

SMITHTON COMMUNITY CONSOLIDATED SCHOOL DISTRICT #130

Smithton, Illinois 62285

Finance Committee Meeting, September 23, 2015

MINUTES


A Finance Committee meeting of the Board of Education of Smithton Community Consolidated School District #130 was held on September 23, 2015, in the Superintendent's Office, 316 South Hickory, Smithton, Illinois 62285.

Sara Sutherland, Board committee member, recorded minutes of the committee meeting held on September 23, 2015 beginning at 5:05 p.m.

1. The meeting was called to order by Dale Barschak at 5:05 p.m.
2. Pledge of Allegiance was recited by all.
3. Roll Call: Dale Barschak and Sara Sutherland. Board member Dr. Gabe Schwemmer was absent. Also present were Superintendent Dr. Susan Homes, Business Director Mrs. Heidi Etling and Stifel Fixed Income Capital Markets Director Mr. Sean McCarthy.
4. There were no public comments during the Public Forum.
5. Dr. Homes introduced Mr. Sean McCarthy from Stifel to explain the financial impact of proposed Illinois legislation which would result in property tax caps for all Illinois county governmental entities, including school districts. Mr. McCarthy described the differences in Senate Bill 318 and House Bill 4247. He indicated that industry analysts believe SB 318 is the bill likely to be passed which would have the impact of limiting a district's aggregate extension base (non-debt funds) and its debt service extension base (DSEB). He further surmised that should the property tax freeze legislation be passed, it is likely that once the freeze is lifted, municipalities and government entities would remain under PTELL since 80% of Illinois citizens are currently under PTELL and it would likely be a politically positive move for the legislature to make. Mr. McCarthy provided the committee with a handout explaining the property tax limitation law as proposed in SB 318 and HB 4247. He then reviewed the publicly available documents related to Smithton CCSD 130's currently outstanding debt profile, EAV capacity, working cash maximum, its existing bond and interest levy debt service, and the debt service extension base with proposed tax cap legislation. A copy of both handouts are attached to these minutes.

Following Mr. McCarthy's presentation, the committee agreed to meet again. Dr. Susan Homes agreed to enter into a letter of engagement with Stifel to allow the company to run specific scenarios related to its debt service extension base. The letter of engagement would not bind the district to any future business with the company. Dr. Homes would identify a mutually convenient time for the committee and Mr. McCarthy to meet before the end of October 2015.

6. The meeting adjourned at 7:23 p.m.



President



Secretary