



**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, November 12, 2018, at Geneva Middle School South, 1415 Viking Drive, Geneva, Illinois.

1. CALL TO ORDER (Bylaws 0163 & 0164)

The meeting was called to order at 6:04 p.m. by Dave Lamb.

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

Staff present: George Petmezas, Principal Mill Creek Elementary School; Mike Wilkes, Technology Director; Dr. Andy Barrett, Assistant Superintendent Learning & Teaching; Dr. Kent Mutchler, Superintendent.

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

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 October 9, 2018

Motion by Nowak, second by McCormick, 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 Review of Estimated and Balloon Tax Levy Projections

Dr. Romano shared the tentative tax levy with the committee. The levy process began in September, and one change this year is the adoption of a tentative levy. There are three components that we look at. They are the tax levy, cashflow and the budget. The factors that are used to determine the levy are the Equalized Assessed Value (EAV), tax rate and formula used to calculate the tax rate. The District submits a proposed levy to the County, but in order to ensure that we do not lose revenue relating to the "tax cap" formulas, we will 'balloon' levy, or levy a larger amount than what we will actually receive. The proposed capped funds for 2018 would be 4.99%. However, we are estimating a tax extension increase of just 2.91%. The idea behind the 'balloon' levy is to make sure that we don't cut ourselves short with new construction funds available to the district. The District is estimating to receive up to about \$2 million in new revenue with an estimated total of just over \$87.3 million. The next step in the levy process is for the final proposed levy to be developed and approved by the Board in December.

Comments, questions concerns: We used CPI from 2018 for 2019? (Yes.)

4.2 Technology Plan Review

Director of Technology Mike Wilkes presented to the committee the 2019-2020

Technology Plan. For 2019-2020, the District's initiatives are 1:1 learning, HDMI capability for projectors, learning environment support, a 3-year network upgrade plan, firewall licensing renewal, and internet services. The projected cost for these projects is \$1,395,000 before offsets. Switch replacements and fiber cabling replacements have been ongoing projects. The next steps will include requesting approval to move forward to the Board, E-rate RFP/bid process, refine estimates, and Board review and approval.

Comments, questions, concerns: When you look at the capital spending chart over time, it highlights our commitment to capital spending in technology. When we look forward, we are looking at \$1.4 million and after offsets we will be at \$1.1 million. Is this typically where we are? (Yes.) Why is the Ed Fund lower this year? (We are not purchasing projectors or kindergarten iPads.) Can you touch on the large spike in O&M in 2020? (It's for the wireless network.)

4.3 Update on Annual Financial Report (AFR)

Dr. Romano and Andy Mace shared with the committee that typically the AFR would be completed at this time, however, you may recall that a few years ago, there was a new accounting standard that required governments and school districts to recognize the net pension liability. This new standard affects reporting. This has to do with the teacher's health security fund administered by the State. They realized there was an error. The last update was that this was in the auditor's hands with a new report due to come out in November. When this is all cleared up, we will come back and report to the committee, hopefully in December or January.

Comments, questions, concerns: You mentioned that we typically would have ours issued by now, but what's the general guideline? (The target date is October 15th, but we have an extension through December 15th. This is affecting all school districts, and ISBE is aware.)

4.2 Safe Routes to School

Dr. Romano shared that the City of Geneva has notified the District of its desire to submit an application for the 2019 Illinois Safe Routes to School Program (SRSP). This grant would provide funding for the city to make improvements that support walking and biking environments for students. To complete this process, the District is required to adopt the resolution supporting the request and the designated projects being proposed.

5. FUTURE AGENDA ITEMS

5.1 December

- Auditor's Report

We will also have the final levy approval in December.

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

Motion by McCormick, second by Nowak, to move items 4.1, 4.2 and 4.4 forward 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

Nothing at this time.

8. ADJOURNMENT

At 6:50 p.m., motion by McCormick, second by Nowak, and with unanimous consent, the meeting was adjourned.

APPROVED _____
(Date)

_____ CHAIRPERSON
David Lamb

SECRETARY _____
Dr. Kent Mutchler

_____ RECORDING
Bonnie J. Johnson SECRETARY