



Oswego Community Unit School District 308

SERVING ALL OR PARTS OF THE COMMUNITIES OF
AURORA, JOLIET, MONTGOMERY, OSWEGO, PLAINFIELD AND YORKVILLE

Finance and Facilities Advisory Committee Minutes

District Operations/Maintenance Building

71 Stonehill, Oswego

(Enter through door #4)

Room# Breakroom

Tuesday, February 22, 2022

6:00 p.m. – 7:30 p.m.

I. Roll call

The sign in sheet was used in place of an official roll call. Meeting called to order at 6:03 pm.

Members in Attendance: Rob Allison, Jamie Diaz, Robert Eberhardt, Marcus Lewis (arrived at 6:07 p.m.), Brent Lightfoot (arrived at 6:48 p.m.), Bill Mueller, Kaila Mugford, Erika Sieh, Dr. John Petzke and Chief Financial Officer, Lauri Doyle Board Member Co-Chair, Eugene Gatewood Board Member Co-Chair (arrived at 6:08 p.m.)

Members Absent: Kenneth Blue (Term ended 2/8/22), Michael Campagnolo

Recording Secretary: Terry Gotchie

II. Approval of Minutes from Finance and Facilities meeting on January 18, 2022

A motion was made by Mrs. Lauri Doyle, second by Mr. Robert Eberhardt, to approve the Finance and Facility minutes from January 18, 2022. All members in attendance were in favor.

III. Audit

Our [Audit](#) was conducted by bakertilly. Per Dr. Petzke, everyone wants to know how much the school district is going to need for next year's budget. Dr. Petzke started with the levy. The Levy identifies the dollars we need for FY23. This information was completed the last Tuesday in December FY21. Next, we do a budget adoption on September 30th FY22 (2021-22 School Year) and then the audit, which looks at how well we did on the budget from last year FY21. The purpose of the audit really focuses on the following:

- Assessment of internal controls
- Identify any material misstatements
- Summarize the accounting records into financial statements
- Disclose certain supporting information

The auditors will not tell you if your school district is financially stable. They just present the facts.

In the revenue highlights, bakertilly looks at our operational funds. They start with 2020 actual numbers, next our [estimate](#) in September 30, 2020 and then our actual for June 30, 2021. In the September estimate, we always ask for less than the 2020 actual in case there are issues with the revenue sources.

For expenditures, they look at where we were (Actual 2020), where we think we will be (original and final budget) and where we ended up (Actual 2021).

Robert Eberhardt asked if we track historical variances. Dr. Petzke stated that he could put something together to show more of a trend.

When looking at the Revenue-Expenditure Summary, the district's governmental funds balance increased from \$45.6 (after restatement) to \$45.9. You need to take out the Debt Service Fund \$18.0 and Capital Projects \$4.6 because those funds cannot be used for anything outside of their realm. It is the Board of Education's (BOE) goal to get to a 20% fund balance so we would not need to borrow money to pay expenditures. Bill Mueller asked why we are so far off on the Actual 2021 revenues over expenditures from the final budget (\$943,468) to actual 2021 (\$3,602,403). Dr. Petzke stated that it was because of the Esser dollars and how we were using them. When we adopt a negative budget with the state, we have to have a 4-year plan to show how we plan to be in the positive. We were able to balance it out in 1 year and did not need the additional 3 years. Lauri Doyle asked if our financial software came up with the (\$3,602.403) deficit. Per Dr. Petzke, our financial software did show a (\$3,602.403) deficit.

Some of the audit highlights: In 2016, our % equalized assessed valuation was at 25% and in 2021, it was 14.98%. By 2034, that % should be 0. Bakertilly also provided demographic and economic statistics. In 2019 we were at an unemployment rate of 3.3% and in 2020 due to Covid, it shot up to 8.4%, which is a concern since SD308 is one of the biggest employers in the area. Jamie Diaz asked if we had the 2021 numbers yet. Per Dr. Petzke, they should be out within the month.

IV. Cash Flow & Tax Anticipation Warrants (TWA)

What does our cash flow look like from January –June? We have 3 bank accounts: First MW Bank, Pushcoin Credit Card, and PMA (holds our investable cash). Robert Eberhardt was wondering why Pushcoin was listed. Per Dr. Petzke, we are receiving revenue, such as registration /athletic fees, etc. This does not include money in student lunch accounts. When the ending balance is in the negative that is when the Tax Anticipation Warrants (TAW) come into play. Delays between expenditures and revenues causes havoc on our accounts. Most building principals spend money at the beginning and end of the year. We are trying to avoid having a negative balance by having \$25 million in the bank. This will allow us to pay payroll and not borrow money or TWA's. It costs the district \$220,000 a year to borrow 20 million. Lauri Doyle would like to see a 5-year projection and Dr. Petzke stated he is working on that now. Kaila Mugford wanted to know how many years have we taken TWA's and Dr. Petzke stated since 2004 to present.

V. Tour of Operations and Maintenance Building

From 7:15 p.m. – 7:29 p.m., the Finance and Facility Committee members toured the Operations/Maintenance building.

VI. Public Comment (3 minutes each)

There was nobody present for public comment

VII. Adjournment *A motion was made by Lauri Doyle to adjourn, second by Eugene Gatewood; all present were in favor to adjourn. Meeting was adjourned at 7:30 p.m.*