A Finance Committee meeting was held on May 18, 2015. Chair Cofsky called the meeting to order at 8:37 p.m. in the Board Room. Committee members present were Thomas F. Cofsky, Fred Arkin, and Sara Dixon Spivy. Also present were Dr. Steven T. Isoye, Superintendent; Tod Altenburg, Chief School Business Officer; Michael Carioscio, Chief Information Officer; David Ruhland, Director of Human Resources; Interim Director for Pupil Support Services; Philip M. Prale, Assistant Superintendent for Curriculum & Instruction; Sheila Hardin, Faculty Senate Executive Committee Chair;

Contracts/Renewals
Contract with Menta
The Finance Committee unanimously moved the memorandum forward to the full Board of Education at its regular April meeting regarding the development of a service agreement with the MENTA Group, which would include the location, the range of services, the costs for the services, and the roles and responsibilities of OPRFHS and MENTA staff for students needing educational and social emotional supports in an off-campus setting. Staff had researched the course offerings and quality of instruction that MENTA schools offered. Site visits were conducted and its costs were compared against the costs of other off-campus sites. The contract would be $61,180 plus the daily rate of services for between 6 and 12 students. The location would be within the boundaries of the district. Board of Education members will be interested in the quality of service as well.

NIIPC Rollover of Primary Vendor and Bread Supplier Contract
The Finance Committee unanimously recommended that the NIIPC Rollover of the Primary Vendor and Bread Supplier Contract, as presented in the packet, be moved to the Board of Education for approval at its regular May meeting.

Audit Engagement Letter
The Finance Committee unanimously recommended that the Audit Engagement Letter from Baker Tilly Virchow Krause, LLP be approved to the BOE for approval at its regular May meeting, as presented.

Hotel Contract
The Finance Committee unanimously recommended that the hotel contract with Hyatt Regency in Chicago for Prom 2016 be moved to the Board of Education for approval at its regular May meeting.

Other
PMA Network Cash Flow/Investment Reports
The Finance Committee received the Investment Services and Cash Flow Analysis report from PMA Financial as an informational item. This will not move to the full Board of Education. The report contained PMA background and experience information, as well as a cash flow analysis (revenue and expenditure), PMA’s investment strategy and guidelines were provided. Included was a performance
report showing the fixed rate portfolio allocation and historical yields. Reducing the levy will affect PMA’s recommendation, as does the uncertainty at the state level. On the August 1 tax due date, PMA will look at the 3-to-5 year rate of return on OPRFHS’s investments. This is the seventh year that OPRFHS has received the Meritorious Budget Award.

**Boiler Chimney Demolition**

The Finance Committee unanimously recommended that the informational report regarding the chimney be moved to the Board of Education at its regular May meeting. The report speaks to the possible demolition of the 1921, 150-ft. tall masonry chimney. The chimney has no purpose due to the fact that high efficiency boilers were installed and require a smaller stainless steel exhaust fume. To restore the chimney would cost $800,000, but the estimated cost of demolition would be $300,000. A study was commissioned and being given to the Village of Oak Park and the Hemingway District and Preservation Committee. A request has been made to move forward in the normal bid process of November 2015. Structurally the chimney was unsound and Mr. Zummallen was worried about student safety. In 1988, steel bands were added to the top 12 feet of bricks, thus it was not the original chimney. No roof or hazardous materials issues are involved. If the demolition were approved, it would be completed in the 2016-17 fiscal year. Dollars had been earmarked for this expenditure in the budget.

**2016 Capital Improvement**

The Finance Committee unanimously recommended moving forward the 2016 Summer Capital Improvements in the amount of $4,309,866 to the Board of Education for approval at its regular May meeting.

The list of improvements included:
- Replacement of air handlers, masonry restoration, technology infrastructure, replacement of the building generator which is 46 years old,
- Refurbish the auditorium sound system,
- Room 291 improvements which include chemical hoods, biological hoods and incubators to accommodate classroom programs for science
- Upgrades of the security camera system and additional DVR storage for new cameras.

**Resolution to Appoint School Treasurer**

The Finance Committee unanimously recommended moving forward the appointment of Tod Altenburg as School Treasurer for a period of two years to the Board of Education for approval at its regular May meeting.

**Monthly Financials**

The Finance Committee unanimously recommended moving the Monthly Financial Report forward to the Board of Education for approval at its May meeting.

**Monthly Treasurer’s Report**

The Finance Committee unanimously recommended moving the Treasurer’s Report forward to the Board of Education for approval at its May meeting.
Additional Finance Matters for Committee Information/Deliberation

Budget Process
This was a reminder that the 2015 fiscal year ends June 30, 2015. The budget for the 2014-15 fiscal year was approved September 2014 and amended April 2015. A draft of the preliminary FY 2016 will be presented in June. Having an amended budget is a practice, not a requirement.

PMA Long-term Staffing
PMA has a tool that uses critical assumptions for its financial projections. Its assumptions include classroom teachers and student enrollment, but not support staff. The average classroom FTE used is 15.8 which is based on the number of classroom staff, inclusive of special education, and dividing that by the number of students. Going forward, PMA suggested identifying on-campus special education students and then matching them with special education teachers to get closer to the regular education student to teacher ratio. Off campus students still use a faculty members, i.e., counselors, etc., so those needs must be accounted for in the numbers. Special Education support workers i.e., psychologists, social workers, program chairs and counselors, etc., were not included in the number of FTE. Based on the Ehlers & Associates enrollment report, 450 more students will attend OPRFHS over the next 5 years, so 30 additional classroom staff will be added. Other than the additional support staff that the Board of Education approved at its April 23 meeting, the FTE was the same. PMA must identify the specific needs and determine when to add more support services. The PMA model assumes status quo if the ratios are maintained. Staffing is based on registrations and needs in any given year, and that does not always align with maintaining class size. Hiring decisions are not always made to maintain a 15.8 average FTE or the PMA projections. Another factor that must be considered with larger enrollment is how will the school handle athletics and activities, lunches, etc.?

One committee member was concerned that while not all necessary personnel were included in the model, the enrollment was below what was anticipated. Dr. Isoye asked that committee members send their exact concerns to him so that the Board of Education can have a full discussion on this at its financial retreat.

Legislative Matters
Mr. Altenburg reported on legislative matters that could affect OPRFHS. One was a bill sponsored by Jack Franks out of Woodstock regarding the redistribution between taxing bodies and taxpayers. Another was Senate Bill 1 which would negatively affect OPRFHS by $1.8 million over 4 years through the loss of state funding. OPRFHS anticipates a pension shift and has included .05% or $150,000 per year in its projection model.

Adjournment
At 10:26 p.m., Mr. Cofsky moved to adjourn; seconded by Mr. Arkin. A voice vote resulted in motion carried.

Submitted by
Gail Kalmerton
Clerk of the Board of Education