

FINANCE/PERSONNEL COMMITTEE MEETING

MEETING DATE: TUESDAY, AUGUST 9, 2016 AT 4:30 P.M.

Members:

Ms. Annette Johnson, Chair
Mr. Ken Darby
Mr. Richard Leonard
Mr. Steven Megazzini
Dr. Mark McDonald
Mr. Mark Sheahan

Attendance

Yes
Yes
Yes
Yes
Yes
Yes

Agenda

1. Roll Call
2. Public Comments/Questions
3. Acceptance of the following grants:
 - a. "Fresh Fruit and Vegetable Program" grant in the amount of \$292,996.00 from the Illinois State Board of Education for the following schools: Benavides Kindergarten Center, Allen, Beaupre, Brady, Dieterich, Hermes, Johnson, Krug, FRMA, Oak Park, O'Donnell, and Rollins
 - b. "Kane County Grand Victoria Riverboat" grant in the amount of \$39,948. 00 from Kane County Grand Victoria Riverboat for East Aurora High School
 - c. "Fuel Up To Play 60 School Nutrition" grant in the amount of \$31,379.00 from Midwest Dairy Council for the following schools: Bardwell, Dieterich, Gates, Hermes, Johnson, Krug, O'Donnell, and Oak Park
 - d. "Fuel Up To Play 60 NFL Flag Essentials Kit" grant in the amount of \$640.00 from Midwest Dairy Council for the following schools: Beaupre and O'Donnell
 - e. "Fuel Up To Play 60 Healthy Eating and Community Play" grant in the amount of \$3,000.00 from Midwest Dairy Council for Beaupre School
 - f. "Tiggly Education" grant in the amount of \$2,000.00 from Tiggly Education for Benavides Kindergarten Center
 - g. "Kane County Grand Victoria Riverboat" grant in the amount of \$68,480. 00 from Kane County Grand Victoria Riverboat to the Fox Valley Habitat for Humanity for East Aurora High School-Building and Trades Classes
4. Tentative Budget
5. Request for .4 FTE Overload for Industrial Technology at East Aurora High School
6. IASB PRESS (Illinois Association of School Boards Policy Reference Education Subscription Service) Policy Revisions
 - a. 4:100 Operational Services-Insurance Management
 - b. 5:170 Personnel- Copyright
 - c. 7:310 Students-Restrictions of Publications
 - d. 7:325 Students-Student Fundraising Activities
 - e. 7:340 Students-Student Records
 - f. 8:10 Community Relations-Connection with Community
 - g. 8:30 Community Relations-Visitors to and Conduct on School Property
 - h. 8:80 Community Relations-Gifts to the District
7. Review of policy 4:150 Operational Services Facility Management and Building Programs
8. Old Business
9. New Business
10. Closed Session, if needed
11. Adjournment

Consent Agenda

1. Next meeting—September 13, 2016 at 4:30 pm, School Service Center
2. Motion to approve the monthly financial report(s):
 - a. List of Bills
 - b. July 2016 Financials
 - c. Fund Balance Report
 - d. Investments Report
 - e. Payroll Report
3. Motion to accept the following donations:
 - a. General school supplies valued at \$500.00 from LTD Commodities for District 131 students
 - b. General school supplies valued at \$420.00 from Magnetrol International for District 131 students

4. Motion to approve the Personnel Report, as listed:
 - a. Resignations
 - b. Appointments
 - c. Adjusted Appointments
 - d. Recalls
5. Motion to accept the following grants:
 - a. "Fresh Fruit and Vegetable Program" grant in the amount of \$292,996.00 from the Illinois State Board of Education for the following schools: Benavides Kindergarten Center, Allen, Beaupre, Brady, Dieterich, Hermes, Johnson, Krug, FRMA, Oak Park, O'Donnell, and Rollins
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Action Items

6. Motion to Set the public hearing date for the 2016-2017 Tentative Budget on September 19, 2016 at 7:00 pm at the SSC and approve the tentative budget
7. Motion to Approve Displaying the 2016-2017 Tentative Budget at the SSC for 30 days
8. Motion to approve request for .4 FTE Overload for Industrial Technology at East Aurora High School

Informational Items

9. Tentative budget
10. IASB PRESS (Illinois Association of School Boards Policy Reference Education Subscription Service) Policy Revisions
 - a. 4:100 Operational Services-Insurance Management
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Minutes

Grants—Ms. Margo Schmitt gave a brief overview of grants presented. Ms. Schmitt informed the committee she would like to reach a goal of \$4.2 million in grants for this fiscal year; \$357, 000 in funds has been received so far-including the grants presented at today's meeting. Ms. Schmitt will aim for grants geared toward building and grounds along with safety and security type grants for this fiscal year. Mr. Darby asked if grants geared to a specific program are received, does this affect their budget amount, or is it considered in addition to? Ms. Schmitt replied it would be in addition to.

Tentative Budget—Mr. Mark Sheahan thanked the Business Office staff for all of their hard work and assistance they have given him.

Mr. Sheahan gave an overview for the Fiscal Year 17 budget and important dates that are coming up.

- August 16, 2016-Public Hearing Notice will be published in the Beacon News.
- August 16, 2016-Tentative budget will be on display.
- September 19, 2016-Public Hearing at the School Service Center, with request for board adoption.

Mr. Sheahan reminded the committee the auditors are still working on the Fiscal Year 16 audit, this means that final ending balances are not available yet, they still need to be adjusted for accruals. Currently there is a negative in the pension fund; this is due to picking up several payrolls

when changing over to the accrual system. The deficit may be reduced with the December levy by increasing this fund; the surplus in working cash can cover it. There is a slight deficit in capital projects; money will be coming into this fund which will take care of the deficit. Ms. Johnson asked if the \$50,000,000 has been received (*from QSCB funds*); Mr. Sheahan replied yes, \$34,500,000 is temporarily in bonds and interest. Mr. Sheahan added that the District will be closing on the remaining \$15,500,000 on September 1, 2016. The auditors will do an adjusting journal entry to move the monies into the capital projects fund. Ms. Johnson added if everything was running well with finances, when bonds are callable the Board has agreed to pay some of the District's debt down.

Mr. Sheahan informed the committee that once the budget is finalized and adopted, the plan is to work with PMA to establish a forecast and a five year plan or further. Moving forward, Ms. Johnson would like a budget that projects a couple of years out in order to see what the potential numbers for upcoming years are.

Ms. Johnson asked if the health insurance is running above or below budget, Mr. Sheahan answered he did not know. He added that any questions he did not know the answers to he will research and communicate with the superintendents. Ms. Johnson added that we are at the mid-year point with insurance and an update is usually provided at this time.

Dr. McDonald took an opportunity to recognize Mr. Sheahan's hard work for District 131. Mr. Darby asked if there was a new purchase order approval process, Dr. McDonald answered yes, directors are approving purchase orders that pertain to their departments. Ms. Johnson added this was a good thing, since they need to know what is going on in their departments.

Request for .4 FTE Overload for Industrial Technology at East Aurora High School—Mr. Megazzini presented a request for .4 overload teacher for the industrial technology classes. Last year two industrial technology teachers left the District, one has been replaced. Based on class schedules it was determined that a second teacher was not necessary; however, .4 overload would cover the classes needed. Finding a .4 teacher has been difficult, but an overload option would eliminate the need for a new hire. Mr. Darby asked if this was a short term fix, Mr. Megazzini responded this would be a fix for this year, if class sizes increased the following year, the need for a teacher would be revisited.

IASB Press—The following IASB PRESS (Illinois Association of School Boards Policy Reference Education Subscription Service) policy revisions were reviewed, and will be presented as information; with action at a subsequent board meeting:

- a. 4:100 Operational Services-Insurance Management
- b. 5:170 Personnel-Copyright: *Mr. Megazzini asked to pull this policy, the policy talks about a DMCA agent that handles copyright concerns; this is typically a public relations function. It was agreed to revisit the policy once a public relations officer has been hired.*
- c. 7:310 Students-Restrictions of Publications
- d. 7:325 Students-Student Fundraising Activities
- e. 7:340 Students-Student Records
- f. 8:10 Community Relations-Connection with Community
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Review of policy 4:150 Operational Services Facility Management and Building Programs—Ms. Johnson asked if we were up to speed with the green cleaning standards. Mr. Alex DiMare answered yes, items required to be green products are being used. Floor stripper, is not required to be a green product anymore, Mr. DiMare added we are in compliance.

Miscellaneous—Ms. Johnson asked if the vacant positions in the budget have been filled, Mr. Megazzini replied that positions are being filled; a lot of vacancies are nurse and health aide positions. Once the current hiring season is over the vacant positions will be reevaluated. Mr. Darby asked how many hard to fill positions were vacant, Mr. Megazzini responded about 25, and a large number of these positions are contractual and bilingual reading interventionists. Since class sizes have been reduced, Ms. Johnson would like a study on the continued need for the teacher tutor program.

New Business—Ms. Johnson commented that a few months back the committee met to discuss the possibility of investments with Crystal Financial. Ms. Johnson is concerned that we are paying a lot of points in investment dollars with Old Second/River Street Financial. Mr. Leonard added that this would be a task for the new business manager. Mr. Leonard remarked that someone should speak with Old Second Bank, since they need to be directed with how to invest the money. He also added that in the past it was decided to invest the monies in short term funds. Mr. Leonard indicated no one has communicated with them. Ms. Johnson said that Crystal Financial offers an opportunity to loan monies to lower income school districts, and there is a potential to make dollars this way. Mr. Leonard said loaning monies to other schools in Illinois could be dangerous since Illinois finances are not doing well. Mr. Leonard said there needs to be a comparison, he further stated, "You can't just say they are not doing a good job because you never directed them." Ms. Johnson said they have been directed, Mr. Leonard said no they haven't, no one in the district has talked to them.

The meeting adjourned at 5:26 pm.