



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 6:15 p.m. on Monday, April 11, 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 6:16 p.m. by Bill Wilson.

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

Staff present: Scott Ney, Director Facility Operations; Donna Oberg, Assistant Superintendent Business Services; Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby, Mary Stith.

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 March 14, 2016

Motion by Lamb, second by Anderson, to approve the minutes as presented. Ayes, four (4) Anderson, Lamb, Nowak, Wilson. Nays, none (0). Absent, none (0). Late, none (0). Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 2016/17 Preliminary O/M & Transportation Budget Presentation (Policy 6220)
Assistant Superintendent Oberg presented to the Finance Committee the preliminary O/M & Transportation budget. The revenue assumptions for this budget are from the property tax levy (CPI 0.8%), State, Federal, and local funding, bus buy back, E Rate funding, and loan proceeds for modular classroom. The expenditure assumptions are salary costs per agreement (3.5% increase), additional staff for special needs transportation, benefits (PPO-5%, HMO-4%, Dental-2%), bus purchases, O&M, Security, and Technology plans, increase in electricity, and contingencies.

The transportation budget projected revenues are \$4,501,825, with projected expenses of \$3,238,895. When you figure in the revenue from the bus buy back of \$1,691,015, and the expense of purchasing buses, a generator and flooring of \$2,754,120, we have a surplus of \$199,825. We are projecting an ending fund balance for 2016-2017 of \$4,800,413.

The O&M budget projected revenues are \$10,692,966, with projected expenses of \$10,624,900. When you figure in the expenses from the Technology, O&M, and Security plans of \$1,294,655 we have a deficit of \$1,266,589. We are projecting an ending fund balance for 2016-2017 of \$1,081,391.

Comments, questions, concerns: On the fuel, did we use a higher number? (No, we kept it level. We were assuming the cost would come down, but since we are adding

additional buses we left it the same. On the salaries, are we hiring new staff? (Yes, we are adding the HVAC position.). Was O&M a one year plan or a multi-year plan? (It was a one year plan.) Are we at our max levy in O&M? (Yes we are.) In transportation we are carrying some hefty reserves, do we need this? (We can levy less or move funds to O&M if needed.) You talked about moving funds from Working Cash to the O&M fund? (That was one of the options for funding of the modular classrooms.) Do we have accrued interest in working cash? (We do have accrued interest in this account.) We might want to designate O&M as our most in need fund. We are going to be looking at defeasance. We have some major repairs coming up. Ms. Oberg, Mr. Ney and Dr. Mutchler have been meeting with the Facility Task Force to look at both the short term and the long term building needs. Mr. Ney has been great about spreading out the repairs. In regards to special education transportation, can we make note of what it will cost us to provide this service compared to the cost of using Spare Wheels so that we can revisit this in a year? (Yes we can.) We had our first training this morning with our special education transportation drivers. Anne Giarrante and Jamie Benavides were there to go over a lot of information. Did we source drivers from our pool or are we hiring new drivers? (We will have to hire several new drivers. This doesn't mean we won't use any of our current drivers.) Is there going to be a pay increase for special education drivers due to the special training they need? (We are looking into this.)

5. FUTURE AGENDA ITEMS

5.1 May

- 3rd Quarter Review
- 2016/17 Preliminary Education Budget

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

It is being recommended that the 2016/17 Preliminary O/M & Transportation Budget be moved forward to the full Board.

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

7. INFORMATION

7.1 Legislative Update

It was reported that Senator Manar is trying to get something pushed through but not exactly sure what it is. It was also reported that Representatives Davis and Pritchard, along with a couple others, have partnered with Ralph Martire and there is a clean budget being presented for 2016 with a promise that it will go through the House and the Senate. There is also a Fair Tax Movement and a potential two year budget in the works. House Speaker Madigan has proposed an amendment to the Constitution for voting in November that would place the state as the priority funding mechanism for education.

Comments, questions, concerns: There is still the issue of school funding being shifted from property wealthy districts to less property wealthy districts. At the recent IASB meeting, Dr. Jacoby talked about the local property tax affordability. The problem seems to be the City of Chicago and their lack of funding through property taxes. If you see anything from Senator Manar it should show that Chicago gets no additional educational funding.

8. ADJOURNMENT

At 6:46 p.m., motion by Nowak, second by Anderson, and with unanimous consent, the meeting was adjourned.

APPROVED _____ CHAIRPERSON
(Date) William R. Wilson

SECRETARY _____ RECORDING
Dr. Kent Mutchler Bonnie J. Johnson
SECRETARY