

Finance Committee Meeting
June 6, 2017 | 7:30 AM
Keil Building | Third Floor Conference Room

Members Present: Beth Nolan; Brian Hodges; Todd Covault; Michael Dugan; Paul Fregeau; and Bobbi Williams

Others Present: Paula Busboom; Joni Knierim; Beth Creighton; Sarah Whitlock; Sarah Knuppel; Anne Noble; Sam Johnson; and Rhonda Thornton

The meeting was called to order at 7:30 AM. There was no public participation and the minutes from the May 18th meeting were approved by consensus.

Update – Life Safety Amendments for Johns Hill and Durfee (Sam Johnson, BLDD Architects)

- ISBE previously returned the Life Safety Amendments due to the wrong RSMeans industry standard being used by BLDD
 - BLDD Architects used 2015 formula and ISBE required the 2017 formula
 - District counsel feels as though the corrected life safety amendments need to go back to the Board for consideration
 - Life Safety Amendments will be taken to the Board on June 13 for consideration
- New 2017 formula generates more funding resources
- Johns Hill
 - Threshold cost replacement of the building = \$20,415,071
 - Violations total = \$21,134,990.40
 - Not a large leeway for error
- Durfee
 - Threshold cost replacement of the building = \$11,657,181
 - Violations total = \$11,942,436
 - Not a large leeway for error

Bond Issuance Planning (Anne Noble, Managing Director, Stifel)

- Reviewed outstanding bond debt
- Reviewed Borrowing Capacity
 - Borrow two different ways
 - 1 – Property Tax Pledge
 - \$87,821,706.04 borrowing capacity
 - 2 – Working Cash
 - \$11,172,117.07 borrowing capacity
 - Working cash counts against property tax pledge
- Alternate revenue bonds concept explained
- District does not have substantial excess sales tax revenue that can be applied towards more bonds
 - Tied up in the high schools
- Borrowing Option Summary
 - Summary presented gives sense of option
 - Borrowing base is set when property tax law goes into effect
 - District **has** to do something to protect DSEB by the end of this calendar year
- Outstanding Debt on Levy including new borrowing reviewed
 - Assumed .5% EAV increases in future
- Current and Future DSEB Reviewed

- Members discussed the need of facilities study and master plan
 - Extend DSEB authority to protect the Districts interest
 - Hold for state determination on health/life safety amendments
 - Proceed with strategic planning
 - Develop master plan and associated financing plan
- Next Steps (Covault)
 - Plan for one (1) or two (2) year issuance (prefer two)
 - Prefer not operational
 - Use funds to focus on air conditioning through District
 - Anne Noble will provide taxing history to assist with setting a DSEB level

Projects Update from Jim Gortner

- Asbestos at Johns Hill
 - Auditorium remains locked down due to IDPH not giving direction on plan presented by Alliance Illinois (Environmental Consultant)
 - Need to start planning to not having access to the auditorium next academic year
 - Overview of total facilities cost
 - AEX / BLDD facilities assessment proposal
 - Proposal should be on the Board agenda for June 13th for consideration

Realtor Contract – Williamsburg House

- Business Office contacted eight (8) real estate agents who are members of the Decatur Chamber of Commerce for names of agents that live within the Decatur School District
- Forty-six names were submitted
- Random drawing was held on June 2
- Winning listing member was Kirt Holder with Vieweg Real Estate
- Resolution authorizing the engagement of a licensed real estate Broker for the sale of the house will be taken to the Board on June 13th for consideration

One-to-One Device Planning High Schools

- Plan to bring to the Board in June for discussion/consideration
- Plan for replacement of aging devices at the High Schools
- District has no specific device for incoming freshman
- Cost in Macbook damage is very significant
- Ed Moyer is working on a cost analysis for moving from Macbook to iPads
- Grade level devices paid out of title funds; High School devices are paid with District funds
- Committee members requested information from other local high schools

Macon-Piatt Regional Office of Education (ROE) – Local School District Education Service Agreement

- Annual agreement requires Board approval
 - Send students to the Milligan Program at the ROE
 - Tuition rate - \$20/day for participation
- Lawrence Trimble will take agreement to the Board on June 13th for consideration

Time Clock Discussion

- Recommendation will be taken to the Board on June 13th for consideration of the TimeclockPlus Quote
- Implementation Planning

- 10 weeks
- August – October 2017 roll out for the following groups:
 - Custodial staff
 - Substitutes
 - Teaching Assistants (expanding pilot)
 - Full implementation by October 2017
- Sarah Whitlock and Sarah Knuppel both eager to have Timeclock implemented at their buildings next school year
- Sarah and Sarah have witnessed the following with the implementation of the pilot:
 - Culture Change
 - Software allows employees to be aware of how to use allotted time they are given (sick leave and personal time)
 - Data appears that the use of timeclocks significantly reduces leave abuse
- Cost - \$389,000
 - Two installments – July of 2017 (FY18) and July of 2018 (FY19)
 - \$70,000 - \$75,000 per year
 - 5 year agreement
 - Covers up to 1,500 employees

Excess Workers' Compensation Insurance Renewal

- District is self-insured for work comp
- Excess work comp policy insures incase District has excess losses
- Last year renewal was approximately \$91,000
- Renewal will be taken to the June 27th Board meeting for consideration

Annual Review and Approval of Authorized Depositories

- In accordance with Board Policy 4:30 Administration annually provides a list of depositories to the Board
- Report will be taken to the Board on June 27th for consideration
- Committee was provided with information that was taken to the Board last year

Policies

- Two (2) polices will be taken to the Board on June 13th for discussion (first read)
- Policy 3:50 – *General School Administration – Administrative Personnel Other Than the Superintendent*
 - Committee was provided the policy as it existed prior to most recent change (residency language) for discussion purposes
 - Covault expressed that the District Leadership Team needs to be defined
 - Covault expressed that if the following language is going to exist in the policy, the District needs to make sure that when counsel issues contracts the language is included in the contracts
 - *Contracts issued to such administrators shall provide that failure to obtain and maintain residency in the Decatur School District within one year of appointment to the District Leadership Team or a high school principal position shall constitute a resignation from employment*
- Policy 7:100 – *Students – Health, Eye, and Dental Examinations; Immunizations; Exclusion of Students*
 - Policy was included in March 2017 PRESS Release
 - Policy was held back due to ongoing discussions with Administration and School Health Department

- Addition of age appropriate developmental screenings in accordance with the school code
- Change from October 15 to September 15 is a District Change
 - Aligns with PRESS exception footnote 12
 - District must notify parents/guardians 60 days in advance if establishes an earlier date than October 15
 - District notifies through student handbook, etc.
- Bobbi Williams will make sure Lawrence Trimble is ready for discussion of this policy at the June 13th Board meeting

Committee moved into closed session at 9:05 AM.

Meeting adjourned at 9:26 AM.