



Oak Park Elementary School District 97

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Finance Oversight and Review Committee Meeting

November 21, 2017

Meeting Minutes

In attendance: Carrie Hagner, Mike Lofgren, Dr. Michele Mangan, Bob Spatz, Jeff Mathis, Rafia Hasan, Dr. Alicia Evans, Lou Anne Johannesson

Absent: Dr. Carol Kelley, Anna Richards, Rob Breymaier and Willie Mack

Chairwoman Hanger called the meeting to order at 7:21p.m.

1. Public Comments: There were no public comments.

2. Standing Items - Approval of minutes – *October minutes were approved unanimously.*

3. DSEB Issuance – Chairwoman Hagner suggested that the committee shelve all business to December and focus the entire meeting on the DSEB bond issuance. The committee agreed. Elizabeth Hennessey from Raymond James laid out four different scenarios that FORC should analyze and make recommendations on.

- 1A) Issue \$8.2 million in bonds in December 2017 and then another \$1.8 million in February. This option allows the district to take advantage of current low in interest rates. However, the District would be paying interest on this money for approximately 7 months before it would be needed. (Evans reported that DSEB dollars for summer 20178 would not be spent until July of 2018.)
- 1B) Issue all \$10 million in February 2018. This has increased risk that interest rates might go up, and as in 1A, the District would have several months of interest until the funds are needed.
- 2A) Issue no DSEB bonds. The District would essentially pay for the summer 2018 work by lending itself the anticipated levy overage for the next four years. This scenario would cost no interest, however would have the effect of showing a deficit on the books temporarily. This deficit could create a situation were the District would be downgraded on its credit rating.
- 2B) Issue DSEB in July when the funds would be spent. This option has increased risk for higher interest rates, but the District would not begin to pay interest until the funds will be needed.

The committee had a vigorous discussion regarding each option as it pertains to public perception, rating agencies and financial impact. *The Committee voted 4-1 for option 2B, with a trigger to issue bonds sooner if interest rates hit a certain rate. The rate will be determined later. Lofgren voted for option 2A.*

4. Committee Progress

Spatz briefly reported that the Policy Committee had meet regarding the Committee's Charge revision, Anti-fraud Policy and Transparency policy drafts. He will give a complete report in December.

7. Adjournment-The meeting adjourned at 9:02pm.

FORC

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