

MINUTES OF THE
FINANCE COMMITTEE MEETING
Of the Board of Education
Riverside School District No. 96
Held on Tuesday, December 16, 2008
In the Hauser Junior High School LRC
Riverside, Illinois

Present: Mr. Richard Volpe, Mr. Giles McCarthy and Mr. James Schraidt

Absent: None

Also Present: Supt. Jon Lamberson

The meeting was called to order at 6:20 p.m.

The purpose of the meeting was to review the 2008 Levy recommendation and the fiscal projection model for 2009-10 through 2013-14.

Supt. Lamberson reviewed with the committee the proposed 2008 Certificate of Tax Levy noting that the total levy represents an increase of 17.15% over 2007. In reality, the levy request will only generate a 4.2% increase due to tax cap legislation. The additional amount requested is to ensure that all possible revenues are captured due to new construction and reassessments. The committee reviewed each fund and discussed the need for required life safety work to be completed and the potential financial impact of these projects. Supt. Lamberson also noted that the special education fund was levied at the maximum rate. He also pointed out that the Illinois Municipal Retirement Fund (IMRF) for support staff has increased the employer's contribution rate from 8% to 16% this year.

Overall, the district continues to be in good financial shape and with continued good fiscal stewardship should remain so for several years to come. Following discussion, the committee, by consensus, agreed to recommend the fund amounts as presented on the proposed 2008 Certificate of Levy with the total request being \$23,981,512 excluding building bonds which were paid in full in December 2007.

Supt. Lamberson distributed a spreadsheet which illustrated his fiscal projection for Operating Funds through 2013-14. Operating funds include the Education, Operation & Maintenance, Transportation, and IMRF/SS funds. Based on the information presented and the continuation of sound fiscal management, revenues will exceed expenditures through the 2011-12 fiscal year.

It is anticipated that staffing at Hauser Junior High School will remain stable for 2009-10 with the enrollment decreasing for the next school year due to the fact that this year's graduating class has 162 students and the incoming 6th grade class (2008-09 5th grade) has an enrollment of 131 students. This is a potential decrease of 31 students (without any new registrations).

With the implementation of the kindergarten planning survey to area pre-schools, the administration will have a better idea of the elementary enrollment for 2009-10 and will be able to plan earlier for increases/decreases before the end of the school year.

Supt. Lamberson shared with the members of the Finance Committee correspondence received from attorney Alan Mullins of the law firm of Scariano, Himes and Petrarca regarding his recommendation for settlement of PTAB appeals from Carson, Pirie, Scott & Company and J. C. Penney from tax years 2002, 2003, and 2004. In both cases, a reduction in fair value for their properties located in the North Riverside Mall. Based on information provided by the attorney it was the consensus of the Finance Committee to accept the settlement as presented. This will result in the loss of \$649,000 in tax revenue going back to 2002.

As a provision of the new REC contract, an “Insurance Committee” has been formed to review the benefits package for staff on an ongoing basis to try to keep costs in line while maintaining the same level of coverage. With the agreed change to HRH as the district’s administrative agent for health and dental insurance, this year’s renewal rate was only 9% compared with previous years increases of up to 15%. This move helps maintain the budget allocation as well as the employees’ deductions for health care.

Revenues are projected to be higher than expenditures, maintaining a balanced budget while providing the innovative programs and the best possible teaching and learning environment for all students in District 96.

The board will receive a preliminary budget at the April meeting for discussion and review again in May. The Tentative Budget will be adopted at the June board meeting and the budget hearing scheduled for September.

A motion was made by Mr. Schraidt, supported by Mr. McCarthy, and committee approved to adjourn the meeting at 7:00 p.m.

Judith Novak, Board Secretary

Richard Volpe, Committee Chair