A Finance Advisory Committee meeting was held on Monday, November 18, 2013, in the Board Room. Mr. Weissglass opened the meeting at 7:03 p.m. A roll call included the following members: Tod Altenburg, Thomas F. Cofsky; Sheila Hardin; Dr. Isoye, Karen Latham, Dr. Jackie Moore, David Pope, Robert Spatz, Penny Wallingford, and Jeff Weissglass. Also attending was: Gail Kalmerton. Judy Greffin, Dr. Tina Halliman, Christopher Meister, Peter Traczyk, and Louis Vitullo were not present.

Visitors: Karin Sullivan, OPRFHS Communications and Community Relations Coordinator; Sharon Patchak Layman and Ralph H. Lee, OPRFHS Board of Education members; student Ross Constable; Steve Miller of PMA; Kevin Peppard, community member, and Terry Dean of the Wednesday Journal.

Approval of Minutes
No minutes were presented.

Near Term Recommendation Options
Updated Projections
Mr. Miller presented the mostly likely base model for 2013 with the audited results. This model reflects the following key assumptions:

<table>
<thead>
<tr>
<th>Revenues</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPI (.5% = ~ $325,000)</td>
<td>1.7%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Collection Rate (1% = ~ $650,000)</td>
<td>98.0%</td>
<td>98.0%</td>
<td>98.0%</td>
<td>98.0%</td>
<td>98.0%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enrollment Projections</td>
<td>3,310</td>
<td>3,359</td>
<td>3,490</td>
<td>3,640</td>
<td>3,761</td>
</tr>
<tr>
<td>Certified Staff (1 FTE = ~ $80,000)</td>
<td>230.9</td>
<td>234.0</td>
<td>242.1</td>
<td>251.4</td>
<td>259.0</td>
</tr>
<tr>
<td>Faculty Senate Salaries plus step (1% = ~ $225,000)</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
<td>2.5%</td>
</tr>
<tr>
<td>Medical Insurance Change (1% = ~ $50,000)</td>
<td>7.0%</td>
<td>7.0%</td>
<td>7.0%</td>
<td>7.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>TRS Contribution Rate (1% = ~ $275,000)</td>
<td>1.08%</td>
<td>1.58%</td>
<td>2.08%</td>
<td>2.58%</td>
<td>3.08%</td>
</tr>
<tr>
<td>ALT Cost Control Recommendation</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>Technology Equipment (2.5% increase/year)</td>
<td>$675,500</td>
<td>$693,413</td>
<td>$710,748</td>
<td>$728,517</td>
<td>$746,729</td>
</tr>
<tr>
<td>Facilities Capital Spending (in millions)</td>
<td>$7.43</td>
<td>$4.44</td>
<td>$4.59</td>
<td>$4.57</td>
<td>$3.36</td>
</tr>
</tbody>
</table>

The TRS contribution rate includes the pension and is extrapolated to move upwards. What the projections do not include is anything relevant to the strategic plan which could be permanent cost factors and the Madison Street TIF, which could be approximately $500,000 to $600,000 of income each year. Regarding the DTOP, the District is already receiving those funds. The enrollment projections in years (2018-2022) are an extrapolation of the enrollment projections in years 3 through 5. While they capture the period of increased enrollment in the extrapolation, it might be overstated. No assumptions were made for beyond 2019, but it is expected that the trends would continue.
The fund balance of $127 million currently would be $120 million in ten years in the base model, assuming status quo in the levy since 2005, which is increasing the levy by CPI plus new growth. The 2014 budget reflects revenue from property taxes of $66.8 million which is less than the $68.8 million collected in 2013, because of the abatement.

**Four Levy Option Models**

All models presented included the following:

1) A prepayment of debt and abatement of debt service for all 3 years, as permitted, or approximately $8.5 million.
2) The setting aside of $25 million in the first year for capital projects or strategic expenditures in FY 2014 from the operating budget for modeling purposes, which could equate to the pool resolve.
3) Showing most likely case scenario.
4) No bond financing is included.
5) No ALT cost savings. The marginal deficit is the same. A marginal deficit is a total of about 2.5% per year and 1% is attributed to enrollment increases and pension shifts. Lower expense growth would mean less need for a large fund balance.

**Model 1: Flat Levy until Operating Deficit Spending Projected (3-years Flat)**

Assumptions:

- Flat levy until there is a projected operating deficit in the next year.
- Full CPI increases beginning in first year that deficit is projected.

Rationale:

- Taxes will not be raised as long as there is an operating surplus.
- Long-term predictability and stability of taxes is beneficial to both homeowners and businesses.

Observation:

- If 25% is the lower limit, it will not be hit within 10 years based on these assumptions.
- A request was made to add the line for the 25% fund balance. (16% to 30% would be the dollar equivalent now 25% ($16 million) to 40% ($26 million) or 3 to 5 months of fund balance.

**Model 2: Flat Levy until first year of Operating Deficit (4-years Flat)**

Assumptions:

- Flat levy until there is an actual operating deficit in the previous year.
- Full CPI increases beginning in first year after an actual operating deficit.

Rationale:

- We will not raise taxes until the audited financials show an operating deficit
- Long-term predictability and stability of taxes is beneficial to both homeowners and businesses.

Observations: 10 years to 25% fund balance

- Downward slope acceleration is caused by additive expenses. If run a $1 million, then next year is $2 million, $6 million deficit in the third year and $10 million in the fourth year.
- Waiting one more year moves the line down faster on the revenue side.
• The timing and success of the referendum is more critical because of that one year additional flat levy.

Model 3: Balanced Operating Budget Levy (cut $8.2M from 2013 levy)

Assumptions:
• Reduce the levy by the projected surplus for FY 2015 ($8.2M)
• Full CPI increases after that.

Rationale:
• Don’t tax more than you need for the next year.

Observation:
• Forcing cross over point into deficit spending by cutting taxes by 8.2 million and the fund balance declines quickly.
• Note that in year 3 because of Cook County collection it looks odd
• Negative fund balance in year 10
• Slope/collection

Model 4: Major cut and return to current (-$45 million in one year, and then $46 million tax increase the following year (current + CPI)

Assumptions:
• Reduce the levy by $45 million from 2013 taxes (2012 levy)
• 2014 levy would be the 2012 levy plus CPI (About a $46 million levy increase from 2013 to 2014.
• Full CPI increases after that.

Rationale:
• Bring fund balance down quickly
• Comes closest to a return of taxes to property owners whose taxes helped build the fund balance.

Observation:
• This model would return to current tax rate after the $45 million decrease.
• Reflects the County Cook’s behavior of taking 55% for the first payment. Unclear as to how it would take the second payment.
• The bounces would be reflected in tax bills, but the skip from $100 million to $80 million is a reflection of the school’s fiscal year. People should not be concerned that the tax bill would be up 20% in the second year. One drop and one increase in this model. Not matching fiscal year of Cook County. Since people have taxes escrowed, would escrow companies bounce it? Will the County take input as to how to manage it? If it could do equalizing of the spring and fall installment, it could help with escrow issues. This can be thought out over two years instead of one year, so long as in the second year the levy is lowered by more than in the first year and it would mean going an extra year before going to CPI increases.
• The slope is comfortable

Discussion ensued. Comments included:
1) CPI increases are forgone and compounds out until an operating referendum any time the levy is flat or dropped;
2) These are models and can be combined into different elements;
3) The District is continuing to look at how the District’s rating would be affected via different fund balances (S&P’s and Moody’s); but usually in the 40% range. It, however, is more about local wealth, property taxes per person, average income levels, etc.
4) Discussion ensued about a range, and while 25% to 40% may be the lower end, discussion should occur about what would be the top range.

Evaluating Levy Options Key Factors

**Taxes Foregone** - Total projected taxes if full CPI increases are levied over the next 10 years minus total taxes projected based on each option’s assumptions, including debt service abatement.

**Tax Levels** – The percentage of taxes projected for year 10 under each option as compared with the taxes projected with full CPI increases.

**Cost Savings** - Each scenario has interest cost savings from debt. Other costs savings, such as avoiding interest on additional debt, should also be considered.

**Generational Matching** – This is harder to create a metric, but refers to the question of how closely taxes collected align with the interests of the community members who paid them. Primary considerations are the fund balance build up and capital investments. One member felt it was important to be mindful as to who would benefit as opposed to others.

**Adequate Reserves for Capital and Strategic Investments** – Again, there is not a clear metric, but this is the consideration of how much to reserve for investments in a pool, facility renovations, strategic plan initiatives, or otherwise.

**Appropriate Conditions for Next Operating Referendum** – Achieving the goals of any scenario will depend on being able to reduce the marginal deficit significantly or run a successful referendum. The most likely scenario for a successful referendum includes the following, and options can be evaluated on how likely they are to fall within the parameters.

- Fund balance between 25% and 40%?
- Deficit, the difference between expenses and revenue, is between 7% and 10%. If deficit were 10%, the referendum would have to be larger.
- 8 to 10 years out

District 97 passed a referendum in 2011, has bonds expiring in 2018, and thus both districts would be going for a referendum at the same time. If OPRFHS went for a referendum in 2021-2023, it would be sequential.

**Flexibility and Risk** – This is a qualitative analysis of the impact of each option on responses to worst case scenarios, unexpected changes, and ability to borrow for capital improvements. Any major cut would have risk factors in the future.

One member asked to see the crossing points based on assumptions in order to hone in on specific recommendations in order to have a clear understanding of boundaries around the fund balance, i.e., the articulated lower and upper rationale basis. A request was made to add the rationale, i.e., when anticipated bonds for 97 would be paid off and if the deficit is over 10% it might be a double referendum, the reason why a referendum would be too large, and the effect of
a not passing a referendum. A suggestion was made to speak about the fund balance in terms of months and a timeframe, i.e., 25 to 40% equals 3 to 5 months of fund balances when talking about limits.

**Levy Option Comparisons**

The committee then compared the models to each other. A chart titled Projected Year-end Fund Balance (Operating Funds) showing all of the models was presented.

1) Red line is base model
2) Orange and blue are the two flat levies in Model 2
3) Green line is Model 3
4) Purple line is Model 4, starts at 80%. Expense line is going up, line is going down, so in 2021, 60% or 7 months, 6 months in 2022 and in 2024 (similar in model 2) over 3 months, so essentially that runs for 8 years in the 3- to 9-month range over that period.

This was an attempt to quantify the ranges and where each one was when after 8 to 10 years have a scenario of a 7 to 10% deficit. These are hard and consistent numbers. Option 1 would be 7 to 10 years (2021), would be at 10 months, and options 2 and 4 end up close to the same place in 2024. The slopes are different. In option 2 going down 16% to 17% or two months per year and in Model 4 going down only month per year. In Option 2 if at 8.5% deficit in 2022, it would be the time to consider about going for a referendum, but because fund balance is at 7 months it is difficult and if a referendum does not pass, the deficit would be rapid and cutting would occur.

**Taxes Foregone**

Mr. Miller explained that the first set of data is maximum available which would be 2012, the base model and then the four models as far as the debt service, total extension and the cumulative taxes foregone. This information showed:

1) Model 1 is foregoing fewer taxes than the other models.
2) Model 2 and 4, the fund balances come together and cumulative taxes are foregone. The major differences in Model 4 are the larger share of the tax cut is up front and in Model 2 it is spread out over the years.
3) Model 3 the tax foregone is steep.
4) The tax level versus base model is an important number 100%, because in 10 years the question will be how much is being taxed. If the District continued CPI increases of 2.5% every year for 10 years is the 100% model. Model 1 would be at 93.4% of that. Model 2 would be 91.1%, Model 3 would be lower, and Model 4 because of major cut and then gone back up to current levels plus CPI it would have been a one year break from CPI increases and end up taxing at 98% at what would have been taxed every year. Mr. Weissglass stated that to the extent that the status quo of building the fund balances by continuing to tax at CPI every year is one thing that is driving the overall tax rate in the Village. Model 4 would show the smallest reduction of the overall tax rate through this tax mechanism. How that would affect the Village is important to consider.

**Comments:**

1) The 7% difference in terms of the tax level versus the base model of Model 2 versus Model 4 may have two considerations: 1) Perhaps they could be combined that would give lower reduction upfront and give an ability to extend out flat for a couple of years.
If this was not done until the following year, it could have potential positive impacts on the model. The 7% different between Model 2 and Model 4, because only talking about it as a high school’s portion level, net/net all in, it equates to 2% of the overall tax bill. Will that drive much behavior change? This is a discussion for all six taxing bodies to be more efficient.

2) To the extent that OPRFHS has decisions related to the strategic plan and capital considerations, the Board of Education should not feel pressured to act within the next 4 to 6 weeks to make a decision on this. If the Committee wanted to look at a significant reduction in option 4 as a component of an overall approach to making a recommendation, it could wait a year and then give OPRFHS the opportunity to see and determine what some of those additional significant capital investments that it wants to make and then factor those in any consideration as to the rate.

3) The benefit of time would give the time to dig through the details as to how Option 4 could be accomplished, i.e., working with the County, escrows, etc.

4) The committee must accept that it will not make decisions as there are many pieces that this group is not charged with looking at and naming the pros and cons and those things that need further consideration/research is important for giving recommendations. This group may not have closure and it must be OK with that and perhaps meet again. That would not mean that the Committee did not do its charge. The models provide the Board of Education with insight. The Committee needs to be prepared not to do this in five or six weeks as it could be detrimental to the school.

5) Option 1 and 2 and the other suggestion of Option 4 of delay a year are functionally the same as the decision to be made in December and postponing some work and then determine the communication. Models 1 and 2 are identical for the first 3 years and allow uncertainty to play out relative to pension, enrollment, strategic plan, impact on other taxing bodies, resolution about Madison Street TIF and several advantages going with option 1 or 2 and not preventing a modified Model 3 or 4. These numbers illustrate a 12% deficit in option 2 and 6% in Model 4 in the final year, because using the same revenue model, the point to feel safe would be the same dollar amount in both cases. Whatever is decided as the new target revenue for 2025 will be the same in both cases. The fact that OPRFHS would have to run a larger referendum, it would be an indication that OPRFHS was taxing at a lower point. Seeing a $6 million difference, but if stable revenue, it will be the same in 2025, it is not fundamentally different.

6) The two concepts are 1) delaying compounding which are Models 1, 2 and 3, and 2) a lump sum which would get the school to where it wanted to be quicker. But the question is who will get the $45 million? Will it be those who paid the taxes? A response was that it would be 80% of homeowners, but not renters. Over a 5-year window, 80% of the population is the same. Turnover is somewhere around 4.0% per year.

A question: should this committee identify the pros and concerns or making a decision. Identifying pros and cons is good and the committee must be mindful that there are many issues to address. The Committee should not suggest anything that puts the Board of Education in a difficult spot. One member worried that maintaining the budgeted levy as flat for a number of years is not perceived to be taking a significant step to either return the dollars to those who contributed or it seemed to be getting the desired range to the fund balance policy. How beneficial that range could be and then taking steps to get closer to that showed concrete action
by the Board in an effort to say it should go forward. That may be easier to communicate that to the public with a meaningful reduction.

Another member asked if the trust issues, the fund balance and the budget actual and forecasting, and the bounce approach made it very hard to do good projecting and forecasting because the lines bounce all over the place for multiple years. In terms of rebuilding trust about budget actuals and accurately forecast the budget it becomes more difficult to explain because of the way the county does things. Every graph would have to be footnoted. A suggestion was to say here is what the school is doing, the numbers are a nice flat line, and it is going down. In other places in keeping the operating levy flat, the District is still abating the bond and paying capital expenditures out of the fund balance, and not selling additional bonds in order to pay for the yellow line under a maximum approach as well and that was not in the base model or the maximum available and that would not be available for non-referendum borrowing. Model 4 is of concern because OPRFHS were in a tight financial straight, it would have to sell non-referendum bonds and then the taxes will not be only at the maximum, but will be above the current maximum case and hinder other taxing bodies from running successful referendums.

Due to their anticipated absence, Mr. Traczyk and Ms. Greffin sent the following thoughts:

1) Flexibility is a high priority.
2) The approval of a flat levy for 3 or 4 years would be a significant trust building action; it would radically take $65 to $70 million out of the tax bill over time.
3) Major cut has the benefit of being nonnegotiable and does not leave this board or future boards with having to make decisions. The benefit of Option 4 is certainty.
4) District 97 is looking to go for a referendum in 2018. While the overall impact of the tax bill for District 200 would not move the markets, it would be relevant to District 97’s ability to ask for a tax increase. Under Model 4, which takes a one year cut and then goes back to prior year levy level, the overall tax rate in town is higher in 2019 when District 97 would be looking at going for a referendum than it would be under Model 1 or 2.

Dr. Isoye noted that a key point was the students’ experiences and many of the assumptions/parameters reflect status quo. This will change the thinking, whether intentional or not, as to what the Strategic Plan may accomplish. This must be communicated clearly. He felt the Board of Education must examine this process every year. He feared that the District will not be able to continue its conversation about how different instruction could look. The Committee should acknowledge that this is about supporting status quo. The conversation has been about “lines” on the graphs, not the experience of the students. Taxpayers expect a quality experience for students.

Other comments included:

1) World is full of uncertainty. Many moving pieces, but with the fund balance at the level that it is, the risk of a mess up is not great. While these are not the only 4 options, the Committee could continue to rebuild the goodwill of the community by not having just a flat but a modest reduction in the levy, because then a statement is being made that they appreciate the community members’ situation and are sincere in efforts to respond.
2) Monies spent on other capital projects, other than the pool, would need to have the consent of the community. Just because the money is in the fund balance, does not mean
that the school should spend the money without the consent of the community. The questions/comments that will/do arise are that the high school is finding ways to spend the money that it has. If the Board of Education takes action now to directionally say to the community that it has heard it, it negates those types of comments in the future and the community will lend its support for great projects. A suggestion was to cut the levy somewhat.

3) Parents evaluate schools by class size as smaller class size means better quality to many people. Crowded classrooms seem more prevalent at this time.

4) Both class size and the quality of a teacher’s experience based on class size is important.

5) Class size and students have to be considered in this process.

6) The only way for the community to really show support for capital expenditures is a bond referendum. An advisory referendum is a type of referendum and might also be able to be used.

Mr. Weissglass summarized the conversation. He heard the recommendation would be for the Board of Education to approve a flat levy or a modest decrease with recommendations to continue to consider a larger cut in a year. He appreciated Ms. Latham’s help in defining policies and procedures. He asked how much more time this committee would need in order get to a longer recommendation.

Adequate voice should be given to the community about rebuilding trust as the average taxpayers do not understand anything about school finance other than their tax bills. District 200’s last referendum will be extended out to about 20 years. In terms of pulling it together of either flat of minimal decrease and then decide a year or two later is a reasonable way to go. It would be unfortunate and a lost opportunity to have flat or decreased and flat for years and then subsequent CPI increases.

While offering a modest decrease for the year seemed reasonable, how would that number be determined? In the interest of building trust, a one type cut and then followed by CPI increases in order to balance the curves, it would be best to keep tax increases as manageable annually and include a rationale. It would be one Board taking one action and taking the trajectory to stay out of debt. A suggestion was to have a modest decrease in the levy that could be tied to something concrete, such as the income from the Madison Street TIF. A financial rationale and an articulation from the community’s standpoint is what would build trust immediately. The definition of what is in the bucket is the amount that must be determined.

A suggestion was to line up the expenditures and revenues projected out and get them to be as close as possible and determine those target fund balances and get there as fast as possible. Then the Board of Education would be governing in the way it should be going forward.

Mr. Weissglass noted that the Committee needed to make a proposal to make to the Board of Education. The alternative is: 1) set of recommendations about actions that could build trust over time, creating space to resolve the many things that need to be addressed, and providing pros and cons of a major cut versus other ways to bring fund balance down into the range. All of that is after, what will be done in December. That would be either flat levy or a modest decrease. The Committee needs to come up with a theory and then model it. Next steps: long-term proposal and a short-term model to compare with a flat levy.
Ms. Latham and Mr. Weissglass reviewed a draft of guiding principles and actions. It includes the question of whether there is a fund balance range. One member wanted an economic rationale for whatever range is determined.

1. Be able to focus on achieving educational objectives because the district is financially sound.
2. Be a prudent steward of resources, exercising fiscal discipline and seeking to constrain taxes.
3. Be able to borrow money, if needed:
   a. At relatively attractive rates by maintaining a high credit rating (although not necessarily the highest credit rating);
   b. By preserving access to non-referendum borrowing capacity; and
   c. By referendum, as needed.
4. Request a bond referendum, as needed, to pay for all, or a portion of, Major Spending on the school’s buildings and facilities.
5. Request an operating referendum:
   a. To request incremental funding from the community in order to pay for incremental expenses that have arisen because of non-ordinary increases in operating costs such as meaningful changes in enrollment or shift in pension obligations; or
   b. Infrequently, by seeking to limit the growth in expenses to be as close to or less than the maximum allowable growth in revenue as possible.
   c. No more often than every 8 to 10 years.
   d. As otherwise believed appropriate by the Board.
6. Maintain a fund balance in a range believed appropriate (taking into consideration short-term and long-term perspectives) in a range of no less than [25-40%] of operating expenses and no more than ___% of operating expenses plus reserves for clearly identified near term risks and capital expenditures.
7. Make decisions on tax levy amounts and referendums in a manner intended to minimize dramatic changes in tax levels.
8. Transition from levels of high or low fund balances to target fund balance ranges both thoughtfully and carefully balancing short-term and long-term interests.

The target in 5b and 5d is marginal deficit. This should be pulled out as a separate item. In all models, the slope of line for expenses is increasing at an increase rate and that is problematic. The growth rate is constant but it is compounding. The line in the graph appears to be rising.

Practices section will be provided for the next meeting as well.

Next Step
Drafting Recommendations
Ms. Latham and Ms. Wallingford agreed to help with the drafting of the recommendations that would reflect a consensus of the following: 1) a flat or modest decrease to the levy, 2) determination theory of what that would be, and a model of it. Again, all models assumed continued abatement, the payoff of certificates, and not selling additional referendum bonds in the foreseeable future. Communication will be key, as much has already happened. Mr. Weissglass summarized that the recommendations would be an attempt to help build trust over time, create space to resolve the many unresolved issues next year, provide pros and cons a year
from now, and determine other ways to bring fund balance down into a range. A suggestion was made to insert add the 25% fund balance line to the graph.

**Visitor Comments**

Kevin Peppard, resident of 715 Thomas, River Forest, spoke about his and his family’s affiliation with OPRFHS. He graduated in 1966 and his father had been president of the Board of Education. He has seen all aspects of OPRFHS and how it treats people is very good. He informed the Board of Education of a statute that says the school cannot pay for the building of a $25 million pool without going through a referendum and he did not believe it would pass because of the high school’s high fund balances. The section of law he was referring to was (105 ILCS Sec. 10-22.36). He continued that the balances could be readily reduced beyond year’s levy, within the space of two years, by dramatically reducing your levy in a manner that does not require the County to adjust its 55% estimate billing in the third year, the high school could revert to the original tax cap extension base, with another year’s CPI. All that is “lost” are two years of CPI adjustment, but this money stays in the pockets of the taxpayers. If the entity is viewed as the District and its taxpayers, there is no loss to the outside world.

Mr. Weissglass noted that the administration is looking into that law and he acknowledged Mr. Peppard’s helping him understand various aspects and appreciated his expertise in this matter.

Dr. Ralph Lee, 333 N. Cuyler, Oak Park and District 200 Board of Education member, found the this evening’s discussion helpful. How taxes are reduced does not matter until one knows where the taxes will end up until a year after a successful referendum and he suggested extending the curves out so that one would have a suggestion as to where the tax rates would be.

Gabriel Mass, 1012 Monroe, River Forest, represented P&J, and voiced concerns over the state of the cafeteria food, even though the school’s dietician stated it was the best quality that the could be procured.

**Adjournment**

At 9:21 p.m., Dr. Moore moved to adjourn; seconded by Mr. Cofsky. A voice vote resulted in all ayes. Motion carried.