

**HOMEWOOD-FLOSSMOOR COMMUNITY HIGH SCHOOL
FINANCE COMMITTEE AGENDA
TUESDAY, AUGUST 9, 2022, 7:30 a.m.**

SUPERINTENDENT CONFERENCE ROOM

AGENDA

1. Call to Order
2. Approval of the [April 26, 2022 Finance Committee Meeting Minutes](#)
3. Comments
4. Topics:
 - A. Capital Projects (Presented by DLA)
 - B. Tentative 2022-2023 Budget
 - i. [2022-2023 Tentative Budget Highlights](#)
 - ii. Financial Summary
 - iii. [Budget Calendar for 2022-2023](#)
 - C. Financing Long Range Facility Projects
 - i. Review Fund Balance Reserve Policy
5. Adjournment

April 26, 2022 Finance Committee Meeting Minutes

MINUTES OF SPECIAL FINANCE COMMITTEE MEETING
Homewood-Flossmoor High School, 999 Kedzie Ave., Flossmoor,
April 26 2022

In attendance for all of the meeting were Mr. Pauling, Mr. Anderson, Dr. Mansfield, Dr. Wakeley, Dr. Cook, Mr. Richardson, Mr. Patterson and Mrs. Bryant. Ms. Jackson was also in attendance via Zoom video conference.

Ms. Marilyn Thomas, HF Chronicle, and a member of the public, Ms. Larocca, was also present for all or part of the meeting.

The meeting was called to order at 7:32 a.m.

Approval of Minutes

The February 25, 2022, Finance Committee minutes stand approved as presented.

Comments

There were no comments made.

Technology Budget Presentation

Mr. Richardson presented the technology budget that will be presented to the board for approval on May 17, 2022. He noted that the technology budget has been dedicated to \$500,000 - \$600,000 each year. He proposed that moving forward, the budget be increased to \$1 million to cover the technology classroom needs, as well as, to support the district's continued growth of its technology infrastructure. Dr. Mansfield pointed out that no technology items are listed and were not requested by security. Mr. Richardson responded that the Audio/Visual (A/V) budget can handle any small expansions that are needed regarding security. Mr. Richardson added that an additional server and the installation of more cameras will be needed and those costs have already been figured into the A/V budget. He added that traditionally cameras have fallen under A/V and the software driven enhancements have also been figured into the A/V budget however, those costs could be added to the technology budget as well. Ms. Jackson asked for clarification if the budget reflected the \$1 million increase Mr. Richardson spoke to as it is showing a total budget of \$714,643.85 after an E-Rate Discount of \$18,962.57. Mr. Richardson responded that the increase to \$1 million that is being proposed is for next year as more costs moving forward are anticipated. Additionally, wiring systems are over 20 years old and the additional monies will be used for systems that still require hard wiring and also for expanding the district's wireless coverage. Mr. Richardson stated that the budget does not reflect a huge amount of technology being implemented but more so, reflects the maintenance that is needed. The main request from teachers is the need to have a designated dedicated piece of technology, a desktop computer, in each classroom. Teachers were given laptops for their use during Covid that provided them mobility in and outside of the classroom. If a teacher takes their lap top with them, the classroom still needs a dedicated piece of technology to meet the needs for the interactive instruction with students. Mr. Richardson noted that they will continue to work on providing wireless technology in the classroom. He added that in the long term will reduce costs and provide a better classroom experience. He noted that with this budget, they will put desktops back in the classroom and they will also supply Chromebooks (3-4) in every classroom enabling teachers to provide directly to students who require them. In addition, the budget reflects locking charging cabinets for the Chromebooks and not the additional purchase of Chromebooks as there are enough Chromebooks currently in stock. Mr. Richardson reviewed each of the department's

technology requests as listed on the Technology Request spreadsheet that was provided with the posting of today's agenda. Mr. Richardson explained that docking stations will now be eliminated and that they will be moving to dedicated desktops that will save a considerable amount of money with an opportunity to recover some of the costs of the docking stations from Dell. Dr. Wakeley asked if conversations have occurred with the new Department Chair of Physical Education regarding technology that Mr. Vogel may want to utilize in his program. Mr. Richardson will reach out to Mr. Vogel to discuss his needs. Dr. Mansfield asked if there is any repurposing for obsolete equipment. Mr. Richardson explained that they will always put some recycles that have gone past their life span to be used as spares, if needed, and stated that they use equipment to the maximum until its life expectancy ends. He also indicated, based on a question from Ms. Jackson, that almost all repairs are handled in house which results in an overall cost savings. Mr. Pauling offered that an eye be kept on the expense growth and to manage it as best that Mr. Richardson can. He suggested that the slower they can get to that larger number the better. Mr. Pauling also asked Mr. Richardson to comment on opportunities for additional funding. Mr. Richardson responded that they have been very diligent and any technology funds that they have received they will be able to cover moving forward budget-wise. Mr. Richardson added they will continue their practice of looking for available grants and appropriate funding opportunities. Ms. Jackson noted that there is a significant difference between last year's and this year's budget. Mr. Richardson explained that last year's budget was approximately \$144,000 after laptops for teachers and Chromebooks for students were purchased earlier in the year. The budget last year would have been around \$600,000 if those items were budgeted together when the budget was originally presented. He added that traditionally the technology budget has always been in the \$500,000 - \$600,000 range but with the increase in 1 to 1 technology it will move closer to \$1 million. Mr. Anderson thanked Mr. Richardson for his detail on the budget and noted that the committee is aware that the budget will be increasing moving forward. This item will be on the May 17, 2022 board agenda for approval.

Capital Projects Update - Dr. Cook provided an update on the capital projects regarding the following:

- Baseball Turf Field - Most of the prep work that needed to be completed during the winter months has been completed. However, with an extremely wet spring and due to freeze-thaw conditions, a worst-case scenario for the project completion timeline has been presented. During this time, contractors were able to complete the turf surface installation on Wednesday, April 20th; sod was installed and completed on April 20th; field turf in-fill along with the netting and brick backstop were completed on Friday, April 22nd. Mr. Patterson added that a final walkthrough will be conducted this afternoon with the Regional Office of Education (ROE) for occupancy. He will continue to monitor the field daily before the season opener to ensure that the field is safe to play on.
- Softball Field - Field turf installation is expected to be completed by end of day tomorrow, April 26th, weather permitting; and sod installation is expected to be completed on Friday, April 29th, weather permitting.
- Softball Field Lighting – Mr. Patterson reported that 3 of the 4 lights have been installed with the last light to be installed on Friday, April 29th.
- Natatorium Roofing – Mr. Patterson shared that work on the two flat roofs, that will not interfere with aquatic activities has started. The remaining work is anticipated to begin in mid-May to early June.
- Acoustical Improvement Project – Dr. Cook shared that work is scheduled to begin on June 6th and end by July 15th.

Culinary Arts Renovation – Dr. Cook reported that they have met with DLA, CTE department members, and Dr. Hester on three different occasions since the February, Finance Committee meeting. The same

group toured Joliet Junior College for design schematics and functionality ideas. The current bidding climate for the scope of work with regards to the culinary arts renovation was discussed with the district with a cost range between \$1.8 million to \$2.1 million as discussed earlier. The Fashion Design Lab was also discussed with renovations and the current bid climate with scope of work coming in at \$715,000 to \$780,000. Dr. Wakeley added that the work being done includes equipment, spacing and storage. Mr. Anderson asked when more information regarding a further discussion of the Fashion Design Lab will occur. Dr. Cook anticipates those discussions taking place in the fall. Mr. Anderson added that it is important that the process is followed because this is the first that this project has been brought to the committee's attention with the estimated associated costs provided. Ms. Jackson referred to Procedure 3010 and asked when a presentation for the board to review will be provided as outlined in step 1 of the procedure. Dr. Wakeley responded that Dr. Hester has made academic presentations to the Planning Committee and would recommend that she make a presentation to the Finance Committee as well. Ms. Jackson recalled that they approved moving forward with the process of this project but said that they need to get to the point of including all of the estimated costs of the project to the board. Dr. Wakeley responded that the costs can be included in Dr. Hester's presentations for the academic benefit and tying in the potential expenses that may come into play with any kind of renovations to our facilities. Dr. Wakeley added that the 3 stages of Procedure 3010 can also be built in as part of the process of bringing that to the board and by the time a decision can be made all of those steps can be met.

Science Addition Project - Dr. Cook reported that they have met with DLA, CTE department members, and Dr. Hester on three different occasions since the February, Finance Committee meeting. The same group toured Elmwood Park, Downers Grove North and South High Schools for design schematics and functionality ideas. The current bidding climate for the scope of work with regards to the science addition discussed with the district range between \$13.8 million - \$16.1 million, as far as, the addition is concerned and that has not changed. Ms. Jackson's earlier comments still apply regarding process and following Procedure 3010 and was duly noted.

2022-2023 Budget Process – Dr. Cook noted that department and administration budget meetings began last week, and meetings are also scheduled through next week. The meetings include looking at historical spending trends and upcoming school year needs. Department budgets start at zero base. In mid-July, he plans to meet with the superintendent to discuss the overall budget. By mid-July to early-August, he should have a really good idea with regards to expected revenues. Discussion of a tentative budget will take place at the August, Finance Committee meeting. Tentative budget will be presented and hopefully approved at the September board meeting and by September 30th, the approved budget will be uploaded on the ISBE website. Mr. Anderson inquired as to whether Mr. Alexander has been involved in the budget process. Dr. Cook stated that he is on the schedule to meet.

2022A Bond Issuance - Dr. Cook reported that the district's plan is to issue up to \$20 million in bonds to support the cost of capital projects including a science addition and other renovations. At the May, board meeting, a resolution will need to be passed by the board with the intent to issue new bonds. As discussed at the February, Finance Committee meeting, they will request \$20 million in bonds to support the capital projects while at the same time adhering to the district's 10 month reserve policy. He noted the district's last bond and interest payment was \$3.38 million. If \$20 million of bonds are issued, then the district's annual Bond and Interest (B&I) payment will continue to be \$3.38M through FY34 with the last payment \$1.93 million in FY35. The district's annual borrowing capacity is \$4.03 million and there is \$600,000 per year in borrowing capacity in the event that it is needed. The impact on the taxing body will be zero to none with \$2.03 million through FY30.

Support Staff Negotiations Update – Dr. Cook and Mrs. Bryant are anticipating nearing the end of negotiations with the non-unionized support staff group and they are in the beginning phase with the unionized support staff group. Mrs. Bryant shared that they had their first meeting with the unionized support staff group and they will be going through a win-win bargaining training together. Mr. Anderson asked how many members are in the new union. Mrs. Bryant responded that there are 30 eligible members. Dr. Cook added that they are hoping to have negotiations completed by the June 21, 2022, board meeting.

Adjournment. The meeting adjourned at 8:34 a.m.

2022-2023 Tentative Budget Highlights

To: Dr. Scott Wakeley, Superintendent
From: Dr. Lawrence Cook, CSBO
Date: August 5, 2022
Re: 2021-2022 Budget

Projected Revenue and Expenditure Key Changes for the Tentative 2022-2023 budget.

Revenues (Overall: 2.72% Increase)

1. *Property Taxes (1.9%)*

- A projected increase of approximately \$687,000

2. *Other Local Revenue (7.4% Decrease)*

- Textbook rentals and school activity fees will remain flat relative to the impact of the overall budget and revenue collection
- Investment income is projected to remain flat or accrue a slight increase due to the late receipt of the 2nd installment of property taxes to invest
- Corporate Personal Property Replacement Taxes (CPPRT)--revenues collected by the state of Illinois and paid to local government--are projected and budgeted to decrease from \$1,592,000 to \$1,440,000 (a 9.6% decrease). All but \$15,000, which is budgeted to the IMRF fund, is budgeted in the Education Fund

3. *Evidence Based Funding (EBF)*

- EBF is expected to remain flat at \$17,997,000

4. *Restricted State & Federal Grants (34.3% Increase)*

- State and Federal Grant awards have corresponding revenues to match expenditures or result in percentage of reimbursement of expenditures
- Projected to increase from \$3,629,665 received in 2021-2022 to \$4,875,000 for the 2022-2023 school year
 - Title I Grant - \$209,199 (14.2% decrease)
 - Elementary and Secondary School Emergency Relief Fund (ESSER) III - \$1,250,000 (45.6% increase)
 - Individuals with Disabilities Act (IDEA) Grant, Career Technical Education (CTE) Grants, and Title II are projected to be flat in terms of their overall impact on the budget
 - Transportation Reimbursement is expected to increase from \$788,000 to \$1,650,000 (109.4% increase) due transportation cost realized in 2021-2022 school year compared to the 2020-2021 school year

Expenditures (Overall: 3.39% Increase)

5. *Salaries (3.2% Increase)*

- Overall salaries are expected to increase from \$33,495,000 a projected \$34,572,000 for 2022-2023

6. *Contractual/Purchased Services (12.6% Increase)*

- Transportation, cleaning service, professional development opportunities, and field trips (inclusive of athletics and activities)
- Utility price increases

7. *Out of District Tuition (5.6% Increase)*

8. Small Equipment (104% Increase)

- Due to purchases proposed, made, and received during the 2022-2023 school year
 - Chromebooks and teachers' desktops
 - Other approved in the technology budget items
 - Increase from \$385,000 to \$786,000

9. *Capital Outlay*

- Roofing, resurfacing indoor track, and O&M obligations - \$3,500,000 up from \$2,500,000
- Culinary, sewing, and science addition renovations, design, and construction - \$4,750,000

10. *Revenue/Expenditures*

- Projected Revenue: \$63,495,588
- Projected Expenditures: \$63,312,909
 - Resulting in a slight surplus of \$182,679

11. *Fund Balance (8.0% Decrease)*

- June 30, 2022 total fund balance is expected to decline from \$76,241,491 to approximately \$70,144,920 on June 30, 2023. This results in a projected 13.3-month reserve

Budget Calendar for 2022-2023

To: Dr. Scott Wakeley, Superintendent
From: Dr. Lawrence Cook, CSBO
Date: August 5, 2022
Re: 2022-2023 Budget Calendar

Please note that the Illinois School Code requires that specific events occur within prescribed timelines as detailed below:

1. The tentative budget must be on display at least 30 calendar days prior to the Board of Education taking action on it.

Budget Calendar: August 10 to September 20 = 42 calendar days

2. A public hearing must be held prior to the adoption of the budget.

Budget Calendar: September 20 Board Meeting

3. A posting of the public hearing must be made in a local newspaper at least 10 calendar days prior to the public hearing.

Budget Calendar: August 10 to September 20 = 42 calendar days

4. The annual budget must be adopted by the Board of Education no later than September 30 of each year.

Budget Calendar: September 20 Board Meeting

5. The District must file with the Cook County Clerk within 30 days of their adoption a certified copy of its appropriation and budget resolutions.

Budget Calendar: September 20 to September 22 = calendar 3 days

Should you have any questions, please do not hesitate to contact me.