



Finance Oversight and Review Committee Meeting Minutes February 19, 2019

In Attendance: **FORC Members:** Chair - Carrie Hagner, Vice –Chair Dr. Michelle Mangan, Greg Kolar, Justin Erkfritz-Gay, Rupa Datta, Paul Starck-King & Lou Anne Johannesson
Also in attendance: Bob Spatz/Board of Education Member, Laurie Campbell/Assistant Superintendent for Human Resources

Absent: Anna Richards, Jeff Mathis, Holly Spurlock, Dr. Carol Kelley

Chairwoman Hagner called the meeting to order at 7:06 p.m.

1. Public Comment: There was no public comment.
2. Staffing: Campbell and Starck-King have been working on putting the District's actual staffing numbers into the State's EBM template. The committee reviewed the first draft line by line. The draft reflects current levels of staffing, not future projections. Mangan suggested that Campbell take out positions that are federally funded and all PKP/EC staffing because it is funded by a separate grant. The committee worked with Campbell to identify where within the template to count certain positions. The next steps will include Campbell and Starck-King identifying per student investments and adding actually District salaries to the template, now that staff has been assigned to categories within the template. Datta suggested that there are many staffing decisions made by the District that are not based on what the state recommends. Mangan suggested adding a column to reflect positions that are federally or grant-funded. She stated that they should remain in the chart, but be separated out. Starck-King suggested that FORC do a "deep dive" into the staffing levels once a year. Mangan asked if FORC will take a look in March once the salaries have been added, however Campbell is unavailable to attend the FORC March meeting. Datta would like FORC to look at the salary comparisons to state recommended levels when available. Campbell asked when she should return. Hagner stated she should return when the final numbers are available for a wrap-up. Spatz stated that FORC should look at the District levels. Datta agreed that there should be a look at elementary levels versus Middle School levels. Mangan suggested that per-pupil spending at all eight elementary

schools should be on one sheet. She also wants to check the FORC calendar to ensure that FORC is able to use the transparency policy before staffing decisions are made. Spatz stated that FORC should be looking at the financial aspects of staffing once they are added to the 5-year forecasts. Datta remarked that FORC should be involved in staffing decisions only in regard to financial targets. Spatz stated that the administration needs to look at the template and then share with the Board. Hagner suggested revisiting the template review in April.

3. Action Item: Mangan asked to delay the adoption of the January 2019 minutes until they mention that FORC had questions regarding the fiber agreement with the village.
4. Bond Sale: Starck-King reported that the first referendum bonds were sold the previous week. The amount sold was \$30 million to cover the construction costs of the Lincoln and Longfellow expansions. By selling the bonds at this time, the District was able to get a better interest rate, thereby saving the taxpayers \$3 million in interest. The blended rate is around 2.6%. The interest payments will begin in January of 2020. The blended rate would apply if the second bond sale of \$27.50 million dollars occurs by February of 2020.
5. Budget Amendment: Starck-King recommended that the District make fund transfers of \$10 million to cover the costs of Holmes. He suggested \$4 million be transferred into the capital fund from transportation, \$1 million from O&M and \$5 million from the education fund. Mangan expressed concern over taking any funds from the education fund. Starck-King and Spatz explained that over time, the money would be replaced by changing the way that the District manages what funds the levy will be going into. After a lengthy discussion, the committee recommended the following:

The FORC committee recommends transfers to the capital fund totaling \$10.0M from transportation (\$4M), O&M (\$1M), and Ed Fund (\$5M), with the understanding that the \$5M from the Ed Fund will be restored through future levy management and occur by FY2024. This transfer amount will be used to pay for the Holmes expansion and other capital outlays.
6. Partnership Language for Building Usage: Spatz reported that this item is on hold.
7. Referendum Update Document for the Community: Datta suggested that she and Hagner work offline on FORC's participation in the document. They will report on their progress in March.
8. Adjournment: The meeting was adjourned at 9:09 p.m.

