

**PERU PUBLIC SCHOOLS DISTRICT 124 BOARD OF EDUCATION
FINANCE COMMITTEE MEETING MINUTES
PARKSIDE SCHOOL CONFERENCE ROOM
THURSDAY, MARCH 11, 2010, 4:30 P.M.**

Present: Mark Lamboley, Jim Renk and Cindy Gustat

Others Present: Mark Cross, Mike Vezzetti, Tiffany Kenney and Jeff Dankert

The meeting was called to order by Chairperson Mark Lamboley at 4:31 p.m.

- The Finance Committee heard a presentation from Mike Vezzetti of Vezzetti Capital Management regarding a proposal to manage the school district's investment accounts. VCM did this very successfully with the Parkside bond proceed accounts and Mr. Cross and Mr. Vezzetti have discussed doing this with other funds, particularly in light of the current financial markets. After the presentation and some discussion, the Finance Committee agreed to pursue this further with the Board of Education to consider starting this July 1, 2010.
- Mr. Cross presented the Finance Committee with an analysis of the potential impact on the school district from the state budget proposed earlier in the week by Governor Pat Quinn. A handout showed the district could lose \$689,000 in the Education Fund, \$255,000 in the O&M Fund and \$12,400 in the Transportation Fund, losses totaling over \$950,000. This will have serious implications for the school district, particularly if the state budget situation is not resolved soon.
- The committee further discussed options to lessen the impact on the school district's educational programs, while also utilizing existing fund balances for FY11. The committee reviewed some options presented and determined to recommend an increase in registration fees, consideration of tuition charges for out-of-district special education students who qualify for certain programs and to also implement the tired tuition proposals as the Board discussed last month. This could generate a little over \$150,000 in new revenue. On the reduction side, the committee agreed to pursue not filling a retiring teacher as well as eliminate two teacher aide positions, the half-time preschool position and some classroom and office supplies for a total potential reduction around \$145,000. Mr. Cross will communicate this information to the Board of Education and the staff, as well as prepare updated information for next week's Board meeting.
- The committee also reviewed and discussed FY10 salaries for all non-union positions or employees not already under a contract. Mr. Cross reviewed wages and salaries for FY09 and potential adjustments for these positions. After some discussion, it was agreed that the recommendation for any increases would not exceed two percent and some positions would be held the same as the previous year. Mr. Cross pointed out that retirements and some new individuals will likely result in an overall decrease in salary costs in these areas for FY11. Specific recommendations will be shared with the Board of Education next week.

Adjournment

MOTION by Member Renk, seconded by Member Gustat, to adjourn at 6:09 p.m.

Committee Chairperson

Superintendent