

Minutes of Finance Committee Meeting

Date of Meeting: Monday, May 21, 2018
Call to Order: 7:00 a.m.
Committee Attendees: Mr. Wade, Mr. Withrow, Mr. Cosgrove, Mr. Wilson, Mr. Meyer
Other Attendees: Board Members Shannon Green and Kathryn Talty; Mrs.

The meeting was called to order at approximately 7:05 a.m.

Approval of Minutes

Upon motion duly made, seconded and approved, the Committee approved the minutes from the Finance Committee meetings held on March 16 and April 16, 2018.

Employee Health Insurance

Health care consultant, Kyle Anthony, joined the meeting and reviewed the 9% premium increase for next year. And the timing for consideration of alternatives to the The Committee continued to discuss alternatives to the current arrangement with the Lake County Consortium, with October 15 being the deadline for a decision if we wish to change. Meetings will be arranged with two other consortiums in northeast Ohio (ERC and Summit County) to determine feasibility for the District to join.

Monthly Financial Update

Treasurer Wilson provided his monthly financial update noting that District revenues will now be closer to the original forecast based on the recently received tax payment, reflecting recovery of previous delinquencies and advance payments due to federal tax law changes. There were also two other non-recurring [positive variances reflecting windup of the Straight A Grant account and resolution of a billing error with a special education provider. Year-to-date expenses will be several percent under budget, primarily due to positive variances in sub pay, special education tuition and teacher salaries. Notwithstanding the positive variances in revenue and expense, the District will still deficit spend in the current fiscal year.

Update to Five Year Forecast

Mr. Wilson reviewed the update to the five year forecast which needs to be filed with the state before the end of the month. The only changes made to the October forecast was to update expectations for current year revenue and expense. The future years of the forecast will be updated in July once final appropriations are approved in June. The committee unanimously agreed to recommend approval of the updated forecast to the entire Board.

Supplemental Appropriation

Mr Wilson presented a recommendation to increase appropriations from the Capital Reserve Fund to reflect projects completed last summer. The committee unanimously agreed to recommend approval of the supplemental appropriation to the entire Board.

Fund Transfer

Mr Wilson presented a recommendation to transfer funds from the General Fund to the Budget Reserve Fund to reflect the cost of one school bus which will be paid from the Reserve Fund in conjunction with the Federal grant received to purchase 4 buses. The committee unanimously agreed to recommend approval of the fund transfer to the entire Board.

2018-19 Budget/Appropriations

Mr. Wade presented potential budget cuts and fee increases as a result of the the levy failure as follows: are best summarized as follows:

- Reduce 3.5 teaching positions – 1 elementary, 2 middle school, 0.5 high school
- Reduce 1 classroom aide position
- Consolidation of bus routes resulting in a reduction of 3 bus drivers and associated operational costs
- Reduce 3 athletic coaching positions
- Building and department budgets will be cut by a total of \$192,000
- Increased school and technology fees
- A new activity fee for grades 6-12 for clubs and extracurricular activities
- Increased middle school trip fees

The committee unanimously agreed to recommend approval of the proposed cuts and fee increase to the entire Board, as appropriate.

The Committee agreed to evaluate other potential reductions, as well as pay to participate fees in athletics and marching band, at its June finance meeting. The Committee concurred that notwithstanding the planned cost reductions and new fees, the need for additional funds remains, and the Committee will consider a variety of options, including the possibility of a revised levy, while being mindful and respectful of the May 8th election results.

Following review of the annual insurance renewal and the May 29 Board agenda, the meeting adjourned at 11:21 a.m.