

OAK PARK AND RIVER FOREST HIGH SCHOOL
201 North Scoville Ave.
Oak Park, IL 60302

FINANCE COMMITTEE MEETING

Tuesday, February 19, 2008

A Finance Committee meeting was held on Tuesday, February 19, 2008. Chair John P. Rigas called the meeting to order at 7:35 a.m. in the Board Room. Committee members present were: Jacques A. Conway, Valerie J. Fisher, Dr. Ralph H. Lee, Dr. Dietra D. Millard, Sharon Patchak-Layman, and John P. Rigas. Also present were Dr. Attila J. Weninger, Superintendent; Jason Edgecombe, Assistant Superintendent for Human Resources; Cheryl L. Witham, Chief Financial Officer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included: Kay Foran, Director of Community Relations and Communications; Doug Willey, Supervisor of Finance; Gary Balling, Executive Director of the Park District of Oak Park; Matthew Ellmann, Superintendent of Recreation and Marty Bracco, Commissioner and Vice President of the Park Board; William Hamilton, Assistant Superintendent of Revenue Facilities of the Park District; James Hunter, FSEC Chair, and Neil Weisman, O.P.R.F.H.S. faculty member.

Minutes

The Finance Committee minutes of January 15, 2009 were accepted, as presented.

Construction Update

Mr. Gary Balling of the Park District of Oak Park made a presentation to the Finance Committee members regarding the Master Plan of Ridgeland Commons, a 45-year old facility; it was built in 1962 and originally had an outdoor ice rink.

In the development of the master planning of Ridgeland Commons, it was determined that the first area of business would be to determine the condition of the building. Thus, a consultant was hired who found the facility to be obsolete. As such, the Park Board's master plan includes exploring three different scenarios, as noted on a flyer distributed to the Committee members.

The three scenarios were:

- 1) repairing and replacing the existing facility;
- 2) replacing the existing facility with new spaces for new programs; or
- 3) replacing the existing facility with new spaces, including those possible only with a successful partner agency contribution.

To determine whether the community had an interest in a more visionary facility, the Park District utilized focus groups, e.g., the local high schools, affiliate organizations of the Park District involved in the facilities, a community survey conducted in 2004, etc.

The same company that built the Library is working with the Park District. The Ballard King Company is doing the marketing report which will provide the cost of operation of each of the three proposals. A corporate construction services firm, owned by a local resident, will provide the Park District with the cost magnitude of construction. A community meeting to be held on February 25 will discuss the process to date and brainstorm on the ideas, market analysis, etc. Bubble diagrams will be used to show if Ridgeland Commons were rebuilt, how large a footprint would be needed to accommodate the various proposals' ADA, safety compliance issues, etc. While everything is conceptual at this point, items that might be considered for a visionary facility could include indoor walking track, weight room, soccer, lacrosse and an aquatic facility. The ice area is presently 15 feet short of being an official size for hockey. Mr. Balling stated that the Park District is an issue for everyone in the village and there is an interest in looking at the parking facility as well.

Mr. Bracco acknowledged the large amount of work that had already gone into the process and that more community meetings will probably be planned. The Park District is looking at partnerships; the community does not want to limit itself on what this facility could be and how it could impact everyone. He is very excited about the process.

Discussion ensued. Mr. Conway was informed that Proposal I would cost approximately \$10 million dollars and would carry forward another ten to fifteen years.

Q: In what condition is the roof?

A: While the walls of the facility are sound, much energy is lost through the present roof.

Q: If the building were rehabbed, would the pool continue to be open air?

A: Yes, in scenarios one and two. However, the industry standard is now to have both interior and outside pools.

Q: Are these scenarios able to be handled financially through the Park District and the funds it collected from its referendum?

A: The referendum was to renew the parks and provide \$10 million for the rehab of Ridgeland Commons, i.e., affordable debt would be issued. Any other plans would require additional resources.

Mr. Rigas was happy to work with the Park District, as the high school wants an aquatic center. It is something that was analyzed three or four years ago because the high school's pools are not a competitive size, i.e., (the depth and the width of the pools are not official for water polo), and there is no warm up space available. New facilities now have eight-lane wide pools.

Mr. Conway felt this was a time for the community to work together for its common good, a great opportunity to work together on a much needed facility. The high school is used seven days per week and there is a facility across the street that cannot be used. Mr. Rigas stated that while the high school has no need for the ice rink, it needs replacement. Of note was the fact that, at one time, the high school did hold PE classes there. The high school uses Ridgeland Commons for marching band. Mr. Balling stated artificial turf will be considered, that will

prohibit a dog park at that location. However, Maple Park and Taylor Park have been identified as dog parks.

Mr. Balling noted that Fenwick High School has an interest in the ice arena. Both Mr. Lanenga and Gerry Lorden of Fenwick sit on the advisory committee for the purpose of helping to guide the Park District through this process.

Q: In terms of the facilities and the programs, does the Park District track the cost for programming changes to the budget?

A: Yes, it is part of the study. Its goal is to pay for direct and indirect costs.

Q: Is the township for senior services part of the discussion.

A: Yes, along with the Oak Park Area Arts Council.

Life Safety Amendment

While not in attendance, Mr. Lanenga had provided written information explaining that the athletic field adjacent to the Stadium and utilized as a physical education teaching station has extensive damage due to its age and heavy usage. This condition is creating a serious hazard for potential injury to students using the field. The continued use of this field is contingent upon replacement of the present artificial turf surface. Discussion ensued.

Q: The removal of the turf is not part of the request for authorization. It says the total cost is \$626,275 and the District needs to raise \$350,000 through either levy or Fire Prevention Safety or bonds.

A: While clarification will be sought from Mr. Lanenga upon his return, Ms. Witham added that the high school will not be issuing bonds for this project.

Q: How will the balance be paid? In the budget, \$1 million is set aside for Life Safety and that money is already earmarked for projects listed in the five-year plan.

A: Funds were made available after reviewing priorities within the Operations and Maintenance and Life Safety Funds.

Ms. Patchak-Layman suggested that since the stadium lights had been disapproved by the ZBA, the Huskie Boosters might fund part of this project through the funds they had dedicated for stadium improvement. Dr. Millard clarified that the Huskie Boosters decides how to spend its money. Understanding that, Ms. Patchak-Layman still felt that because they had funded many things that were part of the stadium, and if it meant that the high school were able to do more educational improvements, e.g., science labs, it might be helpful to have that conversation regarding the Stadium's improvement. Mr. Rigas suggested she talk with Mike Gibbs, chair of the Huskie Boosters.

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the Life Safety Amendment at its regular February Board of Education meeting under the Business Section and obtain further clarification from Mr. Lanenga.

TIF Reports

Ms. Witham provided the Finance Committee with a written report on the TIF's. She included a background section noting that there were three Tax Increment Financing (TIF) districts within the boundaries of the Village of Oak Park and one within the Village of River Forest. The Oak Park Downtown TIF was due to expire in 2006, but the Village of Oak Park had the option to extend the TIF until 2018. Without a revenue sharing agreement, the extension of the TIF beyond 2006 would have seriously affected the financial stability of District 200 and Oak Park Elementary District 97. Consequently, Districts 97 and 200, and the Village of Oak Park jointly entered into an Intergovernmental Agreement (IGA) to mitigate the negative impact of the extension of the Downtown TIF. This agreement provides for a "carve out" of redeveloped property from the TIF area at various intervals over the length of the extended TIF. In addition, it provided an EAV "carve out" of \$26 million in advance of the original 2006 expiration. The IGA provides the two districts with additional tax revenue in advance of the original 2006 expiration date and a sharing of revenue throughout the twelve-year extension.

Ms. Witham provided the following chart:

Description	Expiration Date	Incremental EAV	Distribution Amount
OP Downtown	2018	(2004) \$48,626,414	\$272,080
OP Madison Street	2018	(2004) \$12,082,584	\$91,541
OP Garfield	2016	(2004) \$128,922	0
RF Town Center	2009	(2006) \$48,633,149	\$119,405

Ms. Witham also noted that the Villages of Oak Park and River Forest are required by State Law to convene an annual meeting of the Joint Review Board (JRB) for each TIF District. River Forest held its JRB meeting on November 15, 2007, and Oak Park held its JRB meeting on January 26, 2008. A copy of each report was attached for the Committee's review.

The Village of Oak Park is preparing to meet the obligation of the IGA for the 2007 tax levy. According to the provisions of the IGA, the Village of Oak Park is required to carve out \$20,345,170 of incremental EAV property value or pay the cash value of the EAV as a general obligation of the Village. The Village of Oak Park has advised the administration that it intends to pay the cash value rather than carve out the EAV at this time. The additional EAV will be carved out next year. The value of the EAV, according to the provisions of the IGA, is \$709,579.

The District has already filed the 2007 levy and had anticipated the additional EAV in the calculation. The impact on the levy will be a proportional reduction in anticipated revenue that will be spread across all of the funds that contain a levy.

Ms. Witham reported that the administration will continue to cooperate with District 97 and the other tax bodies in monitoring the IGA provisions and will keep the Board of Education informed of the developments.

Ms. Patchak-Layman noted that the Village of Oak Park was voting that evening on this. It is carving out \$4.8 million in EAV and it has said that this was discussed with representatives of

the school districts who said they were agreeable. She was concerned that the process was revenue neutral. Ms. Witham responded that it should be revenue neutral for the high school, but may not be for taxpayers. When new EAV comes in, it changes the dollar paybacks for all the property tax holders; when there is more EAV, it lessens the tax burden for the property owners. Mr. Rigas added that the Village has the right to do this. Ms. Patchak-Layman responded that the Village increased the amount of the EAV within the TIF District by \$9 million at the time of the assessment, which was not part of any agreement, and it did not need to carve out as many properties because of the triennial assessment. Mr. Rigas reiterated that the high school has no control over it. Ms. Patchak-Layman wanted pressure exerted on the Village to have quarterly meetings to check on administrative spending, which she knew was a concern of the Board of Education. She continued that the monies from any referendum since the time of the agreements should be distributed among the taxing bodies.

Ms. Witham responded that the TIF only gets the high school's tax. The reassessment does not generate additional revenue for anybody. The Board of Education at the time of the agreement said it was not interested in specific developments, just the EAV dollar amounts. Ms. Patchak-Layman responded that if individual stated properties were on the books rather than carve out amounts, the Village would have higher EAV property than when the agreement was signed. Ms. Witham responded that another scenario would be that the individual properties may not have been built. The Whitco building that is only partially built, and is not available for carve out now. While the high school underestimated the EAV incremental value, it overestimated its limiting rate. The District will still get a rate of \$3.40 versus \$2.71 that is the current limiting rate, i.e., the District will get a rate of \$3.40 instead of \$2.71 on the \$21 million.

This is for informational purposes only; no action is required.

Childcare Fees

Ms. Witham provided written information to the Finance Committee members as follows:

“The District Childcare Center (the Center) is experiencing increased demand from students and staff for childcare services for infants. The Center is presently at capacity in the infant room and has a waiting list of 17 names; five individuals on the waiting list are teenage students with delivery dates this spring. This issue has been particularly difficult this winter for staff members who could not find infant care for their newborn children. It is anticipated that there will be a significant issue concerning service to teens versus service to employees for childcare services next fall unless the program is expanded. There are already ramifications concerning this issue. A staff member recently expected to place his newborn twins in the Center's infant care program. He was unable to do so because the Center is limited in the number of infants it can accept and the program is full. The couple searched for childcare for several months and was unsuccessful. As a result, he hired one of the Center's daycare teachers to provide care in his home. This has left the childcare center with an unexpected staff opening mid-year. In addition, due to uncertainty about the future, a parent who is on the waiting list is attempting to hire on of the other Center teacher's to care for her infant in her home. Several faculty members are very concerned about care for their infants next fall and they need to know as soon as possible if an opening exists in the program. A possible conflict of interest may exist concerning the reporting

of childcare needs for students versus the availability of childcare for staff members because the TAPP children have first priority.

“Now that the average age of the OPRFHS faculty is younger than it has been in a decade or so, an obvious ramification is a need for quality daycare for the children of our staff members. The District is at a crossroad concerning childcare services for students and staff and the administration needs further direction concerning priorities and capacity.

Current capacity and waiting list totals

<i>Level</i>	<i>Capacity</i>	<i>Current enrollment</i>	<i>Waiting List</i>
<i>Infant</i>	8	8	17
<i>Toddler</i>	8	7	0
<i>Preschool</i>	10	5	0
<i>Total</i>	26	20	17

Five of the names on the waiting list are female students with delivery dates this spring.

SUMMARY OF FINDINGS

“The current capacity levels and student/teacher ratios of the Center are calculated based on the square footage of the current space. Additional space would be required in order to expand the enrollment of the Center. The administration has reviewed additional space in close proximity to the current Center and has identified a possible solution. This space would require minimum modification to its structure. The Department of Children and Family Services (DCFS) has evaluated the proposed space and the DCFS representative has given verbal approval of the space if one wall is removed.

“The additional space would add much needed square footage for the program and significantly improve the flexibility of the program year to year. The space would be one large room that could be configured into different classrooms using equipment and furniture as barriers. The openness of the room would permit flexibility from year to year to change the space to meet the needs of different age groups.

“Infants that enter the program typically remain with the program until age five, unless they are TAPP children. Therefore, the program would need to change over time in order to accommodate these students. As children get older, the required student to teacher ratio increases. With the additional square footage, the administration could change the student to teacher ratio and add a level between toddler and preschool. Below is a chart of current student to teacher ratios and class levels versus a possible new structure.

Level	Current Capacity	Student/Teacher	Proposed Capacity	Student/Teacher
Infant	8	4:1	12	4:1
Toddlers	8	4:1	10	5:1
Two's	0	0	8	8:1
Preschool	10	10:1	10	10:1
Full Capacity	26		40	

“The new age groups would be: Infants, 6 weeks to 15 months; Toddlers, 15 months to 23 months; Twos, 24 months to 3 years; and preschoolers, 3 years to 5 years.

“The Center would require the following additional furniture and equipment.

2 cribs	\$400.00
2 mattresses	100.00
2 evacuation cribs	800.00
1 changing table	500.00
6 highchairs	600.00
1 play enclosure	175.00
Misc. equipment & toys	500.00
Refrigerator	500.00
Remove one wall	2,500.00
Total	\$6,075.00

“The following spreadsheet titled OPRFHS Huskie Pups Childcare Center, lists the proposed number of students and projects their movement through the classroom levels over the next three school years. It would be necessary to add one teacher to the program in order to offer space to 14 additional children. As you can see from information on this spreadsheet, the viability of the program would actually increase due to maximizing the student/teacher ratio and running a more efficient program overall. With the new configuration and the proposed rates, the administration projects that the Center will be much more likely to achieve positive financial results in the future. The administration will adjust teacher staffing and enrollment by level accordingly each year in order to meet the needs of the students and to meet the financial needs of the District.

“The District has gathered information from other day care centers concerning tuition. This information is provided in the Table titled Childcare Center Proposed Rates for FY 2009.

“RECOMMENDATIONS

“The recommended rate changes are an increase for infants of \$10.00 per week; toddlers would be \$5.00 per week; two-year olds would decrease by \$10.00 per week and preschool would not change.”

	2007 – 2008	2008 - 2009
<i>Infants</i>	\$235.00	\$245.00
<i>Toddlers</i>	\$235.00	\$240.00
<i>Two year olds</i>	\$235.00	\$225.00
<i>Preschool</i>	\$200.00	\$200.00

Discussion ensued. Mr. Rigas reflected that the budget shows that the childcare center will show a profit over the next three years and it was at a breakeven scenario over the past several years. Ms. Witham added that the budget shows that if the program were expanded, it could maximize

the student/teacher ratio that makes it possible to be profitable; however, if just one of the employees selects the PPO insurance option, that could change the profitability picture.

Q: Are the Childcare staff part of the union? How is that related to the union pay scale?

A: The Childcare staff is a non-affiliated group, but are comparable with market rate salaries; they also have health insurance benefits.

Q: What do students pay to have their child placed in the Childcare Center?

A: Students of babies in the Childcare Center pay \$40 per year and the state pays the school \$165 per week.

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the childcare fees for the 2008-09 school year, as presented, on its consent agenda. Mr. Rigas added that the teacher population is young and there is a large need for infant care; this is a significant benefit to teacher retention. Mr. Hunter concurred.

Dr. Weninger noted that the current area of the Childcare Center is not the best for the overall program expansion, so the administration is looking at alternatives.

Student Fees

It was the consensus of the Finance Committee members to recommend that the Board of Education approve Student Fees for the 2008-09 school year, as presented at its regular February Board of Education meeting.

Ms. Witham provided the following information. “On an annual basis, the administration reviews the student fee structure and makes a recommendation to the Board of Education for the next school year. The review of the fee structure involves an analysis of the projected cost of providing certain services to students.

“The administration has reviewed the fee structure of the current student fees and has found increased costs in the areas of driver’s education and transcript fees for senior students. Please refer to the table titled Student Fees.

“On the attached spreadsheet titled Drivers Education Department Analysis of Annual Costs provides an analysis of the cost of providing drivers education services to sophomore students. The cost per student is \$681.97. This analysis assumes that the legislature will approve the instructional waiver approved by the Board of Education in January. This waiver will maintain the current level of behind the wheel training rather than implementing the required increase.

“The cost of providing transcripts to colleges and universities for graduating seniors continues to escalate. The District presently processes and mails an unlimited number of transcripts per student for a one time fee of \$5.00, which is included in the senior registration fee. The average number of transcripts mailed per student is now six. In addition, the District will continue to provide transcript mailing services to families. It will cost the District \$11.005 per transcript in fiscal year 2007 – 2008. The District mailed approximately 4,000 transcripts last year.

The District has contracted with a third party vendor to provide a new service to families. This on-line service will provide transcripts to colleges and universities electronically for a fee of \$5.00 each. Families will be able to access this service via a link on the District web site.

“The District administration recommends that the student fees for sophomores increase by \$25.00 to cover the increased costs in Driver’s Education services and \$5.00 for seniors to cover the increased costs in providing transcripts.

“Recommended Fees for the 2008 – 2009 School Year

Description	2007 – 2008 School Year	2008 – 2009 School Year
Freshmen	\$85.00	\$85.00
Sophomores	\$220.00	\$245.00
Juniors	\$75.00	\$75.00
Seniors	\$90.00	\$95.00
Pay to Play	\$50.00	\$50.00
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Dr. Weninger added that there is a movement in Springfield in the following days on Drivers’ Education waivers. While the Government Relations Committee can recommend denial of a waiver, it has done that only once in the history of waivers. The Secretary of State is not happy with the submittal of the waivers, because he initiated the proposal. There is also a revision to the administrative code that governs operations of school districts after laws are passed and it is extensive to Drivers’ Education. O.P.R.F.H.S. has contacted the other nine school districts and Dan Kleinfeldt and Jennifer Roth will attend committee meetings in Springfield. The high school will not know before May if the waivers will be approved or denied. If the waivers are denied, there will be a larger problem.

Q: Because the State pays for Test Preps, Explore and Plan Tests, will the high school be able to delete or reduce these line items.

A: The State is paying for PLAN tests administered to tenth graders and EXPLORE tests administered to ninth graders. O.P.R.F.H.S. administer the PLAN test to ninth graders and the EXPLORE test to eighth graders, like many of its peer districts. State Superintendent Koch recently indicated that there are discussions at the state level that might allow funding to pay for eighth grade EXPLORE testing in the 2008-09 school year, but that funding is not available this year.

Q: If Drivers’ Education were not offered, how many PE teachers would be needed to accommodate these students?

A: It would be difficult to ascertain because it would depend on course selections by student and scheduling issues.

Monthly Financials

The Monthly Financials were provided to the Committee as an informational item. No discussion occurred.

Treasurer's Report

The Treasurer's Report was provided to the Committee as an informational item. No discussion occurred.

Adjournment

Financial Committee meeting adjourned at 8:46 a.m. on Tuesday, February 19, 2008.