



FINANCE COMMITTEE MEETING

Thursday, March 13, 2014

Center for Education
One South Virginia Road
Crystal Lake, IL 60014

MINUTES

Roll Call

Committee Members Present: Ann Somers, Dave Secret, Dr. Gary Oberg, Dr. Johnnie Thomas, T. Ferrier, Jeff Carr, Ted Wagner, Barbara Slusin, Jim Nelson

Discussion

- Approval of Previous Meeting Minutes
- Amended FY14 budget was presented and posted- Ms. Ferrier highlighted a few of the major items causing for the budget amendment:
 - a. The major item causing the amended budget is the district's recent \$10,000,000 Health Life Safety Bond sale.
 - b. Uncollected tax Levy revenues totaled approximately \$133,000. That said, at this point, the District is amending the budget to include a shortfall in revenue (to its original budget target).
 - c. According to reports from the State of Illinois, the District may receive \$89,000 of additional Corporate Taxes (CPPRT) revenues in excess of its original budget.
 - d. Fees and Activities revenues are estimated to exceed the original budget target by approximately \$1,000,000. This is primarily due to the review of Activity Funds and potential movement from Activity to District funds. As such, the budget variance anticipated related to revenue would include a subsequent/offsetting expenditure variance of \$1,000,000 (in Supplies and Materials) also.
 - e. On-Behalf Payments Flow Through revenues and expenditures are anticipated to exceed the original budget target by approximately \$1,075,000. This is a flow through item. As such, the budget variance anticipated related to revenue would include a subsequent/offsetting expenditure variance of \$1,075,000 also.

- f. Purchased Services expenditures are anticipated to exceed the original budget target by approximately \$1,580,000. A portion of the variance is due to grant adjustments that also included an increase to revenue; however, additional contributing increases include anticipated fees related to legal services, architectural services, and construction management services.
 - g. Supplies and Materials expenditures are estimated to exceed the original budget target by approximately \$1,150,000. This is primarily due to the review of Activity Funds and potential movement from Activity to District funds. As such, the budget variance anticipated related to expenditures would include a subsequent/offsetting revenue variance of \$1,000,000.
 - h. Capital Outlay expenditures are anticipated to exceed the original budget target by approximately \$3,090,000. A portion of the variance is due to budgeting for auditorium, priority 1, and priority 2 items for the Summer 2014 construction projects. Funds will not be spent on priority 2 items unless approved. Additionally variance is due to \$1,000,000 of technology infrastructure upgrades.
 - i. Other Objects expenditures are anticipated to come in under the original budget target by approximately \$435,000. This is primarily due to changes in special educational needs of students and therefore the requirement of less services.
 - j. Non-Capitalized Equipment expenditures are anticipated to exceed the original budget target by approximately \$998,000. A portion of the variance is due to budgeting for auditorium, priority 1, and priority 2 items for the Summer 2014 construction projects. Funds will not be spent on priority 2 items unless approved. Additionally variance is due to \$1,000,000 of technology infrastructure upgrades.
- Draft FY 15 Budget was presented and posted- A presentation was made by budget by fund with a five year ending comparison. This represented a balanced operating budget for FY15 and FY16 and was completed one year earlier than the Board's directive to balance the budget.
 - No other matters to be discussed
 - Motion to Adjourn