

## FINANCE/PERSONNEL COMMITTEE MEETING

Meeting Date: Tuesday, January 10, 2017 at 4:30pm.

### Members:

Ms. Annett Johnson, Chair  
Mr. Ken Darby  
Ms. Kirstin Strand  
Mr. Michael Prombo  
Mr. Steven Megazzini

### Attendance:

Yes  
Yes  
Yes  
Yes  
Yes

### Agenda:

1. Roll Call
2. Public Comments/Questions
3. PMA Long-Term Portfolio Analysis
4. Band Instrument Bid
  - a. High School
  - b. Middle Schools
5. Acceptance of the following donations
  - a. \$100 for High School's Girls' Varsity Basketball – Carol Anderson
  - b. \$2,000 for Scholarships – Express Employment Professionals
6. Acceptance of the following grants
  - a. \$46,000 STEP Program from Illinois Energy Now for energy saving products
  - b. \$127,280 New Teacher Mentoring Grant from ISBE for the New Teacher Induction Mentoring Program for spring 2017
  - c. \$26,000 Priority School Support from ISBE for professional development and technology costs to support the improvement of Oak Park's reading, writing and math scores
7. Request for Overload for (1) Preschool Special Education Teacher's Assistant to cover lunch at the Child Service Center
8. Resolution Authorizing the Sale of Personal Property
  - a. Technology Items
9. New Business
10. Closed Session, if needed
11. Adjournment

### Minutes

Public Comments – None.

#### Long-Term Investment Presentation

Brian Hextell, Audra Braski, and Eric Stoltz from PMA presented about the investments related to the Working Cash Bonds and an additional long-term investment account. Mr. Hextell is a part of the investment arm of PMA. This investment arm is "discretionary" which means they can act with their discretion about the District's investments without specific approval from the District.

Mr. Hextell presented two sample portfolios for the District. One was a 1-5 year plan with a 1.82 percent yield and one was a 1-10 year plan with a 2.18 percent yield. Mr. Hextell discussed the volatility in the market with different durations of the portfolio and how it relates to the yield.

Ms. Johnson asked about the fee structure. Mr. Hextell noted they are at 18 basis points. Ms. Johnson commented that was higher than others. Mr. Hextell agreed they were higher, but that their yield would have been about 30 basis points higher than the current yield.

Ms. Johnson asked about the composite of the portfolios and how PMA would differ. Mr. Hextell noted that the current portfolio is heavily invested in Illinois securities. PMA would likely move some of those bonds to other states. Ms. Braski noted that we are already dependent on the state for revenue and heavily investing in Illinois bonds broadens our risk related to state grants/aid and interest rates. Mr. Hextell also noted the current portfolio has several callable securities, which can also result in volatility and lower rates of return. PMA would limit these types of securities. Ms. Braski also emphasized client service and transparency to their reporting.

Mr. Darby asked about the average yield for their clients. Mr. Hextell noted that is difficult to compare with others because of duration, but the yields given in the presentation are representative of average yields for those duration portfolios.

Ms. Strand asked about whether PMA has been compared to other investment agencies. Mr. Prombo noted that the significant size of PMA helps in the transparency and his colleagues in the industry also use PMA.

Ms. Johnson noted that she would like to see a presentation from Clear Perspectives. She directed Mr. Prombo to send the Old Second data to Clear Perspective so that they can do the same analysis as PMA.

#### Band Instrument Bid

Mr. Prombo noted the high school band bid was opened and we had six vendors bid. His recommendation is to go with the lowest price per item rather than the lowest overall price from the vendor. The Committee agreed.

The middle school band bid is currently open. The bid will close on the 23<sup>rd</sup> and they would like the bid to go straight to the full board on February 6, 2017. Ms. Johnson noted that would be fine.

#### Donations – Accepted

##### Grants

Mr. Megazzini discussed the Mentoring grant and the expansion of the mentoring program and providing workshops to all of the new teachers. New teachers have a larger mentoring process than teachers who have experience, but are new to the District. Mr. Megazzini stated that he wants to expand the program to include teachers in their second year.

Ms. Johnson and Mr. Darby had questions regarding the Energy Grant. Mr. Prombo will be following up with Margo Schmitt

Mr. Darby asked about the Priority School Grant. Ms. Shields noted this was primarily going to be used for technology items at Oak Park.

Request for Overload – Mr. Steve Megazzini pulled the request for overload from the agenda due to the request being retracted.

##### Sale of Personal Property

The board briefly discussed the items up for disposal from the technology department. There were no items for question.

##### New Business

Ms. Johnson asked about a timeline for transportation.

Mr. Prombo stated he had spoken to Durham and would be working with them on developing key assumptions for the District. They will have to identify hazardous crossings, adjust for bell schedules, determine if streets are wide enough for the full bus, and determine stops by age group. The assumptions should be able to be presented to the board at the first board meeting in February. Mr. Prombo stated that hopefully pricing will be complete to present by the second board meeting in March.

Ms. Johnson asked if District funds could be used for a "Shuttlebus" type system for kids over 2-3 miles away, especially for the middle schools and the high school. Mr. Prombo will look into reviewing that option.

Mr. Megazzini also noted that full bussing could be an issue with the CBA as they cannot do tiered busing with the current CBA as it related to start times. Mr. Darby expressed that he hoped the union would work with us on this issue.

Closed Session – There was no closed session.

The meeting adjourned at 5:11pm.