

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

### **FINANCIAL ADVISORY COMMITTEE MEETING**

**September 13, 2018**

The Financial Advisory Committee met on Thursday, September 18, 2018 at 7:00 a.m. at the Administrative Service Center.

#### **Call to Order**

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

#### **Present**

John Miller, Chair, Darren Hughes, Kari Cremascoli, Todd Drafall, Matt Durbala, Katie Hannigan, Todd McDaniel, Geoff Neustadt, Steve Olczyk, Dan Pekofske, Jeff Riemer, Jason Suchy, Andrew Schmidt, Jim Swider.

#### **Absent**

Brian Dietrich, Cynthia Pietrucha, Brian Riegler.

#### **Year-to-Date Review of Financial Reports**

Year-to-date monthly revenue and expenditure reports will be presented in a new format to the FAC and will be in the monthly board packet. At this time, 20% of revenue has been received; there will be another jump when tax revenue comes in. The prior YTD information will be added to the reports once data is pulled from iVisions. The expenditure report only includes one payroll for teachers. Supplies and purchased services are paid for at the beginning of the year, and a few more jumps are expected as summer work is paid for. The investment report shows an increase in rates compared to prior years.

#### **FY19 Budget**

There will be a short public hearing at the September board meeting prior to the Board's vote. From an operating standpoint, the budget is generally balanced within what the District expects to receive and expend. Todd Drafall noted that the transportation claim has increased from prior predictions because of service changes in the previous year. 50% of revenue tends to come in at the beginning of the year, and 50% at the end of the year, leaving fund balances low during April/May. Knowing that revenue cannot increase by more than CPI, expenses should not increase more than that either. The Working Cash fund acts as an internal bank, keeping us from short-term borrowing.

#### **Sinking Fund Review and Discussion**

The sinking fund is a sub-fund of the O&M fund, funded from interest from the Working Cash fund. Its purpose is to pay for one-time capital expenses, such as roof replacements. The committee discussed the possibility of eliminating the sinking fund

and instead transferring that interest income to the Capital fund, with the caveat that it should still be reserved for big one-time expenses and not annual capital expenditures.

**Revised FAC Schedule**

The committee discussed revising the FAC meeting schedule to include six meetings a year. The committee agreed to move meetings to Fridays before Board meetings: November 9, January 11, March 8 and May 10.

**Reception of Visitors**

No comments were made at this time.

**Adjournment**

Geoff Neustadt moved and Jeff Riemer seconded the motion to adjourn the meeting. Motion carried. The meeting was adjourned at 8:02 p.m.