

GLENBROOK DISTRICT 225**FINANCE COMMITTEE MINUTES - November 7, 2011**

Next meeting date: TBD

7:30 – 9:15 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: Enrollment Projections

K. Ptak presented historical data and enrollment projections for FY2006 through FY2017 for both Glenbrook North and Glenbrook South. Projections are based on enrollment data from our elementary districts and the high schools. Projections are calculated based on three scenarios. Scenario 1: Projections using a 3-yr Cohort Survival Ratio, Scenario 2: Projections using the average of a 1-yr and 3-yr Cohort Survival Ratio, and Scenario 3: Projections using the average of Scenario A (3-yr) and Scenario B (Average of 1 & 3 year). Current enrollment for GBN is 2,073, (approximately 40 less students than the prior year), and current enrollment for GBS is 2,681, (up approximately 60 students from the prior year). From FY13 through FY17, it is projected that GBN's enrollment will remain fairly stable hovering at around 2,000 students. The most significant change in enrollment at GBS is projected to occur in 2015 with an estimated 165 incoming freshmen. The majority of this increase will be from Glenview District 34.

AGENDA ITEM #2: Update on Financial Projections

H. Siena presented updated financial projections to the committee for FY2013 – FY2017, with a FY2013 CPI forecasted at 2.0%.

For FY2013 the district has benchmarked a total reduction in expenditures of \$620,000. These reductions include: \$30,000 reduction based on the impact of 0% CPI increase to the building budgets from FY2012, staffing reductions of approximately \$445,000 based upon attrition, as well as reductions in benefits/pension costs associated with the reduction of those staff members, \$45,000 reduction in facilities allocations at GBN, and on-going reductions through efficiencies of \$100,000.

For FY2014 the district has benchmarked a total reduction in expenditures of \$605,000. These reductions include: \$30,000 reduction based on the impact of 0% CPI increase to the building budgets from FY2012, staffing reductions of approximately \$377,000 based upon attrition, as well as reductions in benefits/pension costs associated with the reduction of those staff members, \$68,000 reduction in facilities allocations at GBN, and

on-going reductions through efficiencies of \$100,000. Additionally, the district is projecting a healthy fund balance in FY2013, FY2014 & FY2015.

AGENDA ITEM #3: Follett Proposal

K. Ptak presented a preliminary discussion regarding the concept of on-line purchasing of textbooks. In 2008, the District outsourced its bookstore operations, including textbook sales, to Follett Educational Services. Follett manages the purchase and return of textbooks, as well as the collection of all student fees at both GBN and GBS. The district is in the 5th year of a 5-year contract with Follett. Current negotiations are underway with Follett regarding a renewal of their contract. Unfortunately there aren't any other competitive vendors that run textbook sales at high schools. Most companies that run textbook sales do so for colleges only, and are not interested in the high school market. Before recommending a contract renewal with Follett, alternative options will be further explored.

H. Siena will be bringing this item for further discussion to the December 12th board meeting.

AGENDA ITEM #4: Turf Field Discussion

K. Ptak presented a cost analysis of natural grass fields vs. turf fields over a 10 and 20 year period. Including upfront cost, labor, water and general upkeep, the difference between turf and grass, over a 10-year period is approximately \$380,000 (\$38,000 incremental cost per year for a turf field). Including upfront cost, labor, water and general upkeep, the difference between turf and grass, over the next 10-year period is approximately \$340,000 (\$34,000 incremental cost per year for a turf field). The most significant advantage of turf over grass is that the schools would receive 3,000 extra hours of playing time.

It was revealed that since the 1960's GBS has never had their fields completely re-sodded at one time. Over the years GBS has re-sodded piece meal to maintain the fields as best they could and keep costs down. There is an initial upfront cost to install turf fields, but over time, the cost to maintain those fields is manageable.

Dr. Riggle explained that GBS has their MWRD in place and the permit is ready. Installation could begin as early as spring 2012. GBN will apply for the MWRD and permit and could be ready for installation by the summer of 2013. The committee recommended raising funds via the Booster Club of \$500,000. Additionally, the district would use \$500,000, currently in reserves.

K. Ptak will revise the funding structure and will bring this item for further discussion to the December 12th board meeting.

AGENDA ITEM #5: Advertising Fees

G. Freund presented the committee with a preliminary draft of an advertising rate sheet as a means of generating revenue to maintain athletic fields & upkeep athletic facilities. Data was compiled by the district's athletic directors by obtaining advertising rates from various contiguous high school districts. Some of the proposed sources of advertising revenue could be digital signs, banners, space on the district website, programs, t-shirts and yearbook and newspaper advertising. Any revenue gained from advertising would go into a student activity account. Any funds remaining would move into the next budget year and be reported in the annual CAFR.