

## **Finance Advisory Committee**

### **Meeting Minutes**

**Meeting Date: December 11, 2018 (7:00-8:30 a.m.)**

**Meeting Location: Admin Office Board Room**

### **Attendees:**

**Bruce Ellerman**

**Nikki Lemley**

**Aaron Winkler**

**Larry Fields**

**Elyse Manterfield**

**Joann Kite**

**Kurt Schafers**

**Sara Kotthoff**

**Rob Stuber**

Meeting was called to order at 7:03 a.m.

No members of the general public were present.

Rob Stuber moved to approve minutes of the October 16, 2018 FAC meeting. Motion seconded by Larry Fields. Motion approved by unanimous consent. Information regarding the following agenda items was presented and discussed:

- I. November 2018 Financial Statement/Executive Summary
- II. 2018-19 Budget Adjustments
- III. Facilities Matters/Community Forums
  - a. Most Recent Space Option Survey Responses
  - b. Everything Else (Attach)
    - i. Infrastructure (Facilities Condition Assessment)
    - ii. Accessibility
    - iii. Programmatic
    - iv. Safety/Security
    - v. Asbestos Abatement
  - c. Development of Financing Plans
    - i. Possible Financing Sources/Amounts
      1. No Tax Rate Increase Bonding Capacity

ii. Option A Plan – Elementary Space Addition

iii. Option B Plan – Hixson Middle School Addition

The FAC reviewed the various potential sources of financing needed enrollment space additions and the projects recommended by the BAC. A question was raised regarding what, if any, impact the timing of an operating funds transfer to the debt service fund would have on current and future district bonding capacity that would be available within the current \$.5699 debt service levy. Sara Kotthoff moved, seconded by Nikki Lemley, to recommend a bond issue of up to \$17 million for Option A and up to \$22 million for Option B, with such bond issue to be supported by a transfer of operating fund balances to the debt service fund of up to \$3 million with the following stipulations.

- the exact amount of the actual transfer should be determined based on what is needed for either Option (A or B) when approved by the Board and the exact timing of the transfer to be delayed until actually needed for the debt service fund to remain cash flow self-sufficient.
- that such transfer delay would not significantly reduce the future available bonding capacity by more than 5-10%. (It was subsequently determined that delaying the transfer would not significantly impact future bonding capacity.)
- that in the meantime, the Board formally move to designate the needed transfer funds in a restricted account for future transfer if and as needed.

Motion passed by unanimous consent.

#### IV. Bond Issue Planning/Preparation/Administration

- a. Type of Sale (Competitive vs Negotiated)
- b. Bond Counsel
- c. Financial Advisor

Consensus of FAC was that the district should seek competitive proposals from firms to serve as bond counsel and as financial advisor.

Having no further business, Sara Kotthoff moved to adjourn the meeting, seconded by Bruce Ellerman. Meeting adjourned at 9:10 a.m.