

**North Boone Community Unit School District No. 200**  
Minutes of the Business Services Committee Meeting  
District Office  
6248 North Boone School Road  
Poplar Grove, Illinois 61065  
Monday, January 30, 2012  
5:00 p.m.

**CALL TO ORDER AND ROLL CALL**

The meeting was called to order by Chairperson Laura Zwart at 5:00 p.m. The following Committee members were present: Dr. Steven Baule, Mr. Tom Kinser and Mrs. Cathy Nelson. Absent were Ms. Emily Gregory, Mrs. Jeannine Plath and Mr. Mike Wesbecher. Dr. Sharon Olds and Mr. Don Ward were also present.

**AUDIENCE TO VISITORS**

(No Audience to Visitors)

**OTHER ITEMS FOR DISCUSSION**

2012-2013 Budget Development

Mrs. Nelson reviewed the FY13 Budget Timeline, a copy of which she distributed to everyone present at the meeting. She noted that the FY13 budget had to be approved no later than the September 24, 2012 Board meeting and submitted to the Regional Office of Education prior to September 30, 2012. She then introduced Mrs. Audra Scharf, Vice President of PMA Financial Network, Inc.

Mrs. Scharf presented the five-year financial projections for North Boone. These projections are an interactive planning process that can be updated or given different scenarios for use in:

- Budget Planning
- Trend Analysis
- Set Fiscal Policies
- Scenario Analysis
- Annual Update and Reassessment

Mrs. Scharf stated that PMA has 12 years of the district's audited financial reports. Assumptions turn into definite or actual numbers as they learn more throughout the year. The projects consist of the following data elements:

- Annual financial reports for past five years
- Most recent budget – base for financial projections
- Historical tax levy/tax extension reports
- History of equalized assessed valuations and new property values

- Tax collection history
- Current contract for certified staff
- Current scatter gram and FTEs
- Current salaries & benefits information
- Current student/staffing ratios
- Historical enrollment from Fall Housing Report

Mrs. Scharf stated that the district's CPI (Consumer Price Index) is limited to 5%. It is at 3% presently. It is difficult for PMI to make assumptions regarding state revenue because of its volatility so they conservatively made those assumptions lower. She also pointed out that the EAV (Equalized Assessed Value) affects the tax rate; when the EAV is lower, tax rates increase and vice versa.

Mrs. Scharf reviewed revenue assumptions consisting of General State Aid and categorical payments and expenditure assumptions consisting of staff compensation and benefits and expenditures for education, operation & maintenance and the transportation fund.

Mrs. Scharf and Dr. Baule agreed that there will be additional cuts in state transportation funding. The Committee discussed possible outsourcing of food service, transportation and maintenance and the possibilities of co-opting transportation among other things.

Dr. Baule asked the Committee if (1) they had any changes they wanted made to the assumptions and (2) their direction regarding a balanced budget. He also noted that the district would receive approximately \$13M in either FY13 or FY14 from the Capital Development Board.

Mrs. Zwart felt that the district has come to a point where it cannot balance the budget without decimating the district.

Mr. Ward supported Projection Summary – Scenario 2 because he felt the community would not understand why the budget couldn't be balanced.

Mr. Kinser preferred that any outsourcing be discussed at the Board level.

Mrs. Nelson informed the Committee that the state just released the district's first quarterly transportation payment last week.

Mrs. Zwart asked that PMA keep the Committee informed as updates to the assumptions are made.

Dr. Baule requested that Mrs. Scharf change the assumptions by increasing teacher salaries 3% only on the base for FY13 and FY14 and then flat for the remaining years.

### Miscellaneous

Pursuant to the Board's directive that the Committee stay abreast of any recent wind farm project developments, the Committee agreed that they were not aware of any new information at this time.

**ANNOUNCEMENTS**

The next Business Services Committee meeting was not scheduled at this time.

The meeting adjourned at 6:38 p.m.

Submitted by:

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Laura Zwart, Chairperson