

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

Minutes of the Community Finance Committee
held at 7:00 p.m. November 1, 2012
Hendee Educational Service Center
164 S. Prospect, Park Ridge, IL 60068

Community Coordinator Genie Taddeo called the meeting to order at 7:05 p.m. Also present were four CFC members, Board of Education liaison Tony Borrelli, Business Manager Becky Allard, and Assistant Business Manager Brian Imhoff.

Updates on District 64 Financial Topics

Becky Allard updated the committee on recent and upcoming District financial topics. The District reached an agreement with the Park Ridge Education Association (PREA) in September. Negotiations have yet to occur for teacher assistants, custodians, and administrators. The budget for 2012-013 was adopted September 24. Since adoption occurred prior to finalizing salary negotiations, the District will need to amend and re-adopt the budget in late winter / early spring of 2013. A public hearing on the tax levy will be held immediately prior to the November 12 Board meeting with final adoption scheduled for the December 10 meeting. Long-range financial projections will be presented at the February 11, 2013 Board meeting.

A discussion followed about the status of some of the ongoing study groups including:

▪ **Student Fees (Study Group 4)**

Study Group 4 has completed a preliminary benchmarking project examining District 64 fees in relation to comparable districts on a cost per student basis. District 64's fees were found to be higher than the average comparable district; extracurricular fees are somewhat low versus comparables. If District 64 were to bring itself in line with other districts, the impact to District 64's budget would be a decrease of over \$500,000 in revenue. The District would also run the risk of discouraging students from participating if extracurricular fees are raised too much. The group reviewed some of the findings from the 2009 fee study and found that it is not clear what percentage of costs the program fees are intended to cover. The group sought advice from the rest of the committee regarding how to proceed.

Board member Borrelli suggested narrowing the scope of the analysis to only compare other districts with similar per capita income to District 64. He also expressed his goal of determining the true cost of some of these programs as a means of transparency.

Other committee members were interested in how other districts justify the fees they are charging. The study group will consider using another benchmark for the analysis, such as a ratio of revenues to fund balance. There was discussion regarding the spirit behind the 2009 fee study. At that time, the District wanted to fulfill a commitment to the community for approving the referendum by having parents fund extracurricular programs as much as possible rather than the community. The group was asked to bring several scenarios to the Board that they believe would be fair fee proposals for District 64 families. If the District elects to cut fees, the study group will also consider the appropriate time to start increasing them again. The group will plan to present its final recommendations at the January 28, 2013 Board meeting.

▪ **District Borrowing Options (Study Group 5)**

Study group 5 commented on revisions made to its previous presentation on borrowing opportunities. If the District borrows money, it could potentially prolong returning to the

community for a referendum by 2-3 years. The group's recommendation involves restructuring the Emerson debt so that there is no direct tax increase on property owners, but the tax decrease is delayed by extending the debt for additional years. Discussion continued regarding the concept of performance contracting. The group will further explore the basics behind performance contracting and the addition of a graph depicting the impact of each borrowing option on the District's fund balance. The group will plan to present their final findings at the December 10, 2012 Board meeting.

Next Meeting

The next full CFC meeting will be on Monday, January 14 at 7:00 p.m. at the District 64 Educational Service Center for an update on each sub-group's progress.

The meeting was adjourned at 8:25 p.m.

Minutes submitted by Brian Imhoff