



March 2, 2021

Ms. Courtney Whited
Lincolnwood School District #74
6950 N. East Prairie
Lincolnwood IL 60172

RE: GSF USA Contract Renewal

Dear Ms., Whited,

I wanted to start by thanking you for the partnership that we started and developed almost two years ago now. We came a long way from how the district was being supported prior to where we are today and I we cannot be more excited for the future ahead. A tremendous amount of time, effort, and energy went into developing the team that supports the school district today and I hope you are proud of that team.

It is with great pleasure that I can present you with a proposal for continuing our partnership into the future. The opportunity to continue a partnership is exciting for my team and everyone working at GSF USA. The school segment has quickly turned into our core business and we are proud to be supporting so many districts, yours being one of our first. Today we operate in over 25 school districts in the greater Chicagoland area. I can assure you that if given the continued opportunity to support you, we will not disappoint.

Outlined below is our proposal for your review and consideration. As you will quickly see the cost for labor increases dramatically year to year and that is driven by the new State Minimum Wage Law, 820 ILCS 105 and the Cook County Minimum Wage Ordinance 16-5768, § 42-7,10-26-2016. This Illinois law went into effect in February of 2019 and it is designed to increase the state minimum wage from \$8.25 today to \$15.00 an hour by 2025. The Chicago Minimum wage moves to \$15.00 per hour on July 1, 2021. These new laws/ordinances are significant and will affect every school district we partner with.

- 820 ILCS 105 – <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=2400&ChapterID=68>
- 16-5768, § 42-7,10-26-2016
https://library.municode.com/il/cook_county/codes/code_of_ordinances?nodeId=PTIGEO_R_CH42HURE_ARTIINGE_DIV2MIWA

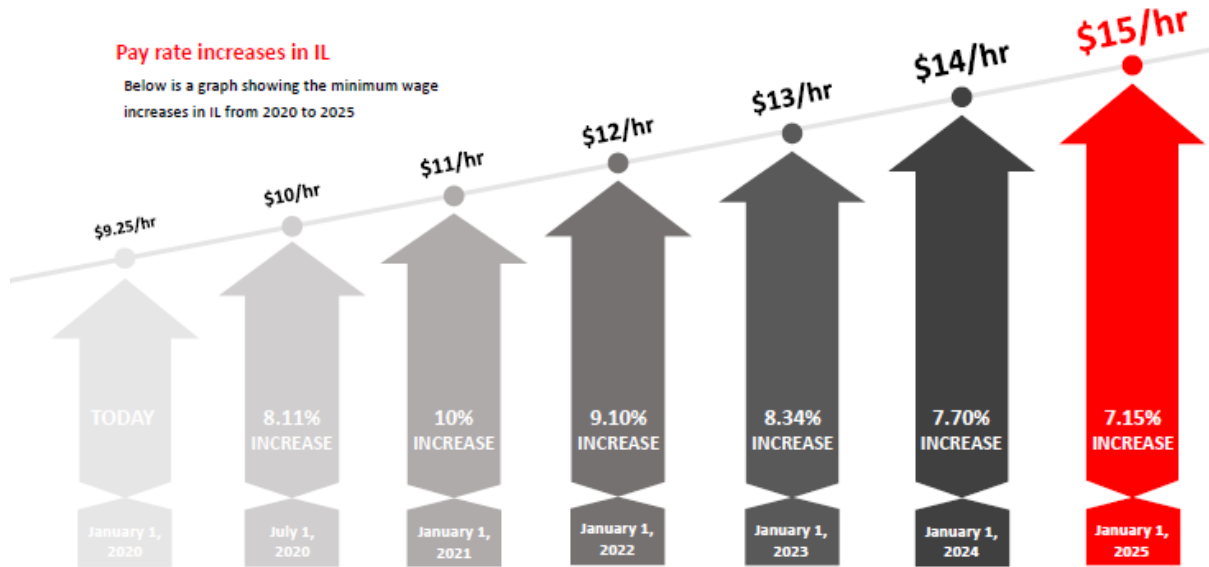
The charts below reflect the new wage laws as outlined above. While your district is not located in Chicago's Limits, we felt it important to include.



ILLINOIS Minimum Wage

Pay rate increases in IL

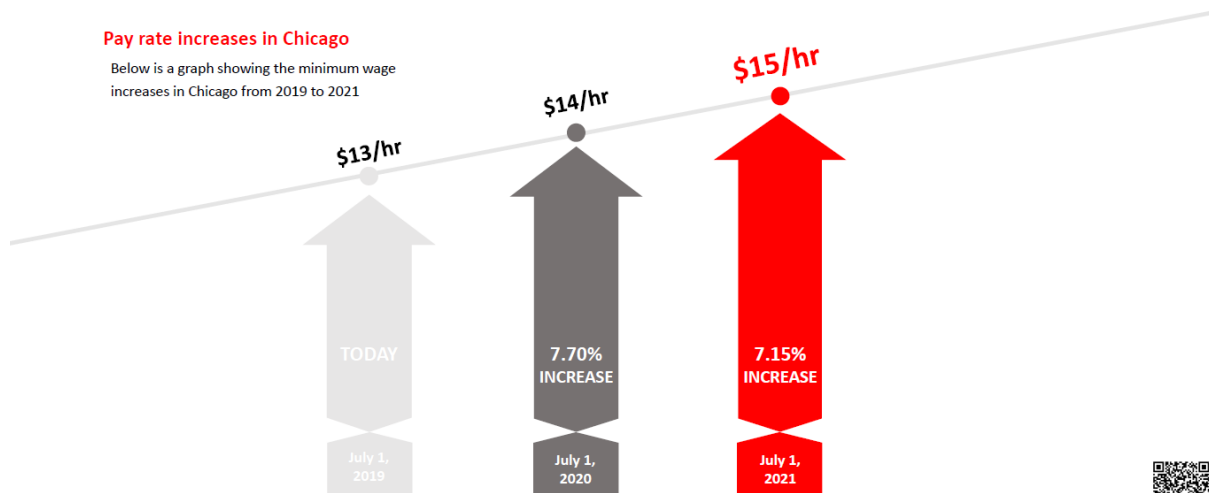
Below is a graph showing the minimum wage increases in IL from 2020 to 2025



CHICAGO Minimum Wage

Pay rate increases in Chicago

Below is a graph showing the minimum wage increases in Chicago from 2019 to 2021



https://www.chicago.gov/city/en/depts/bacc/supp_info/minimumwageinformation.html

In the chart below I provide you an overview of the effects of the minimum law for our team/contract. These increases are significant and have been factored into our proposal for you.



	Illinois Minimum Wage Law						
	1.1.2020	6.1.2020	1.1.2021	1.1.2022	1.1.2023	1.1.2024	1.1.2025
	\$9.25	\$10.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00
Cook County Minimum Wage Law							
	7.1.2020	7.1.2021		7.1.2022	1.1.2023	1.1.2024	1.1.2025
	\$13.00	\$14.00		TBD	TBD	TBD	TBD
Chicago Minimum Wage Law							
	7.1.2020	7.1.2021		7.1.2022	1.1.2023	1.1.2024	1.1.2025
Night Custodian (9)	\$14.00	\$15.00		TBD	TBD	TBD	TBD
School District Year - Current Situaion							
Positions	2019-2020	2020-2021		2021-2022	2022-2023	2023-2024	2024-2025
Night Custodian (9)	\$12.00	\$12.28		\$12.92	\$13.60	\$14.31	\$15.06
Day Porters (4)	\$13.00	\$13.30		\$14.00	\$14.73	\$15.51	\$16.32
Manager (1)	\$22.00	\$22.51		\$23.69	\$24.93	\$26.24	\$27.62
Percentage Increase	N/A	2.30%		5.25%	5.25%	5.25%	5.25%
Annual Contract \$ & Projected	\$415,459.45	\$425,015.02		\$447,328.31	\$470,813.04	\$495,530.73	\$521,546.09

As a result of these changes, I wanted to make sure I made you aware on a very high level how these changes will affect the overall partnership we have with you today. Getting in front of this issue now and developing a plan for the future helps all of us. As you can see from the chart above an approximate increase of **5.25%** will be needed every year till 2025 to keep pace with the minimum wage requirements for most of the team.

As we briefly discussed last year, I want you to know that you are not alone. Below is an overview of current District wage rates updated July 2020. As you can included below are school district we currently work with and/or went through an RFP process with that in school district near you today.

IL School District Wage Rate Overview - Updated 4.8.20	Night	Day Porter	Manager	Supervisor	Lead	AREA	COUNTY	Wage Rate	District Or Vendor Driven Wage Rate
Bannockburn School District #106	\$ 13.00	\$ -	\$ -	\$ -	\$ -	North	Lake	2020	District
Aptakisic School District #102	\$ 13.53	\$ 14.82	\$ 29.00	\$ -	\$ -	North	Lake	2019	District
St. Clement School	\$ 14.00	\$ -	\$ -	\$ -	\$ -	City	Cook	2019	Vendor
Fairview School District #72	\$ 12.00	\$ -	\$ -	\$ 15.00	\$ -	North	Cook	2019	Cook County Minimum Wage Law
Legal Prep Charter School	\$ 14.00	\$ -	\$ -	\$ -	\$ -	City	Cook	2019	City Minimum Wage Law
Norridge School District #80	\$ 12.00	\$ 13.00	\$ -	\$ -	\$ 14.50	O'Hare	Cook	2019	Cook County Minimum Wage Law
Zion School District #6	\$ 10.00	\$ 10.92	\$ -	\$ 14.28	\$ -	North	Lake	2019	District
LFC School	\$ 13.00	\$ 14.00	\$ -	\$ -	\$ -	City	Cook	2019	City Minimum Wage Law
Mundelein High School District #120	\$ 12.00	\$ 15.50	\$ 20.00	\$ -	\$ 14.00	North	Lake	2019	District
Hawthorn School District #73	\$ 11.50	\$ 11.50	\$ 21.00	\$ -	\$ 13.50	North	Lake	2019	District
Mundelein Elementary School District #75	\$ 11.50	\$ -	\$ -	\$ 17.50	\$ 12.00	North	Lake	2019	District
Lincolnwood School District #74	\$ 12.28	\$ 13.30	\$ 22.00	\$ -	\$ -	O'Hare	Cook	2019	Cook County Minimum Wage Law
North Shore School District #112	\$ 11.85	\$ 12.85	\$ 27.50	\$ 20.00	\$ 14.85	North	Lake	2019	District
Lake Bluff School District	\$ 12.25	\$ -	\$ 22.00	\$ -	\$ -	North	Lake	2019	District
Lake Forest High School District #115	\$ 12.25	\$ -	\$ 23.00	\$ -	\$ -	North	Lake	2019	District
Lake Forest Elementary District #67	\$ 12.25	\$ -	\$ 18.98	\$ -	\$ 12.50	North	Lake	2019	District
Niles Township High School District #219	\$ 11.00	\$ 12.00	\$ 33.65	\$ 26.11	\$ 16.73	O'Hare	Cook	2017	District
Kenilworth School District #38	\$ 15.00	\$ 15.00	\$ -	\$ -	\$ -	North	Cook	2020	Vendor
Zion High School District #123	\$ 11.00	\$ 12.00	\$ 23.07	\$ -	\$ -	North	Lake	2020	District
Sunset Ridge School District #29	\$ 14.00	\$ 14.00	\$ -	\$ -	\$ 14.50	North	Cook	2020	District



Please share your thoughts from this letter we will provide the pricing for a one-year renewal, 2021-2022 School Year. Thank You for the continued opportunity to partner with you and everyone at Lincolnwood School District #74!

Best regards,

Scott Mackall

Director of Education Services

