

GLENBROOK DISTRICT 225**FINANCE COMMITTEE MINUTES - February 10, 2011**

Next meeting date: TBD

7:30 – 9:30 AM

Glenbrook South Room 128

Finance Committee members present: Julie Bezanes, John Finan, Gary Freund, Paul Pryma, Kim Ptak, Mike Riggle, Hillarie Siena, Joel Taub, Brian Wegley, and Jeff Wolfson. Also present was Karin Geddeis and Steve Caliendo.

AGENDA ITEM #1: Update on Financial Aid

H. Siena presented a 4-year historical analysis of student ridership as a percentage of enrollments. Presented were various trends and updates regarding Financial Aid. For the current fiscal year enrollment at GBN there are currently 122 students who qualify for free / reduced aid, and 486 at GBS. Of the 122 students at GBN, 39 receive free transportation and of the 486 students at GBS, 284 receive free transportation. The data shows that though those families who qualify for free / reduced have risen, ridership is slightly down. The data further indicates that for both schools, “reduced” is down and “free” is up. This shift seems clearly indicative of the current economic climate. The recommendation, for a third year in a row, was for no increase in student transportation fees and to continue the 50% discount for sibling riders.

Update on Free & Reduced Breakfast Program

K. Ptak presented an update on the Free and Reduced Breakfast Program. At the September 27, 2010 board meeting, the Board of Education approved offering a free and reduced breakfast program to students meeting federal eligibility. The estimated cost of offering such a program was \$9,000 - \$30,000 depending on participation levels.

To date, the average number of free / reduced breakfast meals sold per day at GBN is 5 and at GBS the figure is 26. The annual cost of the breakfast meal program, which Quest (our food service provider) is absorbing, is \$7,115.

Both Principals Brian Wegley and Paul Pryma stated that they were very pleased with the free/reduced breakfast program thus far and Quest’s services overall. It was discussed that because the free and reduced breakfast program is fairly new they anticipate that the participation numbers will increase over time.

It was also noted that the free and reduced lunch meals sold to date has increased over 65% from last year. The average number of free / reduced lunch meals sold per day is 47 at GBN and 220 at GBS. Note: because of the variety and nutritional value offered

by Quest, an additional 280 GBS students elect to purchase the free / reduced meals. The total estimated annual cost of the free and reduced lunch program is \$106,000. Under the current contract, Quest absorbs this full cost.

Further Action: H. Siena will be presenting these items at the February 28th board meeting for board discussion.

AGENDA ITEM #2: Student Fees

H. Siena presented the student fees to the committee. It was recommended for the 2011/12 school year there be no increase across the board for student fees. Student Transportation Fees: No increase – maintain the early-bird registration, online discount and a 50% discount for sibling riders. Driver Education Fees: No increase – maintain the behind-the-wheel fee of \$350. Parking Sticker Fees: No increase – maintain the \$285 fee for full year and \$142 per semester. Towel and Material Fees: No increase – maintain fees at \$25.50. Credit Card Convenience Fee: No increase – maintain fees at \$2.50 per online transaction. Pre-School Tuition Fee: No increase

AGENDA ITEM #3: Maintenance Support of 1835 Landwehr / 3801 West Lake

K. Ptak presented historical information and a recommendation for future maintenance support of the district's Off Campus building at 1835 Landwehr, as well as the administrative offices at 3801 West Lake Ave. Historically, GBN maintenance staff provided maintenance support for 1835 Landwehr and GBS staff provided maintenance support for 3801 West Lake Ave, at a budget of approximately \$24,000 in overtime dollars.

With a recommendation of a .22 FTE increase in maintenance staffing, with a budgeted cost of \$12,000, (a yearly savings of \$12,000 or 50% decrease), GBN maintenance staff will begin providing maintenance support for both buildings.

Future Action: ESP staffing will be presented to the Board of Education in March.

AGENDA ITEM #4: Update of Financial Projections

H. Siena presented an updated 5-year Financial Projection as of 02/10/11 for the district (FY2012 – FY2016) along with the assumptions used to compile the projection. The updated financial projection has CPI forecasted at 1.5%. H. Siena also presented the Budget Reduction Plan and gave a progress report on how the implemented budget adjustments have been actualized for FY11.

Future Action: Members of the administration will continue to meet and discuss cost containment and budget reduction strategies to increase revenues and control expenditures so that the District's fund balances can remain at a healthy level.

AGENDA ITEM #5: Financial Dashboards

J. Bezanes presented the Financial Dashboard Reports that summarize and trend key financial data for District 225. The purpose of the reports is to present a current and historical perspective relative to selective data points. The following financial data was compiled and displayed: Overall Operating Funds Revenues and Expenditures FY2005-2011, Operating Funds Revenues by Source FY2005-2011, Operating Funds Expenditures by Classification FY2005-2011, Building Operating Budget Allocations FY2005-2011, Consumer Price Index Percentage History for the last 10 calendar years, Base Salary Increases percentages for FY2008-2013.

Future Action: The Business Office will create additional Financial Dashboard Reports on Student Fees, Financial Aid, District Tax Rates, and Operating Costs per pupil based on Average Daily Attendance. The Financial Dashboard reports will be presented to the Board of Education at a future board meeting.

AGENDA ITEM #6: Other

A. Resolution Amendment for 3801 West Lake Ave

H. Siena recommended that the Board of Education approve a resolution amending a resolution of the district authorizing and providing a lease agreement and the issuance of General Obligation Limited Tax Lease Certificates, Series 2009, with regards to the administrative offices at 3801 West Lake Avenue.

The Board of Education originally approved the lease of 3801 West Lake Ave for the use of class space for the district's Off-Campus program. Since the original lease agreement, the Board of Education approved the renovation of 1835 Landwehr Road for class space for the Off-Campus & Evening School programs and the relocation of the district's administrative offices to 3801 West Lake Ave.

Under the current lease agreement, the 3801 West Lake Ave building is 100% taxable. Including allocations back to the district, the net expense in taxes to the district is approximately \$64,000. If the district were to purchase the 3801 West Lake Ave. building and terminate the lease agreement the district would be eligible to apply for a partial real estate tax exemption. The reduction would be approximately \$25,000 with an approximate \$6,600 allocation back to the district. The net expense to the district would be approximately \$18,000. As the current tenant leases expire, the building will eventually be 100% tax free.

It is determined and recommended that it is in the best interest of the district to convert existing lease certificates to debt certificates. This option incurs no additional debt, but maintains the existing debt schedule.

Future Action: A draft resolution will be presented to the Board of Education for discussion on February 14, 2011.

B. State of Emergency for Illinois – Cook County

As a result of the blizzard, which took place on February 2, 2011, a state of emergency was declared for Cook County. The district is eligible to submit costs incurred in the clean-up of this event. The cost currently calculated is \$30,000. \$15,000 in OT, \$10,000 for snow removal at GBS and \$5,000 to repair a GBS truck damaged during the snow removal.

Future Action: Pending approval by the County.