

**PERU PUBLIC SCHOOLS DISTRICT 124 BOARD OF EDUCATION
FINANCE COMMITTEE MEETING MINUTES
PARKSIDE SCHOOL CONFERENCE ROOM
TUESDAY, NOVEMBER 9, 2010, 5:00 P.M.**

Present: Mark Lamboley, Cindy Gustat, Jim Renk

Others Present: Mark Cross

The meeting was called to order by Chairperson Mark Lamboley at 5:04 p.m.

- The Finance Committee reviewed two proposals for the tentative 2010 tax levy. The proposed tentative levies are based on a net assessed valuation of \$188,000,000 and a resulting estimated tax rate range of approximately \$3.03 to \$3.10 per \$100 of assessed valuation. Mr. Cross noted a sharp decrease of around 3.4 percent in assessed valuation to around \$181 million is more likely, and that will have a major impact on estimated fiscal year 2012 revenues.
- Mr. Cross noted the revenues needed for each levy fund, and also provided a detailed 12 year history of the district's tax rates and extensions. Most of the funds need to remain at their maximum rate, while a couple of fund rates can be reduced to still collect the necessary revenues for operations. The committee discussed in detail the amount necessary for the Municipal Retirement and Social Security levies. Mr. Cross noted that these funds typically cause the most fluctuation in the tax rate, which overall has remained very steady.
- Mr. Cross also added that there is no property tax rate increase associated with the issuance of bonds for the construction of Parkside School, as the sales tax revenues continue to fund the debt service for the facility as planned. The Board of Education will once again abate the full amount of property taxes for payments on these bonds.
- After considerable discussion and analysis, the Finance Committee agreed to recommend to the Board of Education a tentative 2010 levy totaling \$5,697,800, excluding debt service, resulting in a total estimated tax rate of around \$3.07 per \$100 of assessed valuation when debt service is included. Mr. Cross pointed out that the actual extension will likely result in revenues of just under \$5.5 million, resulting in an actual decrease in revenues for FY12, even with a slightly higher tax rate.
- The Finance Committee agreed the proposed tax levy was the most responsible way to meet the school district's needs, while also being fair to the local taxpayers. The proposed levy will not require a Truth in Taxation Hearing, and will be presented at the November 17 Board of Education meeting. The final levy would then need to be approved at the December 15 Board of Education meeting.

The Finance Committee adjourned at 6:03 p.m.

Committee Chairman

Superintendent