

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
Thursday, August 18, 2016
6:30 p.m.

CALL TO ORDER AND ROLL CALL

The meeting was called to order by Brian Reininger at 6:30 p.m. The following Committee members were present: Dr. Mike Greenlee, Kelly Hanaman, Kelly Holsker, Ed Mulholland, Mary Piskie, Brian Reininger and Julia Saunders. Also present: Andy Arndt from Baird Financial. Absent: Jamie Pearce.

AUDIENCE TO VISITORS

(none)

BOND REFUNDING

Mr. Andy Arndt from Baird Financial was in attendance and presented options on restructuring bonds. He provided handouts to the Committee for review. Mr. Arndt said if there is a desire to pursue new money, we still have the authority for up to \$4M. He said we can refund the Alternative Revenue Bonds at a savings of \$15-20K per year, or \$150K over time, until the bonds are paid off in 2028. Mr. Arndt said we could still use sales tax money to make the payments. Mr. Arndt said the CDB money is helping, but restructuring would help flatten the levies. He noted we could push the bonds out 20 years if the voters approved. He suggested if we choose to refund and restructure it would make sense to do it all at once to save fees. Mr. Arndt noted we currently have \$40M in existing debt, less \$12M in abatement would equal \$28M debt service plus \$1.1M new debt service. Mr. Mulholland thanked Mr. Arndt for the information, and asked if he could calculate the impact to the taxpayers with the hypothetical new structure. Mr. Arndt said he will estimate the effect on a \$100K property.

AUDIT REVIEW

Mrs. Saunders noted the audit was going well. She said the original setup in Sungard is not working well for fund balancing, and our auditor said we will be charged administrative fees to correct. Mrs. Saunders said she would like to look into other software vendors.

EARLY TAX MONEY

Mrs. Saunders said some districts hold early tax money until July 1 of each year. She said she would contact Boone County to see if that was an option, and bring the information to the Board meeting.

BUS PURCHASES

Dr. Greenlee mentioned we would like to rotate out bus #29, as the welding of the steps will cost \$1K and the trade in is estimated at \$4K. A trade in allowance quote from Midwest Transit was provided. Mr. Mulholland asked if Scott Timmerman supported buses with air brakes. Mr. Mulholland said passing the hydraulic test is easier than passing the air brake test. Mr. Mulholland asked if we had considered leasing buses, as it may help us get caught up in the rotation cycle. Mrs. Saunders said she had not yet looked into leasing.

TENTATIVE BUDGET

Mrs. Saunders provided copies of the tentative budget. She explained the larger changes and noted we were receiving more state aid this year. She said she would like to eventually grow the O&M fund to a \$1.5M balance.

CERTIFIED STAFF OVERLOAD

Dr. Greenlee said we had large numbers at the Upper Elementary, and he is working with Mr. Pearce on options.

FOOD SERVICE UPDATE

Dr. Greenlee provided a copy of some of the changes and improvements planned for the food service department. He noted Mrs. Burmeister is working hard with the food co-op to find products that students like, keeping in mind the strict guidelines that must be followed for the National School Lunch Program.

OTHER ITEMS FOR DISCUSSION

(None)

ANNOUNCEMENTS

The next meeting is TBD.

ADJOURNMENT

The meeting adjourned at 7:55 p.m.

Submitted by:

Brian Reininger