

## **DOWNERS GROVE GRADE SCHOOL DISTRICT 58**

### **FINANCIAL ADVISORY COMMITTEE MEETING**

**MAY 7, 2021**

The Financial Advisory Committee met on Friday, May 7, 2021 at 7:00 a.m. via Zoom video conference.

#### **Call to Order**

The meeting was called to order at 7:00 a.m.

#### **Present**

Chair Darren Hughes, Steve Olczyk, Nicole Bernard, Todd Drafall, Katie Hannigan, Laura Hill, Katie Maffei, Geoff Neustadt, Jeff Riemer, Kevin Russell, Angela Rybarczyk, Chris Sagan, Jason Suchy, and Leland Wagner. Also present was Kevin Barto, Director of Buildings and Grounds.

#### **Absent**

Allen Altic, Scott Cimo, Tammy DeStefano, Matt Durbala, Becky Lankheet, Jessica Miley, Ron O'Connor, Cynthia Pietrucha, Brian Riegler, Andrew Schmidt, and Jason Sparks.

#### **Approval of Minutes**

Steve Olczyk moved and Nicole Bernard seconded the motion to approve the minutes of April 9, 2021. Motion carried.

#### **Longfellow Sale Update**

At the April board meeting, the Board passed a motion to seek an appraisal of the Longfellow property to continue the path forward to sale. The appraiser will be at the May 11th board meeting to help set a minimum price in closed session. There is a 60-day window for the sale of the property from the date the resolution was passed.

#### **Amended Budget**

A tentative amended budget will be presented at the May board meeting and will be on display for 30 days before the budget hearing and vote to approve in June. The amended budget is more closely aligned with the financial plan and is needed primarily to reflect the recent bond issuance and receipt of federal funds.

#### **Stop/Loss Coverage Renewal**

Currently, claims above \$150,000 are covered by stop/loss insurance. The District's current premium is \$900,000; the proposed increase will bring it to \$1.6M. Group Alternatives has been working to evaluate the coverage and may change the threshold to \$175,000 to bring down the premium. Large claims are driving the increase; new technology and treatments are very expensive. Bringing the threshold up to \$200,000 or \$225,000 is common in other districts; District 58 could consider moving incrementally up to a higher level.

### **ASC Retrofit**

A proposal for professional services from Wight & Co. will be brought before the Board if they pass the resolution for the sale of Longfellow. The Wight fee will exceed the \$25,000 threshold requiring Board approval.

### **Year-to-Date Report**

Cash on hand is in good shape due to lower transportation costs and the bond issuance and restructuring. Revenue will be lower in the future mostly due to the lower transportation reimbursement. The revised fund balance policy will also be presented to the Board for approval.

### **Public Comment**

Former Board members Joe Leo and Marshall Schmitt attended. Mr. Leo commented that he has continuing questions about the financial estimates regarding the Longfellow sale and ASC retrofit, the cost of the lease for administrative space, and lack of discussion of post-lease plans. He also suggested land at some of the other District properties could be sold instead of Longfellow.

Mr. Schmitt commented that the sale of Longfellow is short sighted and would not produce sufficient revenue for the District. He stated his concern that planning has been done in the short term and based on anecdotal analysis. Plan Smart 58 is a new organization that has prepared its own financial analysis to share with the public.

### **Adjournment**

Laura Hill moved and Nicole Bernard seconded the motion to adjourn.

Meeting adjourned at 7:54 a.m.