



## **REPORT OF THE BUDGET, FINANCE AND GROWTH COMMITTEE**

The Budget, Finance and Growth Committee met on Friday, January 21, 2022, at 10:30 AM in the Rosa E. Blackwell Interactive Learning Center, 2651 Burnet Avenue, 45219.

The public viewed the meeting via Video Conference.

### **ATTENDEES**

#### **Finance Committee Members**

Chairperson Eve Bolton, Brandon Craig, Mike Moroski

#### **Board Member**

Kareem Moncree- Moffett Ph.D.

#### **Administrators**

Tianay Amat, Interim Superintendent; Jennifer Wagner, Treasurer/CFO; Kimberly Hughes, Assistant Treasurer; Lauren Roberts, Chief Audit Executive; Connie Solano, Interim Chief Operations Officer; Ross Turpeau, Director of Talent Acquisition

### **Selection of Committee Chair**

Committee member Moroski nominated Committee member Bolton to serve another term as Chair of the Budget, Finance and Growth Committee. Committee member Craig seconded the motion. Ms. Bolton accepted the nomination and was elected Chair of the Committee for calendar year 2022.

### **Committee 2022 Meeting Dates**

The Committee agreed to conduct its meetings on the third Friday of the month at 10:45 AM. The Committee's next meeting will be February 18, 2022, at 10:45 AM.

### **Financial Reports**

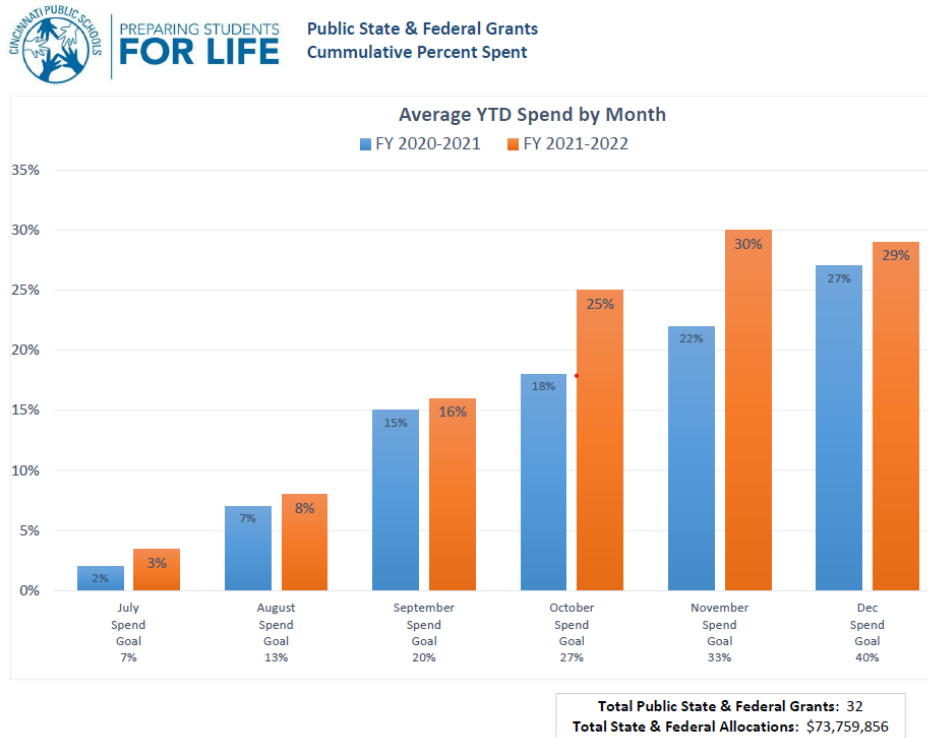
Treasurer Wagner updated the Committee on the following Monthly Financial Graphs report for Fiscal Year 2022, through December 2021.

#### **Summary – Finances are on track and no significant, unexpected issues.**

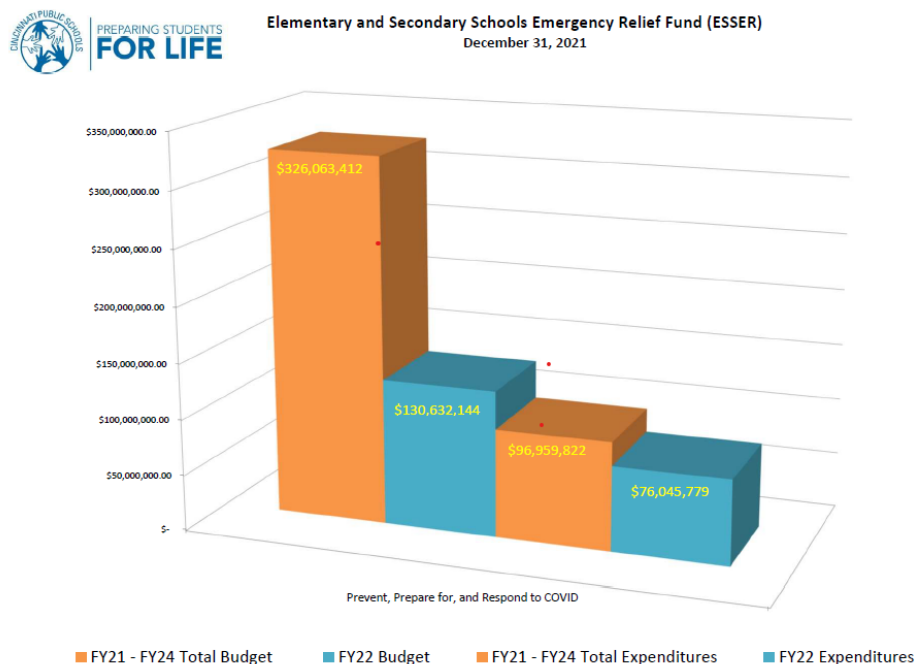
- **General Fund Cash Balances** as of December 31, 2021 are up over this point last year.
- **General Fund Revenues** through December 2021 are down; however, this is directly related to the impact of the new state funding adopted for this fiscal year that eliminates pass-through funding for Community Schools and other scholarship programs. Therefore, the District is on-track, given that Revenues are down but the related Expenditures are down at a higher rate.
- **General Fund Expenditures** through December 2021, as mentioned above, are down related to the elimination of the pass-through funding. Salaries and Benefits expenditures are higher based on the recently negotiated collective bargaining agreements.

- **School Wide Pool Expenditures** through December 2021 as well are due to primarily salaries and benefits are higher based on collective bargaining agreements.
- **Preschool students funded through Tuition Assistance** for December 2021 were 846 students vs. 580 at this point last year. United Way distributions are down due to the CPP underspend which offsets the quarterly payments due to United Way.

Treasurer Wagner updated the Committee on the following Average Year to Date Spend by Month dollars for the public State and Federal Grants.



Treasurer Wagner reported that the orange represents the three year budget and actual spending. The blue bar represents the Fiscal Year 22 budget and actual spending.



## **Budget Timeline/Process Update**

Treasurer Wagner updated the Committee on the Administration's proposed Budget Timeline:

- February 14, 2022 – Presentation on initiatives that are in planning to be funded
- February 28, 2022 – Review of Funding School Budgets
- March 7, 2022 – ESSER Update
- March 16, 2022 – Review Central Administration Budgets
- March 20, 2022 – Budget update at the Local School Decision Making Committee
- March 21, 2022 – Consolidated Budget presentation for the public
- March 25, 2022 – Budget update
- Public Town Hall Meeting the week after Spring Break
- March 29, 2022 – Holistic with Public
- June 30, 2022 – Adoption of budget before this date.

## **Video**

Budget Redesign and ESSER

## **Town Hall Format**

Interview Style / Facilitated

Panel (Board Members, Treasurer, Superintendent)

Committee Chair Bolton advised Mrs. Wagner to adhere to the timeline and include internal and public participation in the Budget engagement.

Treasurer Wagner reported to the Committee that the long-held practice of Pooling Funding will be ended and not part of the FY23 Budget. Treasurer Wagner explained that in order to be more transparent and accountable, the Treasurer is ending Pooling. Chairman Bolton applauded and thanked the Treasurer.

Interim Superintendent Amat advised Mrs. Wagner to include the CLIFF plan in her planning of the Budget and in any public presentations.

## **2022 Financial Transactions Review**

Treasurer Wagner updated the Committee on financial transactions that require Board approval for year 2022 (see attached at end of report).

She also reported that she will be conducting succession planning, putting together timelines and checklists, and professional development to ensure leadership stability and financial compliance.

## **Committee Workplan**

Committee Chair Bolton provided the Committee with a copy of the Committee's 2022 Workplan that she and the Treasurer edited. She advised Committee members to review the plan and bring any questions or suggestions to Budget, Finance and Growth Committee meeting on February 18, 2022, for discussion.

## **Levy Options**

Treasurer Wagner reported that a Tax Levy Renewal is coming due for the District and will be on the November 2022 ballot. She updated the Committee on the following Levy information and option for the ballot.

She reported that Board discussions would need to begin in March 2022 in preparation of submitting *A Resolution Declaring a Need for a Levy* to Dusty Rhodes, Hamilton County Auditor by the end of May 2022.

The District’s deadline would be August 10, 2022 for officially requesting ballot language and submitting it to County Auditor Rhodes 90 days before the election date.

The Committee discussed the pros and cons of going for a 10-year levy or other options available to the Board in order to increase the financial stability of the District.

Treasurer Wagner will be engaging, educating, and bringing awareness to the community about the budget.

Treasurer Wagner updated the Committee on the following information and options.

\$51.5 million (5 year) Emergency Renewal Fixed Sum Levy

Current millage = 7.15

Proposed millage (Hamilton County Auditor) - 7.05

First Enacted 2008

On Ballot - November 2022 for 3rd renewal

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On a home with a market value of \$100,000

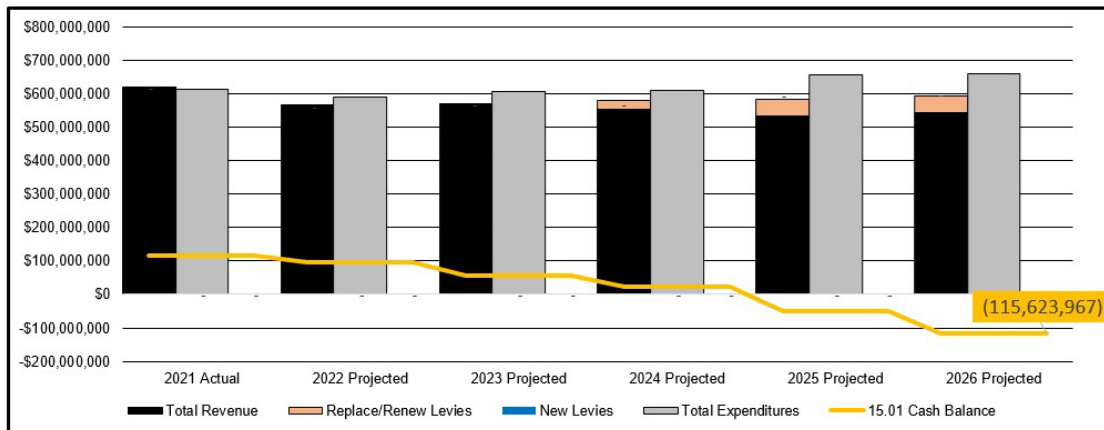
Assessed value = 35,000

Tax 35,000 x 7.05 = \$ 246,750 / 1000 = \$246.75 per year

**Options**

1	Renew at same \$ for same term (5 years)	
2	Renew at same \$ for longer term (up to 10 years)	
3	Renew with higher amount, same or longer term “Called renewal with increase”	Increased value does not get Homestead or Rollback Credits

**Note if Levy does not renew - FY24 Budget Cycle will have to show loss of \$26M loss of revenue and corresponding budget reductions.**



Note: Cash balance (Line 7.020) plus any existing levy modeled as renewed or new during the forecast.

## **High School Start Times**

Committee Chair Bolton reported that parents at some schools expressed concern that the current Healthy Start Times as implemented were unhealthy and schools started too late.

Connie Solano, Interim Chief Operations Officer, reported that the start times could not be changed for school year 2021-2022 because the Transportation Department would not be able to accommodate such changes.

Earlier start times would cause transportation issues for high school students with disabilities.

However, she will look into revising the District's routing for next school year to accommodate an earlier start times that still classify as Healthy Start Times.

Ms. Bolton encouraged Interim Superintendent Amat and Ms. Solano to be as creative as possible in reinstating healthier start times even if that means adjusting arrival methods for high schoolers with disabilities.

Ms. Amat reported that an advisory group has been formed with principals and the Athletic Director. She also said that the Administration is no longer responding to vendors, but telling them what CPS' students need.

Committee member Moroski expressed excitement about Interim Superintendent Amat reporting that the new mind-set is welcome.

Mr. Moroski asked how dollars are being spent to implement McKinney-Vento Homeless Act.

Member Moroski explained the purpose of the [McKinney-Vento Homeless Act](#) Children and Youth Program is to ensure that all children and youth, including preschoolers, have equal access to the same free and appropriate public education as non-homeless children and youth.

Mr. Moroski also reported that conversations about healthy start times and transportation are taking place in Policy Committee meetings.

Committee member Craig stated that healthy leave time is also important and would be available by moving the start times before 9:00 am

He also offered some discussion about community transportation patterns influencing the CPS travel design.

## **Transportation Questions Request for Information Memo**

Committee Chair Bolton informed the Committee about the *Memo: Request for Information – Transportation* which contained 22 questions that was submitted to the Transportation Department and also about the *Memo: Response to Transportation Questions*.

Committee member Moroski reported that he reviewed the questions and answers in the Transportation memos. He also gave kudos to Ms. Solano for her work and to Committee Chair Bolton for constructing the questions and getting them answered.

Committee Chair reported that since the previous Budget, Finance and Growth Committee had worked for 11 months on transportation that she would share the results of their work at the Budget, Finance and Growth Committee meeting on February 18, 2022, as a part of reviewing the January 21, 2022 minutes.

**Contracts Review (Open items from December Committee meeting) over 200K**

Committee Chair Bolton informed the Budget, Finance and Growth Committee reviewed contracts over \$200,000 at its December 16, 2021 Committee meeting and raised concerns about the contract for the Cincinnati Youth Collaborative contract. Concerns included getting the results, attendance issues, and what was been happening in the implementation.

She also stated that the Committee would like to see the Return on Investment as contracts are introduced. When the contracts are in the second or third year, the Committee would like the Administration to report on the results of the contracts.

This is in keeping with the Treasures’ Return on Investment initiative.

ACTION: The Committee agreed with Chairperson Bolton’s request for the administration to review the CYC contract. The focus is on the number of students being served and the number of employees present and actual results of service.

ACTION: The Administration will provide a report on two and three year contracts. Treasurer Wagner will work on a process to show Return on Investment and present her plan at the Committee meeting on February 18, 2022.

**Financial Audit Update**

Treasurer Wagner reported that the Financial Audit is complete and that Plattenburg will be presenting their audit reports to the Board in Executive Session on February 14, 2022.

She also reported that it was an unmodified opinion (clean audit) and no management comments.

Lauren Roberts, Chief Audit Executive, updated the Committee on the 2022 Audit Committee dates. The Audit Committee will meet on the following dates:

**AUDIT COMMITTEE – Bimonthly on the Last Wednesday – 4:30 pm to 6 pm**

Thursday, February 24, 2022\*

Wednesday, April 27, 2022

Wednesday, June 29, 2022

Wednesday, August 31, 2022

Wednesday, October 26, 2022

Tuesday, December 20, 2022\*

\* Meeting not on regular meeting date/time

**Treasurer's Evaluation Timeline/Goals and Tool Review**

Treasurer Wagner updated the Committee on her following Evaluation Timeline and Goals. There will be a full Board presentation then an evaluation in Executive Session.

1. Implement a new Financial Service Delivery Method in order to improve the “Need to Receive Cycle” allowing school administrators to focus on teaching and learning and central administrators to focus on their professional services.
  - a. Measure: # of rejected requisitions, # of days from request to PO creation
2. Design and implement a new Budget allocation process that equitably distributes financial resources prioritizing our students’ needs, both individually and collectively.

- a. Measure: New process is adopted and implemented to develop the FY23 Budget
- 3. Implement year 2 of the 4 year transition/succession plan for the role of Treasurer by conducting training sessions for all interested internal candidates, as well as, maintaining external professional networks to support the successor.
  - a. Measure: # of Coaching events, # of training events
  - b. Measure: Timeline of transition activities
- 4. Upgrade Financial Dashboard both internal and external to further expand our transparency by reporting on productivity measures of our departmental financial operations and externally to report on the financial performance of the district
  - a. Measure: 5 KPI measures will be posted on each internal and external dashboards
- 5. Implement a public reporting process that supports transparency related to federal funds allocated to CPS in response to the pandemic.
  - a. Measure: Monthly Reports presented in public board meetings and posted on CPS website.

Timeframe

Contract Cycle: August 1–July 31    Fiscal Year: July 1–June 30    Evaluation Cycle: April 1–March 3

Ms. Wagner also updated the Committee on evaluation variables for the Board’s Strategic Initiative: Optimized Capabilities and proposed Ohio Standards for School Treasures in the areas of *Leadership; Financial Management; Facilities; Property and Capital Asset Management; Communication and Collaboration, and Professionalism*. A copy of the document is available upon request and in the Board office.

**Other Business**

Annual Board Member Training

Treasurer Wagner reported that she and Ms. Roberts would like to conduct Professional Development (PD) Training for new and current Board members on an annual basis.

The Training will focus on financial management, internal controls and guidance on public meeting guidelines. She also stated that Dan Hoying, General Counsel, would participate in the training as well.

ACTION: The Committee will schedule a date for the training in March 2022.

Mrs. Wagner provided the Committee with a copy of the Ohio Ethics Tool Kit. She reported that the document is required to go to all employees when they get hired.

The meeting adjourned at 12:21 PM.

**Finance Committee**

Eve Bolton, Chair  
 Brandon Craig,  
 Mike Moroski

**Staff Liaisons**

Jennifer Wagner, CFO/Treasurer  
 Tianay Amat, Interim Superintendent





# 2022 Financial Transactions requiring Board Approval

Board Meeting Date	Board Action	Treasurer Action
January 6 (Tax Budget Hearing) before Organizational meeting (on or before Jan 15)	Resolution Adopting the Modified Tax budget for succeeding fiscal year	Treasurer files with Hamilton County Auditor by January 20 (2 copies, copy of Notice of Public Hearing)
<b>January 10<sup>th</sup></b>	Resolution Standing Authorizations for Treasurer	
<b>May 23<sup>rd</sup></b> On or around May 25	Resolution of due dates accepting tax rates	
<b>May 23<sup>rd</sup></b> On or before May 31 <sup>st</sup> (traditionally)	Resolution Declaring the need to Tax levy (or renewal)	File with Hamilton County Auditor (at least 100 days prior to election day) for millage and ballot language certification
<b>May 23<sup>rd</sup></b> On or before May 31 <sup>st</sup>	Adopt Five Year Forecast	File with ODE approved Forecast and Notes
<b>June 27</b> On or before June 30 <sup>th</sup>	Resolution Final Appropriations for fiscal year ending	File with Hamilton County Auditor (Resolution and Final Amended Certificate of Resources)
<b>June 27</b> On or before June 30 <sup>th</sup>	Resolution Permanent or Temporary Appropriations Resolution for New Fiscal year	File with Hamilton County Auditor (Resolution and Final Certificate of Resources)
<b>June 27</b> On or before June 30 <sup>th</sup>	Treasurer's Report: Annual Advances of Transfers and Advances	
<b>June 27</b> On or before June 30 <sup>th</sup>	Resolution Approving Transfers from General Fund to Debt Fund and to Building Maintenance Fund for New Fiscal year	
<b>June 27</b> On or before June 30 <sup>th</sup>	Resolution Requesting Advances Payment of Taxes	Letter of request (resolution on file) to Hamilton County Auditor
<b>August 1<sup>st</sup></b> Before Aug 10 <sup>th</sup> (90 Days prior to Election Day)	Resolution Certifying Ballot Language for Levy(renewal) in November Election	File Resolution to Hamilton County Board of Elections (General Counsel and/or Treasurer)
<b>September 19<sup>th</sup></b> By October 1 <sup>st</sup>	Resolution Approving Permanent Appropriations Resolution (only if Temp Appropriation was approved in June)	File with Hamilton County Auditor (Resolution and Final Certificate of Resources)
<b>December 5<sup>th</sup></b>	Resolution Requesting Authority from the Hamilton County Budget Commission to file a Modified Tax Budget for succeeding fiscal year	File Resolution along with letter of request addressed to the County Budget Commission

Note: On occasion other resolutions or actions will be submitted to the board of education for approval and are transactional in nature (ie Amended Appropriations Resolutions or relating to Debt Transactions)