



**NORTHFIELD TOWNSHIP HIGH SCHOOL DISTRICT
NUMBER 225
Cook County, Illinois**

**RATING PRESENTATION
January 5, 2007**

**Dr. Craig Schilling, Assistant Superintendent for Business Affairs
Ms. Hillarie Siena, Director/Business Affairs
Ms. Elizabeth Hennessy, Underwriter**

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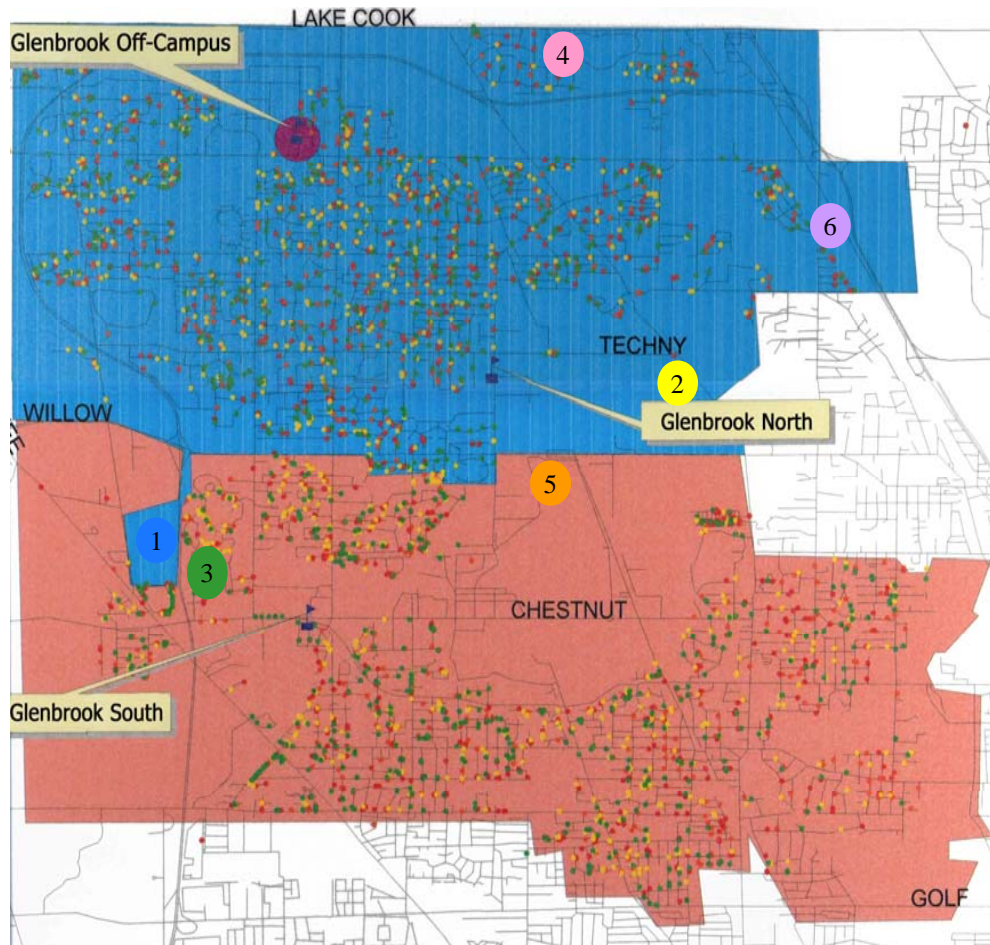
Section I.
District Overview and Economy

District Overview



- Founded in 1947, the District serves 4,777 pupils in grades 9 through 12.
- The District is comprised of two high schools.
 - Glenbrook North serves students living in Northbrook.
 - Glenbrook South serves students primarily from Glenview.
- The District employs 761 persons of which 399 are teachers, 314 are non-certified personnel and 48 are administrators.

Map of the District



- 1 Allstate Insurance - Corporate Headquarters
- 2 Crate & Barrel Headquarters
- 2 Willow Festival Mall
- 3 AON Corporation
- 3 ABT World Headquarters
- 4 Northbrook Court Shopping Center
- 5 The Glen
- 6 Skokie Boulevard Commercial Corridor

Representative Largest Taxpayers



<u>Taxpayer</u>	<u>Product or Service</u>	<u>2005 Equalized Assessed Valuation</u>
Allstate Insurance Co.	Insurance corporate office	\$140,142,205
Northbrook Court Shopping Center	Shopping mall (Nieman Marcus, Lord & Taylor, specialty stores)	92,830,437
AON Insurance Company	Office complex	28,037,101
Village Square of Northbrook	Shopping mall (Container Store, Nordstrom Rack, Marshall's, etc.)	23,198,898
Deloitte Touche, Cosi, Revere Group	Office complex	22,948,803
Macy's Department Store	Retail store	20,216,795
Caremark Towers	Mail order drug business	19,764,709
Underwriters Laboratories Inc.	Independent non-profit testing & certification	17,864,523
Jones Lang LaSalle	Office building	17,577,125
North Suburban Development Corp.	Commercial building over three stories	17,336,157
Anixter International, Inc.	Corporate headquarters	17,284,676
Sheraton North Shore Hotel	Hotel	17,129,635
Revere Drive Office Complex	Office building (Hilco, UBS, RREEF, AXA Advisors)	16,447,932
Kraft Foods, Inc.	Corporate headquarters and food sales	16,228,080
Classic Res - Hyatt	Apartments	13,740,288

Source: Cook County Clerk's Office, the Northfield Township Assessor's Office and the Village of Glenview

New Development - Glenview



New Development - Glenview - Residential

<u>Description</u>	<u>Units</u>	<u>Estimated Market Value</u>
Elliot Townhomes (Lake & Potter) selling for \$500,000 & up	18	9,000,000
Wilmette Avenue Subdivison - high end custom homes, selling for \$1M	6	6,000,000
Dearlove Townhouses, selling for \$250,000 and up	4	1,500,000
The Glen - Toll Brothers Townhouses/Condos selling for \$400,000-\$600,000	120	60,000,000
The Glen - New Naval Housing partnership with Forest City (taxes on lease)	118	30,000,000
The Glen - 41 acre parcel purchased from Navy, selling to high end residential developer - mixed use residential and open land		

New Development - Glenview - Commercial

<u>Description</u>	<u>Estimated Market Value</u>
Gerber Auto Body - new building	1,500,000
ABT Addition Building A - strip retail shell with additional value when leased	2,500,000
ABT Addition Building B - Garage, warehouse	1,000,000
Flex Office on Chestnut- office/warehouse condos for manufacturer's reps	2,500,000
Milwaukee Avenue & Sanders - 1st floor retail/2nd floor offices	6,000,000
Milwaukee Avenue (1600) Retail Center	2,500,000
The Glen - Costco Gas Station	1,400,000
The Glen - Jeep/Eagle Dealership on Patriot Blvd.	4,000,000

New Development - Northbrook



- Willow Festival - northwest corner of Willow and Waukegan is under construction and will include Lowe's Home Improvement, Best Buy, Whole Foods, REI retail.
- Willow Festival Annex - northwest corner of Willow Road and Founders Drive - Sheraton Hotel (161 rooms), Bocce & Bowling Center, retail and bank.
- Center of the Northshore - corner of Skokie and Dundee - 150 room Hotel and banquet facility, restaurants, fitness facility, residential condo units and office space. Development is in TIF negotiated with Village of Northbrook
 - 50% of annual tax collection returned to taxing bodies
 - Once redevelopment budget of \$5M met, TIF expires
- 1000 Skokie Boulevard - 200,000 square foot retail/office development
- Village Center - Shermer Road north of Meadow - retail/office expansion
- Fresh Farms Grocery Store - Pfingsten and Willow Road
- New retail development - Dundee Road and Anthony Trail - Chase Bank, McDonalds.
- River Park Office Condos- 1400 Techny Road - 35 office condominiums
- Industrial Expansion Projects - Panel Precision Product/ The Missner Group, International Derivatives/ via 6B tax abatement awards.
- The Highland Baking Company is taking over the Heinz factory on Shermer near Willow and adding 15,000 square feet, adding 120 new jobs. Village and taxing bodies have agreed to a 6B tax abatement agreement.

Average Sale Price of Homes



Average Sale Price July 1, 2004-June 30, 2005 Chicago Magazine Annual Survey of House Prices (1):

Glenview	669,254.00
Northbrook	625,293.00
Average Sale Price Home in District 225	647,273.50

Median Sales Price Dec 2005-Feb 2006 from Chicago Tribune Homes (2)

Glenview	490,000.00
Northbrook	495,000.00
Average Median Sale Price Home in District 225	492,500.00

- (1) Chicago Magazine collects the data from the Multiple Listing Service of Northern Illinois (MLSNI).
(2) Chicago Tribune collects data from deed transfers compiled by Record Information Service from public records.

Report Card Statistics



- Average teacher salary - \$83,160
- Average teacher experience - 14.8 years
- Pupil-Teacher Ratio - 15.9

Parent and Community Support



- Parent Associations at both Glenbrook North and Glenbrook South, including booster groups for specific activities such as band, orchestra, athletics, poms, Grad Night, etc.
- Community survey in fall 2005 verified overwhelming support of academic program and student achievement.
- Annually, nearly \$100,000 in locally raised scholarships are awarded to seniors.
- Voices for Tomorrows Education (VOTE) formed early on to support referendum efforts.
- Glenbrook alumni wrote letters to the editor and produced absentee votes supporting the referendum.
- Spartan Swim Club- community program for 270 youth held at the Glenbrook North swimming pool and generates over \$200,000 annually for the District.

Outstanding Achievements



Glenbrook North

- Class of 2007, six students received perfect ACT scores of 36.
- GBN composite ACT score of 25.4 ranks in the 98% nationwide.
- Debate Team named Debate Team of the 21st Century and has won more titles than any other team nation-wide.
- Math Team placed third in state, 2006.
- GBN English teachers selected and co-author book chapter on the teaching of writing for high school and college teachers for the National Council of Teachers of English.
- Three GBN teachers selected for 2006 NASA “Year of Physics” flight.
- One of only six high schools in the state named to the Illinois Honor Roll for sustained high performance on state assessments, 2005.
- Westinghouse Scholar for excellence in science, 2006.
- Numerous national NASA award winners (1986-2005) Student Involvement Program - one of the most awarded districts by NASA. Physics teacher named to the NASA Hall of Fame, 2004.
- Named one of the Top Ten public high schools by the Chicago Sun-Times, 2003.
- Basketball team won the Illinois State Championship in 2005.

Outstanding Achievements



Glenbrook South

- Class of 2007, two students received perfect ACT scores of 36.
- 2006 State Champions IHSA Speech Team.
- 2006 State Champions IHSA Policy Debate.
- Only school since 1956 that has won the state championship in both Speech and Debate in same year.
- GBS Yearbook *Etruscan* has won the Pacemaker Award for excellence, 2004/05/06.
- Titan Poms - 2006 State Champions in Kick.
- One of only six high schools in state names to the Illinois Honor Roll for sustained high performance on state assessments, 2005.
- Individual state math champions, 2004, junior level and oralist.
- Chicago Tribune Illinois High School All-State Academic Team, 2002.

Tests and Achievement 2006-2007



Glenbrook North

- 99% of GBN students are college bound
- 89% of Advanced Placement scores qualify for college credit
- ACT composite score of 25.4 - estimated 98th percentile nationwide
- National Merit Semifinalists - 14
- National Merit Commended - 17

Glenbrook South

- 96% of GBS students are college bound
- 88% of Advanced Placement scores qualify for college credit
- 92% of GBS students participate in at least one athletic or co-curricular activity
- ACT composite score of 24.1 - estimated 94th percentile nationwide
- National Merit Semifinalists - 7
- National Merit Commended - 26

Section II.
Management and Facilities

Administration



- **Dr. David Hales - Superintendent**
 - Began his tenure at the District in 1998.
 - Served as Superintendent of the Southwest Allen County Schools in Fort Wayne, Indiana for ten years and of the Mt. Pleasant Township Community Schools in Yorktown, Indiana for six years.
 - A graduate of Purdue, he began his career in education as a mathematics teacher in 1970.
 - Received his M.S. in 1973 and his Ph.D. in 1975 in educational administration from Indiana State University.

- **Dr. Craig Schilling - Assistant Superintendent for Business Affairs**
 - Joined the District in 1992 after having been Assistant Superintendent for Fiscal Affairs for seven years at Rich Township High School District Number 227.
 - Prior to that, he held positions at Bellwood Elementary School District 88 and Marquardt Elementary School District 15.
 - Received his undergraduate degree from the University of Maryland, summa cum laude, his master's degree from Boston University and a Certificate of Advanced Study in School Business Management and his Ed.D. from Northern Illinois University.

Administration



- **Hillarie Siena - Director of Business Affairs**
 - Joined the District in 1997
 - Prior to that, held the position of staff accountant for private firm for thirteen years
 - Received undergraduate degree from Roosevelt University, summa cum laude, master's degree from Northern Illinois University, summa cum laude, currently enrolled in the doctoral program at Northern Illinois University, pursuing the degree of Ed.D. in Educational Administration.

Board of Education



- The Board consists of seven members. Board elections are held in April of odd-numbered years, and either three or four seats are up at each election.
- The Board is comprised of the following individuals:
 - Donna Rose Torf, President - Speech-Language Pathologist
 - Skip Shein, Vice President - Technical Consultant
 - Wayne Berzon - Vice President of GCG Financial
 - Robert Boron - Attorney
 - Steve Hammer - Nurse Practitioner
 - William Jeffery - President / CEO of IRMCO
 - Elias Matsakis - Attorney

Collective Bargaining Agreement



- **GESSA** (Glenbrook Educational Support Staff Association) - is composed of clerical and technical staff. There are 74 non-exempt staff members covered by GESSA. Their contract expires June 30, 2007. The District has just begun negotiating this contract.
- **GESPA** (Glenbrook Educational Support Paraprofessionals Association) - is composed of all paraprofessionals, i.e., student and building supervision. There are 44 staff members covered by GESPA. This contract expires June 30, 2007.
- **GEA** (Glenbrook Educational Association) - is composed of teachers. This contract expires June 30, 2008. The salary increases for the GEA contract are an average of the tax cap CPI and 3%, plus STEP. For 2006/07 the increase was 5.15% and for 2007/08 the increase will be 5.2%.
- **Health Benefits**: The employee benefit costs for health care increased an average of approximately 3.4% - 3.6% over the last four years. This is below market because the District has received state and national recognition for its health promotion program that it implemented to manage costs.

TIF Agreement with The Glen



- The District has an agreement with the Village of Glenview to receive a make whole payment based on the average cost per pupil for all students coming from The Glen until the TIF value comes on the tax rolls in 2019.

School District 225	FYE 1998	FYE 1999	FYE 2000	FYE 2001	FYE 2002	FYE 2003	FYE 2004	FYE 2005	FYE 2006
Property taxes - current & prior	\$51,515,962	\$52,510,781	\$55,335,046	\$58,585,777	\$62,177,074	\$64,809,346	\$67,137,932	\$67,669,005	\$70,235,563
Property taxes - Total	\$51,515,962	\$52,510,781	\$55,335,046	\$58,585,777	\$62,177,074	\$64,809,346	\$67,137,932	\$67,669,005	\$70,235,563
Average Daily Attendance	3,875	3,860	3,965	4,309	4,164	4,365	4,432	4,386	4,380
USN population - post '94 construction (9/30)	1	2	7	6	5			7	5
The Glen population (09/30/xx)	0	0	0	2	4			69	75
Total TIF district population	1	2	7	8	9	28	76	76	80
NON-TIF district students	3,874	3,858	3,958	4,301	4,155	4,337	4,356	4,310	4,300
Property tax revenue per NON-TIF district student	\$13,297.87	\$13,610.88	\$13,980.56	\$13,621.43	\$14,964.40	\$14,943.36	\$15,412.75	\$15,700.47	\$16,333.85
Annualized make-whole payment	\$13,298	\$27,222	\$97,864	\$108,971	\$134,680	\$418,414	\$1,171,369	\$1,193,235.72	\$1,306,708.15
Fiscal year commencement date:	July 1, '97	July 1, '98	July 1, '99	July 1, '00	July 1, '01	July 1, '02	July 1, '03	July 1, '04	July 1, '05
Proration commencement date:	May 19, '98	July 1, '98	July 1, '99	July 1, '00	July 1, '01	July 1, '02	July 1, '03	July 1, '04	July 1, '05
Fiscal year end date:	June 30, '98	June 30, '99	June 30, '00	June 30, '01	June 30, '02	June 30, '03	June 30, '04	June 30, '05	June 30, '06
Prorated days:	43.00	365.00	366.00	365.00	365.00	365.00	366.00	365.00	365.00
Total days:	365.00	365.00	366.00	365.00	365.00	365.00	366.00	365.00	365.00
Proration percentage:	11.7808%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%	100.0000%
Actual make-whole payment (1998 is prorated)	\$1,566.60	\$27,222	\$97,864	\$108,971	\$134,680	\$418,414	\$1,171,369	\$1,193,235.72	\$1,306,708.15
Accumulated Interest ⁽¹⁾	\$160.58	\$1,361.09	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Make-whole payment with accrued interest⁽¹⁾	\$1,727.18	\$28,582.85	\$97,863.90	\$108,971.44	\$134,679.60	\$418,414.08	\$1,171,369.00	\$1,193,235.72	\$1,306,708.15
	Dec-00	Dec-00	Dec-00	Dec-01	Mar-03	Dec-03	Dec-04	Dec-05	Dec-06
Cumulative Total									\$4,461,551.91

Budget Policy



- Unrestricted reserves in the operating funds shall be maintained at a level equal to approximately 33% of the next year's projected operating budget.
- The budget shall first provide for staff and operating expenses to meet projected changes in student enrollment and mandated programs.
- The budget shall reflect the Board of Education's desire to maintain the overall tax rate of the District when possible.
- The budget shall reflect the Board of Education's desire to not increase the overall indebtedness of the District.
- The budget shall reflect the Board of Education's desire to maintain safe and operationally sound facilities.
- The budget shall anticipate compliance with all applicable governmental and legal obligations of the District.
- The budget shall include a reasonable contingency for variable and unanticipated costs.
- The administrative team shall in connection with the preliminary budget identify potential efficiencies from interbuilding, interdepartmental and district wide coordination or from building or district program or other organizational restructuring initiatives.

Policy for Investment of District's Funds



- Objectives
 - Safety of Principal - Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio.
 - Liquidity - Investment portfolio shall be structured in such manner as to provide sufficient liquidity to pay obligations as they come due.
 - Return on Investments - Investment portfolio shall be designed with the objective of attaining a market-average rate of return throughout budgetary and economic cycles, taking into account the risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investments.
 - Maintaining the Public's Trust - Investment officers shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the District, the Board or the School Treasurer.

Note: Actual investments made by the Northfield Township Treasurer.

Debt Management Policy



- The purpose of the debt policy is to provide guidelines relative to the issuance, sale, compliance and investment of bond proceeds.
- The debt issued shall be in accordance with applicable State of Illinois and Federal Statutes. The Board shall avoid issuing debt for operating expenses unless needed to meet short-term cash flow needs.
- In order to access the credit markets at the lowest borrowing cost possible, the District shall maintain operating reserves at a level equal to approximately 33% of the next year's operating budget.
- The District shall not issue debt in excess of the statutory limit.
- Changes in fiscal conditions that would adversely affect the District's credit rating shall be promptly reported to the Board of Education.
- Outside professionals shall be hired to the extent necessary to implement the financing. It shall be the practice of the Board to:
 - Evaluate each sale as to the appropriateness of a competitive or negotiated sale.
 - Employ a pricing consultant for negotiated sales where an underwriter is used.
 - Require a post-sale analysis.
- Outside professionals shall be used to the extent necessary to ensure compliance with continuing disclosure requirements.
- The District will issue a Request for Proposal for investment services for bond sale proceeds.
- The length of maturity of any debt instrument will not exceed the average life of the assets being financed.
- All operating fund debt shall be subject to the District's debt policy.
- The District shall not employ derivative products, unless the financial results achievable through the use of these products are substantially better than the results that could be obtained through the issue of traditional fixed rate debt.

Planning for Referendum



- Placed a referendum question for \$94 million in bonds on the November 2006 ballot at the July 24th Board of Education meeting.
 - This was the first time in over 40 years that the District asked the community for support. It came after a full year of long-range planning and analysis of finances, facilities, and educational program needs.
- This facility bond issue will cost the average homeowner in the school community approximately \$120 annually.
- Just over half of the \$94MM raised from the bonds will fund facility improvements at Glenbrook North and Glenbrook South that could not be made within the existing budget.
 - Most of the improvements address issues that are original to the 1953 Glenbrook North building, and the improvements at South address areas that are 40 years old.
 - The remaining funds will be used to refinance existing debt and to provide state-mandated life safety and maintenance improvements that are currently being paid out of the operating fund. Using referendum funds rather than operating funds will make available approximately between \$3M-4.4M annually to sustain and improve educational programs and services for our growing and diversifying student body.
- The referendum will also ensure financial stability for the school district for at least 10 years.

Benefits of the Referendum



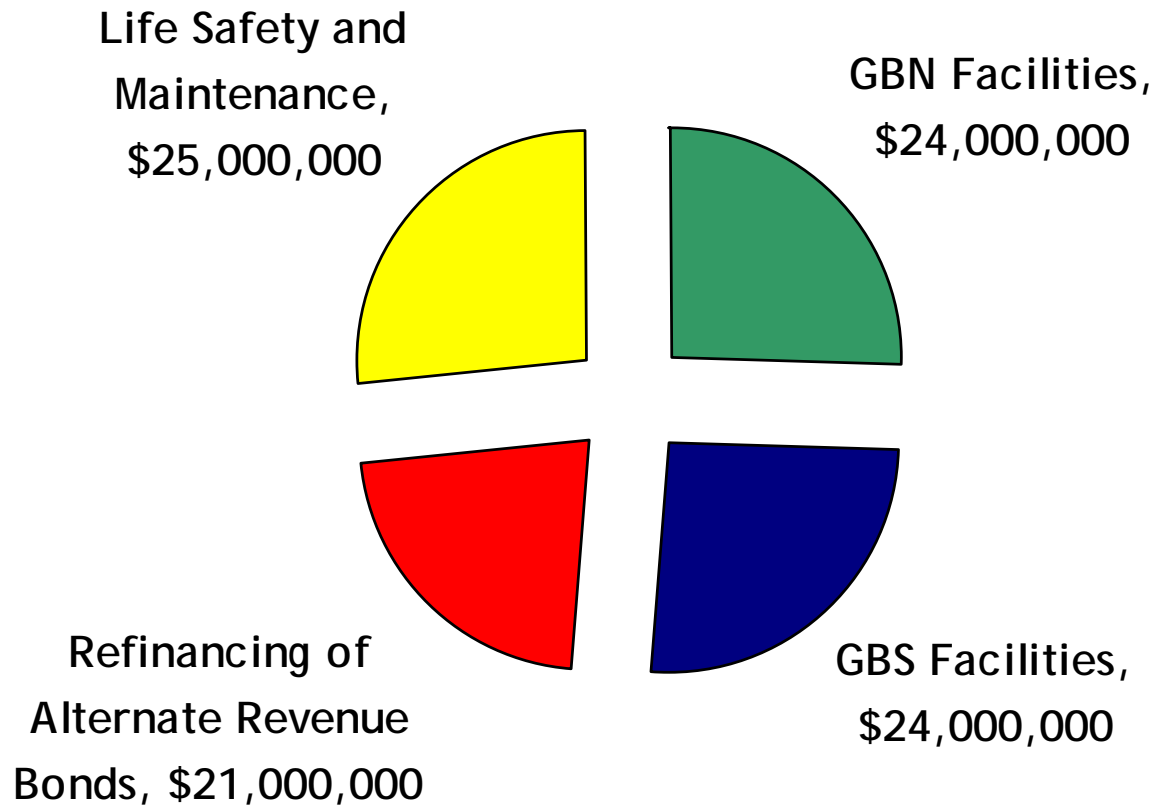
- Maintain historical class size averages.
- Provide full range of course offerings in both core academic and elective areas.
- Expand activity / athletic opportunities to meet student needs and interests.
- Attract and retain highly qualified staff.
- Preserve extensive support services.
- Continue Glenbrook Signature Programs.

Referendum Projects

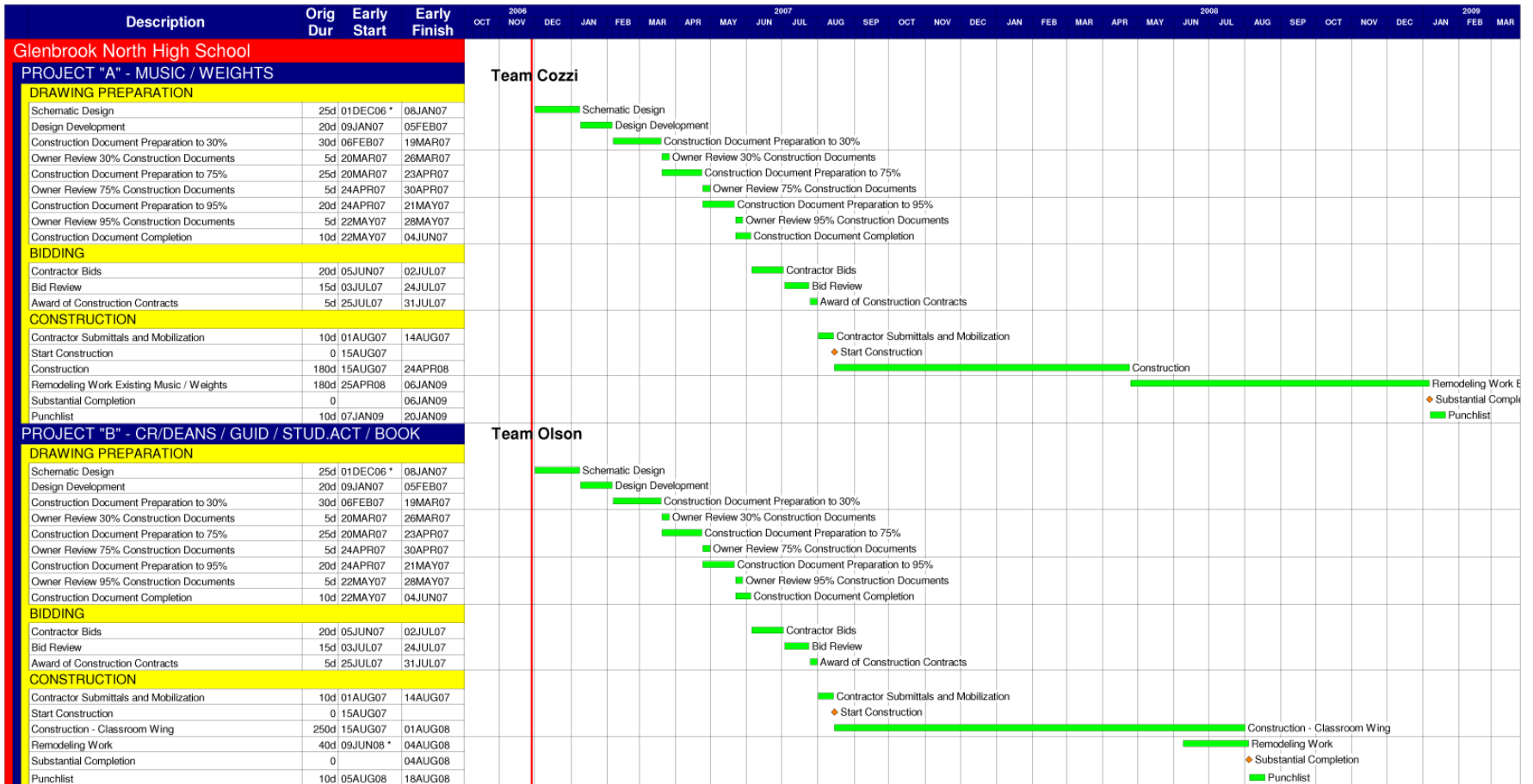


<p><u>Glenbrook North</u></p> <ul style="list-style-type: none"> • Renovate and expand orchestra, band & choir rooms • Modernize old kitchens and serving lines • Reconstruct current business wing to relocate special education and guidance, create safe front entrance, create student activity center • Replace inadequate weight room • Reconstruct horticulture laboratory, renovate current science laboratories • District-wide improvements 	<p>\$ 5,364,000</p> <p>2,139,000</p> <p>10,623,600</p> <p>2,382,000</p> <p>1,699,800</p> <p><u>1,904,300</u></p> <p>\$24,112,700</p>
<p><u>Glenbrook South</u></p> <ul style="list-style-type: none"> • Renovate six old science labs and one additional science lab to meet current standards and enrollment • Remove asbestos from orchestra room floor • Modernize old kitchen and serving lines • Build practice gym for PE enrollment and athletic teams • Build a pool to meet safety and capacity needs • Repaid existing pool • Enlarge Dean's office area student activity center • Build three classrooms • District-wide improvements 	<p>\$ 2,832,000</p> <p>120,000</p> <p>1,824,000</p> <p>1,500,000</p> <p>11,389,800</p> <p>780,000</p> <p>1,032,000</p> <p>2,047,200</p> <p><u>1,887,700</u></p> <p>\$23,412,700</p>
<p><u>Life Safety & Maintenance / Infrastructure</u></p>	<p>\$14,677,200</p>
<p><u>Deferred Life Safety & Maintenance / Infrastructure</u></p>	<p>\$11,000,000</p>
<p><u>Refinancing of Alternate Revenue Bonds</u></p>	<p>\$21,000,000</p>
<p><u>Total</u></p>	<p>\$94,202,600</p>

\$94 Million Referendum: A 10-year Solution



Construction Timeline



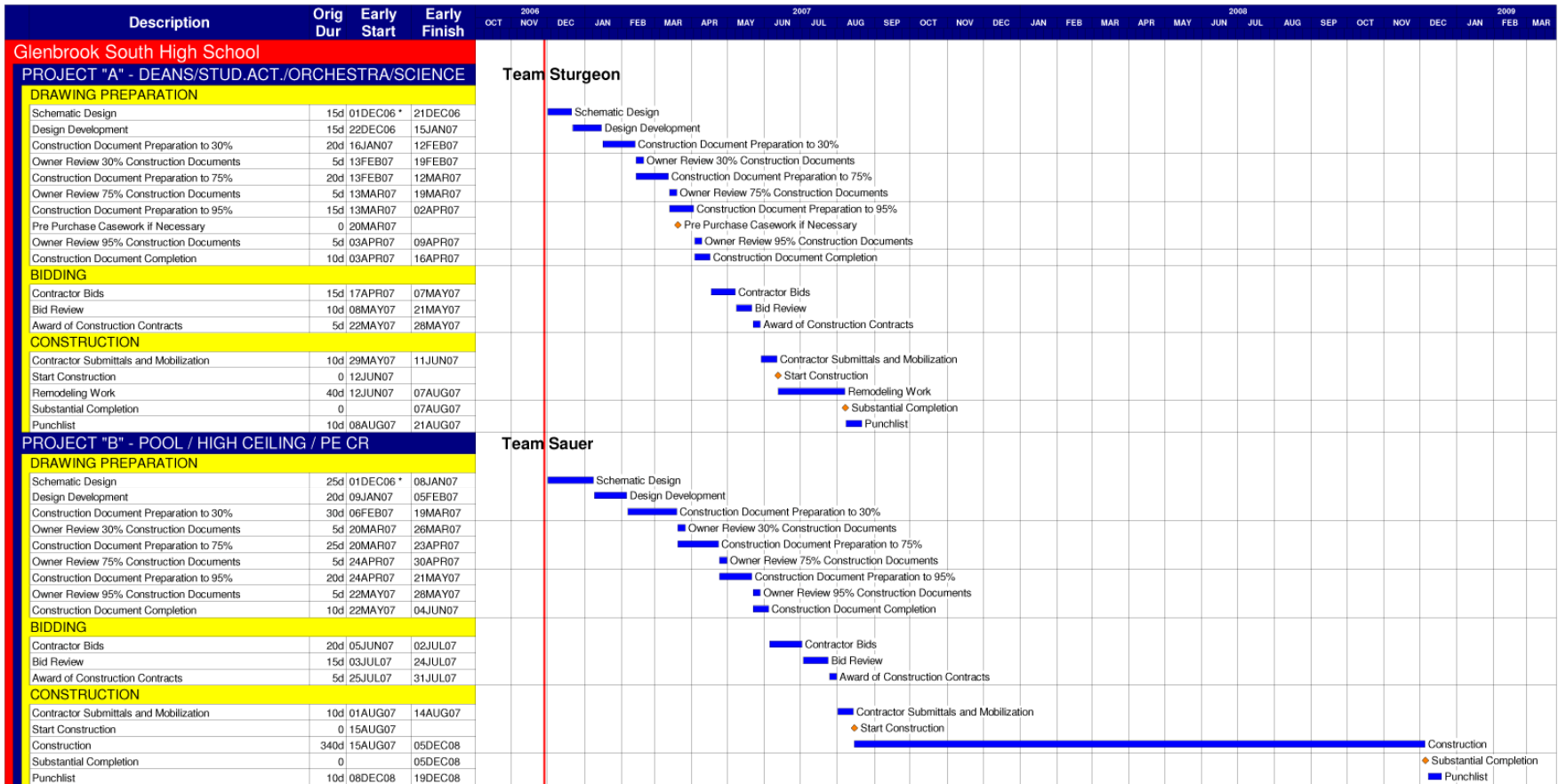
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Northfield Township High School District 225 Additions & Remodeling



Construction Timeline

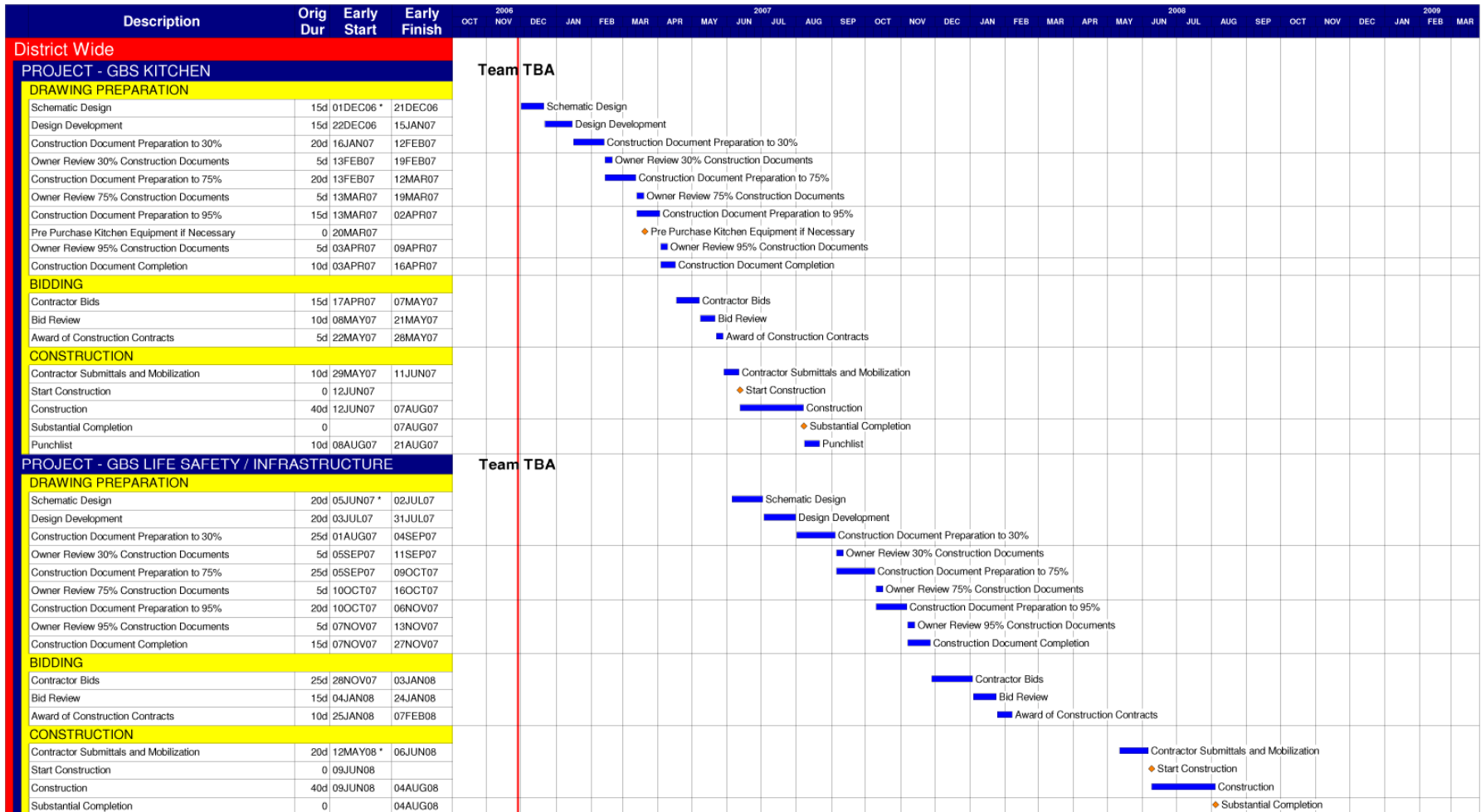


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Northfield Township High School District 225 Additions & Remodeling



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Northfield Township High School District 225 Additions & Remodeling



Enrollment



- Enrollments for the District have been and are projected as follows:

<u>School Year</u>	<u>Enrollment</u>	<u>School Year</u>	<u>Enrollment</u>
2001-2002	4,520	2007-2008*	4,709
2002-2003	4,636	2008-2009*	4,686
2003-2004	4,703	2009-2010*	4,727
2004-2005	4,758	2010-2011*	4,714
2005-2006	4,799	2011-2012*	4,730
2006-2007	4,777	2012-2013*	4,798

*Projections

Source: The District

Building Capacities with Referendum Improvements



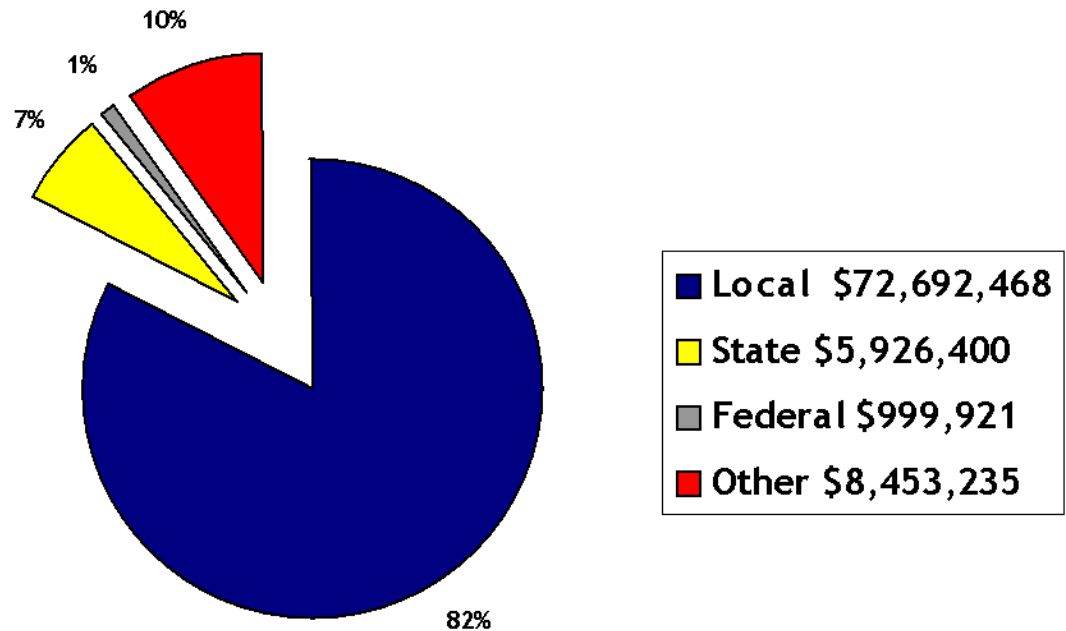
Building	Grades Served Currently	Capacity	2006-2007 Enrollment
North	9-12	2,361	2,091
South	9-12	2,857	2,686
Total		5,218	4,777

Section III.
Revenue Sources and Finances

District Revenue Sources



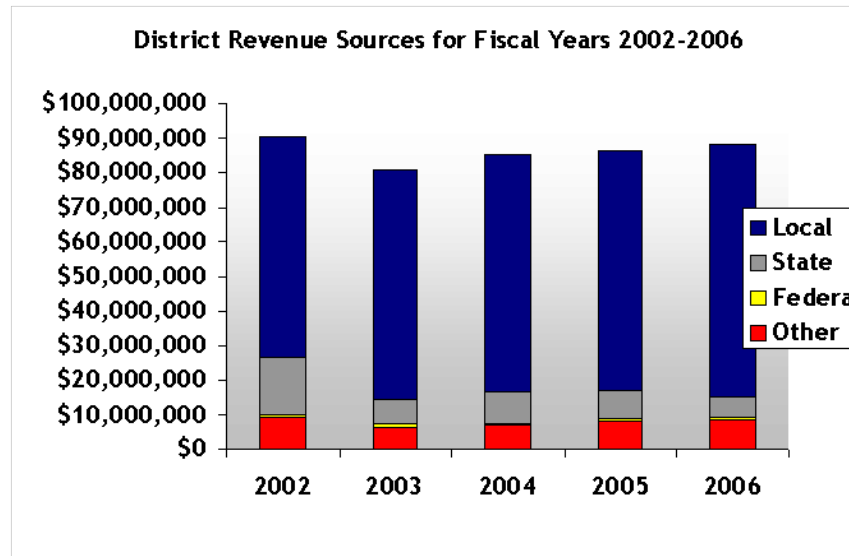
District Revenue Sources for Fiscal Year 2006



District Revenue Sources



	Fiscal Year				
	2002	2003	2004	2005	2006
Local	\$63,697,694	\$66,218,841	\$68,739,880	\$69,607,455	\$72,692,468
State	\$16,575,403	\$7,344,145	\$9,180,047	\$7,924,357	\$5,926,400
Federal	\$739,732	\$967,508	\$443,775	\$839,423	\$999,921
Other	\$9,314,926	\$6,351,441	\$6,863,047	\$8,166,013	\$8,453,235
Total Revenues	\$90,327,755	\$80,881,935	\$85,226,749	\$86,537,248	\$88,072,024
% Increase Local		3.96%	3.81%	1.26%	4.43%
% Increase State		-55.69%	25.00%	-13.68%	-25.21%
% Increase Federal		30.79%	-54.13%	89.16%	19.12%



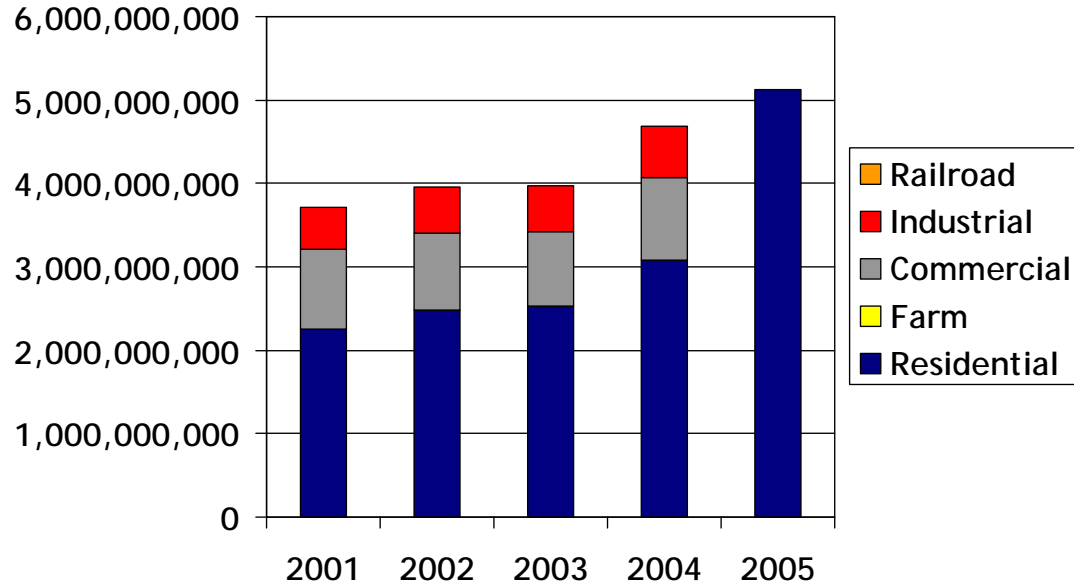
Source: Audits

District Revenue Sources



Composition of Equalized Assessed Valuation by Classification of Property

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005*</u>
Residential	\$2,256,818,244	2,477,561,393	2,527,374,782	\$3,088,081,302	
Farm	96,424	91,916	6,510	6,510	
Commercial	953,826,833	933,784,482	895,870,964	985,867,680	
Industrial	506,402,289	540,642,498	549,701,681	608,493,028	
Railroad	537,930	728,163	701,842	762,580	709,885
Total	\$3,717,681,720	\$3,952,808,452	\$3,973,655,779	\$4,683,211,100	\$5,122,292,709



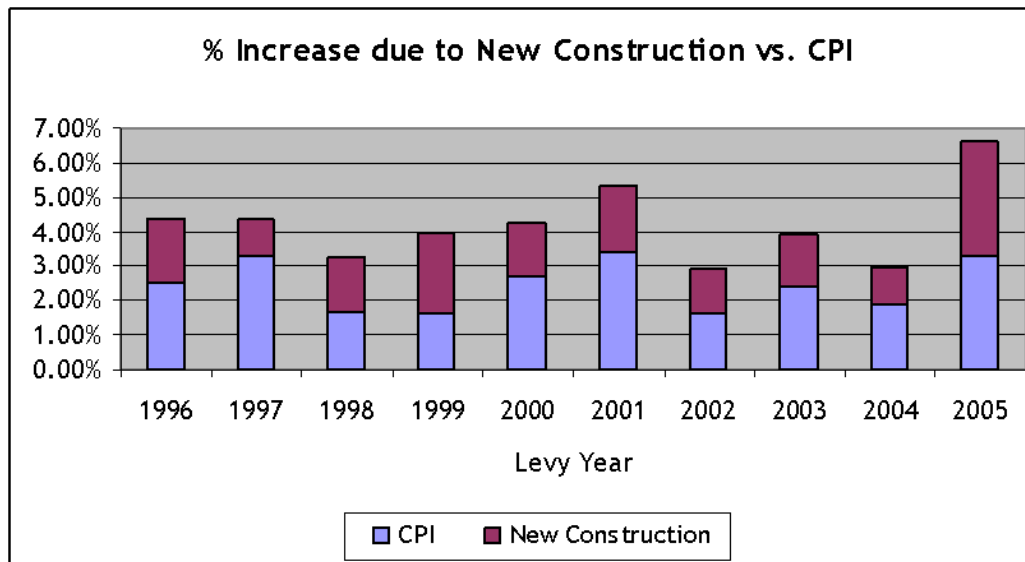
Source: Cook County Clerk's Office

*Breakout is not available for 2005 EAV.

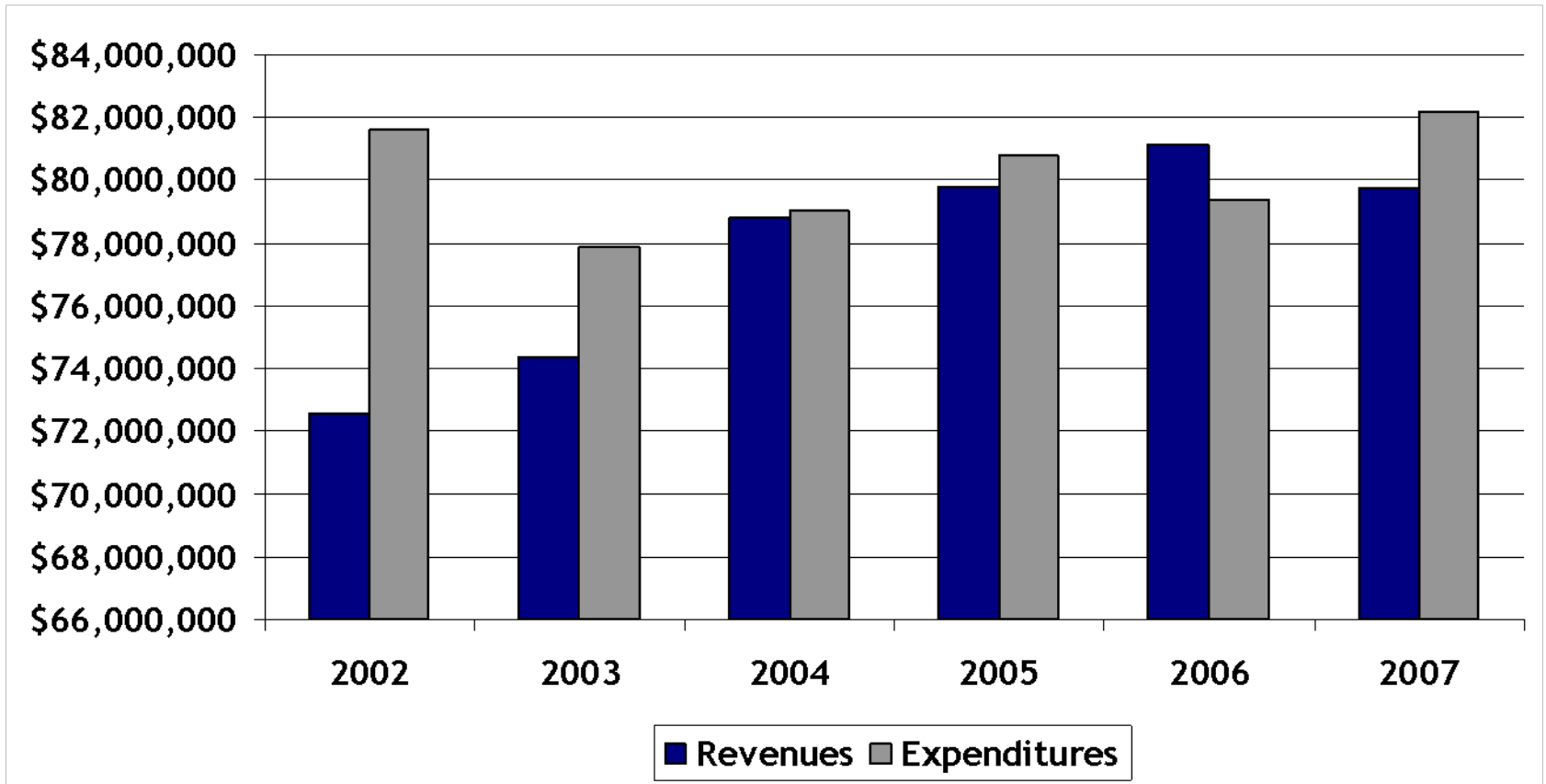
New Construction and Effect on Operating Tax Levy



<u>Levy Year</u>	<u>New Construction</u>	<u>CPI</u>	<u>% Increase in Tax Ext Due to New Construction</u>	<u>Total Increase in Operating Tax Levy</u>
1996	47,500,496	2.50%	1.85%	4.35%
1997	28,048,281	3.30%	1.04%	4.34%
1998	42,879,144	1.70%	1.54%	3.24%
1999	71,304,764	1.60%	2.39%	3.99%
2000	43,404,490	2.70%	1.53%	4.23%
2001	66,688,337	3.40%	1.93%	5.33%
2002	47,783,126	1.60%	1.30%	2.90%
2003	56,761,264	2.40%	1.50%	3.90%
2004	49,093,458	1.90%	1.05%	2.95%
2005	157,885,064	3.30%	3.29%	6.59%



General Fund Revenues vs. Expenditures

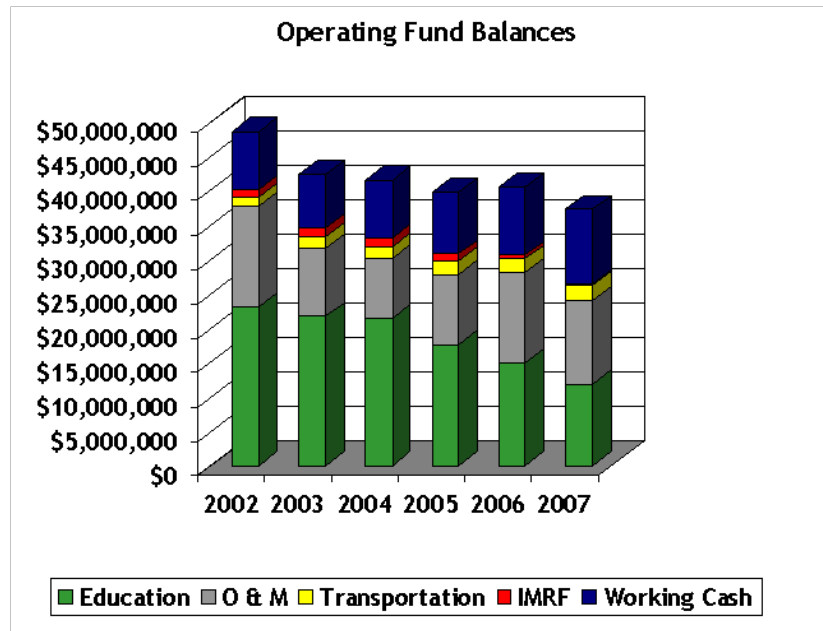


Note: Expenditures in excess of revenues in 2002 and 2003 were due to one-time capital expenditures.

Operating Fund Balances



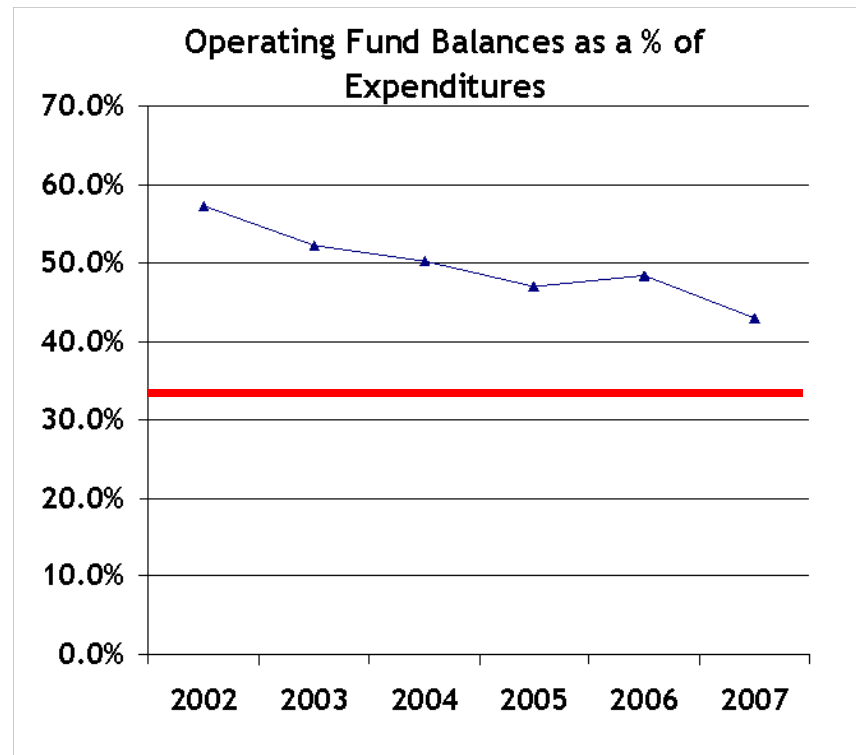
	2002	2003	2004	2005	2006	Budget 2007
Education	23,147,850	21,633,279	21,365,303	17,594,106	14,905,242	11,778,722
O & M	14,563,605	10,002,394	8,734,683	10,095,635	13,036,629	12,170,205
Transportation	1,222,270	1,595,965	1,714,483	2,019,055	2,007,663	2,262,817
IMRF	1,156,277	1,291,145	1,288,970	1,002,717	624,370	99,110
Working Cash	8,490,795	7,818,397	8,367,690	9,098,973	9,959,399	10,877,822
Total	48,580,797	42,341,180	41,471,129	39,810,486	40,533,303	37,188,676



Operating Fund Balances as a % of Expenditures (including Capital Expenditures)



	2002	2003	2004	2005	2006	Budget 2007
Operating Expenditures	84,943,239	81,115,928	82,713,983	84,637,999	83,682,437	86,678,470
Operating Balances	48,580,797	42,341,180	41,471,129	39,810,486	40,533,303	37,188,676
Operating Balances as % of Expenditures	57.19%	52.20%	50.14%	47.04%	48.44%	42.90%



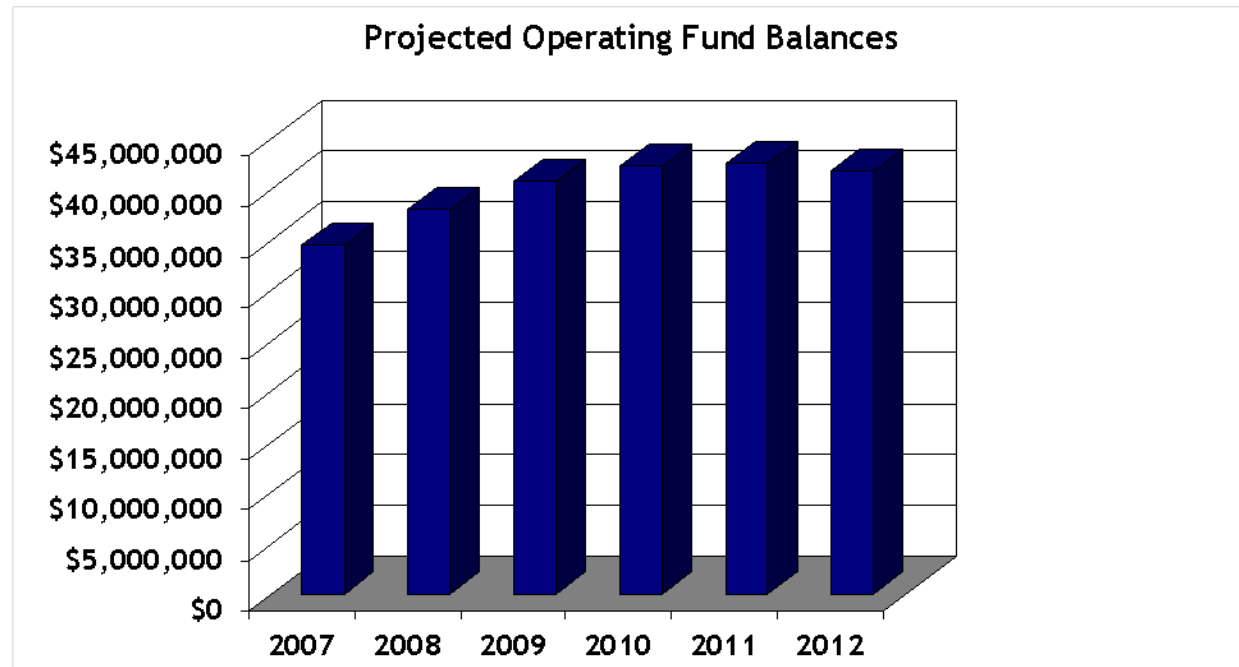
Policy = 33%

Projected Operating Fund Balances (excluding Capital Improvement Expenditures)



2007	2008	2009	2010	2011	2012
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Projected Operating Fund Balances 34,485,721 37,986,804 40,827,533 42,282,662 42,625,133 41,893,786



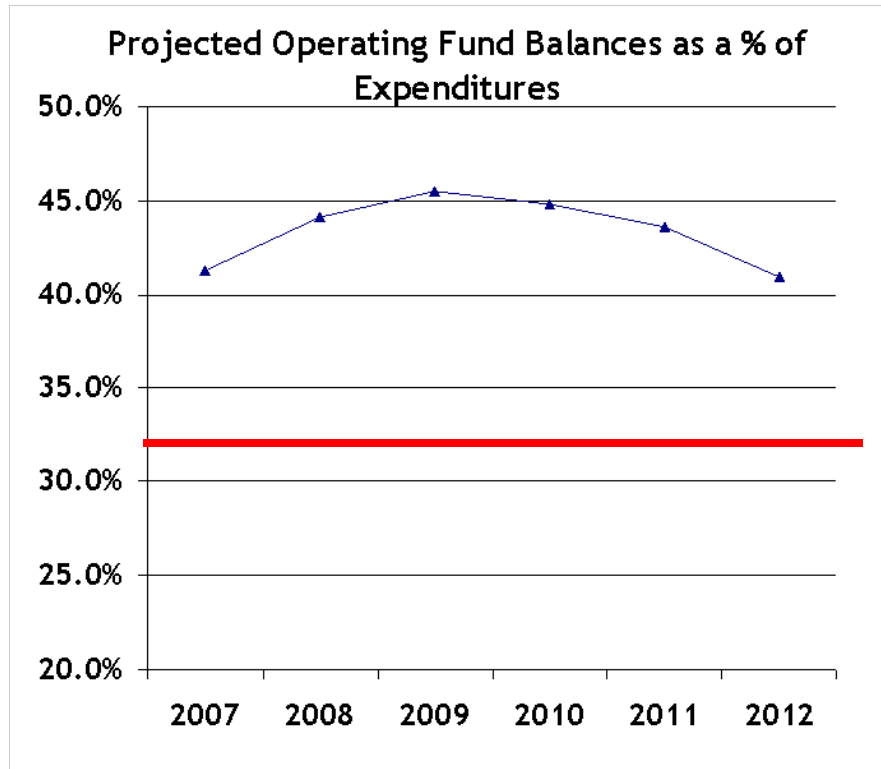
Source: District Projections.

Note: Fund 28-Restricted Building fund (\$3.3M on 6/30/06) is not included in the above operating fund balances. They may also slightly differ because projections are on a cash basis and audit is modified accrual.

Projected Operating Fund Balances (excluding Capital Improvement Expenditures)



	2007	2008	2009	2010	2011	2012
Operating Expenditures	83,539,397	86,134,017	89,766,203	94,402,611	97,752,013	102,295,539
Operating Balances	34,485,721	37,986,804	40,827,533	42,282,662	42,625,133	41,893,786
Operating Balances as % of Expenditures	41.28%	44.10%	45.48%	44.79%	43.61%	40.95%



Policy = 33%

Source: District Projections.

Note: Fund 28-Restricted Building fund (\$3.3M on 6/30/06) is not included in the above operating fund balances. They may also slightly differ because projections are on a cash basis and audit is modified accrual.

Section IV.
Proposed Debt Structure

Proposed Debt Structure



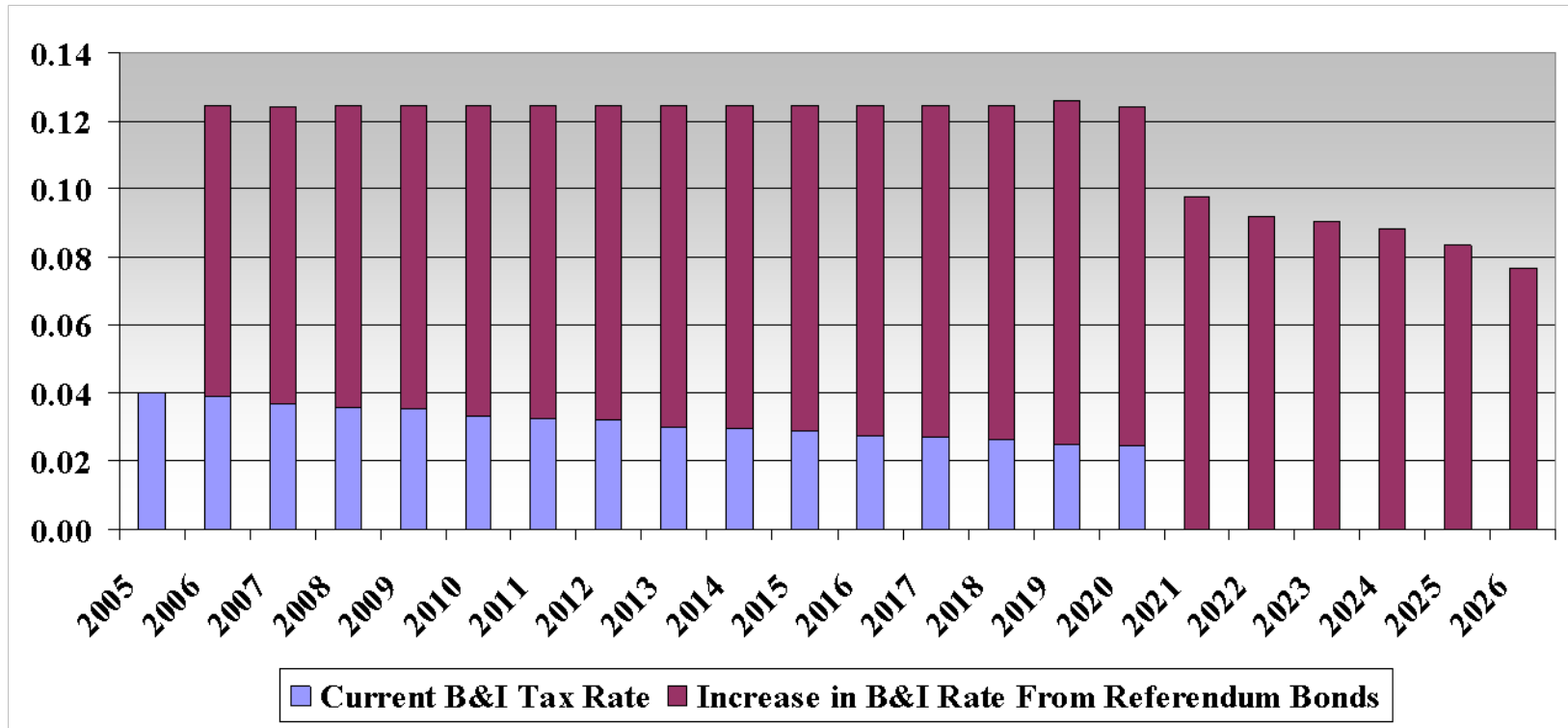
Levy Year	Equalized Assessed Valuation	Non-Referendum Increase	Non-Referendum Debt Service ¹	Remaining Debt Service Capacity	Jan 2007-Refund ARS Bonds Taxable Basis	Jan 2007-Refund ARS Bonds Tax-Exempt Basis	Jan 2007-New Money Proceeds \$47,000,000	Jan 2008- New Money Proceeds \$15,000,000	2011 New Money Proceeds \$10,000,000	Total Referendum Debt Service	Total Debt Service	B&I Tax Rate	B&I Tax Rate Increase Over 2005	Impact on \$548,472 Market Value Home
2004	4,683,211,000	17.86%	2,032,910	2,288							2,032,910	0.043		
2005	5,122,282,709	9.38%	2,032,910	2,288							2,032,910	0.040		
2006	5,224,728,363	2.00%	2,027,910	7,288	\$3,040,573	\$133,875	\$1,308,584			\$4,483,032	\$6,510,942	0.125	0.085	\$ 120
2007	5,538,212,065	6.00%	2,030,898	4,301	2,554,940	157,500	1,539,510	\$568,219		4,820,169	6,851,066	0.124		
2008	5,648,976,306	2.00%	2,034,410	788	2,691,280	157,500	1,539,510	619,875		5,008,165	7,042,575	0.125		
2009	5,761,955,832	2.00%	2,034,360	838	2,830,920	157,500	1,539,510	619,875		5,147,805	7,182,165	0.125		
2010	6,107,673,182	6.00%	2,030,748	4,451	3,263,080	157,500	1,539,510	619,875		5,579,965	7,610,713	0.125		
2011	6,229,826,646	2.00%	2,032,535	2,663	2,966,900	157,500	1,539,510	619,875	\$449,588	5,733,373	7,765,908	0.125		
2012	6,354,423,179	2.00%	2,029,275	5,923	3,123,780	157,500	1,539,510	619,875	449,588	5,890,253	7,919,528	0.125		
2013	6,735,688,570	6.00%	2,032,715	2,483	2,540,580	1,212,500	1,539,510	619,875	449,588	6,362,053	8,394,768	0.125		
2014	6,870,402,341	2.00%	2,031,440	3,758		2,199,750	3,264,510	619,875	449,588	6,533,723	8,565,163	0.125		
2015	7,007,810,388	2.00%	2,035,000	198			5,628,260	619,875	449,588	6,697,723	8,732,723	0.125		
2016	7,428,279,011	6.00%	2,035,000	198			6,154,510	619,875	449,588	7,223,973	9,258,973	0.125		
2017	7,576,844,591	2.00%	2,035,000	198			6,337,930	619,875	449,588	7,407,393	9,442,393	0.125		
2018	7,728,381,483	2.00%	2,035,000	198			6,529,370	619,875	449,588	7,598,833	9,633,833	0.125		
2019	8,876,430,106	6.00%	2,035,000	198			7,929,330	619,875	449,588	8,998,793	11,033,793	0.124		
2020	9,053,958,708	2.00%	2,035,000	198			7,929,620	619,875	449,588	8,999,083	11,034,083	0.122		
2021	9,235,037,882	2.00%	2,035,000	198			7,930,000	619,875	449,588	8,999,463	11,034,463	0.119		
2022	9,789,140,155	6.00%	2,035,000	198			7,930,000	619,875	449,588	8,999,463	11,034,463	0.113		
2023	9,984,922,959	2.00%	2,035,000	198			5,265,000	1,999,875	1,734,588	8,999,463	11,034,463	0.111		
2024	10,184,621,418	2.00%	2,035,000	198				7,997,775	998,550	8,996,325	11,031,325	0.108		
2025	10,795,698,703	6.00%	2,035,000	199				7,748,675	1,239,575	8,988,250	11,023,250	0.102		
2026	11,011,612,677	2.00%	2,035,000						8,477,775	8,477,775	10,512,775	0.095		
2027	11,231,844,930	2.00%	2,035,000							0	2,035,000	0.018		
2028	11,905,755,626	6.00%	2,035,000								2,035,000	0.017		
2029	12,143,870,739	2.00%	2,035,000								2,035,000	0.017		
2030	12,386,748,153	2.00%	2,035,000								2,035,000	0.016		
Total:					\$23,012,053	\$4,491,125	\$76,983,684	\$27,612,669	\$17,845,538	\$149,945,068	\$202,822,268			

(1) Market value home (335,000 on Cook County tax bill) multiplied times tax rate increase per \$100 times

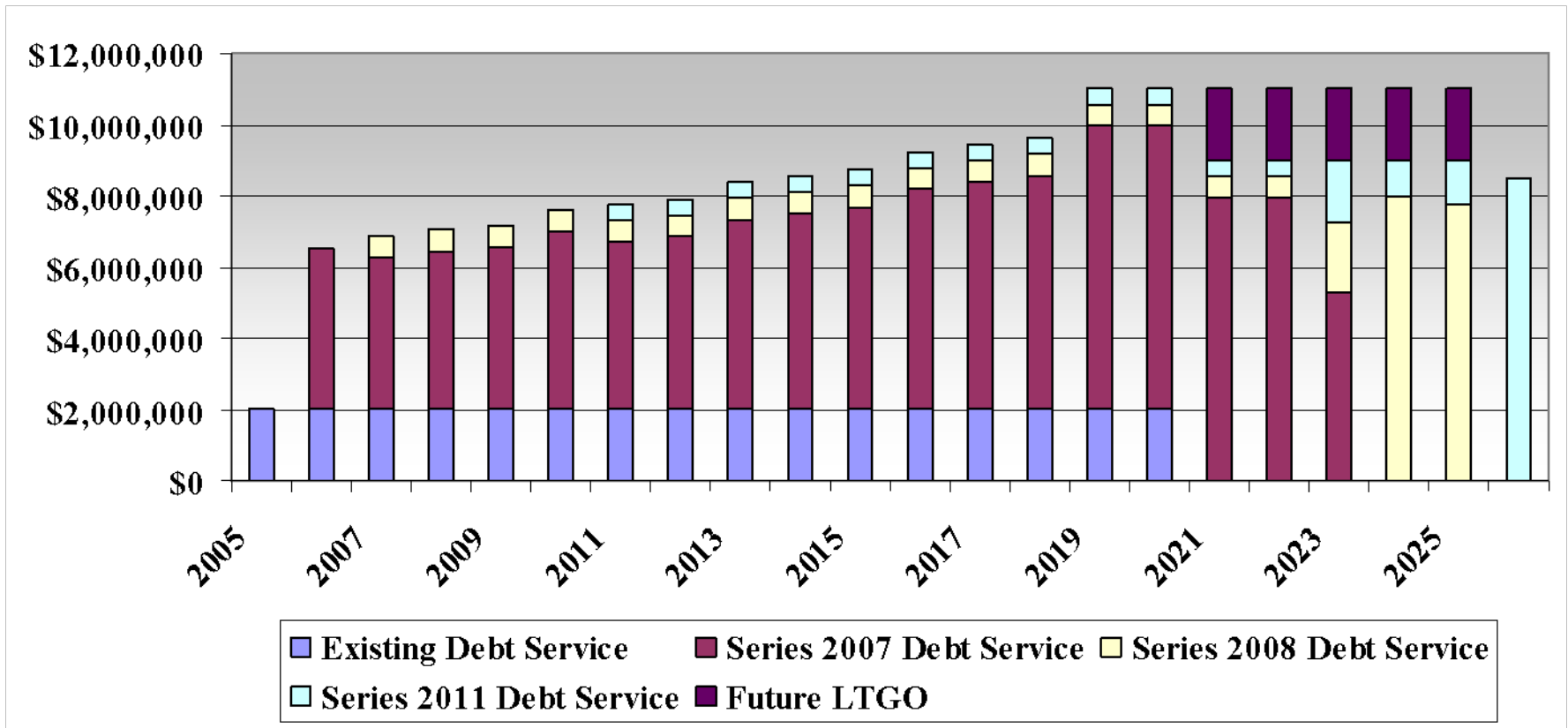
16% time 2.732 2005 multiplier less 5,000 homeowner maximum deduction.

Glen development TIF comes onto tax rolls - \$500,000,000 of EAV.

Impact of Referendum Bonds on B&I Tax Rate



Proposed Debt Service



Outstanding Limited Tax General Obligation Bonds

