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Geneva CUSD #304  
Finance Advisory Committee

Dear Chairman Wilson, Committee Members and Staff,

Thank you for giving me the opportunity to present an update on the banking relationship that we have the pleasure of providing to the District. Asst. Superintendent Oberg suggested that it might be a good time to outline some of the positive changes that have been made over the past few years. All of the following services are referred to as "Treasury Management" in bank lingo.

1) Transition

We were chosen through an RFP in September of 2012. This was a complicated relationship transition that involved over 20 bank accounts with supplies and endorsement stamps, multiple online users with different and segregated access and authorization levels, and a heavy ACH relationship with a payroll of over 700 employees. I am very pleased to say that with close coordination and planning, the transition was seamless.

2) "Deposit Express" Remote Deposit Capture

We added remote check scanning for most functions.

- Deposits reach the bank sooner and are credited the same day up until 7:00PM.
- Provides greater security and less chance of losing a check.
- Provides greater efficiency by no longer travelling to the bank.

3) "Cash Express" Smart Vault Technology

We added a smart safe at the High School in October of 2014.

- Cash is now deposited into the safe vs. transporting it to the bank.
- Cash for Sodexo, athletics, office, activities can be immediately deposited.
- Increases efficiency, improves risk management, and increases safety by no longer transporting cash to the bank.
- Funds are categorized, and credited to the appropriate fund or G.L.
- At the end of day, all funds deposited are transmitted by cellular signal to the bank, and same-day credit is given, subject to verification.
- Cash is removed and transported by armored carrier once per week.



- 4) Check Positive Pay and ACH Positive Pay  
Used as fraud prevention tools, this technology compares each and every check that is presented for payment against the District's accounts to verify the authenticity.
  - Accounts Payable issue files are sent to the bank – included is check date, check amount, check number. If anything does not match, an exception is created.
  - Any new ACH debit transaction not seen in the past by the District creates an exception. The Finance staff makes a pay or no-pay decision on each item.
  
- 5) Safety, Security and Dual-Control
  - Any ACH batch, either debits or credits requires two people to complete an outgoing file. One person creates the transaction batch, and the other reviews it, approves it, and submits it to the bank.
  - Any wire transfer also requires two people to complete. Same as above, no one person can ever initiate an outgoing wire transfer of District funds.
  
- 6) Convenience and Efficiency
  - ZBA or zero-balance Accounts Payable Account.
  - ZBA or zero-balance Payroll Account.
  - ACH PTO transfers from the Board or other District accounts.
  - HSA Accounts at MB are available to District employees taking advantage of that insurance option.
  - Fully-rendered bank statements are available to the Finance staff on the first day of each new month.
  - Free bank accounts have been offered to all District PTO organizations.
  
- 7) Bank Service Charges and Stewardship of Funds
  - (Attachment "Service Charges") Service charges have effectively been eliminated for the District. Fees were averaging \$2,500 per month, or \$30,000 annually. With our structure, we have increased the Earnings Credit Rate to offset fees. I would estimate the savings in service charges since September of 2012 to the present to be approximately \$63,000.
  - (Attachment "Balances") In addition to eliminating service charges, we have been able to slowly reduce the non-interest-bearing deposits used to offset fees. This increases the amount of short-term excess funds available to earn interest.

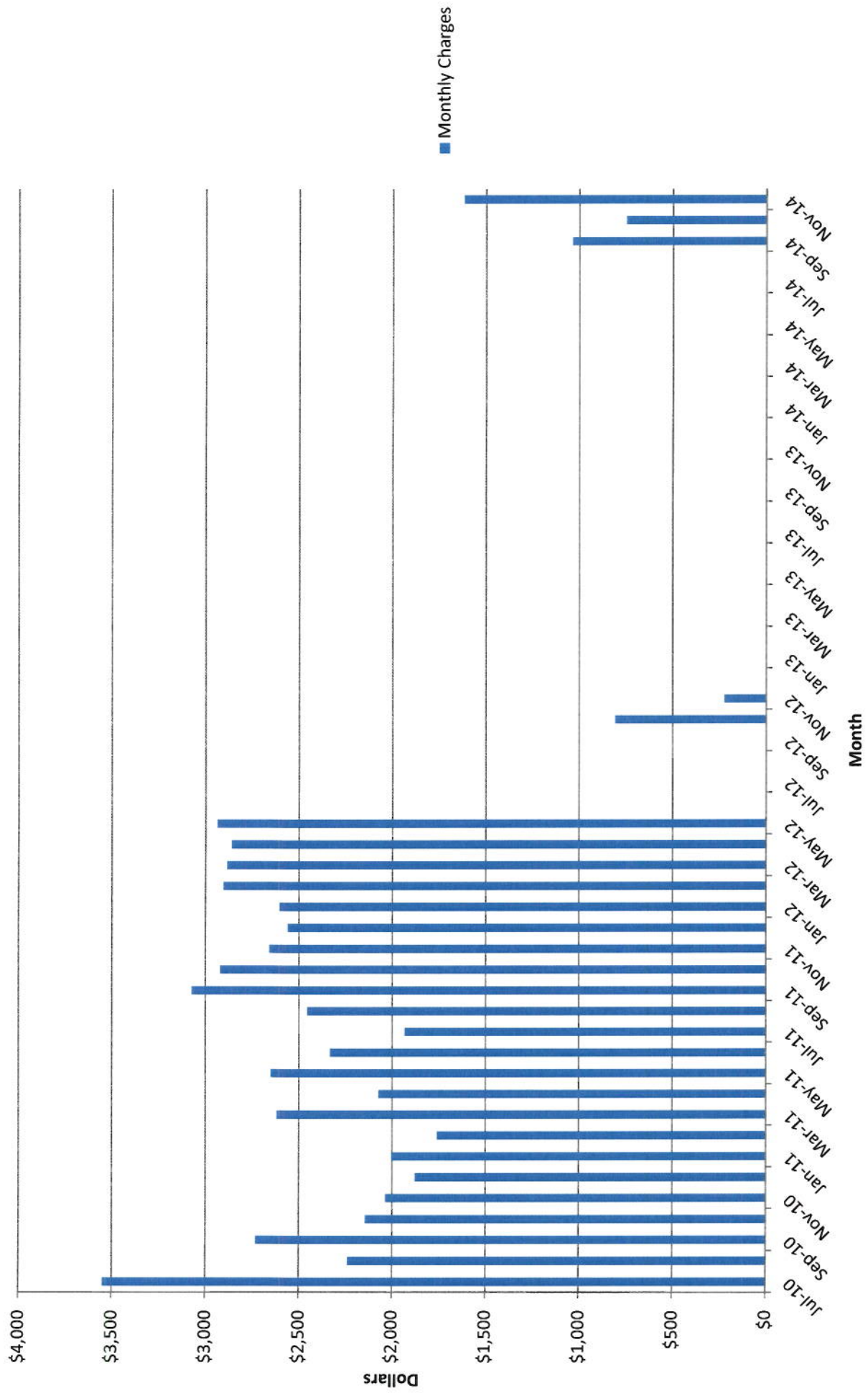
It has been my great pleasure to work with Donna Oberg, Todd Latham, and the accounting staff over these past two years. They are professional, forward-thinking, and highly skilled. They have made my job significantly easier than it is in most situations. Thank you for allowing me to summarize the work we have done together over the past few years.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Mitchell Belon', written over a light blue horizontal line.

Mitchell Belon  
Senior Vice President

# Services Charges



# Balances

