

GLENBROOK HIGH SCHOOL DISTRICT 225

FINANCE COMMITTEE MINUTES

July 21, 2015 7:30 AM – 9:15 AM

Glenbrook South Room 128

Agenda Item #1: Call to Order

A Regular meeting of the Finance Committee was held at Glenbrook South on July 21, 2015. The meeting convened at 7:30 AM. Members in attendance were Bruce Doughty, Lauren Fagel, John Finan, Kris Frandson, Gary Freund, Karen Geddeis, Scott Martin, Kim Ptak, Hillarie Siena, Brad Swanson, Vicki Tarver, and Joel Taub. Members not in attendance were Dr. Mike Riggle.

Agenda Item #2: Tentative Budget

Mrs. Siena provided the committee with the FY2016 Tentative Budget. The tentative budget included a review of FY2015 unaudited Actual Revenue and Expenditures. FY2015 Revenues were 99.8% of budget due mainly to higher than anticipated property tax refunds and deferred state and federal categorical grant receipts. Expenditures were 100.02% of budget due to higher than anticipated medical and prescription claims experience of the district's self-funded plans.

Mrs. Siena discussed the assumptions that provided the basis for the FY2016 Tentative Budget. Revenue assumptions include; 1.5% CPI, property tax rates, 97.5% property tax collection rate (including 1.5% for refunds), The Glen Make-Whole payments based on enrollment projections, flat interest earnings, flat student fees, prorated CPPRT, prorated GSA (87%), and prorated and/or deferred state/federal categorical grants. Expenditure assumptions include; aggregate salary increase of 3.5% for certified and 2.9% for non-certified staff, 1% retirement salary adjustments, Pension benefits (TRS, FICA/Medicare) increases in-line with salaries, 5% IMRF increase based on actuarial, insurance increase at 20%, Special Education tuition based on incoming freshman and current enrollment, and operating transfers for capital projects and debt certificate payments.

Mrs. Siena discussed the deficit budget of \$3.6M caused by the operating transfers for capital projects and debt certificate payments. FY2015 was the last year in which the district expended referendum dollars for capital projects. Beginning with the FY2016 budget, the district is on a pay-as-you-go model. Mrs. Siena reminded the committee that this has been included in financial projections. Absent new revenue, the district can anticipate future deficit budgets related to operating transfers. Mrs. Siena informed the committee that Liz Hennessey from William Blair will be discussing future debt service opportunities at the August 10, 2015 Board meeting.

Mrs. Siena reviewed the increase and inclusion of contingencies in the FY2016 Expenditure budget. Contingencies in the Education Fund were increased from \$500K to \$520 for new technology initiatives. Contingencies for Transportation were increased from \$100K to \$130K in anticipation of increased ridership due to enrollment increases at Glenbrook South.

Mrs. Siena provided the committee with a historical program analysis of Glenbrook Aquatics. Revenue and Expenditures are budgeted at break-even. On average, Glenbrook Aquatics ends with a \$14K surplus. Any surplus funds are reinvested in the program.

Agenda Item #3: Other

Mrs. Siena provided a summary of the previous agenda items and asked if the committee had any questions or comments. A brief discussion regarding presenting the board with clarification on GSA assumptions and providing the community with a summary of key points related to the budget.

Agenda Item #4: Adjournment

The meeting concluded at 9:15 AM.

Next meeting date TBD