LaGrange School District 105

Finance Committee Meeting Agenda

May 8, 2019

6:00 PM

Gurrie Middle School

1001 S. Spring Avenue

La Grange, IL 60525

**1. Call to Order -** Mr. Bahn called the meeting to order at 6:04 pm. Attendees:

Steve Bahn, Sheila Bryck, Dave Herndon, Elyse Hoffenberg, Elias Lopez, Mark

Smith, Bob Webb.

**2. Committee Charge -** Mr. Bahn thanked the committee members for agreeing to be

part of the finance committee. The charge of this committee is to discuss the current state of the District finances related to the current debt payments. The committee will provide the Board with a recommendation regarding the financing of the two outstanding Bonds. The Bonds are callable in January, so the committee needs to make a recommendation by the fall.

**3. Update on District Finances –** Mr. Bahn provided the committee a packet that showed historical fund balances, historical revenues, and historical expenditures. He reviewed the packet with the committee. As presented in one of the graphs, the revenues had been exceeding expenses, but gradually over the last 5 years revenues and expenses have met, with expenses projected to be slightly higher than revenue this year. This packet is currently posted to the District website and will be included with the minutes.

**4. Current Debt Payment Schedule** - Mr. Bahn provided the committee with a packet of information from Elizabeth Hennessy of Raymond James regarding the Bond payment options. The packet goes into details on the two outstanding bonds – Series 2010B and Series 2010C which are callable 1/15/2020 and 1/15/2021 respectively. These bonds may be refunded in advance of the call date. The packet provides a summary of the refunding scenarios.

Mrs. Hoffenberg asked if we have to refinance in January or can the District do this at other times. Mr. Herndon stated January is the first opportunity that the District can do this. The first set of bonds is the larger set and therefore the District has the opportunity to save the most money with this set.

District 105 is a property wealthy district and defined as tier 4 (new Illinois EBF model) and therefore the District receives most money from personal and corporate taxes and receives less money from State/Federal funds. This is good because the District does not have to wait for money from the state to pay bills.

**5. Refunding Options**

The packet provides a summary of the refunding scenarios provided by Raymond James. Mr. Bahn reviewed the packet with the committee. Dave Herndon asked Steve to provide these scenarios to Larry Heideman, so he can provide the Board with an updated Strat Plan.

Mr. Bahn also provided the committee with information regarding the electrical upgrades that the District will need to complete in the next several years. Mr. Lopez asked if the District was looking at exploring grant options for the electrical upgrades necessary. The District will also explore using LED lights and solar options.

**6. Items for Next Agenda**

Strategic Plan update – with refinancing scenarios provided by Raymond James

Teacher Retirement Information

Facility work update on pricing of projects

**7. Adjournment –** The meeting was adjourned at 7:05 pm. Steve will check with Yasmine on a date for the next meeting and will email the committee.