

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
Tuesday, September 12, 2023
6:00 P.M.

CALL TO ORDER AND ROLL CALL

Mrs. Maxey called the meeting to order at 6:06 P.M. The following Committee members were present: Dr. Greenlee, Judy Hutchinson, Mary Maxey, Stacey Corder, Marc Eckmann, Tom Kinser, Nancy Schilling and Andrea Sowers. Absent: Ed Mulholland, Kelly Hanaman and Holly Houk. Also present: Brian Haselhorst and Becky Self.

FINALIZE FY23 BUDGET

Stacey Corder presented the FY23 breakdown from the BOE approved FY23 Budget. Presented next was the unaudited FY23 Budget. There is a difference in the projected June 30, 2023 Fund Balance. Ms. Corder did note that in the Education Fund, some revenue was received in July and August for FY23. Also, the number of students that were outplaced did rise considerably in the 2022-2023 school year, which was not anticipated. The auditors will be adjusting the revenue amounts.

Mrs. Schilling is concerned as to why the revenues were lower than budgeted. She recommends having a forensic audit done to verify why the amounts are so different. Questions were raised as to what a forensic audit entails, how much they cost, time line for it to be completed, wait for after the regular audit is complete and how much time would the office staff have to put into for the audit on top of their daily jobs? Ms. Corder feels that this type of audit would be too time consuming, would be expensive and she noted that this is not a trend to necessitate such an audit. It was recommended by the Committee to get a quote for a forensic audit and supply more information on what it entails.

PROPOSED FY24 BUDGET

Ms. Corder presented the FY24 Tentative Budget. Updates to this tentative budget includes staffing and salaries, expenditures and grants. She noted that in a normal year, without ESSER funds, tax levy's account for about 75% of the revenue for a district. The tax levy typically increases by CPI at approximately 1.9-2.1% each year. She indicated that she does tend to budget for the lower end of these amounts. All bond payments are usually due on January 1st. All bonds that we currently hold will be paid off in 2031. Ms. Corder presented a Bond Schedule with Abatement Schedule through 2031.

The negative impacts on the FY24 Budget include the following:

- Although CPI increased 5%, inflation is easily at 7%-16%+ which is impacting the cost of everything.
- CPPRT (Corporate Personal Property Replacement Tax) revenue decreased by \$113,000
- There was a Federal Grant reduction of \$34,330
- There was an increase in Special Education outplacements in the amount of \$400,000
- COVID Cliff

The positive impacts on the FY24 Budget include:

- Property Tax revenue increased
- Evidence Based Funding increased \$757,000
- We are still receiving COVID related funds to allow us to continue to address learning loss from the pandemic

The options for a balanced budget include, transfer from Working Cash Fund to Education Fund, Transfer of bond interest to Education Fund or let the fund balance absorb the difference.

Mr. Kinser asked if the CPI for 2023 used was the 5%? Yes, it was. For FY24, Ms. Corder used the Levy from 2021 for the budgeted amounts.

Mrs. Hutchinson was concerned about the Site and Construction line asking if that will be a sufficient amount? The only project that is slated for FY24 is the HVAC Phase II and Ms. Corder stated that it will be completed by the September 30th ESSER deadline.

Mrs. Schilling asked if the ESSER amount is included in the Site and Construction revenues? Yes, it is. In regards to the Education Fund, why is there such an increase in expenditures? This is due to the increase in insurance, salaries, outplaced students, the new phone system and the K-4 Literacy Curriculum that was adopted.

It is recommended by the Committee to present the FY24 Budget to the Board for approval.

HVAC CHANGE ORDER

Dr. Greenlee presented the change order for the HVAC Phase I project. After much work from Greg Stahler, the change order totaled \$77,812 which is over \$12,000 less than the original \$90,000 that was projected from Hartwig. The \$35,000 contingency for the project was not used. It was recommended by the Committee to bring the final change order to the Board for approval noting that the final payment will have the \$35,000 contingency amount deducted from the total.

OTHER ITEMS FOR DISCUSSION

(none)

ANNOUNCEMENTS

The next Business Services Committee Meeting will be held on November 7, 2023 at 6:00 p.m.

AJOURNMENT

The meeting adjourned at 7:20 P.M.

Submitted by:

Mary Maxey, Co-Chair

Judy Hutchinson, Co-Chair