

# Refinancing will cost Dist. 15 taxpayers

By **Ethan Grove**

*Daily Herald Staff Writer*

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Restructuring Palatine Township Elementary District 15's debt, which also will provide \$5 million for life-safety improvements, will cost residents an additional \$11.5 million over five years.

That figure — which includes \$5 million in principal, the costs of restructuring about \$5.5 million in debt, and fees and interest — was presented by David Schott and Ivan Samstein of LaSalle Bank to the school board Friday night during a special meeting for residents to comment on and ask questions about the refinancing.

The \$11.5 million would be paid at about \$2.3 million annually starting in 2021, Schott and Samstein said. All figures are subject to change until the deal is finalized.

District 15 is currently paying \$4.9 million — which will remain consistent until 2020 — for a portion of its debt.

The board voted 4-3 at its Feb. 8 meeting for the restructuring, which will extend its debt five years.

Some residents who spoke at Friday's meeting were in favor of refinancing, while some were opposed to it, and others wanted to know how much it would cost taxpayers.

The district's life-safety survey results put a series of repairs into three categories — A, B and C, with A being mandatory and urgent — to be completed over about 10 years.

The A list projects are estimated to cost about \$1.3 million, and the board voted in December to change the tax levy to move about 5 cents from the transportation fund into the life-safety fund — for a total of about \$1.7 million — to make those improvements.

The B and C repairs will need to be made at some point, but are not as urgent, board members said.

"This stuff is so complicated, and to rush it through like this is a crime," board member Tim Millar said before the meeting. "We're manufacturing the need instead of managing it. We do need to do these things, but the roofs aren't collapsing today, which is why they aren't in A."

"My feeling is we need to do some of those B things now," Superintendent Robert McKanna said. "We're going to need a fair amount of money next year and the year after just for

building and grounds repairs.”

Board member Wendy Rowden questioned whether now is the right time to refinance debt.

“Right now the bond rates are favorable,” board President Scott Boucher said.

The district will shift the \$1.7 million from the life-safety fund into the education fund so the district can rehire some teachers and administrators, McKanna said.

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