

From: Susan Quinn [mailto:susan.quinn@comcast.net]
Sent: Thursday, April 01, 2010 11:43 AM
To: 'Susan Quinn'
Subject: Library Bond Meeting, Capital Projects, Petitions

Friends,

I wanted to update you on a few things related to the Bond Petition Drive.

Bond Meeting at the Library

I spoke at the Bond Issue meeting at the Palatine Library on Tuesday, and it went very well, with a crowd of over 100 people filling the room. I spoke briefly and then answered many very intelligent questions from the audience. Many people left with petition packets to circulate, and hopefully better informed on the issue. The TribLocal reported on the meeting, with a timely and accurate article (["Residents Object to D15 Bond Plan"](#)).

Capital Projects

As I've stated before, I am in favor of funding needed capital projects with bonds restricted for that purpose, and within the limits of our borrowing without taking on expensive refunding options. I will be once again proposing that option at the April Board meeting.

At the March Board meeting, the majority of the board approved the intent to issue \$17.2M in bonds for capital projects without any indication of what capital projects were needed that required those funds. Now, three weeks later, [the administration has posted on their website a list of capital projects](#) that exactly equals the \$17.2M in funds recently available through the bond issue. The board has not approved, or even discussed, this list. That discussion will occur at the April Board meeting. Here is a breakdown of the list (also see attached):

Total Cost:	\$17.2 M
Already Budgeted:	\$2.7 M
Roofs (11 in 3 yrs):	\$5.7 M
Lightbulbs:	\$1.2 M
Carpeting:	\$1.2 M
Plumb, elect, other:	\$6.6 M

I have several issues with this:

- 1) **The board approved borrowing first, then found projects to spend it on.** The board should have prioritized capital projects first, and then decided how much funding was required to cover them. By borrowing the maximum money we can, and then finding things to spend it on, we are only encouraging wasteful spending on unnecessary projects.
- 2) **Unnecessary and ill-conceived spending: 11 Roofs in 3 years.** The \$17.2M needs to be spent in 3 years, and includes 11 roofs. Our district has 20 schools, and roofs last approximately 20 years, which means we should be replacing about one roof per year. Last year we replaced two roofs, making up for many years where capital projects were delayed because our bond capacity was maxed out, and operational funds were very tight. If we go on a spree and replace 11 roofs in 3 years, we are guaranteed to be replacing roofs well before they need to be done. In addition, **20 years from now those same 11 roofs will all be failing, and needing to be replaced, at the same time.** The right way to replace roofs is as needed, at a measured pace of 1-2 roofs per year. If all

the roofs come due at the same time, and we do not have funds available to replace them, this can cause serious roofing issues in the future.

- 3) **Redundant spending:** \$2.7M of the identified projects are already budgeted, in budget years that have a balanced budget. This means we are borrowing 20 year bonds for things we had already planned to purchase through operational funds. Once again, this is cost-shifting the capital project money to operational funds.
- 4) **Issuing bonds to pay for lightbulbs:** \$1.2M of the capital project money will go towards purchasing energy-efficient lightbulbs. Not only does it not make sense to issue 20 year bonds to buy lightbulbs, but many of these lightbulbs have already been budgeted because they make economic sense: they pay for themselves within a year, due to reduced energy costs. We absolutely should, and are, converting to these energy saving lightbulbs. But we shouldn't, and don't need to, borrow to do so.

My amendment proposes to issue approximately \$4-6M in bonds for capital projects so that we can fix the highest priority roofs, and other necessary items that we cannot cover in our normal operational budget every year. Finding the projects that are most important, and funding those as we go, is the fiscally responsible way to manage our capital costs.

Petition Drive

[The group of people organizing the petition drive](#) have set up three public locations where you can come by and sign the petition to put the bond issue on the November Ballot:

<u>Date</u>	<u>Time</u>	<u>Location</u>
Thursday 4/1	5 - 6:30p	Palatine Train Station
Wednesday 4/7	7a – 7p	Palatine Post office AND Rolling Meadows Post office
Thursday 4/8	7a – 7p	Palatine Post office AND Rolling Meadows Post office

Or you can print out and sign your own petition sheet (see attached) – and perhaps pick up a few extra signatures along the way. All petitions must be signed and returned to [Mary Vanek](#) (847-736-9294 or mary.vanek@comcast.net) by **Saturday, April 10th**.

Regards,
Sue Quinn
District 15 Board of Education
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