



AGENDA
BOARD OF EDUCATION – MOKENA SCHOOL DISTRICT 159
FINANCE MEETING
Mokena Elementary School
November 5, 2018
7:00 PM

- I. ROLL CALL**
- II. PLEDGE OF ALLEGIANCE**
- III. PUBLIC COMMUNICATION**
- IV. Approval of Previous Minutes** 2
- V. OLD BUSINESS**
 - A. Update on RFQ for Architectural Services
 - B. Referendum options
- VI. NEW BUSINESS** 4
 - A. Levy Presentation
- VII. ADJOURNMENT**

MINUTES
MOKENA SCHOOL DISTRICT 159 FINANCE COMMITTEE
MOKENA ELEMENTARY SCHOOL
October 1, 2018

BOARD OF EDUCATION

	PRESENT	ABSENT
Dr. Victoria Albon		✓
Mrs. Debi Blank		✓
Mr. Eric Bush	✓	
Mr. Alex Fenske	✓	
Ms. Laurel McGowan		✓
Mrs. Carolyne Scanlan	✓	
Dr. Teri Shaw	✓	
Mrs. Rita Ulrich	✓	
Mrs. Bonnie Ushijima		✓
Dr. Don White	✓	
Mrs. Lisa Zielinski	✓	

BOE Members present: Jennifer Riedl, Mike Everett, Anna Briscoe

STAFF present: Janet Walker

VISITORS present: Don Shaw

PRESS: None

ROLL CALL /PLEDGE OF ALLEGIANCE

At 7:00pm Roll Call was taken; Chairman Bush led the committee and audience in the reciting of the Pledge of Allegiance.

III. COMMUNICATIONS

PUBLIC: None

IV. APPROVAL OF PREVIOUS MINUTES

A motion was made by Mr. Fenske to approve the September 10, 2018 minutes as presented; Mr. Bush second the motion.

V. OLD BUSINESS

A. Referendum Options

1. Debt service extension base
 - Least likely to pass
 - Most complicated
 - Language on ballot difficult to understand
 2. Limiting rate increase
 - Not as restrictive
 - Use for operations
 - Not just tied to capital
 - Continuous
 - On the ballot it says, "increase tax rate"
 3. Building bond
 - Pay a lot of interest
 - For example: 15 million bond
 - Pay back 23 million over years
 - Pay 8 million in interest
 - Be upfront about interest charges
- Need a champion in the community to get the word out and educate about a referendum

- Allow community engagement person sit down with Mokena 159 to make sure they ask the right questions
- Dr. White to get the message out factually
- Finance Committee makes a recommendation to BOE to move forward with a research firm to conduct survey

VI. NEW BUSINESS

A. District Audit

- Don Shaw, auditor from Lauderback & Amen, LLP presented to the committee a good report, clean, unmodified opinion; financial statements presented fairly
- Mr. Shaw thanked Teri Shaw and Janet Walker for their hard work
- Mr. Shaw explained the audit tells what happened, not why it happened
- *Management Letter*
 - Prior Recommendation:
 - New GASB 74 & 75 - Financial reporting to post-employment benefit plans other than pension plans
 - Audit Firm's Recommendation: District hire OPEB actuary
 - Prior Recommendation:
 - Capital Projects Fund over budget
 - This will go away next year

B. Levy 2018

- Timeline:
 - October 17, 2018 Board meeting information item
 - November 10, 2018 Finance Committee Review of Details of Levy 2018
 - November 14, 2018 Board approval of Tentative Levy 2018
 - December 10, 2018 Publish Truth in Taxation Notice
 - December 10, 2018 Finance Committee Review of Tentative Levy
 - December 19, 2018 Truth in Taxation Hearing
Board approval of Levy 2018
 - December 20, 2018 Submit Levy Request to County Clerk

VII. CHANGE OF FINANCE COMMITTEE MEETINGS

- November 5, 2018
- December 10, 2018
- January 14, 2019

VIII. ITEMS FOR NOVEMBER 5, 2018 MEETING

- A. Tax Levy
- B. Referendum Options
- C. RFQ for Architectural Services

VIII. ADJOURMENT

At 8:15pm Chairman Bush adjourned the Finance Committee October 1, 2018 meeting. Mrs. Ulrich second the motion. Committee adjourned all in favor.

Minutes Respectfully Submitted by
Janet Walker, Administrative Secretary



FORECAST⁵
ANALYTICS

Mokena SD 159 Tentative Tax Levy 2018



Levy Timeline

Tentative Levy – November 14, 2018

Must be presented at least 20 days prior to adoption

Publish Truth in Taxation – Dec 10, 2018

Truth in Taxation Hearing – December 19, 2018

Board Approval of Levy Request – Dec. 19, 2018

Submit Levy Request to County Clerk – Dec. 20, 2108

2018 Levy generates funds for 2018-19 School Year



Tax Levy – Definitions

- Limiting Rate: The calculated total allowable tax rate for all operating funds
- Bond and Interest Rate: The rate for bond and interest payments; this amount in in addition to the limiting rate, and is NOT tax capped.
- Extension: The amount of taxes calculated by the clerk's office
- Truth in Taxation: State Law requires taxing bodies notify the public and hold a public hearing if the amount of taxes levied is greater than 105% of the previous year's extension
- Balloon Levy: Increase in the amount of the levy request to account for unknown EAV at the time of the levy



Levy Request 2018

Tax Rate Type	2017 Extension		Anticipated 2018 Extension		Requested 2018 Extension	
	Rate	Amount	Rate	Amount	Rate	Amount
Special Education	0.0814	\$ 461,193	0.0656	\$ 419,730	0.0755	\$ 483,229
Tort	0.0258	\$ 133,430	0.0239	\$ 153,000	0.0239	\$ 153,161
Fire Life Safety	0					
Working Cash	0.012	\$ 67,546	0.0109	\$ 70,000	0.0111	\$ 71,238
Social Security	0.0343	\$ 121,804	0.0313	\$ 200,000	0.0318	\$ 203,621
IMRF	0.0343	\$ 121,250	0.0313	\$ 200,000	0.0318	\$ 203,621
Transportation	0.0727	\$ 323,333	0.0664	\$ 425,000	0.0674	\$ 431,582
Operations and Maintenance	0.2126	\$ 1,205,302	0.1972	\$ 1,262,095	0.1972	\$ 1,262,095
Education	2.0236	\$ 11,475,008	1.8906	\$ 12,100,000	1.9141	\$ 12,250,000
Operating Total	2.4967	\$ 13,908,866	2.3172	\$ 14,829,825	2.3528	\$ 15,058,547
Bond and Interest	0.3914	\$ 2,250,599	0.3517	\$ 2,250,751	0.03517	\$ 2,250,751
Total Tax Rate	2.8881	\$ 16,159,465	2.6689	\$ 17,080,576	2.38797	\$ 17,309,298

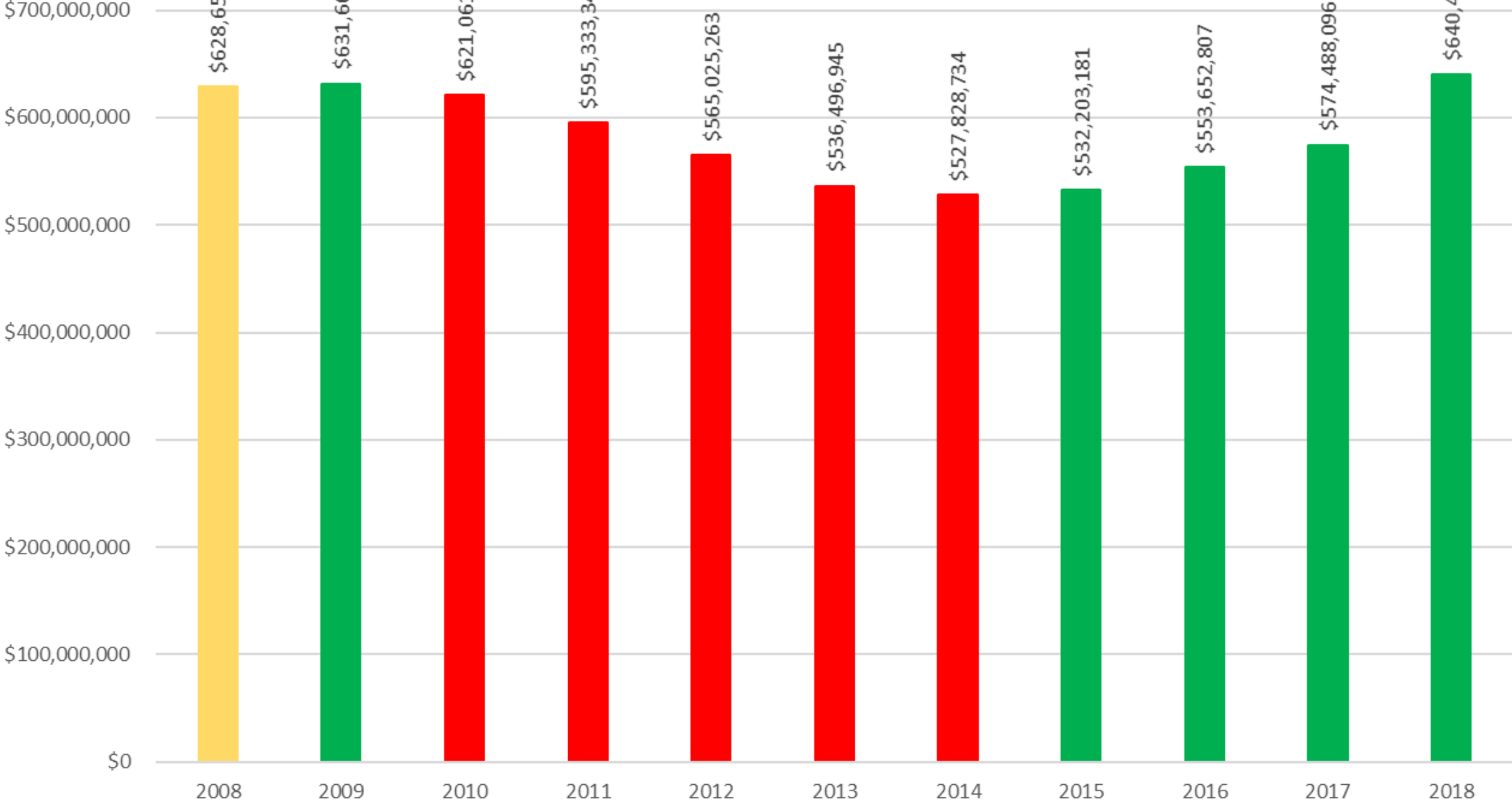


Official Certificate of Tax Levy

Amount of Levy

Educational	\$ 12,250,000	Fire Prevention & Safety *	\$ 0
Operations & Maintenance	\$ 1,262,095	Tort Immunity	\$ 153,161
Transportation	\$ 431,582	Special Education	\$ 483,229
[∞] Working Cash	\$ 71,238	Leasing	\$ 0
Municipal Retirement	\$ 203,621		\$ 0
Social Security	\$ 203,621	Other	\$ 0
		Total Levy	\$ 15,058,547

Total EAV Trend



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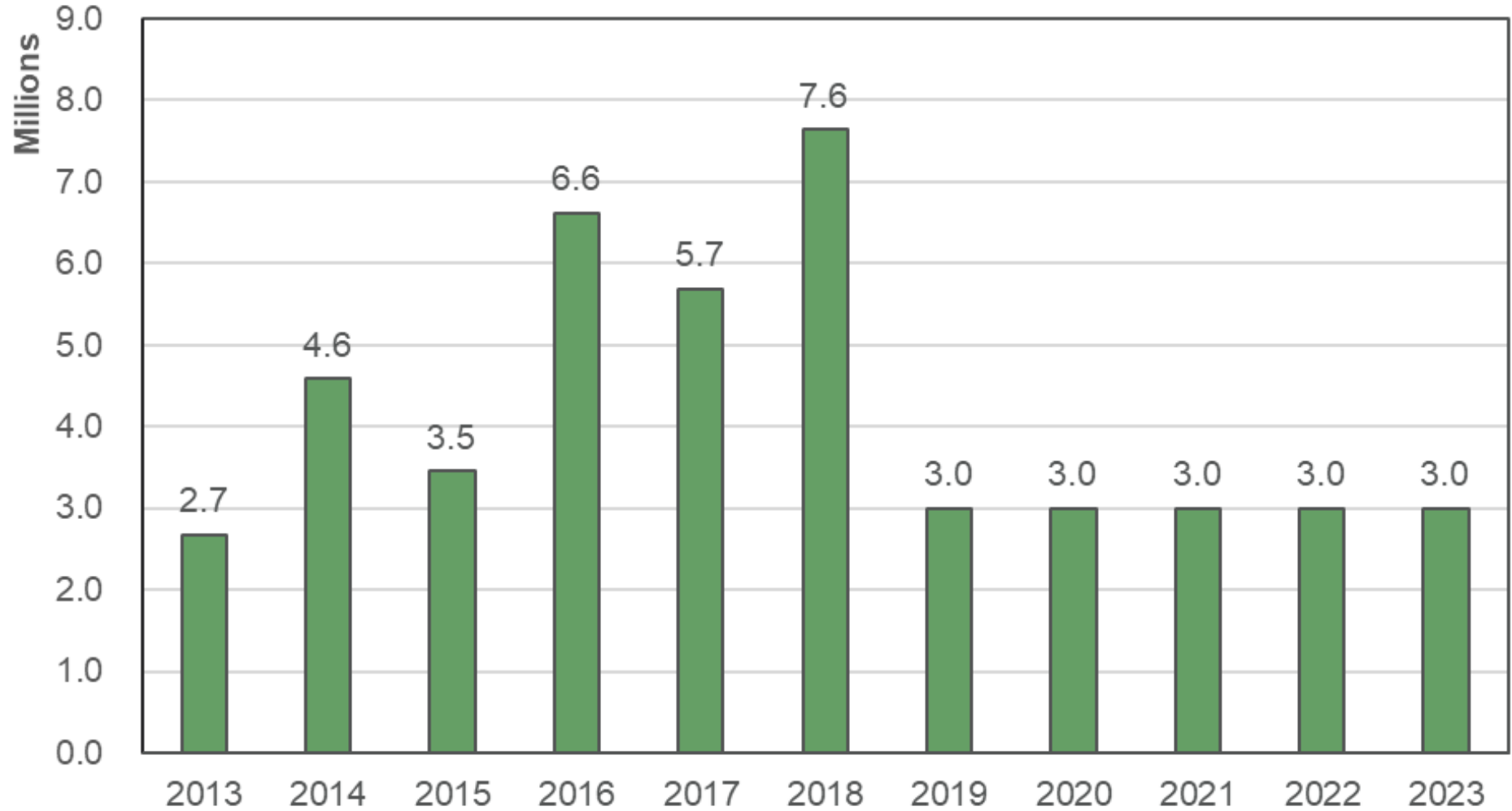
Equalized Assessed Valuation Trend Data and Percent Change

Year	EAV	Percent Change
2008	\$628,651,721	
2009	\$631,663,087	0.48%
2010	\$621,061,772	-1.68%
2011	\$595,333,347	-4.14%
2012	\$565,025,263	-5.09%
2013	\$536,496,945	-5.05%
2014	\$527,828,734	-1.62%
2015	\$532,203,181	0.83%
2016	\$553,652,807	4.03%
2017	\$574,488,096	3.76%
2018	\$640,489,289	11.49%

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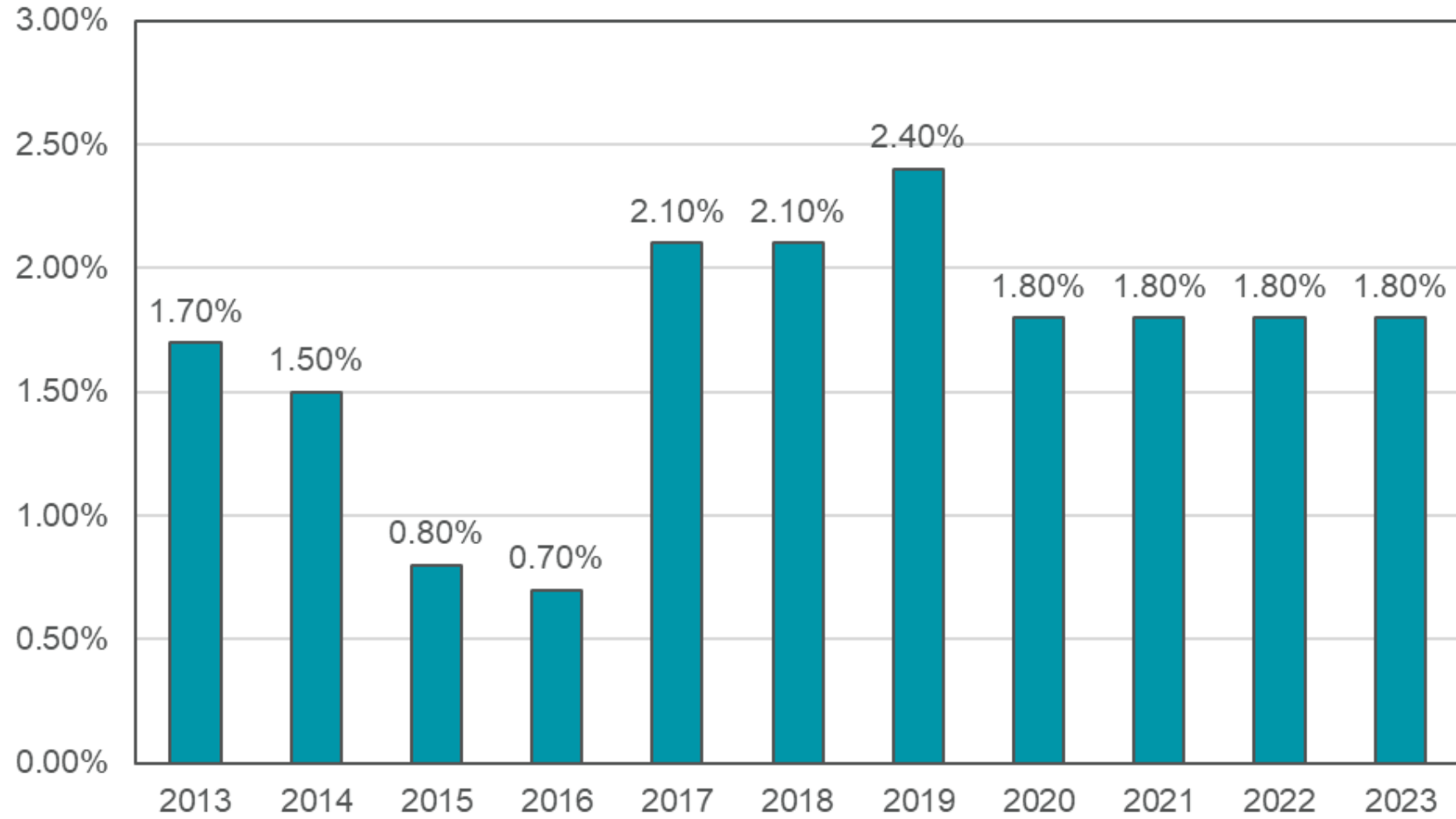
New EAV Growth



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Consumer Price Index





Total Tax Rate and Extension

Tax Rate Type	2016 Extension		2017 Extension		2018 Extension	
Special Education	0.083	\$ 461,193	0.0814	\$ 467,633	0.0656	\$ 419,730
Tort	0.024	\$ 133,430	0.0258	\$ 148,218	0.0239	\$ 153,000
Fire Life Safety	0					
Working Cash	0.012	\$ 67,546	0.012	\$ 68,939	0.0109	\$ 70,000
Social Security	0.022	\$ 121,804	0.0343	\$ 197,049	0.0313	\$ 200,000
IMRF	0.022	\$ 121,250	0.0343	\$ 197,049	0.0313	\$ 200,000
Transportation	0.058	\$ 323,333	0.0727	\$ 417,653	0.0664	\$ 425,000
Operations and Maintenance	0.218	\$ 1,205,302	0.2126	\$ 1,221,362	0.1972	\$ 1,262,095
Education	2.073	\$ 11,475,008	2.0236	\$ 11,625,341	1.8906	\$ 12,100,000
Operating Total	2.512	\$ 13,908,866	2.4967	\$ 14,343,244	2.3172	\$ 14,829,825
Bond and Interest	0.407	\$ 2,250,599	0.3914	\$ 2,248,546	0.3517	\$ 2,250,751
Total Tax Rate	2.919	\$ 16,159,465	2.8881	\$ 16,591,790	2.6689	\$ 17,080,576

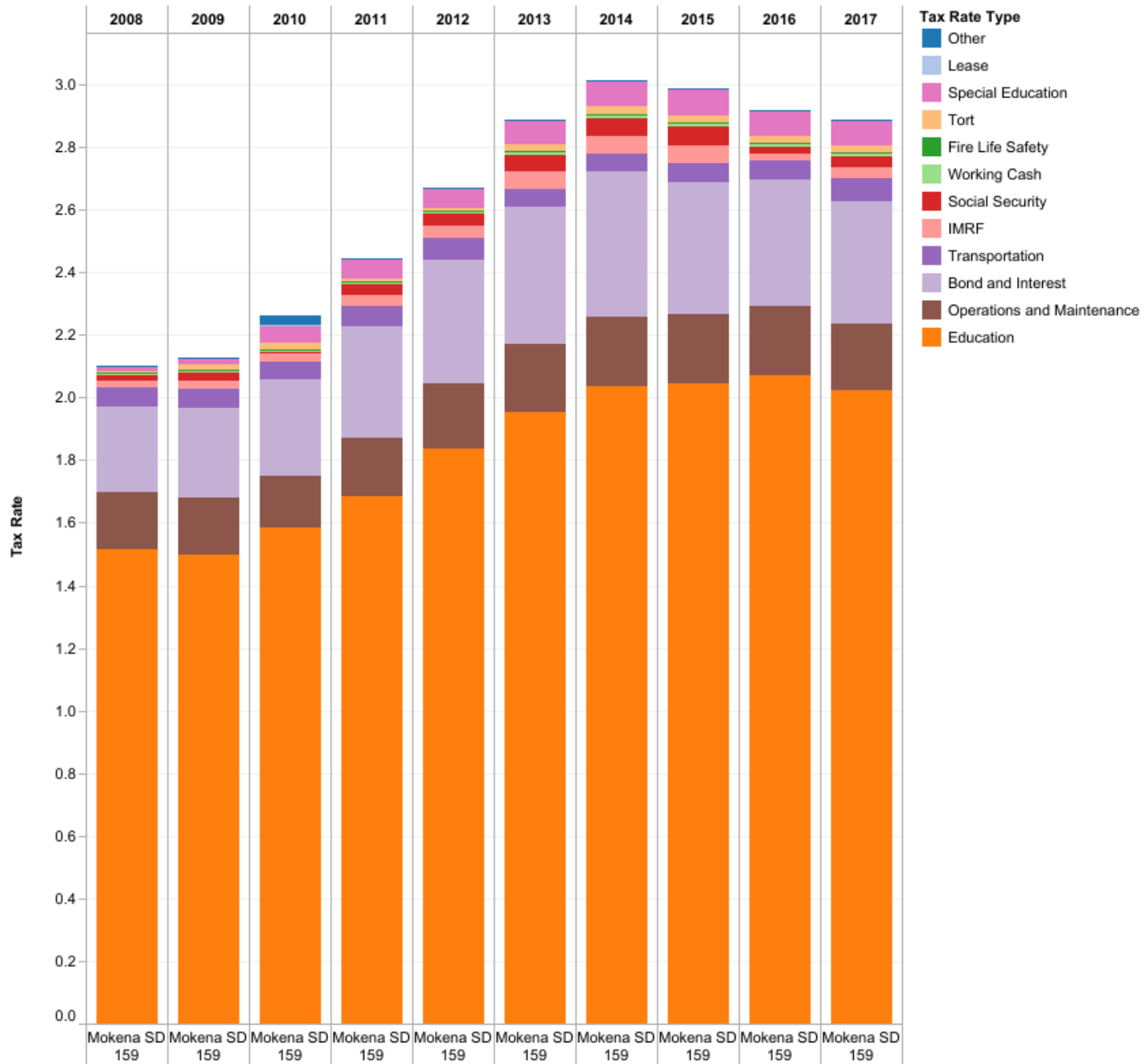
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Tax Rate Type	2012	2013	2014	2015	2016	2017	2018
Other	0	0	0	0	0	0	0
Lease	0	0	0	0	0	0	0
Special Education	0.063	0.077	0.083	0.085	0.083	0.0814	0.0656
Tort	0.009	0.022	0.026	0.025	0.024	0.0258	0.0239
Fire Life Safety	0	0	0	0	0		
Working Cash	0.011	0.012	0.012	0.012	0.012	0.012	0.0109
Social Security	0.038	0.055	0.057	0.059	0.022	0.0343	0.0313
IMRF	0.038	0.055	0.057	0.059	0.022	0.0343	0.0313
Transportation	0.072	0.056	0.056	0.057	0.058	0.0727	0.0664
Operations and Maintenance	0.209	0.218	0.22	0.221	0.218	0.2126	0.1972
Education	1.835	1.955	2.038	2.046	2.073	2.0236	1.8906
Operating Total	2.275	2.45	2.549	2.564	2.512	2.4967	2.3172
Bond and Interest	0.395	0.437	0.466	0.422	0.407	0.3914	0.3517
Total Tax Rate	2.67	2.887	3.015	2.986	2.919	2.8881	2.6689



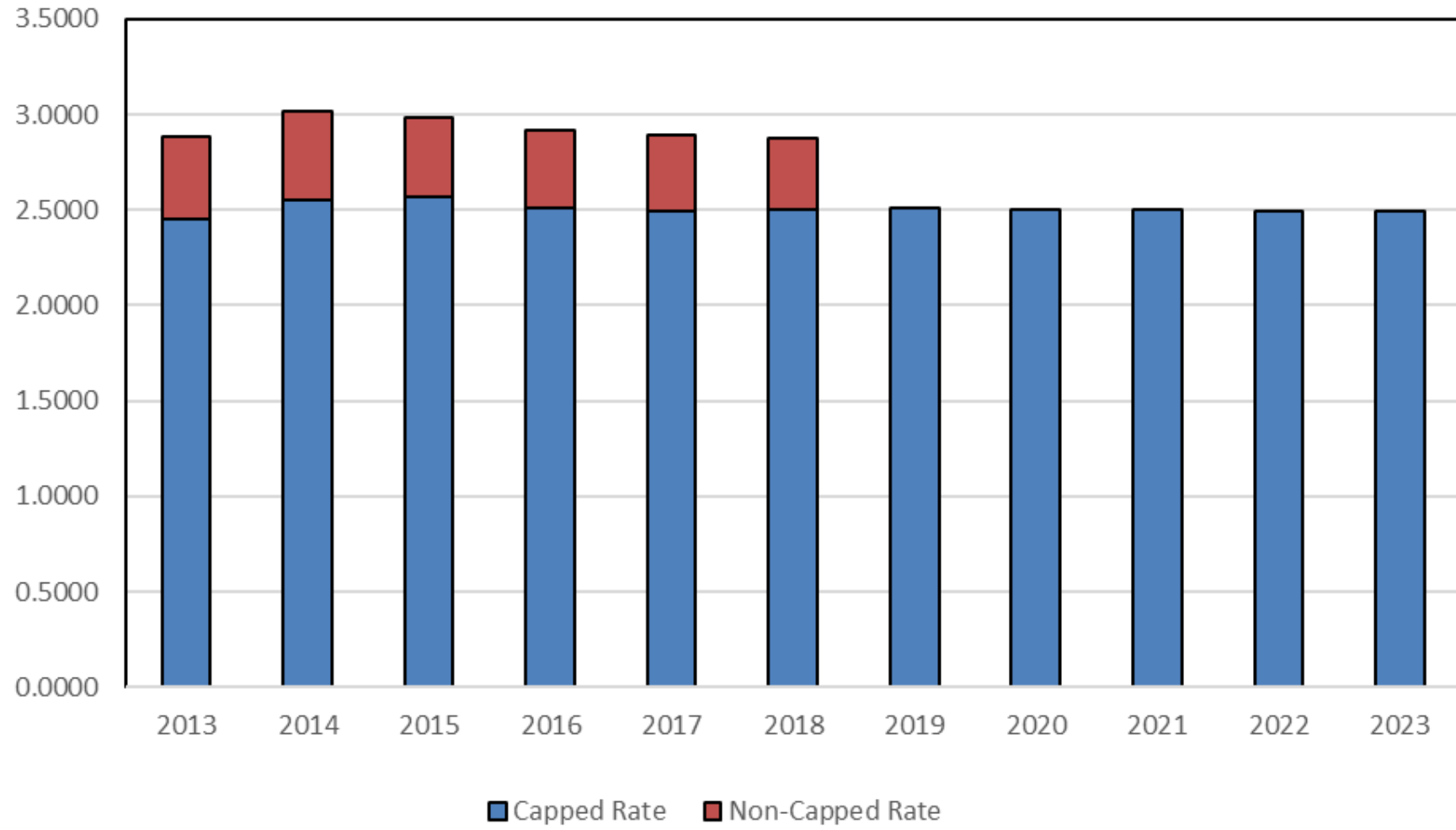
Tax Rates

Source: ISBE General State Aid data

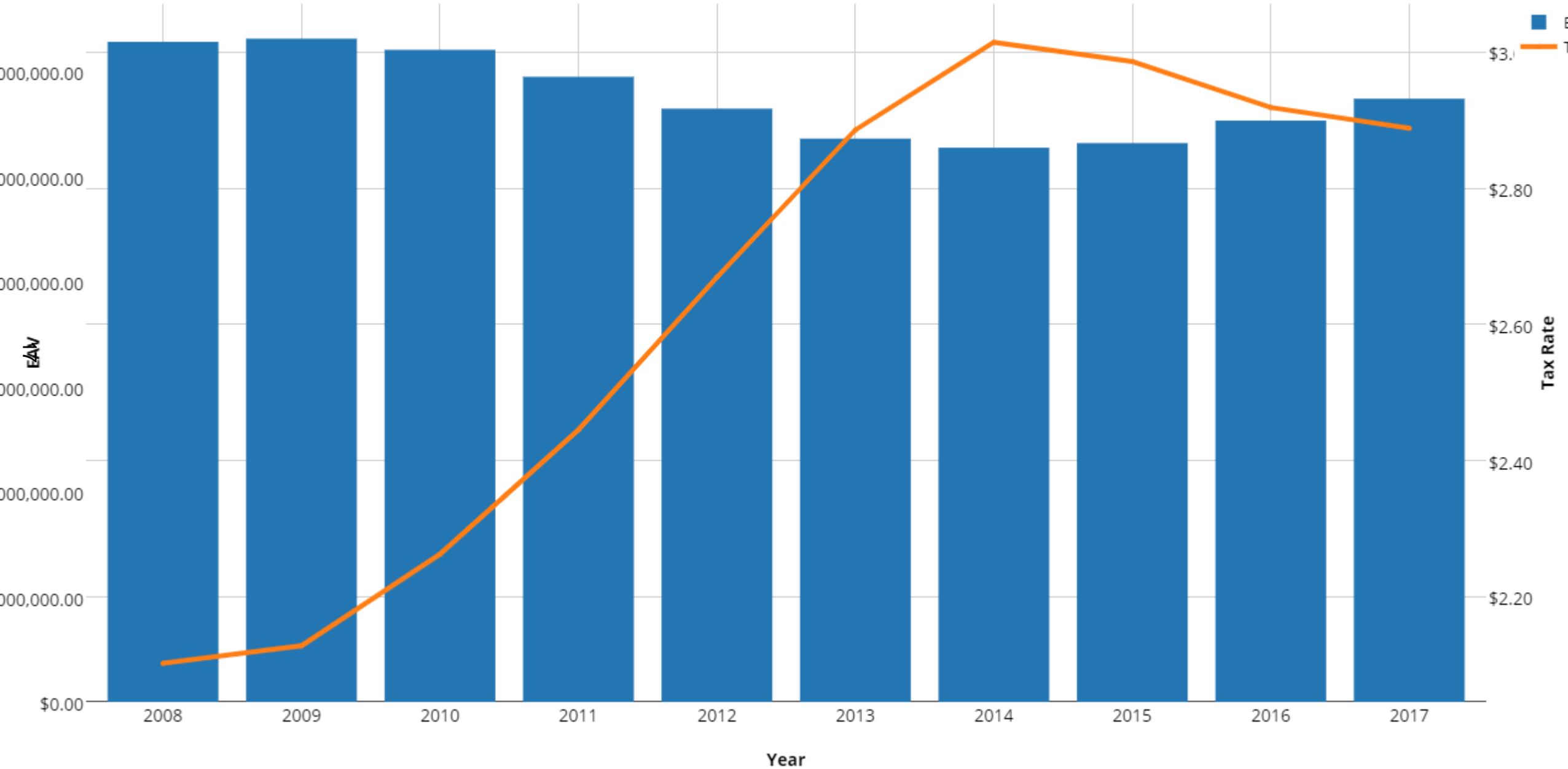




Total Tax Rate



EAV and Tax Rate Trend





Estimated Levy Impact on a \$300,000 house

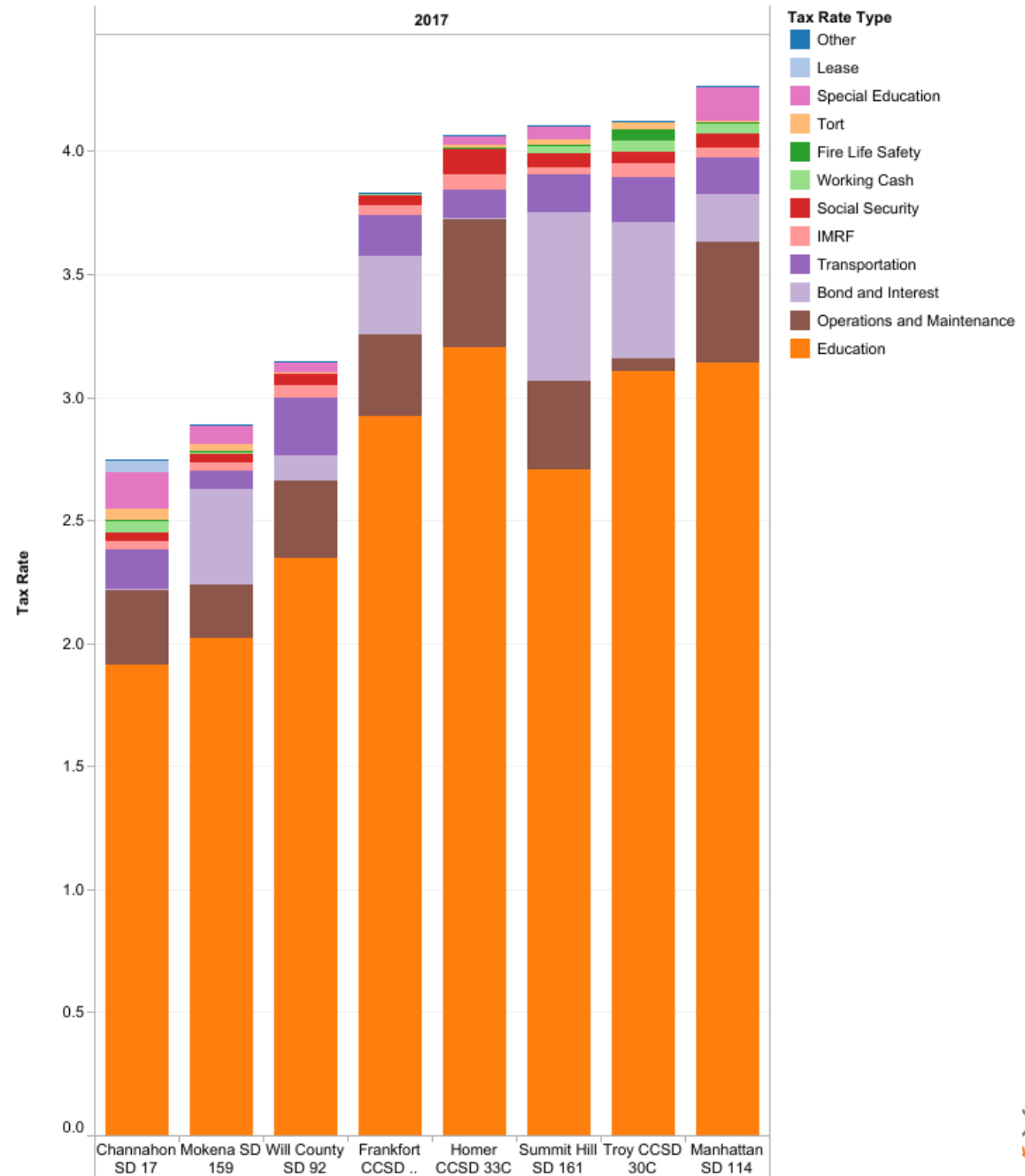
	2017 Levy	2018 Levy
Market Value +11.49%	300,000	334,470
Assessment Level	33.3%	33.3%
Assessed Value	99,900	111,379
Eq. Factor	1.0	1.0
EAV	99,900	111,379
Tax Rate	2.8881%	2.6689%
Tax Not Including Exepmtions	2,885.21	2,972.58
Change from last year		87.37



Tax Rate comparison with Will County Elementary Districts with enrollment between 1,000 and 5,000 students

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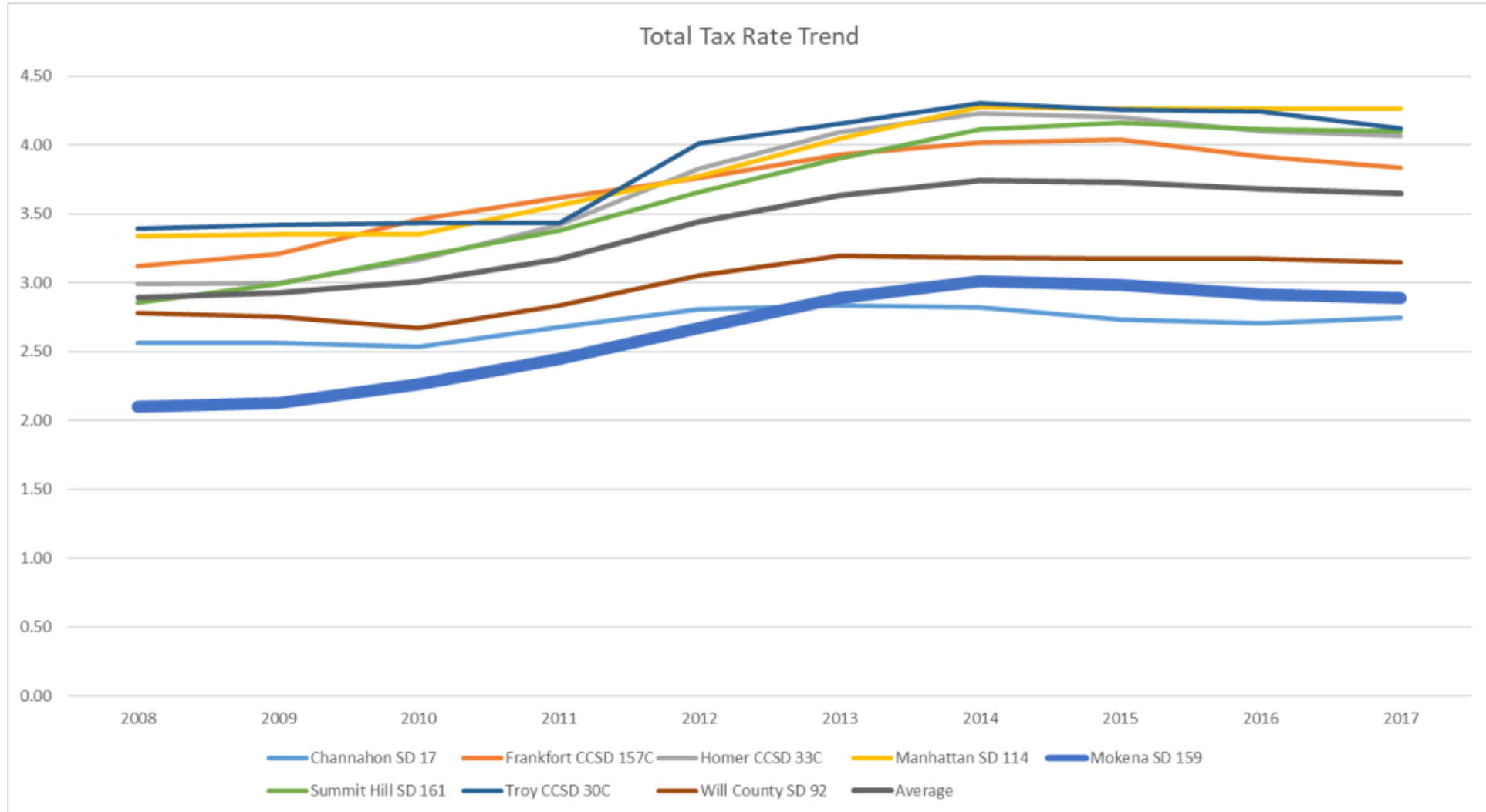
Tax Rates
Source: ISBE General State Aid data





Tax Rate Trends over 10 years

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Will County Elementary Districts Enrollments between 1,000 and 5,000

Homer CCSD 33C	2.99	3.	3.17	3.42	3.82	4.09	4.23	4.2	4.1	4.07
Manhattan SD 114	3.34	3.35	3.35	3.56	3.77	4.04	4.28	4.26	4.27	4.26
Mokena SD 159	2.1	2.13	2.26	2.45	2.67	2.89	3.01	2.99	2.92	2.89
Summit Hill SD 161	2.85	2.99	3.19	3.38	3.66	3.9	4.11	4.16	4.11	4.1
Troy CCSD 30C	3.39	3.42	3.43	3.43	4.01	4.16	4.31	4.25	4.24	4.12
Will County SD 92	2.78	2.75	2.67	2.84	3.05	3.19	3.18	3.18	3.18	3.15
Average	2.89	2.93	3.01	3.17	3.44	3.63	3.75	3.73	3.68	3.65



Questions