



**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 6:30 p.m. on Monday, September 26, 2022, at Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

1. CALL TO ORDER (Policy 2:220)

The meeting was called to order at 6:30 p.m. by Jackie Forbes.

Committee members present: Dan Choi, Jackie Forbes, Paul Radlinski. Absent: John Thomas.

Staff present: Todd Latham, Assistant Superintendent for Business Services; Dr. Kent Mutchler, Superintendent.

Others present: Mike McCormick, Stephanie Bellino, Larry Cabeen, Molly Ansari.

2. PUBLIC COMMENT (Policy 2:230)

None.

3. APPROVAL OF MINUTES (Policy 2:220)

1. July 18, 2022

Motion by Choi, second by Radlinski, to approve item, 3.1 as presented. Ayes, three (3) Choi, Forbes, Radlinski. Nays, none (0). Absent, one (1), Thomas. Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION

1. 2022-23 Final Budget Presentation

Todd Latham presented the final budget to the Finance Committee. He reviewed the budget phases and gave an overview of the final proposed 2022-23 budget. The major changes from the tentative budget to the final budget were adding updates on the Valorem and Personal Property Replacement Tax, grant expenditures and reimbursements, salaries and benefits, Evidence-Based Funding, new/approved State and federal grants, and fund transfers. Revenue for the tentative budget was estimated at \$119,483,212 and the proposed budget is \$124,595,228. Expenditures for the tentative budget were estimated at \$134,900,509 and the proposed budget is \$134,081,565. Fund balances will be used to cover the \$9,486,337 deficit between revenue and expenses. Going forward, we will file the budget with the Kane County Clerk's Office, upload the approved budget to the Illinois State Board of Education (ISBE), update the treasurer's report with approved budget numbers, begin preparing assumptions/forecasting for 2023-24, look at the 2022 levy, and work on the Meritorious Budget.

Comments, questions, concerns: With your other uses, wouldn't you expect to see the same \$4.6 million difference as other sources? (This is different because it is the

sale of fixed assets. When we buy the buses, it is one amount and when we sell it is a different amount. There is no fund transfer.) For the debt service fund, could you do a transfer for the \$2,000 difference? (The only reason we have a transfer there is because we moved funds from the Education Fund to the Debt Service Fund for capital leases.) What about the difference from revenue to expense? (It could be interest income that occurred.) On page 25 of what you submit to the State, I have no problem with the 2022-23 budget, but there are fund balances for 2023-24 and 2024-25 which have the same numbers rolling in each year. We know that we have an aggressive spending plan over the next few years, and we know costs are going up, but is it correct to put those same numbers in for future years, or should we put nonapplicable or even do a longer-term cash evaluation of where our cash position stands? (When you do the budget, it automatically populates those numbers, and we cannot change it. It does not let you forecast.) For 2023-24, with the \$9.5 million in COVID funds we are using, obviously we know this is a one-time thing, but have you thought about that? (Yes.) Do you have a target fund balance you want to be at? (Ideally, we do not want to go below 30% of the fund balance and what we would have had for expenses in the prior year. This is also board policy. You had asked for projections, so when I present that, I can explain what I am talking about.)

5. FUTURE AGENDA ITEMS

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

1. 2022-23 Final Budget Presentation

Motion by Choi, second by Radlinski, to move the above item, 3.1 as presented, to the full Board. Ayes, three (3) Choi, Forbes, Radlinski. Nays, none (0). Absent, one (1), Thomas. Abstained, none (0). Motion carried unanimously.

7. INFORMATION

1. Legislative Update
No update.

8. ADJOURNMENT

At 7:00 p.m., motion by Forbes, second by Choi, and with unanimous consent, the meeting was adjourned.

APPROVED _____
Date

Jackie Forbes CHAIRPERSON

SECRETARY _____
Dr. Kent Mutchler

Bonnie J. Johnson RECORDING SECRETARY