

Special Meeting-Open Forum
Wednesday, November 28, 2018 9:00 AM
Central

Mokena Elementary School
Mokena Elementary School
11244 Willowcrest Lane
Mokena, IL 60448

- I. **ROLL CALL**
- II. **POTENTIAL REFERENDUM PRESENTATION & FORUM**
- III. **ADJOURNMENT**



COMMUNITY FORUM

NOVEMBER 14, 2018

POSSIBLE REFERENDUM APRIL 2, 2019



Facility Needs

- **June 2018**

McKinstry Facility
Condition
Assessment

- High-level assessment of property (grounds, buildings, and equipment)
- Provides a reference or guide for planning

- **December 2018**

Complete architect RFQ process and begin detailed planning

Key Findings	Notes
1. Inadequate security measures in place	Lacking access control systems, key management, surveillance equipment, and integrated alarm system need remediation as soon as possible. Recommend comprehensive approach to staff and faculty training to ensure consistent and relevant understanding of up-to-date policies and procedures.
2. Poor temperature/humidity control	Aging and (in some cases) poorly configured HVAC systems negatively impact administrative and learning environments and should be addressed with long-term solutions. Unpredictable relative humidity controls induce additional wear on interior surfaces. (Primarily affects MES and MIS)
3. Interior surfaces need upgrade	Most flooring surfaces have areas showing signs of settling, heaving, or cracking, and need to be replaced to create a safe and visually appealing learning environment. Floors across the district are incredibly clean, but are beginning to show replacement need that cannot be "patched."
4. Envelope repairs and improvements needed	Windows and doors are in generally fair condition and should be evaluated for replacement to obtain higher efficiency, less energy loss, and a more comfortable learning environment. Many doors need door sweeps.
5. Hardscapes in need of repair	Parking lots exhibit signs of subgrade settling and associated sidewalks experience cracking and heaving. Drainage systems under parking areas are beginning to be adversely affected. Walkways need to be repaired for safety and long-term durability.



Facility Needs



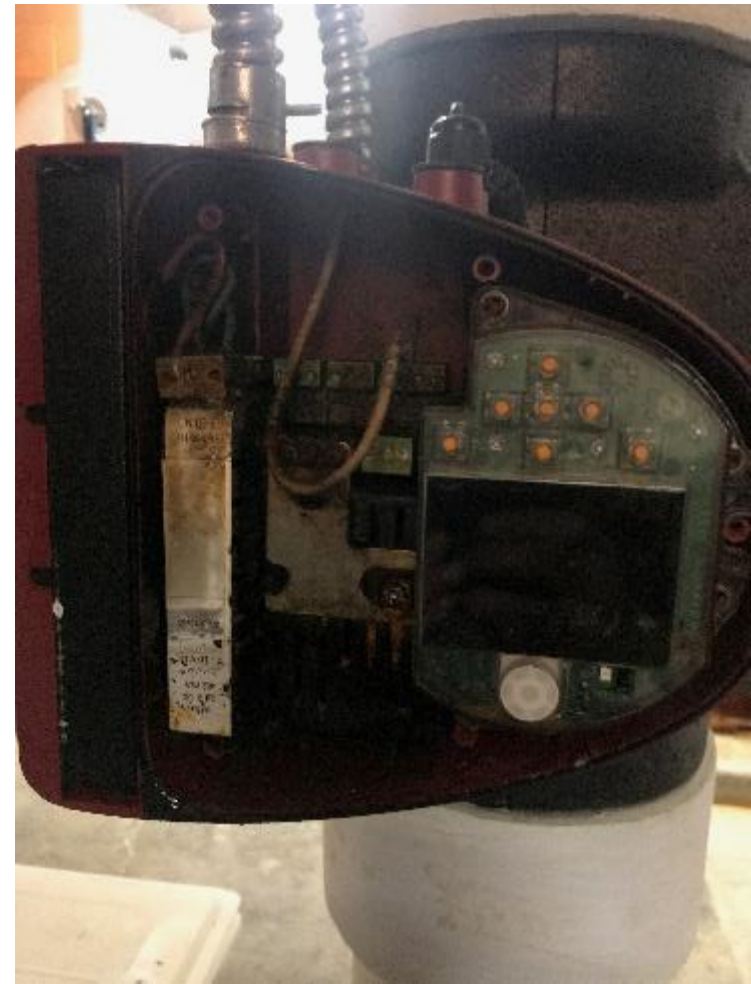


Facility Needs





Facility Needs





Facility Needs





Current Debt

- The bonds for Mokena Junior High School will be paid off in 2020.



GENERAL OBLIGATION DEBT SERVICE

Non-Referendum Debt Service

Referendum Debt Service

Current Estimates

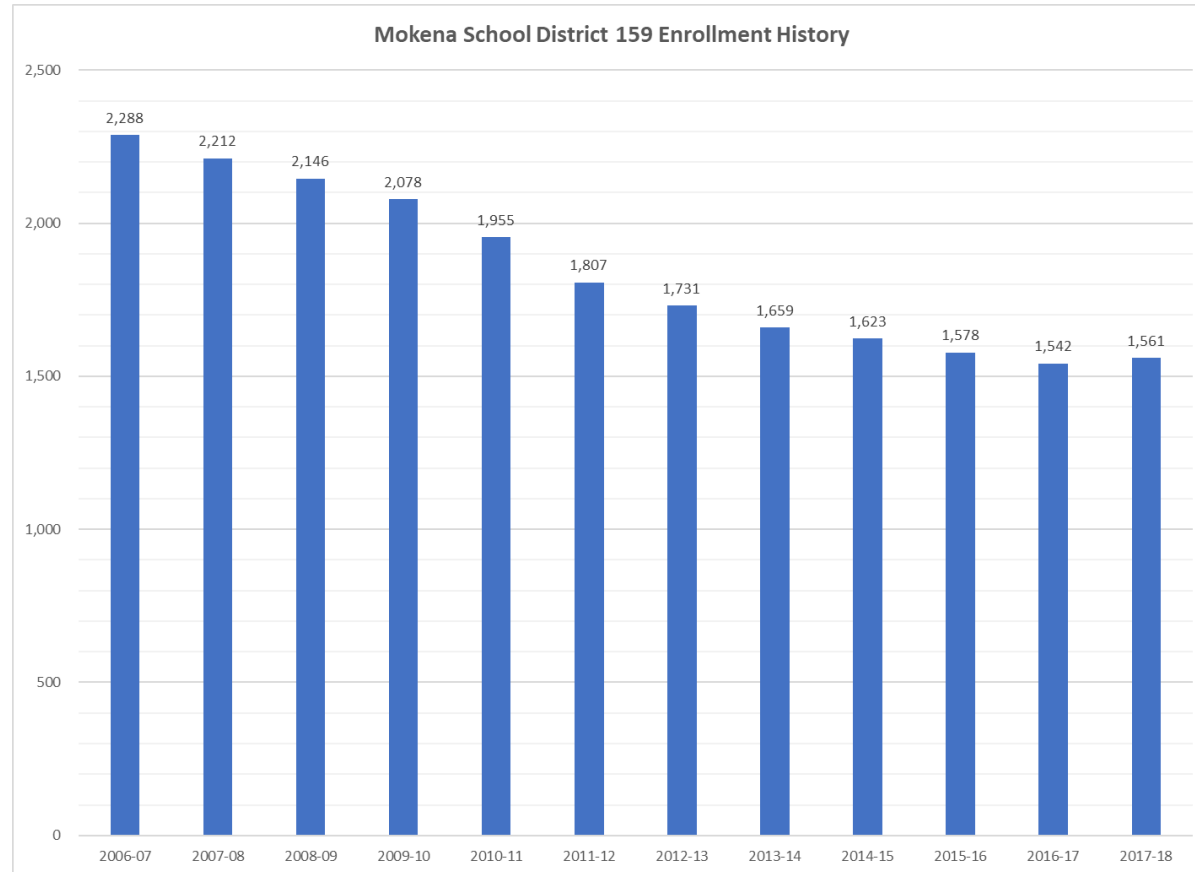
The deadline to impact the 2019 levy is March 1, 2020

Lew Year	Fiscal Year	GO Limited School Bonds, Series 2016A		Non Referendum Debt Service Extension Base Created W/1994 Lew (1)	Remaining Margin	GO Capital Appreciation School Bonds, Series 2000 (FGIC)		GO Refunding School Bonds, Series 2016B		Total General Obligation Bonds Debt Service	EAV	Growth Rate	B&I Tax Rate
		Total	Total			Total	Total						
2015	2017	\$ 207,545	\$ 207,545	\$ 208,422	\$ 877	\$ 1,850,000	\$ 188,638	\$ 2,038,638	\$ 2,246,183	\$ 532,203,184	-0.80%	0.4224	
2016	2018	207,250	207,250	209,884	2,634	1,890,000	152,950	2,042,950	2,250,200	553,652,807	4.03%	0.4064	
2017	2019	205,050	205,050	214,288	9,238	1,890,000	152,950	2,042,950	2,248,000	574,488,096	3.76%	0.3913	
2018	2020	207,800	207,800	218,788	10,988	1,890,000	152,950	2,042,950	2,250,750	574,488,096	0.00%	0.3918	
2019	2021	204,925	204,925	218,788	13,863	-	345,025	345,025	549,950	574,488,096	0.00%	0.0957	
2020	2022	206,400	206,400	218,788	12,388	-	344,100	344,100	550,500	574,488,096	0.00%	0.0958	
2021	2023	207,725	207,725	218,788	11,063	-	343,025	343,025	550,750	574,488,096	0.00%	0.0959	
2022	2024	203,975	203,975	218,788	14,813	-	341,800	341,800	545,775	574,488,096	0.00%	0.0950	
2023	2025	205,150	205,150	218,788	13,638	-	340,425	340,425	545,575	574,488,096	0.00%	0.0950	
2024	2026	205,500	205,500	218,788	13,288	-	342,700	342,700	548,200	574,488,096	0.00%	0.0000	
2025	2027	205,000	205,000	218,788	13,788	-	343,500	343,500	548,500	574,488,096	0.00%	0.0000	
2026	2028	204,300	204,300	218,788	14,488	-	343,900	343,900	548,200	574,488,096	0.00%	0.0000	
2027	2029	208,300	208,300	218,788	10,488	-	343,900	343,900	552,200	574,488,096	0.00%	0.0000	
2028	2030	207,000	207,000	218,788	11,788	-	343,500	343,500	550,500	574,488,096	0.00%	0.0000	
2029	2031	205,500	205,500	218,788	13,288	-	342,700	342,700	548,200	574,488,096	0.00%	0.0000	
2030	2032	203,800	203,800	218,788	14,988	-	341,500	341,500	545,300	574,488,096	0.00%	0.0000	
2031	2033	206,800	206,800	218,788	11,988	-	344,800	344,800	551,600	574,488,096	0.00%	0.0000	
2032	2034	204,500	204,500	218,788	14,288	-	342,600	342,600	547,100	574,488,096	0.00%	0.0000	
2033	2035	206,900	206,900	218,788	11,888	-	344,900	344,900	551,800	574,488,096	0.00%	0.0000	
2034	2036	204,000	204,000	218,788	14,788	-	341,700	341,700	545,700	574,488,096	0.00%	0.0000	
2035	2037	-	-	218,788	218,788	-	-	-	-	574,488,096	0.00%	0.0000	
2036	2038	-	-	218,788	218,788	-	-	-	-	574,488,096	0.00%	0.0000	
2037	2039	-	-	218,788	218,788	-	-	-	-	574,488,096	0.00%	0.0000	
Total DS From Current FY:		\$ 3,702,625	\$ 3,702,625	\$ 4,590,052	\$ 887,427	\$ 3,780,000	\$ 5,795,975	\$ 9,575,975	\$ 13,278,600				



Good News: No need to build

- We must **maintain repair, and update** current buildings.
- The Board is **considering a referendum on the April 2, 2019** ballot.





Funding Options

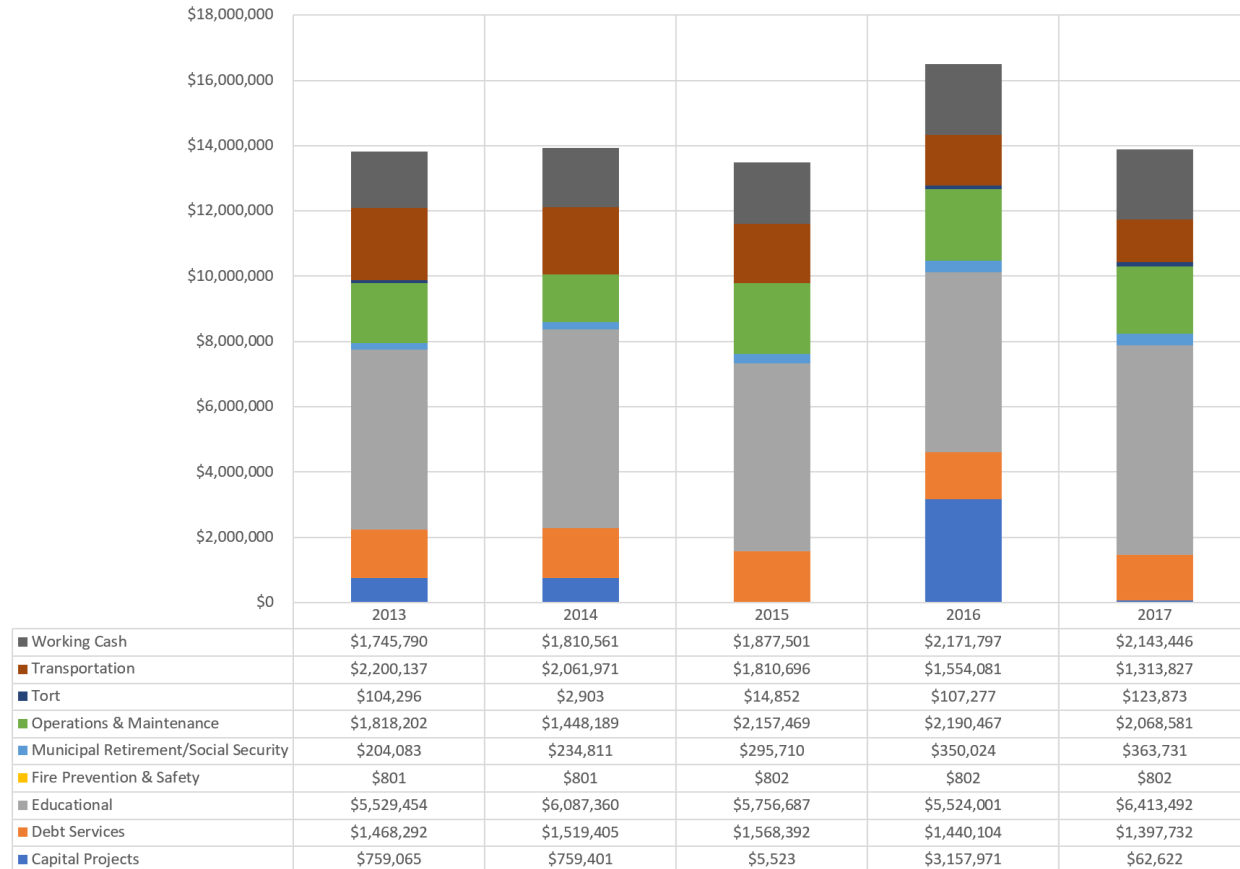
1. **Current Fund Balances**
2. **Debt Service Extension Base** (DSEB) Increase
3. **Limiting Rate Increase**
 - Approximately \$0.30 will maintain current taxes
 - Board could approve a lower amount
 - No Interest Payments (100% of proceeds used to complete projects)
 - Continuous source of revenue
(permanent increase unless district abates proceeds)
 - Could increase over time due to inflation
4. **Bond Sale**
 - Proceeds received within specific number of years
 - Does not provide continuous source of revenue
 - Must pay interest that could be a substantial amount
 - Just like a home mortgage
 - Estimate = \$23m total (\$8m interest payments for \$15m in bonds)



Current Fund Balances

- Districts request a levy amount for each fund.
- There are specific limitations on moving money between funds.
- The District **must plan for possible changes in funding.** (e.g., pension cost shift, property tax freeze, etc.)

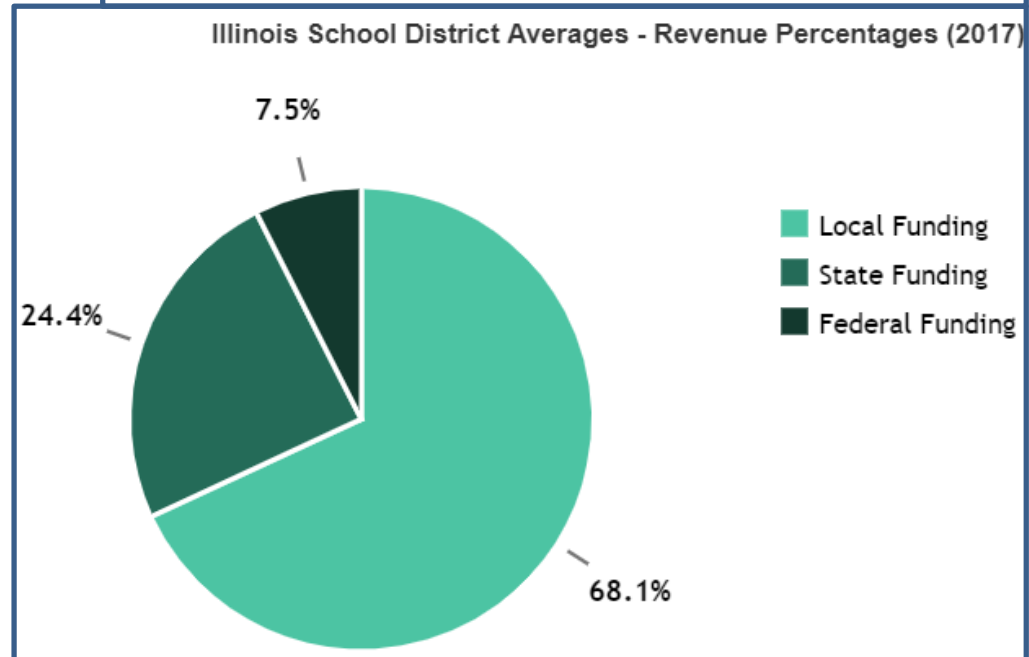
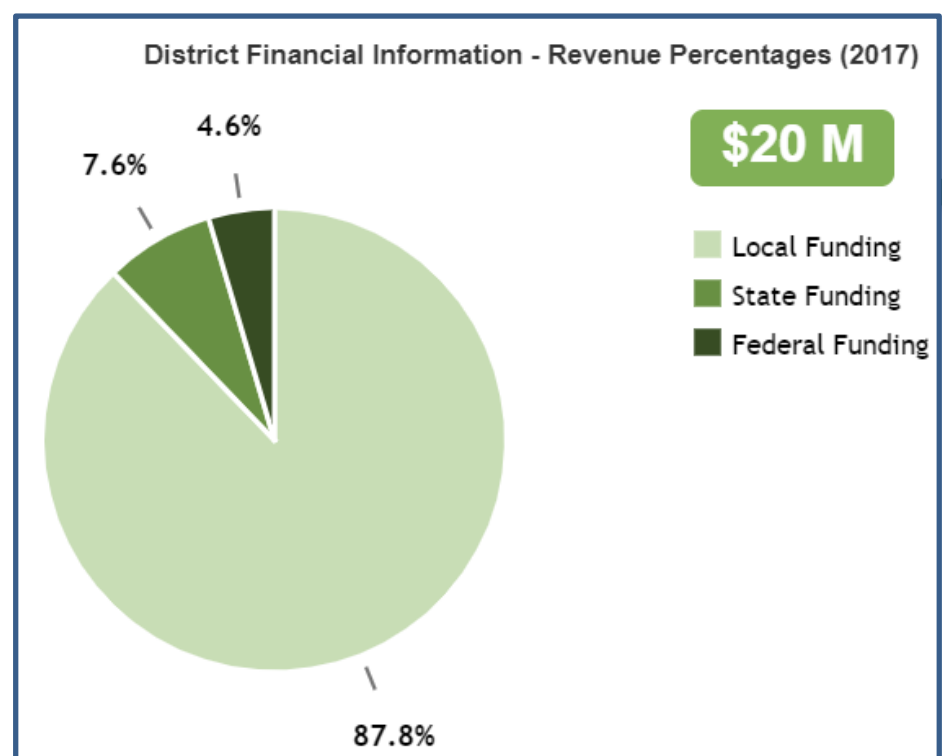
Fund Balance History





Revenue Sources

- This display shows you the **importance of local property taxes** as compared to other local, state, and federal funding.



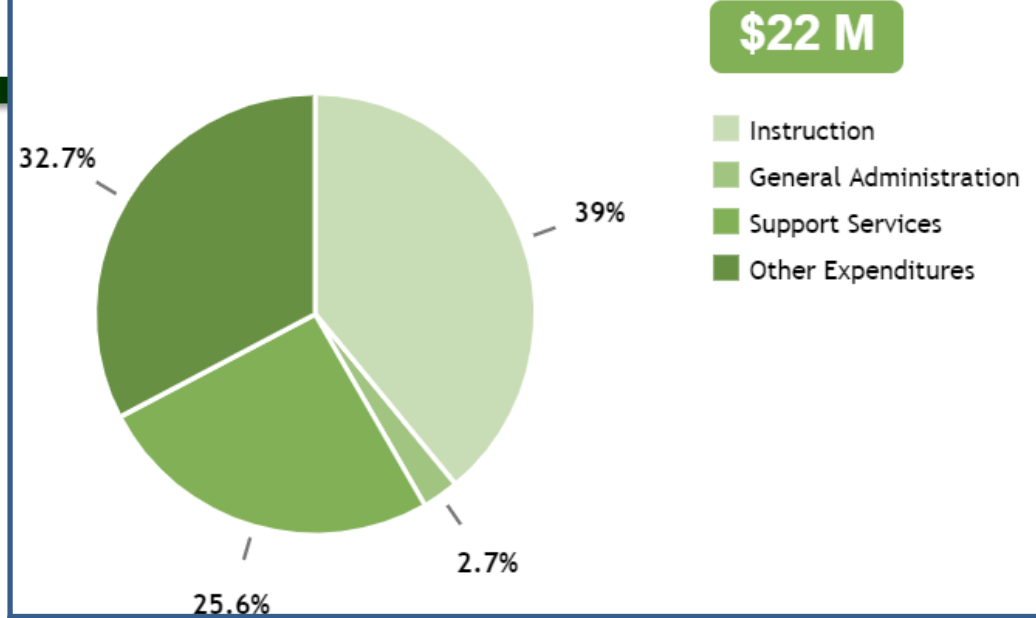


Expenditures

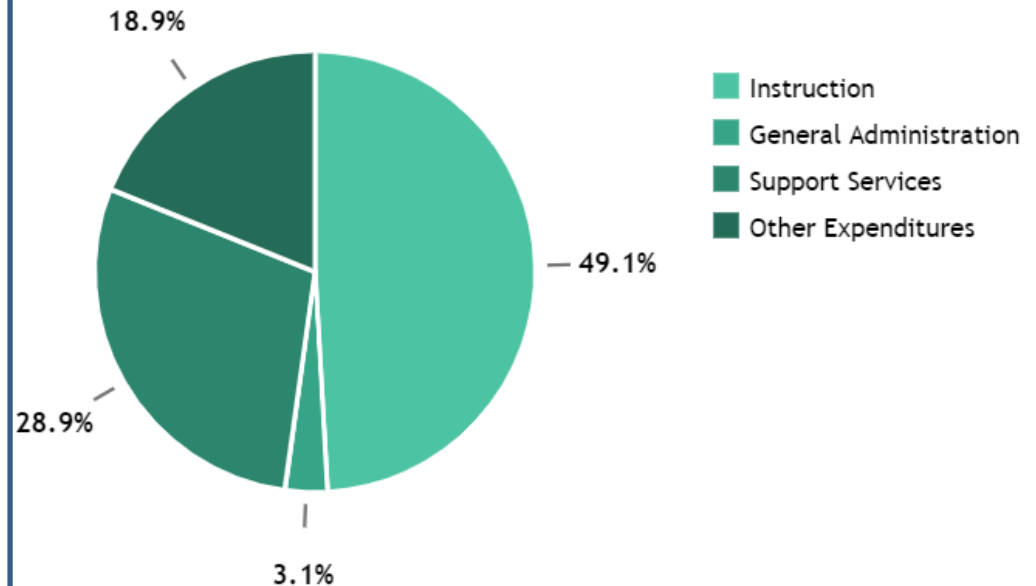
- Districts **pay for four general functions** – instruction, general administration, support services, and others.
- The upper pie chart shows the percentages of each type of expenditure during the past year.
- The lower chart displays the average percentages of expenditures by all public school districts in Illinois.

Source: [Illinois Report Card FY18](#)

District Financial Information - Expenditure Percentages By Function (2017)



Illinois School District Averages - Expenditure Percentages By Function (2017)





Maintaining Already Low Tax Rate

- Mokena **D159 has the lowest tax rate of all comparable districts.**
- The **current tax rate** being used to pay for bonds needed to build Mokena Junior High School **will be applied to maintain, repair, and update all current facilities.**

	2013	2014	2015	2016	2017
Joliet PSD 86	\$4.29	\$4.62	\$4.64	\$4.48	\$4.33
Manhattan SD 114	\$4.04	\$4.28	\$4.26	\$4.27	\$4.26
Troy CCSD 30C	\$4.16	\$4.31	\$4.25	\$4.24	\$4.12
Summit Hill SD 161	\$3.90	\$4.11	\$4.16	\$4.11	\$4.10
Homer CCSD 33C	\$4.09	\$4.23	\$4.20	\$4.10	\$4.07
New Lenox SD 122	\$3.93	\$4.03	\$4.05	\$3.98	\$4.02
Lockport SD 91	\$4.22	\$4.37	\$4.22	\$3.97	\$3.84
Frankfort CCSD 157C	\$3.93	\$4.02	\$4.04	\$3.91	\$3.83
Will County SD 92	\$3.19	\$3.18	\$3.18	\$3.18	\$3.15
Mokena SD 159	\$2.89	\$3.01	\$2.99	\$2.92	\$2.89

Source: 5Sight



OEPP

- Operating Expense Per Pupil (OEPP) is **below the average and very near the bottom of our comparable districts.**

Average of Operating Expense Per Student	Year					
District		2013	2014	2015	2016	2017
Will County SD 92		\$12,613	\$13,240	\$14,223	\$15,142	\$15,525
Homer CCSD 33C		\$12,153	\$11,990	\$12,515	\$12,419	\$12,212
Troy CCSD 30C		\$9,350	\$9,495	\$9,769	\$10,617	\$11,810
Summit Hill SD 161		\$9,295	\$10,198	\$10,467	\$10,588	\$11,166
Frankfort CCSD 157C		\$10,243	\$10,786	\$11,041	\$10,419	\$10,967
Channahon SD 17		\$8,604	\$10,371	\$9,829	\$10,487	\$10,916
Mokena SD 159		\$9,254	\$10,209	\$10,711	\$11,336	\$10,727
Manhattan SD 114		\$8,399	\$8,597	\$9,360	\$9,022	\$8,939
Grand Total		\$10,058	\$10,622	\$11,020	\$11,234	\$11,511



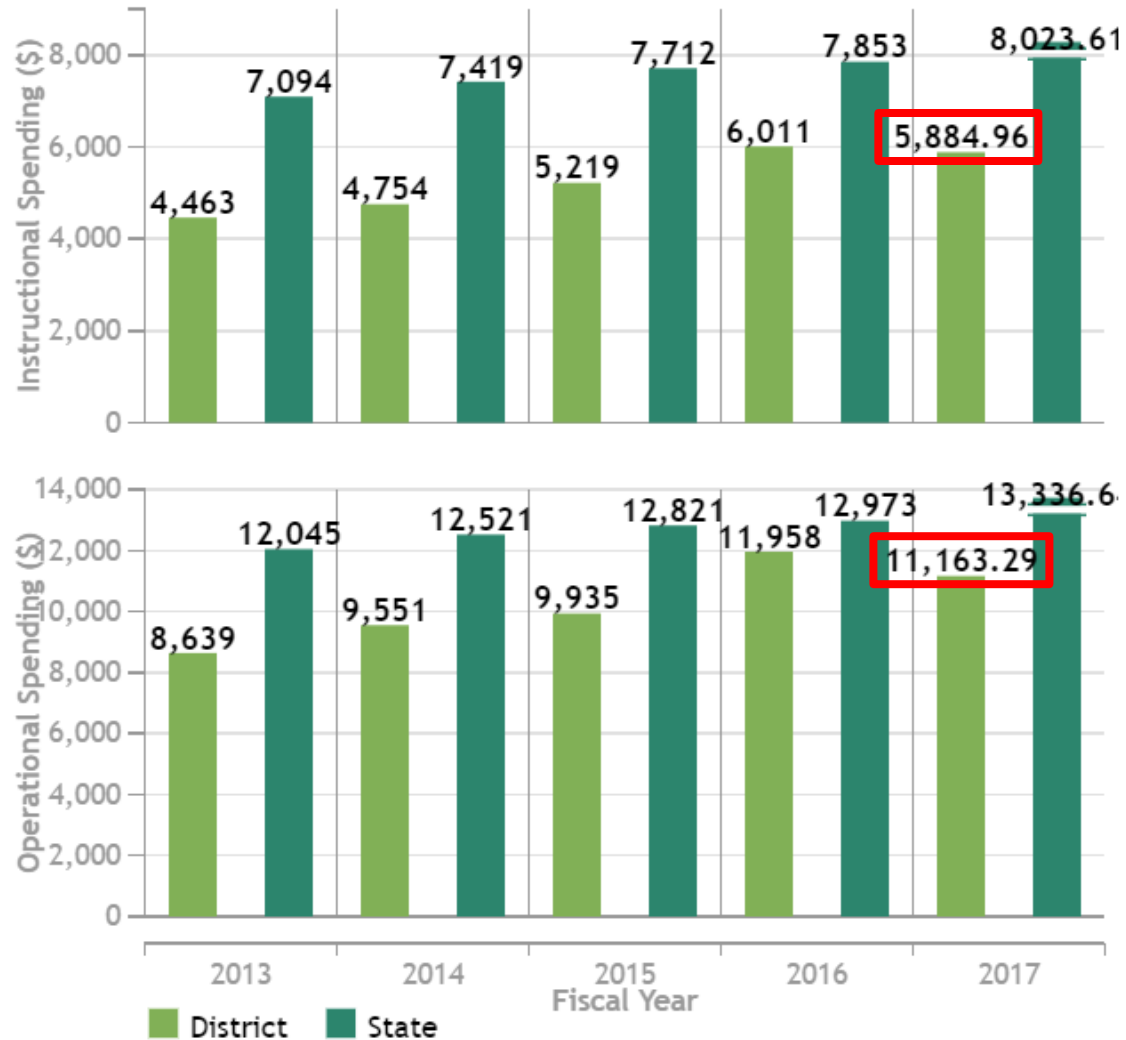
Average Spending Per Pupil

- Instructional Spending Per Pupil**

- includes only the activities directly dealing with the teaching of students or the interaction between teachers and students.

- Operating Spending Per Pupil**

- includes all costs for overall operations in this school's district, including Instructional spending, but excluding summer school, adult education, capital expenditures, and long-term debt payments.



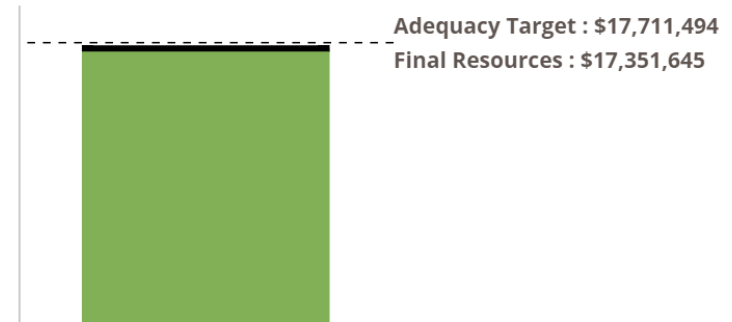


Fiscal Responsibility

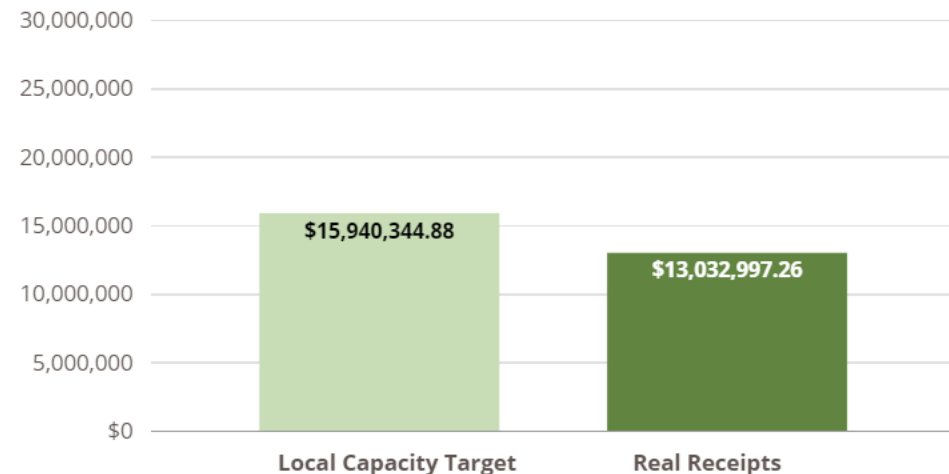
- **Adequacy Target** is the minimum amount required to provide a high quality education.
- **Local Real Receipts** are 82% of what the State believes is needed to contribute toward an adequate education.
- The possible referendum will not increase these numbers.

District Financial Capacity to Meet Expectations = **98%**

For Evidence-Based Funding in FY 18, this district is assigned to **Tier 3**.



Real Receipts as a % of Local Capacity Target = **82%**





Next Steps

- December 2018: Architect selection
- November 15 – 22: Community Research Phone Survey (Fako)
- Community Forums
 - Wednesday, November 28 @ 9:00 am
 - Monday, December 3 @ 7:00 pm
 - Monday, December 10 @ 1:30 pm
 - Wednesday, January 9 @ 9:00 am
 - Wednesday, January 9 @ 7:00 pm
- January 14, 2019: Board decision deadline

Mokena School District 159
Draft 1
November 13 – 17, 2018
N=300

FAKO
Research & Strategies

Hello, my name is _____, from FR & S, a national public opinion research firm. We are conducting a survey on behalf of Mokena School District 159 (“One-Five-Nine”) and I'd like to ask some person in your household a few questions. May I speak with the youngest (man/woman) 18 years of age or older who is home at this time?



Your thoughts?

- Should the Board place a referendum question on the April 2, 2019 ballot?
- If you are not certain, what questions need to be answered for you to decide?
- If you believe this would be appropriate, do you have any input on the funding option (limiting rate or bond sale)?
- What other questions do you have?



superintendent@mokena159.org



QUESTIONS?

NOVEMBER 14, 2018



Mokena School District 159

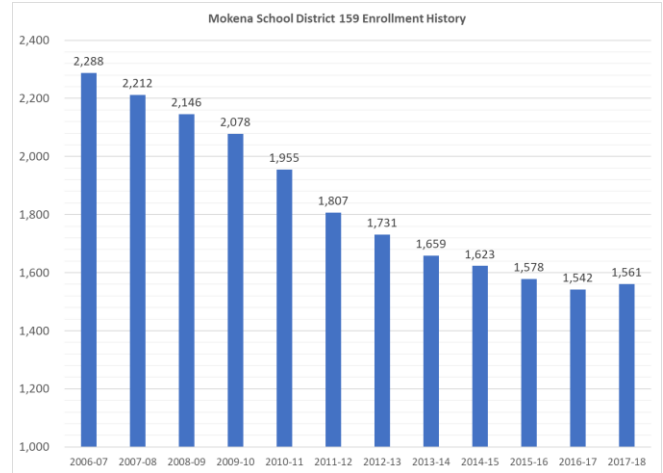
11244 Willowcrest Lane • Mokena, IL 60448-1334 • (708) 342-4900 • www.mokena159.org

Potential School Maintenance, Repairs, & Updates Referendum

Overview

The Mokena School District Board of Education is considering the placement of a referendum question on the April 2, 2019 ballot. The final decision has not been made. The referendum is needed so that the district can maintain, repair, and update current facilities. The Board seeks your input and feedback. Below are some important facts related to this topic:

- Research is clear, good schools have a positive impact on the value of homes in that community.
- The district wishes to continue providing quality educational services in a fiscally responsible manner.
- While the district has experienced declining enrollment due to people staying in the community after their children attend school, enrollment is stable and is projected to be stable for the foreseeable future. As a result, there is no need for the district to consider constructing a fourth school.
- The focus of this referendum is to determine the best option to maintain and improve the district's three existing schools.
- If voters were to approve this referendum, the current tax rate being used to pay for bonds needed to build Mokena Junior High School will be applied to maintain, repair, and update all current facilities. This is due to the fact that the Mokena Junior High School bonds will be paid off in 2020.



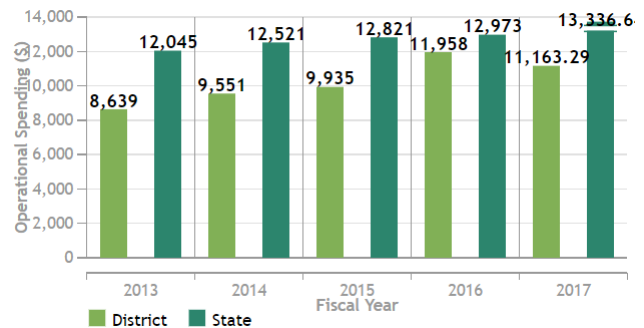
Financial Information

The district has done its best to provide quality educational services for one of the lowest costs in the area by demonstrating fiscal responsibility.

- District 159 has the lowest tax rate (\$2.89) in the area (see chart to right).
- District 159's operating expense per student in 2017 (\$10,727) is well below the average (\$11,511) of other area school districts.
- District 159's operating spending in 2017 (\$11,163) is much less than the state average of \$13,336 (see chart below).
- The bonds for Mokena Junior High School will be paid off in 2020. The most recent tax rate for paying off the bonds for MJHS is approximately \$0.40.
- If voters approve a referendum to maintain current taxes collected by the district and your home stays at its current value, your taxes will not increase as a result of this referendum being approved by voters.

Area School District Tax Rates					
	2013	2014	2015	2016	2017
Joliet PSD 86	\$4.29	\$4.62	\$4.64	\$4.48	\$4.33
Manhattan SD 114	\$4.04	\$4.28	\$4.26	\$4.27	\$4.26
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Grand Total	\$10,058	\$10,622	\$11,020	\$11,234	\$11,511



Facility Needs

Much like maintaining a home, the school district must maintain its roofs, parking lots, plumbing, and HVAC systems. In addition, the district has a need to update security systems.

- The newest school in the district, Mokena Junior High School, will soon be twenty years old and it is imperative that the district begin planning for repairs at MJHS and the two other schools. The district recently had to spend \$15,000 to fix the MJHS HVAC system and the roof has a few leaks.
- The three HVAC units on the roof of Mokena Intermediate School are the original units from when the school was opened in 1972.
- The HVAC system across the district is not efficient and the district recently spent \$65,000 simply to make it operational.
- The district has not been able to perform proper maintenance on its parking lots and there are several areas that must be completely replaced at this time. In fact, parking lot sink holes were recently patched at MJHS and Mokena Elementary School.

Key Findings	Notes
1. Inadequate security measures in place	Lacking access control systems, key management, surveillance equipment, and integrated alarm system need remediation as soon as possible. Recommend comprehensive approach to staff and faculty training to ensure consistent and relevant understanding of up-to-date policies and procedures.
2. Poor temperature/humidity control	Aging and (in some cases) poorly configured HVAC systems negatively impact administrative and learning environments and should be addressed with long-term solutions. Unpredictable relative humidity controls induce additional wear on interior surfaces. (Primarily affects MES and MIS)
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5. Hardscapes in need of repair	Parking lots exhibit signs of subgrade settling and associated sidewalks experience cracking and heaving. Drainage systems under parking areas are beginning to be adversely affected. Walkways need to be repaired for safety and long-term durability.

A summary of the key findings of a recent facilities condition assessment is provided in the table above. A preliminary list of proposed projects can be viewed [here](#). The district is in the process of selecting an architectural firm who will be asked to provide more details related to the necessary projects.

Funding Options

There are two options being considered: 1) limiting rate increase and 2) building bonds. The pros and cons are listed below.

Limiting Rate		Building Bonds	
Pros	Cons	Pros	Cons
<ul style="list-style-type: none"> • 100% of the proceeds are used to complete the identified projects. • There are no interest costs associated with this option. 	<ul style="list-style-type: none"> • There is a possibility that the cost might increase over time due to inflation. • This is a permanent increase unless the district abates the proceeds. 	<ul style="list-style-type: none"> • All projects could be done within just a few years (e.g., 5 years). 	<ul style="list-style-type: none"> • There are substantial interest costs associated with selling bonds. Current estimates show that the district could pay \$8 million in interest to access \$15 million in bonds.

Community Input

The district will be holding community forums to share information and seek input. All meetings will be held at the District Office.

- Wednesday, November 14 at 7:00 pm
- Wednesday, November 28 at 9:00 am
- Monday, December 3 at 7:00 pm
- Monday, December 10 at 1:30 pm
- Wednesday, January 9 at 9:00 am
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The Board also approved engaging the services of Fako Research Firm to conduct a phone survey of voters. The results of this survey will provide the Board with valuable information from our community.

Questions regarding this potential referendum can be submitted to Dr. Don White, Superintendent of the Mokena School District via email (superintendent@mokena159.org) or by phone at 708-342-4900.