

Minutes

Board of Education of the Rocky River City School District

The Board of Education of the Rocky River City School District, Cuyahoga County, Ohio, met in Finance Committee Session on December 17, 2012 at 6:30 p.m. in the Curriculum Library at the Board of Education Offices.

Guests and visitors are requested to sign the Visitors' Register. In accordance with Bylaw 0169.1: Public Participation at Board Meetings, those wishing to address the Board are required to complete the Bylaw 0169.1 Form and submit it to the Superintendent or President of the Board prior to the start of the meeting. Thank you.

CALL TO ORDER The Finance Meeting was called to order at 6:30 p.m. by Mr. Swartz, Chair

ROLL CALL

PRESENT: Mr. Swartz, Ms. Goepfert, Dr. Fancher

Mr. Markus reviewed and discussed the following items with the committee and others in attendance:

Review of Monthly Financial Reports

During November, there were no delinquent tax advances received as was the case with prior years since the County now has eliminated this advance and will provide us an advance earlier in January as compared to prior years. Our homestead and rollback credit payment was received in November as I reported last month, so that receipt is reflected in the SM-2 report for November just slightly under estimate. Other revenue came in above estimates for the month due to timing of SF-14 tuition payments received from the State. We also received the first of two federal interest subsidies scheduled this fiscal year from the federal government on account of our QSCB and BAB issues as reported on line 2.070.

On the expenditure side, salaries came in above estimates due to timing of supplemental contract payments (more paid in November this year and less in October than compared to the prior year, but overall about the same). Employee benefits were slightly over budget due to timing of insurance expenditures. Contracted services were also higher than expected for the month mainly due to timing, but we will need to continue to monitor the electricity line since that is still running higher than expected at this point in the year. Also, as we move along through the construction project, there are some items that have recently come up that are being covered through the facilities budget with more expenditures on the horizon. This may push us above budget in some contracted service lines as well as capital outlay lines. I will be meeting with Rich Thomas to review some of these additional items and will monitor this closely with Sam and Ted as we move forward. Supplies and capital outlay lines were close to estimates and are relatively insignificant to total expenditures for November. Other objects were significantly below estimates for the month due to timing.

Minutes

Board of Education of the Rocky River City School District

Also, I have recently completed negotiating a lease/purchase for the chromebook initiative and additional technology purchases to supplement and replace outdated technology items (on the December 13 agenda for approval). Due to the interest cost savings of approximately \$4,500 over three years and the availability of cash starting in January from new levy collections to make the payments earlier, I have set up the lease with advance payments due in December and June of this fiscal year. These increased outlays will need to be included in our next five-year forecast update in May along with funds needed to purchase new band instruments, fitness equipment, and other facility upgrades not included in the construction project.

Please reference the SM-2 Comparison Report for how our FY 13 revenue and expenditure data compare to FY 12 amounts. Total fiscal YTD revenues (excluding other financing sources) came in *below* the fiscal 2012 amount by 2.56% while total fiscal YTD expenditures (excluding other financing uses) came in *below* the fiscal 2012 amount by 0.15%.

The main reason our overall revenue was down year over year was due to the complete phase-out of the public utility “hold harmless” payment from the State, as well as the elimination of the delinquent tax advance by the County in November of this year. The main reasons our overall expenditure amount was slightly lower than last year was due mainly to the overall decrease in our health insurance rates, timing of our workers comp. premium payment, as well as reduced spending in capital outlay for technology and other capital purchases. This was despite an overall increase in salary year-over-year due to step increases and increased purchased services expenditures due to the timing issue with our electricity bill and other expenditures explained previously.

Our ending cash balance ended slightly above last year’s level (\$4,524,211 vs. \$4,424,191). Encumbrances came in significantly above last year’s amount due to timing at this point of the fiscal year.

Board of Revisions/Board of Tax Appeals Update

The updated BOR/BTA reports as of November 30 as provided by Dan McIntyre was reviewed.

Discussion of Minimum Cash Balance/Budget Reserve Policy

Mr. Markus reported that NEOLA did not have a sample/suggested cash balance/budget reserve policy. However, Mr. Markus did request sample policies from other districts some time ago and can use those as a reference point. Mr. Swartz directed Mr. Markus to prepare a draft outline of a policy so a discussion on something concrete could begin to take place at the January Finance Committee Meeting.

Minutes

Board of Education of the Rocky River City School District

Required Public Notice

As required by ORC 3313.202, we must announce at a regularly scheduled public meeting any Board Members that have elected group insurance coverage through the District's plan(s). The following notice will serve as the public announcement for this purpose and will be recorded in the minutes of our December Finance Committee Meeting as required by the statute:

Public Notice per ORC 3313.202: The following duly elected Board of Education Member(s) of the Rocky River City School District, have elected group insurance through the District's group medical and/or Dental plans for the current plan year. Their election was requested in writing in accordance with current District insurance plan policies and procedures. Further, the Board Member(s) that have elected such coverage have paid and will continue to pay the entire cost of any premiums assessed to the District for any plan in which they participate on a monthly basis.

<u>Board Member</u>	<u>Type</u>
Mr. Jay Milano	Group Medical/Rx Coverage

The meeting was adjourned by Mr. Swartz at 7:20 p.m.

Committee Chair

Treasurer