



**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 9, 2019, at Coultrap Educational Services Center, 227 North Fourth Street, Geneva, Illinois.

**1. CALL TO ORDER (Policy 2:220)**

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

Committee members present: Taylor Egan, Dave Lamb, Mike McCormick, John Thomas.

Staff present: Mike Wilkes, Director for Technology; Dr. Dean Romano, Assistant Superintendent Business Services; Dr. Andy Barrett, Assistant Superintendent for Learning & Teaching; Dr. Kent Mutchler, Superintendent.

Others present: Scott Duenser, Alicia Saxton, Larry Cabeen, Leslie Juby

**2. PUBLIC COMMENT (Policy 2:230)**

None.

**3. APPROVAL OF MINUTES (Policy 2:220)**

3.1 November 18, 2019

Motion by McCormick, second by Egan, to approve the minutes as presented. Ayes, four (4) Egan, Lamb, McCormick, Thomas. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

**4. DISCUSSION/CONSIDERATION**

4.1 Review of Bus Bid and Optional Bus Agreement Extension (Policy 4:60)

Dr. Romano shared that the current transportation equipment will be coming to the end of its term at the end of the school year. The bid opening was held December 3<sup>rd</sup>, and Midwest Transit, our current provider, was the only bid that came in. It was for brand new buses with a purchase price of \$88,376 and a bus buyback of 74% per bus. The final cost to us would be \$11,049 per bus. There was a \$7,500 reduction in the buyback, which resulted in a 34% increase per unit. Midwest Transit also offered the option to extend our current agreement on our existing fleet minus two buses. There would be a \$90,000 savings by decreasing the number of buses by two. If the Committee votes to move this forward to the Board, we will be recommending that the Board approve extending our current contract for one more year. We would then continue conversations to see what our other options are.

Comments, questions, concerns: Is there a timeframe in which the bid goes stale? (You can ride it out, but there is statute that states the timeframe.) Did the bid price of the buses go up? (Yes.) Is the 74% buyback for now or at the end of the extension? (The 74% buyback would be if we acted on the bid now.) What was the overall increase? (About \$90,000 per year over year or about a 34% increase.) Is

the \$90,000 with two less buses? (Yes.) We need to determine how economical it would be to move from diesel busses to gasoline busses. What puts us at a handicap is that Illinois does not have a per mile cost in their data reporting. For the one year, while the market is changing, it allows us to put things on hold while we get a better grasp on how this impacts our student transportation. What is the average mileage our buses put on each year? (It depends on the route, but we can get this information for you.)

#### 4.2 FY 2019 Comprehensive Annual Financial Report/Audit (CAFR) / Annual Financial Report (AFR), Scott Duenser (Klein, Hall & Associates, LLC) (Policy 2:20, 4:10)

Dr. Romano shared that, in accordance with regulations, an outside firm audits the district's finances each year. Wipfli LLC, formerly Klein Hall CPAs LLC, has completed our FY19 audit. Scott Duenser from Wipfli gave an overview of the CAFR and AFR. These reports provide a significant level of data and information. Each year, the CAFR is submitted to the Association of School Business Officials, and the 2018 CAFR was selected for the Certificate of Excellence again this year. In addition to the CAFR, the AFR is submitted to the Illinois State Board of Education (ISBE). This is a standardized report that all LEAs in Illinois have to submit. The district's financial profile score was "recognition" status at 3.8 out of 4. This is the highest status you can receive.

Comments, questions, concerns: When looking at the general fund balances and operations fund, it looks like the educational fund is about 30% of funds and O&M combined is about 33% of funds. Do you have any thoughts on that percentage as a fund balance? (They are reasonable. As a rule of thumb, once you get below 25% it becomes a concern.) In the changes in net position statement, it looks like year over year there is a big adjustment. With regard to the old post-retirement liability, if they were to shift this to the district, is this figured into this? (It is part of the liability. Any changes in that year are run through the expenses on the statement of activity.) Does the \$42 million we have in liability drive the 23.5? (Yes.) Are you saying we should take comfort, because it looks like everyone's statement? (Yes.) With the new structure within Wipfli, have your fees increased? (No.)

#### 4.3 2020-2021 Technology Capital Plan (Policy 4:10)

Mike Wilkes presented to the Committee the 2020-2021 Technology Capital Plan. There are two areas of focus for the ed fund. They are 1:1 devices for kindergarten, 1<sup>st</sup>, 3<sup>rd</sup>, 6<sup>th</sup> and 9<sup>th</sup>, and classroom projector upgrades at the high school. Teachers in first grade would like to increase the number of laptops so that there is one laptop per every two students, instead of one laptop per every three students. In second grade, there is currently one laptop for every two students. There was feedback from second grade teachers to increase levels of technology access by having each second grader have their own laptop. If we were to make these changes in first and second grade, we would have to modify the technology service fee to match other grade levels. These fees offset 20% of the annual cost.

In the O&M fund, we are looking at security infrastructure. This would include adding two new firewalls, plus services/support for five years. Our current devices cannot run the latest firewall OS software. For 2020-2021, we are looking at a total of \$809,330 before the offsets with the current estimated offsets being \$305,650. The next step is to present this plan to the full Board at their January 13<sup>th</sup> meeting.

## 5. FUTURE AGENDA ITEMS

### 5.1 January

- TBD

**6. ITEMS FOR RECOMMENDATION TO FULL BOARD (Policy 2:150)**

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

Motion by McCormick, second by Thomas, to move item 4.3 forward to the full Board at the January 13<sup>th</sup> meeting as presented. Ayes, four (4) Egan, Lamb, McCormick, Thomas. Nays, none (0). Absent, none (0). Abstained, none (0). Motion carried unanimously.

**7. INFORMATION**

7.1 Legislative Update

There is nothing new to report.

**8. ADJOURNMENT**

At 7:01 p.m., motion by McCormick, second by Egan, and with unanimous consent, the meeting was adjourned.

APPROVED February 10, 2020  
Date

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David Lamb CHAIRPERSON

SECRETARY Dr. Kent Mutchler

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Bonnie J. Johnson RECORDING SECRETARY