

**OAK PARK AND RIVER FOREST HIGH SCHOOL
201 N. Scoville
Oak Park, IL 60302**

**Finance Committee Meeting Minutes
December 8, 2015**

A Finance Committee meeting was held on December 8, 2015. Chair Cofsky called the meeting to order at 7:02 p.m. in the Board Room. Committee members present were Thomas F. Cofsky, Fred Arkin, and Sara Dixon Spivy, Also present were Dr. Steven T. Isoye, Superintendent; Tod Altenburg, Chief School Business Officer; David Ruhland, Director of Human Resources; Gwen Walker Qualls, Director of Pupil Support Services; Sheila Hardin, Faculty Senate Executive Committee Chair; and Gail Kalmerton, Clerk of the Board.

Visitors Patrick Pearson, OPRFHS Faculty member; Ron Johnson, OPRFHS Director of Purchasing and Transportation; and Rob Wrobbles of Legat Architects.

Public Comments
None

Minutes
The approval of the minutes of November 3 and 10, 2015 was moved to the January 2016 meeting.

Presentation of Auditorium Sound System Bid
The Finance Committee unanimously recommended moving forward to the Board of Education at its regular December meeting the rejection of all bids for the Auditorium Sound System. Nine companies were solicited, 4 companies submitted bids and 3 companies were nonresponsive to a large portion of the work. The District will present a re-bid to the Board of Education at a future date.

Presentation of Summer 2016 Construction Bids
The Finance Committee unanimously recommended moving forward to the Board of Education at its regular December meeting the approval of the Summer 2016 Construction Bids, as presented.

Bid Package #1 – Mechanical & Electrical - C.Acitelli Heating & Piping Contractors, Inc. Base Bid: \$2,518,000 Alternates: 1 & 3 Total Amount of this Contract: \$2,988,000

Bid Package #2 – Chimney Demolition - Midwest Wrecking Company Base Bid: \$486,000 Alternates: None Total Amount of this Contract: \$486,000

Bid Package #3 – Ball Field Safety Netting - Containment Systems Base Bid: \$112,950 Alternates: None Total Amount of this Contract: \$112,950

Asbestos Abatement – Valor Technologies Inc. Base Bid: \$113,605 Alternates: None Total Amount of this Contract: \$113,605

The projects were reviewed for 18 months, the work was scoped out with the architects, notice was posted in the newspaper for general circulation, a mandatory bid process meeting was held to look at the sites, a public bid open was held which included sign-in sheets, a two-tiered structure committee was formed, and then Board of Education approval.

The scope of work includes:

1. Replacement of Air Handlers: We are in the sixth year of a 10-year plan for replacing our aging and inefficient heating, cooling and ventilation systems. With more efficient units available, we have been able to reduce the number of fan units and provide more comfortable and healthy working environments for the students and staff, as well as proven cost savings. This replacement plan includes air handlers C-1, A-2, A-3 and XD4, as well as several VAV's, and replacing old building valves. This is the last phase of the original scope and the work scheduled for the future in this scope amounted to \$32,000.
2. Boiler Chimney: Demolition of the 93 year old abandoned boiler chimney. This chimney currently serves no use to the District. The current structural integrity of the chimney is a safety issue. Demolition of the chimney will eliminate this cost.
3. Technology Infrastructure: This is the fourth and final phase of the wiring and network infrastructure plan. This improvement will involve providing technology with additional space for growth, ventilation, power backup, air conditioning and security.
4. Replace Feeder Wiring: This is located in the old building basement that feeds into the old building elevators and several offices and classrooms. This wiring is outdated and does not meet current electrical codes.
5. Replace New Building Generator: The old building generator is 46 years old, is no longer reliable, and parts are difficult to find. During this upgrade we will be wiring all of the current emergency services, adding the building elevators, adding some lighting and HVAC to the new generator in the Fieldhouse.
6. Room 291 Improvements: This includes chemical hoods, biological hoods, and incubators to accommodate classroom programs for Science. The new fume hoods will limit students' and teachers' exposure to chemical fumes through these new ventilation systems. These new systems will allow students to perform several new types of experiments in the Investigative Research and Innovative Design courses.
7. Security Camera System Upgrades: This will be Phase One of four phases to upgrade our security camera system from analog to IP cameras, as well as additional DVR storage for the new cameras.
8. Asbestos Abatement/Removal

Note that Legat's contract represents 80% of the work effort, and that work is done. Next year 20% will be allocated for construction. .

Presentation of Employee Benefits Insurance Broker

Discussion ensued about approving the Employee Benefit Insurance Broker Contract with Gallagher Benefits Services for a two-year period. One member felt the District should look for competitive bids based on the conversation with the broker. It was noted that Gallagher's compensation is fee-based and not based on bonuses or commissions. The District had used several brokers previously, and OPRFHS's internal insurance committee and staff have been satisfied with the services of Gallagher as it has been responsive to the questions, it is not pressuring, its work is based on the needs of the District, and it has participated in the District's internal insurance committee. It would be a logistical problem to go out to bid now for these services and ask a new company to accept what has been improved and put in place by another broker. Bidding professional services takes longer as the process includes forming a committee, receiving proposals and presentations, etc.

One member reflected that the proposal annual rate of \$50,000, which includes helping the District manage its ACA requirements, is about representing services that cost millions of dollars, the largest annual expenditure that the District approves. Is this vendor acting in the best interest of both the employees of the district and

the taxpayers? This member concurred with procuring an outside bid. It was explained that if these terms were rejected, the District would be unrepresented until another broker were selected and that it would not have a resource to support open enrollment and updating insurances. While the insurance plan is in place, a resource is needed to support it. The contract has continued because Gallagher has been providing good service. After considering these points, the Finance Committee members unanimously recommended moving the renewal of the Employee Benefit Insurance Broker Consulting Renewal with Gallagher Benefit Services for 2016 and to go out for bid for these services for in line with the renewal date of September 2016 at its regular December meeting.

Update on 2015 Tax Levy

The Finance Committee members unanimously recommended that the update on the 2015 tax levy be moved forward to the Board of Education at the regular meeting on December 17, 2015, as presented.

Mr. Cofsky noted that the Finance Advisory Committee recommended a tax reduction model that included a bounce back to the 2012 level. That model was based on Option 3 of the 2015 Levy Scenarios, but the words used were based on Option 1. While the FAC’s guidance was to bounce back, the Board of Education is not obligated to that recommendation. His personal assessment was that the assumptions in the model were both understated and overstated. The trajectory going forward is right, and the District needs to be disciplined in its spending habits and for the Finance Committee to continually review the assumptions. One member commented that it appears there will be a 23% increase, and taxpayers will have to be educated as to why this is occurring. This is being presented at the Special Board Meeting following this meeting.

Presentation of Resolution for 2015 Debt Service Abatement

The Finance Committee members unanimously recommended moving the approval of the Resolution abating the working cash fund of Consolidated High School District Number 200, Cook County, Illinois, and abating the taxes heretofore levied for the year 2015 to pay debt service on General Obligation Limited Tax School Bonds, Series 2005, and General Obligation Limited Tax School Bonds, Series 2009, of said School District to move forward for approval to the Board of Education at its December 17, 2015. The purpose of abating this debt is to reduce the fund balance and the tax burden on the property owners. Note: this was an FAC recommendation as well.

Presentation of Summer School Dates, Stipends & Budget

The Finance Committee members unanimously recommended moving the Summer School Dates, Stipends, and Budget for 2016 to the Board of Education for approval at its regular December meeting.

Dates: June 13 - July 22, 2016. Five tracks will be offered--2 with a rich experience for 14 days and 3 with a 28-day session. A full selection of regular, Special Education, enrichment and credit recovery classes will be offered. No school will be held on Monday, July 4.

Stipend rate: \$2,500 (status quo)
Tuition: \$185 (status quo)

Because additional supports will continue to be provided, the budget was increased by \$12,000 for these services. A breakdown of expenses was provided. Last year the musical ran as an enrichment class, not an

academic class, and fewer tickets were sold. In addition, costumes cost the District more than was budgeted. Overall the musical was in line with the budget, but ticket sales were less.

Presentation of Monthly Treasurer’s Report

The Finance Committee members unanimously recommended moving the monthly treasurer’s report forward to the Board of Education for approval at its regular December meeting.

Cost Containment

Mr. Cofsky and Mr. Altenburg are working on a document regarding cost containment and will share it when complete.

Compensation Philosophy

Due to the lack of time, the Committee members were asked to read the information on the compensation philosophy and if they had questions to forward them to Mr. Ruhland with a copy to Ms. Kalmerton.

Financial Metrics

While the committee continues to work on the financial metrics, other items have taken precedence. This will come forward in January for further discussion.

New Business

Mr. Cofsky reported that the fund balance policy has procedural issues that the Committee will discuss in the future.

Adjournment

At 8:15 p.m., on December 8, 2015, Mr. Arkin moved to adjourn; seconded by Ms. Spivy. A voice vote resulted in motion carried.

Submitted by
Gail Kalmerton
Clerk of the Board of Education