

MEETING NOTES
FINANCE COMMITTEE
COMMUNITY UNIT SCHOOL DISTRICT 200
March 8, 2022

A meeting of the Finance Committee of the Board of Education of Community Unit School District 200, DuPage County, Illinois, was called to order at 3:32 PM on Tuesday, March 8, 2022, at the School Service Center, 130 W Park Ave, Wheaton, IL.

PRESENT

Board Members: Ms. Susan Booton
Mr. Dave Long

Staff: Dr. Jeff Schuler, Superintendent
Dr. Brian O’Keeffe, Asst. Superintendent of Business Operations
Ms. Erica Loiacono, Director of Communications and Community Engagement

Discussion and Review of Fund Balance Policy

This agenda item is related to the funding for future capital projects as it relates to cash flow. Dr. Brian O’Keeffe provided information on the following:

- Capturing fund balance annually at a single point in time (June 30).
- Fund balance to revenue ratio at the end of May vs. June in both 2020 and 2021.
- Levy year tax collections and collection rates from 2016 through 2021.
- The uncertainty each May whether the District is going to receive any tax collections. This was particularly true during the pandemic. This ended up not being an issue.
- May is the lowest month in terms of the availability of cash.
- The importance of collections in June.
- The fund balance last June 30 was 33%.
- Question to consider: as you look forward if you are looking at a June fund balance policy of 37-38%, would the finance committee consider recommending to the board to draw from the fund balance to fund facility projects? Is there a point per board policy, the board would be comfortable drawing from the fund balance for facilities projects?
- Every percentage point in the fund balance represents about \$1.5 million.

There were comments and/or questions on the following:

- Where is our threshold in terms of fund balance policy/ISBE finance profile scores?
- Looking at comparable districts’ fund balance policy, it stated the intention of their Board is to avoid short-term borrowing.
- Revising fund balance policy to include language – when fund balance gets to “x” percentage, can consider funding capital projects.
- The uncertainty of what is going to happen with the state in terms of funding.
- The cost of short-term borrowing – is market-driven.
- The District has managed finances very appropriately, built facilities spending into the budget, and built up the fund balance in recent years.
- The change in interest rates expected and the impact on long-term benefit for fund balance.
- Any conversation regarding the use of fund balance to fund capital projects would start at the finance committee level and move to the facilities committee level.

Review of Dashboard Metrics for New Strategic Plan

Dr. Schuler reviewed a draft of various strategic plan documents to provide information and obtain feedback from Board members. This included information on the following:

- Why Strategic Planning – History of Vision 2018, Vision 2022, and Vision 2026
 - The evolution of the strategic plan
- Draft of the Vision 2026 Plan
 - The input elements of the plan include the development of the Portrait of a Graduate (POG) and the identification of strategies/tactics and objectives (the dashboard).
 - The administrative team identified a draft of the strategies, which are listed in two broad categories - academic excellence and operational excellence. From these categories, twelve core strategies were identified, and tactical strategies are identified under each of the core strategies.
- Vision 2026 Draft Dashboard
 - The objectives/dashboard metrics for each of the core strategies are color-coded by level/area and note the indicator and data source for each of the metrics.
 - The current dashboard was reviewed by CAC and their input was used to make some adjustments.
- Vision 2026 Glossary of Terms
 - A glossary of terms is provided to incorporate into or attach to the strategic plan document.

The focus of today's meeting is the strategy on finance and metrics.

There were comments and/or questions/discussion on the following:

- Cannot make decisions in the strategic plan that will take us back to an unhealthy financial spot.
- The ultimate goal is to have the strategic plan done by June and then move to the annual goal setting in July as to what will be worked on over the next twelve months.
- The Vision 2022 dashboard for the financial and facilities management included developing and maintaining a balanced budget and maintaining a fund balance consistent with board policy.
- Discussion on other possible metrics to monitor on the dashboard as part of financial and facilities management – discussed commitment to playgrounds (more of a tactical piece); monitoring debt service (anchored in the finance/facilities overview docs), commitment to Sherman Dergis policy.
- Middle School capital projects – addressing these projects is a strategy item.
- Facilities projects and funding – LLCs, MS projects, capital projects.
- How the finance and facilities goals marry on the strategic plan and the opportunities there.

Transportation Contract Renewal

Dr. Schuler and Dr. O'Keeffe noted the options to consider concerning transportation – negotiate renewals or go out to bid. This is true with both Illinois Central and Sunrise Transportation. The committee reviewed the pros and cons of the options presented.

There were comments and/or questions on the following:

- Renewal options include a two-year renewal option
- Sunrise option with regard to umbrella policy reduction
- The number of people typically riding in a Sunrise vehicle
- The challenges with the bid market are based on capacity with other vendors
- Fuel escalators
- Pay rate for bus drivers
- Satisfaction level with the D200's current transportation providers

- The impact of inflation and gas prices on the topic
- Wage escalator, de-escalator

The committee agreed to present the contract extensions for transportation to the full Board.

Public Comment

None

The meeting adjourned at 5:02 PM.