

DOWNERS GROVE GRADE SCHOOL DISTRICT 58

MEET & CONFER STRATEGIC PLAN COMMITTEE MEETING

May 11, 2017

The Meet & Confer Strategic Plan Committee met on Thursday, May 11, 2017 at 7:00 a.m. at Longfellow Center.

Call to Order

The meeting was called to order at 7:04 a.m.

Present

Elizabeth Sigale, David Bein, Kari Cremascoli, Matt Durbala (arrived at 7:40 a.m.), James Eichmiller, Erin Guth, Megan Hewitt, Katie Hurckes, Jason Lynde, Kate Nickell, Carin Novak, Pam Osika, Angie Rybarczyk, Jill Samonte, Justin Sisul, Linda Vanacora, Kim Venzon, Kristen Ward, Jayne Yudzentis.

Also in attendance were visitors Jennifer Haselhorst, Susan Helsdon, Melissa Jerves, and Tracy Weiner.

Absent

Karl Berg, Emily Honn, Julie Quinlan, Marcia Radja (alternate), Bill Riban (alternate), Julie Ryan (alternate), Andrew Schmidt, Jason Suchy (alternate), Barb Svitak.

Approval of Minutes

David Bein moved and Linda Vanacora seconded the motion to approve the minutes from the April 13, 2017 meeting. Motion carried.

School Finance / Facilities

David Bein, Assistant Superintendent for Business/CSBO, continued his presentation from the April 13th meeting to the Committee sharing background information on school finance.

- **Property Taxes**
 - District 58 receives the majority of its funding from property taxes. Mr. Bein explained how the District is limited under the Property Tax Extension Limitation Law (PTELL) and how the Consumer Price Index (CPI) affects revenue sources.
- **Other Sources of Revenue**
 - Lottery – Even though lottery proceeds fund education, other funding for education does not have to be maintained.
 - Advertising is a sensitive issue, especially at the elementary level.

- When Revenue Is Not Enough
David Bein explained options when there are insufficient funds for a capital project or to pay monthly expenditures. The District can spend existing fund balances or borrow money. Although spring property tax receipts are paid in June, increasing fund balances, the low cash point for school districts is in May. Sufficient fund balances are needed to avoid short-term borrowing. Short-term borrowing, such as tax anticipation warrants, can be costly and worsen the overall financial picture. Long-term borrowing was explained including non-referendum debt, the Debt Service Extension Base (DSEB), how CPI plays a role, referendum debt, and how additional debt can be issued.
- Basics of School Finance
School district finance was compared to a triangle made up of expenditures, revenues, and educational programs. The Committee divided into small groups and considered these three factors while looking forward to strategic planning. What additional information or insights would be helpful and what areas would benefit from more exploration and feedback from stakeholders were discussed. Groups shared the following:
 - Everyone identifies with neighborhood schools.
 - There is a perception in the community that a lot of money is being spent on tech refresh. This could be broken out and explained how it relates to the Education Fund.
 - Use the “triangle” model to help educate the general public – visual on how “out of whack” school financing is.
 - Explain to community about fixed expenditures, contract commitments, and discretionary spending – how much flexibility really exists.
 - Timeline for discretionary – no snap decisions should be made.
 - Remember those in the community that do not have children in District 58, need their support if a referendum is considered.
 - Teachers in a union meeting vocalized doubt that a referendum would pass in Downers Grove.
 - Looking ahead to 2023, educate public as much as possible.
 - Get voices heard in newspapers.
 - Explain seriousness of situation District 58 is facing.
- School Facilities
Background information on facility statistics was provided. The importance of maintaining facilities was shared. The District’s O&M team, taking into consideration a variety of resources and information, assembled a master list of facility projects for the next 25 years. The difference between “needs” and “wants” was reviewed. The District’s “needs” list is estimated at \$11 million in projects now through 2024 and estimated at \$75 million in projects now through 2040. Expanding the list to include “wants” adds an estimated \$30 million in projects now through 2040, with most projects spaced out from 2030 to 2040. Common projects include roofs (\$30 million), asphalt (\$6 million), HVAC/plumbing (\$15 million), and electrical service (\$6 million).

The Committee divided into small groups and considered facilities and maintenance needs and available resources. Groups were asked to look forward to strategic planning and discuss what additional information or insights would be helpful and what areas would benefit from more exploration and feedback from stakeholders. Groups shared the following:

- Considering needs – the District has been financially responsible, explain what action has been taken.
- Educate the general public regarding what needs to be done and how the District is not wasting funds.
- Look to the future at District 58 as a whole – look ahead 23 years – hard concept to grasp. Parents of children currently in the system will be out of the system in 23 years. Consider five-year increments.
- Have a long-term plan with short-term perspective.
- Look at what is happening in Downers Grove over the past few years – tear downs and new construction. Inform these families. A change of values in Downers Grove could be taking place.
- The year 2040 is “way out there” – unreal – a short-term challenge could be more convincing.
- How can the District accurately communicate so the community understands the situation. Provide photos --- proud of how spaces are used.
- This goes hand-in-hand with the budget discussion.
- Fixed versus variable.
- Provide building tours --- show positives and state of facilities.
- Consider what attracts people to the District 58 community.
- Have more discussions with the PTAs, direct their efforts, consider boilers versus playgrounds.

Next Steps

The MCSP Committee will meet on June 8, 2017. There will be no meeting in July. A draft schedule of meetings for the 2017-2018 school year will be discussed in June.

Reception of Visitors

No comments were made at this time.

Adjourn

Meeting adjourned at 7:51 a.m.