



FINANCE COMMITTEE

January 11, 2018

SASED Administration Center
2900 Ogden Ave., Lisle, IL 60532

MINUTES

1. Meeting was convened at 5:47 p.m. with the following present:

Benjamin School District #25	Jack Buscemi
Salt Creek School District #48	Dr. John Correll
Downers Grove District #58	Doug Purcell
Cass School District #63	Dr. Kerry Foderaro
Dr. Michael Volpe	SASED
Sam Cannata	SASED
Anita Howard	SASED

2. Budget Process and Assumptions—Dr. Volpe and Sam Cannata highlighted the budget presentation with 3 M’s:

- Minimize Tuition and Service Rate Increases
- Maximize Classroom Enrollment
- Maintain Quality

Discussion included that enrollment in the DHH program continues to decrease and administration has reduced the FTE in the Assistive Technology service because the capacity of districts seems improved in this area. Additional focus includes targeting classroom enrollment to a minimum of 10 and continuing to analyze caseloads/assignments for possible reductions.

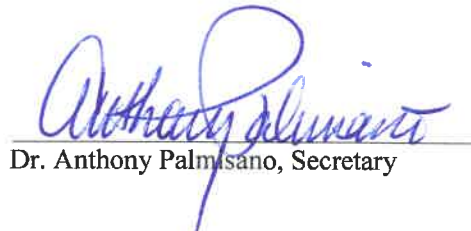
This year has seen a 7% increase in medical insurance and administration continues to budget 1% pension cost shift of certified salaries in preparation of pension reform.

3. Budget Calendar—The calendar was reviewed with timelines.
4. Tuition and Service Fee Rate Analysis—Sam shared there are no changes to lease rates. Also discussed were service tuition rate preliminary projected increases. SASED funding has changed and administration will be using the Evidenced Based Funding as if still receiving personnel reimbursement.
5. Proposal for OT/PT Retirement Benefits –Dr. Volpe shared the OT/PT group became aware that, while they receive general considerations as do the members of the Teachers Association, they don’t have retirement benefits as either the licensed or support staff do. The OT/PT group has approximately 60 staff and they are not members of a union. Discussion included the parameters to receive retirement benefits (have to be full time 15 years, part time for 30 or a combination of full/part equaling 15 years) and the costs and the challenges of hiring people for these hard to fill positions. It is a benefit to the organization to retain them and make them feel equal/valued. There will be cost savings due to the attrition of higher salaries that will help fund the new benefit.
6. Proposal for Board Paid TRS for Program/Service Administrators—Dr. Volpe gave background information including the survey of member districts regarding the issue. The committee

suggested providing the results of the survey to the full board. 16 member districts pay full TRS payment for principals. This issue effects seven SASED administrators and the impact on program costs is about .25% with a four year ramp up. If SASED doesn't pay TRS, it will have to pay more in salary to be competitive. Discussion included that picking up the employee portion is what the market requires and that it is best to extend the implementation out as long as possible. Dr. Volpe agreed that they would prepare a five year scenario for the Board. There was also discussion about applying the 1% set aside for the pension cost shift to pay for this new benefit if it is not utilized again this year. Sam explained that in previous years when not used the cost was not assessed against programming so there was a benefit to districts. It was agreed that it would be raised as a consideration/option for payment if the Board was challenged by means of funding the new benefit. Additional discussion focused on communication to the full Board.

7. Southeast Alternative School—Dr. Volpe reviewed the history of the conversations about Southeast School renovations which included previous finance committee discussions regarding funding. SASED is now seeing the benefit of being an independent entity in terms of the timing of receiving funding and benefits from the timing of state payments from the new funding formula. SASED now has cash balances which are enough to pay for the construction without loans (estimated at \$1,500,000.) There are two components to this last part of the comprehensive Facilities Plan. One is the classroom buildout of the former central office area and the related remodeling of bathrooms and kitchen areas. The second is the maintenance/life safety work (carpet, parking lot resurfacing and gym roof). This second set of projects are anticipated to cost approximately \$1,600,000 over the next ten years. The administration proposes an assessment be established to replenish the cash reserves to support the maintenance/life safety projects. The committee discussed options for the per student assessment and recommended a 10 year process at \$1,000.per student be presented to the full Board for approval.
8. ***Member Dr. John Correll moved, seconded by Member Jack Buscemi to approve the budget calendar and assumption recommendations as presented and discussed. Upon voice vote, motion approved.***
9. Adjournment was at 7:40 p.m.


Dr. John Correll, Chairperson


Dr. Anthony Palmisano, Secretary