

North Boone Community Unit School District No. 200
Minutes of the Business Services Committee Meeting
District Office
6248 North Boone School Road
Poplar Grove, Illinois 61065
Wednesday, July 17, 2013
3:30 p.m.

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Chairperson Collin Crull at 3:36 p.m. The following Committee members were present: Dr. Steven Baule, Mrs. Rhonda Boeke and Mr. Matt Ellingson. Absent were Ms. Emily Gregory, Mrs. Kelly Hanaman, Mrs. Jeannine Plath, and Mr. Mike Wesbecher, Mrs. Mary Piske.

AUDIENCE TO VISITORS

(No Audience to Visitors)

REVIEW OF MONTHLY FINANCIALS (JUNE)

There were no questions regarding the following financial reports that were available online:

- Financial Highlights
- Revenue Report – June 2013
- Expenditure Report – June 2013
- Fund Balance Report – June 2013

OTHER ITEMS FOR DISCUSSION

- Tentative FY14 Budget Review
- Registration Update
- Motor Vehicle Fuel Bid
- FY13 Audit Update
- FY13 Reports
- Fee Collections

Mrs. Boeke mentioned we budgeted for one tax payment in FY13, but actually received two payments (one in May and one in June). Therefore FY14 revenue looks lower than expected, which explains the deficit. Mrs. Boeke said we could still modify the educational fund with the Board's guidance. Mr. Crull mentioned since the tax payment hit in FY13, we are expecting an ending fund balance of 8.6 million.

Mrs. Boeke stated that registration was set for July 24th and August 1st. Mr. Crull confirmed that all procedures were in place. Dr. Baule mentioned that both Dr. Belcastro and Janice Burmeister have previous experience with waivers, translators have been scheduled, and additional support staff will be on hand to assist with athletics.

Mrs. Boeke received a list of four current students that owe more than \$1,000.00 in past fines. Unfortunately, Power School cannot access fines for past graduates. Mrs. Boeke has been in contact with an attorney, and the cost to send a letter of collection is \$75.00-\$95.00. If the case goes to court, the attorney will charge an hourly rate. Since some of the clients that owe the District may owe others or are in bankruptcy, Dr. Baule brought up the possibility of selling the debt from past graduates to a collection agency. Mr. Crull mentioned there may be lawyers that may be able to offer flat fees. Dr. Baule asked Mrs. Boeke to check with Harlem, Rockford and Belvidere business offices to see who they use to collect debts.

Mrs. Boeke will put the Motor Vehicle Fuel and Related Products Bid notice in the newspaper this week. The bid opening is scheduled for August 7th at 3:00 p.m. Bidders from last year have been notified, and will be mailed packets if interested again this year. Dr. Baule felt large commodities are worth bidding and Mr. Crull asked if we anticipated a large increase due to fuel costs.

Mrs. Boeke sent Trial Balance information to the auditors and is waiting for them to schedule a date. Dr. Baule said this firm is very good and noted that we are working toward continuous improvement.

Mrs. Boeke provided the FY13 reports, and mentioned the major outstanding expense was for a truck which was ordered in May, but hasn't yet been delivered. Therefore, the FY14 budget shows the truck purchase. Dr. Baule said the biggest change to the capital outlay budget was for the new finance software. The original budget for software was \$65,000, however the first proposal came in at \$83,000. Dr. Baule asked if the Committee had any desire to be involved in the financial software selection process. At this point, Kathy Gustafson and the current staff will help make the selection. This software will hopefully take care of A/P, budgeting, payroll, HR, and P.O.'s and possibly streamline state reporting, which is now very tedious. A decision on the vendor will be need to be made in November for a January start. We would then run both the current system and the new software in tandem, with the current system ending June 30th. Mr. Ellingson asked if there were annual license fees for the software. Dr. Baule said yes, that all companies that are being considered have annual fees. Mrs. Boeke mentioned that Byron School District liked Tyler Technologies, but others favor Skyward. Mr. Ellingson asked if we could bid that out, but Dr. Baule said it would be next to impossible to write the bid specification. Once we have one software package, the Business Committee could meet in October before it goes to the November board meeting.

Dr. Baule noted we've actually been able to reduce some of the facilities costs, as Mr. Novak has done a good job of providing realistic estimates with his grounds budget. Dr. Baule also noted

we were still waiting for the cost of a bus.

Dr. Baule asked if the Committee had any opinions on whether to lease or purchase a bus. Mr. Ellingson would like to spend more time to review the financial information before he arrives as a decision, but would lean toward purchasing, if feasible. Mrs. Boeke said the initial cost for a bus on a one year lease at 0% interest is \$13,500 per year, and to purchase a bus would be \$80,000-\$85,000. We have budgeted \$65,000 and have considered trading two buses. Our current fleet is comprised of Blue Bird and International. The Thomas bus uses newer technology with cleaner emissions, has more driver visibility and has hydraulic brakes, which many drivers prefer over air brakes. Hydraulics are good for short term, but are actually more maintenance over the long term. Mrs. Boeke noted that our mechanic, Mr. Timmerman, prefers to work on air brakes. Dr. Baule stated our buses are currently being well maintained, but that has not historically been the case, so the expected lifespan of our buses vary. Mr. Crull said buying within Blue Bird and International would stay brand consistent and allow swapping of parts. Mrs. Boeke noted that Navistar, the parent company of International, is known for engine problems, and though the Blue Bird bus is less expensive, it risks future emissions issues.

Dr. Baule requested quotes for both lease and purchase. Mrs. Boeke said one of the drawbacks to the Thomas bus is that they build to specification, so we would not get the bus until December 2013 or January 2014. Mr. Crull questioned how many spare buses we had, and Dr. Baule said five, with that number occasionally reduced due to field trips and activities.

Miscellaneous

Belvidere has asked if we would agree to take some of their students under the No Child Left Behind act. This could result in approximately \$100,000 if we added 25 K-6 graders. Mr. Ellingson suggested the possibility of adding Harvard students as well, if requested by their district.

ANNOUNCEMENTS

The next meeting date will likely be in October 2013.

ADJOURNMENT

The meeting adjourned at 4:22 p.m.

Submitted by:

Collin Crull, Chairperson