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RAYTOWN SCHOOL DISTRICT FINANCE COMMITTEE		
05/13/2019	4:00 PM	FINANCE CONFERENCE ROOM
Meeting called by	Steve Shelton	
Type of meeting	Finance Committee Meeting	
Attendees	Rick Moore, Kristie Collins, Allan Markley, Travis Hux, Steve Shelton, Jacqui Vernon	
	Hollis and Miller: Justin Durham, Sandy Cochran George K Baum: Joe Kinder	
	Committee Member absent: Rick Thode	
1) Finance Committee Update		
	Steve Shelton	
Discussion	Should the district update DA board policy regarding the duties of the finance committee to include “review the financial condition of the district” and “review revenue and expense reports and annual budgets”.	
Conclusions	Recommend to start the process to update board policy DA.	
2) Renewal of Auditor		
	Steve Shelton	
Discussion	KPM Auditor Renewal for FY19 financials	
Conclusions	Recommend renewal for FY19 and bid auditing services for FY20	
3) Summer Bond Projects		
	Steve Shelton, Travis Hux, Justin Durham	
Discussion	<ul style="list-style-type: none"> <li>- Handouts given with project timelines</li> <li>- Possible creation of a bond committee</li> </ul>	
Conclusions	<ul style="list-style-type: none"> <li>- District has intentionally Front-loaded the projects</li> <li>- Expect to complete projects by 2025</li> <li>- Renderings of bond projects to be shared with board</li> <li>- Correct wording of “restaurant” to HCC “culinary lab” to more accurately reflect the use of the space.</li> </ul>	

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4) Change Orders	
	Steve Shelton, Travis Hux, Justin Durham
Discussion	<ul style="list-style-type: none"> <li>- Updated estimates lead to an expectation of approximately \$148,000 under original estimates.</li> <li>- We have a 10% contingency to cover change orders</li> </ul>
Conclusions	<ul style="list-style-type: none"> <li>- Small change orders will be approved at district level and then brought to board</li> <li>- Change Orders of \$25,000 or more will be brought for board approval before acceptance</li> </ul>
5) S and P Rating	
	Steve Shelton and Joe Kinder
Discussion	<p>Explanation of how district receives S &amp; P rating</p> <p>Can we improve rating? Not likely, tax base is not high enough.</p>
Conclusions	<p>Series 2019A and Series 2019B - Long term rating = AA++ (due to direct deposit payments from the state to BOK)</p> <p>Series 2019A and Series 2019B - Underlying Rating for Credit Program = AA--. Very good rating for a district with our tax base.</p>
6) The Sale of the Bonds	
	Steve Shelton and Joe Kinder
Discussion	<p>Request Bond resolution at board meeting:</p> <ul style="list-style-type: none"> <li>- Bonds to be sold between 0 and 4.25%</li> <li>- 10 to 20 year term</li> </ul> <p>Selling bonds at premium:</p> <ul style="list-style-type: none"> <li>- Get more money up front / higher interest rate</li> <li>- Gives you flexibility / Can refinance later for lower interest rate</li> </ul>
Conclusions	<ul style="list-style-type: none"> <li>- Resolution will be presented at the board meeting.</li> <li>- Selling \$39,000,000 in bonds this Wednesday</li> <li>- Balance of bonds will be sold in 30 to 36 months</li> </ul>

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<b>7) Investing Bond Proceeds</b>	
	Steve Shelton
Discussion	Reviewed MOSIP estimates and George K Baum estimates for revenues on bond investments
Conclusions	Expect to earn \$500,000 to \$1,000,000 in investments
<b>8) Preliminary Assessed Valuation</b>	
	Steve Shelton
Discussion	Reviewed changes in Assessed Valuation from September to February
Conclusions	<ul style="list-style-type: none"> <li>- Personal property not updated at this time from last September to February</li> <li>- Residential increased the most - Many residents will protest</li> <li>- Low new construction listed over last fall</li> </ul>
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<b>9) Non-Binding Tax Levy</b>	
	Steve Shelton
Discussion	Submitted non-binding tax levy
Conclusions	Based on our election - next year's levy will be: Operating: \$5.16 Debt Svc: \$1.16 Total levy: \$6.32
<b>10) Revenues and Expenditures: July - April</b>	
	Steve Shelton
Discussion	Review Expense/Revenue Report through April
Conclusions	Expect to end with a 3.9 million dollar deficit

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<b>11) FY20 Budget</b>	
	<b>Presenter</b>
<b>Discussion</b>	<b>Preliminary budget – June will look a little different 4 million + operating levy 1 million BCBS rebate 2.3 million Food Service increase for after-school meal program Decrease in State money due to 210 student drop Preschool ADA will impact FY21 (not FY20)</b>
<b>Conclusions</b>	<b>Expect to be below 20% reserves at the end of FY20. This is per the board’s recommendation to have reserves between 15% and 20%.</b>
<b>12) Rayteam Recommendation</b>	
	<b>Steve Shelton</b>
<b>Discussion</b>	<b>Rayteam request of one step</b>
<b>Conclusions</b>	<b>Request will be presented at the board meeting for approval</b>