

APPROVED



Elgin Math & Science Academy

Minutes

October Meeting of Finance & Operations Committee

Date and Time

Wednesday October 19, 2022 at 8:20 AM

Committee Members Present

A. Gray (remote), D. Alexander (remote), D. DeJong (remote), G. Swick (remote), K. Kelly (remote), S. Egger (remote)

Committee Members Absent

J. Willer

Guests Present

B. Lane (remote), D. Haight (remote), L. Wall (remote)

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 Wednesday Oct 19, 2022 at 8:15 AM.

D. Alexander called a meeting of the Finance Committee of Elgin Math & Science Academy to order on Wednesday Oct 19, 2022 at 8:15 AM.

C. Approve Minutes of the September 20 2022 Meeting of the Finance Committee

A. Gray made a motion to approve the minutes from September Meeting of Finance & Operations Committee on 09-20-22.

K. Kelly seconded the motion.

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

II. Operations Update

A. Update on Expansion. Longhouse Capital Advisors.

Lindsay Wall of Longhouse Capital Advisors made a presentation, answering questions from the Committee along with Dan and Shanana. She commented that reaction to the RFP released for underwriters was very positive, with all six firms solicited indicating they would submit proposals. Lindsay commented that she would provide an update to the Committee on underwriter views of the EMSA financing, once she had received those responses.

The Committee spoke about the bond financing process and the risks and schedule involved in bond financing.

Dan agreed to the Committee's request to post an updated version of the financial projections, reflecting changes to projections of the COO and Development Director expense, to the October 25 2022 Board Meeting.

Lindsay Wall reported on Longhouse's release of the RFP to six bond underwriters, and the favorable response that generated. She also answered questions from the Committee about interest rates, market conditions, options to bond financing, and more.

She said she would have much more to share, once she had received underwriter feedback on the EMSA bond financing opportunity.

Dan agreed to a Committee request to review at the October 25 2022 Board Meeting, updated financial projections reflecting several changes since the Charter Renewal Application including restoration of the Development Director position, and modifications to the long-term projected capitalization of the COO and Development Director positions.

B. COO Report on Operations

Dan focused his remarks on the ISBE Charter Renewal process, especially the visit on October 27th. The Board decided that Kerry and Adam would represent the Board on October 27th in the Board Focus Group session.

Dan focused his report on the October 27th ISBE site visit, and charter renewal.

The Committee agreed that Kerry and Adam would represent the Board to ISBE on October 27th.

III. Financial Report

A. Update on FY22 Audit

Shanan Egger commented that the TKO Audit Report was expected to be unmodified, the highest standard. That report document was imminent and Shanan expect he would be able to have an Audit Committee Meeting on it, prior to the October 25th Board Meeting.

A copy of the Audit Report will be posted to the Board Agenda when available.

The ORBA Compliance Audit was also near the end stages. It is unclear if that will be available to the Board by the October 25th Meeting.

Shanan Egger shared with the Committee that TKO was expected to issue in the next several days, an unqualified opinion on EMSA's Audit, the best showing possible. He was in the process of arranging an Audit Committee Meeting, hopefully for Monday or Tuesday of next week in advance of the October 25 2022 Board Meeting. Dan committed to putting this on the Agenda of the Board for Vote/approval.

The ORBA Compliance Audit was also in its final stages, and expected to show positive results.

B. September 30 2022 Interim Financial Statements

Douglas DeJong presented the September 30, 2022 financial report, answering Committee questions along with Shanan and Dan.

Douglas DeJong presented the September 30 2022 interim financial statements. He, Shanan, and Dan answered Committee questions.

IV. TRACKING ITEMS

A. Enrollment, FR Percentage

Enrollment is at 410 students, six below full enrollment of 416 students. The percentage of Free/Reduced students is now at 54% (that figure will be confirmed by ISBE in December).

Dan shared that EMSA enrollment was at 410 students, six short of the budgeted full enrollment of 416 students.

V. Other Business

A. Next meeting(s)

The next Meeting of the Committee will be Tuesday December 15, 2022.

The next Committee Meeting will be held on November 15, 2022.

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 10:20 AM.

Respectfully Submitted,

D. Alexander

There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 10:20 AM.

Respectfully Submitted,

D. Alexander