

**Finance Committee Meeting, 4:00 p.m. Open Session (Tuesday, August 10, 2021)**

Generated by Lauren Borowski on Wednesday, August 11, 2021

**Members present**

Leah Collister-Lazzari, Steve Wang

**Meeting called to order at 4:21 PM**

1. August 10, 2021 Finance Committee Meeting- Agenda

2. 4:00 P.M. - Open Session

Information: 2.01 Roll Call

Information: 2.02 Call Meeting to Order

Information: 2.03 Public Comment

No public comment.

3. Agenda Items

Minutes: 3.01 Approval of Finance Committee Meeting Minutes from July 13, 2021

The minutes were approved.

Information: 3.02 Audit Update

David Bein, Assistant Superintendent of Business Services/CSBO updated the group on the audit. He informed the committee that the auditors were on site for two weeks and just finished their visit. Jen Prindle, the District's Comptroller, was the on-site liaison. Everything sounded good with the audit and there were no issues to report. Dave hopes to be able to have information for next Finance Committee Meeting for what the surplus is looking like on a preliminary basis. At the next meeting Dave can bring suggestions on what to do with the surplus. Once Dave has the draft audit, he will have it sent out to the whole Board. The draft is usually presented at a Finance Committee Meeting and other Board members may join.

Information: 3.03 21-22 Budget

Dave informed the group that later that night is the Tentative Budget presentation at the Board Meeting. He will do a presentation and will talk of results on a preliminary basis (prequalified, pre-audit) so numbers may change. Right now, the District is looking at an 8 million dollar surplus for last year. Dave started a discussion of DSEB borrowing. What the District did last year anticipating lower revenues was try to figure out how they could balance out the years. The District has an opportunity to use DSEB. If they keep money in operating funds for one last year, it would lower their results for last year and increase the projected incomes for this year. Dave then spoke of Fund Balance Percentages. Each year as the budget increases, the District should increase the reserves to maintain a healthy Fund Balance Percentage. The District has historically run under 30%. Dave would like to move to the low 30%, instead of under 30%. Starting next year, Dave would like to budget for a larger surplus. A higher percentage means financial stability. Right now if the net surplus were broken down by months, it would only be 4 months. Next meeting Dave will share more info on this topic.

Steve asked what the past philosophy has been regarding Fund Balance Percentage. It has always been a 25-40% range, but they have not looked into the future before, so this seems like a good idea. Dave has worked to improve the percentage every year he has been here. Last year with the pandemic, they tried to keep the rate flat and the Board followed the recommendation to transfer to capital projects anticipating that the Prairie parking lot and BHS stop light are projects the Board would like to be done.

Leah and Steve agreed they would like to hear Dave's scenarios to discuss and continue the conversation in future meetings. They are fiscally responsible, they want the AAA rating, and they want to see ideas on how to stay that way.

Information: 3.04 Student Fees

Last school year the Board had a conversation around student fees during the pandemic. Sarah Lager, Director of Fiscal Services, put together a memo to discuss fees in January 2021. In March 2021, the Finance Committee had a conversation about people not paying fees. Dave wanted to bring this up again with new board members and a new superintendent. The District regularly has unpaid fees (not including fee waivers and the approximate 20% free and reduced plans). Dave wanted to talk about the families not paying fees that are not on waivers. Normally the District is able to collect most of those fees, but in the last year they have a higher amount of unpaid fees. Admin would like guidance from the committee on how to pursue unpaid fees. What steps are they comfortable taking with fees? Historically, the District office sends multiple letters and talks to families. When students get to the end of the high school experience the District has more luck with collecting fees. At the high school level, they renew pressure around graduation and don't allow juniors and seniors to park at the high school.

From a District standpoint, Dave would like to be able to set clear guidelines. Options discussed included writing off fees after a set amount of years, sending unpaid fees to collection, restricting student attendance at optional activities, adjusting the budget to avoid fees, and charging a late payment fee. The committee was interested in hearing more in future meetings regarding late fees and using a collection agency after a student moves or matricules out. The committee will discuss in the future and see if they can agree

on a plan to bring to the full Board.

4. Closed Session  
No closed session.

5. Adjourn  
Information: 5.01 Adjourn  
Ended at 5:26pm.