

**GENEVA COMMUNITY UNIT SCHOOL DISTRICT NUMBER 304
227 NORTH FOURTH STREET, GENEVA, KANE COUNTY, ILLINOIS
FINANCE COMMITTEE MINUTES**

The Board of Education Finance Committee met at 6:30 p.m. on Monday, September 14, 2015, at Williamsburg Elementary School, 1812 Williamsburg Avenue, Geneva, Illinois.

1. CALL TO ORDER (Bylaws 0163 & 0164)

The meeting was called to order at 6:30 p.m. by Bill Wilson.

Committee members present: Dave Lamb, Kelly Nowak, Bill Wilson, Tom Anderson

Staff present: Donna Oberg, Assistant Superintendent Business Services; Dr. Kent Mutchler, Superintendent

Others present: Leslie Juby, Mary Stith, Andy Barrett, Becky Giltz, Laurie Perry.

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 August 10, 2015

Motion by Lamb, second by Nowak, to approve the minutes as presented. Ayes, four (4) Anderson, Lamb, Nowak, Wilson. Nays, none (0). Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 Finance Policies

4.1.1 Policy 6108, Authorization to Make Electronic Fund Transfers, **New**

The Assistant Superintendent of Business Services reported that this is a new policy that was brought forward by NEOLA. It was requested by auditors working with schools so that they could determine where authorization is permitted with electronic fund transfers. She indicated that the district is already following this policy. One item that should be deleted is where it indicates that the "Board shall approve the financial institutions". It's hard for the Board to approve them, because when payroll is done people have new places they want electronic funds transferred to. This policy should be brought forward to the Policy Committee with the noted changes.

Questions, comments, concerns: Are wire transfers covered under this policy? (I believe so.) Do we have a policy on authorization already? (No.) Were auditors okay with the items that have been deleted? (Yes. It was not our auditors that requested this. It was school auditors in general.)

4.1.2 Policy 6146, Post Issuance Tax Exempt Bond Compliance, **New**

The Assistant Superintendent of Business Services reported that this is a new policy that was brought forward by NEOLA. This policy was also requested by auditors. This is usually handled by our legal counsel. This policy should be brought forward to the Policy Committee.

Questions, comments, concerns: Do we complete the form 8038-T when we abate? (Yes, through our legal counsel.) Have we had our legal counsel review this policy? (We have not. NEOLA does have legal out of Chicago.)

4.1.3 Policy 6423, Use of Credit Cards

The Assistant Superintendent of Business Services reported that this policy is

an existing policy. The only change in this policy is that where it says “credit card”, we are changing it to “purchasing or procurement card,” because we don’t really use credit card. We pay our balances in full each month. We also added “or designee” after “superintendent”. This policy should go forward to the Policy Committee.

4.2 Actuals vs. Budget

The Assistant Superintendent of Business Services provided the committee with a spreadsheet that showed the actuals versus budgeted from 2009 through 2015 for revenue and expenditures by funds. Note that 2015 is unaudited actuals, because we have not gotten the numbers back from the auditors yet. It shows where we are in line with our revenues that are coming in. In some areas, we are always under budget. In 2011-2012, the revenue went up but that was when the abatement started. We’ve also had changes in the way the State is funding their payments. In 2010, you can see where the budget went down. This is when we started the reduction due to lower State funding. Coming into 2014-2015, we added all-day kindergarten, additional staff for PERA, PARCC and other items mandated by the State. You will notice that in 2009-2010, there was a change in revenue. This is because we had block grants, ARRA funds, and intra transfers that have gone down significantly. We’ve held pretty steady for the last 4 to 5 years for staying under budget.

Questions, comments, concerns: Our expenses might be higher than income going forward as we draw on the reserve, so it will be interesting to monitor this. Are some of these line items budgeted higher than we might spend? (Yes.) Overall, the District has had no major issues financially. In 2012, does transportation seem kind of low? (That’s when the two year buy back started.) Was this bus buy back again in 2014? (The last couple of years, it’s been split between two years.) You can see in the working cash how much the interest has gone down.

4.3 Finance Committee Discussion Topics Schedule, DRAFT

The committee chair reported that this draft has been updated. Elizabeth Hennessey will be here at the October meeting to talk about our long term debt.

Questions, comments, concerns: The October meeting with Elizabeth may be important in working toward the refunding and other financial tools as part of our long term plan. Is October of 2016, to long to wait to see her again? (We will probably bring her back in the spring of 2016 to continue to monitor.) Donna added the Technology and Facility Capital Plans, but has not added PMA yet. We are in the process of switching over to our new financial program. The new teacher’s contract brings in a Stipend Committee, so should that come forward to finance before it goes to the Board? (It will be included in the budget.)

Motion by Lamb, second by Nowak, to approve the finance discussion topics as presented. Ayes, four (4) Anderson, Lamb, Nowak, Wilson. Nays, none (0). Abstained, none (0). Motion carried unanimously.

5. FUTURE AGENDA ITEMS

6. ITEMS FOR RECOMMENDATION TO FULL BOARD (Bylaw 0155)

The following items will go forward to the Policy Committee and the full Board: Policies 6108, 6146 and 6423, and the Finance Committee discussion topics.

7. INFORMATION

7.1 Legislative Update

The Assistant Superintendent of Business Services provided the committee with a spreadsheet on State payments. This report shows what has been received in State and Federal aid going back to 2009. General State aid has stayed pretty level. If you have any questions regarding this report, please let us know.

Questions, comments, concerns: When the State doesn't pay the full amount, do we essentially just roll that forward into the collection? Do we ever say it's not collectable? (They usually do pay us eventually. We did lose about \$70,000 in prorations.)

8. ADJOURNMENT

At 6:56 p.m., motion by Anderson, second by Lamb, and with unanimous consent, the meeting was adjourned.

APPROVED October 13, 2015 _____ CHAIRPERSON
(Date) William R. Wilson

SECRETARY Dr. Kent Mutchler _____ RECORDING
Bonnie J. Johnson SECRETARY