



Finance & Operations Committee

October 17, 2024

MINUTES

Meeting called to order: Member Kehoe at 5:02 p.m. **Board members present:** Member Kehoe (Picard and Christenson absent) **District staff:** Merritt, Minnick, Malbon, Lents, Jory

Citizen Representatives: Roderique, Paton (McKee absent) **Others Present:** John Johnson, Nicole Reed

Presenters: Jeff Higgins and Renee Esper/Plante & Moran; Brian Gesaman/McCarthy & Smith; Derek Dinkeloo/TMP Associates

Public Comments – none

Approval of Prior Meeting Minutes – September 19, 2024 - approved.

Annual Audit Reports for fiscal year ended June 30, 2024 – Ms. Minnick introduced Renee Esper and Jeff Higgins from Plante & Moran. Mr. Higgins provided an overview of the audit process and explained the types of audit reports that Plante & Moran delivers to the district annually. He then introduced a PowerPoint highlighting key aspects of the 2023-24 fiscal year audit, confirming that the process went smoothly and that P-CCS received a “clean” opinion, with no issues.

Ms. Esper continued by walking us through additional slides, covering topics such as the district's balance sheet, general fund revenue breakdown, a 10-year comparison of foundation allowances, enrollment numbers, a look at the fund balance history, and enhancement millage revenue. Both Mr. Higgins and Ms. Esper addressed questions from the committee and noted important points to be highlighted during the audit presentation at the Board of Education meeting on Tuesday.

Ms. Esper also provided a high-level overview of the three annual audit reports: the Financial Report, the Federal Awards Report, and the “Letter to the Board of Education.” PDFs of these final reports will be available prior to Tuesday’s meeting.

2020 Bond Bid Package #EL-4 Farrand Elementary and 2020 Bond Budget– Ms. Minnick introduced the agenda item and welcomed Derek Dinkeloo and Brian Gesaman to present. Mr. Gesaman provided an overview, followed by Mr. Dinkeloo, who explained the site drawing and outlined the renovation plans for Farrand.

The plans include the addition of a gym, a stage area, and a new learning space designated for art. Music classes will also be held in the stage area, allowing the existing art classroom to be repurposed. Additionally, new playground spaces are planned for the summer of 2025.

The bidding process will take place in October 2024, with awards expected in November or December. Construction is set to begin in spring 2025, pending Wayne County approval. The renovation work will occur over the summer of 2025, with the addition scheduled for completion in winter 2025.

Upcoming bond projects include:

- **Bid Package HS-5:** Remodeling of Salem High School, including architectural, mechanical, and electrical upgrades.
- **Bid Package HS-5A:** Addition of a multipurpose room at Salem High School.
- **Bid Package PCEP-4:** Site upgrades for Canton and Salem High Schools, focusing on parking lot improvements.
- **Bid Package PCEP-3:** Construction of new concessions and team rooms, along with upgrades to existing facilities.

The next topic in the presentation is the 2020 Bond Budget Update. It has been about one year since this information was presented, and the presentation includes a revised program schedule, which will be posted on the district website.

Post-COVID inflation and building material costs rose by about 25%. To mitigate these increases, the Project Team implemented strategies such as bidding LED lighting as an alternate, scanning roofs to see where we can extend lifespan, scheduling off-hour work to boost bidder turnout, and prioritizing work to meet school program needs.

The current status of the 2020 Bond Program is that we are 4 years into the 8-year program (halfway completed). Over \$100 million in construction improvements awarded so far, with an additional \$100 million planned for the next 4 years. There has been work completed or is ongoing at 14 school buildings. We are projecting to remain budget neutral by continuing to align project scope with available funds. Project scopes are assessed individually to ensure equitable enhancements across all buildings.

At this point approximately \$112 million has been awarded. Of this amount, \$110 million has been committed or spent. We are now halfway through the Series 2 projects. Series 3 bond sales are anticipated in early 2026.

Purchase of Two RTU Units Canton High School – Ms. Minnick shares that we have been having a lot of trouble with the A/C at all three high schools. She introduces Matt Lents, who talks about the work that had to be done over the summer to keep these units running. The two units at Canton HS are inoperable, and there is no air conditioning at Canton HS. There is heat working there. Mr. Lents is requesting the purchase of two RTU's there at a cost of \$89,893.32. There are 8 RTU's total at the main Canton HS. Mr. Lents is in the process of auditing the HVAC units at all three buildings.

Reminder about Annual Summer Tax Levy Resolution – Ms. Minnick would like to remind the committee that, at this time each fall, we typically discuss the Annual Summer Tax Levy resolution. However, since last year's resolution was amended to remain in effect indefinitely, we will not need to revisit this topic this fall.

Adjourn: 6:40 p.m.