

DOWNERS GROVE GRADE SCHOOL DISTRICT 58

FINANCIAL ADVISORY COMMITTEE MEETING MARCH 6, 2020

The Financial Advisory Committee met on Friday, March 6, 2020 at 7:00 a.m. at the Administrative Service Center.

Call to Order

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

Present

Chair Darren Hughes, Steve Olczyk, Allen Altic, Christine Collins, Tammy DeStefano, Todd Drafall, Matt Durbala, Laura Hill, Kevin Russell, Geoff Neustadt, Katie Hannigan, Jeff Riemer, and Mark Thomas.

Also in attendance: Kevin Barto and Brian Johnson, business intern.

Absent

Randy Hoppe, Becky Lankheet, Katie Maffei, Rachel Mayer, Jason Suchy, Bonnie Osborne, Cynthia Pietrucha, Brian Riegler, and Andrew Schmidt.

Approval of Minutes

Todd Drafall moved and Steve Olczyk seconded the motion to approve the minutes from the January 10, 2020 meeting. Motion carried.

Steve Olczyk moved and Laura Hill seconded the motion to adjust the agenda to start with items 6, 7, 5, and 3, and skip item 4. Motion carried.

Fund Balance Policy and Capital Plan

After reviewing policies from other districts, District 58 has determined that a fund balance of 31% is appropriate. The draft policy allows for the District to move toward that threshold to maintain sufficient cash on hand when the District hits the low cash point in May before property tax receipts come in.

The committee also discussed possible ways to increase the capital fund, including revenue from expiring TIF districts.

FY 21-25 Budget Projection and Forecast

Forecast 5 reporting uses annual financial reports from districts through the county and state for comparables and analysis. While the projected year-end balance graph shows the low cash estimate, Todd Drafall feels it may be a little higher, as some variables, like the timing of certain bills, are hard to account for. The committee reviewed the projections by fund. The graph

outlining major revenue sources outside of property taxes shows that Evidence Based Funding has increased the District's funding, but is offset by categorical grants coming off.

District 58 Administrative Centers

The Village of Downers Grove intends to build a new administrative facility and has asked whether District 58 is interested in sharing the space so that the taxpayers would not need to fund new centers for both. District 58 is also exploring alternatives such as buying, leasing or building a new administrative center, or repurposing an existing District facility. A new facility of any kind would require a down payment, potentially with revenue generated from the sale of a property like Longfellow. The ASC site could become a storage and maintenance center. In comparing various options, it was noted that leasing of commercial spaces would have added tax costs that do not exist with the Village. Another consideration is ensuring the District has sufficient space for the long term. The committee discussed the pros and cons of all the options presented.

Public Comment

No comments were made at this time.

Adjournment

Jeff Riemer moved and Laura Hill seconded the motion to adjourn.

Meeting adjourned at 8:33 a.m.