

GLENBROOK DISTRICT 225**FINANCE COMMITTEE MINUTES – September 16, 2010**

Next meeting date: TBD

7:30 – 9:00 AM

Glenbrook South Room 128

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

AGENDA ITEM #1: Update on Financial Aid

H. Siena presenting the Financial Aid Update for FY11. The statistics presented were as of September 10, 2010. Overall, the number of families qualifying for financial aid has increased from FY10 at both Glenbrook North and Glenbrook South. As families' incomes are continuing to fall due to economic conditions, there has also been a shift in the families' qualifying status where more families are qualifying for "free" status versus reduced status. Fees that are reduced/ waived for those families qualifying for financial aid are books, student, food, and transportation fees.

Future Action: There will be another financial aid update given later in the school year.

AGENDA ITEM #2: Free and Reduced Breakfast Program

There is concern at the school level that was brought to the Board's attention regarding students coming to school hungry and it affecting their ability to learn. The Board authorized the Administration to research possible alternatives to address this concern.

K. Ptak presented a proposal for the question posed "should the District offer a free/reduced breakfast program to students meeting the federal free/reduced eligibility requirements". It was noted that the District is not under a legal requirement to provide a breakfast program. Other Districts in the immediate area who offer a free and reduced breakfast program include District 203, District 207, District 211 and District 214.

For the 2009-10 school year, there were 567 students district wide that were eligible for the free/reduced lunch program. Of these students, 27% participated in the program on a daily basis. Quest Food Service, as part of their contract with District 225, absorbs the entire cost of this program, estimated at \$52,000.

Currently, Quest Food Service offers a value breakfast menu for \$2.25. The potential cost of offering a free/reduced breakfast program was discussed. At a maximum, if all 567 eligible students participated every day, it could cost \$110,000. If 27% of the eligible students participated, which is based on the current lunch participation, it would cost approximately \$30,000. Based on Quest's past experiences, if 30% of the students who participate in the lunch program participate, the cost would be approximately \$9,000.

Two funding options were considered. The District could use the positive fund balance in the food services fund, which is currently at \$23,000 and estimated to grow to \$256,000 at the end of the 2010/11 school year, to fund a free breakfast program. The second option was from Quest, who has offered to absorb \$15,000 of the cost of the free and reduced breakfast program, in exchange for a contract extension. The current relationship with Quest is very good and the District has been more than satisfied with the service levels.

Future Action: The Finance Committee will recommend to the Board that a free and reduced breakfast program be offered to those students qualifying for federal free and reduced lunch status and that Quest's proposal for funding of this program should be approved. The free and reduced breakfast program and funding recommendation will be brought to the Board at the next meeting for discussion and approval.

AGENDA ITEM #3: Update on State Funding

H. Siena presented an update on State Funding as of September 10, 2010. Highlights of the funding information were presented with both positive and negative impacts for the District. Positive news included that the State has passed an FY11 Budget and that General State Aid has been reinstated at the FY10 Foundation Level. Negative news was that Bilingual Education grant monies have been reduced an additional 7% from the FY10 funding level, the ADA Block Grant has been eliminated, and that the State may defer the last two payments of FY11 General State Aid. The November elections may have an impact on these funding levels.

Future Action: The Administration will give the Board updates as information becomes available.

AGENDA ITEM #4: Long Range Facility Plan

H.Siena and K. Ptak presented an updated Long Range facilities plan that includes \$1.1M of the expected FY11 \$1.6M General State Aid revenue. H. Siena recommended placing the \$1.1M into Capital Project Funds to rebuild what was transferred to the operating funds as part of the long-range budget reduction plan. Placing these revenues initially in the Capital Project Funds allows for a transfer into the Operating Funds, if needed at a later date.

AGENDA ITEM #5: FY2010/11 Final Budget

H. Siena presented a chart that highlighted changes made from the FY11 Tentative to FY11 Final Budget. A summary of the Final Budget was also presented. The FY11 Final Budget is a balanced budget estimating \$92,972,476 in operating revenues and \$92,909,472 in operating expenditures. The operating funds are expected to net a budget surplus at the end of FY11 of \$63,000 that will be added to the operating fund balance.

It was noted that the District's projected ending fund balance is higher the FY06 projection. The District will continue to be proactive and conservative in keeping expenditures in line with revenues in order to keep the District's Fund Balance at a healthy level.

Future Action: The Final Budget will be presented to the Board of Education for their discussion/ approval at the September 27, 2010 board meeting.

AGENDA ITEM #6: Other

No other items were discussed at the meeting.