

MONTROSE AREA SCHOOL DISTRICT
FINANCE COMMITTEE MEETING
COMMUNITY LEARNING CENTER – JUNIOR/SENIOR HIGH SCHOOL
MEETING DATE JANUARY 21, 2009 7:00 P.M.

Mr. Chris Caterson
President, Board of Directors

Mr. Michael F. Ognosky
Superintendent of Schools

Finance Committee Meeting

January 21, 2009 Meeting began at 7:00 PM in the in the Community Learning Center of the Junior/Senior High School.

Board Members present included Chris Caterson, Pam Staats, Kathy Mordovancey, Julie Humphrey, George Gow, Doug Wilcox and Mary Homan.

Administrators present included Mike Ognosky, Lew Plauny and Craig Owens.

Please let it be noted that there were 2 members of the public present – Tax Collectors Dawn Fearnley and Sylvia Baker.

Mr. Plauny began with a review of the Salaries and Benefits budget and addressed any questions that were presented to him by board members.

- The Salaries and Benefits projected budget for 2009-2010 is \$15,933,193 as compared to a final approved budget of \$15,818,329 in 2008-2009, an increase of \$114,864, or, 0.7 %. The following items were highlighted by Mr. Plauny in the discussion:
 - ✓ There is currently \$2,584,587 budgeted for medical benefits, an increase of 12 %. This week the NEIU Health Consortium, of which we are a member, reported that the projected increase for next year will be only 6 %. That 6 % reduction in the projected costs will decrease the district expenditure for medical insurance by \$155,075. That amount is not yet reflected in the budget process and Mr. Plauny will make those corrections this week.
 - ✓ The Title 1 budgeted amounts for next year are reflected as “place holders” and the exact amount to be budgeted in each of those accounts will be finalized later in the process. The total amount expended in the budget in Title 1 is equal to the total amount of revenue received as required.
 - ✓ A question was asked regarding “High School Teachers Extra Duties” of \$700 on page 3. Mr. Ognosky reviewed that line item with Business Office personnel and that \$700 line item will be reduced to \$0. There was no money either budgeted and/or expended in this year’s budget process in that particular category.
 - ✓ A question was asked regarding “After School Hallway Teacher Extra Duties” of \$26,500 on page 4. Mr. Ognosky reviewed that line item with Business Office personnel and that line item covers the stipends for both the Cardio Room supervision and the Graphics Art after school hours and summer hours that are utilized by staff. As of January 12, 2009 \$7,282 has been spent in this budget year. The item did create confusion given the title of the entry – no money has been allocated to date for hallway supervision and none is planned.
 - ✓ A question was asked regarding the 3 line items on page 64 regarding Professional Stipends for Student Activities. The first line item of \$19,600 covers the following: Drama Club Advisors, Newspaper Advisor, Student Council Advisor, Senior Project Advisor, Video Club Advisors, SADD Advisor, Yearbook Advisor. The second line item of \$3,000 covers the various High School and Junior High School evening Choral and Band Activities. The third line item of \$7,800 covers the various stipends associated with the advisors for the Marching Band.
 - ✓ A question was asked regarding the increase reflected in the total amount of athletic coaches stipends for this year versus last year. Mr. Ognosky explained that last year was the first in which salaries for this area were placed in the budget by the individual budget manager. Being unfamiliar with the process, a

step was missed and some did not enter into the final total for last year. That procedural error was discovered in the process this year and all salaries have been accurately reported in the budget. A question was asked about the process by which those coaches received payment last year given the entry error that occurred. Mr. Ognosky discussed this situation with Mr. Gilhool and Mr. Gilhool explained that he was first aware of the error in the Fall when he reviewed the budgets for the 2009-2010 school year and noticed the increase in the coaches' salary from the prior year. When asked why it went unnoticed at the time of payment in 2007-2008 he explained that he does not issue the payment vouchers through the software system, but fills out a paper form supplied by the business office and returns it to the payroll clerk, who then enters the data in the software system. He took the amounts from the notes in the software, which were accurate amounts that hadn't been uploaded into the "totals column".

- ✓ A discussion was held regarding the Tax Collector request to increase the amount received per process bill to \$3.10 from the \$2.82 currently allocated. The members present agreed a motion to that affect be placed on the February Business meeting agenda. That requires an increase in the currently budgeted amount for 2009-2010 from \$45,000 to \$50,000 – a \$5,000 increase (page 49).

Mr. Plauny then reviewed the Other Smaller Budgets portion of the overall Budget and addressed any questions that were presented to him by board members:

- The Other Smaller Budgets projected budget for 2009-2010 is \$1,625,945 as compared to a final approved budget of \$1,603,413 in 2008-2009, an increase of \$22,532, or 1.4 %. The following item was highlighted by Mr. Plauny in the discussion:
 - ✓ The largest increase in this area is in the Cyber Charter School tuitions. The District has over 20 students that are enrolled in various cybers, including the NEIU V-Linc cyber school. Tuition for last year was set at \$238,500 and for this year has been established at \$279,000, an increase of \$40,500.

Mr. Plauny followed with a review of the Revenues portion of the budget and addressed any questions that were presented to him by the board members.

- The Revenues projected budget for 2009-2010 is \$23,212,133 as compared to a final approved budget of \$22,986,940 in 2008-2009, an increase of \$225,193, or 0.97 %.:
 - ✓ The projection for local revenue, including real estate, per capita and occupational tax collections among other items, is \$10,319,326 for 2009-2010 versus \$10,245,036 for 2008-2009, a projected increase of \$74,290.
 - ✓ The projection for state revenue, including the Basic Subsidy, Special Education Subsidy, Transportation Subsidy and several other smaller state subsidies, is \$11,548,546 in 2009-2010 versus \$11,470,720 for 2008-2009, an increase of \$77,826. The larger subsidies – Basic, Special Education, and Transportation – were held at a 0.1 % increase from last budget year to this year. The Basic Subsidy is the same while the projected Transportation (projected \$25,000 increase) and Special Education (projected \$7,011 increase) are minimal.
 - ✓ The projection for federal revenue, including IDEIA and the various federal Title programs, is \$946,631 in 2009-2010 versus \$882,234 in 2008-2009, an increase of \$64,397.

Following the review of the budget the board members present indicated their satisfaction with the final document as reviewed and thanked Mr. Plauny for his presentation.

The following table summarizes the various budget center reports provided during the budget process:

Budget Center	2008-2009 Budget	2009-2010 Projected Budget	Difference +/-	Percentage Increase/Decrease
Lathrop Street Elementary School	259,829	179,593	-80,236	-44.7
Choconut Valley Elementary School	206,256	152,520	-53,736	-35.2
Montrose Area Junior-Senior High School	655,551	775,046	+119,495	+18.2

Special Education Services	1,139,836	1,109,243	-30,593	-2.9
Athletic Budget – Junior-Senior HS	191,100	188,636	-2,464	-1.3
Transportation – District Wide	1,992,468	2,080,958	+88,490	+4.4
Maintenance- District Wide	1,132,215	1,130,361	-1,854	-0.2
Technology – District Wide	669,093	602,342	-66,751	-11.1
Salaries and Benefits	15,818,329	15,782,418 ##	-35,911	-2.3
Other Smaller Budgets	1,603,413	1,625,945	+ 22,532	+1.4
Revenues – Local, State, Federal	22,986,940	23,212,133	+225,193	+0.97
Totals	23,668,090 Exp. 22,986,940 Rev. -681,150	23,627,062 Exp. 23,212,133 Rev. -414,929	-41,028 Exp. +225,193 Rev.	-0.17 Exp. +0.97 Rev.

Total includes the various adjustments mentioned in the minutes regarding the Salaries and Benefits discussions.

Meeting adjourned at 8:13 PM

Mike Ognosky

Mike Ognosky, Superintendent