

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

### **FINANCIAL ADVISORY COMMITTEE MEETING**

**May 10, 2019**

The Financial Advisory Committee met on Friday, May 10, 2019 at 7:00 a.m. at the Administrative Service Center.

#### **Call to Order**

The meeting was called to order at 7:03 a.m.

#### **Present**

Chair Darren Hughes, Steve Olczyk, Kari Cremascoli, Todd Drafall, Matt Durbala, Randy Hoppe, Kattie Maffei, Rachel Mayer, Katie Hannigan, and Andrew Schmidt. There were no visitors.

#### **Absent**

Allen Altic, Greg Frer, Todd McDaniel, Geoff Neustadt, Dan Pekofske, Cynthia Pietrucha, Brian Riegler, Jeff Riemer, Jason Suchy, Jim Swider.

#### **Approval of Minutes**

Steve Olczyk moved and Matt Durbala seconded the motion to approve the minutes from the April 4, 2019 meeting. Andrew Schmidt asked to amend the minutes to include reference to suggestions made to add more detail to the debt service information in the Year-to-Date Report, noting specific fund balances and pensions. Motion carried to approve the minutes with additions.

#### **Review of Budget Workshop Presentation and Year-to-Date Reports**

Budget Workshop highlights:

- Additions in staffing for nursing and curriculum support
- Balanced budget based on conservative estimates, although the margin is thin because fund balances are low
- New, uncommitted revenue is recommended to be added to fund balances
- Some more state funds have been received, as well as federal grant money, so that short-term borrowing for June payroll will not be necessary

The committee discussed the effects of a potential property tax freeze. 80% of the District's revenue is from local property taxes; if a freeze were put into effect, the first impact would be felt in FY2023.

#### **Review of Investment Options**

Interest rates have increased, which has improved investment revenues. Some alternative investment options are being explored and can be presented to the FAC. Additional risk in investments must weighed against the potential for higher returns that could be measured in funding for additional staff positions.

### **Longfellow Update**

The split of central administration between the ASC and Longfellow decreases effectiveness. The value of the Longfellow property could be utilized to help propel the Master Facility Planning process. In consulting with an economic development group about available properties, options seem to be limited. Renovation is another option, but with significant costs. Some options to consider, along with their associated pros/cons and short- and long-term cost analyses, include:

- renovating the ASC site and restructuring the Indian Trail playgrounds
- converting a school
- renovating another property
- renting a property

The committee discussed the process of appraisal and sale of property, and agreed to include the master facility plan and Longfellow on the agenda for the next meeting.

### **Reception of Visitors**

No visitors attended the meeting.

### **Topics for Future Meeting**

- Composition of committee
- Possibility of posting Board committee materials on BoardDocs

### **Adjournment**

Katie Maffei moved and Todd Drafall seconded the motion to adjourn the meeting. Motion carried.