



Oswego Community Unit School District 308

SERVING ALL OR PARTS OF THE COMMUNITIES OF
AURORA, JOLIET, MONTGOMERY, OSWEGO, PLAINFIELD AND YORKVILLE

Finance and Facilities Advisory Committee Minutes

April 19, 2021

Oswego East High School-Community Room Door#1

1525 Harvey Road, Oswego, IL

6:00 p.m. – 7:30 p.m.

I. Roll call

The sign in sheet was used in place of an official roll call. Meeting called to order at 6:06 pm.

Members in Attendance: Rob Allison, Kenneth Blue, Jaime Diaz, Robert Eberhardt, Phil Murray, Bill Mueller, Kaila Mugford, Jennifer Smith, Christi Tyler Chief Financial Officer, Ruth Kroner and Brent Lightfoot Board Member Co-Chairs

Members Absent: Tatyana Gorski, George Kalule, and Erika Sieh

Guests: none

Recording Secretary: Carrie Szambelan

II. Approval of Minutes from the Virtual Finance and Facilities meeting on February 18, 2021

A motion was made by Mrs. Kroner to approve the finance and facility minutes from February 18, 2021 virtual meeting. Mr. Eberhardt agreed. Mr. Blue seconded the motion. All members in attendance were in favor.

Mr. Blue made a comment on the open-ended NIU study. He was wondering if it's going to happen. Ruth responded by saying "yes" the district is still interested in splitting the cost. Mr. Lightfoot added even if the district couldn't find someone to split the cost with he thinks it would be well worth it. This is a two-step process. The district needs to find a company or possible graduate research program who will do be able to provide the study and find out the cost. Then ask other entities if they are willing to split the cost.

III. Elementary and Secondary School Emergency Relief (ESSR) Funding

Mrs. Tyler displayed the COVID relief grants (ESSR funding) allocated to the district from the federal government. For ESSER I, the amount allocated to the district is \$984,403, ESSR – Digital Equity is \$1,024,992, ESSER II is \$3,318,621 and ESSER III is \$7,449,547 for a total of \$12.7 million. ESSER I funds were spent on PPE supplies and equipment since the shutdown occurred and the district has been reimbursed for \$687,019 so far. The district should be getting the remaining reimbursement balance by next week. The Digital Equity funds of \$723,033 was used

for the first lease payment (out of five) for chrome books for 5th-12th grades. The remaining \$301,958 will be spent on IPADS and accessories for the elementary students.

Currently, ESSER II is in process and has to be submitted by June 30th. Mr. Blue questioned if the hire of five tech specialists can be written into the grant. Mrs. Tyler agreed that any expense from March 2020 shut down can be included for this grant. Mrs. Mugford asked if the technology lease payment will be built into the budget for future years. Mr. Lightfoot stated the Board choose to allocate a portion of the Digital Equity grant to the first payment only. In future years, there will be a technology fee to help offset the cost. Mr. Blue requested to review the bus drivers' salaries to see if they can be claimed in this grant since the Board avoided lay-offs. Mrs. Tyler stated if they are claimed on ESSER, they could not be added to the transportation claim. Mr. Eberhardt questioned how often does the district receive the funds. Mrs. Tyler responded quarterly.

For ESSER III, the district will have same guidelines except 20% of the \$7.4 million, or \$905,000, has to be allocated to learning loss. Mr. Lightfoot added we can use these funds for next year's Summer School. Mrs. Tyler stated it can be used to hire additional teachers or coaches also. The last amount of the ESSER III funds will need to be expended by September 30, 2023.

Mrs. Mugford questioned if school district fees are capped per family. Mr. Lightfoot stated there is no cap, however, there is a safety net for families that qualify to have their fees waived if they need assistance.

Mr. Lightfoot stated for ESSER III, how could the finance committee help in the decision-making process of the allocation of funds? Mrs. Tyler stated the application for ESSER III may open July 1st. She mentioned the administration team has been meeting regularly to identify ESSER II and III allocation of funds and will leave no federal money on the table. Mr. Lightfoot ended in saying the next finance committee can review the grant list to see if there are any further thoughts that need to be passed onto the Board for allocating ESSER III funds. Mrs. Kroner made a note of starting August's meeting with this topic on the agenda. Mrs. Tyler added that even if the application was submitted, it can be amended if needed.

IV. FY21 Budget Update

The FY21 budget was projected with a return to school plan by November 1st. The savings has been tracked from remote learning, by comparing FY20 expenses to FY21. An excel sheet was displayed and amounts were highlighted to show the variances month to month. A few of the larger variances are the insurance one-time payment made in the month of July, PPE equipment purchased in August and the first lease payment for chrome books and sci-fi kits was made in October. This will continue to be updated as the end of the school year approaches.

Overall, the Ed fund shows estimated expenses as \$173.5 million and \$174.2 was budgeted. The O&M fund shows a variance due to PPE equipment cost declining, from \$20.4 budgeted verses \$17 million expended. The greatest variance is the transportation fund with an estimated expense of \$9.5 million when \$14.7 was budgeted. This is due to savings in driver's salaries, as they were only paid the contractual minimum of four hours. Normal driver hours are closer to six hours per day, plus additional pay for field and athletic trips. Also, there are savings in fuel and contracted transportation costs.

The variances comparing revenues budgeted to estimated due to COVID are explained as follows:

Sales to Pupils: \$718,000 budgeted to a (\$57,732) estimated was due to parents asking for refunds from their wallet accounts.

District/School Activity: \$500,000 budgeted to \$395,000 estimated

Textbook: \$1,650,000 budgeted and \$1,614,257 estimated

The most significant variance of the revenue stream is due to the NSLP lunch program where \$1.6 million was budgeted. The revenue is now estimated to be \$3 million. This is due to the NSLP changing the program to “ALL” students can receive a free lunch at a higher reimbursable amount. After the budget was adopted, the federal government extended this program until September 30, 2021. The normal rate of a reimbursable meal is \$3.11. However, now the district is getting reimbursed \$4.15 per meal. The count is calculated as each meal is handed to students when they leaving the buildings.

Mrs. Tyler updated the five-year projections with remote learning savings and it was presented to the committee. For FY21, there is a \$835,971 surplus, instead of a \$5.6 million-dollar deficit. This does not include ESSER III funds or any related expenses. It does include the \$4.9 million-dollar reduction for FY22. Mr. Blue requested a copy of the 5-year projections. It will be emailed to the committee.

Mr. Mueller asked if the district ever considered hiring some level of business manager or consulting firm to take a more aggressive approach in exploring savings and revenues options. Mrs. Kroner stated there was a position called the Director of Development. Unfortunately, it was part of the budget cuts at the administrative level. Mrs. Mugford added they also can work in the marketing area. She knows businesses would love to have their logos on the fences. Mrs. Tyler stated this was part of the position that was eliminated. Mr. Eberhardt mentioned to possibly look for interns to help in this area.

Mrs. Mugford expressed her interest in attending a summer meeting but understands administration is busy. Mr. Lightfoot stated this topic came up in the past, even though administration may be working throughout the summer, staff and other members may be taking summer vacations. However, a possible sub-committee with three or less members could meet with administration over the summer. The board chairs will need to discuss this idea with the Board President and Superintendent first and get back to this committee this summer.

V. Public Comment (3 minutes each)

None.

VI. *Adjournment* A motion was made by Ruth Kroner to adjourn. All present were in favor to adjourn. Meeting was adjourned at 7:27 p.m.