



Finance Oversight and Review Committee Meeting

November 20, 2108

Meeting Minutes

In Attendance: **FORC Members:** Chair - Carrie Hagner, Vice –Chair Dr. Michelle Mangan, Greg Kolar, Jeff Mathis, Justin Erkfritz-Gay **Board Members:** Holly Spurlock, Rupa Datta(Via phone) **Administration:** Paul Starck-King, Lou Anne Johannesson Also: Elizabeth Hennesey, Raymond James.

Absent: Anna Richards, Dr. Carol Kelley

Chairwoman Hanger called the meeting to order at 7:07 p.m.

1. Public Comments: There were no public comments.
2. Standing Items - Approval of Minutes – October 2018 minutes were approved by unanimous vote.
3. Lincoln & Longfellow expansion Updates: Strack-King that there were no new financial updates on either project. Spurlock reported that groundbreaking was delayed briefly by the Village of Oak Park Permits.
4. Levy/Bond Sales/Abatement- The FORC committee was asked to consider options involving abatement and DSEB bond sales in regard to the 2018 tax levy at their last meeting. This was a continuation of the prior months discussions. Hennesey presented three options for recommendation.

Option #1: Issue \$1.1M less DSEB bonds (\$6.4 M) and abate \$1.4 M impacting the 2018 levy.

Option #2: No issue of \$7.5 DSEB bonds

Option #3: Abate \$1.4 M impacting the 2018 levy but Issue \$5M in DSEB bonds in fall of 2019 (not impacting the 2018 levy).

After a lengthy discussion, FORC recommended that the Board consider the following:

Three members of the FORC committee recommended Option #1. The reasoning was that this option is consistent with what was said to the public about how the Holmes expansion would be funded: through DSEB bond sales. Mangan and Hagner are concerned about using operational funds to pay for the capital projects. Strack-King explained that that the operational funds are where the extra \$2.5M goes each year. He stated that the funds need to be transferred immediately when received moving forward. They also requested an accounting of how much was deposited in each fund.

One member recommended option #2, but would be comfortable with option #1. This recommendation takes into consideration the unexpected \$2.5M in additional revenue discovered after the 2017 referendum vote. A member asserts that Option 2 requires no debt and would have Holmes be paid for with the excess 2.5 million in revenue over approximately 3 years and would save the district nearly \$700,000 in interest costs. While this option would use operating funds, it would keep the 5-year projections within fund balance targets.

No member recommended option #3.

5. FORC Calendar: Mangan and Strack-King will reviewed the calendar. Staffing will be coming up as an issue to review. Strack-King will reach out to HR for updates on their schedule. He will also review the Illinois State Report Card information with the group in December.
6. Adjournment 9:19