



**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 Tuesday, October 9, 2018, 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 6:19 p.m. by Dave Lamb.

Committee members present: Tom Anderson, Dave Lamb, Mike McCormick, Kelly Nowak.

Staff present: Todd Latham, Director of Business Services; Laura Sprague, Communications Coordinator; Dr. Kent Mutchler, Superintendent.

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

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 September 10, 2018

Motion by McCormick, second by Nowak, to approve the minutes as presented.

Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 Initial Levy Presentation

Dr. Romano shared that the levy for the 2018 tax year must be filed with the County Clerk by the last Tuesday of December, 2018. We began the levy process in September when preliminary figures were pulled together based on CPI, estimated EAV growth, new construction and program needs as established during the budget development process. In further preparation for the 2018 levy, considerations pertaining to opportunity for additional transparency with the adoption of the annual levy have been identified. These considerations include the potential to add an adoption of a Tentative Tax Levy, instituting the practice of balloon levying to account for variances in Equalized Assessed Valuation as determined by the local assessor and the annual practice of holding a public hearing prior to the final adoption of the levy.

After the levy is adopted, it will be filed with the County Clerk. Actual tax extension information will not be known until late March, 2019. Adjustments may be made at that time as those figures are verified by the County Clerk, prior to bills being mailed to taxpayers. Our first tax distribution normally is received at the very beginning of June.

Comments, questions, concerns: Is there a limit as to how much you can balloon out the levy? (Other districts have gone as high as 20%, which is excessive, but it really has no impact, because we can only receive what we are allowed through statute.) Is the concept so that we don't under shoot? (Yes.) Could you also talk about the other part of the districts taxes with a bond and how it's allocated? (There are two parts to the levy. First are the non-capped funds, which are dollars that are levied specifically to meet the need of the payment schedule for bond and debt. The second is the operating funds, which is where we are talking about ballooning out.) Not sure I'm comfortable with this. It sounds kind of unnecessary. (It gives us protection from under shooting.) If you stay below the 5%, do you have to hold a hearing? (No. That's why there are always two documents when the levy is posted.) Are you asking us to do anything with this presentation, such as moving it forward? (No. I would bring the documents to the committee first before going forward to the Board with anything.)

4.2 Driver's Education Fee Waiver Discussion

Dr. Romano shared that a waiver is required to raise the Driver Education fee from the standard \$50. The current waiver expires on June 30, 2019, and must be renewed to continue to charge a fee of \$350 or more in the future for Driver's Education. To request a renewal, the District must conduct a Public Hearing on the waiver application, post a 14-day notice on the District website and give a notice of between 7 and 14 days in the newspaper, as well as provide written notification to our union agents and State legislators representing the District.

The Board may act on the waiver application after the public hearing, at the November 12, 2018 meeting. The impact to the budget for 2019-2020 is neutral, as it is not anticipated that we will change from the current \$350 student fee for Driver's Education. This waiver, however, would provide the potential for an increase in revenue to offset costs in future years. Dr. Romano is recommending an increase from \$450 to \$500, which would allow the district to increase its fees over the next five years to \$500.

Comments, questions, concerns: It makes sense that we would build in some flexibility. Do we have more students taking Driver's Education to make sure the trend continues? (We could bring back some trend data for the committee to review.) This amount is not the ultimate fee. The committee is in favor of the increase.

4.3 Treasurer's Report Draft

Dr. Romano reported to the committee that the Business Office prepares financial statements to be shared with the Board of Education and public to make readily available the financial activity of the District. During the September Finance Committee meeting, updates to the monthly reporting were discussed. It was identified that providing data that incorporates prior year, current year and year-to-date actual revenue and expenses in comparative format would enhance transparency and highlight year-over-year variances for discussion when appropriate. A copy of the updated draft reports was shared with the committee and can be found on BoardBook.

Comments, questions, concerns: Have you thought about going back three years? (I've found that too much data can be overwhelming, but I am open to the committee's recommendations.) Let's take a run at this. (We can have it ready to look at when the audit is complete.)

5. FUTURE AGENDA ITEMS

5.1 November

- 1st Quarter Review
- 2018 Budget vs. Actual
- Abatement Resolution
- 2017-2018 End of Year Report

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

7. INFORMATION

7.1 Legislative Update
Nothing to report at this time.

8. ADJOURNMENT

At 6:45 p.m., motion by McCormick, second by Nowak, and with unanimous consent, the meeting was adjourned.

APPROVED _____ CHAIRPERSON
(Date) David Lamb

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