

# District 15 extends debt for upgrades

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Posted Saturday, February 11, 2006

The Palatine Township Elementary District 15 board members agree they need to fund a series of life-safety improvements.

But the agreement stops there.

The board bickered during this week's meeting over how exactly to come up with at least \$1.7 million — some board members wanted \$5 million — for immediate improvements and \$30 million for long-term improvements.

The board voted 4-3 to have Assistant Superintendent for Business Kevin Nohelty draft a proposal on refinancing the district's bonds.

Board members Kelly Keenan, Wendy Rowden and Tim Millar voted against the measure.

The board already approved moving \$1.7 million from the transportation fund into the life-safety fund for the improvements, which include installing smoke detectors and renovating water systems.

Nohelty said refinancing will provide another \$5 million the district can use for the life-safety improvements or other projects. The district would extend repayment on some bonds from 2020 to 2025. Lower monthly payments and lower interest rates would free up the \$5 million.

Still, Nohelty said, the tax rate will not increase because other bonds will be paid off in the next few years. Taxpayers could still pay more to the district, though, if home values increase.

All of the bonds the district has are set to be paid off by 2025, barring any changes down the road.

Rowden said it was too soon to refinance the bonds — when there was money to cover the improvements that need to be made immediately — because the district still has some question marks in its budget.

The biggest issue, she said, is the teachers contract, which expires at the end of this year. The district and teachers union are in negotiations now, but until the matter is settled and the budget is defined, she said, it would be unwise to acquire money through refinancing the bonds.

The district is paying its teachers about \$50 million this year.

In addition to the new teachers contract, Rowden said, one set of bonds the district has will be paid off next year, which could free up money for the needed improvements. "I don't think it's the way to go to prepare us for a stable future ... when we don't know what our expenses are," she said. "In all likelihood, we could have the excess revenue to pay (after the teachers' contract is renegotiated)."