



## **REPORT OF THE FINANCE COMMITTEE**

The Finance Committee met on Thursday, October 17, 2019 at 4:00 PM at the Cincinnati Public Schools Education Center in the Board Conference Room.

### **ATTENDEES**

#### Finance Committee Members

Chairperson Eve Bolton, Melanie Bates, Ryan Messer

#### Administrators

Laura Mitchell, Superintendent; Jennifer Wagner, Treasurer; Kevin Ashley, Director of Financial Reporting; Vera Brooks, Interim Director of Early Childhood; Sarah Trimble-Oliver, Chief Strategy Officer; Lauren Roberts, Internal Auditor; Nathan Tyahur, Accounts Receivable Supervisor

#### Cincinnati Preschool Promise

Hector Polanco, Finance Director

#### Community Members/Parents

Marlena Brookfield;

### **Governmental Liaison Presentation**

Eric Kearney, CEO/President of Kearney and Kearney, and George Glover, Co-Managing Director of Focused Capitol Solutions, updated the Committee on their following report.

### **Projects**

- \* Execute against CPS Government Relations Plan
- \* Meet with Superintendent Laura Mitchell regarding CPS priorities
- \* Create and Cultivate Strategic Relationships
- \* Local Delegation Meeting

### **Legislature Changes**

Mr. Glover reported that Senator Louis Terhar is no longer a member of the State Senate due to health reasons. Representative Bill Blessing, III – 8<sup>th</sup> Senate District, has been appointed to fill Mr. Terhar's position. Former Harrison City Council Member Cindy Abrams – 29<sup>th</sup> House District, has been appointed to Mr. Blessings position.

### **Governor's Appointments to the State Board of Education**

Reginald Wilkinson, Ed. D.

Stephen Dackin

### **Ohio House - Primary and Secondary Education Committee**

Chair, Louis W. Blessing, III

Vice Chair, Don Jones

Ranking Minority Member, Phillip M. Robinson, Jr.

**\*Mr. Kearney highlighted the following House and Senate Bills.**

**H.B. 22 (Antani)** To require the Ohio Facilities Construction Commission and the Department of Education to conduct a study regarding certain school building amenities. 1<sup>st</sup> Hearing on February 19, 2019.

**H.B. 23 (Antani)** To amend section 3313.5315 of the Revised Code to authorize any student from a country or province outside the United States who holds an F-1 visa to participate in interscholastic athletics. 1<sup>st</sup> Hearing on February 19, 2019.

**\*H.B. 43 (Ingram)** To amend sections 3313.41, 3318.08, and 5705.10, to enact new section 3313.411, and to repeal sections 3313.411, 3313.412, and 3313.413 of the Revised Code to eliminate the right of first refusal for certain schools in the acquisition of school district real property. 2<sup>nd</sup> Hearing on June 11, 2019.

**\*H.B. 83 (Brown & Schaffer)** To amend sections 4511.751 and 4511.76 of the Revised Code to allow images captured by a camera installed on a school bus to be used as corroborating evidence for the offense of failing to stop for a school bus. Referred to the Criminal Justice Committee on March 5, 2019.

**\*H. B. 89 (Antani)** To amend sections 4503.03 and 4511.75 of the Revised Code to enhance the penalties for failing to properly stop for a school bus, to establish requirements related to informing the public about that prohibition, and to make an appropriation. Referred to the Criminal Justice Committee on March 5, 2019.

**\*H.B. 111 (Ingram)** To amend sections 3314.03, 3326.11, and 3328.24 and to enact section 3319.324 of the Revised Code to require that public and private schools transmit a transferred student's records within five school days. 2<sup>nd</sup> Hearing on June 11, 2019.

**H.B. 121 (Schaffer)** To amend sections 5747.08 and 5747.98 and to enact section 5747.72 of the Revised Code to allow a credit against the personal income tax for amounts spent by teachers for instructional materials. 1<sup>st</sup> Hearing March 19, 2019.

**H.B. 122 (Koehler)** To amend sections 3301.0711, 3301.0714, 3301.163, 3302.036, 3302.10, 3310.51, 3317.03, 3365.07, and 5727.84; to enact new sections 3310.01, 3310.02, 3310.03, 3310.04, 3310.06, 3310.07, 3310.08, 3310.09, 3310.10, 3310.11, 3310.12, 3310.13, 3310.14, 3310.15, 3310.16, and 3310.17; and to repeal sections 3310.01, 3310.02, 3310.03, 3310.031, 3310.032, 3310.035, 3310.04, 3310.05, 3310.06, 3310.07, 3310.08, 3310.09, 3310.10, 3310.11, 3310.12, 3310.13, 3310.14, 3310.15, 3310.16, 3310.17, 3313.974, 3313.975, 3313.976, 3313.977, 3313.978, and 3313.979 of the Revised Code to eliminate the Educational Choice Scholarship Pilot Program and Pilot Project Scholarship Program and to create the Opportunity Scholarship Program. Creates scholarships to attend chartered non-public schools. Establishes maximum scholarship amounts at \$5,000 for students in grades K-8 and at \$7,500 for students in grades 9-12, but reduces scholarships amounts for students who qualify based on family income and whose family income increases. 1<sup>st</sup> Hearing on March 19, 2019.

**H.B. 127 (Smith & Hambley)** To enact section 3302.103 of the Revised Code to prohibit the creation of new academic distress commissions. This bill would prohibit the Superintendent of Public Instruction from establishing any new academic distress commissions on or after the bill's effective date. 2<sup>nd</sup> Hearing on April 9, 2019.

**H.B. 132 (Manning)** To amend sections 3314.03 and 3326.11 and to enact section 3313.675 of the Revised Code regarding notice of school child immunization requirements and exemptions. Voted out of Committee 16-0.

**H.B. 164 (Ginter)** To amend sections 3313.601, 3314.03, 3326.11, and 3328.24 and to enact sections 3320.01, 3320.02, and 3320.03 of the Revised Code regarding student religious expression and to entitle the act the "Ohio Student Religious Liberties Act of 5 2019." Voted out of Committee 9-6 along Party lines.

**H.B. 165 (Liston, Galonski)** To enact new section 3301.0718 and to repeal section 3301.0718 of the Revised Code regarding the adoption of health education standards. From the analysis, the bill requires

the State Board to adopt either the most recent health education standards developed by the American Association for Health Education, or health education standards developed and prescribed by the State Board itself. Further, it repeals the current prohibition on the State Board of Education from adopting or revising any standards or curriculum in the area of health unless the standards, curriculum, or revisions are approved by both houses of the General Assembly through concurrent resolution.

**H.B. 239 (Manning, G., Crawley)** To amend sections 3301.0712 and 3301.0729 of the Revised Code to reduce the number of end-of-course assessments required for high school graduation and to require each school district to form a work group to evaluate the amount of time students spend on testing. In Summary this bill would:

- \* Beginning with the class of 2022, eliminates the requirement that high school students take a nationally standardized college admission assessment.
- \* Beginning with the class of 2022, reduces the number of end-of-course examinations required for graduation from seven to three.
- \* Requires each school district and other public school to form a work group to examine the amount of time students spend on district required testing and to submit a report of its findings and any recommendations to the district board or school governing authority or body on how to reduce testing.
- \* Permits a district or school to exceed the time limitations that students may spend on state testing through an annual resolution after considering recommendations from the testing work group.
- \* Requires the Department of Education to annually publish a report on the amount of time students spent on required state and district or school testing.

**\*H.B. 305**

Mr. Glover informed the Committee about [H.B. 305](#) that Representatives Bob Cuff (R-Lima) and John Patterson (D-Jefferson) are sponsoring to change the way schools are funded by the State.

**H.B. 310 (Greenspan)** To amend sections 2903.31, 3301.22, 3313.661, 3313.666, 3314.03, and 3326.11 and to enact sections 3301.165, 3313.669, 3319.318, and 3345.19 of the Revised Code to enact the "Ohio Anti-Bullying and Hazing Act" with regard to school discipline and bullying and hazing policies at public schools and colleges.

**\*H.B. 336 (Robinson & Sobecki)** To enact sections 103.44, 103.45, 103.46, 103.47, 103.48, 103.49, and 103.50 of the Revised Code and to amend Section 311.10 of Am. Sub. H.B. 166 of the 133rd General Assembly and to repeal Section 733.40 of Am. Sub. H.B. 166 of the 133rd General Assembly to reinstate the Joint Education Oversight Committee, make an appropriation, and declare an emergency.

**S.B. 4 (Rulli & Kunze)** To amend Section 237.30 of H.B. 529 of the 132nd General Assembly and Section 237.10 of H.B. 529 of the 132 General Assembly, as subsequently amended, to make a capital appropriation for school facilities assistance. Increase from \$375M to \$475M, the amount of general obligation bonds that can be issued by the Ohio Public Facilities Commission for the purpose of paying the state share of the cost of constructing classroom facilities. Passed the Ohio Senate on March 27, 2019 (31-0). Passed House Committee 26-0.

**S.B. 26 (Kunze)** To amend section 5747.01 of the Revised Code to authorize a state income tax deduction of \$250 for teachers' out-of-pocket expenses for professional development and classroom supplies. Passed Senate 32-0. In House Ways and Means Committee.

Ohio Senate - Education Committee

Chair, Peggy Lehner

Vice Chair, Lou Terhar

Rank Minority Member, Teresa Fedor

**S.B. 34 (Kunze)** To amend sections 2953.25, 3314.03, 3314.101, 3319.151, 3319.227, 3319.31, 3319.311, 3319.313, 3319.316, 3319.40, 3319.99, 3326.081, 3326.11, 3328.18, 3319.393, 3328.24, and 5153.176 and to enact sections 3319.0812, 3319.318, 3319.319, and of the Revised Code regarding school employee employment and educator licensure and conduct. 5<sup>th</sup> Hearing, Sponsor Testimony on May 7, 2019.

**S.B. 40 (Brenner & McColley)** To amend sections 3345.021 and 3345.21 and to enact sections 3345.0211, 3345.0212, 3345.0213, 3345.0214, and 3345.0215 of the Revised Code to enact the "Forming Open and Robust University Minds Act" regarding free speech on college 5 campuses.

**\*S.B. 81 (Maharath)** To amend section 3319.46 of the Revised Code to prohibit the use of seclusion in public schools.

**\*S.B. 84 (Maharath)** To enact section 3313.675 of the Revised Code to allow an individual enrolling a student to voluntarily state if student's parent or guardian is a member of the Armed Forces.

**S.B. 89 (Huffman)** To amend sections 3302.03, 3313.14, 3313.482, 3313.618, 3313.903, 3317.023, 3319.226, 3326.032, 3333.162, 3333.94, 3365.01, 3365.02, 5709.62, 5709.63, 5709.632, 5709.82, and 5709.83, to enact sections 3301.0730, 3317.037, and 3319.2211, and to repeal section 3313.6113 of the Revised Code with regard to career-technical education and the compensation of joint vocational school districts located in enterprise zones. 3<sup>rd</sup> Hearing on May 7, 2019.

**S.B. 102 (Brenner & Lehner)** To enact new section 3323.25 and to repeal section 3323.25 of the Revised Code to establish the Dyslexia Screening Program for school districts and other public schools. 2<sup>nd</sup> Hearing May 7, 2019.

**S.B. 110 (Manning)** To enact section 3302.103 of the Revised Code to modify the operation of academic distress commissions in certain school districts. Modifies the composition and operation of an academic distress commission (ADC) of a school district for which (1) an ADC was established in 2013 under former law and (2) the ADC was re-established under continuing law. Requires the ADC to conduct and submit to the district board at least one annual performance evaluation of the chief executive officer (CEO) appointed by the ADC. Specifies that the CEO must appear at least quarterly before the district board to report on the district's progress. Requires the Auditor of State to conduct a performance audit of the district each year that it is subject to the ADC. Requires the Department of Education to initiate a site evaluation in the district in each year that the district is subject to the ADC. 3<sup>rd</sup> Hearing on April 9, 2019.

**S.B. 121 (Sykes & Kunze)** To amend sections 3301.0718 and 3313.6011 and to enact section 3301.0727 of the Revised Code to require the State Board of Education to adopt health education standards and to require that only statewide venereal disease education standards and curriculum be approved by the General Assembly.

\* Removes the requirement of the adoption of a concurrent resolution when adopting or revising state standards or curriculum for health education.

\* Requires the adoption or a concurrent resolution when adopting or revising state standards for venereal disease education.

\* Requires the State Board of Education to develop and adopt health education standards for grades K-12 health education. Proponent Testimony on May 7, 2019.

**H.B. 123 (Holmes & Manning)** To amend sections 3313.536, 3313.60, 3314.03, 3319.073, 3326.11, and 3328.24 and to enact sections 3301.221, 3301.23, 3313.669, 3313.6610, 3313.6611, and 3313.6612 of the Revised Code with regard to school security and youth suicide awareness education and training. 5<sup>th</sup> Hearing on June 18, 2019. Passed the House.

**H.B. 154 (Miller & Jones)** To amend sections 133.06, 3302.036, 3302.042, 3302.12, 3302.16, 3302.17, 3302.18, 3310.03, 3311.29, and 3314.102; to enact new section 3302.10; and to repeal sections 3302.10, 3302.101, 3302.102, and 3302.11 of the Revised Code; and to repeal Sections 4, 5, and 6 of Am. Sub. H.B. 70 of the 131st General Assembly to dissolve academic distress commissions and to instead require the creation of community learning centers for buildings in low-performing school districts. In Ohio Senate Education Committee. Passed Ohio House. Disagreement among several urban districts. Senate Education Committee. 3<sup>rd</sup> Hearing 9/17/19 (A 4<sup>th</sup> Hearing was scheduled for 9/18/19, but there are not minutes from that hearing).

**\*S.B. 157 (Williams)** To amend section 3321.141 of the Revised Code regarding notification of student absences.

**\*S.B. 168 (Yuko & Maharath)** To amend sections 3314.03, 3326.11, and 3328.24 and to enact section 3313.818 of the Revised Code to enact the "Hunger-Free Students' Bill of Rights Act" to require schools to provide certain services to students who are eligible for free or reduced price meals.

#### State Capital Appropriations Bill

Mr. Glover reported that the State's Capital Appropriations Bill for brick and mortar will be introduced in the first quarter of 2020. He also reported that appropriated dollars can be requested by non-profit organizations.

The Committee talked about the District having a need for additional facilities due to an increase in enrollment. They also reported that the District owns land that could be used for an appropriate facility.

The Committee discussed reaching out to the Cincinnati Recreation Commission (CRC) to inform them about applying for the brick and mortar funds.

The Finance Committee also talked about collaborating with CRC on the construction of a new facility in the Community of Oakley. The new facility could be shared with the community of Hyde Park to address their need of a gymnasium.

The Committee talked about the possibility of having two gyms and dedicating some of the space for CPS' use.

**ACTION:** Mr. Glover will provide Superintendent Mitchell with information about how to apply for the funds. Committee member Bates will contact CRC Director Daniel Betts and schedule a meeting with him and Superintendent Mitchell to discuss the proposal.

The deadline to submit the application is November 1, 2019.

The Committee also discussed that funding for various projects be representative of the District's diverse neighborhoods, and consider CPS partnerships when determining what projects to allocate the funds.

#### **Preschool Promise**

Ms. Brooks updated the Committee on her 2019-2020 Early Childhood Education Enrollment Report as of October 17, 2019. The report included the name of the schools, capacity of licensed classrooms, wait list numbers, withdrawal numbers, and the reasons for withdrawal.

She also reported that there are 42 sites and 131 classrooms with 17 of those classrooms for preschool disabilities. She reported that preschool is operating at a capacity of 87 percent, with a goal of 100 percent capacity.

**A copy of the report is available in the Board office, OR do you want attached to minutes?**

**ACTION:** Ms. Brooks will provide a report by school on the percentage of students enrolled into the District and if certain schools are losing students. She will update the group at the November 21, 2019, Finance Committee meeting.

Ms. Brooks updated the Committee on the following Preschool Expansion report and suggested the following:

- 2019-2020: Find a location to expand 10 more classrooms. That would increase classrooms to 141. Tusculum area.
  - 5 Classrooms
  - 5 Classrooms for transitioning students to other locations
- Add a fourth Hub

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
# of Preschool Sites	40	40	41	42	42	TBD
# of Preschool Classrooms	82	101	118	121	131	141
# of Added Classrooms	0	19	17	3 (January)	10	10

\*With expansion there will be a need for a fourth hub to register/enroll students, serve students families, staff at school site.

\*1 School Community Coordinator, 3 Assistant School Community Coordinator's and 1 Support Staff

**ACTION:** Chairperson Bolton asked if the *Little Flower Catholic Church* is for sale. Superintendent Mitchell will have the Administration check on the status.

Ms. Brooks provided the Committee with the Board's below *Strategic Measures for Growth*.



### Growth

We are our communities' first choice for education.

We celebrate the diversity of our communities and will deliver exceptional education experiences in all neighborhoods, expanding the CPS footprint and empowering families to choose CPS as their destination school district.

#### MEASURE 5.A:

Increase the District's enrollment market share for grades kindergarten through 12th grade from 64.3% in 2018-19 to 66.7%.

- 2019-20 School Year: Increase student enrollment by 398 students to 65.5% market share.
- 2020-21 School Year: Increase student enrollment by 427 students to 65.85% market share.
- 2021-22 School Year: Increase student enrollment by 457 students to 66.7% market share.

#### MEASURE 5.B:

Increase the District's preschool enrollment from 1,823 in 2019 by 25% to 2,200.

- 2019-20 School Year: Increase preschool enrollment by 177 students.
- 2020-21 School Year: Increase preschool enrollment by 100 students.
- 2021-22 School Year: Increase preschool enrollment by 100 students.

#### MEASURE 5.C:

Increase the number of school buildings from 59 to 62.

### **Workforce Development Council (WFDC)**

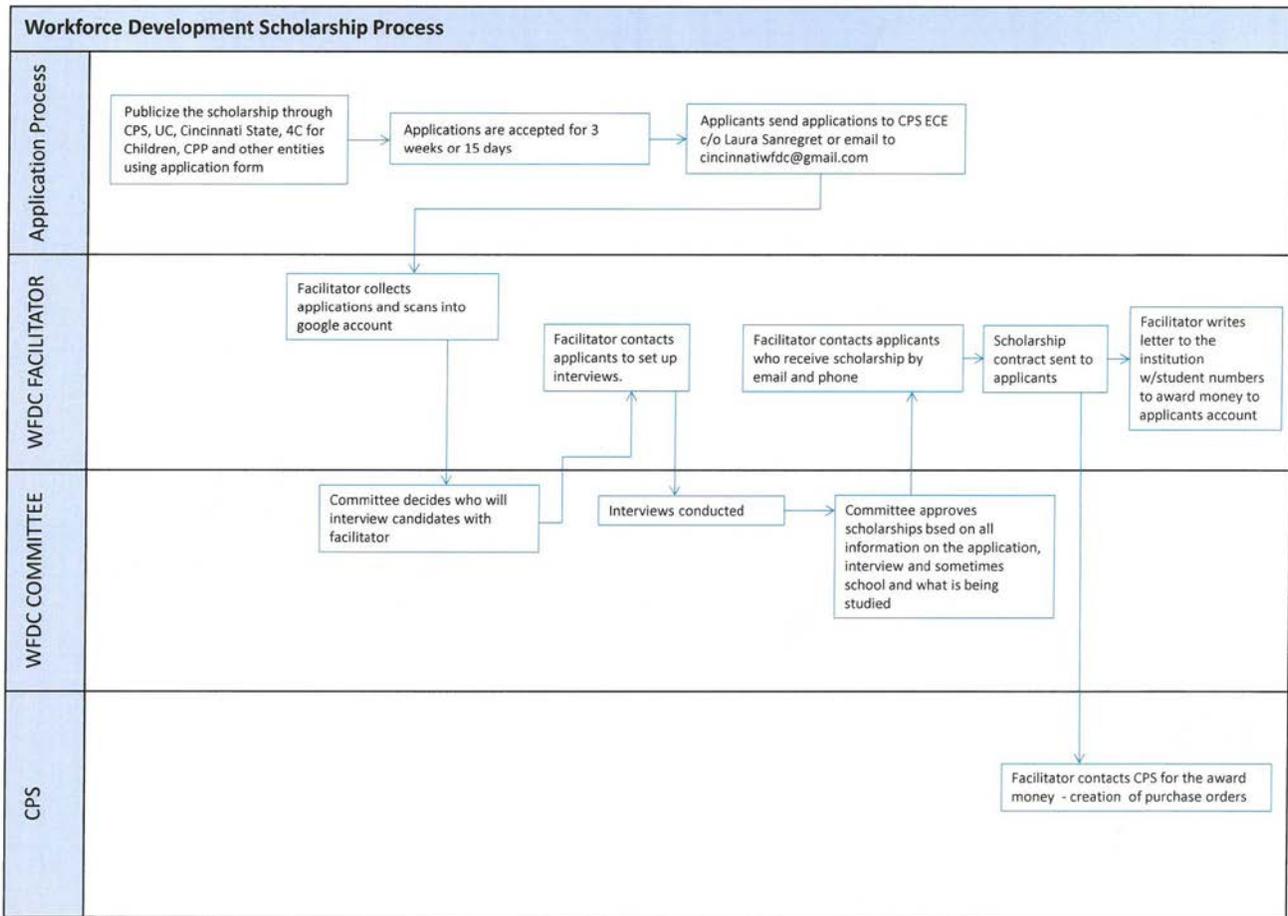
Ms. Brooks updated the Committee on the following flowchart that outlines process for offering scholarships. She reported that pay out of the scholarships will be done through the bursars' offices at the universities.

She advised that additional processes will be determined after the WFDC Charter is updated.

Ms. Brooks reported that the universities will not be monitoring if students are attending or completing the courses, and that WFDC is not positioned to do the monitoring.

Ms. Brooks informed the Committee about the WFDC's revisions to the Charter.

**ACTION:** The Committee advised the Administration to find a way to allow parents to pay for preschool with a credit card. The current method of payment is with cash.



**CPP(Cincinnati Preschool Promise) Preschool Finances**

*Hector Polanco, CPP Finance Manager*

Mr. Polanco updated the Committee on the following Summary of Fiscal Year 20 Actuals. He reported that the *Budget minus Actuals FY20 YTD* column reflects that CPP is running under budget.

He also reported that the summary reflects CPP being slightly ahead of the budget-to-date. He will follow-up on that particular area, as the spending of dollars may be used to outfit the schools.

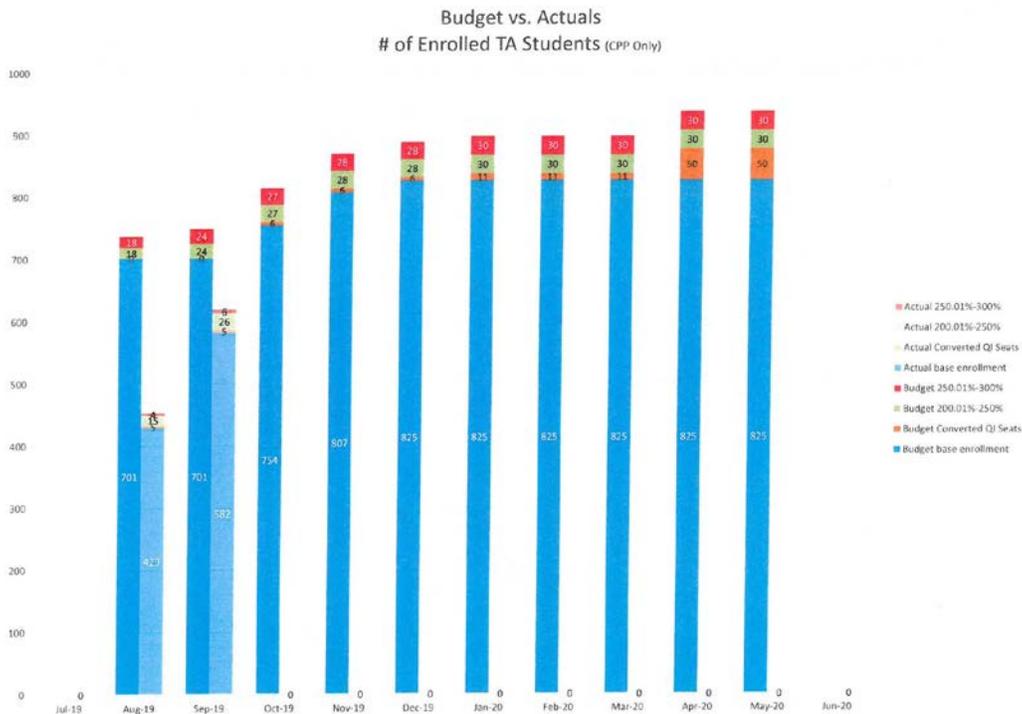
Summary FY20 Actuals  
As of September 30, 2019

CPP ONLY																
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Actuals FY20 YTD	Budget FY20 YTD	Budget minus Actuals FY20 YTD	Budget FY20
Tuition Assistance	\$0	\$111,479	\$308,930	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$420,409	\$600,130	\$179,721	\$4,430,887
Quality Improvement	\$7,928	\$125,684	\$251,825	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$385,437	\$335,650	-\$49,787	\$1,439,350
Cost of Quality (Wages)	\$850	\$7,667	\$16,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,017	\$64,000	-\$38,983	\$569,400
Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000
<b>SUM OF PROGRAMS</b>	<b>\$8,778</b>	<b>\$244,830</b>	<b>\$577,255</b>	<b>\$0</b>	<b>\$830,863</b>	<b>\$999,780</b>	<b>\$168,917</b>	<b>\$6,339,637</b>								
Data & Enrollment Systems, Evaluation	\$31,373	\$31,373	\$48,555	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,200	\$185,250	-\$74,050	\$675,000
Communications & Outreach	\$523	\$21,185	\$20,669	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$42,377	\$81,231	-\$38,854	\$214,873
M&A - General	\$7,744	\$5,304	\$618	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,666	\$15,850	-\$2,184	\$140,900
M&A - Staff Related	\$47,268	\$51,051	\$38,351	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$136,671	\$193,668	-\$56,997	\$774,672
M&A - Facilities	\$2,363	\$3,846	\$2,696	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,905	\$12,990	-\$4,085	\$55,680
UWGC Admin Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000
<b>SUM OF ADMINISTRATIVE</b>	<b>\$89,630</b>	<b>\$112,299</b>	<b>\$110,890</b>	<b>\$0</b>	<b>\$312,508</b>	<b>\$488,989</b>	<b>\$176,170</b>	<b>\$1,961,125</b>								
<b>TOTAL</b>	<b>\$98,408</b>	<b>\$357,128</b>	<b>\$688,145</b>	<b>\$0</b>	<b>\$1,143,371</b>	<b>\$1,488,769</b>	<b>-\$345,087</b>	<b>\$8,900,762</b>								

YTD = Year To Date; FY = Fiscal Year

Mr. Polanco updated the Committee on the following Tuition Assistance chart that reflects what was budgeted versus what was actually spent on a monthly basis. Mr. Polanco highlighted the months of August 2019 and September 2019.

**ACTION:** Mr. Polanco will do an in-depth analysis as to what caused a dip in last year’s Budget vs. Actuals, and compare to this year. He will provide an update at the November 21, 2019 Finance Committee meeting.



**Transportation Continued Discussion**

*Loren Johnson, Director, Transportation*  
*Sarah Trimble-Oliver, Chief Strategy Officer*  
*Lauren Roberts, Internal Auditor*

**Internal Audit – Operational and Vendor Performance**

Mr. Johnson updated the Committee on the progress the Transportation Department has made towards implementing the recommendations from the April 2019 Internal Audit report. He reported that the department is transitioning from the financial side of auditing—which was the focus of the last Internal Audit—and is placing greater focus on the operational aspects.

Mr. Johnson provided the following overview of some of the significant milestones the Transportation Department has achieved.

1. Contracts Audited
  - o Bus Monitor Rates
  - o Hourly and Amended Contracts
  - o Upgraded Insurance to Appropriate Levels
2. Did Ongoing Audits; Reported Out on Vendors
3. Yellow Bus Service Provided by Universal Transit Systems (UTS) 33 Vehicles
4. Budget: What it Would Be for the Year;
  - o Case Study on UTS: Budget forecasted by vendor; Includes all schools and routes.  
 (A copy of the report is available in the Board Office.)

5. ZERO Balance with Outstanding Invoices.

- Zero account balance by November 1 with First Student for transportation for entire District
- Metro invoices are now monthly. No longer quarterly

Mr. Johnson reported he is working on a Transportation Scorecard.

Mr. Johnson reported that, in response to the September 2019 Finance Committee request, Internal Auditor Lauren Roberts will be assisting Transportation in an advisory capacity by partnering with the scorecard project team.

Dashboard

Sarah Trimble-Oliver, Chief Strategy Officer, informed the Committee that there are (1) an automated, on-time dashboard that tracks GPS that are on the buses; and (2) a self-reporting dashboard that vendors use to report reasons why buses are late. A copy of the dashboard report is available in the Board office.

She also reported that there will be a vendor score card in the future.

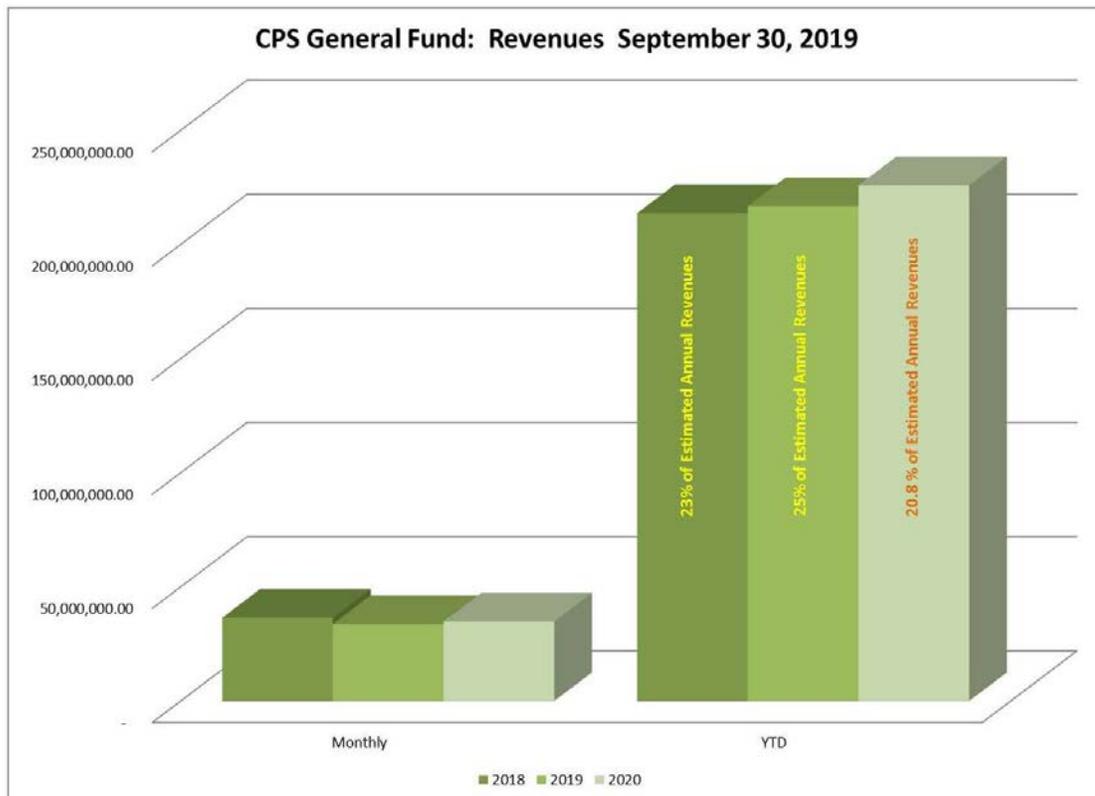
**ACTION:** Ms. Trimble-Oliver will do a presentation about the on-time data outlined on the dashboard at a Finance Committee meeting in November or December 2019.

**ACTION:** The Administration will continue to look into new technology solutions, such as the Z-Pass or a tracker to put in student backpacks.

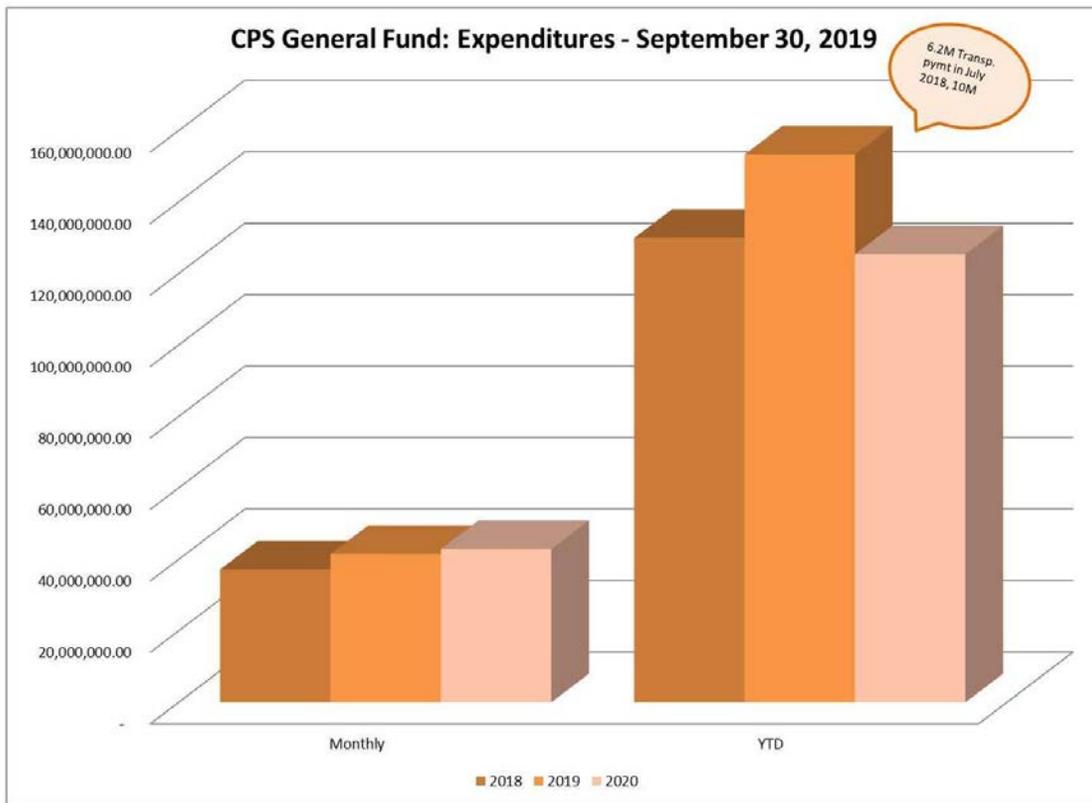
**ACTION:** Ms. Trimble-Oliver, at a Board meeting in November or December 2019, will do a presentation about an onsite Customer Service Transportation Phone Bank.

Treasurer Monthly Updates

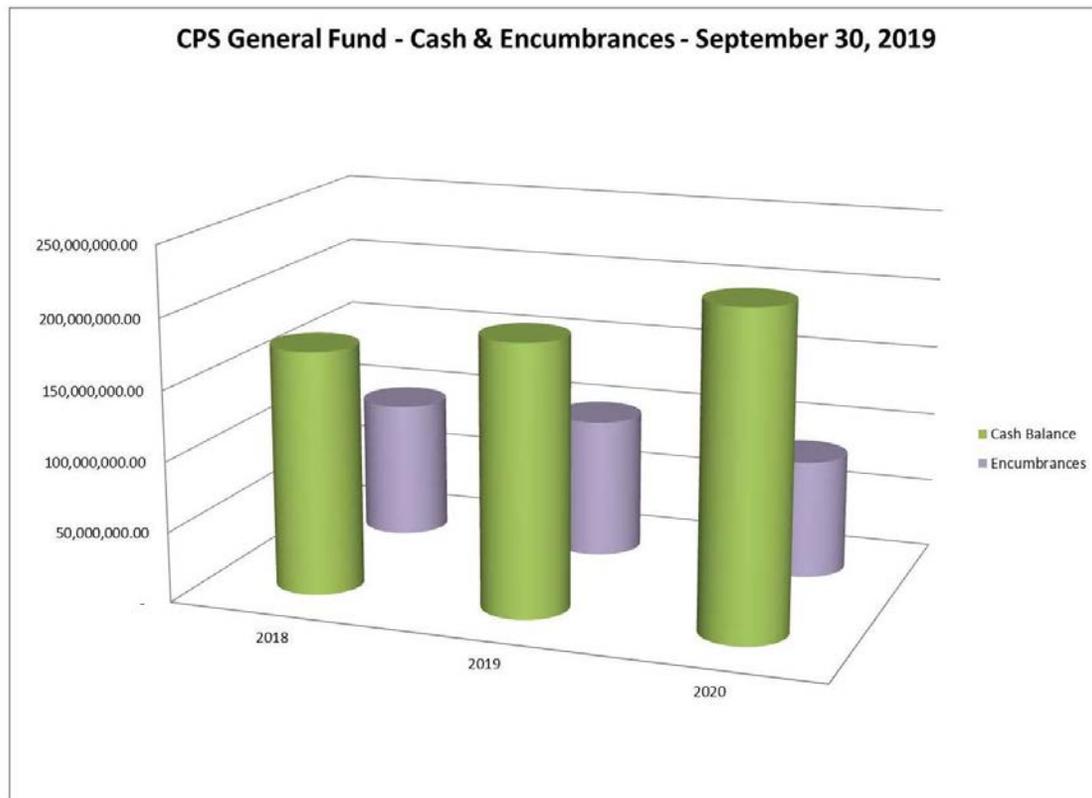
Treasurer Wagner updated the Committee on the following: *CPS General Fund: Revenues September 30, 2019.*



Treasurer Wagner updated the Committee on the following: *CPS General Fund: Expenditures – September 30, 2019.*



Treasurer Wagner updated the Committee on the following: *CPS General Fund–Cash + Encumbrances–September 30, 2019.*



Treasurer Wagner updated the Committee on the following: *State and Federal Grants – September 2019*.

## State & Federal Grants September 2019

	State	Federal	Combined	Sept 2018
Beg Cash	1,672,558	5,753,426	7,425,983	9,749,721
Receipts	2,938,527	7,845,912	10,784,439	9,700,366
Expenditures	2,365,052	9,939,277	12,304,329	13,122,442
Encumbrances	1,161,552	5,040,373	6,201,925	4,278,527
Ending Cash	1,084,480	(1,380,312)	(295,832)	2,049,119

Treasurer Wagner updated the Committee on the following: *CPS Tuition Assistance Summary*.

## CPS Tuition Assistance Summary

	Income	FT	HT	Total	Days	Tuition Assist \$
<b>Sep</b>	<200 %	608	84	692	12,196	481,984.53
	200-250	37	7	44	800	39,976.40
<b>s/t</b>		<b>645</b>	<b>91</b>	<b>736</b>	<b>12,996</b>	<b>521,961.04</b>
<b>YTD</b>				<b>736</b>	<b>18,032</b>	<b>\$ 771,689.45</b>
<b>LY</b>				<b>641</b>	<b>16,384</b>	<b>593,371</b>

*Note: The data in the chart above represents only the CPS preschool students who participate in the Preschool Expansion Tuition Assistance program. CPS currently has enrolled 1,821 preschool students.*

Treasurer Wagner updated the Committee on the following: *CPS Preschool Expansion*.

## CPS Preschool Expansion

	Budget	Sep YTD	YTD FY19
<b>Revenues:</b>	<b>\$ 16,489,276</b>	<b>7,385,305</b>	<b>7,210,162</b>
<b>Expenses:</b>			
CPS Tuition Assistance	4,376,878.00	771,689	593,947
Payments to United Way	8,887,251	0	0
Workforce Development	183,015	26,557	5,779
Special Education Support	751,439	136,871	105,198
Administrative Support	200,000	24,092	9,398
PS Classroom Expansion	131,900	76,847	0
Professional Development	60,000	0	0
Meeting Expense	400	0	0
<b>Total</b>	<b>\$14,590,883</b>	<b>\$1,036,056</b>	<b>\$ 714,321</b>
<b>Net Income</b>	<b>\$1,898,393</b>	<b>\$ 6,349,249</b>	<b>\$ 6,495,841</b>

Treasurer Wagner updated the Committee on the following: *Fiscal Year 2020 Budget Building Process*

## FY20 Budget Building Process



### **Estimated Debt Capacity Update**

Treasurer Wagner and Kevin Ashley, Director of Financing, presented the Committee with a draft table outlining the District's annual, estimated limits for Debt Capacity (the ability to issue certain debt instruments, based on limits set by Ohio statute).

The voted debt capacity is computed based on a maximum of 9 percent of the Assessed Valuation (35 percent of the true value) of all Agricultural, Residential, Commercial, Industrial, Utility Real Property and Utility Personal Property valuations as determined by the County Auditor's office.

The un-voted debt capacity is computed based on a maximum of 0.10 percent of the Assessed Valuation total, and the Energy Conservation debt capacity is computed based on a maximum of 0.9 percent of the Assessed Valuation total. The District's available limits are then reduced based on the current, outstanding debt obligations related to each category.

Mr. Ashley and Mrs. Wagner also presented the Committee with a draft table summarizing the District's outstanding debt obligations currently and as estimated at January 1, 2020. A copy of the report is available in the Board office.

### **Community Reinvestment Act (CRA) Agreements**

Treasurer Wagner and Nathan Tyahur, Accounts Receivable Supervisor, informed the Committee about the below 18 new CRA Agreements that will be recommended to the Board for approval.

<b>Agreement</b>	<b>Years of Agreement</b>	<b>Estimated Annual Revenue</b>	<b>Estimated Total Agreement Revenue</b>
<b><u>(A.) Saturday Knight, Ltd. &amp; SKL Winton, LLC</u></b>	12-years	\$8,445.11	\$101,341.36
<i>Description:</i> the improvements made to the real property located at 4330 Winton Road in the Spring Grove Village neighborhood of Cincinnati in connection with the remodeling of the existing building on the property for use as an industrial facility - Ordinance #197-2015, Contract #65x2016-137			
<b><u>(B.) Seitz, LLC</u></b>	12-years	\$4,011.43	\$48,137.15
<i>Description:</i> the improvements made to the real property located at 303 Seitz Street in the Mt. Auburn neighborhood of Cincinnati, in connection with the remodeling of a building into four residential apartment units - Ordinance #322-2019, Contract #05x2020-183			
<b><u>(C.) Seymour Industrial 1, LLC</u></b>	12-years	\$42,225.57	\$506,706.79
<i>Description:</i> the improvements made to the real property located at 2249 Seymour Avenue in the Bond Hill neighborhood of Cincinnati, in connection with the construction of a 75,000 square foot advanced manufacturing building - Ordinance #282-2019, Contract #05x2020-181			
<b><u>(D.) Links Unlimited, Inc. and Links Unlimited Holding, LLC</u></b>	12-years	\$55,695.52	\$668,346.26
<i>Description:</i> the improvements made to the real property located at 1101 Regina Graeter Way in the Bond Hill neighborhood of Cincinnati, in connection with the construction of a new office-industrial building - Ordinance #199-2019, Contract #05x2020-185			
<b><u>(E.) Grandin Company, Ltd.</u></b>	8-years	\$4,771.49	\$38,171.91
<i>Description:</i> the improvements made to the real property located at 1600 Central Parkway in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of the building thereon into office space - Ordinance #270-2016, Contract #05x2020-184			

<b><u>(F.) Mrs. Pig, LLC</u></b>	10-years	\$2,955.79	\$29,557.90
<i>Description:</i> the improvements made to the real property located at 109 W. Elder Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of an existing building into approximately 2,000 square feet of commercial space - Ordinance #187-2019, Contract #05x2020-190			
<b><u>(G.) Uptown 5, LLC</u></b>	10-years	\$21,957.29	\$219,572.94
<i>Description:</i> the improvements made to the real property located at 341-343 Calhoun Street in the CUF neighborhood of Cincinnati, in connection with the construction of a mixed-use building - Ordinance #295-2017, Contract #85x2018-301			
<b><u>(H.) OTR Holdings, Inc.</u></b>	12-years	\$6,122.71	\$73,472.48
<i>Description:</i> the improvements made to the real property located at 1233 Walnut Street and 33-35 E. 13th Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of a portion of the building thereon into restaurant and retail space - Ordinance #402-2016, Contract #75x2017-187			
<b><u>(I.) Ingalls Hotel, LLC</u></b>	15-years	\$101,341.36	\$1,520,120.37
<i>Description:</i> the improvements made to the real property located at 6 E. 4th Street in downtown Cincinnati, in connection with the remodeling of a building located on the property into an approximately 140-room hotel, which remodeling shall be completed in compliance with Leadership in Energy and Environmental Design Silver, Gold, or Platinum standards or Living Building Challenge standards - Ordinance #286-2018, Contract #95x2019-205			
<b><u>(J.) OTR Housing Group, LLC</u></b>	15-years	\$9,428.18	\$141,422.63
<i>Description:</i> the improvements made to the real property located at 1513 Republic Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of a building into residential dwelling units - Ordinance #193-2019, Contract #05x2020-182			
<b><u>(K.) Kauffman Vine, LLC</u></b>	12-years	\$22,541.27	\$270,495.29
<i>Description:</i> the improvements made to the real property located at 1725 Vine Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of an existing building to include 2 commercial storefronts and 12 residential units, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards as more particularly specified in the agreement - Ordinance #202-2017, Contract #85x2018-078			
<b><u>(L.) HG Pearl Provident, LLC</u></b>	15-years	\$261,798.51	\$3,926,977.62
<i>Description:</i> the improvements made to the real property located at 632 Vine Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of an existing building into 160 apartments and 13,000 square feet of retail space, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #98-2018, Contract #95x2019-240			
<b><u>(M.) Cincinnati Brewery District Apartments, LLC</u></b>	12-years	\$13,360.17	\$160,322.03
<i>Description:</i> the improvements made to the real property located at 1906 Elm Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of the building located on the property into approximately 600 square feet of commercial space and 7,000 square feet of residential space - Ordinance #206-2018, Contract #95x2019-177			
<b><u>(N.) Queen City Flatts, LLC</u></b>	12-years	\$52,427.26	\$629,127.15
<i>Description:</i> the improvements made to the real property located at 4642, 4648, and 4800 Kennedy Avenue in the Oakley neighborhood of Cincinnati, in connection with the construction of an approximately 30,000 square foot office and broadcast facility - Ordinance #117-2019, Contract #05x2020-178			

**(O.) Jackson Investors 2019, LLC** 15-years \$46,928.82 \$703,932.27

**Description:** the improvements made to the real property located at 1225 Jackson Street and 1227 Jackson Street, in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of two commercial units, containing approximately 4,200 square feet of commercial space, and 33 residential units, which remodeling shall be completed in compliance with LEED Silver, Gold, or Platinum standards or LBC standards - Ordinance #323-2019, Contract #05x2020-194

**(P.) Spring Grove Holdings, LLC** 12-years \$4,111.59 \$49,339.05

**(Amendment)**

**Description:** the improvements made to the real property located at 4460 West Mitchell Avenue, in connection with the remodeling of a 57,000 square foot warehouse building - Ordinance #4-2012, Contract #25x007-2012

**(Q.) Condominium Holdings, LLC** 12-years \$5,577.39 \$66,928.67

**Description:** the improvements made to the real property located at 116 W. 15th Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with construction of 2,730 square feet of commercial space - Ordinance #112-2017, Contract #85x2018-044

**(R.) Condominium Holdings, LLC** 10-years \$5,325.02 \$53,250.15

**Description:** the improvements made to the real property located at 1505 Race Street in the Over-the-Rhine neighborhood of Cincinnati, in connection with the remodeling of the first floor of the building into 2,281 square feet of commercial space - Ordinance #113-2017, Contract #85x2018-045

**ACTION:** Treasurer Wagner will update the Board on her and General Counsel Hoying's meeting with the City about the Tax Abatement Agreement between CPS and the City.

**ACTION:** The Administration will investigate if South Fairmount is being considered as a TIF District.

Mr. Tyahur informed the Committee about the following outstanding **CRA Payment Plan Proposal**.

An active CRA agreement, Cincinnati Development I, LLC, has requested a payment plan for the outstanding amount to date, as of 10/17/19. Stipulations regarding CRA payments state that payment is due within 30 days of receipt (net 30) and additional fees can be incurred if not paid on time. The amount outstanding and proposed plan is below.

**Cincinnati Development I, LLC  
Outstanding Amount (Aging Report)**

<b>Invoice #</b>	<b>Invoice Date</b>	<b>Original Amount Billed</b>	<b>Amount Collected</b>	<b>Remaining Balance</b>
AR002456	4/15/2019	\$318,579.60	\$196,389.98	\$122,189.62
AR002683*	6/4/2019	\$264,962.96	\$77,430.52	\$187,532.44
2		<b>\$583,542.56</b>	<b>\$273,820.50</b>	<b>\$309,722.06</b>

\*Invoiced due to Hamilton County Auditor website change to parcel adding abatement value.

**Cincinnati Development I, LLC  
Proposed Payment Plan Schedule**

<u>Payment</u>	<u>Due By Date</u>	<u>Amount</u>
1	11/15/2019	\$103,240.69
2	12/15/2019	\$103,240.69
3	12/31/2019	\$103,240.68
		<u><u>\$309,722.06</u></u>

\*An interest rate of up to 12% shall be incurred on each payment if not paid by set dates above.

Mr. Tyahur informed the Committee about the City's below Public Hearing for a Tax Increment Financing Incentive District in the West End.

**CITY OF CINCINNATI NOTICE OF A PUBLIC HEARING**  
**FOR A TAX INCREMENT FINANCING INCENTIVE DISTRICT**

Please be advised that a public hearing will be held at City Hall regarding the following:

The City of Cincinnati is considering an ordinance to create a tax increment financing incentive district (a "TIF District") for your neighborhood under Ohio Revised Code 5709.40(C). TIF Districts are public financing tools that provide resources for neighborhoods to address infrastructure and housing needs, including pedestrian improvements and housing renovations. You are receiving this notice because your property is located within the boundary of the proposed TIF District.

Wednesday, November 13, 2019  
10:00 a.m.  
801 Plum Street  
City Council Chambers (3rd Floor)  
Cincinnati, OH 45202  
Other Business

The meeting adjourned at 6:02 PM.

**Finance Committee**

Eve Bolton, Chair  
Melanie Bates  
Ryan Messer

**Staff Liaisons**

Jennifer Wagner, CFO/Treasurer  
Laura Mitchell, Superintendent, *absent*