

DOWNERS GROVE GRADE SCHOOL DISTRICT 58
FINANCIAL ADVISORY COMMITTEE MEETING
January 6, 2023

The Financial Advisory Committee met on Friday, January 6, 2023 at 7:00 a.m. at O’Neill Middle School.

Call to Order

The meeting was called to order at 7:02 a.m. by Darren Hughes.

Present

Geoff Neustadt, Todd Drafall, Darren Hughes, Sonali Patil, Kevin Barto, Nicole Bernard, Scott Cimo, Zac Craft, Chris Sagan, Steve Olczyk, Brent Borchelt.

Absent

Allen Altic, Tim Cruse, Jason Fugitt, Jason Suchy, Laura Hill, Becky Lankheet, Naomi Levine, Katie Maffei, Jillian McNamara, Kevin Murphy, Jessica Miley, Ron O’Connor, Cynthia Pietrucha, Kevin Russell, Raj Shah, Jason Sparks, Evan Walter, Leland Wagner, Joe Wojciechowski, Tamara DeStefano, Andrew Schmidt, Katherine Neal.

Approval of Minutes

Chris Sagan moved and Geoff Neustadt seconded the motion to approve the minutes of December 9, 2022. Motion carried.

Year-to-Date

The Year-to-Date Report shows that the District’s revenues and expenses are following expected trends when compared with last year.

Investment of Bond Proceeds

The bond interest rate is 3.36%. Because they are tax exempt bonds, the interest rate is capped. However, there remains the potential for \$11.7 million in interest earnings. The District plans to spend down the bond proceeds and interest over three years for referendum construction, and then issue the second phase of bonds.

FY 2022 Audit

The audit management letter was presented to the Board in January. The Board received the audit in December 2022.

Owner’s Representative

The District is planning to put out an RFQ for an owner’s representative, either a person or company, to oversee the referendum construction projects. A decision will be made prior to spring break.

Food Service

The District currently has the National School Lunch Program (NSLP) in the middle schools and provides hot lunches. Cold lunches are provided for free and reduced eligible students in the elementary schools, and milk is an option to buy for all students. This year legislation was enacted to allow school districts full access to the federal standards for lunches and not be limited to the cheapest meal offered by vendors. The committee discussed expanding the District's lunch program to the elementary schools, which would require expanding kitchen facilities.

Student Fees for 2023-24

The District considered whether to raise fees by the increase in CPI (7%) or by the tax cap amount (5%), and also looked at the fees assessed by neighboring districts. The FAC recommended an increase by CPI.

Capital Policy

The District will budget a transfer of at least \$750,000 from its operating funds to the capital fund to provide for capital needs. The annual goal will be a transfer of \$1 million; however, a minimum of \$750,000 shall be budgeted. The District plans to grow this number every few years, and invest it for necessary projects after the referendum funds are exhausted.

Public Comment

There was no public comment.

Adjournment

Scott Cimo moved and Nicole Bernard seconded the motion to adjourn. Motion carried. Meeting adjourned at 8:17 a.m.