



**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, August 13, 2018, 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 Dave Lamb.

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

Staff present: Shonette Sims, Director of Learning & Teaching; Dr. Dean Romano, Assistant Superintendent of Business Services; Dr. Kent Mutchler, Superintendent.

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

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

None.

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

3.1 July 23, 2018

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 2018-2019 Tentative Budget

Dr. Romano presented to the committee the 2018-2019 tentative budget. Each year, Illinois school districts are required to approve a tentative budget and place it on display for public review prior to holding a hearing on the finalized budget before the end of September each year.

Components of the 2018-2019 budget development have been shared by business staff with the Board of Education throughout the latter half of the 2017-2018 school year. This information, along with the most current financial data and assumptions have been compiled to develop the proposed 2018-2019 tentative budget. The 2018-2019 expenses are estimated at \$101,013,254 and revenues at \$100,804,001. Additional efforts to collect and integrate the most accurate data into a final proposed budget will continue into September. An overview of all changes from the tentative budget will be discussed and explained during the budget hearing on September 24<sup>th</sup>, 2018.

Comments, questions, concerns: On the transportation numbers, where there is the \$500,000 deficit, do you think what we are claiming might cover that? (No. I believe we will still have a deficit.) Are you going to elaborate later about a place holder for capital projects? (That is a conversation that I would like to bring throughout the

course of the year.) It seems like we have had that kind of variant in O&M, and pulling that out and having it in a separate account might be more transparent on true capital projects. (We would need to have more discussions about this.) Can you speak to the State law on the deficit reduction requirements? (We would not be required to do a deficit reduction on a formal basis, because one of their determinations in whether it is required is that they look at how much money you have available to offset.) The community might be worried if they see a deficit reduction. (We will be okay and won't have to do a deficit reduction.)

#### 4.2 July Treasurer's Report

Todd Latham shared with the Committee the July treasurer's report, which reflects revenues that exceeded expectations. They are attributed as follows, but namely, early tax payments received in May and June (FY18) that were anticipated to be received for FY19. Early and on time property taxes, interest income, prior year refunds, pupil lunch sales, State funding/GSA/EBF, and transportation fund totaling an estimated \$5.6 million.

Comments, questions, concerns: Can we assume we should not rely on this every year? (Correct. There are scenarios that can change revenue, sometimes quickly.) We don't want anyone to think we have increased revenue. How much flexibility do we have to accrue things back to the previous year? (We have sixty days to accrue back.)

#### 4.3 Topics & Ideas for Future Meetings

Dr. Romano shared that he would like to have conversations regarding discussion topics for the committee. It would be helpful to understand where we want to be with the fund balance with future projections and to begin to talk about budget assumptions for the 2020 budget. He would like to add these topics to the discussion calendar for September. If there is anything that is missing from this discussion calendar that you would like added, then now would be the time to talk about this. If the committee agrees with adding these topics, Dr. Romano will be prepared to discuss them at the next committee meeting in September.

Comments, questions, concerns: All we can do is give our best guess in the budgeting process. We've had variances, but so far it has worked out. We can remove the district financial rating and discussion/presentation schedule from September. The quarterly report could just be a memo to the committee. Is this something that we would share with the whole Board to get their approval? (Yes.)

## 5. FUTURE AGENDA ITEMS

### 5.1 September

- District Financial Quarterly Report
- Budget Assumptions Discussion for 2018-2019

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

Motion by Nowak, second by McCormick, to move item 4.1-4.2 to the full Board as presented. Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

## 7. INFORMATION

### 7.1 Legislative Update

Not much to report now. There are a lot of things in terms of money. The Governor just signed a bill to allow Lake County to use a search firm to assist in finding subs. This could eventually trickle down to us.

## 8. ADJOURNMENT

At 6:39 p.m., motion by McCormick, second by Nowak, and with unanimous consent, the meeting was adjourned.

APPROVED September 10, 2018 \_\_\_\_\_ CHAIRPERSON  
(Date) David Lamb

SECRETARY Dr. Kent Mutchler \_\_\_\_\_ RECORDING  
SECRETARY  
Bonnie J. Johnson