



**GENEVA COMMUNITY UNIT SCHOOL DISTRICT NUMBER 304
227 NORTH FOURTH STREET, GENEVA, KANE COUNTY, ILLINOIS
FINANCE COMMITTEE MINUTES**

The Board of Education Finance Committee met at 6:00 p.m. on Monday, December 11, 2017, at the Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

1. CALL TO ORDER (Bylaws 0163 & 0164)

The meeting was called to order at 6:00 p.m. by Dave Lamb.

Committee members present: Tom Anderson, Dave Lamb, Mike McCormick, Kelly Nowak.

Staff present: Todd Latham, Director of Business Services; Mike Wilkes, Director of Technology; Dr. Kent Mutchler, Superintendent.

Others present: Scott Duenser, Leslie Juby, Mary Stith, Taylor Egan.

2. PUBLIC COMMENT (Bylaw 0167.3)

None.

3. APPROVAL OF MINUTES (Bylaw 0168.1)

3.1 November 13, 2017

Motion by Nowak, second by McCormick, to approve the minutes as presented.

Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

4. DISCUSSION/CONSIDERATION (Bylaw 0155)

4.1 FY 2017 Annual Audit, Scott Duenser (Klein, Hall & Associates, LLC)

4.2 FY 2017 Comprehensive Annual Financial Report (CAFR), Scott Duenser (Klein, Hall & Associates, LLC)

4.3 FY 2017 Annual Financial Report

Scott Duenser of Klein, Hall & Associates gave a brief overview of the audit, CAFR and AFR to the committee. For 2017, there were no material changes. The reports should look similar to previous years. One thing to point out is the pension funds. Three years ago, how pension funds were reported was changed, so now you will see three years of data for IMRF and TRS. IMRF actually improved this year. It dropped from \$6.1 million last year to \$5.5 million this year. TRS is a fundamentally different plan and is \$5.4 million, which is up from \$4.4 million last year. This is just the districts portion, not the State's. Coming up next year, there will be a new governmental account standard related to Other Post-Employment Benefits (OPEB). They are going to change that standard so that it mirrors a bit more how the pension funds are currently operated and allocated for future budgets.

Comments, questions, concerns: Did TRS make public their assumption of returns by half a percent? (That would be a big effect, but I'm not an actuary and TRS actually contracts that out.) I thought 75 was already supposed to be implemented, but you are saying that we can wait until next year? (Yes. It could have been

implemented sooner, but TRS did not provide correct information.) Do you have an opinion when you say 75 will affect our financials? (I cannot speculate at this time. It will not affect individual funds that are in the AFR. It will only affect government financials.) We are actually in really good shape this year with the OPEB Standards requirements.

4.4 2018-2019 Technology Plan Review

Director of Technology Mike Wilkes presented to the committee the first draft of the recommended technology plan for 2018-2019. Every year, we look at things in two places including the learning environment and network/infrastructure.

Recommended initiatives for the 2018-2019 school year include: 1:1 learning for 2nd, 5th, 6th and 9th grades; staff device replacements and expanded access; projector upgrades (where needed); and other updates, such as labs and desktops. The infrastructure is what makes everything work, and as long as we continue to invest in and make strides to keep technology in the classroom, we have to keep our infrastructure up-to-date as well. Device replacement life cycling has worked well for us. Currently, we have no formal standard cycle for the network and infrastructure but would like to adopt one. The key outcomes of a 3-year network upgrade plan include network equipment upgrades and consolidation, LAN/WAN capacity increases, and wireless network capacity. The estimated cost of this plan is \$1.3 million, however, this will probably not cost that full amount. Overall, the estimated cost for the 2018-2019 Tech Plan is \$726,000. The next steps include approval to move forward, e-rate bid process, refine estimates/needs, and seek Board approval.

Comments, questions, concerns: How many years does staff have a device? (Staff has a device for four years.)

Motion by McCormick, second by Nowak, to allow continued planning and bidding on item 4.4. This item will be brought back to the committee for further review at a future date. Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

5. FUTURE AGENDA ITEMS

5.1 January

- 2nd Quarter Review

6. ITEMS FOR RECOMMENDATION TO FULL BOARD (Bylaw 0155)

Motion by McCormick, second by Nowak, to move items 4.1-4.2 forward to the full Board as presented. Ayes, four (4) Anderson, Lamb, McCormick, Nowak. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

7. INFORMATION

7.1 Legislative Update

There are no updates at this time.

8. ADJOURNMENT

At 6:52 p.m., motion by Nowak, second by McCormick, and with unanimous consent, the meeting was adjourned.

APPROVED _____
(Date)

David Lamb CHAIRPERSON

SECRETARY _____
Dr. Kent Mutchler

Bonnie J. Johnson RECORDING
SECRETARY