



MINUTES FOR THE BUILDING AND FINANCE COMMITTEE MEETING OF THE BOARD OF EDUCATION OF KENILWORTH SCHOOL DISTRICT NO. 38, COOK COUNTY, ILLINOIS IN THE FACULTY HALL CONFERENCE ROOM AT 542 ABBOTSFORD ROAD, KENILWORTH THE 8TH DAY OF AUGUST 2019

Mr. Stephen N. Potter called the meeting to order at 8:33 a.m. Upon roll call, the following Committee members answered as being present: Mr. Stephen N. Potter, John Gottschall, and Mrs. Mia Casey Sachs.

Also present were, Mr. Evan Lukasik, Board of Education President and Dr. Crystal LeRoy, Superintendent/CSBO.

PUBLIC COMMENT

There was no Public comment.

OLD BUSINESS

Review and Discussion of Revised Committee Purpose, Role, Responsibilities and Goals

The Committee reviewed, and discussed the proposed revisions to the primary roles and responsibilities of the Committee. Dr. LeRoy will have the final revised document prepared for the August 22 Board meeting.

Discussion of 2019-2020 Committee Goals

The goals discussed at the 07-23-19 Building & Finance Committee meeting were updated to include: a. Manage budget prudently to provide the best quality of education without unnecessary expense; b. Identify the top 5 current maintenance issues, establish a timeline and budget for addressing these; c. Assess our pension and benefit obligations, ensure we anticipate future costs and mitigate however possible; d. Plan for the renegotiation of the Teachers Contract in 2021-22; e. Establish a long term Master Facilities Plan; f. Establish formal operating metrics to set priorities and manage progress; g. Establish open constructive engagement with Park District with regard to The Village House Project.

Next steps: Dr. LeRoy will have an updated version of the roles and responsibilities for the August 22, 2019 Board meeting.

Discussion of 2019-2020 Calendar Dates

The Committee discussed and established the meeting schedule for the year which includes reviews of the District's cash management processes, an in depth study of the District's benefits



programs, capital planning, and financial considerations as the Committee plans for the next Teachers Contract Renewal.

Discussion of PMA Cash Flow Presentation

The committee discussed the contents and timing for the PMA cash flow presentation. The committee set the presentation for the next meeting date, September 12.

Discussion of 2019-2020 Updated Draft Budget

The Committee discussed the 2019-2020 draft budget that is being presented to the Board on August 22. Dr LeRoy summarized the key portions of the draft budget. He stated that revenues are budgeted to decline by 1.37% driven by a reduction in other Local Revenue and Federal Revenue. This will be offset partially by a 2.5% increase in the Tax Levy. She added that expenses are to increase by 38.7% the prior year actual, primarily due to rolling \$3.1 million forward in unspent Capital Expenditure budget from 2018-2019. In addition, staffing costs have increased by 8.36%, reflecting normal raises and the one-year Administrative structure that the District is implementing. Other notable increases are for benefits (6.15%) and purchased services (44.5%) due to potential architecture costs. The balance sheet is strong, reflecting a good performance against the budget in 2018-2019 and deferred capital spending during the year. Assuming that capital is spent in 2019-2020, the District's cash position is budgeted to decline to \$20.7 mm by next year-end.

Discussion of Potential Budget Metrics

The Committee discussed ideas for possible tangible measures to determine financial progress. The Committee asked Dr. LeRoy to propose up to five key operating metrics for the Committee to assess progress throughout the year. These will be indicators used to determine successful financial management during the school year.

Discussion of Capital Projects List and Master Facilities Plan Next Steps

The Committee discussed the need for a Capital Projects list that will guide decisions and expenditures moving forward. Among the projects discussed were short-term solutions to air conditioning issues raised by teachers. Dr. LeRoy will provide an update with possible solutions to the air conditioning needs at the August 22 Board Meeting. The Committee will recommend to the full Board the approval to hire an Architect to conduct a Capital Review Study and Master Facilities Plan to identify and prioritize building improvements relating to the current state of physical building and anticipated educational needs.

Discussion of the Village House



The Committee discussed the need for clarification on the status of the Village House in order to make a decision about the request for the District to provide further support to the project in the form of a guarantee to cover a possible Fundraising shortfall.

NEW BUSINESS – There was no new business discussed.

FUTURE AGENDA ITEMS

The Committee discussed future agenda items to include, Pension Liability in November 2019 and Employee health insurance sometime in January 2020.

There being no further business, Mr. Potter entertained a motion to adjourn.

Mr. Lukasik motioned to adjourn the meeting at 10:30 a.m. Mr. John Gottschall seconded the motion.

The meeting adjourned at 10:31 a.m.

Attest for Distribution: Deborah Keegan
Deborah Keegan, Secretary

Approved: Evan Lukasik
Evan Lukasik, President

ATTEST: Deborah Keegan
Deborah Keegan, Secretary