

APPROVED



Elgin Math & Science Academy

Minutes

Finance Committee Meeting--Remote

Date and Time

Tuesday April 13, 2021 at 8:00 AM

Location

<https://zoom.us/j/95693775063?pwd=Nm50bjFmR3M2cyt4c2pHZ1pITHJ1QT09>

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

+1 312 626 6799 US (Chicago)

+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

Committee Members Present

A. Gray (remote), D. Alexander (remote), K. Kelly (remote), K. Rauschenberger (remote), L. Fuhr (remote), M. Gibb (remote), T. Maue (remote)

Committee Members Absent

C. Egger, S. Egger

I. Opening Items

A. Record Attendance and Guests

B. Call the Meeting to Order

D. Alexander called a meeting of the Finance Committee of Elgin Math & Science Academy to order on Tuesday Apr 13, 2021 at 8:02 AM.

C. Approve Minutes

K. Rauschenberger made a motion to approve the minutes from Monthly EMSA Finance Com Mtg--Remote on 03-16-21.

K. Kelly seconded the motion.

The committee **VOTED** unanimously to approve the motion.

D. Approve Minutes

K. Rauschenberger made a motion to approve the minutes from Finance Committee Meeting on 02-16-21.

M. Gibb seconded the motion.

The committee **VOTED** unanimously to approve the motion.

II. Interim Financial Statements, General COO Report

A. Review of Monthly Financial Statements

T Maue reviewed the various financial statements. EMSA's IFF loan is now being recorded on the balance sheets. The Committee discussed the valuation of the land donation by the City. The issue was tabled to allow S Egger and D Alexander to review further and make a recommendation to the Committee next month. K Rauschenberger noted that the value of the property at the time of transfer reflects the value that EMSA put into it; this includes the improvement to all buildings such that all are at least warm, safe and dry.

Regarding the Income Statement--the variance for occupancy expenses is high in reflection of the light fixture donation.

Regarding the Dashboard--EAB recommends that the Committee revisit the debt ratio. EMSA is within the ISBE debt ratio recommendation but beyond its own internal goal. EMSA was "green" on all of its ISBE metrics.

Regarding the Forecast (which does not reflect the land donation yet)--PPP is not yet included. The net income is showing approx. \$635K, having been forecast at \$617K, and showing a \$220K variance from last FY.

A discussion ensued regarding cash flow forecast and cash reserves. The Committee discussed setting a goal for cash on hand.

A discussion ensued regarding teacher salaries in light of L Fuhr's ability to hire teachers.

The Committee discussed that a multi-year (5 year, e.g.) salary plan needs to be put in place for guidance. In the interim, the possibility of offering a signing bonus was discussed as a way to address salary shortfall. D Alexander will review this possibility with EAB and report to L Fuhr.

B. General COO Report

Committee discussed S. Egger's budget timeline for approval by June 17, 2021.

The committee discussed at length salary options for FY22 and in the next five years.

III. CONSTRUCTION and FINANCING

A. Middle School Project: COO Report

On schedule and under budget--everything is under roof now, so there should be no more unplanned expenses. Savings in asbestos remediation among other areas. D Alexander reviewed items that will result in a return of funds (approx. \$212K) from the loan as well as items outside the scope of the gym construction project that he recommends are undertaken: Neil building roof repair, Art Barn sewer hook-up, and intercom system between the campus buildings.

K Rauschenberger commended the tracking document and suggested for future consideration that unspent construction funds be used to seed the next capital project or a development plan.

K. Rauschenberger made a motion to Recommend to the EMSA Board to spend and/or set-aside up to \$193,971 of the \$7.2M construction budget for the three items highlighted (lines 22-24 of tracking doc): Neil roof/gutter repairs, intercom system, and sewer hook-up.

K. Kelly seconded the motion.

The committee **VOTED** unanimously to approve the motion.

IV. TRACKING ITEMS

A. Enrollment, FRL, English Learners, Special Ed Numbers

L Fuhr reported the most recent statistics.

B. Financial Policies

Looking forward to discussing these in May.

C. Finance Committee Goals

Three items identified today: Liabilities to assets ration; debt ratio; and goals for cash on hand. K Kelly will distribute spreadsheet outlining goals/promises combined from EMSA's application, EMSA's contract with its authorizer, and ISBE renewal metrics. These will help shape additional goals for the committee.

V. Other Business

A. Next meeting(s)

May 11 unless EAB wants to push back to the 18th.

VI. Closing Items

A. Adjourn Meeting

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:30 AM.

Respectfully Submitted,
K. Kelly

Documents used during the meeting

- EMSA March 2021 Financials.xlsx
- COO Report to Board.4.12.21.docx
- Tracking Document 4.12.21.xlsx