

**MINUTES OF SPECIAL WORKSHOP MEETING
FINANCIAL OVERSIGHT PANEL
PROVISO TOWNSHIP HIGH SCHOOL DISTRICT NO. 209
January 25, 2010
4:30 P.M.**

CALL TO ORDER

Chairman James Popernik called the meeting to order at 4:48 p.m.

ROLL CALL

Present:

James Popernik, Chairman
James McEnroe, Member
Craig Schilling, Member

Also present:

Debby Vespa, ISBE (by telephone)
Kenya Austin, ISBE
Dr. Nettie Collins-Hart, District Superintendent
Dr. Nikita Johnson, Assistant Superintendent of Business Services
Timothy Cole, Baker Tilly Virchow Krause, LLP
Althea Busby, Assistant Executive to the Superintendent

PUBLIC COMMENT

None.

DISCUSSION OF FINANCIAL PLAN

Dr. Johnson presented the financial plan to the FOP.

Dr. Schilling led a discussion regarding the District's projected revenues. He suggested that the District not rely on the alternative grant state aid for its operating needs for purposes of the financial plan but, instead, earmark this money for the Site and Construction Fund. If the alternative grant is funded by the State, then the money could be used by the District for construction projects but, if not, it would not impact the financial plan for the operating funds.

Dr. Schilling also suggested that the District change its approach to the tax levy in the future. Currently, the District elects a pro-rata reduction of all funds if the tax cap limit is exceeded. He suggested moving any reduction to the Education fund. For financial planning purposes, the District could stabilize all of the other funds and then move the deficit, if any, into the Education fund to focus the need into one fund. Dr. Popernik disagreed; he believes the Operations and Maintenance fund is the principal issue in the District and that the focus should be on that fund.

Mr. McEnroe observed that he felt the cost of maintenance workers in the District may be high compared to other Districts. This should be a focus of the administration in the

future. In addition, he opined that the District should fund all capital projects that are required under the life safety law.

There was a discussion of how to plan for the capital needs of the District. The FOP felt that the District should get its operating costs in line first and then focus on capital needs, perhaps funding the capital needs by a referendum.

The FOP requested the following information from the administration:

- Copy of the IDEA/ARRA flow-through grant application
- Information from the District's bond counsel regarding the feasibility of using alternative revenue bonds to fund \$3.0 - \$3.5 million of life safety projects.
- List of teachers that are retiring.

In conclusion, the FOP advised the administration to target a deficit of \$1.5 million for fiscal year 2011, exclusive of the life safety needs.

ADJOURNMENT

Dr. Schilling moved and seconded by Mr. McEnroe at 6:02 p.m.

All voted in favor to approve, no nays