

DOWNERS GROVE GRADE SCHOOL DISTRICT 58
FINANCIAL ADVISORY COMMITTEE MEETING
January 7, 2022

The Financial Advisory Committee met on Friday, January 7, 2022 at 7:00 a.m. at O'Neill Middle School.

Call to Order

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

Present

Kevin Barto, Nicole Bernard, Brent Borchelt, Scott Cimo, Tamara DeStefano, Todd Drafall, Darren Hughes, Katie Maffei, Kevin Murphy, Geoff Neustadt, Steve Olczyk, Sonali Patil, Kevin Russell, Jason Sparks, Leland Wagner, Joe Wojciechowski

Absent

Allen Altic, Tim Cruse, Laura Hill, Becky Lankheet, Naomi Levine, Jessica Miley, Ron O'Connor, Cynthia Pietrucha, Jeff Reimer, Angela Rybarczyk, Chris Sagan, Andrew Schmidt, Raj Shah, Jason Suchy

Approval of Minutes

Nicole Bernard moved and Jason Sparks seconded the motion to approve the minutes of November 5, 2021. Motion carried.

Audit

ESSER reporting has delayed the audit. Findings and recommendations from the audit:

- Better review of month-to-month reconciliation is recommended. CPA (outside contractor) does that currently.
- Refunds for OKEEP FY20 fees were sent after June 2020, so a revenue adjustment had to be made for FY21.
- Technology concern - it is a blanket statement issued to all clients. District 58 has implemented 2-tier authentication and must meet certain criteria for our cyber insurance.
- Pension liability and issues are noted--nothing to do operationally.
- The District added to its fund balance in FY21. For auditing purposes, the District uses a modified accrual reporting system. This increase in fund balance is due to federal money reimbursements from the CARES Act and also delayed property tax collections.

Year-to-Date

The Year-to-date report compares expense and revenue to the budget and to last year at the same time. Transportation lagging in YTD expenses--special education transportation was short on accounting staff and did not send out invoices promptly. From next month onward revenue will be stagnant until the spring property tax receipts come in. However, as compared to last year there will be a slight increase in revenue due to bond sales and the food service program. Food revenue can only be spent on meal programs/food equipment.

Last year we refunded OKEEP fees from FY20; the decrease in OKEEP revenues was offset by an increase in federal funds due to ESSER.

We will have to project out inflation for 5-year projections.

Review of Work to Be Bid Summer of 2022

The committee reviewed the capital presentation that was shared with the Board at the December 2021 board meeting. \$4.1M from Longfellow will be received on Monday, January 10th. \$3M will be used for capital projects for Summer 2022. Wight architects did a health/life safety study, which showed the District has a lot of equipment that is beyond its lifespan use. We will be building an annual allocation for capital projects into operating funds. In the next FAC meetings, long-term debt strategy should be discussed by the group to allocate for major capital projects. ESSER money received, which was based on Title I grant allocation, was not enough to do capital projects.

Review of Work over Winter Break

Some pressing facility projects done in December:

- Whittier HVAC controls
- Fairmount repair of burst pipe and related clean up

Public Comment

There was no public comment.

Adjournment

Tammy DeStefano moved and Nicole Bernard seconded the motion to adjourn. Meeting adjourned at 7:45 a.m.