

**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 12, 2013, at Williamsburg Elementary School, 1812 Williamsburg Avenue, Geneva, Illinois.

1. CALL TO ORDER

The meeting was called to order at 6:03 p.m. by Chairman Wilson.

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

Administrators present: Donna Oberg, Assistant Superintendent Business Services; and Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby, Mary Stith, Mark Grosso, Susan Sarkauskas (Daily Herald).

2. PUBLIC COMMENT

None.

3. APPROVAL OF MINUTES

3.1 July 29, 2013

Motion by Nowak, second by Lamb, to approve the minutes, as presented. Ayes, three (3). Nays, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION

4.1 2013-2014 Updated Topic/Discussion Schedule

The Assistant Superintendent Business Services noted that the dates for assessor presentations had not been added to the schedule because she wanted to determine whether the Committee wanted the assessor presentations on the same night as the William Blair or PMA presentations. Committee consensus was that they wanted the assessors to present at the same meeting and to add another meeting on a Monday between September 9th and October 15th for the assessor presentations. Additionally, the Committee members requested that the William Blair (9/9/13) and PMA (10/15/13) presentation meetings start at 5:30 p.m. instead of 6:00 p.m.

The Assistant Superintendent reviewed the 2013-2014 budget calendar draft which reflected adoption of the tentative budget in May 2014, and public hearing/final adoption in June prior to the start of the District's fiscal year on July 1st. As requested by the Committee, she has discussed the possibility of

purchasing buses twice a year in June and November with the Director of Transportation in order to avoid the budget fluctuations caused by the bus buy-back program every other year.

4.2 Preliminary Debt Service Options, Refunds, Etc. Discussion

The Assistant Superintendent explained that the options to consider were abatement, refunding, defeasance, reducing debt payments by extending the payoff period, a combination of these, or keeping debt service payments as they are. The goal is to keep the debt service level. Elizabeth Hennessy of William Blair will present a number of options/scenarios for the Finance Committee and Board to consider.

Committee members requested that Ms. Hennessy's presentation include the status of each issue and when it would be callable; reducing debt with surplus funds; history of working cash fund, reserve flexibility and refunding options for the next 5-10 years; impact and advantages/disadvantages of any options presented and how that impacts our cash reserves; impact of any options on the District's state financial score.

The Superintendent noted that Ms. Hennessy and the administrators have looked at making as many of our bonds callable as possible. The Assistant Superintendent Business Services added that options for consideration also depend on whether we levy for the full CPI or a reduced amount.

Discussion: We have fewer funds to refund or abate back. (Correct. Hopefully there will be some new growth in the future.) We need to do whatever we can to stay financially stable. We need to see the impact of on the taxpayers of any scenarios with levy options and percentages over the next several years. (We have no callable bonds until 2015, two years out.) Defeasance is an expensive option. (Correct.) Would like to see scenarios before any defeasance and want to look at options to trim costs. Would also like any information on anticipated fee increases or changes to consider prior to the start of the budget cycle.

The Assistant Superintendent will contact the Geneva and Blackberry assessors to confirm a presentation date and will add the date to the discussion schedule.

5. FUTURE AGENDA ITEMS

September:

- Long-term Debt Presentation/Discussion, William Blair, Elizabeth Hennessy
- Assessor Presentations: Geneva Township & Blackberry Township

October:

- First Quarter Financial Review
- Levy 101 Presentation – Possible Scenarios
- Presentation, PMA Financial, Steve Miller

6. ITEMS FOR RECOMMENDATION TO FULL BOARD

None.

7. INFORMATION

7.1 Legislative Update

We need to know what's coming out of Springfield that will cost us more. (The State is still five years behind on payments for the School Construction Program. We have received all State payments through June. The next payment is due in September. There is new legislation that requires school districts to carry a minimum of \$3 million dollars insurance coverage for all athletes. Geneva already has that amount of coverage.)

Committee members requested that the September 9th and October 15th Finance Committee meetings start at 5:30 p.m. to allow extra time for the presentations.

8. ADJOURNMENT

At 6:29 p.m., motion by Lamb, second by Nowak, and with unanimous consent, the meeting was adjourned.

APPROVED _____
(Date)

_____ CHAIRPERSON
(William R. Wilson)

RECORDING
SECRETARY _____
(Dr. Kent Mutchler)