A Finance Committee meeting was held on Tuesday, September 16, 2008. Chair John P. Rigas called the meeting to order at 7:36 a.m. in the Board Room. Committee members present were Jacques A. Conway, Dr. Ralph H. Lee, Dr. Dietra D. Millard, Sharon Patchak-Layman, and John P. Rigas. Also present were Dr. Attila J. Weninger, Superintendent; Cheryl L. Witham, Chief Financial Officer; and Gail Kalmerton, Executive Assistant/Clerk of the Board.

Visitors included Kay Foran, Communications and Community Relations Coordinator; Doug Wiley, Supervisor of Finance; Cindy Milojevic, Assistant Principal for Student Activities; and James Paul Hunter, OPRFHS Faculty Senate Executive Committee Chair.

Acceptance of Finance Committee Minutes of August 21, 2008

The Finance Committee members accepted the August 21, 2008 Finance Committee Minutes, as presented.

Construction Update

There was no construction update.

VIP Contract

Ms. Milojevic had provided the following information to the Committee members:

“VIP is a professional photography company that has taken photos at OPRFHS for many years. Specifically, it provides the following services to OPRFHS:

- take senior portraits for the yearbook;
- take photos of all freshmen, sophomores and juniors for the yearbook;
- provide digital images to yearbook staff of all students (freshmen-seniors);
- take School ID’s and produce ID cards;
- take staff yearbook photos and staff group shots;
- offer portrait packages for sale to families who desire them;
- take candid photos at 50 large school events for Student Activities;
- take photos of all athletic teams;
- take candid photos at sporting events;
- provide Student Activities and Athletics with disks of photos for slideshows, etc.;
- Take prom portrait photos;
- Take photos at Homecoming and King of Heart Dances; and
- Provide 30 large print photos for halls."
“The Board of Education must approve all contracts that provide free goods and services to the District. These contractual arrangements are also disclosed in the ISBE Annual Financial Report (AFR).

“The contract between VIP and OPRFHS defines the services that VIP offers, as well as the “value in kind” to OPRFHS as a result of the contract. The 2008-2009 contract was reviewed by Michelle Carrow, John Stelzer, and Cindy Milojevíc. See below for the value of goods and services last year to OPRFHS as a result of the contract/agreement:

<table>
<thead>
<tr>
<th>ESTIMATED VALUE 2007-2008</th>
<th>RECIPIENT</th>
<th>USE OF REVENUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td>Athletics</td>
<td>Spirit Activities, Banners, T-Shirts and Signs</td>
</tr>
<tr>
<td>$6,800</td>
<td>Tabula</td>
<td>Yearbook Camp, Camera Equipment, Computers, Computer Software</td>
</tr>
</tbody>
</table>

It was noted that students who do not sit for their graduation photos do not have their pictures in the yearbook. Students are not charged a sitting fee for pictures to be included in the Tabula. However, they are charged a $25 fee if they choose to sit for six previews, which may include changes of clothing, etc. Committee members were concerned that students may not realize their choices and asked for that to be clearly stated in any relevant information.

It was also clarified that the contract stipulates that the high school may not hire another firm to take graduation photos, etc. However, others, e.g., parents, newspapers, etc., would not be prohibited from taking pictures.

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the contract for professional photography services with Visual Image Photography at the Special Board Meeting following the Committee meeting on September 16, 2008.

**DJ & Entertainment for Homecoming**

Mr. Rigas noted that no contract had been presented with the Finance Committee Packet nor with the Special Board Meeting packet and that the Board of Education could not approve a contract without seeing it. Ms. Witham explained that due to new regulations, this contract needed Board of Education to approve because the value was over $10,000. It was the consensus of the majority of the Finance Committee members to place this item on the agenda for the Special Board meeting scheduled for Thursday, September 18, 2008. Ms. Milojevíc reminded the Board of Education that Student Council pays for this out of its funds. Ms. Milojevíc presented the following information in the packet:

“The Homecoming Dance is a long-standing tradition at OPRFHS, eagerly awaited and largely attended. Each year, the majority of the ticket price ($15 per student) is used to defray the operating cost of decorations and the DJ with the thinking that the main purpose of the dance is to provide an opportunity to bring the student body together as a community.
“This year, the Student Council officers have selected a DJ, BOOM Entertainment, who provides expanded services; DJ music combined with an extraordinary light show to modify the Field House into an “Extravaganza.”

“The DJ package also includes the availability of a light show Friday night at the new Homecoming Block Party, as well as management of a website especially for students. The website offers students: online balloting for Homecoming Queen, the ability to submit song requests in advance of the dance, promotion of the dance and the ability to purchase photos after the dance. With the added promotion and excitement, Student Council feels that attendance at the dance will increase significantly.

“Last year the attendance record was broken with 1,600 students at the dance. This year, Student Council hopes to have 1,800 or more attendees. If $10 of each ticket (10 x 1,800 participants) were used to cover cost, the total collected would be $18,000. That leaves a remainder of $5.00 from each of the 1,800 participants, $9,000, that Student Council plans to use to support other school wide initiatives and to donate to charity. (As a point of comparison, last year, $15,000 was spent on decorations, and the DJ was an additional $1,500.)

“Boom Entertainment contract summary
- DJ
- Light Show
- Sound
- Entertainment $15,195 (slight increase from last year)
- Website creation and Management $ 1,295
- Friday Night Block Party $ 1,600
- Percussionist $ 795
- TOTAL $18,885

Dr. Millard questioned the charge for the drummer, noting that $800 was extremely high. Ms. Milojevic noted that she would address this with the vendor.

Contracts – Physical Therapist, Occupational Therapist, and Psychologist

It was the consensus of the Finance Committee members to recommend that the Board of Education approve the contracts with the independent workers for social work services, physical therapy, and occupational therapy services, as presented (attached to and made a part of the minutes of this meeting) at the regular September Board of Education meeting. Ms. Witham noted that these contracts were developed by the District’s attorney.

TIF Report

Because Ms. Witham was meeting with the Village at 2:00 p.m. that same day on the status of the TIFs, the Finance Committee members asked that this discussion be continued at the Special Board Meeting on Thursday, September 18, 2008. Ms. Kalmerton will adjust the agenda for that meeting. Ms. Witham provided the Committee members with an update of the Tax Increment Financing (TIF) with the Village of Oak Park. In her written explanation, she provided the following information:
“The District benefits from three separate TIF agreements with the Village of Oak Park. Two of these agreements are District 97 settlement agreements with the Village of Oak Park related to the Oak Park Downtown TIF and the Village of Oak Park Madison Street TIF. These two agreements provide annual cash distributions from the two TIF’s. All Oak Park Taxing Bodies benefit from these two agreements.

“The third agreement is the Oak Park Downtown TIF Intergovernmental Agreement between Village of Oak Park, District 97, and District 200. This agreement provides carve outs of incremental EAV from the Downtown TIF at pre-arranged intervals until the expiration of the TIF in 2018. A pre-arranged carve out of $20,345,170 in EAV was scheduled to be released in February 2008 in order to impact the 2007 levy. The Village of Oak Park elected to carve out $4,863,265 of incremental value and to pay the remaining value in cash. The Village advised District 97 and District 200 of this election approximately one week before passing the ordinance. The 2007 levy had already been filed in December and therefore could not be changed by District 97 and District 200.

“The Village of Oak Park has not met the requirements of the two settlement agreements with District 97. On two separate occasions, a Village staff member has advised District 97 and District 200 that the payment had been sent to Cook County for distribution. However, the payment has not yet been received from Cook County. The Village now advises District 200 that this matter will be discussed with the two districts on September 16, 2008 and not before.

“Although the Village intended to carve out incremental EAV of $4,863,265 only $2,772,345 was actually carved out. The EAV shortfall is now $17,572,655. The cash value of the EAV is a general obligation of the Village and is due to the taxing bodies.”

Ms. Patchak-Layman noted that the Village is now charging parking fund expenses to the TIF, i.e., using TIF proceeds to help pay for the bonds it issued. Ms. Patchak-Layman added that the Village has the ability to extend the TIF if there are still outstanding obligations. It was noted that the Village’s debt to the school districts is consider a “General Obligation” and must be paid. Dr. Weninger reported that the Village informed the high school that it would no longer pay for a police officer to attend any evening events. Mr. Rigas felt that was a poor choice for the Village to make.

Ms. Patchak-Layman asked if this were the first cash payout that had transpired, as opposed to property being released from the TIF. Ms. Witham responded that it was the first time and there had never been a discussion as to the number of properties that would be released, only the amount of EAV that was due the District. Ms. Witham commented that the Village will have the same general obligation next year plus CPI or it will have to carve out property. Ms. Sharon Patchak-Layman noted that the amount of property tax being collected is diminishing, as many properties are vacant.
FY 2009 Final Budget Update

The FY 2008 – 2009 Tentative Budget was approved by the Board of Education at the August 21, 2008 Special Board of Education Meeting. The Final Budget will be presented at the Regular Board of Education Meeting on September 25, 2008, and a Public Hearing will be held. The Board of Education will then adopt the Final Budget.

Ms. Witham provided information regarding the FY 2008-09 Final Budget, noting that there had been several changes to the Tentative Budget. They are:

1. An adjustment of the levy based on the final Cook County Levy report received on September 3, 2008.
2. An amount of $612,887, the estimated value of the TIF carve out, is a result of a reclassification from the Property Tax revenue category to Other Local Sources of revenue. The Village of Oak Park decided to pay the value in cash rather than carve out the property from the TIF.
3. Minor adjustments to several grant expenditure categories.
4. The addition of an ERO penalty of $159,000 to the General Instruction expenditure category.

Financial Reports and Check Distributions

It was the consensus of the Finance Committee members to recommend to the Board of Education that it approve the September 16, 2008, check disbursement listings as presented at the Special Board Meeting immediately following the Finance Committee meeting.

Old Business

Because John Allen had requested a further discussion on the budget information, the Committee tabled this item until a later time.

Adjournment

At 8:16 a.m., the Financial Committee adjourned.