



Regional School District No. 17

Board of Education

Finance/Facilities Subcommittee

Meeting Minutes

Co-Chair: Prem Aithal

Co-Chair: Shawna Goldfarb

A meeting of the Regional School District #17 Finance/Facilities Subcommittee was held on April 15, 2024, at 5:30 PM in the Central Office Board Room.

Subcommittee Members Present: Prem Aithal (Co-Chair), Shawna Goldfarb (Co-Chair), Nelson Rivera

Subcommittee Members Absent: Corey Roberts, Jennifer Voegtli

Others Present: Director of Finance & Operations Ben Whittaker

- 1. Call to Order:** The meeting was called to order at 5:39 PM by Prem Aithal (Co-Chair).

A motion was made by Shawna Goldfarb and seconded by Nelson Rivera to add Quarterly Financial Report as 2a and Monthly Financial Reports as 2b. The motion passed unanimously.

- 2. Approval of Previous Meeting Minutes:** Dr. Rivera moved to approve the minutes from the previous meeting and Ms. Goldfarb seconded the motion. The motion was approved unanimously.

2a. Quarterly Financial Report: Director Whittaker reviewed the Q3 Quarterly Financial Report, which will be reviewed at the full Board meeting on Tuesday, 4/16/2024. This new report projected each object line based on the latest assumptions. Notable items discussed included professional services (trending higher due to legal fees and SPED services), non-public SPED tuition and substitutes, partially offset by staffing. The net budget is currently projecting a net \$334K overage, which would include a total 2% contribution to the Capital Reserve account. Should the budget need to be zeroed out, the capital reserve contribution could be decreased, but the Director indicated that it is still too early to have any cause for any concern on that front.

2b. Monthly Financial Reports: The subcommittee reviewed the existing revenue and expenditures report and the new disbursement report, which was produced in a new format. While the report is lengthier, it is easier to understand which disbursements relate to what financial object area. As such, it is a good report to understand the monthly numbers. The subcommittee agreed to continue using this format in future months.

3. Insurance Broker RFP: Director Whittaker reviewed the recommendation to select USI as the district-wide insurance broker for commercial lines and liability insurance and to provide other insurance-related services. There were three candidates, including the incumbent Willis Towers Watson. USI was the lowest price, scored well among the panel, and the references checked out. They have been highly responsive as well. A recommendation voted 3-0 was made by the Finance Subcommittee to recommend to the Board of Education to award the RFP to USI.

4. Financial Auditor One-year Contract: Director Whittaker discussed the recommendation to continue with Seward and Monde to provide annual financial auditing services to the District for one year. Typically, the District would conduct a full RFP process to retain a firm for the next 3-5 years, but timing is not conducive to conduct an RFP process this year. To maintain continuity, we would need to allow a process waiver per Purchasing Policy 3323, Section V, which allows for a waiver when *“time is a critical factor, and taking the time necessary to comply with the formal process would not be in the best interests of the school district.”* A thorough process cannot be completed in time to start audit work in May 2024 (typically that process would start in December). Seward & Monde has submitted a one-year proposal at 4.9% to \$45,650, which is a reasonable increase due to the fact that they have been flat for the last 5 years. The subcommittee recommended by a 3-0 vote that the Board of Education grant the exception and award the one-year contract to Seward & Monde.

5. Bond Premium Memo: Director Whittaker reviewed the bond premium memo, which included a history of the usage of bond premium of \$1.4M in Fund 35 to finance the overall bonded project, which came in under the amount authorized by referendum. Currently, \$15K remains in Fund 35. The subcommittee discussed a new process whereby the Board of Education would approve the transfer from Fund 35 to pay down the debt so that it is fully transparent what items like bond premiums or state reimbursements are paying for. The subcommittee agreed to review a recommendation at the May Fin/Fac meeting to be approved at the May full Board meeting.

6. Budget Debrief: The subcommittee discussed the latest budget process and opportunities for improvement. The subcommittee discussed reshaping the workshops where the first workshop discussed major drivers and included members of the administration, the second workshop would discuss all detailed variances over a certain threshold (i.e. +/- 10% and/or \$10K), and a third workshop that would be used to identify remaining questions and concerns (with major topic areas submitted in advance). The budget would be built from

actuals, and the subcommittee agreed to aim to finalize the process by September so that the budget could be built starting in October.

7. **LEARN:** The subcommittee discussed that this topic was being led by the Personnel & Evaluation Subcommittee and more would be discussed at a subsequent subcommittee meeting.
8. **Master Plan Update:** Director Whittaker indicated that on May 23, Tecton, Arcadis, and District administration will map out a two-phase approach, which would include a recommendation for us to review and potentially take action on. It would not include full conceptual design. The subcommittee discussed timing and when a proposed Building Committee would be potentially needed.
9. **Security Audit*:** Director Whittaker indicated that the Superintendent would be providing office hours for Board members to review the security audit report in full. This will be discussed at the Board meeting on Tuesday, April 16, 2024.
10. **Adjournment** - The meeting was adjourned at 6:49 PM