

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9228

December 15, 2016

The Gahanna-Jefferson Board of Education Finance Committee met on December 15th, at the Gahanna Jefferson Board Office, 160 S. Hamilton Road. The meeting started at 7:00 a.m.

| | | |
|-------------------|--------------------------|----------------------------|
| ROLL CALL: | Mr. Matthew Campbell | Absent |
| | Mrs. Jennifer Chrysler | Present |
| | Mrs. Daphne Moehring | Present (left @ 8:25 a.m.) |
| | Mr. Jason Phillips | Absent |
| | Mrs. Beryl Piccolantonio | Present |

ADMINISTRATIVE STAFF PRESENT:

Steve Barrett
Scott Schmidt
Julio Valladares
Scott Lofton
Bobby Dodd
Jeff Collett
Kimberly Jonker

| | |
|----------------|---------------------------------|
| GUESTS: | Kim Eckert Stephanie Bricker |
|----------------|---------------------------------|

| | |
|-----------------------|------|
| MEDIA PRESENT: | None |
|-----------------------|------|

Items for Discussion

- **Finalize Fiscal Beliefs/Principles – As Presented and Discussed**

We believe it is prudent to have a cash reserve that is no less than 60 True Days Cash. This is a long term goal that will take time, deliberative discussion and a great deal of planning, which will be accomplished by focusing on the following Fiscal Principles:

1. Every dollar spent must add value to teaching and learning and there are management options attached to all expenditures.

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9229

December 15, 2016

2. All fiscal decisions will be made in the context of the five-year forecast.
 3. We will focus on managing expenses and diligently avoid deficit spending.
 4. Long range strategic planning for curriculum, technology and capital improvements must be continuously updated and followed.
- There was extensive discussion on the #3 belief/principle, regarding the wording, like changing “aggressively” in #3 to “diligently”.
 - Fiscal beliefs/principles must be written in a way that includes setting goals that get to the details.
 - Extensive discussions to split #3 into two beliefs.
 - At the end of the discussion, the Fiscal Beliefs are as shown below. The Board plans to have a resolution on the January 2017 agenda for approval.
 1. Every dollar spent must add value to teaching and learning and there are management options attached to all expenditures.
 2. All fiscal decisions will be made in the context of the five-year forecast.
 3. We will focus on managing expenses and diligently avoid deficit spending.
 4. Long range strategic planning for curriculum, technology and capital improvements must be continuously updated and followed.
 - Other discussions were related to exploring budget reductions in FY17 of about \$900,000 or more to help reduce the expected deficit in FY19. The Superintendent and Treasurer will look at current staffing levels and discretionary expenditures to pursue avoidance of deficit spending.

December 15, 2016

- **Permanent Improvement Projects Update**

The November 2014 Permanent Improvement Levy generates approximately \$3 million a year. The district borrowed \$7.4 million upfront to expedite some projects. We have completed year one and two of the projects and are currently planning for year three. The Permanent Improvement moneys are accounted for in two separate accounts.

- **Bundled Projects Account**

A total of \$7.4 million was designated to be spent on the bundled projects. To date, a total of \$5.3 million has been spent on bundled projects. Bundled projects include items like parking lot paving, sidewalk repair, HVAC system replacements, roof replacements, and renovation of restrooms, auditorium and tennis courts. There is currently \$2.1 million available to be spent in year 3 of the bundled projects.

- **Permanent Improvement Fund**

A total of \$6.1 million has been receipted into the Permanent Improvement Fund. To date, a total of \$3.9 million has been spent from this fund. Expenditures from this fund include items like buses, maintenance vehicles and equipment technology purchases, flooring, painting, furniture, choral risers and HVAC equipment. There is currently 2.5 million available in the Permanent Improvement Fund.

- **Current look at the “Permanent Improvement Fund” for FY17**

- Current fund balance of \$1,251,113 (Principal and Interest payment of \$826,631 is complete)
- Minus \$215,837 currently encumbered
- Current unencumbered balance of \$1,035,276
- March 2017 Expected receipts of \$1,540,934
- Expected Cash Available for FY17 \$2,576,210

- **Recap of Permanent Improvement Status**

- Total PI money available for year three of projects is \$4.6 million.

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9231

December 15, 2016

- Total PI money spent in year one and two \$9.6 million (\$826,631 Debt Payment).
- **Potential “Bundled Projects” for Summer 2017**
 - Window Replacement - Chapelfield
 - Re-paving and Sidewalk repairs – Jefferson, Royal Manor and MSS
 - HVAC Units – Chapelfield
 - Auditorium Seating – MSW
 - Restroom Upgrades – MSE
 - Boiler Replacement – Lincoln Hall
 - There will be no major projects at Blacklick, High Point, Lincoln or Goshen Lane for summer 2017)
- **Treasurer Discussed:**
 - PI fund transfers
 - The current Debt Schedule
- **Budget Process Timeline**
 - Superintendent said that he was very proud of his principals. They came prepared to the budget meetings with great ideas on how to reduce spending without impacting kids.
 - To be fiscal minded, before hiring, we need to look at resignations and retirements first and review if there are any duplication of jobs/duties.
 - Business Director, Scott Lofton, is looking into implementing district wide building improvement processes that best project expenditures to maintain our facilities, and help the budget process.
 - Below is a template of the budget process timeline that the administration has prepared:

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9232

December 15, 2016

| Date | Event | Action By |
|--------------------------------|--|--|
| October 2016 | Adopt Five-Year Forecast | Board of Education |
| 7 days prior to Board approval | Submit for review | Board of Education |
| November 2016 | Begin long-term plans staffing, textbooks, technology and maintenance | Cabinet |
| December 2016 | Budget reduction discussions for 2017-18 with principals | Superintendent Asst. Superintendent Director of HR |
| January 2017 | Submit Tax Budget to County | Franklin County Auditor |
| January 2017 | Budget reduction discussions with department heads | Superintendent Asst. Superintendent Director of HR |
| February 2017 | Work on staffing recommendations district-wide | Superintendent Asst. Superintendent Director of HR Dir. of Special Ed. |
| February 2017 | Certification of tax rates & amounts | Franklin County Auditor & Board of Education |
| March 2017 | Finalize all staffing, program Offerings, Pre-K – 12 assignments, and staffing recommendations | Superintendent Asst. Superintendent Director of HR All Principals Cabinet Team |

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9233

December 15, 2016

| | | |
|--------------------------------|---|---|
| March 2017 | Distribute building and departments budgets | Treasurer Department |
| April 2017 | Review and finalize all budgets | Treasurer Superintendent |
| May 2016 | Adopt Five-Year Forecast | Board of Education |
| 7 days prior to Board approval | Submit for review | Board of Education |
| May 2017 | Start preparing next school year budget report | Treasurer Superintendent |
| June 2017 | Finalize budget report and share it with finance committee | Treasurer Superintendent Finance committee |
| June 2017 | Adopt budget, adopt temporary and/or permanent appropriation resolution | Board of Education |
| 7 days prior to Board approval | Submit for review | Board of Education |

- Board member, Mrs. Moehring, recommended to change the one thing on the budget timeline and that is to change when the five-year forecast is submitted to the Board for review, from 7 days to 30 days.
- There was a discussion about whether the levy should be in November 2017 or May 2018, at this point we are waiting for the enrollment projections and the master planning committee before discussing this with the full Board.

- **Master Facility Plan**

- The Superintendent discussed the Master Plan (draft) information presented by the architects at the master planning committee meeting.

RECORD OF PROCEEDINGS

FINANCE COMMITTEE MEETING

9234

December 15, 2016

After the discussion, some of the members felt like we never get above the 30,000 feet level to look at the whole picture.

- The committee believes there are three ways we could go:
 - The most important thing is to keep equality across the district.
 - The next meeting to discuss the master facility plan was proposed to meet early in January with the Master Planning Committee.
 - There was a concern with the committee that the Superintendent has not been here long enough to go to the community to discuss the need for a bond levy.
- **Jeff Collett, IT Director – Discussion Points**
 - Adding about 20 cameras at the high school to enhance security. Clark Hall's camera system will also get updated to align them with the current camera system.
 - Renewing the Anti-Virus system with a three-year contract to reduce yearly costs, the last year will be free.
 - Point of Sales System – Some of the touch screens are not working properly in the schools due to being old and the company who provided them is no longer in business. Currently checking out the new system to make sure it is compatible with our current networked systems and software.

RECORD OF PROCEEDINGS
FINANCE COMMITTEE MEETING

9235

December 15, 2016

ADJOURNMENT

The finance meeting of the Gahanna-Jefferson Board of Education be adjourned at 8:38 a.m.

President

Treasurer