



**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, May 13, 2019, at Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

1. CALL TO ORDER

The meeting was called to order at 6:00 p.m. by Dave Lamb.

Committee members present: Mike McCormick, Taylor Egan, Dave Lamb. Absent: John Thomas.

Staff present: Todd Latham, Coordinator Business Services; Dr. Dean Romano, Assistant Superintendent Business Services; Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby, Tom Anderson.

2. PUBLIC COMMENT (PRESS Policy 2:230)

None.

3. APPROVAL OF MINUTES

3.1 April 8, 2019

Motion by McCormick, second by Egan, to approve the minutes as presented. Ayes, three (3) Egan, Lamb, McCormick. Nays, none (0). Absent, one (1), Thomas. Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION

4.1 2019-2020 Draft Budget (PRESS Policy 4:10)

Assistant Superintendent of Business Services Dr. Romano shared with the committee a draft of the 2019-2020 budget. The draft budget consists of the reviewed preliminary budgets for Operations & Maintenance, Technology, Transportation and the Education Fund. The next step in the budget development is to incorporate all the estimated revenues and expenditures to determine the District's overall budget. Per Statute, a tentative budget will be brought forward in June and a final budget in September. The budget will contain a new fund called the Capital Projects Fund. This fund has been created to assist in preparing for capital projects.

Comments, questions, concerns: What is the final date to approve the budget? (The end of September.) The capital projects, \$1.8 million, do we ever build a balance in that account? (We do have the \$300,000 fund balance carryover as the first component of what we can do. The other component would be when projects come in under budget.)

4.2 Financial Software Review

Assistant Superintendent Romano shared that, earlier this spring, administration conducted a review of several top-rated financial software systems for schools to compare them to our current system called Skyward. The three companies selected

for review were Skyward, PowerSchool and TylerTech. At the conclusion of the review, it was determined that the best return on investment would be to stay with Skyward. Upgrading our current software would cost approximately \$15,000, but purchasing new software would cost approximately \$100,000. We will engage with Skyward to undergo a two-phase consulting partnership which would build on current district practices and uses. The first phase was recently completed and has provided guidance for improvements. The second phase will begin after the new school year begins.

Comments, questions, concerns: Was there a special functionality you were looking for? (There are some components of the web-based platform that Skyward will be discontinuing, and they are going to want us to move over to their online platform. All the software components we are looking at are web-based. This is the least expensive option for us moving into the future.) How does Skyward fit in the hierarchy of cost as you compare? (It was the least expensive.)

4.3 2019-2020 Spare Wheels Agreement

Assistant Superintendent Romano shared that they have met with Spare Wheels Transportation and are preparing a final agreement that will come forward to the Board on May 28th. A 1.9% route cost increase will be included. Over the coming weeks, final language detailing insurance coverages will be completed. There is also conversation underway regarding installation of cameras on the vehicles that support the district.

4.4 Purchase of Buses

Assistant Superintendent Romano shared that, as shared previously, the district is preparing for the purchase of four small buses to replace four existing small buses. He is requesting that the district purchase two brand new buses and two used buses from Midwest Transit Equipment. A direct purchase without financing will create the least cost of ownership because the State of Illinois Pupil Transportation Claim Reimbursement does not allow financing costs to be included in the depreciation schedule. The fund balance in the Transportation Fund will allow for this purchase without dropping below the 30% threshold. The purchase of these buses will be recommended for approval at the Board meeting tonight.

Comments, questions, concerns: On the two brand new buses, you would depreciate the cost over five years? (Yes, and the used buses as well.)

4.5 Architect Agreements

Assistant Superintendent Romano shared that, while preparing for summer projects, it was determined that additional architect support would be needed to complete the summer projects. We reached out to two additional architect firms, STR Partners and Cashman Stahler Group. Administration has been working with both firms to finalize the working agreements. The agreement with Cashman Stahler Group has been completed and will be brought to the Board tonight for approval. The agreement with STR Partners is still in review, and we anticipate bringing it forward for approval on May 28th.

Comments, questions, concerns: When we bring on architects, do we solicit, or do we have contacts? (We had referrals and moved very quickly on this in order to complete all the summer projects on time.)

4.6 Fund Transfer Resolutions

Assistant Superintendent Romano shared that there has been conversation about reallocating funds. As the district looks at where they are at the end of the year, two transfer opportunities have been identified. The first would be to transfer any additional funds into the Capital Projects Fund, and the other would be to update the District's practice of making payments on outstanding lease obligations through the

Debt Services Fund. A final review of the year-end estimates will be completed to identify resources to be transferred into the Capital Project Fund. These funds would be used on future Capital Improvement plans. This item will be brought to the Board for consideration on May 28th.

Comments, questions, concerns: This really shows more transparency.

4.7 Treasurer's Bond

Assistant Superintendent Romano shared that the Treasurer's Bond protects the district from inappropriate use of funds. Having had the same bonding company for many years, it has been requested that we get updated quotes for this year's Treasurer's Bond. A recommendation to the Board will be made on May 28th after the quotes are reviewed.

5. FUTURE AGENDA ITEMS

5.1 June

- 2019-2020 Tentative Budget (PRESS Policy 4:10)
- Multi-Year Financial Forecasting

6. ITEMS FOR RECOMMENDATION TO FULL BOARD (PRESS Policy 2:150)

Motion by McCormick, second by Egan, to move items 4.4 and 4.5 forward to the full Board as presented. Ayes, three (3) Egan, Lamb, McCormick. Nays, none (0). Absent, one (1), Thomas. Abstained, none (0). Motion carried unanimously.

7. INFORMATION

7.1 Legislative Update

We are in a holding pattern right now but are watching legislation closely. It appears there is political trading going on behind the scenes. There is the push to change the income tax, the property tax freeze and possible changes to TRS.

There is a bill pending right now for school consolidation. This bill states that no less than 25% of districts would consolidate in the next general election. The good news is that there is a bill to make daylight savings time permanent. Stanford Children is pushing an accelerated equity program called an Equity Boost. There is also PTEL and the possible property tax freeze.

8. ADJOURNMENT

At 6:36 p.m., motion by Egan, second by McCormick, and with unanimous consent, the meeting was adjourned.

APPROVED June 10, 2019
Date

David Lamb CHAIRPERSON

SECRETARY Dr. Kent Mutchler

Bonnie J. Johnson RECORDING SECRETARY