

BARRINGTON COMMUNITY UNIT SCHOOL DISTRICT 220**Minutes of Finance Committee Meeting****APRIL 7, 2020****Members Present**

Gavin Newman, Leah Collister Lazzari

Location

Administrative Center, 515 West Main Street, Barrington, Illinois

1. APRIL 7, 2020 FINANCE COMMITTEE MEETING**2. OPEN SESSION**

2.01 Roll Call

2.02 Call Meeting to Order at 4:09 p.m.

3. AGENDA ITEMS

3.01 Approval of Finance Committee Minutes from March 3, 2020

The Finance Committee members approved the minutes from the March 3, 2020 Finance Committee meeting.

3.02 Barrington Transportation Request for Payments

David Bein, Assistant Superintendent for Business Services, reported that Barrington Transportation Company ("BTC") has asked the District for help with payments during the prolonged school closure. Payments made pursuant to a contract addendum may be claimable and reimbursable. David said that reimbursement, which would occur in the next fiscal year, may be lower than current levels. A contract addendum would require Board approval. Dave shared a draft agreement with the Finance Committee members. The District's attorneys have advised not to make any payments without an agreement in place. The terms of the draft agreement will ensure that it is not a windfall for the transportation company. BTC has many financial obligations, including paying their drivers. They have requested that the District provide payments of 85% of its normal billing to allow it to meet its ongoing financial obligations. It also allows BTC to pay its drivers and ensure that at the time that the District reopens schools, the company still has drivers to operate the routes. This is not a unique request.

Dave reports this is happening all across the state. The CARES Act provides access to loans that could help BTC, although BTC is not sure that it will be able to obtain funds even though it is applying. After some discussion, Dave stated that he would have some further conversations with BTC and try to nail down terms and conditions of the agreement. Brian Harris stated that the administration will address this at this evening's Board of Education meeting and bring back an amendment to their contract for the Board to approve at the April 21, 2020 Board of Education meeting.

3.03 Financial Forecast

Dave reported that an end of year forecast shows the District tracking favorably to the budget, but the pandemic may impact the budget this year and next year. He stated that revenue, expenses, and cash flow are being monitored. The District continues to pay salaries and benefits and some extra duty work. Stipends are being paid according to the union's contract.

The governor has ordered all school districts to pay their employees as if they were still in school. There will be a reduction in some expenses, such as for substitute teachers. Long term subs continue to be paid - daily subs are not being paid.

Many contractors will be affected as well - their fees will be reduced. Sodexo, Quest and Barrington Transportation are the District's biggest contractors. Both Sodexo and Quest have joined the District in helping feed students during the pandemic.

Some intermittent substitutes/employees may be filing for unemployment. The District will not contest these claims. He added that there are many people that may have difficulty paying their property taxes due to the pandemic. Dave reported that the federal CARES Act, which was recently approved, provides states with funding to prevent, prepare for, and respond to the coronavirus. Dave will continue to monitor the situation and report back to the Finance Committee on how things progress.

3.04 Selection of Referendum Financial Service Advisors

Dave reported that now that the District has passed a referendum, it is time to select a financial advisor and bond counsel related to the issuance of debt. The District has an existing agreement with PMA Securities to serve as financial advisor.

Based on the District's positive experience with PMA, the recommendation is to continue working with them. Chapman and Cutler has successfully served as bond counsel for past Barrington 220 bond issuances, and the recommendation is to continue to retain its services for upcoming bond issues. Dave stated that PMA has been ranked the number one financial advisor every year since 2009 for K-12 school districts in Illinois. Dr. Harris stated that PMA has been a good partner to District 220 through the years. They are considered the "A" team in their field and their prices are competitive with other firms. Dave reported that Chapman & Cutler is the best known bond counsel among regional K-12 districts. After some

discussion, the Finance Committee was in agreement to continue working with PMA and Chapman & Cutler as referendum financial advisor and bond counsel. No formal action is required with the Board, but the Finance Committee will report on their decision at this evening's Board meeting.

4. CLOSED SESSION

4.01 Closed Session - For the purpose of discussing: Employment matters, performance of a specific employee, collective negotiating matters, legal matters, security procedures, student disciplinary matters, and the purchase, lease or sale price of real property.

No closed session required.

5. ADJOURN

The Facilities Committee adjourned the meeting at 5:23 p.m.