

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

Minutes of the Community Finance Committee
held at 7:00 p.m. May 1, 2012
Roosevelt School
1001 S. Fairview Ave., Park Ridge, IL 60068

Community Coordinators Ares Dalianis and Genie Taddeo called the meeting to order at 7:12 p.m. Also present were 10 CFC members and Public Information Coordinator Bernadette Tramm. Board liaison Eric Uhlig arrived in progress.

Reports from Study Groups

The coordinators reviewed the possible timing of a report to the Board of Education in May or June, depending on the readiness of each group to report. Four study teams then shared an update on the progress of their work and possible recommendations.

1. Student Fees (Study Group 4)

The group reported that it had begun by looking at whether various fees being charged are covering the costs they are supposed to offset, including: annual required student fee; fees for elective activities such as music and sport teams; and elementary school lunch supervision. The findings are that lunch seems to be about right, electives are underpriced, and further research is needed on the required fee to make a determination. The group appeared before the Board of Education at the April 23 meeting to deliver recommendations about eliminating the lunch fee, which the Board did eliminate for 2012-13.

Several options have been identified for the group to pursue going forward:

- Explore the required student fees in more depth. The group has done some benchmarking against comparable districts and they appear high. This could be an area to dig into for further study.
- Look at elective fees more carefully. They now appear to be lower than in comparable districts and also may not cover actual costs. Perhaps it would be possible to raise these fees and reduce the required fee.
- The optional after school child care program at Jefferson is changing its fee structure from an hourly to a daily rate. The Board discussed this at the April 23 meeting. The issue is that since this is after school care, the District should not subsidize the costs. Other concerns were raised about late payments and the impact on parents who use only a portion of the time rather than a full afternoon. It also seemed there was a possibility that the Park District might pick up this service, which might make any further work on this unnecessary.

The group also looked at District 64 and comparable districts, and neither our operating expenditures per student nor instructional expenditures per student appeared out of line.

The group would like direction from the Board about pursuing any of the items identified above.

2. Taxpayer Education (Study Group 1)

The focus of the recommendations will be about the District's website to make it clear and easier to find financial information directly. A separate link should be created for "District Finances" on the District website, so it can be found directly instead of under the Business Service department menu. This page should have new materials that will help people understand where their property taxes go. Ideas include:

- “School Funding 101” – with links to various websites for additional information about school finance.
- Pie charts to illustrate District 64 expenditure categories and income categories.
- “Property Taxes 101” – taking the mystery out of the tax process. Links to other websites, such as specific pages on IASB and IASBO. Would like to include several examples of tax bills for houses at different price ranges to provide very clear examples of how the calculations are made.
- District 64 Operating Fund balance – what it is, where it comes from and what are the plans for how this money can or cannot be used.
- District 64 per student spending – link to the Illinois Interactive Report Card to provide great graphics and make it easy to compare a variety of data with other districts.
- Current financial issues in District 64 – to look at some of the current challenges or topics that the District is considering; this could change year-by-year or have new things that are added as they arise.
- Why do we pay school fees – this would give the background and also be a link to student fees.

In general, would like to use good materials already available from credible outside sources, and make the new material clear and easy to navigate.

3. 10-Year Financial Projections (Study Group 2)

This group has done spreadsheet analyses about different scenarios, such as the potential impact of retirement funding if passed onto local schools by the state and the impact of the District’s facility maintenance plan costs. The group needs guidance from the Board on what areas to study in more depth.

4. District Borrowing Opportunities (Study Group 5)

The group now includes only two members, who have worked hard to develop recommendations for the Board. However yesterday, District 64 forwarded a new option from William Blair & Co. that needs further study. This will require the team to work with the 10-Year Projections group to talk through the direction they are recommending. The group would be ready to present in June, so the Board could take action on borrowing opportunities if it needs to do so.

5. Financial Transparency (Study Group 3)

There were no representatives from this group. The coordinators will follow up directly with the members to gauge progress.

Scheduling for Board Report

Based on the substantial progress noted, it was agreed to report to the Board of Education at its May 21 meeting at 7:30 p.m. at Emerson Middle School. Study group reports are due to the coordinators by Friday, May 11 so they can be compiled into a complete memo.

Study Group Time

Group members stayed to work independently for a short period.

Next Full CFC Meeting

The next full CFC meeting will be scheduled as needed.

The meeting was adjourned at 7:44 p.m.

Minutes submitted by Bernadette Tramm