

## MINUTES OF FINANCE COMMITTEE MEETING

Homewood-Flossmoor High School, 999 Kedzie Ave., Flossmoor

April 8, 2025

In attendance for all or part of the meeting were Ms. Jackson, Mr. Pauling, Mr. Anderson, Dr. Wakeley, Dr. Cook, Mr. Patterson, Dr. Hester, Mrs. Erdey, Mr. Richardson, Mr. Dvorkin, Mr. Perozzi. In addition, Incoming Superintendent Dr. Norrell was in attendance. Mr. Ryan Kelley, DLA Architects, Mr. Brian Tyrrell, Alliant, and Ms. Kathryn Fromm, Athletico, were also present.

Ms. Marilyn Thomas, HF Chronicle, was in attendance. No members of the public were in attendance.

The meeting was called to order at 7:51 a.m.

Approval of Minutes. The February 6, 2025, Finance Committee minutes stand approved as presented.

Comments. Mr. Pauling noted that today is Mr. Anderson's last Finance Committee meeting. He extended his appreciation to Mr. Anderson for his years of dutiful service on the Finance Committee over the course of the past several years. He noted that many important initiatives that have made a difference to not only our students, not only to our board but also to the district and the community were led by Mr. Anderson. Mr. Pauling directed his comments to Mr. Anderson stating "we are all indebted to you. It has been an honor working beside you. Congratulations and thank you!" Mr. Anderson thanked Mr. Pauling and stated that it has been his honor to serve and for those that have been around him know that he really enjoys being this part of it and he has relished the opportunity to use his corporate skill set to help the district. Ms. Jackson added that Mr. Anderson will be sorely missed.

### 2025-2026 Budget Process

Dr. Cook spoke on the Budget process that is currently underway. He noted the process follows the same framework as it has in previous years. He is currently collecting data on departmental needs. He pointed out that the allocation and disbursement of funds may differ somewhat in next year's budget. He also noted that he will be meeting with Dr. Norrell in the near future to review the budget and gain her input.

### Shuttle Bus Purchase

Dr. Cook explained that in Fiscal Year 2022, the district purchased a used 2017 full-size, 54-seat bus with wheelchair accessibility for two individuals at a cost of \$64,500. The bus was used to shuttle students between the two campus buildings. However, due to significant electrical issues related to the wheelchair lift, the bus has required frequent and costly repairs. In the current fiscal year alone, repair costs have totaled nearly \$15,000. Since then, costly repairs continue to be incurred that include electrical issues with the wheelchair lift. He shared that the repair facility is over 70 miles away and repair parts for this particular bus can take over two months to receive. Dr. Cook reviewed two options available to the district: purchase a new 54-seat bus with wheelchair accessibility for two individuals at a cost of \$165,000, with an optional five-year warranty for an additional \$3,000; or, lease the same bus for \$27,000 per year over five years, with an extended warranty included in the lease. Dr. Cook stated his recommendation is to lease a new bus. He explained that leasing the vehicle is a more cost-effective and operationally reliable solution as opposed to purchasing a new bus at a cost \$165,000 that does not include

an extended warranty. The committee concurred with Dr. Cook's recommendation of the leasing option of a new shuttle bus. Mr. Anderson recommended that Dr. Cook look into a purchase option at the end of its 5-year lease term. This item will be on the April 15 board agenda for approval.

### Professional Learning Community

Dr. Norrell stated that at the March 2025 Planning Committee meeting, a proposal was presented to implement Professional Learning Communities (PLCs) aligned with the district's strategic priorities. Because the proposal has a strong financial component the Planning Committee requested it be presented to the Finance Committee for the committee's review. She explained that part of the change to the district's current PLC structure will be a better understanding of the true structure and nature of the PLC with the entire district being a PLC versus the individual team meetings that have been taking place at HF. Dr. Norrell added that all teachers will need to do some pointed work around standards and assessments and that these things need to be done through sufficient planning, which needs a cycle and a structure to allow it to work best. Dr. Norrell explained that the proposed PLC structure directly supports three of the district's strategic goals: College, Career, and Life Readiness; Fiscal Responsibility and Equitable Resources; and Professional Excellence. A key component of the proposal is the establishment of a Collaborative Team Leader (CTL) structure. CTLs would serve as instructional leaders within their departments, fostering a culture of collaboration and continuous improvement. Their responsibilities would include: Implementing standards-based curriculum; Utilizing data-informed instructional practices; and Leading analysis of student achievement data to drive instructional decisions. To support the successful launch of the PLC model, training will begin in Summer 2025. In June, a six-member administrative team will attend PLC training in Minneapolis, Minnesota and in July, a group of 45 staff members will attend the PLC at Work Institute in Lincolnshire, Illinois. Dr. Hester added the funding to cover the training costs is available through Title I Title II grant funds. Dr. Norrell stated to support the implementation and leadership of PLCs, the proposal includes a \$2,000 stipend for each CTL member. The total cost for the training for the Administrative Leaders, 11 Department Leads, and the 32 Collaborative Team Leaders is estimated to be \$55,000. Stipends based on the contract hourly rate of \$40/hour are being proposed for 32 CTLs. Dr. Wakeley added that many other school districts are using this structure and this will hold everything together for the big push for the work they want to get done. Dr. Norrell added that the proposed structure is much more job embedded professional learning and it links to our instructional coaching program. In addition, it will help leverage our coaches with teams instead of just individuals. Dr. Norrell feels the energy is contagious and hopes the teachers will be excited. Dr. Hester noted the proposed structure will have measurements tied to it. Dr. Norrell stated that this will be an annual spend and she has met with the HFEO leadership and they are in agreement and a Memorandum of Understanding (MOU) will be forthcoming to the board for approval. This item will be on the April 15 board agenda for approval.

### Capital Projects Update

- Current Projects – Mr. Ryan Kelley spoke on current capital projects. He noted the Science addition is nearing completion with final punch list items being finished. A final completion date of April 15th is projected. The paving project that was delayed last year due to some wintery conditions will begin again on April 16th. Mr. Kelley hopes everyone has had an opportunity to walk through the new addition. Dr. Wakeley added that a ribbon cutting will be held in May with the date and time to be announced soon. Mr. Kelley added that the culinary area has been completed and the area is being well used.

- Near Future Projects – Dr. Cook noted that for over the past year they have been working with Operations & Maintenance and DLA Architects mapping out capital projects that are needed over the next 4 or 5 years. These include:
  - Roof Projects to be completed next year - \$1.4 million
  - A-Building HVAC System to be completed next year - \$2.3 million
  - Recording Studio has a projected cost of \$1 million. Mrs. Erdey is working with Ms. Wallace, mother of former HF alumni and recording artist Jarad Anthony Higgins (Juice WRLD), who has expressed that she would like to give back to the community and help in providing a place where HF students can express themselves and use the recording studio as a learning tool. Cost estimates and rendered plans have been given to Ms. Wallace and she has offered to contribute \$200,000 of her own money and will speak with Interscope Records, Juice WRLD's recording label, about providing additional funding for this project or their expertise in helping design the recording studio. Dr. Wakeley added that locations to house the recording studio are currently being discussed. Mrs. Erdey will continue discussions with Ms. Wallace and more information will be forthcoming to the Finance Committee in the near future.
  - Bus Drop-Off and Safety Fence – Mr. Kelley provided an overview of a new bus route on campus and installation of a safety fence based on the completion of the traffic study that was performed and the committee's request to prioritize this as a safety concern on campus. The proposed cost of this project is approximately \$5 million. Mr. Kelley stated that with this new route, there will be a separation of bus traffic, vehicular traffic and pedestrian traffic. Discussion ensued regarding the addition of a perimeter ornamental fencing with decorative stone piers along Flossmoor Road and wrapping Kedzie Avenue and Governors Highway. He pointed out that a new parent pick-up and drop-off lot will replace the staff parking lot at the South Building and a new staff parking lot will be available off of Flossmoor Road. With the traffic study, Mr. Kelley pointed out that they paid particular attention to pedestrian traffic and making those areas safe with designated loading zones for buses and fencing. Ms. Jackson stated that she wants to ensure that the traffic congestion that currently occurs on the roads around campus remains in sight as they move forward with any changes. Mr. Pauling requested an additional schematic for the North Building to provide a better view of the traffic flow at that location. Mr. Anderson expressed that the projected cost of \$5 million is higher than he anticipated and voiced that it will be a pretty big investment at this time. However, he deferred to Ms. Jackson and Mr. Pauling who will remain on the Finance Committee after his departure. Dr. Wakeley noted that this project was born out of when they started prioritizing projects into the future and the committee recommended looking at the traffic safety issue on campus sooner than later. He added that traffic flow on campus has been an issue for decades and this does not necessarily need to be on next year's budget. However, Dr. Wakeley added that to do it correctly, this is how it would need to be done. Mr. Pauling agreed with Mr. Anderson and also expressed it is also a higher cost to him and he would like to discuss additional possible options. Mr. Anderson reminded the committee that the district has bonding authority available. Dr. Cook noted using the district's reserve for this project would bring the district's reserves closer to the 6 months reserve and he would like to see what it looks like next year due to the uncertainty of future government funding. Ms. Jackson also agreed with Mr. Anderson and Mr. Pauling and emphasized safety is important and she thinks some balance needs to be

found. Mr. Kelley added that phasing the project is an option that can also be looked at if this project moves forward. The recommendation of the committee was to pause on this proposed project and look at it with other possible options to consider over the next 12 months.

### Service Contract Agreements

- Health Insurance Cooperative – Dr. Cook stated that at the committee’s request from a previous Finance Committee meeting, Mr. Bryan Tyrrell, Senior Vice-President, Alliant, presented an overview of services provided by Alliant to Homewood-Flossmoor Community High School District 233. In addition, he spoke on a marketplace evaluation that provided positive results with the district being self-insured. He added BlueCross Blue Shield of Illinois insurance is currently providing the best coverage for the district. He overviewed the pros and cons of the district moving from self-insured to a Health Insurance Cooperative and stated that the district’s self-insured structure that is currently in place is the best position the district can be in. Mr. Tyrrell pointed out that there is no guarantee that the district would gain lower costs by joining a health insurance cooperative. He added the cooperatives are running much higher typically because they attract older unhealthier groups. After a fulsome discussion, Mr. Anderson extended his appreciation to Mr. Tyrrell for providing this information prior to today’s meeting for the committee’s review. Dr. Cook noted that Mr. Tyrrell has been a committed advocate providing solutions that have met the district’s insurance needs through the district’s partnership with Alliant. Mr. Anderson stated that it is suggested to continue with our current status of self-insured. He added that it is blaring obvious the quality service the district is currently receiving as opposed to what the district would get by joining a cooperative. He noted the relationship with Mr. Tyrrell and Aliant has been great and it has always been a benefit to the board.
- Athletico Management, LLC – Ms. Kathryn Fromm, Manager of Athletic Training Services, provided an overview of services provided to HF by Athletico. She presented Athletico’s proposal to continue providing athletic training services for the district during the 2025-2026 school year that reflects a 5% increase over the 2024-2025 contract rate. She explained the proposed rate increase is due to rising staff costs related to salaries and health benefits; support for continuing education; state licensure and tuition reimbursement; and increased recruitment and retention challenges due to enhanced certification requirements. Dr. Cook noted the anticipated increase in local revenue, based on the December 31, 2024, All Urban Consumer Price Index (CPI), is projected to be 3.4%. He added A 3.4% increase (aligned with projected CPI) would result in a cost of \$93,060; a 5% increase (as proposed) would result in a cost of \$94,500 with the difference between the two options of \$1,440. Mr. Anderson stated he is a huge proponent of having Athletico trainers on campus who are available to tend to HF students and visiting athletes immediately if injuries occur on HF’s campus. Ms. Fromm noted that Athletico’s request for a 5% increase is their standard ask across the board with all clients. This item will be added to the April 15 board meeting for approval.
- Custodial Cleaning Service – Dr. Cook shared that a pre-bid meeting was held on March 27th with nine bidders. A bid opening is scheduled for April 24th. The district’s current custodial cleaning Service, RJB, is also participating in the bid process. Dr. Cook noted that they will visit the schools of the three lowest bidders. More information will be available at the next Finance Committee.

### Technology Budget Presentation

Mr. Richardson presented an overview of the proposed technology budget for the upcoming 2025-2026 school year. He noted that he has also provided a report that highlights the technology requests that were removed (Priority 2) from the budget with rationale as to why they were removed. Priority 1 technology requests list the needs for the upcoming year. The total proposed budget for 2025-2026 is \$922,584.67 which is an increase from 2024–2025: +0.30%. There is an increase of just \$2,748 from last year's \$919,836.59 budget. Mr. Richardson stated this demonstrates their commitment to fiscal responsibility while maintaining tech advancement. The replacement of existing technology is 84.30% of the budget while new technology integration accounts for 15.70% of the budget. The majority of requested funds are allocated to:

- Information Services – 60.3% of budget (\$571,387.65) – covering core infrastructure, device management, and essential systems.
- CTE (Career & Technical Education) – 7.8%
- Security – 7.4%
- Library/Media – 4.1%
- Administration – 1.1%

Mr. Richardson added that these areas reflect their ongoing effort to support instructional technology, maintain secure systems, and invest in future-ready infrastructure. The major investments coming from Information Services includes a data center, network switches, wireless access points and firewall replacement. These investments are crucial to replace aging infrastructures while providing performance and security enhancements. Chromebooks continue to be the dominant request, supporting 1:1 student access and digital instruction. Currently they are working with their vendors with a 10 – 12 percent increase due to tariffs. The one big expense is the Chromebooks because those components come out of China with a potential 10 percent increase. He noted retired equipment can sometimes be transferred to departments like CTE where a lot of technology is not required. They also communicate with other districts where donations can be made with the equipment. Retired equipment also goes to a company to recycle. Mr. Richardson stated that this year's proposal reflects a minimal budget increase while continuing to prioritize student access, staff needs, security, and scalable infrastructure. He also cautioned that the pricing can change drastically before the next fiscal year based on the current tariff situation. Some vendors have reported the possibility of up to a 10%-12% increase in pricing. Mr. Anderson expressed his appreciation on behalf of the committee to Mr. Richardson for a great presentation. This item will be on the April 15 board agenda for approval.

### Transfer of Funds

Dr. Cook stated the district has historically transferred funds from the Working Cash Fund (Fund 70) to the Capital Projects Fund (Fund 60) to support facility improvements and infrastructure needs. He explained that Fund 60 does not receive direct revenue and can only be funded through internal transfers and funds transferred into Fund 60 can only be used for capital improvements and may not be redirected to other accounts. Based on year-end projections and available fund balances, Dr. Cook recommended the following transfers to maintain financial stability and ensure capital needs are met. He is requesting a \$12 million transfer from Education Fund (Fund 10) to Capital Projects Fund (Fund 60) and a \$2 million transfer from Transportation Fund (Fund 40) to Operations & Maintenance Fund (Fund 20). He pointed out that the district cannot be negative in any of the funds but particularly in the capital projects fund. These transfers will result in a projected reserve balance of approximately 8 months while supporting ongoing and upcoming capital projects while maintaining adequate reserve levels. The transfer of these funds aligns with both historical financial practices and the strategic goal of maintaining and improving the district's infrastructure. This item will be on the April 15 board agenda for approval.

Executive Session

The committee moved into Executive Session at 10:05 a.m., pursuant to 5 ILCS 120/2(c)(2) of the Open Meetings Act to discuss collective negotiating matters between the public body and its employees or their representatives, or deliberations concerning salary schedules for one or more classes of employees.

Return to Open Session. The committee returned to Open Session at 10:10 a.m.

Adjournment. The meeting adjourned at 10:10 a.m.