



## **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 6:40 p.m. on Monday, September 11, 2017, 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 6:40 p.m. by Dave Lamb.

Committee members present: Tom Anderson, Dave Lamb, Mike McCormick, Kelly Nowak.

Staff present: Todd Latham, Director of Business Services; Dr. Andy Barrett, Assistant Superintendent Teaching & Learning; Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby, Mary Stith, Taylor Egan, Mark Grosso.

### **2. PUBLIC COMMENT (Bylaw 0167.3)**

None.

### **3. APPROVAL OF MINUTES (Bylaw 0168.1)**

3.1 August 14, 2017

Motion by McCormick, second by Nowak, to approve the minutes as presented.

Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

### **4. DISCUSSION/CONSIDERATION (Bylaw 0155)**

4.1 District Financial Rating

The Superintendent reported that the district had their interview with Standard & Poor's. Last year, the district received an AA+, which is the highest rating a district of this size can receive. Thanks to Ms. Hennessey, Mr. Latham, and Mr. McConahay, the district has once again received the highest rating of AA+. This rating saves the district a lot of money and gives better bidding options on the bonds.

4.2 District Financial Quarterly Report

Mr. Latham reported that all revenues for fiscal year 2017 should be at 100%, and very much in alignment. Unaudited figures indicate the district received 97.9% of all anticipated revenues as of June 30, 2017. The State revenue received was at 88.8% and according to the Illinois Financial Reimbursement Information System (FRIS); \$2,119,120 had yet to be disbursed to the district. Unaudited expenditures reflect the district was under budget for salaries, purchased services, supplies/materials, and capital outlay. Areas that exceeded budget amounts were employee benefits and other objects, which exceeded the budgeted amount due to bond defeasement.

Comments, questions, concerns: The downside is that benefits are over budget. (We have noted this for FY18. It is an area of concern and will continue to be monitored.)

4.3 Discussion/Presentation Schedule

The Superintendent shared that the levy is coming up in October, work with the auditors has wrapped up, and we are working on bringing you the end of year report. The Superintendent met with Mr. Latham and Mr. McConahay to talk through some calendar issues. We will need

to work around Mr. McConahay's schedule, because he is not here as a full-time employee. Please note that this schedule could change.

Comments, questions, concerns: Does working around Mr. McConahay's schedule delay any of the dates? (No, if anything it would move them up.)

**5. FUTURE AGENDA ITEMS**

5.1 October

- Initial Levy Presentation
- 2016/2017 End of Year Report

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

None.

**7. INFORMATION**

7.1 Legislative Update

The Superintendent shared that we are still trying to unwrap the meaning and impact of SB1 in terms of financing. It does not look like there will be a huge impact on our district other than it looks like there are still several unfunded mandates in the bill. We will need to continue to watch as it is better known the complexities and specificities. He also shared that every year the district has to complete the Application for Recognition on the ISBE website and that the district was informed last week that there is a delay. We will share more when we know more.

Ms. Juby shared that the hold harmless does not sunset the tax credits. The two tax study committees are exempt from open meetings and FOIA, which was created by State legislators. There are things that have been written into the first year of implementation that are to be determined in the second year. Everything defaults to the Illinois State Board of Education (ISBE) in the second year. ISBE determines the adequacy of individual school districts, and they are not sure when this will be done. Funding is determined by adequacy, but we hope they will know by October. The good news is that we are on the right track, but it will be slow for a while. There are two funds that are staying as categorical funding, which are transportation and special education; even though they said, they were doing away with categoricals.

Comments, questions, concerns: What year does SB1 take effect? (It varies. Some of it will take effect next year, some the following year and some in future years.) ISBE is definitely underfunded and under staffed.

**8. ADJOURNMENT**

At 6:54 p.m., motion by McCormick, second by Nowak, and with unanimous consent, the meeting was adjourned.

APPROVED October 10, 2017  
(Date)

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David Lamb CHAIRPERSON

SECRETARY Dr. Kent Mutchler

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Bonnie J. Johnson RECORDING SECRETARY