

The Board of Education of the Borough of Fair Lawn, New Jersey, held a **Work Session-Referendum** in “D” Cafeteria in Fair Lawn High School, 14-00 Berdan Ave., Fair Lawn, NJ 07410 on October 2, 2017.

ROLL CALL:

NOTE: *Be advised that the Board may recess into executive session at any time during the meeting.*

1. The Work Session of October 2, 2017 was called to order at 7:05 p.m. (17 members of the public were present).

2. **ROLL CALL**

BOARD MEMBERS	Mr. Barbarulo	Mrs. Frenkel	Mr. Klein	Mrs. Piela	Ms. Quackenbush	Mr. Rosenberg	Mr. Spindel	Mrs. Wallace	Mr. Banta
PRESENT	x	x	x		x	x	x	x	x
ABSENT				x					

OTHERS PRESENT	POSITION	PRESENT	ABSENT
Dr. Palestis	Interim Superintendent	x	
Ms. Lacatena	Assistant Superintendent/ Education	x	
Mr. Norcia	Assistant Superintendent/ Student Services	x	
Mrs. Panagia	Director Human Resources	x	
Ms. Bartley	Business Administrator/ Board Secretary	x	
Ms. Ratcliffe-Lee	Assistant Business Administrator	x	
Mr. Green	Board Attorney		x
Ms. Gorab	Bond Consultant, Wilentz, Goldman & Spitzer, P.A.	x	
Ms. Lyons	Financial Advisors, Phoenix Advisors, LLC	x	
Mr. Secora	Architect, LAN Associates	x	
Mr. Marcella	Principal - FLHS	x	

Mr. Banta requested the attendees take a moment of silence for the victims and families in Las Vegas .

October 2, 2017

3. **FLAG SALUTE**

4. **SUNSHINE STATEMENT read by Mr. Banta.**

The New Jersey Open Public Meeting Law was enacted to insure the right of the public to have advance notice of and to attend the meetings of the public bodies at which any business affecting their interests is discussed or acted upon.

In accordance with the provisions of this act, the Fair Lawn Board of Education has caused notice of this meeting to be published by having the date, time and place thereof distributed to the persons on the approved list, posted in the Board of Education Administrative Office and sent to The Bergen Record and The Star Ledger.

The announcement/posting for the Work Session Meeting, along with the date, place and time thereof, was distributed on September 13, 2017.

The items to be discussed during the closed work session (if needed), of the Work Session may include personnel matters, student matters, legal matters, negotiations, and/or grievances, and tactics and techniques utilized in protecting public safety and property. The results of these discussions will be made public as soon as possible.

Mr. Banta gave an update on the Superintendent search. West Hudson Associates has been retained for the search.

Dr. Palestis introduced the topic of the work session and explained the various items posted on the Referendum section located on the website. He also reminded the public of the Strategic Planning Meeting on October 11, 2017.

Presentation by Ms. Gorab of Wilentz, Goldman & Spitzer, P.A. and Ms. Lyons of Phoenix Advisors.
The attached memorandum was distributed to the Board and members of the public.

Mr. Secora of LAN Associates provided an update on the DOE and county planning board submissions.

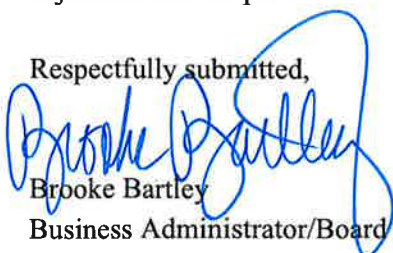
Mr. Banta opened the meeting to questions from the Board at 7:26 p.m..

Mr. Banta opened the meeting to questions from the public at 7:27 p.m.

MOTION FOR ADJOURNMENT

MOTION BY Mrs. Wallace SECONDED BY Mr. Klein that the Work Session of October 2, 2017 be adjourned at 7:55 p.m.

Respectfully submitted,



Brooke Bartley

Business Administrator/Board Secretary

MEMORANDUM

TO: Fair Lawn Board of Education

FROM: Lisa Gorab, Wilentz, Goldman & Spitzer
Mary Lyons, Phoenix Advisors

DATE: September 28, 2017

RE: Referendum Estimates

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Set forth below is an initial, preliminary analysis with respect to the projected State aid and estimated tax impact of the upcoming referendum project.

Estimate of State Aid

The estimate of State aid is based upon certain assumptions (set forth below) with respect to eligible project costs. If all costs are "eligible" costs for purposes of State aid, the State aid is estimated to be 15.41%. It is important to note that all of these assumptions are based upon preliminary information. The project application is being submitted to the NJDOE and we can only be certain the final determination of State aid once we hear back from the NJDOE. We expect to hear back from NJDOE some time in December.

Please note the following with respect to the estimate of State aid:

- Addition at Memorial Middle School is 20,784 square feet, all of which is justified by unhoused students.
- Addition at TJ Middle School is 25,984 square feet, all of which is justified by unhoused students.
- Additions' eligible costs are calculated at \$143 per square foot by law
- All budgeted renovation costs at all three schools are eligible costs.
- That State pays 40% of eligible costs which is prorated at 85% producing net state aid of 34% of eligible costs.

Estimated Tax Impact

The Board's Financial Advisor, Phoenix Advisors, has prepared estimates of the tax impact of the referendum including a \$25million bond issue to be paid over a 25 year term. The tax impact is also very preliminary as it includes assumptions with respect to State aid and interest rates. In summary, if the State provides no aid, the average annual tax impact on the average assessed home is \$124.55. If the State provides 15.41% aid, that same impact drops to \$105.35.

Please note the following with respect to the estimate of the tax impact:

- The District would sell bonds to finance the total project cost and receive applicable debt service aid each year against principal and interest
- Bonds would be likely be sold after July 1, 2018 with debt service beginning in the 2019-2020 fiscal year
- It is anticipated that the bond term would be 25 years, and based on current market conditions, a 4% interest rate is projected which includes some cushion over current interest rates
- Actual interest rate will not be known until the bonds are actually sold
- Based on a total assessed valuation of \$4,195,031,585 and an average home value of \$327,486, the average annual tax impact is estimated to be between \$105-\$125 per year, depending on the final debt service aid percentage
- This projection assumes pro-ration of debt service aid similar to current State practice
- If the assessed value grows through expanded development, the tax impact could be less
- All projections are estimates at this time.

We look forward to seeing you on October 2nd to answer any questions you may have.