

## **North Boone Community Unit School District #200**

### **Minutes of the Business Services Committee Meeting**

District Office

6248 North Boone School Road

Poplar Grove, IL 61065

Tuesday, September 9, 2025, at 6:30 p.m.

### **CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 6:30 p.m. by Mrs. Judy Hutchinson. Members present were: Mrs. Hutchinson, Mr. O'Donnell, Mrs. Schilling, Dr. Cascio, Dr. Mullikin, Wendy Spence, Elaine Ahrens, Marc Eckmann, Heather Walsh, Cindy Kastning, Andrea Sowers, and William Randall.

Members absent were: Treasurer Randy Steen, Rob Wessel, and Brad Crull.

### **AUDIENCE TO VISITORS**

*(None)*

### **FINANCIAL UPDATE**

Dr. Joe Mullikin spoke regarding the Fiscal Year 2025 closure. The accounting system (DSI) has largely closed out FY25. A few final updates and reconciliations for June are pending, but all funds are accounted for.

In preparation for the audit, contact has been made with the consultant from Sikitch to schedule and prepare for the annual audit, which had been delayed previously.

Dr. Mullikin updated the committee on the Treasurer's Reports being brought up to date. The revenues and expenditures for June through August are being updated. The goal is to present complete treasurer's reports for June, July, and August at the September Board Meeting to restore regular reporting. Dr. Mullikin and Randy Steen have discussed merging the financial and treasurer's updates for a streamlined monthly report that includes revenues, expenditures, and budget performance.

Currently, there is a discrepancy of approximately \$66,000 where the funds are visible in PMA's bank records but are not reflected in the accounting system. Dr. Mullikin stated that the issue is not a red flag since the net position is positive. The likely cause is an unrecorded event, such as a matured treasury bond on June 1, 2025. The PMA staff and treasurer are investigating, and updates are expected soon. It was noted that most of July's data entry is complete, and much of August is processed. The goal is to ensure all allocations to the correct funds are finalized.

## **BUDGET UPDATE**

Dr. Susan Harkin was present to discuss the updates to the tentative budget and how these changes will affect the final FY25-26 budget. The presentation reviewed revenue and expenditure adjustments, impacts on operating and non-operating funds, and the process for board approval and filing.

### Revenue Adjustments:

- State Revenue: Increased from \$9.5M to \$9.8M. \$200,000 was moved from Fund 20 (EBF) to Fund 10.
- Grants and Medicaid: Reviewed and updated grant amounts, including \$139,000 in additional federal funds (Medicaid reimbursement and grants) to Fund 10.
- County Facility Sales Tax (Fund 60): June payment added, and there is approximately \$100,000 in additional revenue anticipated.
- Total Revenue Increase: Approximately \$555,000 from the last tentative budget.
- Conservative Approach: It was emphasized that the conservative revenue estimates, noting potential for another federal allocation and Medicaid reimbursement improvements.

### Expenditure Adjustments:

- Special Education Tuition: Increase due to more outplaced students in special education.
- Capital Outlay: Increased to include the high school dishwasher purchase.
- Total Expenditure Change: Approximately \$274,000, all within the Education Fund (ED).

### Operating Funds Outlook:

- Operating funds include Education, O&M, Transportation, IMRF, Social Security, Working Cash, and Tort.
- Net change: \$100,000 surplus with revenue exceeding expenditures.
- Education Fund Deficit Spending: This is expected but mitigated by conservative revenue estimates and typical underspending of budgeted expenditures.
- The transportation fund shows a surplus, but it will be discussed further before reallocating funds.

### Non-Operating Funds:

- Debit Service, Capital Projects, Fire & Life Safety: These funds remain healthy with revenues matching or exceeding expenses. Capital project funds will be prioritized later based on district needs. The Debt service is stable (the levy covers debt payments). Fire and Life Safety funds await future project identification.

### Overall Financial Position:

- Projected Total Revenues: \$29.6M
- Projected Total Expenditures: \$28.98M
- Outcome will be a slight overall surplus for FY25-26.
- There will be an emphasis on continued monitoring to ensure operating funds remain balanced as revenues and expenses narrow.

### Next Steps and Timeline:

- The updated budget will be presented to the full board at the September 23, 2025, Board Meeting for review and public hearing as required by school code.
- Following the Board approval, the budget will be filed with the Illinois State Board of Education (ISBE) along with the Boone and Winnebago County Regional Office.
- Future budget analysis will include close tracking of actuals vs. budget to maintain district financial health.

## **TYLER IMPLEMENTATION UPDATE**

Dr. Mullikin gave a breakdown of the current situation and the need for change with the financial software. The current accounting system can only be accessed on the district network, creating challenges for remote work and limiting autonomy in report management. The system is outdated and inefficient, prompting the move to Tyler Technologies for improved usability and integration.

### Implementation Plan:

- Rollover timing is planned for January 1<sup>st</sup> during the winter break to align with fiscal and payroll processes. Rolling over earlier would complicate W-4 processing by requiring data from two systems. The current ERP contract runs through December, making a January transition more natural. Until that time, the old system remains in use through December.
- Training hours remain available for secretaries, office staff, principals, and others. Tyler's training website and sessions will prepare staff to manage purchase orders, accounts payable, and internal controls effectively.

### Benefits of Tyler Technologies:

- Tyler is more intuitive and user-friendly than the current system and integrates well with the Transportation systems that are already in use.
- While not perfect, Tyler is considered the best fit among comparable ERP options.
- Implementation aims to create a streamlined cadence of financial operations, including: regular check-ins instead of monthly check purges, improved checks and balances with broader staff involvement in data entry, and stronger internal controls and accountability.

### Risks and Confidence:

- A red flag would be the 4-month timeline until implementation could invite complacency; leadership would prefer urgency to maintain momentum.
- The leadership is comfortable with the plan and Tyler's support resources and believes the transition will be successful by January.

## **2025-2026 NBCUSD NON-RESIDENT TUITION**

There have been several inquiries (via email, phone, and in-person) asking about non-resident tuition for NBCUSD. The policy, process, and current tuition rates were presented for transparency.

### Policy and Approval Process:

- Illinois statute and board policy require non-resident students to pay tuition if approved by the Superintendent.

- The current and proposed policy language are nearly identical, ensuring consistency.
- Admission is contingent on following this policy and the formal calculation process.

Tuition Calculation:

- The official tuition rate for 2025-2026 is \$16,733.60.
- The calculation details are based on the Illinois State Board of Education (ISBE) formula, which is available on ISBE’s website.
- A PDF breakdown of the calculation can be provided upon request.

Transparency Measures:

- The District plans to publish tuition information on its website so families can easily access it.
- This step ensures staff can respond quickly to inquiries and the community understands the process and cost.

**CEP**

Dr. Cascio noted that CEP is a continuing conversation that is important to Board Members and community stakeholders. He said it will not remain a standing agenda item at every meeting but will return periodically to ensure progress. The goal is to explore a program or initiative that could benefit both students and the district financially, creating a potential win-win situation. Comparable districts such as Harvard, Belvidere, and Rockford are participating, while others like Prairie Hill are not.

The Food Services Director was met with to ensure this initiative is actively monitored. The data being tracked includes:

- Number of students eating lunch daily.
- Students qualifying for free or reduced lunch.
- Total lunches served.
- Certification methods (direct certification or household application).
- Percentage of qualifying students actually consuming school lunch.

The goal is to increase the participation of eligible students to reduce family burden and support district funding opportunities.

Timeline and Next Steps:

- Check-in – it was suggested to revisit in January to review first-semester data and assess progress.
- This January review will bring informed decisions before applications open on April 1<sup>st</sup>, ensuring time to act if adjustments or approvals are needed.
- A spreadsheet report in January will be brought showing updated participation and qualification data.

**TRANSPORTATION**

Some immediate transportation issues were discussed, including the following:

Two buses on the trade-in rotation experienced issues:

- The first bus has a blown transmission with a repair estimate of \$10,000-\$11,000.
- The second bus has a warning light prompting an inspection. It is most likely loose wiring but under evaluation.
- Both of the previous buses are 2017 models (titled as 2019) with approximately 90,000 miles and were slated to be traded in this year.
- A third bus later developed a turbo issue, which is risking three buses out of service.

A wheelchair minivan is heavily rusted (the floorboard is nearly gone) but is still in use. It has been noted that transportation will not require a wheelchair-capable van in the future.

Cost and Replacement Considerations:

New Bus Pricing:

- Previous purchases cost \$112,000, with new quotes expected to exceed \$115,000, and used buses may still have 40,000 + miles on them.
- A consensus was made to obtain quotes for brand new buses with warranties, used buses (trade-in values and conditions), and to explore multiple vendors, not just Midwest Transit.

A decision not to repair the blown transmission bus if a viable trade-in or purchase alternative exists. The decision was deferred for the second bus pending wiring diagnosis. If multiple buses are down and new costs are too high, the district may need to reconsider repairs for short-term operational needs.

The preferred option for the wheelchair van was to replace it with a Ford Transit-style van, not a traditional caravan. The benefits of a transit van are that it can seat 10 passengers, will support athletics/extracurricular trips, and is similar in cost to a caravan (approximately \$34,000 for a 2017 Transit with 50,000 miles).

Action Items and Next Steps:

1. A spreadsheet was requested providing an inventory of all buses and vans, including: year, mileage, condition, and trade-in values.
2. Cost comparisons will be gathered for new buses (warranty included), used buses, and trade-in values for existing vehicles (including the rusted van).
3. Present findings and recommendations at the September 23<sup>rd</sup> board meeting. Be prepared for possible motion or action depending on the cost of availability.
4. Fall sports demand is straining transportation capacity; delays in bus replacement could disrupt scheduling. Coaches are already using smaller vehicles for trips, highlighting the urgency.

**BULK PAPER REVISITED**

Previously, purchasing bulk paper was discussed. At that point, the required three bids had not yet been received. New outreach brought Staples into the bidding process; however, one vendor retracted their quote.

Pricing and Delivery Details:

- Office Pro confirmed \$34 per case, a locked price regardless of ordering volume.
- Staples and Office Pro will deliver directly to all six district buildings with a 48-hour notice.

- The estimated annual cost would be approximately \$13,000, based on typical yearly paper usage.
- This pricing is lower than past Amazon/individual secretary orders, which varied throughout the year.
- Order quantities are flexible; even if usage changes, Office Pro's price remains stable.

Quality and Additional Considerations:

- Paper quality differences exist, but Office Pro serves other districts (e.g., Belvidere) without issues.
- If paper quality is unacceptable, Office Pro will replace it at no cost.
- Discussion raised about expanding bids to include colored paper and cardstock, which is widely used. Locking in pricing for those items could save additional costs.

The consensus recommended that Office Pro be brought to the September Board Meeting for approval as the vendor for bulk copy paper.

**ANNOUNCEMENTS**

*(none)*

**ADJOURNMENT**

Meeting adjourned at 7:31 p.m.

Submitted by:

Judy Hutchinson /s/  
Judy Hutchinson  
Committee Chair

Russell O'Donnell /s/  
Russell O'Donnell  
Committee Vice-Chair