

MINUTES of the Special Meeting of the Board of Education Finance Committee of Community Consolidated School District 15, Palatine, Cook County, Illinois, held on September 12, 2018.

A special meeting of the Board of Education Finance Committee of Community Consolidated School District 15, Palatine, Cook County, Illinois, was held on Wednesday, September 12, 2018, at the Joseph M. Kiszka Educational Service Center, 580 North 1st Bank Drive, Palatine, Illinois.

ROLL CALL

The special meeting of the Finance Committee was called to order at 5:00 p.m.

Committee members physically present:

David Border Anthony Wang

Committee member(s) physically absent:

None

Also present were Scott B. Thompson, Ed.D., superintendent of schools; Michael Adamczyk, chief school business official; Corey Bultemeier, director of fiscal services/assistant chief school business official; and Craig Phillips, manager, environmental services.

AGENDA ITEMS

1. Review Remaining Life Safety Priority B Items
Mr. Phillips reviewed the 2015 Life Safety Study (\$151 million) created by STR Partners. It was noted that all of the 'A' items have been completed. Approximately \$105.689 million of 'B' items remain to be completed, which is inclusive of 15% escalation, 10% contingency, and 7.5% A&E fees. The committee agreed that a full analysis of all remaining work should occur and a long-range plan be created to accomplish them in the near future.
2. Proposed Summer 2019 Construction Projects
Mr. Phillips and Mr. Adamczyk provided a list of the most pressing capital projects (all from the B list) needing attention in the immediate future. Four projects were determined for proposed work during the summer of 2019: The roof at Walter R. Sundling Junior High School; the univents at Lincoln Elementary School; and the roof and mechanicals at Central Road Elementary School.
3. Review of 5-Year Forecasts
Mr. Adamczyk shared the current 5-year forecast, which showed deficits in FY2018-20 due to large capital projects at buildings throughout the district. Moreover, the forecast for FY2021 and FY2022 show increases in fund balances of \$10 million.

Mike shared three other 5-year forecasts, each looking a little differently at possible scenarios. All of the scenarios show the district in a strong financial position regardless of some significant possible expenditures (full day kindergarten, purchasing 1311 Rand Road, etc.).

The district is experiencing slightly better results than anticipated based upon the expectation of CTC salaries increasing by less than 1% average annually for each of the 10 years of the contract. This represents a large portion of the budget, and the CTC contract significantly contributes to the overall positive long-term financial position of the district.
4. Old Business
Mr. Adamczyk showed the results of real estate tax collection rates for the last 10 years, as well as the refunds the district paid as a result of PTAB decisions. While collection rates have been 95-99% (1-5% of taxes not paid by owners), refunds have fluctuated between \$2.3 to \$5.1 million, with no apparent reason for the differences. It is hard to accurately calculate this figure moving forward.

ADJOURNMENT

There being no further business to come before this meeting, the meeting adjourned at 6:13 p.m.

Anthony Wang
Board of Education Finance Committee

David Border
Board of Education Finance Committee