

6:00 p.m.	<b>Meeting of the Board Convenes</b> <ul style="list-style-type: none"> <li>• Roll Call</li> <li>• Introductions</li> <li>• Opening Remarks from President of the Board</li> </ul>	
6:00 p.m.	<ul style="list-style-type: none"> <li>• <b>Board Recesses and Adjourns to Closed Session</b></li> </ul> -- Performance of Specific Employee 5 ILCS 120/2(c)(1)	
7:00 p.m.	<ul style="list-style-type: none"> <li>• <b>Board Adjourns from Closed Session and Convenes to a Committee-of-the-Whole: Finance</b></li> </ul>	
7:30 p.m.	<ul style="list-style-type: none"> <li>• <b>Board Adjourns from Committee-of-the-Whole: Finance and Resumes Regular Board Meeting</b></li> </ul>	
	<ul style="list-style-type: none"> <li>• <b>Public Comments</b></li> </ul>	
	<ul style="list-style-type: none"> <li>• <b>Discussion on TIF</b></li> </ul> -- Hodges, Loizzi, Eisenhammer, Rodick & Kohn	A-1
	<ul style="list-style-type: none"> <li>• <b>Preliminary Enrollment Report</b></li> </ul> -- Assistant Superintendent for Human Resources/ Business Manager	A-2
	<ul style="list-style-type: none"> <li>• <b>Presentation and Adoption of Consensus Goals 2013-15</b></li> </ul> -- Board President	A-3 Action Item 13-08-5
	<ul style="list-style-type: none"> <li>• <b>Presentation and Adoption of Updates on Board of Education Operating Principles</b></li> </ul> -- Board President	A-4 Action Item 13-08-6
	<ul style="list-style-type: none"> <li>• <b>Discussion/Approval of Hourly Staff Salaries: Lunchroom Supervisors, Before School Supervisors, and Jefferson Day Care Workers (exception PRTAA members) Effective July 1, 2013</b></li> </ul> -- Superintendent	A-5 Action Item 13-08-7
	<ul style="list-style-type: none"> <li>• <b>Consent Agenda</b></li> </ul> -- Board President	A-6 Action Item 13-08-8
	<ul style="list-style-type: none"> <li>• Personnel Report</li> </ul>	

- Bills, Payroll and Benefits
- Approval of Financial Update for the Period Ending July 31, 2013
- Approval of Policies from PRESS Issues 80, 81 and Policy 6:250
- Destruction Audio Closed Minutes

• **Approval of Minutes** **Action Item 13-08-9** **A-7**  
 -- Board President

- Committee-of-the-Whole Minutes .....August 12, 2013
- Special Board Meeting Minutes .....August 12, 2013
- Closed Session Minutes .....August 12, 2013

• **Board Member Liaison Report** **A-8**  
 -- Board of Education

• **Other Discussion and Items of Information** **A-9**  
 -- Superintendent

- Upcoming Agendas
  - Memorandum of Information
    - Maine Township School Treasurer
  - Minutes of Board Committees
    - Traffic Safety Minutes of August 13, 2013
  - Other
    - Update on Institute Day & Opening Day of School
    - Update on Summer Construction Projects
    - Security Audit
    - Discussion on Performance Contracting

- **Board Adjourns to Closed Session**
  - Performance of Specific Employee 5 ILCS 120/2(c)(1)
  - Collective Negotiations 5 ILCS 120/2(c)(2)

Next Regular Meeting: **Monday, September 9, 2013**  
 Public Hearing on 2013-14 Final Budget - 7:20 p.m.  
 Special Board Meeting – 7:30 p.m.  
**Meeting Location Moved to Field School – North Gym**  
 707 Wisner Avenue  
 Park Ridge, IL 60068

September 9, 2013 – \*Field School – North Gym  
 Public Hearing on 2013-14 Final Budget – 7:20 p.m.  
 Special Board Meeting – 7:30 p.m.  
 • Board Member School Visitations  
 • Consent Agenda (Personnel Report and Bills)  
 \* new location

September 19, 2013 – Field School – North Gym  
 Committee-of-the-Whole: Communications – 6:30 p.m.

September 23, 2013 – Roosevelt School – South Gym  
 Regular Board Meeting – 7:30 p.m.  
 • Adoption of FY14 District 64 Budget  
 • Sixth Day of Enrollment  
 • Discussion on Class Size Determination Process  
 • Approval of Baseline Concussion Testing  
 • Approval of August Financials Ending August 31, 2013

- Update on Summer Construction Projects
- ISBE Report: Administrator & Teacher Salary and Benefits – School Year 2013
- Annual Application for Recognition of Schools

#### October 28, 2013 – Washington School – South Gym

Regular Board Meeting – 7:30 p.m.

- Analysis of Student Achievement
- Approval of September Financials Ending September 30, 2013

#### November 18, 2013 – Carpenter School – South Gym

Committee-of-the-Whole: Finance - 7:00 p.m.

- Review 2013 Proposed Tax Levy

Regular Board Meeting – 7:30 p.m.

- Board Sets Date of Public Hearing for 2013 Tax Levy
- Summer Interim Session 2013 Report
- Presentation and Approval of Summer Interim Session 2014 Dates and Fees
- Approval of October Financials Ending October 31, 2013

#### December 16, 2013 – Field School – North Gym

- Public Hearing on 2013 Tax Levy

Regular Board Meeting – 7:30 p.m.

- Resolution # to Adopt Final 2013 Tax Levy
- Approval of November Financials Ending November 30, 2013

#### Upcoming Topics

- Approval of December Financials Ending December 31, 2013 – 1/27/14

#### TBD

- Recognition/Plans for Community Finance Committee
- Intergovernmental Agreements District 62 and NSSEO
- Update on 2012 Tax Extension
- Report on Park District Child Care Pilot Program at Roosevelt School
- Approval of Facility Master Plan Phase II
- FY13 Audit Report

In accordance with the Americans with Disabilities Act (ADA), the Board of Education of Community Consolidated School District 64 Park Ridge-Niles will provide access to public meetings to persons with disabilities who request special accommodations. Any persons requiring special accommodations should contact the Director of Facility Management at (847) 318-4313 to arrange assistance or obtain information on accessibility. It is recommended that you contact the District, 3 business days prior to a school board meeting, so we can make every effort to accommodate you or provide for any special needs.

All action items included  
in this packet are subject to  
final Board approval.

# **Protecting Your District From TIF Districts: TIF Districts and Intergovernmental Agreements**

**Dean W. Krone**

email: [dkrone@hlerk.com](mailto:dkrone@hlerk.com)

**from the Law Offices of**

**HODGES, LOIZZI, EISENHAMMER,  
RODICK & KOHN**

**3030 Salt Creek Lane, Suite 202 • Arlington Heights, Illinois 60005  
Phone (847) 670-9000 • Fax (847) 670-7334**

**3048 Spring Mill Drive • Springfield, Illinois 62704  
Phone (217) 546-9200 • Fax (217) 546-0800**

**23 Public Square, Suite 260 • Belleville, Illinois 62220  
Phone (618) 355-7850 • Fax (618) 355-7851**

**PROTECTING YOUR DISTRICT FROM TIF DISTRICTS:  
TIF Districts and Intergovernmental Agreements**

**By  
Dean W. Krone  
Hodges, Loizzi, Eisenhammer, Rodick & Kohn  
Arlington Heights, Illinois**

Tax increment financing (“TIF”) is an important tool that Illinois municipalities can use to promote the redevelopment of areas that are blighted or are in danger of becoming blighted. Because TIF financing redirects property taxes from school districts and other local taxing bodies, it can, but does not always, have a financial impact on those taxing bodies. Whether a particular TIF district will have an impact on a school district will depend on the facts and circumstances of that TIF district and on the tax environment of the school district. If a school district has concerns about a proposed TIF district, it may be able to enter into an intergovernmental agreement with the city or village that will address those concerns.

This article will explore the process by which a school district can evaluate a proposed TIF district and, if appropriate, attempt to negotiate an intergovernmental agreement to address any concerns that it may have. First, the article will review TIF “fundamentals.” Second, the article will describe the experiences of school districts in negotiating intergovernmental agreements with two cities and one village regarding proposed TIF districts. Finally, the article will identify and discuss general principles that may apply in similar situations.

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## **I. TIF Fundamentals**

### **A. How Does Tax Increment Financing Work?**

Cities and villages in Illinois are authorized to establish TIF districts by the Tax Increment Allocation Redevelopment Act (the “TIF Act”), which was first enacted in 1977.<sup>1</sup> The best way to explain tax increment financing is with an example. Suppose that a factory has been vacant for several years and that the buildings have deteriorated as a result. Suppose further that there is significant environmental contamination on the property that will increase the cost of any redevelopment. Under these circumstances, it may be reasonable to assume that no private developer will risk the investment it will require to redevelop the site without some public assistance. Let us assume that all of the requirements to establish a TIF district are satisfied. Finally, let us assume that the EAV of the property is \$1 million and the annual property taxes are \$50,000.

A developer approaches the city and proposes to buy the property, demolish the factory, clean up the contamination, and build a new shopping center on the property. The developer and the city agree that the cost of this project will be approximately \$6 million. The city estimates that the EAV of the property will triple and the property taxes will also triple. The developer proposes to pay the entire cost of \$6 million, but asks the city to reimburse him for \$1.5 million to cover the extraordinary costs of the environmental cleanup. The city concludes that this is a wonderful opportunity to convert a blighted property into a productive shopping center and further concludes that it can provide the requested assistance by establishing a TIF district and using TIF revenue to reimburse the developer.

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<sup>1</sup> 65 ILCS 5/11-74.4-1, et seq.

The city and developer enter into a redevelopment agreement setting forth the developer's obligations to redevelop the property and the city's obligation to reimburse the developer for \$1.5 million from TIF revenue as it becomes available. The city establishes a TIF district for the property. The "base value" of the EAV or "base EAV" is determined to be \$1 million. The developer buys the property, demolishes the factory, cleans up the contamination, and builds the new shopping center. As a result of the redevelopment, the EAV of the property triples to \$3 million and the annual property taxes triple from \$50,000 to \$150,000.

Approximately \$50,000 in annual property taxes continues to be paid on the base EAV of the property. These "old" taxes are distributed to the school districts and other taxing bodies based on their tax rates. The property owner is also taxed, at the same rate, on the increase in EAV, or "incremental EAV." These "incremental taxes" that are paid on the incremental EAV are not distributed to the taxing bodies. Instead, they are paid into a TIF fund held and controlled by the city. The TIF Act specifies the costs that are eligible to be paid with TIF revenues. In our example, approximately \$100,000 in incremental taxes are paid to the city each year and placed in the TIF fund. The city then uses these funds to reimburse the developer for the \$1.5 million spent on environmental cleanup, as required by the redevelopment agreement. A TIF district is usually established for a period of 23 years, which would allow the city sufficient revenue to reimburse the developer for the full amount.

Thus, the city is able to use future property taxes that are generated by the redevelopment of the property, and the increase in EAV that results, to pay for some of the costs of the redevelopment. In many cases, this public assistance is sufficient to



stimulate private developers to invest private money for redevelopment where they would not otherwise invest.

B. When Can TIF Be Used?

TIF districts can only be established when certain requirements in the TIF Act are met. These requirements get fairly complicated. However, at the risk of oversimplifying them, they generally require 1) that the area in question is in bad shape and 2) that it is not likely to improve without public assistance. The complications arise from the difficulty in making the requirements sufficiently precise to evaluate and implement while at the same time attempting to generalize rules that can be applied to an infinite variety of parcels and combination of parcels. Keep in mind that, unlike our example of one factory on one parcel, TIF districts are established that have hundreds of parcels with many different uses, buildings, and conditions.

It is also important to understand that a “TIF district” consists of both 1) a “redevelopment project area” (“RPA”) and 2) a “redevelopment plan.” Only when both the project area and the plan satisfy the requirements in the TIF Act can TIF financing be used. The final step in establishing a TIF district is passage of three ordinances which 1) approve the redevelopment project area; 2) approve the redevelopment plan and project; and 3) approve tax increment allocation financing. Some of the requirements for a TIF district speak in terms of the conditions of the redevelopment project area. Other requirements speak in terms of the contents of the redevelopment plan.

1. Requirements of the Redevelopment Project Area

The redevelopment project area must be at least one and one-half acres in size and must be contiguous. The RPA must also qualify as 1) a “blighted area,” 2) a

“conservation area,” or 3) an “industrial park conservation area.” We will examine the standards for a blighted area. A conservation area “is not yet a blighted area but because of a combination of 3 or more of the [factors used to determine blighted conditions] . . . such an area may become a blighted area.”<sup>2</sup> The use of “industrial park conservation areas” is so infrequent as to be beyond the scope of this article.<sup>3</sup> Blighted areas can be improved with buildings and other improvements or can be vacant or can be a combination of such areas. The factors used to determine whether improved areas qualify as blighted are different than the factors used to determine whether vacant areas qualify as blighted.

In order for an improved area to qualify as a blighted area, 5 or more of the 13 factors listed below must be present, “with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present . . . and reasonably distributed throughout the improved part of the redevelopment project area.”

The 13 factors are as follows:

1. Dilapidation
2. Obsolescence
3. Deterioration
4. Presence of structures below minimum code standards
5. Illegal use of individual structures
6. Excessive vacancies
7. Lack of ventilation, light, or sanitary facilities
8. Inadequate utilities
9. Excessive land coverage and overcrowding of structures and community facilities
10. Deleterious land use or layout
11. Environmental clean-up
12. Lack of community planning
13. Lagging EAV

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<sup>2</sup> 65 ILCS 5/11-74.4-3(b).

<sup>3</sup> See 65 ILCS 5/11-74.4-3(c) and (d).

Each of these factors is defined in the TIF Act. For purposes of illustration, consider the definition of “deterioration”:

Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depression, loose paving material, and weeds protruding through paved surfaces.

Satisfying this condition requires observing and documenting the types of defects identified, or similar defects. Given the variety of defects that can be considered in connection with this one factor, and given that there are 13 factors to consider, one begins to get some sense of the complexity involved. And if vacant areas are present, that requires consideration of a different set of factors.

A conservation area must be an improved area (not vacant) in which 50% or more of the structures have an age of 35 years or more. In addition, at least 3 of the factors listed above must be present. If these conditions are satisfied, the area qualifies as a “conservation area” because “such an area may become a blighted area.”<sup>4</sup>

## 2. The “But For Test”

In addition to qualifying as a blighted area or a conservation area, the second major requirement is stated in the TIF Act as follows:

No redevelopment plan shall be adopted unless a municipality complies with all of the following requirements:

- (1) The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan.<sup>5</sup>

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<sup>4</sup> 65 ILCS 5/11-74.4-3(b).

<sup>5</sup> 65 ILCS 5/11-74.4-3(n).

This requirement is frequently referred to as the “but for test,” and is rephrased as follows: But for creation of a TIF district and use of tax increment financing, the area would not be redeveloped.

The But For Test is simply stated, compared with the multiple factors and lengthy definitions involved in determining whether an area is blighted or not. But applying it is not always easy, because it requires the municipality to predict the future, and telling the future is not an easy thing to do.

Sometimes it may not be so hard. In our example, we have a single factory that has been vacant and unused for many years. And we have environmental contamination that would be expensive to remediate. So it may be easy to conclude that no redevelopment will take place on that property without TIF assistance.

But often a proposed TIF district includes multiple parcels. And often some of those parcels, if not most, are occupied and being used. And sometimes some of those parcels have been the subject of recent redevelopment. If one parcel out of one hundred has been redeveloped, what does that say about the rest? Does it predict more redevelopment? Or is it an anomaly based on isolated and unusual circumstances? What if two parcels have been redeveloped? Or perhaps the properties within the proposed TIF district haven’t been redeveloped, but the property across the street has been redeveloped. What then?

As you can see, this issue can also get complicated. And, as we will soon see, the answer to this question may be the most important factor from a school district’s point of view.

### C. How Is a TIF District Established?

The TIF Act requires that many steps be taken to establish a TIF district. But only a few of those steps are critical from the point of view of a school district or other taxing body. These include the following:

#### 1. Conduct Feasibility Study.

After a TIF district is proposed, a city or village will commonly hire a firm to conduct a feasibility study and issue a feasibility report analyzing whether the proposed RPA qualifies for TIF status.<sup>6</sup>

#### 2. Prepare Redevelopment Plan.

If the feasibility report concludes that the proposed RPA qualifies, the next step is to prepare a redevelopment plan. This plan is the comprehensive program of the municipality for redevelopment of the RPA. It must include, among other things, an itemized list of estimated redevelopment project costs, evidence that the RPA has not been subject to growth and development, and an assessment of any financial impact on any taxing district affected by the plan.<sup>7</sup>

#### 3. Convene Joint Review Board.

After the city or village has a redevelopment plan and has given notice of a public hearing, it must convene the Joint Review Board (JRB). The members of the JRB include one representative from each of the local taxing bodies and a “public member” who is selected by the other members of the JRB. The JRB is the mechanism by which the Legislature has given the other taxing bodies a formal opportunity to review the proposed RPA and plan and to evaluate whether they satisfy the statutory requirements

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<sup>6</sup> See 65 ILCS 5/11-74.4-4.1.

<sup>7</sup> 65 ILCS 5/11-74.4-3(n)

for a TIF district. After the city or village convenes the JRB, the JRB has 30 days in which to issue an opinion as to whether the statutory requirements are met. If a majority of the JRB votes no, then the city or village has an obligation to meet with the JRB, to discuss the concerns of the JRB, and, perhaps, to make changes to address those concerns. If, however, the JRB maintains its position, the city council or village board can still establish the TIF district, but must do so by a three-fifths majority vote.<sup>8</sup>

4. Hold Public Hearing.

Before passing the ordinances required to establish a TIF district, the city or village is required to hold a public hearing. Taxing bodies have an opportunity at that public hearing to share their views with the city council or village board orally and in writing.<sup>9</sup>

5. Pass Final Ordinances.

Not sooner than 14 days and not later than 90 days after the close of the public hearing, the city council or village board must introduce and may pass the three ordinances required to establish a TIF district: 1) approving the RPA; 2) approving the redevelopment plan and project; and 3) approving the use of tax increment allocation financing.

D. Should a School District Care If a TIF District Is Established?

It is frequently said that school districts and other taxing bodies are not harmed by TIF districts because they continue to receive the same taxes they were receiving when the TIF district was established – the taxes that are paid on the base EAV. It is further said that because a TIF district is only authorized under circumstances when there would

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<sup>8</sup> 65 ILCS 5/11-74.4-5(b).

<sup>9</sup> 65 ILCS 5/11-74.4-5(a).

be no redevelopment but for the creation of the TIF district, taxing bodies have no opportunity cost. If no TIF district were created, the argument goes, no redevelopment would occur, the EAV within the RPA would not increase, and property taxes would not increase. So there would be nothing to lose. But the establishment of a TIF district can have an impact on school districts and other taxing bodies in at least four different ways, depending on the characteristics of the proposed TIF district and also depending on the particular circumstances of the taxing bodies' property tax environment.

1. Where There Would Be Some Redevelopment Without a TIF District in a Tax-Capped County

As previously discussed, in order to adopt a redevelopment plan and establish a TIF district, a city or village must find as follows:

The municipality finds that the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan. (Emphasis added.)

Although a city or village must find that the RPA has not been subject to growth and development, the TIF Act qualifies this requirement by referring to the RPA “on the whole.” The implication is that even if development has occurred in a relatively small part of the RPA, the required finding can still be made. So if a proposed RPA has 100 parcels, and 10 parcels have been subject to development through investment by private enterprise, is the requirement satisfied? How about 5 parcels? Or 15 parcels? The TIF Act does not provide guidance on this point and the courts have not provided much guidance yet either.

Following this line of reasoning, one can argue that even if some relatively small private development can be expected to take place in the RPA without TIF assistance, the

city or village can still make the finding that the proposed RPA would not reasonably be anticipated to be developed without the adoption of the redevelopment plan “on the whole.” If a city has proposed a large TIF district, and if there has been a pattern of some private redevelopment, it may be possible to conclude that the pattern will continue. The extent of such redevelopment may or may not be sufficient to defeat the But For Test. But even assuming that it is not sufficient to defeat the But For Test, creation of a TIF district under such circumstances will have an impact on school districts and other taxing bodies.

Let us first examine the impact in a tax-capped county.<sup>10</sup> In a tax-capped environment, the increase from one year to the next in a school district’s property tax extension is limited to the cost of living or 5%, whichever is less. However, there is an exception to the tax cap for new construction, also referred to as “new growth.” When the EAV for a parcel increases because of new construction, the increase in EAV is added to the total EAV of the district and the new taxes generated by that “new growth” are added to the total taxes extended by the county for that district over and above the tax-capped amount.

If a TIF district is created, such new taxes go into the TIF fund. If the new construction would have occurred even without the TIF district, then the school districts and other taxing bodies have lost property taxes that they would have received if the TIF district had not been established. These are actual dollars lost.

2. Where There Would Be Some Redevelopment Without a TIF District in a Non-Tax-Capped County

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<sup>10</sup> By tax-capped county, I mean a county in which the Property Tax Extension Limitation Law, 35 ILCS 200/18-185, et seq., (PTELL) is in force.



Let us assume the same set of facts as in the previous example, except that we are now in a non-tax-capped county. A school district is not limited by the tax cap. It is, however, limited by the maximum statutory rates for each of its funds. The rates are calculated by dividing the amount levied by the district by the total available EAV in the district. The higher the total EAV, the lower the rate. To the extent that the TIF district “captures” new EAV that would otherwise have been available to the school district, it lowers the total EAV available to the school district and thereby raises the district’s tax rate. If the school district is bumping up against the maximum statutory rates, this could prevent the school district from collecting all of the taxes it would otherwise collect.

3. A TIF District Will Probably Lower Available EAV, Raise the School District’s Tax Rate, and Shift Some Taxes to Other Taxpayers

Now let’s assume there would be no redevelopment without a TIF district. But let us also assume that the total EAV within the proposed TIF district has historically increased, through appreciation, by an average of 5% annually. What impact will that have on a school district’s property taxes? Assuming that the district tax levy is not bumping up against its statutory maximum rates or exceeding the tax cap, the school district will receive the amount it levies. However, it will not have the increase in EAV within the TIF district available to generate those taxes. Instead, the county will calculate a somewhat higher rate based on a somewhat lower total EAV and will use that rate to spread the district’s taxes across the available EAV within the district. That means that all of the other taxpayers will pay a little bit more to make up for the taxes that would otherwise have been paid by taxpayers within the TIF district on the historical increase in EAV. This is sometimes referred to as a tax “shift.”

#### 4. A Residential TIF District Could Increase Enrollment

Finally, if the plan for a proposed TIF district includes new residential facilities, there is the possibility that children will move into the residential units and enroll in the public schools. The TIF Act specifically provides for payment of TIF funds to the school districts when new students move into housing units that received TIF assistance.<sup>11</sup> However, the TIF Act specifies maximum percentages that can be paid to the schools for such purposes. So a school district should analyze the potential impact when residential units are planned for the TIF district.

## **II. Negotiating Intergovernmental Agreements for Three TIF Districts**

### A. Park Ridge 2003

In 2002, the City of Park Ridge authorized an eligibility study for 5.8 acres located in the central business district of the City and across the street from the commuter railroad station. The City had previously purchased this land from a car dealer named Bredemann who had moved his dealerships to another location. The eligibility report provided to the City concluded that the “Bredemann Properties” qualified as a “blighted area.” The report further concluded that the Bredemann Properties were “not likely to be developed without public action.”

In 2003, the City of Park Ridge expanded its proposed TIF district to include the entire central business district, including the Bredemann Properties – an area of approximately 111 acres. The City received a redevelopment plan, including an eligibility report, in April 2003 concluding that this larger area qualified as a combination of blighted vacant area and improved conservation area. The Bredemann Properties were identified as a “target area” for redevelopment and were in fact the first area to undergo

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<sup>11</sup> See 65 ILCS 5/11-74.4-3(q)(7.5).

redevelopment. The report concluded, among other things, that “without the adoption of this Redevelopment Plan and TIF, the Project Area is not reasonably expected to be redeveloped by private enterprise.”

However, during this same time period, the City of Park Ridge was reporting to the public, as reported in the local newspapers, that there was enormous interest in the private sector in redeveloping the Bredemann Properties. At one point, the City reported that over 60 developers had contacted the City to express interest in redeveloping that land. In other words, the Bredemann Properties were a hot commodity, contrary to the conclusions in the eligibility reports.

Maine Township High School District 207, Park Ridge – Niles Consolidated Community School District 64, and the Park Ridge Park District all expressed concern over the proposed TIF district, based on the reports by the City of the intense interest in the private sector to redevelop the Bredemann Properties. These reports were strong evidence that the But For Test was not met and the Bredemann Properties would be redeveloped even without a TIF district. That meant that the school and park districts would lose the large amounts of new property taxes that would result from this new construction and which would fall outside of the tax cap. This concern was magnified by the City’s projections that redevelopment activities on the Bredemann Properties and two other target areas could result in incremental taxes of as much as \$75 million. District 207, District 64, and the Park District would ordinarily receive approximately 25%, 35%, and 5% of that amount, respectively.

Between May and August of 2003, the three taxing bodies negotiated separately with the City of Park Ridge in an attempt to develop intergovernmental agreements that

would protect the districts from the adverse effects of the TIF district, while at the same time allowing the City to move forward with its plans. In the end, they were successful and the result was three intergovernmental agreements. These three agreements were substantially similar. Each agreement provided that the City would reimburse the district for 60% of the incremental taxes it would have received from new construction but for creation of the TIF district. The agreements also provided for payments to be made to the school districts for new students who move into new residential units within the TIF district, as well as new students who move into homes that have been sold by people moving into the TIF district.

B. Fox Lake 2004 and 2007

In 2004, the Village of Fox Lake contacted Fox Lake School District 114 and Grant High School District 124 and explained that the Village was interested in establishing a TIF District for a single 40-acre parcel. The Subject Property, which had never been developed, was located on the shore of Fox Lake. A developer had approached the Village with a plan to build a water park and hotel, but asked for public participation through a TIF district. The Village and the school districts had very good relations and the Village President was a past president of the board of education of District 114.

The school districts were interested in cooperating with the Village but were concerned about the length of the TIF district, the amount of money to be spent through the TIF district, and the possibility of large numbers of students moving onto the Subject Property at some time and enrolling in the districts. The parties met several times and negotiated an intergovernmental agreement to address those concerns. The agreement

1) limited the amount of tax money to be spent to \$5,000,000; 2) requires that anything not needed to service debt in a particular year be distributed as surplus to the taxing bodies; 3) requires the TIF be terminated after the allowed debt is retired; 4) prohibits any expansion of the TIF district except with approval of the Joint Review Board; and 5) prohibited TIF financing for anything except commercial development.

The original developer was unable to implement his plan for a water park and hotel. In 2007 the Village again approached the school districts and explained that a new developer was interested in developing the Subject Property. However, the new developer did not want to build a water park. Instead, the developer wanted to build a hotel, banquet facility, and condominiums. Because the 2004 agreement prohibited residential uses (or at least TIF assistance for residential uses), the Village wanted to amend the agreement. The districts were concerned about an influx of new students. The parties were able to negotiate an amendment that allows multifamily housing, but only for seniors. The amendment also provides that all municipal sales tax revenue from the project is pledged to debt service payments on the TIF bonds, thereby potentially shortening the life of the TIF district and/or producing more surplus revenue to be shared with all taxing bodies.

C. Des Plaines 2006

In early 2006 the City of Des Plaines announced that it was planning to create a 95-acre TIF district that included many existing businesses. The proposed TIF district included a number of properties where there had been new construction in recent years. This history suggested that there would be additional construction in future years even without public incentives. As discussed above, property taxes generated by new

construction are outside the tax cap and would ordinarily constitute additional revenue for the school and park districts. However, if a TIF district were created, the school and park districts would lose that additional revenue. This was the concern that District 207, Community Consolidated School District 62, and the Des Plaines Park District presented to the City of Des Plaines.

During discussions that lasted approximately six months, the school districts, park district, and city discussed ways that the districts could be protected from any adverse impact of the TIF district. In the spirit of intergovernmental cooperation, the parties agreed on a combination of measures to address the problem. First, the City agreed to reduce the size of the TIF district from 95 to approximately 70 acres and, in the process, removed many of the properties with new construction. Second, the City agreed to declare as surplus and pay certain percentages of incremental property taxes to all taxing bodies in years 11 through 23 of the TIF district. Third, the City agreed to share a percentage of new sales tax revenue generated in the TIF district with the three districts. Finally, the City agreed to declare \$3 million in incremental taxes in a separate TIF district as surplus and distribute those funds to all taxing bodies. The school and park districts were satisfied that these measures would offset most, if not all, of the revenues that would otherwise be lost from creation of the TIF district. A single intergovernmental agreement was approved and executed and the TIF district was established in October, 2006.

### **III. Further Thoughts / Lessons Learned**

#### **A. Not All TIF Districts Are Alike**

Each proposed TIF district must be analyzed to determine whether it is likely to have any impact on school districts. Many will not. Only in situations where redevelopment is likely to occur even without a TIF district and where the tax cap is in place will school districts be likely to actually lose revenue.

#### **B. It Is Hard to Predict the Future – But Necessary**

Analyzing and applying the But For Test is hard, because predicting the future is hard. But making an informed judgment is important because that test, more than any other factor, will determine whether a proposed TIF district will adversely affect a school district financially.

#### **C. Reasonable People May Disagree**

TIF districts are complicated things. And the standards for TIF districts are complicated and hard to implement. And trying to predict the future is not easy. So there may not be any clear cut answers to some of the issues that must be addressed. Under these circumstances, reasonable people may disagree about some of these issues, and disagreeing does not make the other person unreasonable.

#### **D. It May Be Helpful to Have Your Own Expert**

Eligibility studies are usually conducted by people who have training in a relevant field, although some firms who do this kind of work come from a planning background, while others come from a financial background, so the training and expertise may vary from person to person. And reasonable people may disagree about these issues. So it

may be worthwhile to hire an experienced individual to conduct an eligibility study on behalf of the school district in order to get an independent opinion.

E. It May Be Helpful to Work With Other Taxing Bodies

The school districts and park district in Des Plaines agreed early in the process to cooperate with each other and to share the expenses of hiring special counsel and a TIF consultant. They also felt that having a common position during negotiations gave them greater bargaining power. On the other hand, the districts in Park Ridge worked independently for the most part and were successful. And they didn't need to compromise with the other districts in order to achieve a common position. So you will have to weigh these factors and make a decision how to proceed.

F. Start As Soon As You Can

TIF districts are complicated things. And doing the analysis to determine whether you should be concerned about a proposed TIF district may take a lot of time and energy. So start as soon as you learn about the TIF. Don't wait until the Joint Review Board is convened. If you do, you will have a very short time in which to get up to speed.

G. A School District's Interests Are Not Always Identical to Those of the Joint Review Board

The Joint Review Board has the limited statutory responsibility of reviewing the proposed TIF district and making a determination as to whether it complies with the statutory requirements. This responsibility is not identical to nor even necessarily consistent with the school board's responsibility to protect the district's revenues. The proposed TIF district may satisfy all statutory requirements and yet result in some loss to the school district because there would be some relatively small redevelopment even without a TIF district. Conversely, a proposed TIF district may pose no threat to school



district revenues because there is no likelihood of redevelopment without a TIF, but may fail to qualify as a blighted area because only 4 factors are present. Caution should be exercised in fulfilling these dual responsibilities.

H. It Doesn't Have to Be All or Nothing

In addressing your concerns regarding a proposed TIF district, you don't have to stop the TIF. The experiences in Park Ridge and Des Plaines demonstrate that a school district and a city can reach an agreement somewhere "in the middle." Accommodations can be made to address a school district's concerns while allowing the TIF district to proceed. While a school district has standing to challenge the establishment of a TIF district, there are many reasons why it may not want to do so. Litigation is expensive, time-consuming, and emotionally draining. The city's ordinances are presumed to be valid, and it is the party challenging those ordinances who has the burden of proof. There are many reasons why an intergovernmental agreement may be preferable to a lawsuit.

I. It Is Easy to Compromise About Money

This may sound strange, since so many disputes are about money. But because dollars are fungible, and because any sum of money can be divided in many different ways, it is easy to compromise by doing just that – taking the available or projected amount of money and dividing it in order to accommodate everyone's interests. That is what was done in Park Ridge and Des Plaines.

J. There Are Many Tools Available To Reach an Agreement

The promise to pay certain amounts of money was central in reaching agreements in Park Ridge and Des Plaines. However, there are other tools available to reach a compromise regarding TIF districts. For example, municipalities have agreed to limit the

length of the TIF district to some number of years less than 23, and have agreed to limit the types of uses within the TIF district (eliminating the concern regarding residential uses, for example). Alternatively, a municipality might agree to limit the amount of money to be paid for eligible costs. There is no limit to the type of accommodation that can be made.

K. Redevelopment Is Important Too

When we are elected to an office, or employed for a particular purpose, it is natural sometimes to pursue the goals and responsibilities entrusted to us to the exclusion of all others. But local leaders of all stripes need to have some perspective on what they are doing, how it might affect the rest of the community, and whether and how multiple goals can be achieved. This means that school board members and administrators should consider the importance and value of redeveloping blighted areas and preventing areas at risk from becoming blighted, while municipal leaders recognize the value of strong schools to the entire community

**IV. Summary**

Using tax increment financing is a complicated process. Although in theory TIF districts harm no one and everyone benefits, under some circumstances a TIF district can have an adverse financial impact on school districts and other taxing bodies. School officials need to evaluate each proposed TIF district carefully. If it appears that an adverse impact is likely, efforts should be made to resolve the problem by negotiating an intergovernmental agreement that addresses the problem while allowing the city or village to accomplish its goals.

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## WHY SCHOOL DISTRICT 64 IS OPPOSED TO THE TIF DISTRICT PROPOSED BY THE CITY OF PARK RIDGE

The City of Park Ridge has proposed establishing a Tax Increment Financing District ("TIF District") that would include the entire Uptown Business District. The Board of Education of the Park Ridge-Niles Consolidated Community School District No. 64 ("District 64") has unanimously voted to oppose the creation of this TIF District because creating a TIF District in Uptown is not justified either as a matter of law or policy and because creating a TIF District will wrongly divert millions of dollars in property taxes from District 64 and other taxing bodies, including Maine Township High School District 207 and the Park Ridge Park District, to pay for improvements in Uptown that are properly the responsibility of the City and the developers who build there. Because TIF Districts are a complicated subject of which most people have little knowledge, we are writing in order to explain the reasons for our position.

### Property Taxes and New Construction

In order to understand the issues involved in the proposed TIF District, we have to take a few steps back and first consider property taxes and how new development affects a school district such as District 64. (This analysis applies equally to the high school district, the park district, and most local governments.) District 64 depends heavily on property taxes to fund its operation. Currently, the District receives approximately 80% of its annual revenue from local property taxes. The amount of money that the District can receive in property taxes is limited by the "Tax Cap," the statute enacted in Illinois a few years ago that limits the amount of money that most local governments, including school districts, can receive in property taxes each year. Under the Tax Cap, the amount that District 64 can receive in property taxes each year is limited to the amount that it received the previous year, increased by the annual increase in the cost of living, but in no event by more than five percent. The cost of living has been increasing in recent years by less than three percent each year. In 2002 the cost of living increased by only 1.6 percent.

The most significant exception to the strict limits imposed by the Tax Cap is the exception for new construction. If a new building is built in place of an old building, and if the assessed valuation of the new building is greater than the assessed valuation of the old building, the Tax Cap allows the school district to receive the taxes generated by the increase in assessed valuation **in addition to** the taxes it is generally allowed to receive under the Tax Cap. This is true whether the new building is a single family home, an apartment building, a store, or a factory. Clearly, then, major construction projects can produce significant new revenue for the school district. And those new taxes continue every year and become a part of the tax base of the district.

### TIF Districts as a Tool for Economic Development

Some areas are in such terrible condition that private developers are unwilling to risk their capital by engaging in new construction in those areas unless they receive some

public financial assistance to do so. A city can use a TIF district, under the right circumstances, to provide that financial assistance. When a TIF district is created, the equalized assessed valuations (EAV) of all the properties in the TIF district are frozen for purposes of the local taxing bodies. The school district will continue to receive property taxes from the properties within the TIF district based upon the frozen EAVs for the life of the TIF district (usually 23 years). If new development takes place within the TIF District, and if that new construction results in increases in the EAV of the property within the TIF district, new property taxes are generated by applying the tax rates of the school district and other taxing bodies to that “incremental EAV.” However, those “incremental taxes” don’t go to the school district and other local taxing bodies. Those incremental taxes instead go into the TIF district and the city has the ability to use those funds to pay for a wide range of expenses. Sometimes these funds are paid directly to the developer to reimburse the developer for some of the expenses the developer has incurred. Sometimes, the city uses the funds itself to pay for infrastructure improvements that are needed in the area.

Because the effect of a TIF district is to divert property taxes from school districts, park districts, and other taxing bodies to the city for use in the redevelopment process, the legislature has been careful to limit their use to situations that truly deserve such extraordinary measures. In order to create a TIF district, two tests must be met.

First, the city must determine that the area to be included in the TIF district is either a “blighted area” or a “conservation area.” A “conservation area” is an area that is likely to become blighted. Both terms are defined in the statute in terms of certain factors, such as dilapidation, obsolescence, and deterioration, which are also defined.

Second, the city must determine that the area under consideration would not reasonably be anticipated to be developed without creation and use of the TIF district. In other words, but for creation and use of the TIF district to redirect tax dollars to help pay for the development, the area would not be developed. This second test is often referred to as the “but for test.” To summarize these two tests: The area under consideration is in bad shape and won’t get better unless a TIF district is created.

The genius of the “but for test” is this: If it is truly met, then no harm will be done to the school district and other taxing bodies. If it is not truly met, then a TIF district will deprive the taxing bodies of taxes to which they are entitled. As discussed above, the effect of a TIF district is to redirect “incremental taxes” created by redevelopment away from the school district and other taxing bodies to be used to help pay for that redevelopment. If there would be no redevelopment in the absence of the TIF district, then there would be no increase in EAV, no incremental taxes would be generated, and the school district and other taxing bodies would receive no additional revenue. If, on the other hand, the area would have redeveloped even without use of a TIF district, then the school district and other taxing bodies would have received the benefit of those incremental taxes. In that case, creation of the TIF district deprives the school district and other taxing bodies of those taxes and does so in a situation where redevelopment would have occurred anyway. This is why it is so important to make a

correct determination as to whether the but for test is met when considering whether to create a TIF district.

### The Proposed TIF District in Uptown

The recent interest in redeveloping Uptown began, or at least was given a boost, when the City of Park Ridge entered into an agreement in September, 1999, with Bredemann Buick and its related businesses to acquire the property formerly occupied by the Bredemann car dealerships. The City quickly formed a task force to study the subject of Uptown redevelopment and hired the planning firm of Trkla, Pettigrew, Allen & Payne ("TPAP") to work with the task force. The City and TPAP issued the Uptown Plan in early 2002. It analyzes many issues involved in the possible redevelopment of Uptown and identifies four "target areas" for redevelopment. Since then, the City has taken title to and possession of the "Bredemann Properties" in Uptown and has cleared those sites. The Bredemann Properties stand ready to be redeveloped.

After completing the Uptown Plan, the City hired TPAP to study whether 1) the Bredemann Properties and 2) all of Uptown were eligible for TIF district designation. TPAP issued two eligibility studies, concluding that either area, large or small, could be designated as a TIF district. The City administration has now proposed that all of Uptown, approximately 111 acres, be designated as a TIF district. A map of the proposed district is attached. A final decision whether to establish this proposed district is scheduled to be made by the City Council in July, 2003.

As required by statute for creation of any TIF district, TPAP and the City have prepared and put forward a Redevelopment Project and Plan for the proposed TIF district. This Plan proposes, among other things, complete redevelopment of three large areas within Uptown, identified as Target Areas 2, 3, and 4. (Target Area 1, the library block, has been taken off the redevelopment table.) The Plan contemplates three possible alternatives for the redevelopment of each of these Target Areas. The City projects that the total incremental taxes to be generated by this redevelopment could range from \$25 million to \$75 million. The City has developed a budget in which it plans to spend \$60 million of the money that will flow into the TIF District. This includes construction of a new underground water reservoir to replace the existing reservoir that the City tells us has reached the end of its useful life, is in bad shape, and needs to be replaced, and construction of three new parking garages.

The question that is presented to District 64 by the City's proposal to create this TIF District is whether and to what extent creation of the TIF District will harm District 64 financially by diverting property taxes that would otherwise flow to District 64 into the TIF District to be spent by the City on the redevelopment process. The answer to that question largely depends on whether the "but for test" is met, for the reasons discussed above. Will there be redevelopment in Uptown even if no TIF District is created? We acknowledge that predicting the future is not easy. However, based on all of the information we have received thus far, it seems clear that redevelopment will take place if the City will allow it to happen. We base this conclusion on the following information.



As part of the Uptown Redevelopment Study, the City hired the consulting firm of Valerie S. Kretchmer Associates, Inc., to perform "a realistic market analysis of the potential in Uptown Park Ridge for retail/entertainment, office and residential development, including condominium, townhouse and rental." The report prepared by the Kretchmer firm and submitted to the City paints a very positive picture of the potential for redevelopment in Uptown. It speaks of demand for an estimated 100,000 square feet of retail, demand for additional restaurant space, opportunity for some office space, a "strong market" for 100 condominiums in the \$250,000 to \$400,000 range, a "strong, unmet market" for luxury rental apartments, and a "strong demand" for townhouses. It states that "several apartment developers and lenders indicated strong interest in a luxury rental [in Uptown]" and "numerous developers would be interested in the Bredemann or Napleton sites for one or more condominium or rental buildings."

The City reports that in the last four years, **over 60 developers** have contacted the City and have expressed interest in redeveloping a part of Uptown. In all cases, we are told, the City has told these developers to wait until after the planning process is over. The City has maintained a list of these developers and has passed this list on to the consultant it has hired to help it market Target Area 2 (the Bredemann Properties and the Reservoir Block). The City has yet to issue a request for proposals. Although City officials have told us that many of these developers have asked whether a TIF District will be created to provide financial assistance, and that some have indicated that TIF assistance is a prerequisite to their participation, City officials have also confirmed that some developers are ready to redevelop the Bredemann Properties for residential purposes immediately. And although any developer would **prefer** to develop with TIF assistance (thereby reducing the developer's costs and increasing his profits), that is not to say that such developers would necessarily refuse to participate without it. Based on the marketing study prepared for the City, together with the evidence of developer interest, we can only conclude that redevelopment would take place without a TIF District. The but for test is not satisfied. This TIF District would hurt District 64 and the other local taxing bodies financially.

#### The Financial Impact on District 64

The City's Redevelopment Plan shows three alternatives for redevelopment. The City estimates that these alternatives would generate between \$25 million and \$75 million. District 64 receives approximately 35 % of the property taxes collected in Park Ridge. Using the City's figures and the rough analysis of simply taking 35 % of the projected incremental taxes, District 64 would lose between \$8.75 million and \$26.25 million in new property taxes. Even at the low end, that is a huge amount to District 64.

District 64 has worked hard over the last few years to maintain its financial stability and to live within its means. The District has cut its budget in three of the last four years in order to comply with its own fund balance policy. As already noted, District 64 operates under the Tax Cap. The recent crisis in state finances has jeopardized state funding for District 64, as it has for all school districts in Illinois.

District 64 was recently placed in the "early warning" category with regard to its financial condition by the Illinois State Board of Education. The potential for additional tax dollars from new construction in Uptown is of great significance to District 64.

### Conclusion

The evidence clearly shows that some redevelopment will take place in Uptown without a TIF District. Under these circumstances, a TIF District is not authorized by statute and would not be good policy for the community. To create a TIF District under these circumstances would divert tax dollars from District 64 and the other local taxing bodies and would harm them financially. It is not appropriate to take money that should go to fund our schools and our parks and use it to pay for public works, especially when the school districts and park district have no way to replace it.

District 64 Board of Education  
Dean Krone, President  
Sue Runyon, Vice President  
Richard Brendza, Secretary  
Joe Baldi  
Ares Dalianis  
Christina Heyde  
Stephen Latreille



# Public Meet On TIF Options For Reservoir Apr. 10

By DWIGHT ESAU  
JOURNAL REPORTER

A special Park Ridge meeting will be held Thursday, Apr. 10, to discuss the financing of the water reservoir relocation, and the possible creation of a tax increment financing (TIF) district.

Such a district, if formed, would include all of Uptown, where extensive redevelopment is planned, and Hinkley Park, the northwest corner of which is being proposed as the new site for a 10-million-gallon water reservoir. The 7 p.m. meeting in city hall is a state-mandated session in which public input will be invited regarding TIF districts in general and this one in Park Ridge in particular.

Park Ridge aldermen and city staff members will attend but the focus of the meeting will be on public comment, according to Juliana Maller, assistant city manager.

The city proposes to acquire the Hinkley Park site, in exchange for

the park district acquiring the former public works center site at 1200 Elm for relocation of the park maintenance garage, in a land swap agreement.

The city, which currently has limited bond issue borrowing power and is cutting more than \$1 million out of its upcoming 2003-04 budget, tentatively believes that TIF funding is a more feasible way to pay for part or all of the \$17.8 million cost of the reservoir relocation.

TIF is a state-approved capital improvement financing system that permit municipalities to pay for major projects without directly raising property taxes through bond issues. TIF laws existing in 47 states and there are 700 TIF districts in 300 municipalities in Illinois, including several each in Des Plaines, Mt. Prospect, Elk Grove Village, and Arlington Hts.

Tim Schuenke, city manager, set the stage for this meeting Monday night (Mar. 17) when he  
(Continued on page 5A)

## TIF District For Reservoir?

(Continued from page 3A)  
placed TIF financing in the context of proposed redevelopment of the present water reservoir site at Touhy Avenue and Northwest Highway in Uptown. He also tried to assure other taxing bodies, particularly Park Ridge-Niles School

District 64, that TIF districts will not hurt schools financially. "A TIF continues the flow of property tax dollars at their present levels to the school district," he said.

"A TIF redirects increased tax revenues from redevelopment to

the city to repay infrastructure costs for up to 23 years or until the debt is paid, whichever comes sooner," he said.

District 64, while not expressing opposition to a TIF in Park Ridge, has hired an attorney to represent it in TIF deliberations.

# Schools Seek More Help In Dealing With City's TIF Dist. Plans

By DWIGHT ESAU  
JOURNAL REPORTER

Despite indirect assurances about tax increment financing (TIF), Park Ridge-Niles School District 64 remains very wary and concerned about the city's intentions.

The 64 board of education voted Monday night (Apr. 7) to hire a second consultant to help represent it as it prepares to begin discussions in the city's stated intentions to designate most of the Uptown area as a TIF district.

Already on board for the district is Robert Murphey, an attorney with TIF expertise. Murphey didn't attend Monday night's school board meeting, but reportedly will attend, along with one or two other board members or administrators, the special city TIF meeting tomorrow night, Apr. 10, in the public works service center at 7 p.m. This will be a public forum-type meeting where public input will be heard regarding the city's Uptown redevelopment plans.

The city has begun a process to designate all of Uptown as a TIF district for the purpose of redeveloping it, financing infrastructure improvements in the area (including possible new parking structures), and paying for all or part of relocating the city's water reservoir from Uptown to Hinkley Park.

The city staff has recommended a TIF approach to redevelopment of the former Bredemann auto dealership and current water reservoir sites in Uptown, mostly because they say that "but for" a TIF designation, the area would not be redeveloped.

Ironically, the school board action came only a couple of hours after Steve Friedman, the city's TIF consultant, told a special

*"There's room for debate on this TIF. We need an honest open dialog on this."* Joe Baldi

workshop of the city council that one of the things that is often done in TIF districts is reimbursement of school districts for any children generated into district schools by residential development of a TIF area.

"There's room for debate on this TIF," said board member Joe Baldi. "We need an honest, open dialog on this."


"I'd much rather be pro-active on this than just sit back and wait for something to happen," said member Sue Runyon.

The board authorized spending up to \$5,000 for a consultant, whom they said would probably be a specialist in the financial aspects of TIF districts.

Tomorrow night's meeting is part of a series of events required by state law to form a TIF district. The city plans to hold a public hearing in late May or early June and make a final decision on a TIF district on July 21.

One alderman - Craig Tomassi of the first ward, has expressed possible reservations about forming the TIF. He is retiring from the city council on May 5, however. No other alderman has spoken publicly on the matter. The TIF-related views of new aldermen Don Crampton, Howard Frimark, Rex Parker, Jeff Cox, and Mark Anderson are not known.

To: Philip Bender, Superintendent  
Board of Education

From: Rebecca J. Allard, Business Manager 

Date: August 26, 2013

Subject: Preliminary Enrollment Report – August 20, 2013

This year's enrollment data and class sections continue to reflect the class size guidelines in effect since the 2007-08 school year. The guidelines are as follows: K- 22 students; grades 1-2 / 24 students; grades 3-4 / 26 students; and grades 5-8 / 28 students.

The total expected enrollment (K-8) of 4,303 is 18 students greater than the June 2013 enrollments; detailed information can be found on the attached pages:

- Elementary schools have 37 less students than the June 2013 enrollment.
- Middle School has 55 more students than the June 2013.

Student enrollment numbers are subject to change as the schools are notified that students have moved out of the District and new students are enrolled. Official 6<sup>th</sup> day (September 4) enrollment will be reported to the Board at the September 23<sup>rd</sup> Board meeting.

Currently, additional staffing to accommodate class section variations are within the Board approved staffing plan for 2013-14.

*Change in Enrollment, Sections and Average Class Size from June 30, 2013 to August 20, 2013*

Enrollment as of June 2013							2013-14 Enrollment as of August 20, 2013						
	Guideline	Carpenter	Field	Franklin	Roosevelt	Washington	District	Carpenter	Field	Franklin	Roosevelt	Washington	District
Grade - K Sections	22	74	86	55	110	94	419	62	103	65	71	90	391
		4	4	3	6	5	22	3	5	3	4	5	20
	Average Class Size	18.50	21.50	18.33	18.33	18.80	19.05	20.67	20.60	21.67	17.75	18.00	19.55
Grade 1 Sections													
	24	67	94	83	99	86	429	82	99	68	130	104	483
	Average Class Size	3	4	4	5	4	20	4	5	3	6	5	23
Grade 2 Sections													
	24	80	108	71	129	87	475	69	101	85	100	88	443
	Average Class Size	4	5	3	6	4	22	3	5	4	5	4	21
Grade 3 Sections													
	26	67	108	67	104	116	462	84	112	70	130	87	483
	Average Class Size	22.33	21.60	22.33	20.80	23.20	22.00	21.00	22.40	23.33	26.00	21.75	23.00
Grade 4 Sections													
	26	55	123	89	96	108	471	65	109	73	105	119	471
	Average Class Size	3	5	4	4	5	21	3	5	3	5	5	21
Grade 5 Sections													
	28	74	123	92	129	106	524	60	121	89	93	109	472
	Average Class Size	4	5	4	5	4	22	3	5	4	4	4	20
Building Total Grades 1 - 5 Sections													
	20.18	23.17	22.33	22.28	22.86	22.27	23.82	20.00	24.20	22.25	23.25	27.25	23.60
	Average Class Size	18.50	24.60	23.00	25.80	26.50	23.82	20.00	24.20	22.25	23.25	27.25	23.60
Building Total Enrollment													
	343	556	402	557	503	2,361	360	542	385	558	507	2,352	2,352
	17	24	18	25	22	106	17	25	17	25	22	106	106
Building Total Enrollment													
	20.18	23.17	22.33	22.28	22.86	22.27	21.18	21.68	22.65	22.32	23.05	22.19	22.19
	Average Class Size	417	642	457	667	597	2,780	422	645	450	629	597	2,743



Park Ridge - Niles Community Consolidated School District 64  
2013- 14 Class Size/Section Projections

As of August 20, 2013

School	K	1	2	3	4	5	6	7	8	Total By School		
Maximum Class Size	22	24	24	26	26	28	28	28	28	2013-14	2012-13	Difference
<b>Carpenter</b>	62	82	69	84	65	60				422	417	5.00
# of Sections	3	4	3	4	3	3				20	21	(1.00)
Variance from 2012-13	(1)	1	(1)	1	0	(1)						
<b>Field</b>	103	99	101	112	109	121				645	642	3.00
# of Sections	5	5	5	5	5	5				30	28	2.00
Variance from 2012-13	1	1	0	0	0	0						
<b>Franklin</b>	65	68	85	70	73	89				450	457	(7.00)
# of Sections	3	3	4	3	3	4				20	21	(1.00)
Variance from 2012-13	0	(1)	1	0	(1)	0						
<b>Roosevelt</b>	71	130	100	130	105	93				629	667	(38.00)
# of Sections	4	6	5	5	5	4				29	31	(2.00)
Variance from 2012-13	(2)	1	(1)	0	1	(1)						
<b>Washington</b>	90	104	88	87	119	109				597	597	0.00
# of Sections	5	5	4	4	5	4				27	27	0.00
Variance from 2012-13	0	1	0	(1)	1	(1)						
<b>Emerson</b>							290	280	257	827	783	44.00
# of Sections							11	10	10	31	30	1.00
Variance from 2012-13							1	0	0			
<b>Lincoln</b>							244	261	228	733	722	11.00
# of Sections							9	10	9	28	27	1.00
Variance from 2012-13							(1)	2	0			
<b>Total By Grade</b>	391	483	443	483	471	472	534	541	485	4,303	4,285	
Section Change	(2.00)	3.00	(1.00)	0.00	1.00	(3.00)	0.00	2.00	0.00	Grade 1-5 Change	0.00	
										Grade 6-8 Change	2.00	
										K - Change	(1.00)	
											1.00	

Notes:

Projections do not include Jefferson

Presentation and Adoption of Consensus Goals 2013-15

Attached for final approval is a draft of the consensus goals in student learning, facilities and finance developed during the Board's Study Sessions on August 16 and 17, 2013.

The administration will provide additional information to the Board regarding specific student learning measures on the agreed timeline this fall. In addition, the Board and administration will develop a schedule for periodic updates on all goal areas during the next two years.

ACTION ITEM 13-08-5

I move that the Board of Education of Community Consolidated School District 64, Park Ridge-Niles, Illinois adopt the Board of Education Consensus Goals developed during the Board's Study Sessions on August 16 and 17, 2013.

The votes were cast as follows:

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AYES:

NAYS:

PRESENT:

ABSENT:

DISTRICT 64 BOARD OF EDUCATION  
CONSENSUS GOALS 2013-15

**Student Learning**

1. The Administration will:
  - Continue to review and refine the Educational Ends statements, assessments, and targets.
  - Develop student growth goals measured by Tier 1 (MAP), Tier 2, and Tier 3 assessments.
  - Maintain competitive scores on the state assessment (e.g., ISAT, PARCC).
2. By the spring of 2014, the Board will approve a plan that articulates 21<sup>st</sup> Century Learning including a 1:1 computing model; how it may be funded; how it will integrate with the curriculum; and how we plan to measure and monitor its implementation and success.

**Facilities**

1. The Administration will obtain the capacity for each school by the 6th day of enrollment.
2. The Administration will present to the Board a new demographic study prepared by Dr. John Kasarda.
3. The District will continue with present projects under consideration in the Facility Master Plan Phase 1.

**Finance**

1. The District will continue to levy in accordance with past practice to maximize revenue under the Property Tax Extension Limitation Law (PTELL) formula, and demonstrate fiscal discipline to ensure meeting the Board's goal of not returning to the community for an operating expense referendum prior to 2020-21.
2. District-wide student fees will remain the same.
3. Any positive balance to the Operating Fund at the end of the year should be earmarked to extend the assumed time of the next operating expense referendum and not utilized to pay for new expenses.
4. The District will honor the 2013-14 capital projects budget allocation of \$5 million, while also using debt extension bonds going forward for further capital improvements.
5. The District will endeavor to prevent a return to an operating expense referendum no earlier than 2020-21.
6. The Board believes in strong fiscal discipline.

Presentation and Adoption of Updates on Board of Education Operating Principles

ACTION ITEM 13-08-6

I move that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, adopt the Board of Education Operating Principles that were reaffirmed on August 17, 2013.

The votes were cast as follows:

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AYES:

NAYS:

PRESENT:

ABSENT:



**Park Ridge-Niles School District 64**  
**Board of Education Operating Principles**  
*Reaffirmed August 17, 2013*

**Operating Principle 1: Positive Relationships**

We recognize it is essential to remain positive in working together.

- We will look for and recognize the positive contributions of each individual and shall refrain from speaking negatively about others.
- We will seek ways to turn obstacles into opportunities.
- We will maintain a sense of hope, optimism and humor in working together.

**Operating Principle 2: Open Communication**

We are committed to communication that promotes openness and understanding.

- We believe the most effective communication requires high levels of trust.
- We will establish and maintain open channels of formal and informal communication.
- We will be honest and direct with each other.
- Information required by statute to be discussed in closed session and so discussed will remain confidential.
- Information pertinent to Board business should be shared with all Board members in a timely manner.

**Operating Principle 3: Quality Interaction**

We are responsible for quality interaction with each other as team members. Conflict is a natural and inevitable feature of working together. The management of conflict is an opportunity to improve the quality of our interactions and relationships.

- We are each accountable to the team for our own actions.
- We will encourage and remain receptive to divergent views of other members.
- When conflict occurs, the focus will be on the issue, not the person.
- We will work to influence one another directly and in supportive ways.
- Should concerns about another team member arise, the person with the concern will share privately his/her views with the individual.

**Operating Principle 4: Collaborative Decision-Making**

The team is committed to using a collaborative decision-making process.

- We will define the objective, i.e., what is being decided.
- We will provide opportunity for input from persons affected by the decision.
- We will gather all pertinent facts concerning the situation.
- We will allow time for reflection throughout the process.
- We will organize and analyze the collected data.
- We will encourage the consideration of multiple solutions and their implications.
- We will encourage compromise and seek consensus.
- We will make a timely decision.
- We will provide a plan to implement the decision.
- We will communicate the decision to those affected.
- We will support the decision and its effective implementation.
- We will evaluate the decision in terms of its effectiveness.

**Operating Principle 5: Handling Public Concerns**

We – as a Board and as individual Board members – will handle public concerns of both individuals and groups in tactful, orderly and effective ways.

- We will listen to the concern, and, if appropriate, ask questions or summarize the concern to check and confirm understanding.
- We will ask if the issue has been discussed with the person immediately responsible or the immediate supervisor.
- We will express appreciation to the individual for presenting the concern.
- We will affirm the desire to reach a satisfactory solution through the appropriate channels.
- We will ask the person to report back on the progress or resolution of the concern when appropriate.
- We will outline the next step(s) that the Board or Board member will take and assure the person that someone will contact him or her to address the concern.
- We will inform the Superintendent of the concern when appropriate.

**Operating Principle 6: Board and Committee Meetings**

We choose to conduct our meetings in an open and orderly fashion and in a manner consistent with our operating principles.

- Board meeting agendas are developed cooperatively between the Board President, Vice President and Superintendent with input from other administrators and Board members as appropriate. (Committee meeting agendas are similarly developed between the committee members and the respective administrators.)
- Board and committee agendas and support materials/ documents (including minutes of past meetings) are distributed in advance to encourage informed discussion.
- Surprises at meetings from Board members and/or administrators are counterproductive.
- Any changes in the prepared agenda for Board meetings will be mutually determined by the Board President and Superintendent prior to the meeting. (All Board members and/or committee members shall have an opportunity to accept or reject those changes.)
- The Board values citizen input and will provide a forum for such input at each meeting.
- At the end of the discussion, the Board will summarize issues and articulate next steps as well as clarify understandings of the discussion.

**Operating Principle 7: Continuous Improvement**

We are committed to an ethic of continuous improvement.

- We will regularly examine our progress towards meeting established goals.
- We will biennially review, evaluate and establish new goals.

**Operating Principle 8: Accountability**

The Board recognizes that it is accountable to the community and other stakeholders.

- We will communicate the State of the District on an annual basis.
- We will conduct open, transparent and frequent communications with the community.
- We will encourage public engagement.

Discussion/ Approval of Hourly Staff Salaries: Lunchroom Supervisors, Before School Supervisors, and Jefferson Day Care Workers (exception PRTAA members) Effective July 1, 2013

ACTION ITEM 13-08-7

I move that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve the salary increases for Lunchroom Supervisors, Before School Supervisors, and Jefferson Day Care Workers (exception PRTAA members) effective July 1, 2013.

The votes were cast as follows:

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_


AYES:

NAYS:

PRESENT:

ABSENT:

To: Board of Education

From: Joel T. Martin 

Date: August 26, 2013

Re: Wage Adjustment Recommendation for Before School, Lunchroom, and Jefferson Extended Day Care Supervisors as Directed by the Board of Education.

Based on the Board of Education's direction, the administration had detailed the following hourly pay rates for all Before School, Lunchroom, and Jefferson Extended Day Care Supervisors.

**Before School Supervisor:**

Rate of Pay - \$12.00

**Head Lunchroom Supervisor:**

Rate of Pay - \$16.00

**Assistant Head Lunchroom Supervisor:**

Rate of Pay - \$14.00

**Lunchroom Supervisor:**

Rate of Pay - \$12.00

**Jefferson Extended Day Care Supervisor:**

Rate of Pay - \$12.00 (if current pay rate is in excess of \$12.00 an hour)

All employees not hired at Head or Assistant Head Lunchroom Supervisors will be paid at \$12.00 an hour. Individuals who hold the position of "Head Lunchroom Supervisor" or are hired into that job will be paid at \$16.00 an hour. Staff members currently employed, as "Assistant Head Lunchroom Supervisor" will be compensated at the hourly rate of \$14.00, as will all new hires into that position.

All individuals will be moved to the rate of pay that corresponds to their job for the 13-14 school year. The Board of Education will determine in future years if the rate of pay will increase.

Consent Agenda

ACTION ITEM 13-08-8

I move that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve the Consent Agenda of August 26, 2013, which includes the Personnel Report, Bills, Payroll, and Benefits, Approval of Financial Update for the Period Ending July 31, 2013, Approval of PRESS Issues 80, 81, and Policy 6:250, and Destruction of Audio Closed Minutes.

The votes were cast as follows:

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AYES:

NAYS:

PRESENT:

ABSENT:

Personnel Report  
August 26, 2013

Kate Carlson	Employ as Math/Science Teacher at Emerson School effective August 26, 2013 – \$46,496.00.
Ashley Edge	Employ as 1st Grade Teacher at Field School effective August 26, 2013 – \$46,696.00.
Caitlin Eskew	Employ as Instructional Resource Assistant at Washington School effective August 26, 2013 - \$19,227.98.
Stephanie Gray	Employ as 5th grade Instructional Resource Assistant at Roosevelt School effective August 26, 2013 - \$19,227.98.
Joan Hoffman	Employ as (.50) Literacy Teacher at Carpenter School effective August 26, 2013 - \$28,935.50.
Sara Malecki	Employ as Assistant at Lincoln School effective August 26, 2013 - \$20,707.05.
Brandi Medal	Employ as (.70) Science Teacher at Emerson School effective August 26, 2013 - \$32,687.20.
Jill Michalski	Employ as Before School Child Care Site Coordinator at Washington School effective August 26, 2013 - \$25.00 per hour.
Cassandra Prejzner	Employ as 4th Teacher at Washington School effective August 26, 2013 - \$50,241.00.
Scott Prim	Employ as District Substitute Custodian at Washington School effective August 26, 2013 - \$30,109.04.
Laura Rousakis	Employ as (.50) Kindergarten Teacher at Field School effective August 26, 2013 - \$23,348.00.
Roberta Stavrides	Employ as (.50) Kindergarten Teacher at Franklin School effective August 26, 2013 - \$23,348.00.
Julie Vukmarkaj	Employ as (.60 Total) (.50) Kindergarten Teacher at Washington School and (.10) C of C Teacher at Field School effective August 26, 2013 - \$29,062.20.
Lauren Maloney	Rehire as LRC Assistant at Lincoln School effective August 26, 2013 - \$21,171.15.
Katrina O'Malley	Rehire as Assistant at Franklin School effective August 26, 2013 - \$19,658.92.
Eleni Pappas	Rehire as Assistant at Jefferson School effective August 26, 2013 - \$19,658.92.

Personnel Report  
August 26, 2013

Marie Anderson	Change of assignment from Intermediate Special Needs Assistant at Field School to Primary Special Needs Assistant at Field School effective August 26, 2013.
Matt Bozeday	Change of assignment from 4th grade Teacher at Washington School to 5th grade Teacher at Washington School effective August 26, 2013.
Lilliana Bran	Change of assignment from Special Needs Assistant at Field School to Instructional Resource Assistant at Field School effective August 26, 2013.
Pat Brennan	Change of assignment from 3rd grade Teacher at Franklin School to 2nd grade Teacher at Franklin School effective August 26, 2013.
Claire Kirchner	Change of assignment from Special Needs Assistant at Field School to Instructional Resource Assistant at Field School effective August 26, 2013.
Susan Miller	Change of assignment from 4th grade Teacher at Franklin School to 3rd grade Teacher at Franklin School effective August 26, 2013.
Alex Rubenstein	Change of assignment from 1st grade Teacher at Franklin School to 5th grade Teacher at Franklin School effective August 26, 2013.
Pam Sammons	Change of assignment from 3rd grade Teacher at Washington School to 1st grade Teacher at Washington School effective August 26, 2013.
Kay Schneider	Change of assignment from Special Needs Assistant at Field School to Instructional Resource Assistant at Field School effective August 26, 2013.
Alexandra Shalzi	Change of assignment from 1st grade Assistant at Roosevelt School to 3rd grade Resource Assistant at Roosevelt School effective August 26, 2013.
Cathleen Coppola	Request Maternity/FMLA as Special Needs Teacher at Emerson School effective 12/9/13 – 1/20/14 (tentative).
Shelli Mata	Request Maternity/FMLA 1st grade Teacher at Carpenter School effective 10/1/13 – 12/2/13 (tentative).
Cassandra Prejzner	Resign as 4th grade Instructional Resource Assistant at Washington School effective August 19, 2013.

Personnel Report  
August 26, 2013

Kelly Bullard	Resign as Assistant at Carpenter School effective August 19, 2013.
Rebecca Hebding	Resign as Assistant at Roosevelt School effective August 19, 2013.
Kelley Kapple	Resign as Before School Child Care Site Coordinator at Washington School effective August 22, 2013.



## APPROVAL OF BILLS AND PAYROLL

The following bills, payrolls and Board's share of pension fund are presented for approval:

### Bills

10 - Education Fund -----	\$ 177,247.11
20 - Operations and Maintenance Fund -----	\$ 158,650.78
30 - Debt Services -----	\$ -
40 - Transportation Fund -----	\$ 33,046.19
50- Retirement (IMRF/SS/MEDICARE)-----	\$ -
60 - Capital Projects -----	\$ 129,756.26
80 - Tort Immunity Fund -----	\$ (13.26)
90 - Fire Prevention and Safety Fund -----	\$ -

Checks Numbered: 114008 - 114618

Total: \$ 498,687.08

### Payroll and Benefits for Month of July, 2013

10 - Education Fund -----	\$ 525,734.92
20 - Operations and Maintenance Fund -----	\$ 219,334.01
40 - Transportation Fund -----	\$ -
50 - IMRF/FICA Fund -----	\$ 77,710.17
80 - Tort Immunity Fund -----	\$ -

Checks Numbered: 9151 - 9230

Direct Deposit: 900038965 - 900039350

Total: \$ 822,779.10

This report can be viewed  
on the District 64 website  
[www.d64.org](http://www.d64.org) on the  
Financial Data-Current  
link.

Approval of Policies from PRESS Policy Issues 80, 81 and Policy 6:250

1 <sup>st</sup> Reading August 12, 2013	Policy 2:200	Issue 80	School Board – Types of School Board Meetings
1 <sup>st</sup> Reading August 12, 2013	Policy 2:220	Issue 80	School Board – School Board Meeting Procedure
1 <sup>st</sup> Reading August 12, 2013	Policy 5:30	Issue 80	General Personnel – Hiring Process and Criteria
1 <sup>st</sup> Reading August 12, 2013	Policy 5:260	Issue 81	Professional Personnel – Student Teachers
1 <sup>st</sup> Reading August 12, 2013	Policy 6:240	Issue 81	Instruction – Field Trips
1 <sup>st</sup> Reading August 12, 2013	Policy 6:60	Issue 80	Instruction – Curriculum Content
1 <sup>st</sup> Reading August 12, 2013	Policy 6:65	Issue 80	Instruction – Student Social and Emotional Development
1 <sup>st</sup> Reading August 12, 2013	Policy 6:250		Instruction – Community Resource Persons and Volunteers

It is recommended that the following audio closed minutes of the Board of Education be destroyed.

February 13, 2012

Background

The Open Meetings Act provides that verbatim recordings of closed sessions may be destroyed not less than 18 months after completion of the recorded meeting, and after the Board approves written minutes of the closed session and the destruction of the recording. The Board has approved the written minutes of these meetings.

Approval of Minutes

ACTION ITEM 13-08-9

I move that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve the minutes from the Committee-of-the-Whole on August 12, 2013, Special Board Meeting of August 12, 2013 and Closed Session Meeting of August 12, 2013.

The votes were cast as follows:

Moved by \_\_\_\_\_ Seconded by \_\_\_\_\_

AYES:

NAYS:

PRESENT:

ABSENT:

BOARD OF EDUCATION  
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64

Minutes of the Committee-of-the-Whole: Finance  
held at 7:00 p.m. on August 12, 2013  
Field School - North Gym  
707 N. Wisner, Park Ridge, IL

Board President Anthony Borrelli called the meeting to order at 7:34 p.m. Other Board members present were Scott Zimmerman, Dan Collins, Vicki Lee and Terry Cameron. Board members John Heyde and Dathan Paterno were absent. Also present were Superintendent Philip Bender, Assistant Superintendents Joel T. Martin and Lori Hinton, Business Manager Becky Allard, Director of Special Education/Pupil Services James Even, Director of Facility Management Scott Mackall, Director of Technology Terri Bresnahan, Public Information Coordinator Bernadette Tramm and approximately eight members of the public.

Board President Borrelli stated the purpose of the meeting was to hear a presentation from the Maine Township School Treasurer. Dr. Bender introduced Treasurer Tom Ahlbeck, who is custodian of all District 64's funds. Mr. Ahlbeck noted that he oversees funds from District 64 as well as the assets of Districts 62, 63, 207 among other local districts, cooperatives and service centers. He reported that he is appointed by the elected Township School Trustees and meets with them quarterly, and that he provides monthly and longer term reports to all districts.

Mr. Ahlbeck said his primary responsibility is the safekeeping of the money, while districts keep the records, which is a division of responsibility similar to the system in place on the state level. Another major activity is managing the cash flow for districts to meet their monthly operating needs and coordinate with funds received twice a year from local property taxes. Mr. Ahlbeck said another Treasurer's task is to monitor the banks where short-term operating funds are held. He described ratings services and other sources of information to monitor the banks' health and performance, and the return offered on the funds invested with an emphasis on security and caution.

In addition, he noted the Treasurer's office manages the long-term investment portfolio, which are funds not required for current operations. He reported on the tools and techniques used to watch the credit risk of the funds he invests in and to increase the rate of return. He reported that his office tries to invest longer term up to five years, but ladders the maturities to keep an average life of 2.5 years. He also described some of the current issues pressuring the market that impact the rate of return on the fixed income portfolio.

Board President Borrelli thanked Mr. Ahlbeck for his report, and concluded the Committee-of-the-Whole meeting at 7:50 p.m. to resume the special Board meeting.

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President

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Secretary

**BOARD OF EDUCATION  
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64  
Minutes of the Special Board of Education Meeting held at 7:30 p.m.  
August 12, 2013  
Field Elementary School – North Gym  
707 N. Wisner Avenue  
Park Ridge, IL 60068**

Board President Anthony Borrelli called the meeting to order at 6:33 p.m. Other Board members in attendance were Scott Zimmerman, Dan Collins, Vicki Lee and Terry Cameron. Members John Heyde and Dathan Paterno were absent. Also present were Superintendent Philip Bender, Assistant Superintendent for Human Resources Joel T. Martin, Director of Facility Management Scott Mackall, Public Information Coordinator Bernadette Tramm, and one member of the public.

Board of Education meetings are videotaped and may be viewed in their full length from the District's website at:  
<http://www.d64.org/subsite/dist/page/board-education-meetings-984>

**BOARD ADJOURNS TO CLOSED SESSION**

At 6:34 p.m. it was moved by Board President Borrelli and seconded by Board member Cameron to adjourn to closed session to discuss matters related to performance of specific employee [5 ILCS 120/2 (c)(1)] and collective negotiations [5 ILCS 120/2 (c)(2)].

Board  
Adjourns to  
Closed Session

The votes were cast as follows:

AYES: Collins, Zimmerman, Borrelli, Cameron, Lee

NAYS: None.

PRESENT: None.

ABSENT: Heyde, Paterno

The motion carried.

The Board adjourned from closed session at 7:34 p.m. and immediately convened a Committee-of-the-Whole: Finance meeting. In addition to those mentioned previously, also present were Assistant Superintendent Lori Hinton, Director of Pupil Services James Even, Business Manager Becky Allard, Director of Technology Terri Bresnahan and approximately 8 members of the public.

At 7:50 p.m., the Board adjourned from the Committee-of-the-Whole and resumed as a special Board meeting.

**PUBLIC COMMENTS**

Public  
Comments

Angela Tuebo, Field parent and chair of the PTO committee on facilities improvements, spoke on behalf of parents and staff to thank the Board and administration for adding air conditioning to the north gym, which is used for instruction, assemblies and daily lunch; she urged the Board and administration to not delay in approving other HVAC and related projects to improve air quality, comfort and security at the school.

## **DISCUSSION AND APPROVAL OF FIELD SCHOOL FACILITY DESIGN**

Discussion and  
Approval of Field  
School Facility  
Design

Dr. Bender reviewed the recent history of facilities improvements in District 64, and pointed out that projects at Field are the last in the original priority group. He noted that moving to the design phase at Field would provide the Board with a definitive estimate of costs and clear understanding of the heating-ventilation-air conditioning (HVAC) and life safety issues to be addressed, which would be helpful to the Board in evaluating financing alternatives.

Facility Management Director Mackall noted that over the summer, the air conditioning of the north gym and asbestos-removal projects had been completed at Field, which were on the top five priorities list from December 2011. He provided a written report on the costs for architectural/engineering services to move forward with a phased-in design for HVAC Phase I and life safety Phase II, along with a project list. He noted that moving to the design development stage would bring the fees to 35% of the total. He explained that architects Fanning Howey had provided alternatives for designing the construction work to be completed either in phases over several years or to be completed all at once. Mr. Mackall noted the detailed project list was the same list presented to the Board earlier in the spring, that it contains alternates, and that the cost estimates are very preliminary and conservative.

Ms. Van Sant from Fanning Howey noted the life safety items are category A and B items from the 2006 survey, which are overdue for completion. C items are included as alternates, which the District might consider doing along with the other major work activities planned.

In response to Board member questions, Ms. Van Sant proposed an updated timeline of returning to the Board with design development completed in late October or early November. She noted it would be desirable from the architects' viewpoint to have Board approval in early December, so that construction documents could be issued in early January to hit the bid market at a favorable time to receive competitive bids. She noted that a project of this scale is likely to receive considerable attention from bidders.

In response to Board member questions, Business Manager Allard noted that at some point along the same timeline when project estimates are in, the Board could decide to issue bonds under debt extension. She noted that the District could not use those funds to pay itself back for architect fees already incurred on



the project; she also pointed out that arbitrage rules make it critical not to borrow for expenditures that will occur too far in the future either.

Responding to further questions, Ms. Van Sant said that because the project incorporates standards changes recommended in 2012, the design documents should remain useful to the District even if the project is delayed, although it would depend on whether any further changes occur in the design code.

Board questions then focused on the phased approach. Mr. Mackall discussed trade-offs between lower architectural/engineering fees to Fanning Howey for designing all the work as one phase versus the higher construction costs associated with completing such a complex project in one summer. He pointed out the potential for disruption to education in a one-year approach, since the project would need to get underway before the end of school to be completed in the short summer vacation period.

Mr. Mackall and Ms. Van Sant then provided further information about particular items in the project list, including ceiling tile, electrical service upgrade, corridor lighting, and roofing. Board members expressed the desire to salvage or reuse existing materials whenever possible to contain costs and to select exterior options that would provide acceptable solutions aesthetically yet save money.

#### ACTION ITEM 13-08-1

Action Item  
13-08-1

It was moved by Board member Zimmerman and seconded by Board member Lee that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve to move forward with the design of the Field School project through a phased-in design for HVAC Phase I and Life Safety Phase II.

The votes were cast as follows:

AYES: Zimmerman, Borrelli, Lee

NAYS: Collins, Cameron

PRESENT: None.

ABSENT: Heyde, Paterno

The motion carried.

#### **FIRST READING OF POLICIES FROM PRESS POLICY ISSUES 80, 81, AND POLICY 6:250**

First Reading of  
Policies From Policy  
Issues 80, 81, and  
Policy 6:250

Dr. Bender collected questions from Board members concerning the wording of suggested revisions to Board Policy 6:60. On other policy matters, Assistant Superintendent Hinton reassured the Board that a CPR film has been integrated into health classes at

the middle school level as part of a previous policy change. Assistant Superintendent Martin also reviewed the District's procedures when parents are employed as substitute teachers at their child's school.

**APPROVAL OF HOURLY STAFF SALARIES:  
LUNCHROOM SUPERVISORS, BEFORE SCHOOL  
SUPERVISORS, AND JEFFERSON DAY CARE WORKERS  
(EXCEPTION PRTAA MEMBERS) EFFECTIVE JULY 1, 2013**

Dr. Bender reported that administration would return at a future meeting with a further recommendation.

Approval of Hourly Staff Salaries: Lunchroom Supervisors, Before School Supervisors, and Jefferson Day Care Workers (Exception PRTAA Members) Effective July 1, 2013

**CONSENT AGENDA**

Consent Agenda

**A. PERSONNEL REPORT**

Lidys Aguirre	Employ as Spanish Teacher at Washington School effective August 26, 2013 - \$46,696.00.
Timothy Ciprian	Employ as Before School Child Care Site Coordinator, School TBD effective August 26, 2013 - \$25.00 per hour.
Shannon Fuller	Employ as Science/Language Arts Teacher at Lincoln School effective August 26, 2013 - \$48,437.00.
Kelley Kapple	Employ as Before School Child Care Site Coordinator at Washington School effective August 26, 2013 - \$25.00 per hour.
George Ludkowski	Employ as Night Custodian at Jefferson School effective July 11, 2013 - \$34,332.48.
Suzanne Jobski	Employ as Instructional Resource Assistant at Field School effective August 26, 2013 - \$19,227.98.
Jacqueline Mayer	Employ as (.80) Spanish Teacher at Carpenter/Emerson Schools effective August 26, 2013 - \$37,356.80.
Alexis Migon	Employ as Special Education Assistant at Lincoln School effective August 26, 2013 - \$20,707.05.
Linda Nissan	Employ as Social Worker Teacher at Roosevelt School effective August 26, 2013 - \$55,459.00.
Nicole Parrilli	Employ as C of C Language Arts Teacher at Emerson School effective August 26, 2013 - \$51,929.00.

Board of Education Meeting Minutes  
August 12, 2013

Kathleen Mulroe	Employ as Speech Language Pathologist Teacher at Field School effective August 26, 2013 - \$60,490.00.
Michelle Romanek	Employ as Before School Child Care Site Coordinator, School TBD effective August 26, 2013 - \$25.00 per hour.
Patrick Swanson	Employ as School Psychologist at Washington School effective August 26, 2013 - \$63,107.00.
Ashley Arsenault	Rehire as 1st grade Teacher at Roosevelt School effective August 26, 2013 - \$48,437.00.
Andrew Bielenda	Rehire as Physical Education Teacher at Roosevelt School effective August 26, 2013 - \$51,929.00.
Jennifer Buti	Rehire as (.50) Literacy Teacher at Roosevelt School effective August 26, 2013 - \$32,057.50.
Cara Deverman	Rehire as 3rd grade Teacher at Roosevelt School effective August 26, 2013 - \$50,186.00.
Kelsey Engle	Rehire as 4th grade Teacher at Field School effective August 26, 2013 - \$48,437.00.
Amanda Hernandez	Rehire as Spanish Teacher at Roosevelt School effective August 26, 2013 - \$91,862.00.
Jessica Kwasny	Rehire as Music Teacher at Carpenter/Emerson Schools effective August 26, 2013 - \$48,437.00.
Shelli Mata	Rehire as 1st grade Teacher at Carpenter School effective August 26, 2013 - \$48,437.00.
Kelly Olmstead	Rehire and change of Assignment from .5 Assistant at Jefferson School to full-time Assistant at Washington School effective August 26, 2013 - \$18,860.40.
Dina Pappas	Rehire as 5th grade Teacher at Field School effective August 26, 2013 - \$65,865.00.
Julia Risk	Rehire as 4th grade Teacher at Field School effective August 26, 2013 - \$62,371.00.
Katherine Ryan	Rehire as (.60) Speech Language Pathologist at Jefferson School effective August 26, 2013 - \$41,123.39.

Board of Education Meeting Minutes  
August 12, 2013

Dana Wessel	Rehire as (.50) Special Education Teacher at Private School effective August 26, 2013 – \$27,729.50.
Julie Voigt	Return from Leave of Absence as a .29 Art Teacher at Washington School effective August 26, 2013 - \$22,138.31.
Bessie Grosso	Change of location from Physical Education at Roosevelt School to Physical Education at Carpenter School effective August 26, 2013.
Kathryn Homann	Change of assignment from 7th grade Math/ Science at Emerson School to 6th grade Science at Emerson School effective August 26, 2013.
Agnes Adamik	Request Family Illness/FMLA as Early Childhood Special Needs Teacher at Jefferson School effective 8/26/13 – 9/27/13 (tentative).
Ashley Anderson	Resignation as 6th Grade Science/Social Studies Teacher at Emerson School effective July 15, 2013.
Jacqueline Mayer	Resignation as 3rd grade Instructional Resource Assistant at Roosevelt School effective August 1, 2013.
Joanne McCluskey	Resignation as Teacher Assistant at Washington School effective August 5, 2013.

B. BILLS, PAYROLL, AND BENEFITS – July 22, 2013

Bills

10 – Education Fund -----	\$822,705.53
20 – Operations and Maintenance Fund -----	159,707.13
30 – Debt Services -----	200.00
40 – Transportation Fund -----	31,677.53
50 – Retirement (IMRF/SS/Medicare) -----	93,262.38
60 – Capital Projects -----	708,705.48
80 – Tort Immunity Fund -----	4,297.33
90 – Fire Prevention and Safety Fund -----	-
Checks Numbered: 113691 – 113826	
Total:	\$1,820,555.38

Accounts Payable detailed list can be viewed on the District 64 website  
[www.d64.org](http://www.d64.org) Business Services.

Payroll and Benefits for Month of June 2013

Board of Education Meeting Minutes  
August 12, 2013

10 - Education Fund-----	\$9,524,975.85
20 - Operations and Maintenance Fund -----	220,464.99
40 - Transportation Fund -----	-
50 - IMRF/FICA Fund -----	342,472.17
80 - Tort Immunity Fund -----	-
Total:	<u>\$ 4,057,286.47</u>

Checks Numbered: 8809 – 9150    Direct Deposit: 900035107 - 900038964

C. BILLS – August 12, 2013

Bills

10 - Education Fund -----	\$1,686,740.82
20 - Operations and Maintenance Fund -----	59,837.12
30 - Debt Services -----	-
40 - Transportation Fund -----	15,406.50
50 - Retirement (IMRF/SS/Medicare) -----	44,488.78
60 - Capital Projects -----	1,938,455.58
80 - Tort Immunity Fund -----	8,392.36
90 - Fire Prevention and Safety Fund -----	-

Checks Numbered: 113851 – 113989

Total: \$1,820,555.38

Accounts Payable detailed list can be viewed on the District 64 website  
[www.d64.org](http://www.d64.org) Business Services.

D. APPROVAL OF FINANCIAL UPDATE FOR THE PERIOD ENDING JUNE  
30, 2013

Monthly updates may be viewed on the District 64 website [www.d64.org](http://www.d64.org) >  
Business Services.

E. ACCEPTANCE OF DONATION

F. APPROVAL TO RENEW WEB FILTERING SYSTEM

G. DESTRUCTION OF AUDIO CLOSED MINUTES

ACTION ITEM 13-08-3

It was moved by Board member Zimmerman and seconded by Board member Cameron that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve the Consent Agenda of August 12, 2013, which includes the Personnel Report, Bills, Payroll, and Benefits – July 22, 2013; Bills – August 12, 2013; Approval of Financial Update for the Period Ending June 30, 2013; Acceptance of Donation Check; Approval to Renew Web Filtering System; and Destruction of Audio Closed Minutes.

Action Item  
13-08-3



The votes were cast as follows:

AYES: Lee, Cameron, Borrelli, Zimmerman, Collins

NAYS: None.

PRESENT: None.

ABSENT: Heyde, Paterno

The motion carried.

## **APPROVAL OF MINUTES**

Approval of  
Minutes

### Action Item 13-08-4

Action Item  
13-08-4

It was moved by Board member Lee and seconded by Board member Cameron that the Board of Education of Community Consolidated School District 64, Park Ridge – Niles, Illinois, approve the minutes from the Regular Board Meeting of July 8, 2013 and the Closed Session Meeting of July 8, 2013.

The votes were cast as follows:

AYES: Collins, Zimmerman, Borrelli, Cameron, Lee

NAYS: None.

PRESENT: None.

ABSENT: Heyde, Paterno

The motion carried.

## **BOARD MEMBER LIAISON REPORT**

Board Member  
Liaison Report

Dr. Bender commended Board President Borrelli for attending an Illinois Association of School Boards leadership workshop for presidents. As discussed at the workshop, Board President Borrelli noted he would like to consider developing an annual calendar of agenda items to guide the Board's work and provide a tool for Board self-evaluation.

## **OTHER DISCUSSION AND ITEMS OF INFORMATION**

Dr. Bender reported on the Board's planned two-day meeting August 16-17, which has shifted from a retreat format to a study session. Board President Borrelli and Vice President Zimmerman are working with him to finalize the agenda. The next regular meeting is August 26; a draft agenda was provided. Dr. Bender distributed a cover of the "Facilities Engineering Journal" describing a new certification program organized in Illinois by District 64's Director of Facility Management; the District's Public Information

Other  
Discussion  
and Items of  
Information

Coordinator contributed the cover photo. He also distributed news releases about the 2013-14 budget hearing, back-to-school schedule and parent nights. Dr. Bender invited all Board members to attend the morning Institute Day program on Monday, August 26 to kick-off the new school year with teachers and staff.

## ADJOURNMENT

Adjournment

At 8:43 p.m., it was moved by Board member Cameron and seconded by Board member Zimmerman to adjourn. The motion carried by voice vote.

\_\_\_\_\_  
President

\_\_\_\_\_  
Secretary

*On some occasions the order of business may be adjusted as the meeting progresses to accommodate Board members' schedules, the length of session, breaks and other needs.*

September 19, 2013 – Field School – North Gym  
Committee-of-the-Whole: Communications – 6:30 p.m.



**September 23, 2013 – Roosevelt School – South Gym**

Regular Board Meeting – 7:30 p.m.

- Adoption of FY14 District 64 Budget
- Approval of Baseline Concussion Testing
- Sixth Day of Enrollment
- Approval of August Financials Ending August 31, 2013
- Update on Summer Construction Projects
- ISBE Report: Administrator & Teacher Salary and Benefits – School Year 2013
- Annual Application for Recognition of Schools

**October 28, 2013 – Washington School – South Gym**

Regular Board Meeting – 7:30 p.m.

- Analysis of Student Achievement
- Approval of September Financials Ending September 30, 2013

**November 18, 2013 – Carpenter School – South Gym**

Committee-of-the-Whole: Finance - 7:00 p.m.

- Review 2013 Proposed Tax Levy

Regular Board Meeting – 7:30 p.m.

- Board Sets Date of Public Hearing for 2013 Tax Levy
- Summer Interim Session 2013 Report
- Presentation and Approval of Summer Interim Session 2014 Dates and Fees
- Approval of October Financials Ending October 31, 2013

**December 16, 2013 – Field School – North Gym**

- Public Hearing on 2013 Tax Levy

Regular Board Meeting – 7:30 p.m.

- Resolution # to Adopt Final 2013 Tax Levy
- Approval of November Financials Ending November 30, 2013

**Upcoming Topics**

- Approval of December Financials Ending December 31, 2013 – 1/27/14

**TBD**

- Recognition/Plans for Community Finance Committee
- Intergovernmental Agreements District 62 and NSSEO
- Update on 2012 Tax Extension
- Report on Park District Child Care Pilot Program at Roosevelt School
- Approval of Facility Master Plan Phase II
- FY13 Audit Report

In accordance with the Americans with Disabilities Act (ADA), the Board of Education of Community Consolidated School District 64 Park Ridge-Niles will provide access to public meetings to persons with disabilities who request special accommodations. Any persons requiring special accommodations should contact the Director of Facility Management at (847) 318-4313 to arrange assistance or obtain information on accessibility. It is recommended that you contact the District, 3 business days prior to a school board meeting, so we can make every effort to accommodate you or provide for any special needs.

# Meeting of the Board of Education Park Ridge-Niles School District 64

Board of Education Agenda  
Regular Board Meeting  
Field Elementary School – North Gym  
707 Wisner Avenue  
Park Ridge, IL 60068

*On some occasions the order of business may be adjusted as the meeting progresses to accommodate Board members' schedules, the length of session, breaks and other needs.*

**Monday, September 23, 2013**

## TIME

## APPENDIX

7:30 p.m.	<b>Meeting of the Board Convenes</b>		
	<ul style="list-style-type: none"><li>• Roll Call</li><li>• Introductions</li><li>• Opening Remarks from President of the Board</li></ul>		
	<ul style="list-style-type: none"><li>• <b>Public Comments</b></li></ul>		
	<ul style="list-style-type: none"><li>• <b>Adoption of FY14 District 64 Budget</b></li></ul>		<b>A-1</b>
	-- Business Manager/Superintendent	<b>Action Item 13-09-2</b>	
	<ul style="list-style-type: none"><li>• <b>Sixth Day of Enrollment</b></li></ul>		<b>A-2</b>
	-- Business Manager		
	<ul style="list-style-type: none"><li>• <b>Discussion on Class Size Determination Process</b></li></ul>		<b>A-3</b>
	-- Superintendent		
	<ul style="list-style-type: none"><li>• <b>Approval of Baseline Concussion Testing</b></li></ul>		<b>A-4</b>
	-- Assistant Superintendent for Student Learning	<b>Action Item 13-09-3</b>	
	<ul style="list-style-type: none"><li>• <b>Consent Agenda</b></li></ul>	<b>Action Item 13-09-4</b>	<b>A-5</b>
	-- Board President		
	<ul style="list-style-type: none"><li>• Personnel Report</li><li>• Bills, Payroll and Benefits</li><li>• Approval of Financial Update for the Period Ending August 31, 2013</li><li>• Annual Application for Recognition of Schools</li><li>• Destruction Audio Closed Minutes (none)</li></ul>		
	<ul style="list-style-type: none"><li>• <b>Approval of Minutes</b></li></ul>	<b>Action Item 13-09-5</b>	<b>A-6</b>
	-- Board President		
	<ul style="list-style-type: none"><li>• Committee-of-the-Whole Minutes .....September 19, 2013</li><li>• Special Board Meeting Minutes .....September 9, 2013</li><li>• Closed Session Minutes .....August 26, 2013</li><li>• Regular Board Meeting Minutes .....August 26, 2013</li><li>• Board Study Session Minutes.....August 17, 2013</li><li>• Closed Session Minutes .....August 17, 2013</li><li>• Board Study Session Minutes.....August 16, 2013</li></ul>		

- **Board Member Liaison Report** A-7  
-- Board of Education
- **Other Discussion and Items of Information** A-8  
-- Superintendent
  - Upcoming Agenda
    - Memorandum of Information
      - ISBE Report: Administrator & Teacher Salary and Benefits – School Year 2013
    - Minutes of Board Committees (none)
    - Other
      - Update on Summer Construction Projects
- **Adjournment**

Next Regular Meeting: **Monday, October 28, 2013**  
 Regular Board Meeting – 7:30 p.m.  
**Washington School – South Gym**  
 1500 Stewart Avenue  
 Park Ridge, IL 60068

**October 28, 2013 – Washington School – South Gym**

- Regular Board Meeting – 7:30 p.m.
- Analysis of Student Achievement
  - Approval of September Financials Ending September 30, 2013

**November 18, 2013 – Carpenter School – South Gym**

- Committee-of-the-Whole: Finance - 7:00 p.m.
- Review 2013 Proposed Tax Levy
- Regular Board Meeting – 7:30 p.m.
- Board Sets Date of Public Hearing for 2013 Tax Levy
  - Summer Interim Session 2013 Report
  - Presentation and Approval of Summer Interim Session 2014 Dates and Fees
  - Approval of October Financials Ending October 31, 2013

**December 16, 2013 – Field School – North Gym**

- Public Hearing on 2013 Tax Levy
- Regular Board Meeting – 7:30 p.m.
- Resolution # to Adopt Final 2013 Tax Levy
  - Approval of November Financials Ending November 30, 2013

**Upcoming Topics**

- Approval of December Financials Ending December 31, 2013 – 1/27/14

**TBD**

- Recognition/Plans for Community Finance Committee
- Intergovernmental Agreements District 62 and NSSEO
- Update on 2012 Tax Extension
- Report on Park District Child Care Pilot Program at Roosevelt School
- Approval of Facility Master Plan Phase II
- FY13 Audit Report

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**MAINE TOWNSHIP SCHOOL TREASURER**

Township 41 North, Range 12  
1665 Elk Boulevard • Des Plaines, Illinois 60016-4776  
Tel: 847/824-4000 • Fax: 847/824-4012

**TRUSTEES:**

Robert Goerne  
Russ Ho  
Dennis P. Van Mieghem

**TREASURER:**

Thomas H. Ahlbeck

**SCHOOL  
DISTRICTS:**

34 - Glenview  
62 - Des Plaines  
63 - East Maine  
64 - Park Ridge  
79 - Pennoyer  
207 - Maine Township  
High Schools  
North Cook Intermediate  
Service Center

August 12, 2013

**Annual Commentary on Economic Conditions**

Where are interest rates headed? This question is often asked of us. Yet with all the technology, research, and predictive models out there, experts are unable to answer that question with any assuredness.

The simple fact that we always have to come back to is that no one controls or can predict the market. Even Ben Bernanke, Chairman of the Federal Reserve (the Fed), changes his opinion from being hawkish and dovish, hinting between wanting rates to rise or stay low, depending upon the latest news and indications from the economy. In a recent press conference, he admitted that the very large jump in rates that has occurred was a "puzzle."<sup>i</sup> This leads some market followers to conclude that investment decisions are just random without any logic. Deciding if interest rates are going to go up or down in their minds is just a flip of a coin and cannot be correlated to any logic.

On the contrary, there is a lot of logic; even as the Fed holds rates at low levels, which is having some very adverse effects on the market. To illustrate, we look back to the Seventies, when we also had easy money. Federal Reserve Chairman Paul Volcker at that time had to intervene with strong action to break the back of out of control inflation. As the *Wall Street Journal* observed, "He used new economic models based on rational expectations and price rigidities which showed that the costs of ending easy money were far less than what the pessimists said."<sup>ii</sup>

In contrast with the Seventies, many would say that we do not currently have an inflation problem today. By interfering with the free market, however, the Fed is creating a trap that has caused problems in the efficiency of the long-term bond market. This, observers have noted, has led to "the near-zero interest rate trap," which can lead banks to make too many short-duration loans and only lend to larger established companies. This environment also makes it hard to borrow from other banks or corporations using excess amounts of commercial paper. The net result of this is a sluggish economy, leading some to conclude that "modest increases in the interest rates could actually stimulate investment and growth."<sup>iii</sup>

We know that the Fed has been buying long-term bonds and refinancing with short-term bonds, which has put pressure on rates to remain low. It is intended to help the economy, but like any action, it can benefit some and adversely affect others. The low rates might help homeowners reduce their mortgage costs, but at the same time it adversely affects, for example, the senior on a fixed income or, in our case, the return on school district funds.

In this environment, how do we make investment decisions? I have heard that making investment decisions is like driving around with mud on your windshield, trying to find your way the best you can. Then afterwards, someone tells you where you should have gone. In order to make the best possible decisions, we have to get a feel for or the “pulse” of the market. The best way to do this is to follow the commentary out there. The leading commentators state that the economy is improving and growing. However, it is not growing at the pace that would be expected after such a deep recession. They also make the observation that the real rate of return, meaning the yield over the rate of inflation, was negative and currently just turned slightly positive.<sup>iv</sup>

A recent editorial in the *Wall Street Journal* suggests that “the Federal Reserve should begin now to end its program of long-term asset purchases,” because of concerns that this manipulation of the markets will have adverse consequences in the future. “Unfortunately, the Fed never gets it right. It always tightens too late and loosens too late—with resultant business-cycle consequences.”<sup>v</sup>

Interestingly, we have seen a significant increase in rates, which are significantly over their moving average. Add to that the “buzz” that rates should be higher, given the negative impact on the economy. It can be summed up as “[The Fed’s] policies aren’t working but many believe that unwinding now is too costly. Just like in the 1970s.”<sup>vi</sup>

Now that rates have moved up, the question is whether this signifies a major shift in the direction of the market with rates headed significantly higher in the future. The uncertainty never ends, but if it did it would not be a market.

<sup>i</sup> The Fed Should Start to “Taper” Now – Op-Ed, Wall Street Journal – July 1, 2013 – Martin Feldstein

<sup>ii</sup> Once Again, the Fed Shies Away from the Exit Door” – Wall Street Journal – July 12, 2013 – John B Taylor

<sup>iii</sup> The Near-Zero Interest Rate Trap” – Wall Street Journal – July 30, 2013 – Ronald I McKinnon

<sup>iv</sup> Fed Never Gets It Right and Always Tightens Too Late – Letter to the Editor – July 9, 2013 – Thomas Ashton

<sup>v</sup> The Fed Should Start to “Taper” Now – Op-Ed, Wall Street Journal – July 1, 2013 – Martin Feldstein

<sup>vi</sup> Once Again, the Fed Shies Away from the Exit Door” – Wall Street Journal – July 12, 2013 – John B Taylor

### Annual Investment Report

June 30, 2013

#### Investment Holdings:

	<u>Amount Invested</u>
Agency Obligations	\$ 232,775,000
CDs:	
Northern Trust Bank	60,052,318
MB Financial Bank	20,000,000
Money Market Funds:	
Chase Bank	52,003,665
Citibank	21,794
MB Financial Bank	86,770
Total Portfolio	<u>\$ 364,939,547</u>

#### Total Portfolio:

<u>Amount Invested</u>	<u>Expected Average Life</u>	<u>Expected Yield</u>
\$ 364,939,547	1.91 years	1.18%

#### Operating Portfolio (Investments < 6 months):

<u>Amount Invested</u>	<u>Expected Average Life</u>	<u>Expected Yield</u>
\$ 98,112,229	0.11 years	0.78%

#### Investment Portfolio (Investments > 6 months):

<u>Amount Invested</u>	<u>Expected Average Life</u>	<u>Expected Yield</u>
\$ 266,827,318	2.56 years	1.30%

#### Market Value:

The aggregate market value of the portfolio is 101.19% of the portfolio’s par value.

**PARK RIDGE-NILES SCHOOL DISTRICT 64  
TRAFFIC SAFETY COMMITTEE**

Minutes of the meeting  
held at 3:00 p.m. Tuesday, August 13, 2013  
Field School, 707 N. Wisner, Park Ridge, IL 60068

**Attendees:**

Superintendent Philip Bender  
Terry Cameron, Board of Education Secretary  
Chief Frank Kaminski, Park Ridge Police  
Deputy Chief Lou Jogmen, Park Ridge Police  
Cmdr. Jason Leavitt, Park Ridge Police  
Ofc. Laura Kappler, Park Ridge Police  
Adm. Sgt. Bob Tornabene, Niles Police  
Katie Kelly, Field School Assistant Principal  
Jane Everett, Field School Learning Resource Center (LRC) Director  
Marvin Bornschlegl, Field School PTO  
Dr. Tony Murray, Lincoln Middle School Principal  
Leslye Lapping, Jefferson Coordinator Ext. Day/Preschool Services  
Dr. Kevin Dwyer, Roosevelt School Principal  
Sia Albans, Roosevelt School Assistant Principal  
Stephanie Daly, Carpenter School/Franklin School (shared) Assistant Principal  
Scott Mackall, Director of Facility Management  
Bernadette Tramm, Public Information Coordinator  
Rick Biagi, Park Ridge Park District Board of Commissioners President  
Gayle Mountcastle, Park Ridge Park District Executive Director  
Terry Wolf, Park Ridge Park District Superintendent of Buildings & Grounds

Superintendent Bender called the first meeting of the 2013-14 school year to order at 3:00 p.m. Following introductions, Dr. Bender welcomed three guests from the Park Ridge Park District.

**Park District Report - Centennial Park Pool Renovation**

Commissioner Biagi reaffirmed the Park District's intent to take extra measures and work collaboratively with the Police and District 64 to ensure the safety of students and staff of Lincoln and Washington schools during the entire construction period at Centennial Park. The project is now getting underway and is expected to extend to approximately July 2014. Executive Director Mountcastle reviewed the key steps in the plan, which was highlighted on a draft information packet she distributed. She especially noted:

- All pedestrian traffic along the west side of Western Avenue between Touhy and Crescent avenues will be re-directed to the east side. Sections of the sidewalk on the west side will be closed to prevent pedestrians from walking near the construction entrance.
- All construction trucks will travel to/from Centennial Park from Touhy Avenue only.
- The Park District is coordinating with Police to add an additional school crossing guard at the construction area.
- Portions of the park will be fenced off; the sledding hill will be unavailable this winter.
- A community informational meeting is planned for August 28 from 7-9 p.m. at the Park Ridge Center Senior, 100 S. Western Ave., and will include Park District and construction officials, as well as the local Alderman, Chief Kaminski, and the Lincoln and Washington school principals.

Chief Kaminski reported that:

- The crossing guard would be positioned along Western Avenue differently on the morning and afternoon shifts.



- Police would have a concentrated presence in the Lincoln-Washington area during the first two weeks of school to help establish safe traffic and pedestrian patterns.
- With the reduced parking at Centennial, drivers might attempt to park in the Lincoln and Washington school parking lots. Dr. Bender noted that after school parking would be permitted, but not during the school day when staff utilize those spaces.

**ACTION:** It was agreed that this situation would be monitored in coming weeks.

In response to questions and discussion, the Park District also noted:

- Lincoln students walking across the park along what would be Crescent Avenue toward the school should be unaffected by the project.
- The Park District is working closely with its construction managers to enforce the truck route.
- Further discussion would occur about any impacts to District 64's summer school 2014 programs that are likely to again be located at Washington and Lincoln schools.

Field Assistant Principal Kelly noted that the school utilizes the parking lot at the Senior Center for drop off/pick up of students riding coach buses for the overnight Camp Duncan outdoor education trip and for overnight parking of cars of staff members who accompany the group. This year's trip is September 4-6.

**ACTION:** The Park District will work with Field School and District 64's Facility Management Director to utilize its new Youth Campus property for this purpose.

All parties agreed that maintaining close communication among the Park District, the City, Police and District 64 would be essential throughout the project duration.

**ACTION:** Off. Kappler will be the Police's liaison to the construction manager; the Park District will invite her to attend the weekly construction update meetings.

**ACTION:** The Park District will provide updated bullet points including a phone number of whom to contact to Ms. Tramm; District 64 will then email all District 64 parents and staff about the project and August 28 meeting; and Washington and Lincoln schools will do additional emails to their parents and staff as needed regarding parking, traffic flow and pedestrian safety.

**ACTION:** Updates on the projects will be added to the Traffic Safety Committee agenda.

### **Village of Niles Police**

Adm. Sgt. Tornabene said Niles Police would be providing additional coverage near schools to establish safe patterns at the start of the new year. He stated that no construction projects are planned near Emerson or Jefferson schools at this time.

### **City of Park Ridge Police**

- Chief Kaminski reported for the City that sewer projects are planned for the vicinity of Potter Road and Farrell Avenue, and that a streetscape project is planned along Prospect Avenue in Uptown.

**ACTION:** The City will provide District 64 with a detailed list of what projects are anticipated between now and winter, so the impact on schools can be determined.

- Chief Kaminski noted that a pedestrian had been struck and injured leaving a store along Prospect Avenue by a young teen bicyclist riding on the sidewalk. He noted that a campaign was underway to raise awareness that bikes should be walked through the area on Prospect Avenue between Summit Avenue and Northwest Highway and around the corner, and that new signage had been posted.

**ACTION:** District 64 principals will remind parents of the importance of all bicyclists following posted signs of where riding is not allowed, especially in this congested area.

- Chief Kaminski noted that both Police and Fire are always anxious to recognize students for their efforts related to traffic or public safety, and are willing to assist with orientation or recognition of school safety patrol members or at other times.  
**ACTION:** Principals are to request police participation whenever it can enhance school safety programming for students.
- Chief Kaminski announced that a brief ceremony would again be held on Patriot Day, Wednesday, September 11 at 8 a.m. at the South Park fire station. Roosevelt School's choir is going to perform; one or two student speakers would also be welcomed to participate and could be from other schools.  
**ACTION:** Dr. Bender will coordinate with school principals to make this opportunity available to schools beyond Roosevelt.
- Cmdr. Leavitt announced the department is expected to introduce an art project focused on bike safety as part of the educational component in a state-wide accreditation program. He anticipated that students would be invited to color a picture of a bike helmet and receive safety tips; further incentives are being planned.  
**ACTION:** Ofc. Genualdi is finalizing program details and will share with District 64 at an upcoming Traffic Safety meeting this fall or earlier.
- Cmdr. Leavitt noted that state law now requires police presence during an annual lockdown safety drill. He noted that District 64 has already been doing the required drill with police presence for many years; no change is required and no drill needs to be added.  
**ACTION:** Principals are to contact him to schedule police participation this fall as usual.
- Deputy Chief Jogmen announced that enforcement is planned with a variety of department resources at all schools especially during opening weeks to reorient drivers to expected school routines. Dr. Bender asked police to particularly focus on use of cell phones in school zones and texting while driving.

## **School Reports**

### ▪ **Jefferson**

Coordinator Lapping noted that vandalism had not been a concern this summer, and that all was in place for a smooth start to the school year with parents.

### ▪ **Field**

Assistant Principal Kelly expressed hope that drivers would continue the good habits in place at the end of the school year into the start of 2013-14.

### ▪ **Lincoln**

Principal Murray thanked the Park District and Police for the advance preparations regarding the Centennial project and for the planned efforts at the start of the new year.

### ▪ **Roosevelt**

Principal Dwyer introduced his new Assistant Principal Sia Albans. ■ He reported that the City had informed him that its contractor was running behind on the planned replacement of more than 50 sidewalk squares around the school, which will be delayed until mid-September. Although disruptive, the replacement will be very helpful in the long run for pedestrians as most of the squares are broken or sunken. ■ Principal Dwyer noted that the City had identified several parkway trees to be removed due to their poor condition, which might cause a safety hazard during a storm. **ACTION:** Principals are to contact the City Forester to report City trees that may need attention. ■ Principal Dwyer announced that the south parking lot now would be gated during the day, which will provide a clear separation between students and vehicles. ■ He reported that Roosevelt will be the site of a new pilot program during 2013-14 for the Park District to operate both the before school and after school child care activities. The before school program begins at 7 a.m. and the after school extends to 6 p.m.; Fairview Avenue will be utilized for pickup/dropoff. An open house is planned for families utilizing the program on Thursday, August 22 at 6 p.m. at Roosevelt. Dr. Dwyer will contact his Police



Beat Officer to review these arrangements and request parking consideration as the program gets underway. ■ He noted that Roosevelt consolidates its drills into one safety week planned for the second week of school.

■ **Carpenter and Franklin**

New Assistant Principal Stephanie Daly was introduced.

■ **Washington**

Principal Hutchison reported via email that plans were in place for a smooth start; she will be participating in the Park District informational meeting on the Centennial project.

■ **Emerson**

No report.

**Other**

- **Calendar for 2013-14** – A list of key dates for the school year was distributed. The first day of student attendance is Tuesday, August 27, which will be a FULL day of school.
- **Parent Curriculum Nights** – A news release with the dates of the upcoming parent curriculum nights was distributed. Park Ridge Police requested that a representative be present informally to answer any questions parents might have as they enter or leave the buildings.

**ACTION:** Deputy Chief Jogmen will contact school principals to identify the best location for police to be present at each building.

**Next Meeting**

The next meeting will be held at 4:00 p.m. on Tuesday, October 22 at Roosevelt School (Learning Resource Center), 1001 S. Fairview Ave., Park Ridge.

The meeting was adjourned at 3:55 p.m.

Minutes submitted by Bernadette Tramm

To: Members to the Board of Education  
Dr. Philip Bender, Superintendent

From: Scott Mackall, Director of Facility Management

Date: August 26, 2013

Re: Update on Summer Construction Projects

At this time I am providing the Board with a condensed version of the summer projects that took place within the District. At the Board meeting on Monday evening I will provide more detail.

**Carpenter:**

The mechanical upgrade has been completed with only the punch list items remaining. The project was a total success; F.E. Moran did a fantastic job in completing the project on time.

**Franklin:**

The mechanical upgrade has been completed with only the punch list items remaining. The project was a total success; Mechanical Concepts did a fantastic job in completing the project on time.

**Lincoln:**

The Lincoln project is still underway with very little work to be done. Hayes Mechanical has worked hard with the District and Fanning/Howey on some critical issues'. Those issues' have been resolved and the project will be completed in mid-September with no interruptions to students or staff.

**Field:**

The Field projects are completed. Both Tecnica and Amber Mechanical completed the projects on time with no complications.

Other items that were completed this summer include the following:

- ❖ New roof at Field School - north gym
- ❖ New carpeting at Field School - LRC
- ❖ Roof maintenance on entire roof at Field School
- ❖ New flooring at Franklin School - Auditorium
- ❖ First floor carpeting completed in classrooms at Roosevelt School
- ❖ New production studio at Lincoln School
- ❖ Parking lot repairs at all schools
- ❖ Concrete sidewalk repaired at Franklin School
- ❖ New flooring installed in vestibule at Jefferson School
- ❖ Installation of Smartboards at all schools
- ❖ Installation of new classroom door handles on all doors at Field School
- ❖ New window caulking at Field School

- ❖ New flooring in gym hallway at Carpenter School
- ❖ New student upgrades (handicap ramp) at Washington School
- ❖ New flooring installed Lincoln School- elevator

Please contact me with any questions you might have.