

Financial Advisory Committee Meeting Minutes
November 13, 2008
7 AM – Junior High Conference Room

Present: Dale Burnidge, Chuck Cebuhar, Jim Giordano, Charlotte Kremer, Kathy Krepel, Sean Rathjen, Mary Truitt, Joe Vetere, Dr. Mary Fasbender, Joel Murphy, Cindy Wikierak.

Updated 5 Year Financial Projections - Joel distributed the updated PMA 5 year financial projection analysis to the Committee. The CPI is projected at 4.0% for 2008 and then will drop to 2.75% to account for a “deflation” that may happen within our current economic conditions. The enrollment projections were re-evaluated and lowered based on the assumption they will be going down slightly over the next several years because of the housing market. The decline in enrollment will also affect the size of the district staff and the Board will have to determine future class size and RTI. The good news, though, is that we are still at the Financial Recognition Level and able to continue the Taxpayer Partnership Plan. The PMA will be presented to the Board in January after the actual CPI is known.

Tax Year 2008 Levy - Joel explained the levy calculation process and distributed information showing two different scenarios. One is based on our Financial Projections and the other is based on information we received from the county. Discussion followed and Joel suggested increasing the amount a little bit higher than the McHenry County estimate of \$308 million.

Joel is looking for a recommendation from the FAC to present to the Board at the Tuesday, November 18 Board meeting.

MOTION: Chuck Cebuhar moved, seconded by Joe Vetere, to recommend a projection of a 5.5% increase. A show of hands determined all were in favor.

Capital Asset Policy - Joel explained that new accounting rules are requiring us to provide a detailed list of all our capital assets. Our current policy defines a capital asset as anything valued over \$500. Because of computers, digital cameras, tools, etc. our auditors suggested that the Board establish a much higher amount to ease our reporting requirements. The auditors recommended increasing the amount to \$10,000.

MOTION: Chuck Cebuhar moved, seconded by Sean Rathjen, to recommend to the Board to increase the reporting amount to \$10,000 and also to provide a method to track items under \$10,000. A show of hands determined all were in favor.

Joel confirmed we do have an annual inventory system in place to track items under \$10,000 for internal reporting.

Natural Gas Purchase – Joel distributed a memo to the Board explaining natural gas pricing and our contract rollover along with a twelve-month natural gas forecast chart. Since our current contract ends in May of 2009 and gas prices are at a three year low, the Board approved the decision to lock-in 60% of our gas needs for the next 2 years at \$0.84 per therm.

Future Meetings & Topics – The following items will be on the agenda for the January 15, 2009, meeting: Student Fees, PMA Update, Budget Goals and Bus Leases.

The meeting was adjourned at 8:15 AM

Next Meeting: Thursday, January 15, 2009