



# Elgin Math & Science Academy

## Finance Committee Meeting--Remote

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### Date and Time

Tuesday March 22, 2022 at 8:00 AM CDT

### Location

<https://us06web.zoom.us/j/6308835013>

Meeting ID: 956 9377 5063

Passcode: EMSA

One tap mobile

+13126266799,,95693775063#,,,,\*705920# US (Chicago)

+19292056099,,95693775063#,,,,\*705920# US (New York)

Dial by your location

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+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 6833 US (San Jose)

Meeting ID: 956 9377 5063

Passcode: 705920

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### Agenda

	Purpose	Presenter	Time
<b>I. Opening Items</b>			<b>8:00 AM</b>
Opening Items			
<b>A. Record Attendance and Guests</b>	Discuss	Dan Alexander	1 m
<b>B. Call the Meeting to Order</b>	Discuss	Dan Alexander	1 m
<b>C. Approve Minutes of the February 22, 2022 Finance Committee Meeting</b>	Approve Minutes	Dan Alexander	2 m
<b>D. Approve Minutes of the March 15, 2022 Special Meeting of the Finance &amp; Operations Committee</b>	Vote	Dan Alexander	2 m

	Purpose	Presenter	Time
<b>II. Financial Report</b>			<b>8:06 AM</b>

A. February 28, 2022 Interim Financial Statements	Discuss	Shanan Egger	20 m
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Shanan Egger will present the financial statements as of February 28, 2022.

B. Financial Model - Revision from December 2021	Discuss	Dan Alexander and Shanan Egger	45 m
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15 Minutes: Dan and Shanan present the highlights of the Financial Model, particularly as it relates to the feasibility of financing a Fourth Building and refinancing EMSA's current debt.

30 Minutes: Dialogue, Q&A

Attached for review and discussion, are the following documents:

1. A Revised Financial Model (March 22, 2022).
2. An Explanatory Narrative corresponding to the March 22nd Financial Model
3. A Summary chart detailing the construction & debt service costs of the four development scenarios.
4. An updated Chart tracking PCTC for EMSA/U46 through the years, incorporating the FY23 PCTC rate of \$12,521.75.

The Model does the following:

1. Adds staff positions, primarily program, in keeping with the Principal's recommendations, staff input going beyond the December 2021 Board decisions.
2. Maintains teacher salaries within the "Anchoring Document" step and lane system adopted by the Board in December 2021 for FY22, going forward through FY23, FY24, FY25, and FY26.
3. Provides for refinancing of the existing IFF financing along with full renovation of the Administration Building. Financial assumptions have been updated to reflect a projected 18-month capital borrowing of interest during and following construction, as well as adjustment of long-term interest rate to 5.50% (taking into account changed interest rate environment since summer/fall 2021, and projecting forward conservatively to a February 2023 bond closing). Construction estimates have also been adjusted to reflect increased construction inflation.

<b>III. Operations Update</b>			<b>9:11 AM</b>
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A. Discussion of Bond Financing Strategy	Discuss	Dan Alexander	7 m
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I am sharing a proposal letter from Longhouse Capital Advisors. Longhouse, and its Managing Director Lindsay Wall, have been recommended as an exceptional value, municipal financial advisor by IFF's underwriter. Longhouse has a history of success with Illinois charter schools, including three bond financings with Prairie Crossing Charter School. Geoff Deigan has given a glowing reference for Lindsay and her team, saying he'd never do anything like this without her/them. She has experience with EFF as well as traditional bond underwriting.

No decision here, but wanted to continue a dialogue, and ask if the Committee would like to meet Lindsay, in April.

	Purpose	Presenter	Time
<b>B. COO Report on Operations</b>	FYI	Dan Alexander	5 m

See attached March COO Report.

1. Revisions to long-term borrowing, 5 Year financial projections
2. Finance Committee "Pillars" Strategic Planning document
3. Food Program IFB submitted to ISBE for its review
4. DCEO \$300,000 Grant Application forms submitted to DCEO

ISBE provided guidance on the PCTC rate on March 17, 2022. This fulfilled a goal of our advocacy, to obtain a FY23 PCTC in the Spring, versus in the Summer, to help the School's financial planning/budgeting. The FY23 rate at \$12,521 was a 3.9% increase over FY22 and slightly exceeded projections in December 2021 Financial Model. Based on this, EMSA will be letting returning teaching staff know their salaries will be consistent with Anchoring Chart for FY23.

<b>C. EMSA Internal Control Policy</b>	Discuss	Shanan Egger	2 m
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Attached is a draft Internal Control Policy, created by EAB/Quattro with input from Dan Alexander, for the Committee's consideration. Due to limited time at this Meeting, we are going to allocate further time for discussion on this topic in April.

#### IV. TRACKING ITEMS

**9:25 AM**

<b>A. Enrollment, FRL, English Learners, Special Ed Numbers</b>	FYI	Jacquelyn Willer	5 m
<b>B. Finance Committee Goals</b>	Discuss	Adam Gray	1 m

Shanan expects to bring a draft Budget before the Committee in May, and a second draft of the Budget before the Committee in June, prior to Board review/approval in June.

#### V. Other Business

**9:31 AM**

<b>A. Strategic Planning - "Pillars" discussion document</b>	Discuss	Adam Gray	15 m
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Discussion of second draft of Committee Strategic Planning document

<b>B. Next meeting(s)</b>	Discuss	Dan Alexander	1 m
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The next regular Meeting of the Finance Committee will be Tuesday, April 19th.

#### VI. Closing Items

**9:47 AM**

<b>A. Adjourn Meeting</b>	Vote	Adam Gray	1 m
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