

Finance Committee Meeting
Tuesday, December 1, 2020
4:00 PM || via Zoom

Members Present: Superintendent Paul Fregeau; Todd Covault; Dan Oakes; Beth Nolan; and Jeff Dase

Others Present: Deanne Hillman; Krystina Pettit; Michelle Mitchell; Mary Ann Schloz; Beth Creighton; Denise Swarthout; and Andrew Taylor

The meeting was called to order at 4:00 PM. Meeting attendees were reminded that Public Participation is the only time non-committee members are able to participate. There was no public participation. Minutes from the October 6, 2020 meeting were approved by acclamation.

Audit Update

- District received Financial Recognition with a score of 3.60 out of a possible 4 points
 - Increase from the rating of 3.25 in FY19
- State encourages Districts to have 25% fund balance to revenue
 - District ended FY20 with fund balances of 25.9%; improvement over FY19 in which District ended fiscal year with a fund balance of 21.5%
 - Due to school ending early in FY20 not as many funds were spent
- District has 100% authority remaining for short-term borrowing
- Jeff Dase discussed financial implications of returning to in-person

Levy

- Preliminary levy was presented to the Board in November
 - Since the preliminary levy presentation, the EAV has been reduced from \$702 million to a projected EAV of \$697.5 million
 - Other change is a reduction in the IMRF request from \$2,450,000 to \$2,078,915
- Overall tax rate will increase by \$0.005 (1/2 cent increase) maintaining the board's commitment to the community to not increase the levy rate more than 2 cents per year

Resolutions for Abatement

- Macon County has an obligation to levy property taxes for the Alternate Revenue Source bonds
 - Series 2020c in the amount of \$59,755,000
 - Series 2011B Qualified Zone Academy Bonds in the amount of \$4,675,000
- In order to ensure that property taxes are not levied, the Board files two resolutions with the county to abate these taxes
- Resolutions notify the County that adequate sales tax revenues are available to make the debt service payments
- Upon Board approval, the resolutions will be filed with Macon County

Working Cash Bond

- An updated bond calendar was presented to the committee
- District previously completed the Preliminary Official Statement
- Next step is a rating call with Moody's
- Parameters Resolution will be taken to the board in January
 - Resolution gives Stifel the flexibility to place working cash bond issuance as long as it does not exceed a certain parameter

Construction Projects

- Change Order Log Documents – Covault has asked documents for on the 15th of each month
- Covault discussed Montessori change order log
- Change order of 10% could cause problems (potential litigation)
 - Ramifications of Construction Management
 - Collectively under the 10% mark

Meeting adjourned at 4:43 PM