

BOARD OF EDUCATION  
COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64

Minutes of the Committee-of-the-Whole on Finance  
held at 7:00 p.m. August 9, 2010  
Hendee Educational Service Center  
164 S. Prospect Ave., Park Ridge, IL 60068

President John Heyde convened the Committee-of-the-Whole on Finance meeting at 7:01 p.m. Other Board members present were Genie Taddeo, Eric Uhlig, Pat Fioretto, Sharon Lawson and Ted Smart. Also present were Superintendent Philip Bender, Assistant Superintendents Diane Betts and Sandra Stringer, Business Manager Becky Allard, Director of EIS / Rtl Lynne Farmer, Director of Pupil Services Kathleen Nelson, Director of Buildings & Grounds Roy Jensen, Director of Technology Terri Bresnahan, Public Information Coordinator Bernadette Tramm, and three members of the public.

Mr. Heyde stated the purpose of the meeting was to review the 2009-10 fiscal year fourth quarter financial report for the period ending June 30.

Business Manager Becky Allard reported that 2009-10 ended in a very positive position. The operating fund balance ratio for the period ending June 30 is 55.45% or \$34.3 million. During 2009-10, the operating fund balance increased by \$7.2 million, which is almost \$700,000 more than budgeted for the year. From a cash flow perspective, District 64 has positioned itself to fulfill all financial obligations without short-term borrowing based on what is currently known as the 2010-11 fiscal year gets underway. Ms. Allard reiterated that the 2007 referendum is the principle reason that District 64 continues to improve its financial condition in very difficult economic times.

Ms. Allard reported that as of June 30, the State of Illinois owed District 64 more than \$1.9 million, or about 38% of the total amount of vouchers issued for the fiscal year. She noted that District 64 had budgeted conservatively and did not assume that all these payments would be received during the 2009-10 fiscal year. She announced that as of today's meeting, the District had received an additional payment from the State and that only about \$800,000 is still owed from this 2009-10 amount, or about 17%.

Ms. Allard reported that as of June 30, the District's tax collection rate of the 2008 tax extension is 97.67%. The collection rate of the 2008 levy is about 1% less than previous year tax collections, although payments continue to be received. She reported that the early collection of the current 2009 tax extension is 52.2% of the 2008 tax extension. She announced that the Operations & Maintenance Fund is expecting to receive more than \$1.5 million from the Federal Aviation Administration for expenses incurred on the 2009 and 2010 summer projects at Roosevelt and Washington schools.

Ms. Allard then reviewed a summary of investments, which indicated that as of June 30 the Maine Township School Treasurer had \$19.8 million invested on behalf of District 64 for a total yield of 2.8206%. She also noted that in addition to these long-term investments, the Treasurer has more than \$17.1 million invested in money market funds, which are used to provide for the District's short-term cash flow needs. Ms.

Allard stated that the Treasurer would be scheduled to make his annual presentation to the Board in early fall.

Ms. Allard then reviewed the June 30 report by individual funds, pointing out revenues and expenditure totals for each fund along with comparisons between the June 30 figures and the budgeted amounts for each fund. She also provided charts with comparative information between the 2008-09 fiscal year and the 2009-10 fiscal year by fund. Ms. Allard then reviewed the individual line items in the total operating fund expenditures and revenues, pointing out variances over and under budget. In response to Board member questions, she noted that the significant variance in the Operations & Maintenance Fund was caused by the lag in receipt of reimbursements for the sound insulation projects but that these funds are expected to be fully received. She noted that in summary, operating fund revenues were \$535,703 under the budgeted amount of \$69,617,924, or 99.23%. The actual increase in the operating fund revenues over the 2008-09 fiscal year was \$8,570,970 or 14.2%. Regarding expenditures, she noted that through June 30, expenditures were \$1,234,900 under the budget of \$63,113,465, or 98.04% of the operating fund expenditure budget. The actual increase in 2009-10 operating fund expenditures over the previous fiscal year was \$5,176,914 or 9.13%.

Ms. Allard then responded to Board member questions and provided additional comments about various line items, including general state aid revenues, state grants for transportation and reading, the federal IDEA grant, and staff development expenditures. Ms. Allard also noted that the District's investment income may be reduced in later fiscal years as the impact of interest rate reductions is felt. She noted that this topic could be explored with the Township Treasurer when he presents an annual report to the Board in a few weeks.

In response to Board member requests, Ms. Allard agreed to provide additional information about the actual increases in revenues and expenditures for 2009-10 when "one-time" items, such as FAA sound insulation projects, are removed.

Mr. Heyde concluded the Committee-of-the-Whole on Finance meeting at 7:26 p.m., which was followed by a brief recess before the regular Board of Education meeting.

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President

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Secretary