



Minutes

Building and Finance Committee August 20, 2018 – 7:00 PM

August 20, 2018 – Administration Center

The meeting was called to order at 7:00 p.m. by Tony Serratore, Board and Committee members in attendance for the meeting were: John Lavelle, Susan Dalton, Richard Nogal, Melissa Gracias, Bob Hughes, Eric Olsen, Jen Tyrrell, Robert Nolting, Kathy Martinez, Tera Wagner, Dr. James Gay, Richard Piatchek, Mike Hardek, Mark Lobes, Jackie Grove-McGann, Philip Blomberg, Nicholas Graal, Dave Keating, Steve Barstatis, Arthur Osmelak and Patrick O'Sullivan.

Public Comments: **None**

Building:

Capital Projects –

Major Project & Equipment Plan – Mr. Hughes presented the long-term capital project plan. All scheduled projects are finished with the exception of a couple of long lead-time items. Stagg's science lab casework will not be here until late October and the folding partitions will not be here until late September. Dr. Gay suggested that we bid out long lead-time items earlier in the year so that the projects are finished at the start of the school year. The 2019-2022 projects will start in the next couple of months.

Summer Project Update – Mr. Hughes updated the committee on the summer projects in progress this summer. One of next year's projects will be installing wireless card reader locks on all doors to hallways to enhance security at all three buildings. All projects are on schedule and within budget.

Maintenance/Cleaning - **None**

Other/Policy –

Facilities Rental Update - Mr. Hughes shared the facility logs to the committee that show the requests we received for this fiscal year. Andrew had nineteen requests, eight were approved and eleven denied. Sandburg had twenty-eight requests, seventeen were approved and eleven denied and Stagg had sixty-one requests, forty-four were approved and seventeen denied.

Finance:

Budget/Finance –

Treasurer's Report – Mr. Lavelle presented the June monthly report. He shared with the committee



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that the auditors were in last week and the figures that are presented are unaudited, and we have not received their final adjustments or report yet. The District received revenues of \$3,049,114.96 and expenditures of \$14,293,990.94. The total fund balance as of June 30, 2018 was \$87,429,465.54. The large increase in our fund balance is due to timing and the way Cook County collects taxes.

Mr. Lavelle presented the July monthly report. The District received revenues of \$26,715,696.53 and expenditures of \$7,280,671.49. The total fund balance as of July 31, 2018 was \$106,981,599.10. The figures reflected in this report are the actual tentative budget numbers, which will be on display following this Building and Finance meeting.

Financial Review, Charts and Cash Flow – Mr. Lavelle presented the financial reports for June and July. He shared with the committee that we are getting 1.9% weighted average yield on our investment returns. Mr. Lavelle is moving ahead with our long-term managed plan and will bring a report showing the investments to the September meeting.

Levy / Final Bond Payment – Mr. Lavelle reported that our series 2007B and 2008 GO School Bonds were retired as of December 1, 2017, resulting in the reduction of the districts tax rate by almost 23 cents per hundred dollars of assessed value. As the Levy season approaches, it is important to understand a timing issue that influences the district's revenue cycle. When a district has retiring debt, this means collections are over inflated for the first collection. This happens because the first billing is based on 55% of the prior years bill and the District had debt retire. The first half, which is over inflated due to debt dropping off the billing, is collected in February and March of the fiscal year following the Levy. The second half is collected in the following fiscal year in July and August. The second half will be shorted the overage collected in the previous year. Approximately 5.5 million was collected in FY18 inflating our revenues. In FY19 I subtracted this amount from anticipated revenues since the County will be reducing our collections by this amount resulting in a tight budget year. In addition to this adjustment, the district received bond proceeds last fiscal year. \$2.6 million of this amount is still reflected in the fund balance and will be spent in FY19 and FY20.

Tentative FY19 Budget – Mr. Lavelle presented the timeline requirements for the adoption of the fiscal year 2019 budget. Mr. Lavelle reported that we have a balanced budget for FY19. The next steps in the budget process will include posting the notice that the tentative budget is available and on display. Preparing the final budget review at the September 17th Building and Finance meeting and incorporate any last minute changes suggested by the committee members and conduct our public hearing on September 27th at 7:00 pm at Andrew High School.



Minutes

Building and Finance Committee August 20, 2018 - 7:00 PM

Post Issuance Compliance Report – This report is for our 2017 Working Cash Bonds. The main purpose of this report is to provide information regarding any reportable events that may have taken place since the initial issuance. It also states that spending is on track and that there are no arbitrage issues. It is recommended that this report be shared on an annual basis.

Substitute Pay Increase for Food Service - Mr. Lavelle shared with the committee that the Food Service substitute rate was last increased in 2013 and is currently at \$9.25 per hour. In light of the legislation increasing minimum wage in Cook County to \$10.00 per hour, we would like to increase FS substitute pay to this level to remain competitive and have the necessary coverage for absences. Mr. Lavelle recommends to the School Board to authorize the increase for FS substitute pay to \$10.00 per hour.

Insurance – None

Transportation –

School Start-Up – Mr. Lavelle reported that the first couple of days of student transportation has gone smoothly and the committee will receive an update on transportation monthly.

Hazardous Route Resolution – Mr. Lavelle shared with the committee the resolution indicating the IDOT approved serious safety hazard routes for the 2018-2019 school year and the resolution will be adopted at the School Board meeting on September 27, 2018.

Other/Policy –

Policy for First Reading – Dr. Gay presented the committee with the first reading of the District Policy, 4:30 Revenue and Investments in which required legal and language updates are being made. The policy will be brought to the School Board in September.

The meeting adjourned at 7:50 PM. The next meeting will be September 17, 2018 at 7:00 pm at Victor J. Andrew High School.
