
Major airline headquarters, 1,100,000 million sq. ft. on 47 acres, Elk Grove Village  
Former communications facility, 1,400,000 million sq. ft. on 62 acres, Skokie and Niles  
Corporate Headquarters, 1,500,000+ sq. ft., Lake County  
Former Sears Headquarters Redevelopment Project, Chicago

### **Office Buildings in Chicago**

401 South LaSalle Street, 140,000 sq. ft.  
134 North LaSalle Street, 260,000 sq. ft.  
333 North Michigan Avenue, 260,000 sq. ft.  
171 West Randolph Street, 360,000 sq. ft.  
20 West Kinzie Street, 405,000 sq. ft.  
55 East Washington Street, 500,000 sq. ft.  
10 South LaSalle Street, 870,000 sq. ft.  
222 West Adams Street, 1,000,000 sq. ft.  
141 West Jackson Boulevard, 1,065,000 sq. ft.  
333 South Wabash Avenue, 1,125,000 sq. ft.  
155 North Wacker Drive, 1,406,000 sq. ft.  
70 West Madison Street, 1,430,000 sq. ft.  
111 South Wacker Drive, 1,454,000 sq. ft.  
175 West Jackson Boulevard, 1,450,000 sq. ft.  
227 West Monroe Street, 1,800,000 sq. ft.  
10 South Dearborn Street, 1,900,000 sq. ft.

### **Hotels in Chicago**

One West Wacker Drive (Renaissance Chicago Hotel)  
10 East Grand Avenue (Hilton Garden Inn)  
106 East Superior Street (Peninsula Hotel)  
120 East Delaware Place (Four Seasons)  
140 East Walton Place (The Drake Hotel)  
160 East Pearson Street (Ritz Carlton)  
301 East North Water Street (Sheraton Hotel)  
320 North Dearborn Street (Westin Chicago River North)  
401 North Wabash Avenue (Trump Tower)  
505 North Michigan Avenue (Hotel InterContinental)  
676 North Michigan Avenue (Omni Chicago Hotel)  
800 North Michigan Avenue (The Park Hyatt)

### **Large Industrial Properties in Illinois**

Large industrial complexes, 400,000 sq. ft., 87th Street and Greenwood Avenue, Chicago  
Distribution warehouse, 580,000 sq. ft. on 62 acres, Champaign  
Publishing house, 700,000 sq. ft. on 195 acres, U.S. Route 45, Mattoon  
AM Chicago International, 700,000± sq. ft. on 41 acres, 1800 West Central Road, Mount Prospect  
Nestlé distribution center, 860,000 sq. ft. on 153 acres, DeKalb  
U.S. Government Services Administration distribution facility, 860,000 sq. ft., 76th Street and Kostner Avenue,  
Chicago Fortune 500 company distribution center, 1,000,000 sq. ft., Elk Grove Village  
Caterpillar Distribution Facility, 2,231,000 sq. ft., Morton  
Self-storage facilities, various Chicago metropolitan locations

### **Airport Related Properties**

Mr. MaRous has performed valuations on more than 100 parcels in and around Chicago O'Hare International Airport, Chicago Midway International Airport, Palwaukee Municipal Airport, Chicago Aurora Airport, DuPage Airport, and Lambert-St. Louis International Airport

### **Vacant Land in Illinois**

15 acres, office, Northbrook	250 acres, Island Lake
20 acres, residential, Glenview	450 acres, residential, Wauconda
25 acres, Hinsdale	475± acres, various uses, Lake County
55 acres, mixed-use, Darien	650 acres, Hawthorne Woods
68 acres, Roosevelt Road and the Chicago River	650 acres, Waukegan/Libertyville
75 acres, I-88 at I-355, Downers Grove	800 acres, Woodridge
100± acres, various uses, Lake County	900 acres, Matteson
100 acres, Western Springs	1,000± acres, Batavia area
140 acres, Flossmoor	2,000± acres, Northern Lake County
142 acres, residential, Lake County	5,000 acres, southwest suburban Chicago area
160 acres, residential, Cary	Landfill expansion, Lake County
200 acres, mixed-use, Bartlett	

### **Retail Facilities**

20 Community shopping centers, various Chicago metropolitan locations  
Big box uses, various Chicago metropolitan locations and the Midwest  
Gasoline Stations, various Chicago metropolitan locations  
More than 50 single-tenant retail facilities larger than 80,000 sq. ft., various Midwest metropolitan locations

### **Residential Projects**

Federal Square townhouse development project, 118 units, \$15,000,000+ sq. ft. project, Dearborn Place, Chicago  
Marketability and feasibility study, 219 East Lake Shore Drive, Chicago  
Riverview II, Chicago; Old Town East and West, Chicago; Museum Park Lofts II, Museum Park Tower 4, University Commons, Two River Place, River Place on the Park, Chicago;  
Timber Trails, Western Springs, Illinois

### **Market Impact Studies**

Land-fill projects in various locations  
Quarry expansions in Boone and Kendall counties  
Commercial development and/or parking lots in various communities  
Zoning changes in various communities  
Waste transfer stations in various communities

### **Business and Industrial Parks**

Chevy Chase Business Park, 30 acres, Buffalo Grove  
Carol Point Business Center, 300-acre industrial park, Carol Stream, \$125,000,000+ project  
Internationale Centre, approximately 1,000 acre-multiuse business park, Woodridge

### **Properties in Other States**

330,000 sq. ft., Newport Beach, California  
Former government depot/warehouse and distribution center, 2,500,000 sq. ft. on 100+ acres, Ohio  
Shopping Center, St. Louis, Missouri, Office Building, Clayton, Missouri  
Condominium Development, South Dakota, South Dakota  
Hormel Foods, various Midwest locations  
Wisconsin Properties including Lowes, Menards, Milwaukee Zoo, CVS Pharmacy's in Milwaukee, Dairyland Racetrack, Major Industrial Property in Manawa, Class A Office Buildings and Vacant Land

### **Energy Related Projects**

Oakwood Hills Energy Center, McHenry County, Illinois  
Lackawanna Power Plant, Lackawanna County, Pennsylvania  
Commonwealth Edison, high tension lines

## Wind Projects

### Illinois

*Alta Farms Wind Project II, Dewitt County*  
*Bennington Wind Project, Marshall County*  
*Goose Creek Wind, Piatt County*

*Harvest Ridge Wind Farm, Douglas County*  
*Lincoln Land Wind Farm, Morgan County*  
*Midland Wind Farm, Henry County*

*McLean County Wind Farm, McLean County*  
*Otter Creek Wind Farm, LaSalle County*  
*Pleasant Ridge Wind Farm, Livingston County*

*Radford's Run Wind Farm, Macon County*  
*Shady Oaks II, Lee County*

*Twin Groves Wind Farm, McLean County*  
*Walnut Ridge Wind Farm, Bureau County*

### Indiana

*Roaming Bison Wind Farm, Montgomery County*  
*Tippecanoe County Wind Farm, Tippecanoe County*

### Iowa

*Great Pathfinder Wind Project, Boone & Hamilton County*  
*Ida Grove II Wind Farm, Ida County*

### Kansas

*Neosho Ridge Wind Farm, Neosho County*  
*Jayhawk Wind, Bourbon County & Crawford County*

### New York

*Alle-Catt Wind, Allegany County, Cattaraugus County, & Wyoming County*

*Orangeville Wind Farm, Wyoming County*

### Ohio

*Seneca Wind, Seneca County*  
*Republic Wind, Seneca County & Sandusky County*

### South Dakota

*Deuel Harvest Wind Farm, Deuel County*  
*Dakota Range Wind Project I-III, Codington County, Grant County, & Roberts County*

*Crocker Wind Farm, Clark County*  
*Crowned Ridge Wind II, Deuel County*  
*Prevailing Wind Park, Bon Homme County, Charles Mix County, & Hutchinson County*

*Sweet Land Wind Farm, Hand County*

*Triple H Wind Farm, Hyde County*  
*Tatanka Ridge Wind Project, Deuel County*

## Solar Projects

### Illinois

*Hickory Point Solar Energy Center, Christian County*

### Indiana

*Lone Oak Solar Farm, Madison County*

### Maryland

*Dorchester County Solar Farm, Dorchester County*

### Wisconsin

*Badger Hollow Solar Farm, Iowa County*  
*Darien Solar Energy Center, Rock County & Walworth County*

*Grant County Solar, Grant County*  
*Paris Solar Energy Center, Kenosha County*

### South Dakota

*Brookhaven Solar Energy Production Facility, Brookings County*  
**Western Regions of the United States of America**  
*Southwest Region – Arizona, Colorado, Nevada, New Mexico, & Utah*  
*Northwest Region – Idaho and Oregon*  
*Southern Great Plains Region – Texas*  
*Northern Great Plains Region – General Research*

## REPRESENTATIVE CLIENT LISTING OF MICHAEL S. MAROUS

### Law Firms

Alschuler, Simantz & Hem LLC Ancel,  
Glink, Diamond, Bush,  
DiClanni & Krafthefer  
Arnstein & Lehr LLP  
Berger, Newmark & Fenchel P.C.  
Berger Schatz  
Botti Law Firm, P.C.  
Carmody MacDonald P.C.  
Carr Law Firm  
Crane, Heyman, Simon, Welch & Clar  
Daley & Georges, Ltd.  
Day, Robert & Morrison, P.C. Dentons  
US LLP  
DiMonte & Lizak LLC  
DLA Piper  
Dreyer, Foote, Streit, Furgason &  
Slocum, P.A.  
Drinker, Biddle & Reath LLP Figliulo &  
Silverman, P.C.  
Elrod Friedman LLP  
Foran, O'Toole & Burke LLC Franczek  
Radelet P.C.  
Fredrikson & Byron, P.A.  
Freeborn & Peters LLP

Gould & Ratner LLP  
Greenberg Traurig LLP  
Helm & Wagner  
Robert Hill Law, Ltd.  
Hinshaw & Culbertson LLP  
Holland & Knight LLP  
Ice Miller LLP  
Jenner & Block  
Katz & Stefani, LLC  
Kinnally, Flaherty, Krentz, Loran,  
Hodge & Mazur PC  
Kirkland & Ellis LLP  
Klein, Thorpe & Jenkins, Ltd.  
Law Office of Bryan P. Lynch, P.C.  
McDermott, Will & Emery  
Mayer Brown  
Michael Best & Friedrich LLP  
Morrison & Morrison, Ltd.  
Bryan E. Mraz & Associates  
Neal, Gerber & Eisenberg, LLP  
Neal & Leroy LLC  
O'Donnell Haddad LLC  
Prendergast & DelPrincipe  
Rathje & Woodward, LLC

Righeimer, Martin & Cinquino, P.C.  
Robbins, Salomon & Patt, Ltd.  
Rosenfeld Hafron Shapiro & Farmer  
Rosenthal, Murphey, Coblentz &  
Donahue Rubin & Associates, P.C.  
Ryan and Ryan, P.C.  
Reed Smith LLP  
Sarnoff & Baccash  
Scariano, Himes & Petrarca, Chtd.  
Schiff Hardin LLP  
Schiller, DuCanto & Fleck LLP  
Schirott, Luetkehans & Garner, LLC  
Schuyler, Roche & Crisham, P.C.  
Sidley Austin LLP  
Storino, Ramello & Durkin  
Thomas M. Tully & Associates  
Thompson Coburn, LLP  
Tuttle, Vedral & Collins, P.C.  
Vedder Price  
von Briesen & Roper, SC  
Winston & Strawn LLP  
Worsek & Vihon LLP

### Financial Institutions

AmericaUnited Bank Trust  
BMO Harris Bank  
Charter One  
Citibank  
Cole Taylor Bank  
First Bank of Highland Park  
First Financial Northwest Bank

First Midwest Bank  
First State Financial  
Glenview State Bank  
Itasca Bank & Trust Co.  
Lake Forest Bank & Trust Co.  
MB Financial Bank

Midwest Bank  
Northern Trust  
Northview Bank & Trust  
The Private Bank  
Wintrust

### Corporations

Advocate Health Care System  
Alliance Property Consultants  
American Stores Company  
Archdiocese of Chicago  
Arthur J. Rogers and Company  
Avangrid Renewables, LLC  
BHE Renewables  
BP Amoco Oil Company  
Christopher B. Burke Engineering,  
Ltd. Cambridge Homes  
Canadian National Railroad  
Capital Realty Services, Inc.  
Chicago Cubs  
Children's Memorial Hospital  
Chrysler Realty Corporation

Citgo Petroleum Corporation  
CorLands  
CVS  
Edward R. James Partners, LLC  
Enterprise Development Corporation  
Enterprise Leasing Company  
Exxon Mobil Corporation  
Hamilton Partners  
Hollister Corporation  
Imperial Realty Company  
Invenergy LLC  
Kimco Realty Corporation  
Kinder Morgan, Inc.  
Lakewood Homes

Lowe's Companies, Inc.  
Loyola University Health System  
Marathon Oil Corporation  
Meijer, Inc.  
Menards  
Mesirow Stein Real Estate, Inc.  
Paradigm Tax Group  
Prime Group Realty Trust  
Public Storage Corporation  
RREEF Corporation  
Shell Oil Company  
Union Pacific Railroad Company  
United Airlines, Inc.

**Public Entities**

**Illinois Local Governments and Agencies**

Village of Arlington Heights  
Village of Barrington  
Village of Bartlett  
Village of Bellwood  
Village of Brookfield  
Village of Burr Ridge  
City of Canton  
Village of Cary  
City of Chicago  
Village of Deer Park  
City of Des Plaines  
Des Plaines Park District  
Downers Grove Park District  
City of Elgin  
Elk Grove Village  
City of Elmhurst  
Village of Elmwood Park  
City of Evanston  
Village of Forest Park  
Village of Franklin Park

Village of Glenview  
Glenview Park District  
Village of Harwood Heights  
City of Highland Park  
Village of Hinsdale  
Village of Inverness  
Village of Kenilworth  
Village of Kildeer  
Village of Lake Zurich  
Leyden Township  
Village of Lincolnshire  
Village of Lincolnwood  
Village of Morton Grove  
Village of Mount Prospect  
Village of North Aurora  
Village of Northbrook  
City of North Chicago  
Village of Northfield  
Northfield Township  
Village of Oak Brook

Village of Orland Park  
City of Palos Hills  
City of Peoria  
City of Prospect Heights  
City of Rolling Meadows  
Village of Rosemont  
City of St. Charles  
Village of Schaumburg  
Village of Schiller Park  
Village of Skokie  
Village of South Barrington  
Village of Streamwood  
Metropolitan Water Reclamation  
District of Greater Chicago  
City of Waukegan  
Village of Wheeling  
Village of Wilmette  
Village of Willowbrook  
Village of Winnetka  
Village of Woodridge

**County Governments and Agencies**

Boone County State's Attorney's  
Office  
Forest Preserve of Cook County  
Cook County State's Attorney's Office  
DuPage County Board of Review

Forest Preserve District of DuPage County  
Kane County  
Kendall County Board of Review  
Lake County

Lake County Forest Preserve District  
Lake County State's Attorney's Office  
Morton Township  
Peoria County

**State and Federal Government Agencies**

Federal Deposit Insurance Corporation  
U.S. General Services Administration

Illinois Housing Development Authority  
Illinois State Toll Highway Authority

Internal Revenue Service  
The U.S. Postal Service

**Schools**

Argo Community High School  
District No. 217  
Arlington Heights District No. 25  
Township High School District No. 214,  
Arlington Heights  
Barrington Community Unit District  
No. 220  
Chicago Board of Education  
Chicago Ridge District No. 127½  
College of Lake County  
Community Consolidated School  
District No. 15  
Community Consolidated School  
District No. 146  
Community School District No. 200  
Consolidated High School  
District No. 230  
Darien District No. 61  
DePaul University

Elk Grove Community Consolidated  
District No. 59  
Elmhurst Community Unit School  
District No. 205  
Glen Ellyn School District No. 41  
Glenbard High School District No. 87  
Indian Springs School District No. 109  
LaGrange School District No. 105  
Lake Forest Academy  
Leyden Community High School  
District No. 212  
Loyola University  
Lyons Township High School District  
No. 204  
Maine Township High School District  
No. 207  
Niles Elementary District No. 71  
North Shore District No. 112, Highland  
Park

Northwestern University  
Orland Park School District No. 135  
Palatine High School District #211  
Rhodes School District No. 84-1/2  
Riverside-Brookfield High School  
District No. 208  
Rosalind Franklin University  
Roselle School District No. 12  
Schaumburg Community Consolidated  
District No. 54  
Sunset Ridge School District No. 29  
Township High School District No. 211  
Township High School District No. 214  
Triton College  
University of Illinois  
Wheeling Community Consolidated  
District No. 21  
Wilmette District No. 39



**PROSPECT HEIGHTS DISTRICT 23  
FINANCE AND BUILDINGS & SITES COMMITTEES  
DISCUSSION ITEM**

---

**Date:** April 3, 2023

**Title:** Update on Carousel Park Valuation

**Contact:** Amy McPartlin, Assistant Superintendent for Finance & Operations

---

**BACKGROUND INFORMATION**

In August of 2020, we received a call from the Arlington Heights Park District regarding an expired intergovernmental agreement between School District 23 and the Park District that they were hoping to renew. At that time, we were just going into year one of the pandemic and the renewal of the contract was put on hold until there was a more opportune time to discuss. It was agreed that current usage guidelines would remain in place until a meeting could be scheduled.

Fast forward to the Fall of 2022 and discussions of facility usage came back around to Carousel Park. We had been able to locate a copy of the expired 1992-2001 agreement and also confirmed ownership of the land with the Wheeling Township Assessor's Office. We scheduled a meeting with the Park District in October of 2022 and during that meeting, the Park District expressed some interest in revisiting and renewing the Carousel Park agreement and potentially furthering discussions around the purchase of the land. Each party agreed that they would have an independent valuation performed and we would meet again in the spring to discuss.

Following conversations with Attorney Ares Dalianis of Franczek, it was recommended that the District contract with MaRous & Company to perform a restricted appraisal on the parcel of land known as Carousel Park in Arlington Heights. In January, at a cost of \$2,500, the School District contracted with MaRous & Company to perform the appraisal services.

The actual location of Carousel Park is listed as “1925 East Suffield Drive” and consists of an irregularly shaped parcel of approximately 211,714 square feet of land. The property is bounded by single-family residences and is zoned R-3 (residential) with a perpetual easement over the eastern 15 ft. of the property for utilities.



In the valuation that has been attached, MaRous estimates the property could result in 12-15 developed residential lots, based on the minimum size range of 8,750 square feet for regular lots and 9,900 square feet for corner lots. Following a comparative study of comparable lot sales, the estimated value of the property as-is, lies between \$1,050,000 - \$1,310,000 and likely closer to \$1,100,000.

**ADMINISTRATIVE CONSIDERATIONS**

Administration is looking for direction from the Committee on how best to proceed. As there had not previously been a market valuation performed on this property, we will seek guidance from Baker Tilly on how best to reflect the asset in our upcoming audit.

In speaking with Attorney Dalianis, the School District has some options that he is willing to discuss at a future meeting. They include:

- Sale of land to the Park District would be allowed under the Local Government Property Transfer Act
  - Matching resolutions by both public bodies
  - IGA for School District to sell land to AHPD for agreed upon, set price
- Public Bid Sale to a developer
- District retains ownership and allows for use of land by the Park District as continued open space, parkland and athletic fields

We look forward to continuing the discussion and determination of “next steps” in our upcoming meeting.



**PROSPECT HEIGHTS DISTRICT 23  
BOARD OF EDUCATION  
ACTION ITEM**

---

**Date:** April 12, 2023  
**Title:** 2023-24 Gymnasium Painting Services – Bid  
**Contact:** Amy McPartlin, Assistant Superintendent for Finance & Operations

---

**BACKGROUND INFORMATION:**

Bids were solicited for the District’s Gymnasium Painting Services for the Ross/Sullivan and MacArthur Gymnasiums. The bid requires vendors to submit pricing for the repainting of the gymnasium walls and ceilings at each location. The bid is being awarded based on the lowest responsive, responsible pricing received for the Ross/Sullivan gymnasium. The current plan is to complete the repainting of the Ross/Sullivan Gymnasium and then MacArthur later in the year, pending budgetary availability.

**ADMINISTRATIVE CONSIDERATIONS:**

Bids were received after newspaper advertisement in the Daily Herald. Additionally, bids were sent to 9 vendors. While one bid was received after the public bid opening, the remaining bids were opened and evaluated utilizing a rubric based on the required services

Through our partnership and current intergovernmental agreement with the Arlington Heights Park District, we anticipate a split of the costs at the Ross/Sullivan site. The remaining funds will be budgeted in the Operations & Maintenance Contracted Services account.

<b>Vendor</b>	<b>Total Cost Ross/Sullivan</b>	<b>Total Cost MacArthur</b>
BP&T Construction (Mount Prospect,IL)*	\$ 18,700.00	\$ 35,700.00
<b>Nedrow Painting (Aurora, IL)</b>	<b>\$ 28,000.00</b>	<b>\$ 26,500.00</b>
Red Feather Group (Glenview, IL )	\$ 39,000.00	\$ 35,000.00
Capital Painting & Decorating, Inc. (Naperville, IL)	\$ 59,850.00	\$ 61,930.00
Tiles In Style LLC (South Holland, IL)**	\$ 68,000.00	\$ 58,150.00

\*Vendor requested to withdraw their bid from consideration.

\*\*Vendor’s response did not meet the requirements of the specification.

Following evaluation of submittals and reference verification, the lowest responsible bidder meeting the District’s specifications is being recommended.

**RECOMMENDED ACTION:**

Administration recommends that the Board of Education accepts the bid for the repainting of the Ross Sullivan Gymnasium from Nedrow Painting in the amount of \$ 28,000 with a 50% anticipated cost share from the Arlington Heights Park District.



# **2023-2024 BUDGET**

## **Financial Information for Prospect Heights School District #23**



## **Northwest Suburban Special Education Organization**

### **Fiscal Year 2023-2024 Budget**

This document is a financial plan for providing special education services as requested by the NSSEO member districts. Districts are billed for those services they receive. The projected district usage and costs are included in this document. These projections are made by both the district and NSSEO staff. District billings will be on actual usage, which could be above or below the costs based on projections. When program vacancies allow, NSSEO will accept non-member district placements if they enhance the educational services/environment.

The NSSEO budget contains the following program budgets:

- Timber Ridge School
- Miner/Kirk Program
- D/HH Program
- Diagnostic and Educational Services Center (DESC)
- D/HH Diagnostics
- D/HH Itinerant
- Outdoor Education
- Vocational Adjustment Counselor (VAC)
- Secondary Transitional Experience Program (STEP)
- NSSEO Administration & Support Services
- Technical Assistance to Districts
- Professional Development
- Technology Central / Programs
- Transportation

#### **NSSEO Budget Development Process**

The NSSEO budget is prepared with input from various stakeholder groups including the NSSEO Governing Board of Education, the NSSEO Superintendent, NSSEO Administration, and the NSSEO Finance Advisory Committee. The NSSEO Finance Advisory Committee is comprised of representatives of the NSSEO Board, Member District Administrative Representatives, Member District Business Representatives, and NSSEO Administrative staff. The Committee met three times from January 25, 2023 through March 22, 2023. Members of the NSSEO Finance Advisory Committee represented district needs as well as a comprehensive focus NSSEO's Continuous Improvement Plan.

The budget planning process reflects an ongoing emphasis of the NSSEO Governing Board's role in providing input and approval of the Finance Advisory Committee recommendations. The structured and transparent process is also intended to facilitate dialogue with member districts to insure understanding and provide frequent opportunities for input throughout development of the proposed budget.

### **Financial Overview**

The NSSEO budget for 2023-2024 has been created in accordance with the Illinois Program Accounting Manual. A fund is an accounting entity unto itself, and all the financial transactions for the particular fund are recorded in the accounts of that fund.

The following funds included in the NSSEO budget are as follows:

A. **Education Fund:**

This fund is used for most of the instructional and administrative aspects of the organization's operations. The revenue consists primarily of payments from school districts and state and federal aid.

B. **Transportation Fund:**

This fund accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from school district payments.

C. **Building Fund:**

This fund is used for expenditures made for repair, maintenance and improvement of NSSEO property. Revenue consists primarily of school district payments.

The funds are further divided into objects. The object represents the service or materials obtained as a result of a specific expenditure. The objects used in NSSEO's budget are as follows:

1. **Salaries** – compensations paid to employees of the joint agreement.
2. **Employee Benefits** – paid by the joint agreement on behalf of its employees. These benefits include board share of IMRF, FICA, Medicare, Teacher Retirement-Local, Teacher Retirement-Federal, Health/Life/Dental Insurance assessment, and Worker's Compensation assessment.
3. **Purchased Services** – amounts paid for personal services rendered to the joint agreement and includes consulting, legal, audit, property, transportation, communication and insurance services.
4. **Supplies** – amounts paid for material items of an expendable nature and include instructional materials, office supplies, gas and electricity.

5. **Capital Outlay** – expenditures for the acquisition of fixed assets or additions to fixed assets. This includes expenditures for land or existing buildings and for improvements to the existing building and grounds. Also included in the object are equipment purchases of \$1,000 and over.
6. **Other Objects** – items including contingency (“contingency” by definition is an amount provided “to address a condition, situation, or set of circumstances involving uncertainty.” Several of the NSSEO program budgets carry small contingencies.), and dues/fees/memberships paid to professional associations and organizations. Also included in Other Objects are transfers. Transfers are defined as “expenditures that are transfers to other NSSEO programs from NSSEO programs for services purchased, for administration fees, or rental in another NSSEO program.”
7. **Non-Capitalized Equipment** – items that would be classified as capital assets except they cost less than the capitalization threshold and are \$500-\$999 per item.

The information included herein is intended to provide background information necessary to understand the components of the 2023-2024 NSSEO budget.

Dr. Judy Hackett  
Superintendent

Julie Jilek  
Assistant Superintendent,  
Chief School Business Official

## **2023-2024 NSSEO BUDGET INDEX**

NSSEO Budget Summary.....	1-3
Revenue/Expenditures .....	4-9
Student Enrollment and Staff Projections.....	10-12
Programs and Services.....	13-16
NSSEO One-Year Facility Plan .....	17-18
Reserves .....	19-20
Individual District Projected Costs .....	21-23

[w/budget/indexFY23-24](http://www.nsseo.org/w/budget/indexFY23-24)



## **NSSEO 2023-2024 BUDGET SUMMARY**

### **2023-2024 Budget Development Process-**

- The NSSEO Budget is developed based on input from:
  - NSSEO Governing Board
  - District and NSSEO Administration
  - Student, District, Program and Educational Needs

### **Scope of the Finance Advisory Committee-**

- Throughout the budget development process the Finance Advisory Committee will continue to serve in an advisory capacity with the focus on:
  - Analyzing student/program needs
  - Addressing district needs
  - Focusing on fiscal responsibility
  - Providing ongoing communication and updates on the budget process to stakeholders

### **NSSEO Continuous Improvement Plan- Areas of Focus**

- **Student Outcomes**
  - Foster development, ongoing growth and positive outcomes for all students.
- **Social Emotional Learning**
  - Promote social emotional learning and growth for all.
- **Supportive, Collaborative, and Person-Centered Learning Environment**
  - Foster a supportive, collaborative, and person-centered learning environment to promote growth for all.
- **Transition Services**
  - Upon exiting from NSSEO services, 100% of students will have defined post-secondary plans indicating focus on the priority areas of social, community and/or work experiences for at least 50% of a work week.
- **Collaborative Partnerships**
  - Further advance our collaborative partnerships across the educational community to deepen equitable, inclusive practices that are future driven and influence positive change.

## Enrollment Projections-

- Developed based on input from Districts Administrative and Business Representatives and Program Administrators
- Enrollment Projections in the FY24 Budget have increased by 18 students from FY23 to FY24

<b>2023-2024 NSSEO Tuition Based</b>	<b>2022-2023</b>	<b>-</b>	<b>2023-2024</b>	<b>INC./DEC.</b>
<b>Programs</b>	<b>BUDGET</b>	<b>-</b>	<b>BUDGET</b>	<b>%</b>
Timber Ridge School	43,702.53	per std	44,938.76	2.83%
Miner/Kirk Program	47,887.71	per std	49,687.60	3.76%
D/HH Program	50,738.62	per std	53,184.17	4.82%

## Staffing Adjustments-

### FY23 Budget to FY24 Budget

Overall Staffing Increase/Decrease: 9.3 FTE

## Programs and Services Rates-

<b>Non-Member Tuition Rates</b>	<b>2023-2024</b>
Timber Ridge School Non-Member	58,407.16
Timber Ridge Non-Member w/ Add-Ons	68,848.90
Miner/Kirk Program Non-Member	64,576.68
Miner Non-Member with Add-Ons	75,018.42

<b>2023-2024 NSSEO Service/Other Programs</b>	<b>2022-2023</b>	<b>-</b>	<b>2023-2024</b>	<b>INC/DEC</b>
<b>DESC:</b>	<b>BUDGET</b>	<b>-</b>	<b>BUDGET</b>	<b>%</b>
OT/PT services to District students	119,930	per FTE	122,575	2.21%
APE services to District students	80,303	per FTE	82,843	3.16%
Vision services to District students	92,796	per FTE	96,697	4.20%
Assistive Technology services to District students	89,182	per FTE	97,120	8.80%
D/HH-Itinerant Program	25.37	per unit	26.32	3.74%
Outdoor Education - based on % of usage in education fund	415,673	total	422,194	1.57%
VAC - costs are split between Districts 211 & 214	73,101	per dist	75,490	3.27%
Technical Assistance to Districts	96,464	per FTE	100,302	3.98%
Central O&M - based on % of usage in education fund	66,703	total	67,838	1.70%
Technology/Central - based on % of usage in education fund	746,322	total	756,314	1.26%
Technology/Programs - based on % of usage in education fund	85,583	total	79,710	-6.86%
Building Fund	200,000	total	300,000	

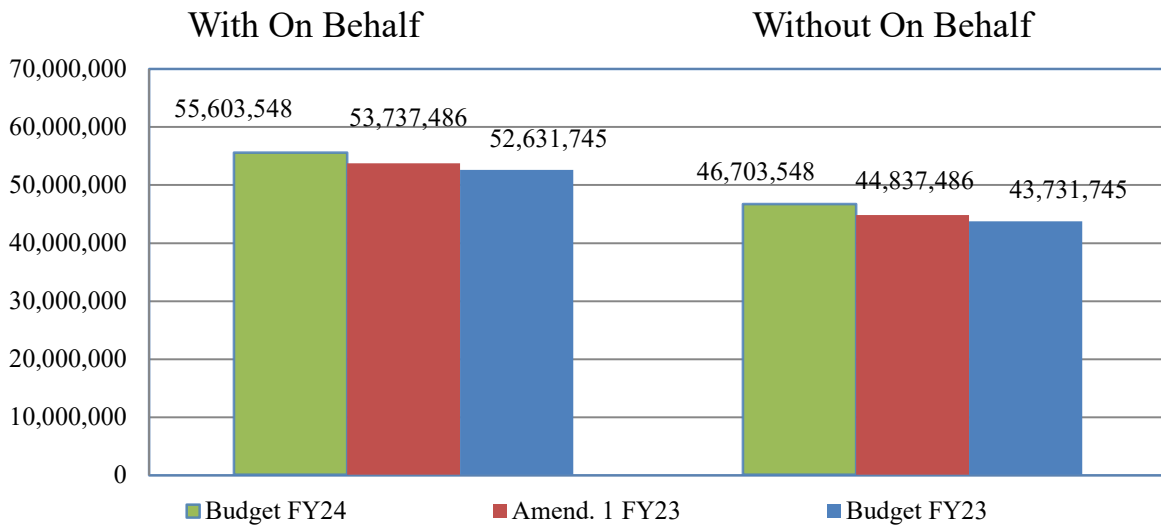
## Budget Revenue/Expenditure Summary:

### Revenue/Expenditures (with On Behalf\*)

Budget FY24	\$ 55,603,548
Amend. 1 FY23	\$ 53,737,486
Budget FY23	\$ 52,631,745

### Revenue/Expenditures (without On Behalf)

Budget FY24	\$ 46,703,548
Amend. 1 FY23	\$ 44,837,486
Budget FY23	\$ 43,731,745



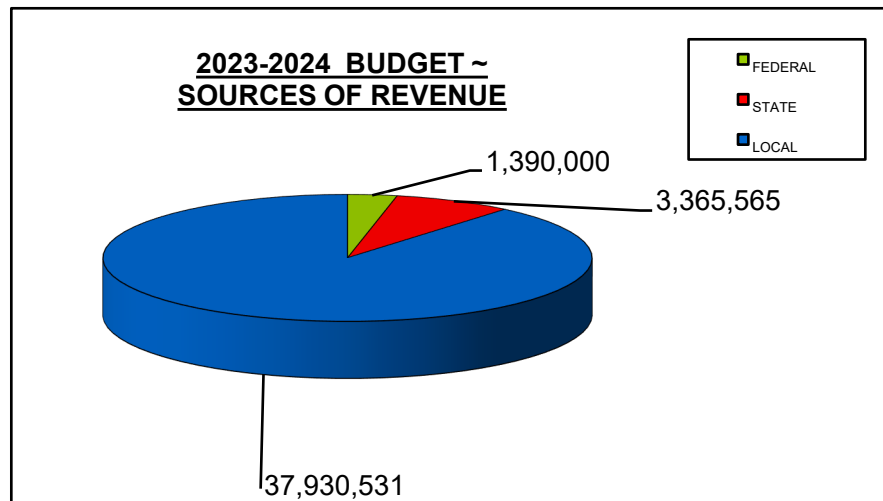
	With On Behalf	Without On Behalf
Amend. 1 to Budget	3.47%	4.16%

# NORTHWEST SUBURBAN SPECIAL EDUCATION ORGANIZATION



## SOURCES OF REVENUE

	<u>FEDERAL</u>	<u>STATE</u>	<u>LOCAL</u>	<u>TOTAL</u>
<b>2022-2023 BUDGET*</b>	1,505,000 3.4%	3,373,870 7.7%	38,852,875 88.8%	43,731,745
<b>2022-2023 AMEND. 1*</b>	1,407,178 3.4%	3,347,950 8.2%	36,175,175 88.4%	40,930,303
<b>2023-2024 BUDGET*</b>	1,390,000 3.3%	3,365,565 7.9%	37,930,531 88.9%	42,686,096



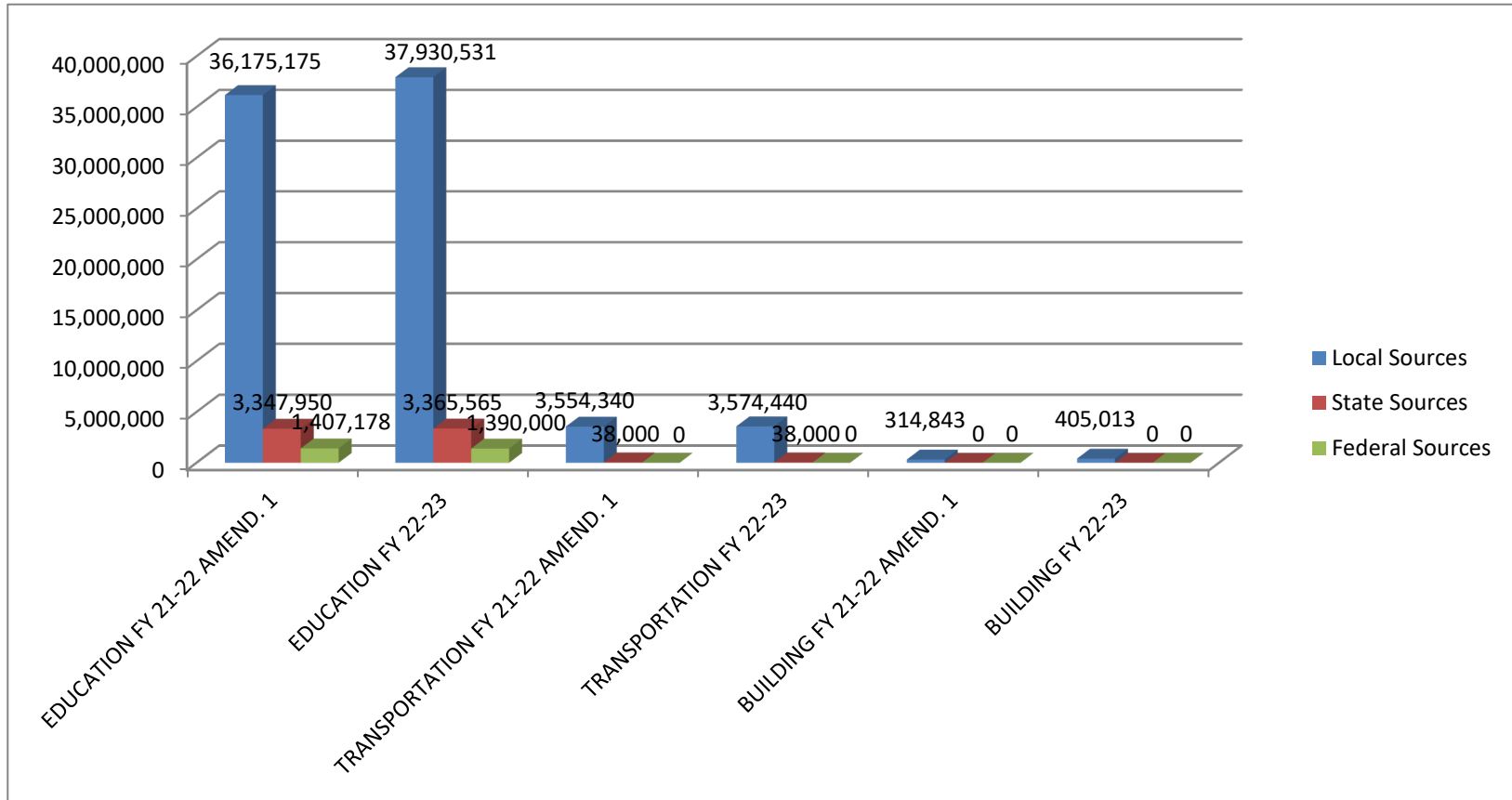
\*Excludes \$8.9 million in On Behalf

## 2023-2024 NSSEO BUDGET REVENUE

	FY 22-23 Amend. 1 Education	FY23-24 Budget Education	FY 22-23 Amend. 1 Transportation	FY23-24 Budget Transportation	FY 22-23 Amend. 1 Building	FY23-24 Budget Building	FY 22-23 Amend. 1 Total	FY23-24 Budget Total
<b>Local Sources:</b>								
District Payments	18,479,292	19,902,870	0	0	200,000	300,000	18,679,292	20,202,870
Non-Member Payments	6,931,830	7,054,480	0	0	103,859	100,013	7,035,689	7,154,493
Transportation Payments	0	0	3,554,340	3,574,440	0	0	3,554,340	3,574,440
Direct Bill Revenue	6,639,899	6,830,135	0	0	0	0	6,639,899	6,830,135
Other Local Revenue	21,000	21,000	0	0	0	0	21,000	21,000
IDEA Funds	1,578,504	1,593,037	0	0	0	0	1,578,504	1,593,037
Building Rent	0	0	0	0	0	0	0	0
ESY Assessment	89,820	91,320	0	0	0	0	89,820	91,320
Program Payments	1,976,397	2,065,048	0	0	0	0	1,976,397	2,065,048
Interest	10,000	50,000	0	0	5,000	5,000	15,000	55,000
Budget Balance	448,433	322,641	0	0	5,984	0	454,417	322,641
<b>Total Local Sources</b>	<b>36,175,175</b>	<b>37,930,531</b>	<b>3,554,340</b>	<b>3,574,440</b>	<b>314,843</b>	<b>405,013</b>	<b>40,044,358</b>	<b>41,909,984</b>
<b>State Sources:</b>								
Evidence Based Funding	2,383,720	2,401,335	0	0	0	0	2,383,720	2,401,335
State Transp. Claim	0	0	38,000	38,000	0	0	38,000	38,000
Breakfast/Lunch Revenue	0	0	0	0	0	0	0	0
ORS/DHS	964,230	964,230	0	0	0	0	964,230	964,230
<b>Total State Sources</b>	<b>3,347,950</b>	<b>3,365,565</b>	<b>38,000</b>	<b>38,000</b>	<b>0</b>	<b>0</b>	<b>3,385,950</b>	<b>3,403,565</b>
<b>Federal Sources:</b>								
ISRC Grant	650,000	650,000	0	0	0	0	650,000	650,000
Preschool	0	0	0	0	0	0	0	0
Breakfast/Lunch Revenue	0	0	0	0	0	0	0	0
Medicaid	757,178	740,000	0	0	0	0	757,178	740,000
<b>Total Federal Sources</b>	<b>1,407,178</b>	<b>1,390,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,407,178</b>	<b>1,390,000</b>
<b>Grand Total*</b>	<b>40,930,303</b>	<b>42,686,096</b>	<b>3,592,340</b>	<b>3,612,440</b>	<b>314,843</b>	<b>405,013</b>	<b>44,837,486</b>	<b>46,703,549</b>

\*Excludes \$8.9 million in On Behalf

# 2023-2024 NSSEO BUDGET REVENUE



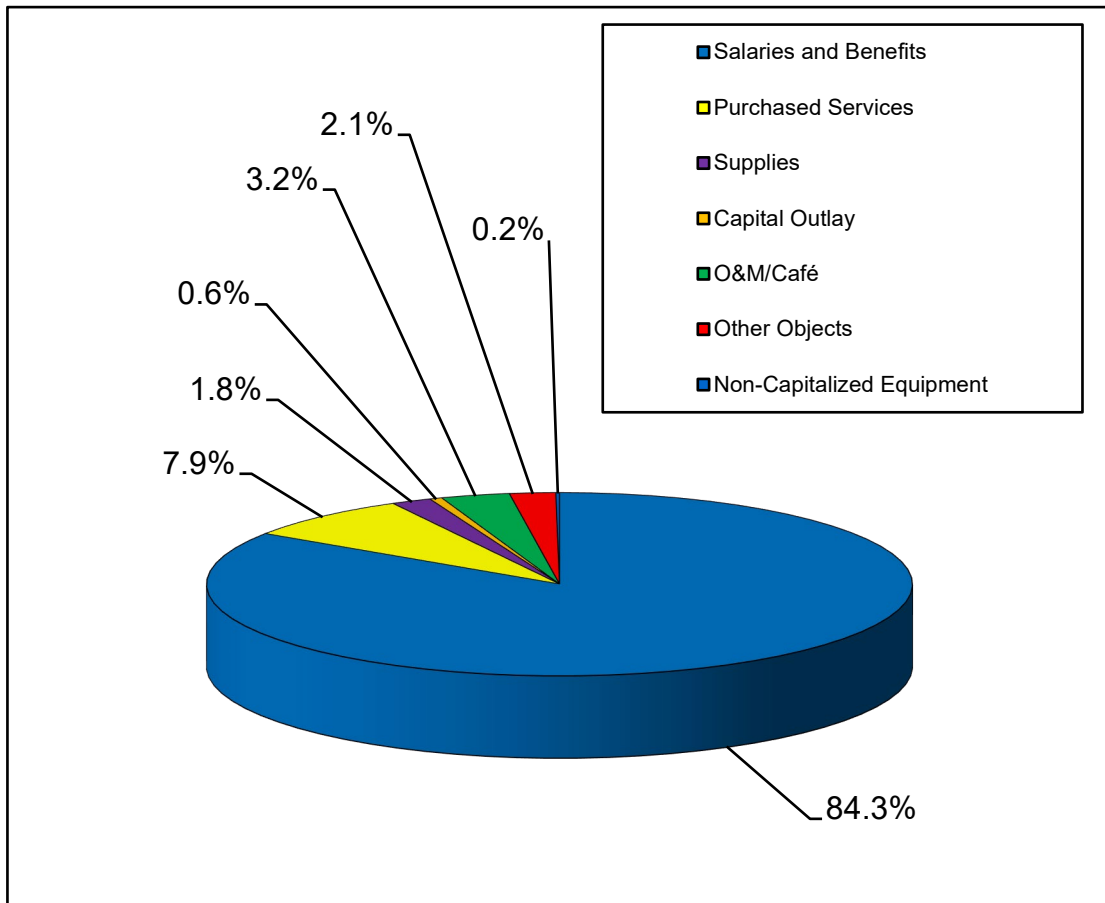


# NSSEO

## 2023-2024 BUDGET SUMMARY

### Education Fund- Allocation of Program Expenses:

Salaries and Benefits	34,230,492	84.3%
Purchased Services	3,194,955	7.9%
Supplies	747,466	1.8%
Capital Outlay	229,779	0.6%
O&M/Café	1,281,558	3.2%
Other Objects	855,119	2.1%
Non-Capitalized Equipment	68,604	0.2%
Subtotal	40,607,973	100.0%
Transfers	2,078,122	
On Behalf	8,900,000	
<b>Total 2023-2024 Education Fund</b>	<b>51,586,095</b>	





# NSSEO

## BUDGET EXPENDITURES SUMMARY 2023-2024

PROGRAM	SALARIES	EMPLOYEE BENEFITS*	PURCHASED SERVICES	SUPPLIES/ MATERIALS	CAPITAL OUTLAY	TRANSFERS/ FLOW-THRU/ DUES/FEES	NON- CAPITALIZED EQUIPMENT	TOTAL
<b>TUITION PROGRAMS:</b>								
TIMBER RIDGE	3,213,741	876,915	112,979	42,700	1,500	731,401	0	4,979,236
MINER SCHOOL	4,879,570	1,495,948	572,209	87,826	20,000	489,013	1,500	7,546,066
KIRK SCHOOL	9,989,519	3,105,773	203,250	77,600	30,000	1,585,524	3,000	14,994,666
D/HH-ELEMENTARY	1,171,486	301,141	77,662	0	0	93,017	0	1,643,306
D/HH-MIDDLE	267,691	56,862	25,440	0	0	21,000	0	370,993
D/HH-HIGH SCHOOL	480,076	119,983	22,072	0	0	37,328	0	659,459
<b>TUITION BUDGET '24</b>	<b>20,002,083</b>	<b>5,956,622</b>	<b>1,013,612</b>	<b>208,126</b>	<b>51,500</b>	<b>2,957,283</b>	<b>4,500</b>	<b>30,193,726</b>
<b>TUITION BUDGET '23</b>	<b>18,155,095</b>	<b>5,458,395</b>	<b>877,931</b>	<b>206,250</b>	<b>189,929</b>	<b>2,762,530</b>	<b>4,500</b>	<b>27,654,630</b>
<b>TUITION AMEND. 1 '23</b>	<b>18,546,769</b>	<b>5,544,681</b>	<b>1,597,002</b>	<b>208,500</b>	<b>31,500</b>	<b>2,762,604</b>	<b>4,500</b>	<b>28,695,556</b>
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>1,498,170</b>
<b>SERVICE/OTHER:</b>								
D.E.S.C.	1,455,295	289,656	49,000	8,478	0	110,796	0	1,913,225
D/HH-DIAGNOSTICS	390,637	102,791	21,000	10,000	0	31,466	0	555,894
D/HH-ITINERANT	827,285	137,401	18,000	0	0	58,961	0	1,041,647
OUTDOOR EDUCATION	393,208	78,245	76,450	59,450	20,000	99,619	0	726,972
VAC/STEP	222,055	74,200	798,310	1,600	0	19,045	0	1,115,210
NSSEO ADMINISTRATION	1,407,908	311,182	546,770	226,000	15,000	108,000	5,000	2,619,860
TECH ASST TO DIST	401,531	68,616	1,000	725	0	0	0	471,872
PROF DEVELOPMENT	279,794	46,376	247,625	39,005	0	0	0	612,800
CENTRAL O&M	261,366	53,717	87,800	34,500	4,000	1,000	0	442,383
D/HH-CENTRAL	2,500	331	103,915	10,000	0	176,680	0	293,426
ISRC GRANT	369,927	83,870	166,203	30,000	0	0	0	650,000
TECHNOLOGY/CENTRAL	828,772	185,124	40,100	34,000	50,000	375,000	9,135	1,522,131
TECHNOLOGY/PROGRAMS	0	0	25,170	85,582	89,279	0	49,969	250,000
<b>SRVS/OTHR BUD '24</b>	<b>6,840,278</b>	<b>1,431,509</b>	<b>2,181,343</b>	<b>539,340</b>	<b>178,279</b>	<b>980,567</b>	<b>64,104</b>	<b>12,215,420</b>
<b>SRVS/OTHR BUD '23</b>	<b>6,732,884</b>	<b>1,416,281</b>	<b>2,187,726</b>	<b>490,738</b>	<b>148,279</b>	<b>858,848</b>	<b>74,104</b>	<b>11,908,860</b>
<b>SRVS/OTHR AMEND. 1 '23</b>	<b>6,708,307</b>	<b>1,383,544</b>	<b>2,236,172</b>	<b>521,127</b>	<b>148,279</b>	<b>934,808</b>	<b>64,104</b>	<b>11,996,341</b>
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>219,079</b>
<b>ED FUND RESERVES:</b>								
U/C RESERVE	0	0	0	0	0	20,000	0	20,000
RETIREMENT RESERVE	0	0	0	0	0	9,156,949	0	9,156,949
<b>ED. RES. BUDGET '24</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,176,949</b>	<b>0</b>	<b>9,176,949</b>
<b>ED. RES. BUDGET '23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,172,514</b>	<b>0</b>	<b>9,172,514</b>
<b>ED. RES. AMEND. 1 '23</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,138,406</b>	<b>0</b>	<b>9,138,406</b>
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>38,543</b>
<b>TOTAL EDUCATION BUDGET 2023-2024</b>	<b>26,842,361</b>	<b>7,388,131</b>	<b>3,194,955</b>	<b>747,466</b>	<b>229,779</b>	<b>13,114,799</b>	<b>68,604</b>	<b>51,586,095</b>
<b>TOTAL EDUCATION BUDGET 2022-2023</b>	<b>24,887,979</b>	<b>6,874,676</b>	<b>3,065,657</b>	<b>696,988</b>	<b>338,208</b>	<b>12,793,892</b>	<b>78,604</b>	<b>48,736,004</b>
<b>TOTAL EDUCATION AMEND. 1 2022-2023</b>	<b>25,255,076</b>	<b>6,928,225</b>	<b>3,833,174</b>	<b>729,627</b>	<b>179,779</b>	<b>12,835,818</b>	<b>68,604</b>	<b>49,830,303</b>
<b>Change in Expenditures Amendment 1 to Budget</b>								<b>1,755,792</b>
<b>TRANSP 2023-2024</b>	<b>789,782</b>	<b>114,600</b>	<b>2,532,311</b>	<b>142,622</b>	<b>20,000</b>	<b>11,250</b>	<b>1,875</b>	<b>3,612,440</b>
<b>TRANSP 2022-2023</b>	<b>772,703</b>	<b>126,437</b>	<b>2,501,539</b>	<b>156,987</b>	<b>25,000</b>	<b>11,250</b>	<b>1,875</b>	<b>3,595,791</b>
<b>TRANSP A1 2022-2023</b>	<b>771,115</b>	<b>116,573</b>	<b>2,509,540</b>	<b>156,987</b>	<b>25,000</b>	<b>11,250</b>	<b>1,875</b>	<b>3,592,340</b>



# NSSEO

## BUDGET EXPENDITURES SUMMARY 2023-2024

PROGRAM	SALARIES	EMPLOYEE BENEFITS*	PURCHASED SERVICES	SUPPLIES/MATERIALS	CAPITAL OUTLAY	TRANSFERS/ FLOW-THRU/ DUES/FEES	NON-CAPITALIZED EQUIPMENT	TOTAL
				Change in Expenditures Amendment 1 to Budget				20,100
BLDG FUND 2023-2024	0	0	339,013	13,200	2,800	50,000	0	405,013
BLDG FUND 2022-2023	0	0	233,950	16,000	0	50,000	0	299,950
BLDG FUND A1 2022-2023	0	0	248,843	13,200	2,800	50,000	0	314,843
				Change in Expenditures Amendment 1 to Budget				90,170
<b>GRAND TOTALS:</b>								
BUDGET 2023-2024	27,632,143	7,502,731	6,066,279	903,288	252,579	13,176,049	70,479	55,603,548
BUDGET 2022-2023	25,660,682	7,001,113	5,801,146	869,975	363,208	12,855,142	80,479	52,631,745
AMEND. 1 2022-2023	26,026,191	7,044,798	6,591,557	899,814	207,579	12,897,068	70,479	53,737,486
				Change in Expenditures Amendment 1 to Budget				1,866,062
				% Change in Expenditures Amendment 1 to Budget				3.47%
<b>GRAND TOTALS LESS ON BEHALF:</b>								
BUDGET 2023-2024	27,632,143	7,502,731	6,066,279	903,288	252,579	4,276,049	70,479	46,703,548
% of Budget	59.2%	16.1%	13.0%	1.9%	0.5%	9.2%	0.2%	100.0%
BUDGET 2022-2023	25,660,682	7,001,113	5,801,146	869,975	363,208	3,955,142	80,479	43,731,745
% of Budget	58.7%	16.0%	13.3%	2.0%	0.8%	9.0%	0.2%	100.0%
AMEND. 1 2022-2023	26,026,191	7,044,798	6,591,557	899,814	207,579	3,997,068	70,479	44,837,486
% of Budget	58.0%	15.7%	14.7%	2.0%	0.5%	8.9%	0.2%	100.0%
				Change in Expenditures Amendment 1 to Budget				1,866,062
				% Change in Expenditures Amendment 1 to Budget				4.00%

\*Employee Benefits include Board Share of IMRF, FICA, Medicare, Teacher Retirement/Local, Teacher Retirement/Federal, Health/Life/Dental Insurance, and Worker's Compensation.


3/7/2023 GM



## 2023-2024 BUDGET ENROLLMENT SUMMARY


### Budget 2022-2023 to Budget 2023-2024

	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>Timber Ridge</u></b>				
Member	51.0	55.0	4.0	65%
Non-Member	24.0	30.0	6.0	35%
	75.0	85.0	10.0	100%



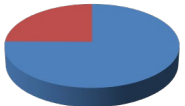
- Member 65%
- Non-Member 35%

	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>Miner School</u></b>				
Member	57.0	65.0	8.0	75%
Non-Member	23.0	22.0	-1.0	25%
	80.0	87.0	7.0	100%



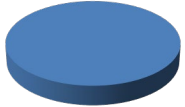
- Member 75%
- Non-Member 25%

	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>Kirk School</u></b>				
Member	140.0	136.0	-4.0	75%
Non-Member	39.0	45.0	6.0	25%
	179.0	181.0	2.0	100%



- Member 75%
- Non-Member 25%

	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>D/HH-Elementary</u></b>				
Member	29.0	28.0	-1.0	100%
	29.0	28.0	-1.0	100%

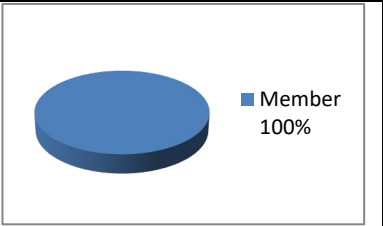


- Member 100%

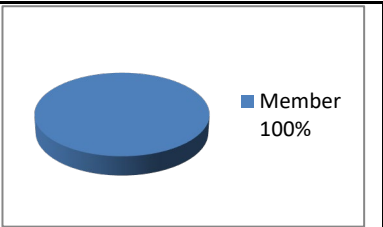
**2023-2024 BUDGET ENROLLMENT SUMMARY**

Budget 2022-2023 to Budget 2023-2024

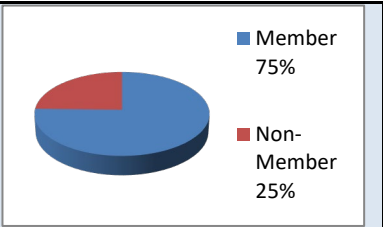
	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>D/HH-Middle</u></b>				
Member	4.0	5.0	1.0	100%
	<u>4.0</u>	<u>5.0</u>	<u>1.0</u>	<u>100%</u>



	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>D/HH-High School</u></b>				
Member	9.0	8.0	-1.0	100%
	<u>9.0</u>	<u>8.0</u>	<u>-1.0</u>	<u>100%</u>



	Budget		Enrollment	
	<u>2022-2023</u>	<u>2023-2024</u>	<u>Inc./Dec.</u>	<u>FY24 %</u>
<b><u>TOTAL</u></b>				
Member	290.0	297.0	7.0	75%
Non-Member	86.0	97.0	11.0	25%
	<u>376.0</u>	<u>394.0</u>	<u>18.0</u>	<u>100%</u>





## 2023-2024 BUDGET STAFFING SUMMARY

Amend. 1 2022-2023 to Budget 2023-2024

PROGRAM:	BUDGET 2022-2023 STAFF	AMEND. 1 2022-2023 STAFF	BUDGET 2023-2024 STAFF	BUDGET TO BUDGET INC./DEC.
TIMBER RIDGE SCHOOL	48.8500	49.8500	53.0500	3.2000
MINER SCHOOL	59.2000	60.2000	60.6500	0.4500
KIRK SCHOOL	114.0000	113.5000	116.8000	3.3000
D/HH PROGRAM	27.0000	28.0000	28.2000	0.2000
<b>TUITION PROGRAMS</b>	<b>249.0500</b>	<b>251.5500</b>	<b>258.7000</b>	<b>7.1500</b>
DIAG. & EDUC. SRVS. CENTER	15.7600	16.2500	17.2100	0.9600
D/HH-DIAGNOSTICS	5.3000	5.1000	5.3000	0.2000
D/HH-ITINERANT	10.1500	10.1500	10.1500	0.0000
OUTDOOR EDUCATION	5.0000	5.0000	5.0000	0.0000
OUTDOOR ED.-RESTRICTED	1.0000	1.0000	1.0000	0.0000
VOC. ADJUSTMENT COUNSELOR	4.0000	4.0000	4.0000	0.0000
NSSEO ADMINISTRATION	12.7000	13.0000	13.0000	0.0000
TECHNICAL ASSIST TO DISTRICTS	6.3000	5.3000	5.1000	-0.2000
PROFESSIONAL DEVELOPMENT	2.7000	2.7000	2.9000	0.2000
CENTRAL O&M	2.3813	2.3813	2.3813	0.0000
TECHNOLOGY / CENTRAL	10.0000	10.0000	10.0000	0.0000
TIMBER RIDGE O&M	2.5000	2.5000	2.5000	0.0000
KIRK O&M	5.0000	5.0000	5.0000	0.0000
KIRK CAFETERIA	4.0000	4.0000	5.0000	1.0000
TRANSPORTATION	1.4500	1.4500	1.4500	0.0000
TRANSPORTATION-IN HOUSE	3.5000	3.5000	3.5000	0.0000
<b>OTHER PROGRAMS/SERVICES</b>	<b>91.7413</b>	<b>91.3313</b>	<b>93.4913</b>	<b>2.1600</b>
<b>TOTALS</b>	<b>340.7913</b>	<b>342.8813</b>	<b>352.1913</b>	<b>9.3100</b>
1:1 DIRECT BILL STAFF	133.8000	144.0000	139.0000	-5.0000

Updated 3/16/2023

e/sched2324/Budget Staffing Summary



## Programs and Services

NSSEO continues to redesign programs and services offered to meet the changing needs of its member districts in alignment with the NSSEO Continuous Improvement Plan that promotes continuous improvement. NSSEO's emphasis on improved student outcomes is reflective of a streamlined process that aligns programming, integrated growth measures, individualized interventions and ongoing program review. In collaborative partnership with our member districts, NSSEO provides a continuum of special education services and other supports allowing districts to capitalize on educational opportunity by utilizing economy of scale. NSSEO continues to provide progressive and visionary leadership in the field of education through advocacy at the state and federal level, family and community involvement, professional development and coaching leading to greater opportunity for students.

### NSSEO Programs and Services

#### Tuition Programs:

- Miner/Kirk Program
- Timber Ridge School
- The Deaf and Hard of Hearing Programs

#### Services:

- Administrative and Support Services
- Adapted Physical Education
- Assistive and Instructional Technology
- Autism
- Deaf and Hard of Hearing Evaluation Services (Including audiology evaluations)
- Deaf and Hard of Hearing Itinerant Services
- Evaluation and Coaching
- Occupational Therapy
- Outdoor Education
- Physical Therapy
- Professional Development and Coaching
- Speech Therapy
- Transportation Services
- Transition Services
- Vision Services

## Programs and Services - Continued

The 2023-2024 budget was developed in alignment with the NSSEO Continuous Improvement Plan reflective of student and member district needs.

### **NSSEO Continuous Improvement Plan- Areas of Focus**

- **Student Outcomes**
  - Foster development, ongoing growth and positive outcomes for all students.
  
- **Social Emotional Learning**
  - Promote social emotional learning and growth for all.
  
- **Supportive, Collaborative, and Person-Centered Learning Environment**
  - Foster a supportive, collaborative, and person-centered learning environment to promote growth for all.
  
- **Transition Services**
  - Upon exiting from NSSEO services, 100% of students will have defined post-secondary plans indicating focus on the priority areas of social, community and/or work experiences for at least 50% of a work week.
  
- **Collaborative Partnerships**
  - Further advance our collaborative partnerships across the educational community to deepen equitable, inclusive practices that are future drive and influence positive change.



# NSSEO Funding Formulas

<b><u>NSSEO Tuition Based Programs</u></b>
<b>Programs:</b>
<b>Timber Ridge School</b>
<b>Miner/Kirk Program</b>
<b>D/HH Program</b>
-Based on a projected per student cost
<b><u>NSSEO Service/Other Programs</u></b>
<b>Programs:</b>
<b>DESC Services:</b>
<b>OT/PT services to District students</b>
<b>APE services to District students</b>
<b>Vision services to District students</b>
<b>Assistive Technology services to District students</b>
Based on the average salary, plus benefits, plus administrative add-on, plus travel, telephone, postage, photocopy, materials add-on.
<b>DESC Evaluations</b> - based on actual usage logs kept by DESC evaluation staff converted to a three tier system.
<b>D/HH-Diagnostics</b> - based on actual usage logs kept by evaluation staff converted to a four tier system.
<b>D/HH-Itinerant</b> - based on a per unit cost
<b>Outdoor Education</b> - based on % of projected usage in the education fund
<b>VAC</b> - costs are split between Districts 211 & 214
<b>NSSEO Administration</b> - no separate cost to member districts (6% in programs)
<b>Technical Assistance to Districts</b> - based on usage (FTE)
<b>Central O&amp;M</b> - based on % of projected usage in the education fund
<b>D/HH-Central Office</b> - no separate cost to member districts (6% in programs)
<b>Technology/Central</b> - based on % of projected usage in the education fund
<b>Technology/Programs</b> - based on % of projected usage in the education fund
<b><u>NSSEO Reserves</u></b>
<b>Unemployment Reserve</b> - No Assessment in 2023-2024 Based on 50% Historical Usage ('12, '17, '22), 25% AFR Revenue, 25% Usage % in Ed Fund
<b>Retirement Reserve</b> - \$100,000 in 2023-2024 Based on 50% Historical Usage ('12, '17, '22), 25% AFR Revenue, 25% Usage % in Ed Fund
<b>Building Fund</b> Based on 1/3 Projected Usage in Buildings We Own, 1/3 AFR Revenue, 1/3 Equal Share

## Member District Tuition/Rate Increase or Decrease by Program

<b>2023-2024 NSSEO Tuition Based Programs</b>		<b>2022-2023</b>		<b>2023-2024</b>	<b>INC./DEC.</b>
<b>Program</b>		<b>BUDGET</b>		<b>BUDGET</b>	<b>%</b>
Timber Ridge School		43,702.53	per std	44,938.76	2.83%
Miner/Kirk Program		47,887.71	per std	49,687.60	3.76%
D/HH Program		50,738.62	per std	53,184.17	4.82%
<b>2023-2024 NSSEO Service/Other Programs</b>		<b>2022-2023</b>		<b>2023-2024</b>	<b>INC./DEC.</b>
<b>Program</b>		<b>BUDGET</b>		<b>BUDGET</b>	<b>%</b>
<b>DESC:</b>					
OT/PT services to District students		119,930	per FTE	122,575	2.21%
APE services to District students		80,303	per FTE	82,843	3.16%
Vision services to District students		92,796	per FTE	96,697	4.20%
Assistive Technology services to District students		89,182	per FTE	97,120	8.90%
D/HH-Itinerant Program		25.37	per unit	26.32	3.74%
Outdoor Education - based on % of usage in education fund		415,673	total	422,194	1.57%
VAC - costs are split between Districts 211 & 214		73,101	per dist	75,490	3.27%
Technical Assistance to Districts		96,464	per FTE	100,302	3.98%
Central O&M - based on % of usage in education fund		66,703	total	67,838	1.70%
Technology/Central - based on % of usage in education fund		746,322	total	756,314	1.34%
Technology/Programs - based on % of usage in education fund		85,583	total	79,710	-6.86%
Building Fund		200,000	total	300,000	



## NSSEO One-Year Facility Plan

The NSSEO budget planning process focuses on both short-term and long-term facility and program needs. The facility plan is developed through an examination of the current status and future initiatives of facilities, through an analysis of facility needs, program initiatives, and the use of work space. NSSEO recently completed its Ten-Year Life Safety Survey and has contracted with an architectural firm to complete a long-term facility assessment. Once completed, the NSSEO Facility Planning Committee will begin the process of developing a 10-Year Facility Plan.

For the FY24 Budget, NSSEO is presenting a One-Year Facility Plan that incorporates both identified facility needs and findings from the NSSEO 10-Year Life Safety Survey.

Guiding Principles in the development Facility Plan include:

- Health, safety, and security
- Maintenance and upkeep of facilities
- Integration of program initiatives
- Optimal utilization of facilities
- Environmental Sustainability

The development process of the NSSEO One-Year Facility Plan included:

- Examination of the current use of facilities in alignment with program needs and use by all stakeholders.
- Collection of current data about the conditions of facilities in order to inform the need for maintenance, repair, and renovations.
- Prioritization of identified life-safety projects within financial limitations
- Consideration of energy improvements and sustainable construction whenever possible

Within the NSSEO One-Year Facility Plan framework, the District assesses and predicts both the need, cost and timing for maintenance and repairs to facilities and renovations. Ongoing review of the NSSEO Facility Plan by the NSSEO Facility Planning Committee provides for refinement and revisions as priorities dictate.

# NSSEO Building Fund Priority Schedule

<b>2023-2024</b>	
<b><u>Timber Ridge</u></b>	
Crack Fill, Sealcoat, Restripe Parking Lot	7,000
Tuck pointing	5,000
General Painting	3,000
Concrete Replacement/Repair	5,000
Mulch for Playground/Rubberized Play Surface	2,000
Classroom Renovations (sinks)	17,500
Fire Rated Walls to enclose stairwell	25,000
<b><u>Administration Building</u></b>	
Crack Fill, Sealcoat, Restripe Parking Lot	5,000
Tuck pointing	4,000
General Painting	1,500
Concrete	2,000
Salter Replacement	10,770
<b><u>Kirk School</u></b>	
General Painting	5,000
Drywall Repairs/FRP Paneling	27,047
Tuck Pointing	7,000
Crack Fill, Sealcoat, Restripe Parking Lot	10,000
Concrete Replacement/Repair	25,000
Exterior Power Wash, Repair Wood, Caulk and Paint	19,500
Life Safety (Strobe lights)	30,000
<b><u>Sunrise Outdoor Education Center</u></b>	
Asphalt Replacement/Repair/Striping	2,000
Concrete	4,000
Decking Replacement	3,500
Tree Care	2,100
Gutters on both Lodges	9,662
Windows in Craft Lodge	11,386
Fire Rated Walls Under Roof Deck (Life Safety)	6,000
<b><u>District Wide</u></b>	
Projects as Needed	30,000
Matching Portion of COPs Security Grant	105,048
Annual Depreciation on Vehicles	20,000
<b>405,013</b>	
<b>Total</b>	<b>405,013</b>



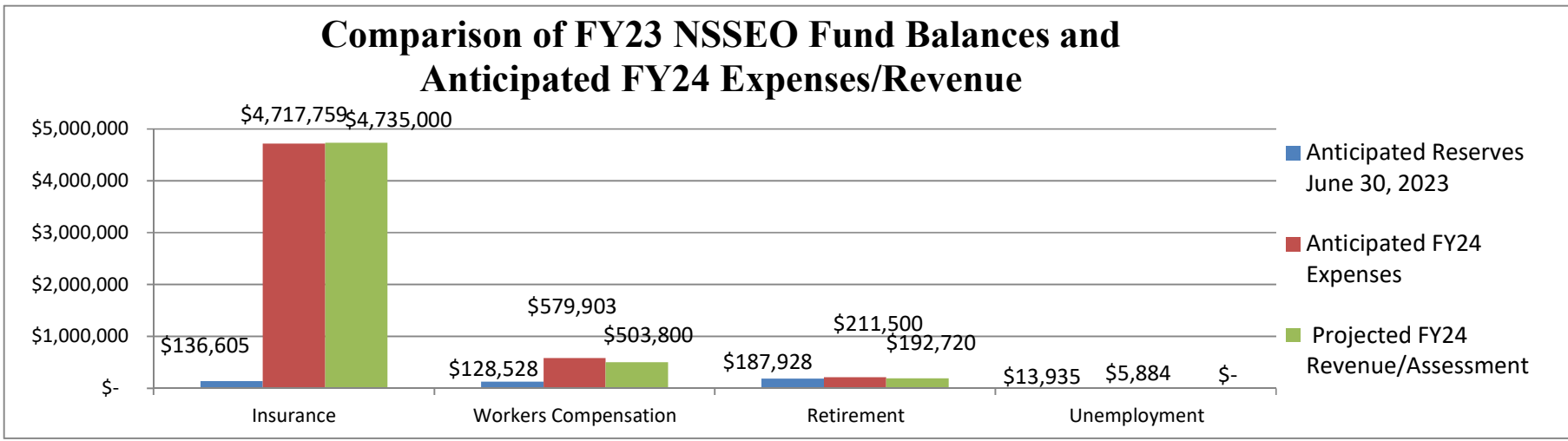
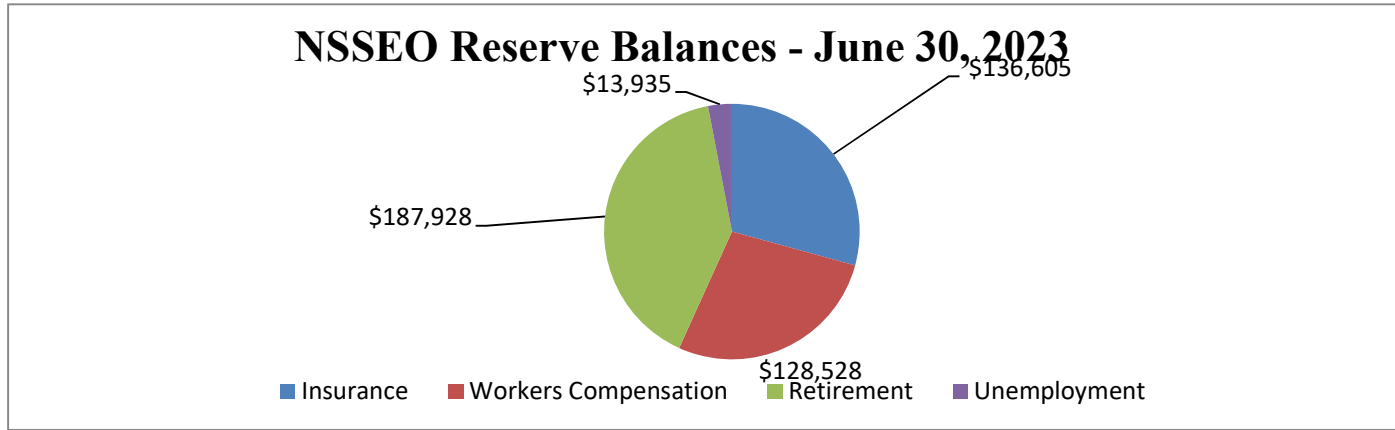
## Reserves

NSSEO currently maintains reserve balances in insurance, workers compensation, unemployment, and retirement accounts. The insurance and workers compensation reserve balances are the result of being previously self-funded through 2008. NSSEO reserves were established through assessments to both member and non-member districts for the purpose of collecting sufficient funds to cover anticipated expenses. NSSEO reserve fund balances are the result of careful budgeting, conservative spending, and actual expenses under budgeted amounts.

NSSEO has continually focused on spending down reserves to offset costs in the NSSEO budget. This fiscally responsible budget planning approach has resulted in conservative tuition increases and associated assessments (unemployment & retirement).

## Summary of NSSEO Reserves

	<u>Anticipated Reserves</u> <u>June 30, 2023</u>	<u>Anticipated FY24</u> <u>Expenses</u>	<u>Projected FY24</u> <u>Revenue/Assessment</u>	<u>Anticipated Reserves</u> <u>June 30, 2024</u>
Insurance	\$ 136,605	\$ 4,717,759	\$ 4,735,000	\$ 153,846
Workers Compensation	\$ 128,528	\$ 579,903	\$ 503,800	\$ 52,425
Retirement	\$ 187,928	\$ 211,500	\$ 192,720	\$ 169,148
Unemployment	\$ 13,935	\$ 5,884	\$ -	\$ 8,051
	<b>\$ 466,996</b>	<b>\$ 5,515,046</b>	<b>\$ 5,431,520</b>	<b>\$ 383,470</b>



**District #23**  
**NSSEO 2023-2024 Budget**

<b>Program</b>	<b>Projected Usage</b>	<b>Cost per Student or Service</b>	<b>District #23 Total</b>
<b>Tuition Programs:</b>			
Timber Ridge School	5.00 students	44,938.76	224,694
Miner School	3.00 students	49,687.60	149,063
D/HH-Elementary	3.00 students	53,184.17	159,553
D/HH-Middle	0.00 students	53,184.17	0
<b>Service/Other Programs:</b>			
DESC-Vision Services	0.20 FTE	96,697.00	19,339
DESC- PT Services	0.40 FTE	122,575.00	49,030
D/HH-Itinerant	1,204.00 Units	26.32	31,687
Technical Asst to Dists-Coaches	0.10 FTE	100,302.00	10,030
Outdoor Education			13,309
Central O&M			2,139
Technology/Central			23,842
Technology/Programs			2,513
<b>Direct Bill Staff:</b>			
2.00 Direct Bill 1:1 Aide- Miner School		93,241	
1.00 Direct Bill 1:1 Aide- Timber Ridge School		46,620	
<b>Total Direct Bill Staff</b>			<b>139,861</b>
<b>Education Fund Reserves:</b>			
Unemployment Comp.			0
Retirement Reserve			3,152
<b>Education Fund Totals</b>			<b>828,212</b>
<b>Building Fund</b>			<b>17,729</b>
<b>TOTAL DISTRICT #23</b>			<b>845,941</b>
<b>Additional District Costs:</b>			
**DESC-Evaluations:			Estimated Based on Need
Billing based on actual usage. Approx. \$1,200/level 1 evaluation.			
**DESC-Contracted Evaluations			Estimated 3,450
**D/HH-Diagnostics:			Estimated 8,300
Billing based on actual usage. Approx. \$550/level 1 evaluation. Screenings in district \$400/day.			
Please note- Evaluations include tests, observations, travel, IEP meetings, interviews, consultation with staff, comprehensive report, etc.			
ESY- Summer 2022			23,464
IDEA FY2223			54,289
Transportation			240,673

COMPARISON DISTRICT PAYMENTS	DIST. 23	DIST. 23	DIST. 23		DIST. 23	CHANGE IN STUDENTS
	2022-2023 BUDGET	2022-2023 AMEND. 1	2023-2024 BUDGET	FY24 STDS	DIFF. ~ AMEND. 1 VS FY24	OR SERVICES FROM AMENDMENT 1
<b>TUITION PROGRAMS:</b>						
Timber Ridge School	131,108	195,656	224,694	5.0	29,038	0.5 students
Miner School	95,775	173,785	149,063	3.0	-24,722	-0.6 students
Kirk School						
D/HH-Elementary	101,477	152,216	159,553	3.0	7,337	0.0 students
D/HH-Middle						
D/HH-High School						
<b>Subtotal Tuition</b>	<b>328,360</b>	<b>521,657</b>	<b>533,310</b>	<b>11.0</b>	<b>11,653</b>	<b>-0.1 students</b>
<b>SERVICE/OTHER:</b>						
DESC-Educational Srvs	74,583	74,583	68,369		-6,214	-1 APE
D/HH-Itinerant	33,688	33,188	31,687		-1,501	
Outdoor Education	10,798	10,798	13,309		2,511	
V.A.C.					0	
NSSEO Admin.					0	
Tech Asst to Districts	36,657	36,657	10,030		-26,627	-.28 Coaching
Central O&M	1,792	1,792	2,139		347	
Technology/Central	19,402	19,402	23,842		4,440	
Technology/Programs	2,223	2,223	2,513		290	
<b>Subtotal Srv/Other</b>	<b>179,143</b>	<b>178,643</b>	<b>151,889</b>		<b>-26,754</b>	
<b>DIRECT BILL STAFF/SRVS:</b>						
Direct Bill Staff/Services	82,231	123,346	139,861		16,515	
<b>ED FUND RESERVES:</b>						
U/C Reserve	0	0	0		0	
Retirement Reserve	0	0	3,152		3,152	
<b>Subtotal Ed Reserves</b>	<b>0</b>	<b>0</b>	<b>3,152</b>		<b>3,152</b>	
<b>TOTAL:</b>						
<b>EDUCATION FUND</b>	<b>589,734</b>	<b>823,646</b>	<b>828,212</b>		<b>4,566</b>	
<b>TOTAL:</b>						
<b>BUILDING FUND</b>	<b>11,254</b>	<b>11,254</b>	<b>17,729</b>		<b>6,475</b>	
<b>TOTAL</b>						
	<b>600,988</b>	<b>834,900</b>	<b>845,941</b>		<b>11,041</b>	



## NSSEO ENROLLMENT 2023-2024 BUDGET

<b>District 23</b>				
Program	Budget 2022-2023	Amend.1 2022-2023	Budget 2023-2024	Diff Amend. 1 to Budget
Timber Ridge School	3.0	4.5	5.0	0.5
Miner School	2.0	3.6	3.0	-0.6
D/HH-Elementary	3.0	3.0	3.0	0.0
D/HH-Middle	0.0	0.0	0.0	0.0
<b>Total</b>	<b>8.0</b>	<b>11.1</b>	<b>11.0</b>	<b>-0.1</b>

# Prospect Hts SD #23

## Renewal Rates

July 1, 2023 through June 30, 2024

LIFE		2022-23	2023-24		
Active Life		\$ 0.095	\$ 0.095		
AD&D		\$ 0.010	\$ 0.010		
MEDICAL					
BAHMO Plan					
<b>B02351</b>	Employee	\$ 708.41	\$ 761.54	Renewal:	7.5%
	Family	\$ 1,904.81	\$ 2,047.67	Non-Grandfathered	
	Medicare Employee	\$ 653.12	\$ 702.10		
	Medicare Family	\$ 1,306.20	\$ 1,404.17		
	Retiree over 65	\$ 653.12	\$ 702.10		
	Retiree over 65 and Spouse over 65	\$ 1,306.20	\$ 1,404.17		
	Retiree over 65 and Spouse under 65	\$ 1,361.53	\$ 1,463.65		
	Retiree under 65	\$ 708.41	\$ 761.54		
	Retiree under 65 and Spouse under 65	\$ 1,904.81	\$ 2,047.67		
	Retiree under 65 and Spouse over 65	\$ 1,361.53	\$ 1,463.65		
	Retiree and Spouse + Child/Children	\$ 1,904.81	\$ 2,047.67		
	Retiree over 65 + Child/Children	\$ 1,361.53	\$ 1,463.65		
	Retiree under + Child/Children	\$ 1,904.81	\$ 2,047.67		
HMO Illinois					
<b>H81948</b>	Employee	\$ 737.94	\$ 793.29	Renewal:	7.5%
	Family	\$ 1,984.17	\$ 2,132.98	Non-Grandfathered	
	Medicare Employee	\$ 680.34	\$ 731.37		
	Medicare Family	\$ 1,360.63	\$ 1,462.68		
	Retiree over 65	\$ 680.34	\$ 731.37		
	Retiree over 65 and Spouse over 65	\$ 1,360.63	\$ 1,462.68		
	Retiree over 65 and Spouse under 65	\$ 1,418.28	\$ 1,524.65		
	Retiree under 65	\$ 737.94	\$ 793.29		
	Retiree under 65 and Spouse under 65	\$ 1,984.17	\$ 2,132.98		
	Retiree under 65 and Spouse over 65	\$ 1,418.28	\$ 1,524.65		
	Retiree and Spouse + Child/Children	\$ 1,984.17	\$ 2,132.98		
	Retiree over 65 + Child/Children	\$ 1,418.28	\$ 1,524.65		
	Retiree under + Child/Children	\$ 1,984.17	\$ 2,132.98		
PPO Plan					
<b>P98400</b>	Employee	\$ 808.70	\$ 900.89	Renewal:	11.4%
	Family	\$ 2,192.23	\$ 2,442.14	Non-Grandfathered	
	Medicare Employee	\$ 808.70	\$ 900.89		
	Medicare Family	\$ 1,617.40	\$ 1,801.78		
	Retiree over 65	\$ 808.70	\$ 900.89		
	Retiree over 65 and Spouse over 65	\$ 1,617.40	\$ 1,801.78		
	Retiree over 65 and Spouse under 65	\$ 1,617.40	\$ 1,801.78		
	Retiree under 65	\$ 808.70	\$ 900.89		
	Retiree under 65 and Spouse under 65	\$ 2,192.23	\$ 2,442.14		
	Retiree under 65 and Spouse over 65	\$ 1,617.40	\$ 1,801.78		
	Retiree and Spouse + Child/Children	\$ 2,192.23	\$ 2,442.14		
	Retiree over 65 + Child/Children	\$ 1,617.40	\$ 1,801.78		
	Retiree under + Child/Children	\$ 2,192.23	\$ 2,442.14		
HDHP PPO Plan					
<b>PI1322</b>	Employee	\$ 678.02	\$ 755.31	Renewal:	11.4%
	Family	\$ 1,837.97	\$ 2,047.50	Non-Grandfathered	
	Medicare Employee	\$ 678.02	\$ 755.31		
	Medicare Family	\$ 1,356.03	\$ 1,510.62		
	Retiree over 65	\$ 678.02	\$ 755.31		
	Retiree over 65 and Spouse over 65	\$ 1,356.03	\$ 1,510.62		
	Retiree over 65 and Spouse under 65	\$ 1,356.04	\$ 1,510.63		
	Retiree under 65	\$ 678.02	\$ 755.31		
	Retiree under 65 and Spouse under 65	\$ 1,837.97	\$ 2,047.50		
	Retiree under 65 and Spouse over 65	\$ 1,356.04	\$ 1,510.63		
	Retiree and Spouse + Child/Children	\$ 1,837.97	\$ 2,047.50		
	Retiree over 65 + Child/Children	\$ 1,356.04	\$ 1,510.63		
	Retiree under + Child/Children	\$ 1,837.97	\$ 2,047.50		
DENTAL					
<b>303341-0036</b>	Employee	\$ 35.29	\$ 36.21	Renewal:	2.6%
	Family	\$ 98.67	\$ 101.24		



**PROSPECT HEIGHTS DISTRICT 23  
BOARD OF EDUCATION  
INFORMATION ITEM**

---

**Date:** April 12, 2023  
**Title:** Update on the Employee Benefits Renewal through Educational Benefits Cooperative (EBC)  
**Contact:** Amy McPartlin, Assistant Superintendent for Finance & Operations

---

**BACKGROUND INFORMATION AND PROGRAM OVERVIEW:**

The Educational Benefit Cooperative (EBC) is an entity created under Illinois state law, which allows school districts to join together for the purpose of purchasing insurance. The EBC, established in 1984, began with eight school districts and has grown to current membership of 120 school districts, 107 individual members and 3 sub pools. Prospect Heights School District 23 has participated in the EBC since 2003.

The purpose of the EBC is to provide economies of scale and risk pooling that allow members greater long-term financial stability than purchasing insurance products individually in the commercial insurance market. Each member district retains the ability to create and change their PPO, HMO, Dental and Life plan design and offerings, which is often required by the nature of bargained contracts. The PPO and Dental plans are self-funded. The HMO is funded on a Cost-Plus funding arrangement and the Life insurance is insured by a third party.

**EBC RENEWAL SUMMARY 2023-24:**

The full Board and all participating districts meet twice a year to discuss the annual audit and preliminary renewal figures and then again for the final renewal. District 23 participated in the final renewal meeting on March 16th. Following is a brief highlight of the EBC renewal proposal.

The EBC sponsored plans are PPO medical, HMO medical, dental, and life insurance.

- The PPO medical rating formula produced an average rate adjustment of 11.4%
  - District's Loss Ratio is 113%
  - Typical market 2023 trend for PPO plans: 6.0%\*
- The HMO projection indicated a rate adjustment of 7.5%
  - District's Loss Ratio is 99%
  - Typical market 2023 trend for HMO plans: 5.0%\*
- The Dental rating formula produced a rate adjustment of 2.6%
  - District's Loss Ratio is 101%
  - Typical market 2023 trend for dental plans: 3.0%\*

- The Life/Accidental Death and Dismemberment (AD&D), Supplemental Life and Dependent Life insurance is underwritten by Reliance Standard Life Insurance Company.
  - EBC rates for both Life and Accidental Death & Dismemberment (AD&D) have been guaranteed with no additional increase through 7/1/2026.

\* Typical market trend is a forecast of per capita claims cost that takes into account price inflation, utilization, government-mandated benefits, new treatments, therapies and technology. There is usually a high correlation between trend rate and actual cost increases assessed by insurance carriers.

As the District currently has an average loss ratio of over 100%, EBC currently pays more in claims than they are receiving in premiums. As a district, we continue to reap the benefit of participation in the Cooperative but will continue to explore additional options for coverages and cost-savings.

We have shared this information with the Finance Committee and will move forward with the new rates beginning July 1st.

**Prospect Heights School District 23**  
**EBC Insurance Renewal Rates**  
*July 1, 2023 through June 30, 2024*

Insurance type	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	FY23 Increase/Decrease ACTUAL
<b>LIFE INSURANCE</b>							
Active Life	\$ 0.100	\$ 0.100	\$ 0.095	\$ 0.095	\$ 0.095	\$ 0.095	0.0%
Accidental Death & Dismemberment	\$ 0.015	\$ 0.015	\$ 0.010	\$ 0.010	\$ 0.010	\$ 0.010	0.0%
<b>HEALTH INSURANCE</b>							
<b>HMO Illinois</b>							
Single	\$ 651.24	\$ 659.71	\$ 694.68	\$ 660.64	\$ 737.94	\$ 793.29	7.5%
Family	\$ 1,751.00	\$ 1,773.85	\$ 1,867.86	\$ 1,776.34	\$ 1,984.17	\$ 2,132.98	7.5%
<b>HMO Blue Advantage</b>							
Single	N/A	\$ 633.32	\$ 666.89	\$ 634.21	\$ 708.41	\$ 761.54	7.5%
Family	N/A	\$ 1,702.90	\$ 1,793.15	\$ 1,705.29	\$ 1,904.81	\$ 2,047.67	7.5%
<b>PPO</b>							
Single	\$ 700.03	\$ 719.63	\$ 760.65	\$ 752.28	\$ 808.70	\$ 900.89	11.4%
Family	\$ 1,897.64	\$ 1,950.77	\$ 2,061.96	\$ 2,039.28	\$ 2,192.23	\$ 2,442.14	11.4%
<b>High Deductible PPO</b>							
Single	N/A	\$ 603.34	\$ 637.73	\$ 630.72	\$ 678.02	\$ 755.31	11.4%
Family	N/A	\$ 1,635.53	\$ 1,728.76	\$ 1,709.74	\$ 1,837.97	\$ 2,047.50	11.4%
<b>DENTAL INSURANCE</b>							
Single	\$ 32.92	\$ 34.14	\$ 34.58	\$ 34.03	\$ 35.29	\$ 36.21	2.6%
Family	\$ 92.05	\$ 95.46	\$ 96.70	\$ 95.15	\$ 98.67	\$ 101.24	2.6%