



**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, April 10, 2017, 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 6:30 p.m. by Bill Wilson.

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

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

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

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 March 13, 2017

Motion by Nowak, second by Anderson, to approve the minutes as presented. Ayes, three (3) Anderson, Nowak, Wilson. Nays, none (0). Absent, none (0). Abstained, one (1), Lamb. Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 Property Tax Freeze Scenarios

Donna Oberg presented to the committee three budget scenarios that included no property tax freeze, a two-year property tax freeze and a permanent property tax freeze. If there were no freeze, we would have a projected year end budget in 2022 of \$37,630,278, with a two-year freeze \$28,493,375 and with a permanent freeze \$23,756,240, which is what the governor has been talking about. If a permanent tax freeze happened, we would have to dip into our reserves earlier and by the end of 2022, we would be \$5 million in debt, so we would have to take out tax anticipation warrants to be able to fund our district.

Comments, questions, concerns: In 2019/20, are we dipping into our reserves? (Yes.) What is our policy on the percentage to have in reserves? (It is 30%.) With the permanent tax freeze, would there still be an increase in EAV? (Yes and there would be new property growth included as well.)

4.2 Evidence-Based Funding Proposal

Donna Oberg shared with the committee, that about a month ago, business managers from surrounding districts met to discuss the evidence-based funding formula. A worksheet was provided to these districts to help them determine what they would receive in State funding. The new formula is based on tiers, and Geneva 304 falls into Tier 3, which means the district would get an additional \$87,134 million in additional funding through General State Aid. Based on this worksheet Geneva

304 would have 95% adequacy, and would receive approximately \$14.73 per student. This would be a shortfall of \$3,081,972.21 overall. This worksheet has already changed since it was received and completed.

Comments, questions, concerns: Where does the 90-92% on the worksheet come from? (It is calculated as you fill in the worksheet.) Is each district a different percent? (Yes, the percent is determined by what Tier you are in.) Did the State say where they would get the additional funds for this reform? (No.) Evidence-based is a good way to bring equity to districts, unless you take out the property taxes. Are these numbers working to the original tax freeze? (No, they are not.) Was this spreadsheet easy to follow? (Yes, for the most part.)

4.3 2017/18 Finance Meeting Calendar – Draft

The Superintendent shared that this calendar draft could change when the Board reorganizes.

5. FUTURE AGENDA ITEMS

5.1 May

- 3rd Quarter Review
- 2017/18 Preliminary Budget Presentation – Education

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

Motion by Lamb, second by Nowak, to move items 4.1-4.3 to the full Board as presented. Ayes, four (4) Anderson, Lamb, Nowak, Wilson. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

7. INFORMATION

7.1 Legislative Update

Springfield is on spring break for two weeks, but the Governor said he would meet with legislative leaders. The House did pass the Lifeline budget, so it's up to the Senate to decide if they are going to veto it. The district has not received any State funding since December and are waiting on a payment of \$1.9 million.

Comments, questions, concerns: Do you know anything about the exemptions and any impact they might have on the district? (We have heard nothing at this time.) (The Disabled Veterans has increased to \$8,000 and Seniors has increased to \$5,000.) With all of the funding changes, at what point do they feel they can stop so that we can actually fund our programs? (The only information we have is that the seatbelt bill has been postponed until May 5th. At the Safety meeting this morning we asked bus drivers to write to Springfield regarding this issue. If this passes, it would be costly to the district, as well as, unsafe for our students.)

8. ADJOURNMENT

At 6:55 p.m., motion by Nowak, second by Lamb, and with unanimous consent, the meeting was adjourned.

APPROVED _____
(Date)

_____ CHAIRPERSON
William R. Wilson

SECRETARY _____
Dr. Kent Mutchler

_____ RECORDING
Bonnie J. Johnson SECRETARY