

**BOARD OF EDUCATION
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64**

Minutes of the Community Finance Committee
held at 7:00 p.m. February 5, 2009
Raymond E. Hendee Educational Service Center
164 S. Prospect Ave., Park Ridge, IL 60068

Superintendent Sally Pryor called the meeting to order at 7:03 p.m. Also present were CFC members: Kent Bergren; Michael Calahan; Phil Eichman; Craig Elderkin; Dave Govertsen; Board of Education Member John Heyde; Jun Lim; Business Manager Bruce Martin; Tom Nasshan; Board of Education President Sue Runyon; Renate Stolzer; and Public Information Coordinator Bernadette Tramm. Upon motion of Mr. Elderkin and second of Mr. Bergren, the minutes of the previous meeting of November 6, 2008 were approved as submitted.

Update on District 64 Finances

Business Manager Bruce Martin provided a brief update of current District financial matters. He reported that the re-funding of the 1997 general obligation bonds had achieved a present value savings of \$180,000, which was well above the savings expected to be achieved by refinancing the \$2.7 million series. He reported that CPI growth for 2008 was announced as 0.1%, which is the lowest since the inception of the tax cap. This will be used to calculate the 2009 levy. He reported that administration had proposed to the Board, and the Board had agreed, that non-labor budget categories, such as supplies and materials, would be held to 0% growth for the 2009-10 budget unless approved by administration. Mr. Martin reported that the transportation contract for 2009-10 had been settled for a 2% increase with no fuel escalation with the current provider, Cook County Bus. Regarding the District's "financial profile" from the Illinois State Board of Education, he noted that the District had received a "financial recognition" ranking for the second consecutive year, which is the highest category. He stated this was primarily based on the District's improving fund balance and low borrowing. Mr. Martin noted that the Maine Township School Treasurer had reported to the Board that interest earnings would not be as great as a year ago, but that the District's investments were safely invested according to the guidelines from the state and the due diligence of the Treasurer's office in placing the investments.

Mr. Elderkin then thanked CFC members for the quick response in providing analyses of the bond re-funding proposal and the transportation contract. He noted that the CFC continues to recommend that a Request for Proposal (RFP) be pursued next fall under the leadership of a new Director of Buildings and Grounds on the retirement of Mr. Jim Wuerffel. Mr. Elderkin also announced that Mr. Martin had accepted a position in DuPage High School District 88 and would be leaving at the close of this fiscal year. He commended Mr. Martin for his active involvement and friendly cooperation with CFC during his tenure.

Update on Strategic Plan

Dr. Pryor reported that the Board of Education had met as a Committee-of-the-Whole on December 6 with strategic plan facilitator Dr. Howard Feddema of the Cambridge Group. She announced that more than 130 nominations of staff, parents and community members had been received to participate either as a member of the

strategic planning group that will meet April 23-25 to draft the plan, or on one of the many strategic action teams that will work in late summer and fall 2009 to develop the detailed steps. She said that the nominations are being reviewed, and that the team would be announced in coming weeks. Ms. Tramm added that nominations would be sought specifically for the action teams once the draft plan is presented to the Board on May 4.

Presentation of Student Fees Report

The Spend Management Study Group of Mr. Bergren along with Messrs. Lim and Govertsen presented the report to be shared with the Board of Education at the February 9 meeting. The team gave its PowerPoint presentation and highlighted its process and significant findings. Mr. Bergren noted the cooperation and involvement of Assistant Superintendent Diane Betts and Mr. Martin in the study. The report noted that District 64 currently utilizes both mandatory fees and participatory fees, and that costs being recovered through fee revenues may cover all or only a portion of the expenses incurred for a fee category. Mr. Bergren reviewed the data assembled by the study groups' various analyses of revenue and expense data to develop a "coverage" ratio. Mr. Lim then reviewed the peer district surveys and analysis of the data received from seven local districts. He also shared sample bills for "Jack" and "Jill" students, which are also used in the CFC's Education Finance Fact Book chapter on student fees. The report also offers alternatives for the Board to consider in reviewing its philosophy on fees and the fee structure.

Dr. Pryor thanked the study group members for their diligent work, and noted that this is an excellent example of the type of work that the CFC can do to support projects that the administration is responsible for but could not devote the time to such a detailed analysis. CFC members then offered suggestions to the team for its presentation to the Board on February 9. Mr. Eichman recommended that the group document its approach to the analysis so that others could benefit from their experiences if the study is redone in the future.

Study Group Updates

▪ Communications

Mr. Elderkin reported on the status of several new Fact Book chapters on special education, rates of return on District investments, and facilities. He noted that updates are in the pipeline at the Web site developer.

▪ Financial Structure

Mr. Calahan requested volunteers for the financial model project assigned to his study group. Mr. Elderkin offered to e-mail the full CFC to ask for volunteers on a project basis.

▪ Legislative

Mr. Nasshan reported efforts were continuing on scheduling a briefing for local legislators. Mr. Elderkin noted that a replacement would be needed for Ms. Sharon Lawson, who is a candidate for the Board of Education in the April 7 election.

At 8:22 p.m., Dr. Pryor adjourned the meeting to work independently in study groups until approximately 9 p.m., with no return to the general meeting.

Minutes submitted by Bernadette Tramm