

BARRINGTON COMMUNITY UNIT SCHOOL DISTRICT 220**Minutes of Finance Committee Meeting****October 17, 2018****Members Present**

Gavin Newman, Michael Shackleton

Location

District's Administrative Offices, 310 James Street, Barrington, Illinois 60010

Meeting called to order at 8:02 AM

1. OCTOBER 17, 2018 FINANCE COMMITTEE MEETING - AGENDA**2. OPEN SESSION****2.01 Call Meeting to Order****2.02 Public Comment**

The opportunity for an individual to make a public comment was presented. No one requested to speak.

3. AGENDA ITEMS**3.01 Approval of Finance Committee Minutes from September 4, 2018**

The Finance Committee members approved the minutes from the September 4, 2018 Finance Committee meeting.

3.02 Levy

David Bein, Assistant Superintendent for Business Services, reported that the Business Office is proposing a capped levy increase of 4.87%. This represents an increase over the previous year's \$119,325,391 extension to this year's levy amount of \$125,140,000. As in the past, the tax cap law will limit the increase to the 2017 Consumer Price Index (CPI), which is 2.1%, plus a percent associated with new construction. The District levies higher than the anticipated amount realized from the tax cap in order to ensure the District receives the maximum property tax receipts permissible if new construction is greater than assumed. The Finance Committee directed the administration to bring the proposed levy to the full Board for approval. The levy hearing will be held on December 4 and final approval of the 2018 levy will take place on December 18. The consensus of the Finance Committee was to bring the proposed levy to the full Board at an upcoming meeting.

3.03 Audit and Budget Transfer to Capital Projects

Dave reported that Joe Lightcap of the audit firm Baker Tilly Virchow Krause sent an email regarding Teachers Health Insurance Fund (THIS) concerns that they have been dealing with. These issues are not specific to Barrington 220. K-12 school districts in the State of Illinois are required to record and disclose their proportionate share of the postemployment benefits liability relating to THIS. The THIS plan is required to obtain an actuarial valuation for the plan net OPEB (other post employment benefits) liability and this liability is then required to be allocated proportionately to participating members and the State of Illinois. Because there are issues with the OBEP calculations, Baker Tilly has made a decision to place a hold on issuing audit reports until this matter is resolved. Dave reported that after some investigation, he has determined that many of the big audit firms are dealing with this issue the same way. The Finance Committee was in agreement with the handling of this matter and understood that there would be a delay in the release of the audit. Mr. Bein stated that there were several years where a transfer of funds to capital projects was completed. It was not done this year because there was not sufficient funds to go forward with a transfer. There is no transfer planned for this year.

3.04 Food Service Bid

Dave Bein discussed the food service bid timeline to the committee. He stated that he is working on putting the bid together and it should go out around January or February of next year. Award of the bid will be in the spring. The Finance Committee felt that the District should go forward with the bid no matter what happens with Blueprint 220 and the Master Facilities Plan. Any changes to kitchens as a result of Blueprint 220 will not be complete for two or three years. The committee discussed the possibility of removing Barrington High School from the National School Lunch Program (NSLP). This may be an item for a full Board discussion.

3.05 Debt Service Extension Base (DSEB)

Bob Lewis of PMA Securities was present and discussed a document created by PMA entitled "Barrington CUSD 220 - Market Update, School Bond Finance Overview and District Debt Review". The presentation included a market update, an overview of Illinois school district borrowing options, DSEB borrowing history and financing scenarios, and a overview of the District's outstanding debt.

4. CLOSED SESSION

Information: 4.01 Closed Session - For the purpose of discussing: Employment matters, performance of a specific employee, collective negotiating matters, legal matters, security procedures, student disciplinary matters, and the purchase, lease or sale price of real property.
No closed session was required.

5. ADJOURN

The meeting was adjourned at 9:08 a.m.