



**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 6:00 p.m. on Monday, March 14, 2016, at the Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

1. CALL TO ORDER (Bylaws 0163 & 0164)

The meeting was called to order at 6:00 p.m. by Bill Wilson.

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

Staff present: Scott Ney, Director Facility Operations; Shonette Sims, Director Learning & Teaching; Dr. Andy Barrett, Assistant Superintendent Learning & Teaching; Dr. Adam Law, Assistant Superintendent Personnel; Donna Oberg, Assistant Superintendent Business Services; Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 February 8, 2016

Motion by Nowak, second by Anderson, to approve the minutes as presented. Ayes, three (3) Anderson, Nowak, Wilson. Nays, none (0). Absent, none (0). Late, one (1) Lamb. Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 2016/17 Pre-Preliminary Budget Presentation (Policy 6220)

Assistant Superintendent Oberg presented to the committee the 2016-2017 proposed Pre-Preliminary Budget. Revenue assumptions are based on property tax levy, State, Federal and Local funds, State Funding Reform for GSA, student fees and the bus buy-back revenue. Expenditure assumptions include salaries projected at current contract increases, benefits projected at 6% increase, 2% increase for purchased services, supplies and capital outlay, bus purchases, and the possible pension cost shift at .5% per year. Retirements and staffing plan are not included in the projections. We are projecting that we will begin the 2016-2017 school year with a projected fund balance of \$62,180,196. The projected revenue for 2016-2017 is \$97,314,007, and the projected expenditures for 2016-2017 are \$105,996,170. The projections will fluctuate as we implement the staffing plan and retirements. Overall, we are projected to have an ending fund balance of \$53,498,033. More detailed information on the pre-preliminary budget can be found on our [website](#).

Comments, questions, discussion: Is the estimate for staffing based on no one retiring? (Correct, that is not included. We have about 26 teachers retiring at the end of this year.)

4.2 2016/17 Preliminary Staffing Plan (Policies 3120, 4120)

Assistant Superintendent Law presented to the committee the Preliminary Staffing Plan for the 2016-2017 school year. Over the past four months, the Administration has been engaged in a process of identifying staffing priorities in each of these strategic goal areas that are based on our local priorities and that are responsive to the changes thrust upon us by the Federal government, Illinois General Assembly, Illinois State Board of Education and by societal and community expectations. Based on these deliberations, we are recommending the following positions: Science Instructional Facilitator (1.0 FTE) for K-8; Instructional Coaches (1.2 FTE) for the high school; Student Assistance Coordinator (0.5 FTE) for elementary; Psychologist (1.0 FTE) for elementary; HVAC Certified Position (1.0 FTE) for the district; Lead Grounds Stipend for the district; and Warehouse Manager/Maintenance Stipend for the district. As offsets are proposed to fund many of these, the projected additional cost for these added positions/stipends is \$134,000. More detailed information on each of these positions/stipends can be found on our [website](#).

Comments, questions, discussion: Adding the instructional coaching positions could save us around \$10,000 in sub costs throughout the year. It is shown in research that these coaches make an impact of over two standard deviations. We do have background in having instructional facilitators in math, technology and reading. Having these coaches is a good way to provide professional development for our staff. It's great that we can reduce sub time. What about students who are in classes with these coaches? Will they have less face time? (We would hire a .4 FTE for the coach. There would be no subs.) Is there a reason you chose 3 coaches? (We would like to have someone all day, but theoretically we were hoping to have coaches from different departments to capture as many of the content areas as we can.) The Superintendent thanked the Board members who offered their time to assist with this process. These positions will help us to operate more effectively and efficiently. How many elementary SAC's do we have? (We have full-time SAC's at HES, HSS and MCS, and part-time SAC's at FES, WES and WAS. We do take into account student population and student need.) Was there discussion of NGSS at the high school, because we have been adopting NGSS into our science curriculum? (We recognized the need at the elementary and middle school levels, because they do not have the supervisory content experts the way you have built in at the high school with department chairs, and the other reason is because at the elementary level the teachers are teaching all of the content areas.) A point to raise is that one of our "Traditions of Excellence" is collaborations, and the collaborative work that is going on in our district would be improved by having the added coaches. The high school would love to work with someone in this position to help bridge gaps in curriculum.

4.3 Project Funding – Modular Classrooms & 10-Year Health Life Safety Improvements

Assistant Superintendent Oberg presented to the committee information on the proposed modular classrooms and the proposed 10-year Health Life Safety improvements. We have been exploring funding for the modular classrooms and have three different options. Option 1 would be to have Innovative Modular, from whom we would be purchasing the units, do a three or a five year municipal purchase for us at 2.99% for three years (\$90,778 per year) or 3.05% for five years (\$66,125 per year). These costs would be just for the unit and not the costs to install. Option 2 would be a loan for \$650,000 through MB Financial to fund the entire project. We are anticipating it will cost less but wanted to be prepared for unexpected expenses. The interest would be 2.32% below origination of .5% which is \$3250. A 5-year tax exempt bank qualified loan would be \$133,666 per year. The interest between the 3-year and 5-year for the modular unit would be \$16,000, or if

we did the entire project, then it would be \$15,000 in interest per year. Option 3 would be an interfund loan from working cash to O&M with an end of the year pay back. We would most likely recommend Option 2 because it gives flexibility and a very reasonable cost.

For the Health Life Safety improvements, we are looking into being able to levy to cover the survey cost. We would not be able to levy to cover the entire cost for next year, but would be looking at the following year. We are working with the Kane County clerk and our attorney on this. The cost of the Health Life Safety survey is \$557,650 and with more schools being added in the coming years, we will need to increase our funding. The most we can levy is \$.05, but we should not need that much. We are not trying to raise taxes; we are trying to stabilize what we can. In the past we have used O&M funds, but those funds are decreasing.

Comments, questions, discussion: You said in Option 1 for the 3-year and 5-year options the cost does not include installation? (Correct.) At some point we can highlight some of the legislation and the unfunded mandates. Some of the things that are demanded by code and unfunded are becoming excessive. (Agree.)

4.4 2016/17 Fee Proposals (Policy 6152)

Assistant Superintendent Oberg presented to the committee fee recommendations for the 2016-2017 school year. Our current registration fees are \$95 for elementary, \$115 for middle school, and \$140 for high school. We are recommending a technology service fee to provide our students with the tools they need to support 21st Century Learning that aligns with our vision and goals. It would be \$20 for K-1, \$30 for 2nd, \$40 for 3rd through 5th, and \$45 for 6th through 12th. This fee is laddered to align with the technology access provided to each grade level with the highest fee for take home devices. The current insurance fee paid this year would be eliminated. We would also like to recommend course fee changes at the high school for 2016-2017. The following courses are AP Literature & Composition (\$15), English II (\$23), TV Production of Documentaries (\$25), Contemporary Global Issues (\$10), Honors Engineering Design & Development (\$50), AP Biology (\$15), Anatomy & Physiology (\$17), Honors/AP/Standard Chemistry (\$15), Honors Biology (\$15), and Earth Science (\$3). The last fee increase would be lunch fees. The current lunch prices have been in effect since FY 2013-14 with Elementary at \$2.10 per lunch and Secondary at \$2.40 per lunch. The recommendation is to increase the lunch rate by 15 cents for Elementary (\$2.25) and by 10 cents for Secondary (\$2.50). This additional revenue will allow the District to collect revenue to offset the cost, and will absorb the anticipated increases in food, labor, and fuel costs.

Comments, questions, discussion: For the students not using a 1:1 device, is that being addressed with the technology fee? (Yes. We have an open access infrastructure. All students benefit from expansion in one way or another, and the budget would pay for the needed expansion.)

5. FUTURE AGENDA ITEMS

5.1 April

- 2016/17 Preliminary Budget Presentation – O&M/Transportation

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

It is being recommended that the following items go forward to the full Board: 2016/17 Pre-Preliminary Budget, 2016/17 Staffing Plan, Project Funding with recommendation for Option 2, and 2016/17 Fee Proposals.

Motion by Nowak, second by Lamb, to move the recommended items to the full Board. Ayes, four (4) Anderson, Nowak, Wilson. Nays, none (0). Absent, none (0). Late, none (0). Abstained, none (0). Motion carried unanimously.

7. INFORMATION

7.1 Legislative Update

7.2 State Funding Update

Assistant Superintendent Oberg reported that the State is up-to-date with their payments.

8. ADJOURNMENT

At 6:58 p.m., motion by Lamb, second by Anderson, and with unanimous consent, the meeting was adjourned.

APPROVED April 11, 2016
(Date)

William R. Wilson CHAIRPERSON

SECRETARY Dr. Kent Mutchler

Bonnie J. Johnson RECORDING SECRETARY