

OAK PARK AND RIVER FOREST HIGH SCHOOL
Community Finance Advisory Committee (CFAC) Meeting Minutes
Wednesday, April 17, 2019
Book Nook

Present: Ms. Cyndi Sidor
Ms. Alyssa Alfano
Ms. Silvia Brito-Todd
Ms. Kim Hoyt
Ms. Sharada Sullivan
Mr. Gregory Kolar
Mr. Steve Miller
Mr. Craig Iseli
Mr. Tom Cofsky
Mr. Mike Carioscio
Dr. Pruitt-Adams

Absent: Mr. Fred Preuss

Guests: Ms. Elizabeth Hennessy, from Raymond James Public Finance

Call to Order

Ms. Cyndi Sidor called the meeting to order at 5:51 p.m.

Update on Current Projects in Business Office

Ms. Sidor provided an update on the budgeting process. The Business Office has almost finished preparing the preliminary budget. The Business Office is also working on developing an approval process for conferences, professional development, and fieldtrips. The free and reduced application process has been changed from hand processing applications to uploading them in Skyward to save time and accuracy. The District is also looking into bus-cost sharing and the insurance liability that comes with this.

The Business Office is working on “going green” and implementing a process to use ACHs instead of checks. This saves on paper and purchasing as many checks. The Business Office is also working with Skyward to use electronic reimbursement requests instead of paper requests.

Presentation by Elizabeth Hennessy

Ms. Elizabeth Hennessy provided an overview on the different funding types available, non-referendum funding options, and examples of borrowing scenarios for future options for the District. Currently, the District does not have any debt. With capital projects on the horizon, knowing the District’s debt options and the potential impact of each type of bond is areas to consider when implementing the next phase of the construction projects.

The District’s bond rating is Aa1 from Moody’s and AAA from Standard and Poor’s. Ms. Hennessy discussed that the District has a strong healthy rating from both agencies, even if the District is not in the top-rating at Moody’s. There are only 16 schools that are Aaa, the top rating at Moody’s. In the past, the District has tried to increase their Moody’s rating but Moody’s tends to not increase school district ratings due to the State of Illinois’s financial condition.

Budget Discussion Agenda Items

Ms. Sidor suggested the Committee discuss this at the next meeting to save time. Committee agreed.

Basis of Accounting

Ms. Sidor explained the main concern of switching our basis of accounting for annual external reporting to cash basis would be to risk dropping our high bond rating with Standard & Poor's. The District is requesting to remain on a modified accrual basis of accounting for the audited Comprehensive Annual Financial Report (CAFR) and the state Annual Financial Report (AFR) form. The District would like to budget on a cash basis since the internal records are kept on a cash basis. The District can provide a reconciliation at the end-of-year after the accruals are prepared to show any large variances in the budget, cash basis, and accruals prepared.

The Committee recommends the District to internally report on a cash basis which includes the annual budget and externally for the District's external financial reporting to remain on a modified accrual basis of accounting for ISBE's Annual Financial Report and the audited CAFR.

Adjournment

Meeting adjourned at 7:34 p.m.