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**GENEVA COMMUNITY UNIT SCHOOL DISTRICT NUMBER 304
227 NORTH FOURTH STREET, GENEVA, KANE COUNTY, ILLINOIS
FINANCE COMMITTEE MINUTES**

The Board of Education Finance Committee met at 6:00 p.m. on Monday, March 8, 2021, at Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

1. CALL TO ORDER (Policy 2:220)

The meeting was called to order at 6:00 p.m. by Dave Lamb.

Committee members present: Taylor Egan, Dave Lamb, Mike McCormick, John Thomas.

Staff present: Scott Ney, Director Facility Operations; Dr. Dean Romano, Assistant Superintendent for Business Services; Dr. Kent Mutchler, Superintendent.

Others present: Leslie Juby, Alicia Saxton.

2. PUBLIC COMMENT (Policy 2:230)

None.

3. APPROVAL OF MINUTES (Policy 2:220)

1. February 8, 2021

Motion by McCormick, second by Egan, to approve the minutes as presented. Ayes, four (4) Egan, Lamb, McCormick, Thomas. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION

1. 2021-2022 7-Year Capital Improvement Plan – Scott Ney

Scott Ney shared with the Committee that the district has surveyed all school district buildings, analyzed existing facilities, and related conditions, prioritized based on cost, needs and efficiencies, and provided cost estimates for future projects. There are still 2020-21 projects that are not completed at this time with costs coming in under budget by \$445,550. He shared the priorities for each building for the 2021-22 school year, as well as projects for the following school years. For the 2021-22 school year, the cost of projects is estimated at \$2,480,075, with a total of \$21,055,084 estimated over the next seven years. Future considerations are estimated at \$8,006,999 over the next seven years, with an estimated grand total of \$29,062,083 over the next seven years. This item needs to be approved to move forward to the full Board.

Comments, questions, concerns: If you look at the project lists and see the roofing, chillers, or boilers, those are big ticket items. We try to level off the budget each year, which has created this larger number. Is the \$29 million over seven years? (Yes.) Is this the second round for the turf at Burgess Field? (No, it is the original turf.) We have done a great job of maintaining the turf. It is hard to believe South is going to be 30 years old. It still looks like new. We hope to do thermal imaging this fall to get a

snapshot of our roofs.) Thank you to Scott Ney and his team for all of their hard work maintaining our buildings. When we talk about the annual spending, the fund where money goes for special projects, are we going to use that fund? (We are following the directive of the Board, and those funds will be earmarked for capital improvement projects, so it will accumulate.) Since we have not used the turf in over a year, does that extend its shelf life? (We did have it inspected and feel comfortable waiting 3-5 years.) We have been using the field for practices. Can you explain the roof situation? (We are doing all the repairs now, so that we can do the restoration coating to save money. If we do this coating, in the next 20 years all we would need to do is the coating again. We budgeted for full replacement, but if we can do the restoration coating, we will see a huge savings in the cost.) We do have to have a minimal level of moisture in the insulation under the roofing to allow us to do that. Can you speak to that? (We must be less than 30% of the footprint of the entire building. If we exceed 30%, then we would have to do a full roof replacement.

2. 2021-2022 School Fees (Policy 4:140)

Dr. Dean Romano shared that for the 2021-22 school year, school fees will remain at the same level as the 2020-21 school year, with a few exceptions. The current technology fee for grades K-2 is \$30 and grades 3-5 is \$40. We are proposing a new fee for grades K-5 at \$45, that is based off a full 1:1 access ratio. There will also be a few minor adjustments to specific fees outside of the general registration fees to account for program or items cost changes for the new year. We will bring this back to the Committee in April with plans to take it to the full Board on April 26th.

3. 2021-2022 Food Service Agreement (Policy 4:10)

Dr. Romano shared, that while we are hopeful for a full return to in-person learning for the 2021-22 school year, the long-term impacts of COVID-19 are still unknown. We are also unsure of the existing parameters of the Summer Food Service Program. These two factors have made it necessary to develop a new program agreement, which offers the district more financial protection. Through discussions with Sodexo, it was proposed that we go with a commission-based design that would guarantee a minimum revenue component tied to the total number of full district meal service days. It was originally proposed that we go with a 2.5% commission, however we would have to raise the cost of meals to do this. Sodexo came back with a 1% commission that would guarantee us a minimum of \$12,000 provided we have students at every building being offered meals every day. We would like this to go forward to the full Board for review.

Comments, questions, concerns: So, the cost of meals will not go up? (That is what is in the proposal.) Do we feel comfortable with the minimum guaranteed level of meals? (It is not based on how many meals are served, which is what is nice about this proposal. We are guaranteed \$12,000 if every building provides meals to students every day.)

4. Review of Draft Year-End Financial Projections – Draft (Policy 4:10)

Dr. Romano shared a draft of the year-end financial projections. The key income data items reviewed were the levy, tuition & transportation, investments, district/school activity income, transportation reimbursements and food service revenue. The key expense items reviewed were salaries, benefits and purchased services. We are estimating a \$333,231 savings from the original budget versus the projected budget. In the coming months, we will prepare the ESSER II stimulus funding application, update revenue projections, complete the analysis of potential financial impact relating to changes in transportation, and update major line-item projections for program related expenses. We will continue to bring back updates as we move forward.

Comments, questions, concerns: Are the ESSER II funds formulated, and if we

apply, are we reasonably certain we will qualify? (That is our hope. It must be things that you can show as extra expenditures due to the pandemic. Like many funds, we must spend funds to be reimbursed.) It is kind of semantics, as we are already in a \$1.2 million deficit. So, if we have \$1.2 million coming to us and want to use it for future expenditures or to make it up, then we can.) This is a good point. When we started this process, the challenge we gave to the administrators was not to exceed \$1.5 million. Extra expenditures should not come down on the local taxpayers. The components for both the ESSER I and ESSER II funds are the same. There is a possibility that there will be a third round of ESSER funds. It is important to put this into context, because \$1.2 million is about 1% of our annual budget.

5. FUTURE AGENDA ITEMS

1. April
 - Year End Transportation Budget
 - Review of Draft Year-End Financial Projections

6. ITEMS FOR RECOMMENDATION TO FULL BOARD (Policy 2:150)

Motion by Egan, second by McCormick, to approve items 4.1 & 4.3 going forward to the full Board as presented. Ayes, four (4) Egan, Lamb, McCormick, Thomas. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

7. INFORMATION

1. Legislative Update

Dr. Mutchler shared that the governor did sign the new education bill today. We are now waiting to see everything that unravels from that, how much of it is actual content for Learning & Teaching, and how much is unfunded mandates. We will continue to keep you updated as it begins to unravel.

8. ADJOURNMENT

At 6:43 p.m., motion by McCormick, second by Egan, and with unanimous consent, the meeting was adjourned.

APPROVED April 12, 2021 _____ CHAIRPERSON
Date David Lamb

SECRETARY Dr. Kent Mutchler _____ RECORDING
SECRETARY Bonnie J. Johnson