Finance Oversight and Review Committee Meeting  
July 2, 2108  
Meeting Minutes

In Attendance:
**FORC Members:** Chair - Carrie Hagner, Vice -Chair Dr. Michelle Mangan, Jeff Mathis, Greg Kolar  
**Board Members:** Bob Spatz, Rob Breymaier  
**Administration:** Paul Strack-King, Lou Anne Johannesson

Absent:  
**FORC Members:** Rafia Hasan  
**Administration:** Dr. Carol Kelley

Chairwoman Hanger called the meeting to order at 6:59 p.m.

1. Public Comments: There were no public comments.

2. Standing Items – Hagner moved to postpone all agenda items to the July 24th meeting and to focus the meeting exclusively on the Lincoln/Longfellow expansions. **FORC unanimous approved the agenda change.**

3. Lincoln/Longfellow Expansions – Spatz reported that on July 17th, the BOE would need to vote on options for the Lincoln and Longfellow expansions. He stated that there are currently three option for Lincoln and one for Longfellow. Hagner gave direction to FORC that the recommendation the BOE seeks is wither or not financing is available for each option within the scope of the $57.5 million referendum of April 2017. Elizabeth Hennessey from Raymond James made a presentation on funding for the Lincoln and Longfellow expansions. She stated that based on her calculation, all of the options under consideration by the Board of Education can be funded. Hagner gave direction to FORC that the recommendation the BOE seeks is wither or not financing is available for each option within the scope of the $57.5 million referendum of April 2017. Hennessey explained that after the District issues its remaining DSEB bonds of $7.5 million to complete Holmes and this summer’s life safety work, it could re-issue another $10 million in 2021. She stated that 2021 is a perfect year to float another $10, with re-payment in 2024. Spatz stated that the BOE had always planned to sell its DSEB bonds. Mathis raised concern about using all DSEB available, in case of a capital emergency, if the BOE decides on the highest cost option for Lincoln. Hagner Hennessey if all options would work financially within the District’s debt service polices. Hennessey said yes. Mangan stated that her reading of the referendum promised $20 million to be spent on the two buildings. She stated that with the ten additional available in DSEB, she was comfortable only spending $30 million in total. She also asked that the hard cost of the playground re-location and garden area re-location be added to the final Longfellow cost. She remarked that she would oppose option C for Lincoln. Option C relies on Teacher Assistants to cover higher classroom sizes, as opposed to options B or B1. She stated that the addition of Teacher Assistants in larger classrooms benefit is not research based. Richards agreed. FORC unanimously agreed that the 5-year forecast of operating expenses, with the new
teacher contract numbers is something they would like to see as soon as possible. Strack-King will do as much as possible by FORC’s July 24th meeting.

FORC is comfortable with the total, including soft costs, for the Lincoln and Longfellow additions being as high as $30M, because it stays within the existing debt guidelines. However, FORC strongly encourages the Board:

- To consider the 5-year operating projections as part of the decision making process
- To ensure that the costs for external spaces (replacement play equipment, reading garden, etc.) are included in the cost calculations.
- To clearly identify, in advance, offsets in the capital plan, if there is a need to exceed $30M.

Adjournment: 8:17 PM