

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

### **FINANCIAL ADVISORY COMMITTEE MEETING DECEMBER 4, 2020**

The Financial Advisory Committee met on Friday, December 4, 2020 at 7:00 a.m. via Zoom video conference.

#### **Call to Order**

The meeting was called to order at 7:01 a.m.

#### **Present**

Chair Darren Hughes, Steve Olczyk, Tammy DeStefano, Todd Drafall, Matt Durbala, Katie Hannigan, Laura Hill, Katie Maffei, Kevin Russell, Jeff Riemer, Andrew Schmidt, Jason Sparks, and Jason Suchy.

#### **Absent**

Allen Altic, Randy Hoppe, Becky Lankheet, Rachel Mayer, Geoff Neustadt, Cynthia Pietrucha, Brian Riegler, and Mark Thomas.

#### **Approval of Minutes**

Jeff Riemer moved and Tammy DeStefano seconded the motion to approve the minutes of November 6, 2020. Motion carried.

#### **Review of Financial Projections for Dec. 7 Workshop**

Todd Drafall presented a preview of his presentation for the Dec. 7 Financial Workshop. The District intends to formalize a financial plan approval process to help guide the budgeting process for the next three fiscal years. A balanced budget is not simply revenues equal expenses; it must also include enough cash on hand to prevent any short-term borrowing at our lowest cash point and account for some capital expenses. Drafall reviewed the assumptions of changes in revenue and expenditures over the next few years. Upcoming expenses that will create larger deficits include curriculum and technology updates and capital needs. The projections for implementing a fund balance policy must include a reduction in expenses of about \$1.1M.

Regarding capital planning, the District had been moving toward a referendum process to fund necessary projects, but the pandemic made that original timeline impossible. However, some capital needs are still immediate despite the lack of referendum funds. Possible solutions include restructuring bond debt and the sale of Longfellow, which could bridge the gap until the referendum process can be resumed. Debt restructuring would include borrowing an additional \$3M and would extend payments out another 2.5 years. The District also plans to engage a demographer to study projections, building usage and boundaries.

The committee provided feedback on the presentation.

**Public Comment**

No comments were made at this time.

**Adjournment**

Steve Olczyk moved and Laura Hill seconded the motion to adjourn.

Meeting adjourned at 8:33 a.m.