

Finance Committee Meeting
Tuesday, February 05, 2019 | 4:00 PM
Keil Administration Building | Third Floor Conference Room

Members Present: Brian Hodges; Todd Covault; Fred Bouchard; Beth Nolan; Paul Fregeau; and Bobbi Williams

Others Present: Scot Gregory, Sherri Perkins; Rhonda Thornton; and Kay Geskey

The meeting was called to order at 4:00 PM. There was no public participation and the minutes from the November 30, 2018 meeting were approved by acclamation.

Community Eligibility Provision (CEP)

- Program in which District students are afforded a breakfast and lunch at no charge to families
- District entered into the program in FY16
- Program is up for renewal (currently in third year)
 - Renewal requires Board approval
 - Likely second Board meeting in February
- Parent survey results are overwhelming positive
 - 236 responses since sent out the morning of this meeting
- October 2015 to October 2018 Comparison
 - Served approximately 34,000 more meals this October (2018) than the October 2015
- Surrounding Districts currently in program
 - Springfield, Urbana, Riverton
- Food Service Fund Reserve is approximately \$866,000
 - Able to use these funds that are directly relevant to food service program (box trucks and kitchen equipment)

Budget Planning FY20

- Bond Rating
 - District is an A3 rating (upper grade and low risk)
 - State of Illinois is one step away from junk bond status (Baa3)
 - Objectives
 - Acceptable Rating for New Issuance
 - Long Range Financing Plan – Documented Policy
 - Board Agreement on Tax Plan – Document Policy
 - Budget Planning
 - Address Current Deficit
 - Budgetarily Address Future Abatement Costs
 - FY19 Budget
 - Historical Expenditures (budget/audit) Reviewed
 - Historical Fund Balances Reviewed
 - Historical Attendance/Tuition Rate Reviewed
 - FY18 Fund Balance is on target with board policy 4:20 (20%)
 - Operating Fund Expenditures as of December 2018
 - Committee members would like this provided more frequently
 - Covault will provide in upcoming weekly update
 - Covault will provide report quarterly
 - Major Influences on the Budget
 - Grant Funds

- Federal grant allocations
 - Title I allowed to have carry over limit of 15%; budget was 6.6 million; \$390,000 carry over; last two years transferred Title IV funds into Title I
 - Title IV funds come with lots of attachments
 - Needs Assessment; Community Input; Nonpublic Input
- No limit on carryover for Title II (Professional Development)
- Title 3 (ESL) = \$22,000
 - \$10,000 in carryover
- Nonpublic receive a portion of title funds as well
 - Title I = \$200,000
 - Title II = \$38,000
- Projection for Title I budget from ISBE
 - 6% decrease next year due to enrollment decline
- Looking for new revenue sources; new grants writing; Illinois arts council grant for Johns Hill and CME renewal grant; in the process of writing teacher residency grant
- ESSA updates – \$260,000 additional ESSA funds divided into buildings per ISBE guidelines
- Teacher Net = approximately \$720,000 new dollars going towards teacher wages due to retirements and replacements
- Health Insurance Renewal will probably be significantly under 5%
 - Estimated Loss Runs = 92.1%
 - Health Insurance Changes (Open Enrollment) cost savings of approximately \$247,000
- Typical School Closing Savings
 - Document was shared representing savings associated with potential school closings
 - Covault will add a grand total and provide in weekly update

Bond Issuance Updated Proposal

- Two cent levy increases each year for ten years
- Levy tax cap at 63.8 cents
- Operational funds needed to abate taxes capped at \$1.2 million
- Covault will provide in weekly update

Meeting adjourned at 5:30PM