

REPORT OF THE FINANCE COMMITTEE

The Finance Committee met on Tuesday, October 17, 2017 at 11:30 AM at the Cincinnati Public Schools Education Center in the Board Conference Room.

ATTENDEES**Finance Committee Members**

Chairperson Melanie Bates, Eve Bolton, Carolyn Jones

Administrators

Daniel Hoying, General Counsel; Brittany Marks, Director of Financial Reporting and Transparency; Barb Mattei-Smith, Director of Performance and Accountability; Laura Mitchell, Superintendent; Bill Moehring, Chief Operating Officer; Lauren Roberts, Internal Auditor; Kelly Roebuck, Budget Manager; Jennifer Wagner, Treasurer

Audit Committee

Jim Crosset, Thomas Heldman

Cincinnati Preschool Promise

Hector Polanco, Finance Manager; Pastor Ennis Tate

Focused Capital Solutions, LLC

Nan Cahall, Managing Director

Kearney and Kearney

Eric Kearney, CEO, President

Community Members/Board Candidates/Parents

David Brenner

Governmental Relations Update

Ms. Cahall and Mr. Kearney were present and updated the Committee about the following projects:

- Meeting with Legislators and CPS Administration on Thursday, November 14, 2017, 8:30 a.m., in Columbus, Ohio, at Ms. Cahall's office in Columbus, Ohio. Ms. Cahall is coordinating the meeting with Superintendent Mitchell.
 - Breakfast with Southwest Ohio delegates on December 13, 2017. The meeting will take place at a school that is still to be determined.
 - Ohio Capital Budget
 - 2019/2020 Ohio Capital Budget Process
- Governor Kasich and the General Assembly will introduce a state capital budget in early 2018 with an effective date in the summer of 2018. The 2019/2020 Ohio Capital Budget is the state capital spending plan which provides fiscally responsible investments to maintain and improve the state's educational and public service infrastructure, focusing on the most pressing needs of state government, schools and higher education.

In addition to the state agency process, Governor Kasich has made a judgment that the state's financial condition is such that a small portion of the capital budget can support targeted capital projects of local or regional importance.

Ms. Cahall provided Bill Moehring, Interim Chief Operating Officer, with information regarding the Ohio Capital Budget process for the 2019-2020 Capital Budget.

Ms. Cahall informed the group that ECOT (Electronic Classroom of Tomorrow) will be closing in December 2017. Superintendent Mitchell reported that the District is targeting those students to offer them enrollment options into the District.

Committee member Bolton advised Ms. Mitchell to do a specialized marketing for enrollment into the digital academy, along with high schools that have openings.

Committee Chair Bates advised to also accept ECOT students through open enrollment.

Ms. Bolton reported that Lauren Worley, Chief Strategic Communications Engagement Officer, informed the Board about legislation around concealed carry issues (e.g., on what property, school property) and that the District provided no comment to the media. Ms. Bolton inquired as to what guided the Administration to not provide comment.

ACTION: The Finance Committee will discuss engagement on the issue at the November 21, 2017 Finance Committee meeting. Ms. Cahall, Mr. Kearney, Ms. Worley and staff Superintendent Mitchell deems appropriate will be a part of the conversation. Ms. Cahall will add concealed carry bill to the Governmental Relations agenda on a monthly basis.

GONGWER

Ms. Cahall provided the Committee with a copy of the following GONGWER report.



PLEASE NOTE: THE LEGISLATURE WAS OUT OF SESSION FOR MOST OF JULY/AUGUST.

There has been very little legislative activity.

HB 37 SCHOOL FACILITIES ([Arndt, S.](#))

To require the Ohio School Facilities Commission to establish a program assisting school districts in purchasing technology and making physical alterations to improve technology infrastructure and school safety and security.

Committee Hearing in House [Education & Career Readiness](#) (5/23/2017; CONTINUED-SUBSTITUTE (No testimony))

HB 58 CURSIVE HANDWRITING ([Brenner, A.](#), [Slaby, M.](#))

To require instruction in cursive handwriting.

Committee Hearing in House [Higher Education & Workforce Development](#) (6/21/2017; REPORTED (No testimony))

Committee Chair Bates inquired if candidates being considered in the teaching profession are required to obtain instruction in cursive handwriting in order to teach cursive handwriting.

Ms. Cahall and Mr. Kearney reported that this bill may not move forward, but will remain on the docket.

HB 87 COMMUNITY SCHOOLS ([Roegner, K.](#))

Regarding public moneys returned to the state as a result of a finding for recovery issued pursuant to an audit of a community school.

Committee Hearing in House [Government Accountability & Oversight](#) (5/17/2017; CONTINUED)

HB 98 CAREER INFORMATION ([Duffey, M.](#), [Boggs, K.](#))

Regarding the presentation of career information to students.

Committee Hearing in House [Education & Career Readiness](#) (9/12/2017; CONTINUED)

HB 102 SCHOOL FUNDING ([Brenner, A.](#))

To replace locally levied school district property taxes with a statewide property tax and require recipients of certain tax exemptions to reimburse the state for such levy revenue lost due to those exemptions; to increase the state sales and use tax rates and allocate additional revenue to state education purposes; to repeal school district income taxes; to require the Treasurer of State to issue general obligation bonds to refund certain school district debt obligations; to create a new system of funding schools where the state pays a specified amount per student that each student may use to attend the public or chartered nonpublic school of the student's choice, without the requirement of a local contribution; to eliminate the School Facilities Commission; to eliminate the Educational Choice Scholarship Pilot Program, Pilot Project Scholarship Program, Autism Scholarship Program, and Jon Peterson Special Needs Scholarship Program; to eliminate interdistrict open enrollment; to require educational service centers to transport students on a countywide basis; and to permit school districts to enter into a memoranda of understanding for one district to manage another.

Committee Hearing in House [Finance](#) (6/20/2017; CONTINUED (See separate story))

HB 108 FINANCIAL LITERACY ([Hagan, C.](#), [McColley, R.](#))

To require one-half unit of financial literacy in the high school curriculum, to require the Chancellor of Higher Education to prepare an informed student document for each institution of higher education, to require the State Board of Education to include information on the informed student document in the standards and model curricula it creates for financial literacy and entrepreneurship, and to entitle the act the "Informed Student Document Act."

Committee Hearing in House [Education & Career Readiness](#) (9/12/2017; CONTINUED)

HB 110 APPRENTICESHIP PROGRAMS ([Hagan, C.](#), [Dean, B.](#))

To create a subprogram of the College Credit Plus Program that permits students to participate in certified apprenticeship programs.

Committee Hearing in House [Higher Education & Workforce Development](#) (5/3/2017; CONTINUED)

HB 170 COMPUTER SCIENCE ([Carfagna, R.](#), [Duffey, M.](#))

With regard to academic content standards and curriculum requirements for computer science; to revise educator qualifications regarding computer science; and to authorize public schools to establish computer science and technology funds.

Committee Hearing in Senate [Education](#) (9/20/2017)

HB 176 SCHOOL TESTING ([Thompson, A.](#))

With regard to state achievement assessments, statewide academic content standards and model curricula, and teacher and administrator evaluations.

Committee Hearing in House [Education & Career Readiness](#) (5/31/2017; CONTINUED (See separate story))

HB 181 SCHOOL ASSESSMENTS ([Hood, R.](#), [Brinkman, T.](#))

With regard to the state academic content standards and primary and secondary education assessments.

Committee Hearing in House [Education & Career Readiness](#) (6/20/2017; CONTINUED-AMENDED (No testimony))

HB 200 SCHOOL CHOICE ([Koehler, K.](#))

To eliminate the Educational Choice Scholarship Pilot Program and Pilot Project Scholarship Program and to create the Opportunity Scholarship Program.

Committee Hearing in House [Education & Career Readiness](#) (6/20/2017; CONTINUED-SUBSTITUTE)

HB 312 POLITICAL SUBDIVISION SPENDING ([Schuring, K.](#), [Greenspan, D.](#))

Regarding use of credit cards and debit cards by political subdivisions.

Committee Hearing in House [Government Accountability & Oversight](#) (9/20/2017)

HB 318 SCHOOL RESOURCE OFFICERS ([Patterson, J.](#), [LaTourette, S.](#))

To define the necessary qualifications and responsibilities of school resource officers.

Referred in House (9/12/2017; [Education & Career Readiness](#))

SB 3 WORKFORCE DEVELOPMENT ([Beagle, B.](#), [Balderson, T.](#))

To revise the laws governing the state's workforce development system, programs that may be offered by primary and secondary schools, certificates of qualification for employment, and the Opportunities for Ohioans with Disabilities Agency, and to designate the first week of May as In-Demand Jobs Week. Committee Hearing in House [Higher Education & Workforce Development](#) (9/13/2017; CONTINUED-SUBSTITUTE (No testimony))

Ms. Cahall informed the group that

SB 8 SCHOOL TECHNOLOGY & SAFETY ([Gardner, R.](#), [Terhar, L.](#))

To require the Ohio School Facilities Commission to establish a program assisting school districts in purchasing technology and making physical alterations to improve technology infrastructure and school safety and security.

Passed in House (7/6/2017; 97-0 (Amended))

SB 54 SUMMER FOOD PROGRAMS ([Brown, E.](#), [Lehner, P.](#))

To require school districts to allow approved summer food service program sponsors to use school facilities to provide food service for summer intervention services under certain conditions.

Committee Hearing in Senate [Government Oversight & Reform](#) (6/6/2017; CONTINUED (No testimony))

SB 82 SCHOOL ABSENCES ([Williams, S.](#), [Lehner, P.](#))

To require a public school to place a telephone call within one hour of the start of the school day to a parent whose child is absent without legitimate excuse.

Committee Hearing in Senate [Education](#) (4/25/2017; CONTINUED (No testimony))

SB 85 SCHOOL CHOICE ([Huffman, M.](#))

To eliminate the Educational Choice Scholarship Pilot Program and Pilot Project Scholarship Program and to create the Opportunity Scholarship Program.

Committee Hearing in Senate [Education](#) (4/25/2017; CONTINUED)

SB 133 STUDENT BEHAVIOR ([LaRose, F.](#))

To require the Education Management Information System to include information regarding persons at whom a student's violent behavior that resulted in discipline was directed and to require the Department of Education to submit a one-time report to the General Assembly regarding that information.

Referred in Senate (4/26/2017; [Education](#))

Cincinnati Preschool Promise (CPP) Updates

Ms. Stephanie Byrd, Interim Executive Director, Cincinnati Preschool Promise, emailed the Committee on October 15, 2017 to advise that she was not available to attend the meeting due to an update that she needed to provide to the United Way Board. She also reported that the CPP Finance and Audit Committees meet the week of October 23 and that there is not an update from those committees since the September 2017 meeting.

Explanation of Policy on Unspent Funds at Fiscal Year End

The Committee discussed CPP's draft policy regarding Unspent Funds at Fiscal Year End (Carryover Funds) with CPP committee members Pastor Ennis Tate and Hector Polanco.

The policy is to provide guidance on how CPP will handle situations where funds that were budgeted for CPP's use but remained unspent and unaccrued for at the end of the budget period.

Pastor Ennis Tate informed the Committee that the CPP Audit and Finance Committee that he and Mr. Polanco are working with on an unspent fund policy, is lining up to what CPS and United Way is expecting of them.

Mr. Polanco reported that adjustments have been made to some of the policies to ensure that they line up with how CPP will organize its internal finances.

He reported that the policy on unspent funds was not approved by the CPP Board, although the CPP Audit and Finance Committee agreed. The Audit and Finance Committee revised the document to include more specificity and will again present to the Board. CPP will be following United Way's policies and procedures and aligning them to CPP's workings.

Ms. Wagner informed the group that she reached out to David Yost, Ohio Auditor of State, on what their requirements are on unspent dollars. The Auditor advised to set an agreed limit of funds to avoid an excessive cash balance. Unspent funds would be returned to CPS' General Fund.

ACTION: Ms. Bolton advised that CPP provide the CPS Board with a report on the Workforce Development Committee (WDC). Policy Chair Jones reported that the WDC will be an ongoing item on the Policy Committee due to committee being assigned to draft a policy on living wage. She also reported that Daniel Hoying will be on the WDC.

Ms. Bolton asked who will be monitoring quality improvement grants. Treasurer Wagner and Mr. Polanco reported that the CPP Audit and Finance Committee will meet on a monthly basis to determine processes for monitoring of the grant.

ACTION: The Finance and Policy Committee recommended that a representative from CPP attend the November 6, 2017 Policy Committee to have a conversation on how to review and align United Way's policies with the District's.

Committee Chair Bates advised Superintendent Mitchell to inquire about a professional development program and college credits for minority Para Professionals for entry into the licensed teaching profession in order to share the information with CPP.

Treasurer Financial Updates

Monthly and Year-to-Date Revenue and Expenditures

Treasurer Wagner provided the Committee with the following information for General Fund monthly statements through September 2017.

- Revenues \$14.0M higher than the previous year due to new levy collections.
- Expenditures \$47M higher than the previous year due to preschool expansion growth in enrollment related expenses. The schoolwide transfer was booked each month whereas in previous years, the transfer did not begin until November.

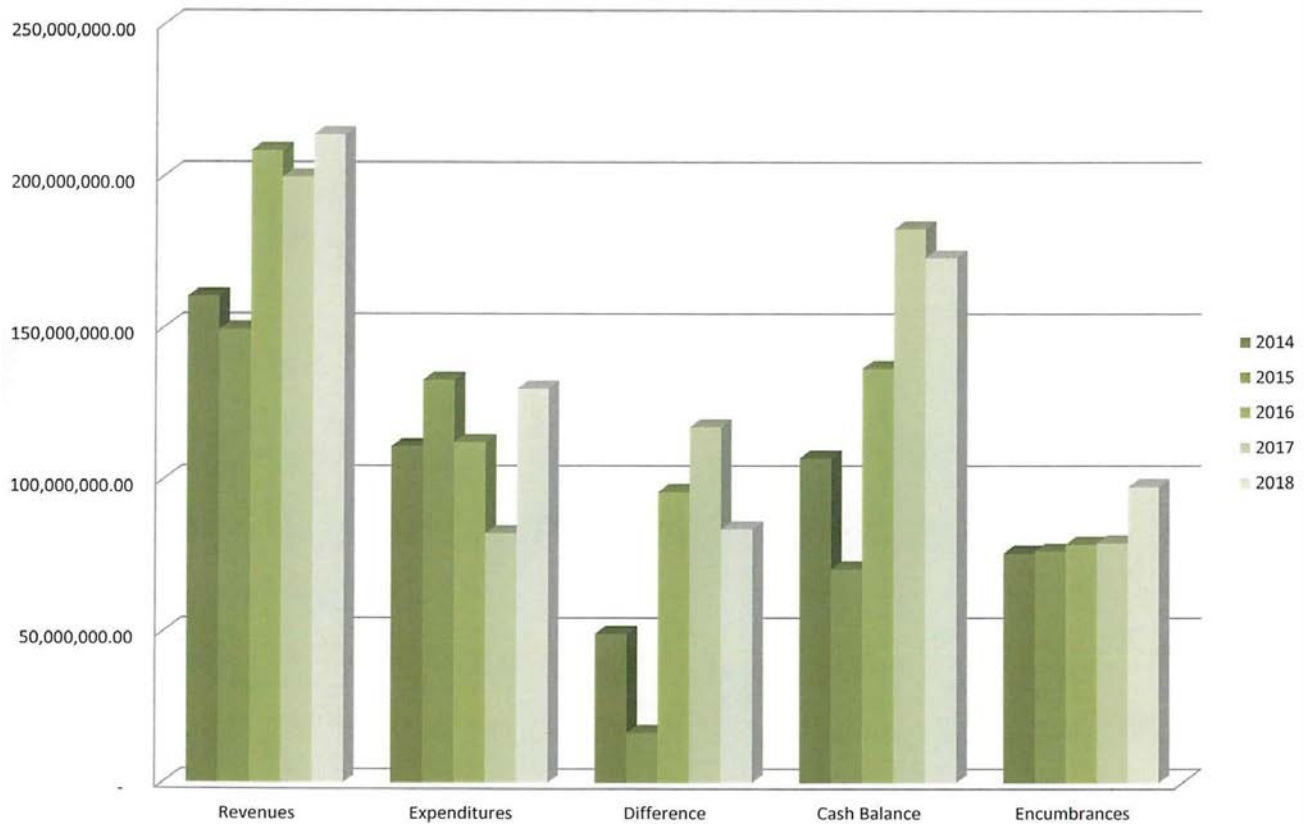
Preschool Expansion Financial Report: (New)

- Mrs. Wagner is working on how to record tuition assistance for students in the report, since the District spends the dollars on teachers in the classroom. She informed the group that the first of four payments have been paid to United Way according to the agreement. The report includes information on revenues and expenses for Fiscal Year (FY) 2018 in correlation with the Preschool Promise expansion.
- A copy of the Preschool Expansion FY2018 report is attached at the bottom of this Finance Committee report.

Schoolwide Pool (Fund 598):

- Revenues – \$37.9M of anticipated \$197.9M (19.2%)
- Expenditures – \$37.9M of anticipated \$199.3M (19.0%)

**Cincinnati Public Schools
General Fund 2017/18 YTD September**



State & Federal Grants Summary:

	State	Federal	Combined
Beg. Cash	160,203.97	9,033,883.07	9,194,087.04
Receipts YTD	3,934,068.94	10,383,481.61	14,317,550.55
Expenditures YTD	3,742,993.21	21,301,070.99	25,044,064.20
Encumbrances	1,237,958.44	7,172,803.87	8,410,762.31
Unencumbered Cash	(866,678.74)	(9,054,510.18)	(9,943,188.92)
Estimated Receipts	\$ 13,671,919.17	\$40,419,300.73	\$ 54,091,219.90
% Received of total	28.8%	25.7%	26.5%

Note: Federal fund estimated receipts include 15 months of estimated resources due to carryover funds.

Payment In Lieu of Tax Agreements

The following Payment In Lieu of Tax Agreements will be submitted in the Treasurer's Report for Board approval at the November 1, 2017 Regular Board meeting.

Payment in lieu of Tax Agreements for 10/26/17:

Agreement	Years of Agreement	Estimated Annual Revenue	Estimated Total Agreement Revenue
(A.) <u>BAM Realty Group, LLC.</u>	8-years	\$12,521.48	\$100,171.83

Description: improvements made to real property located at 8 East 4th Street in the Central Business District of Cincinnati in connection with the remodeling of the building on the property into commercial and office.

(B.) Jobs Café, LLC. 12-years \$128,683.39 \$1,544,200.67

Description: improvements made to real property located at 1731, 1807, 1809, 1811, 1813, 1815, and 1819 Elm Street, 1810 Campbell Street, 30 and 34 Findlay Street, 1834 Race Street, 1800 Logan Street and 1656 Central Parkway in the Over-the-Rhine neighborhood of Cincinnati in connection with the remodeling of the buildings thereon into commercial, office and residential rental space. the Central Business District in connection with the remodeling of the building on the property into residential and commercial space

(C.) Stratford Court Apts II, LLC. 15-years \$36,980.10 \$554,701.52

Description: improvements made to real property located at 2810 and 2814 Stratford Avenue in the CUF neighborhood of Cincinnati, in connection with the construction of a building thereon that will include approximately 25 residential rental units.

Additional Payment In Lieu of Tax Agreements

Treasurer Wagner informed the Committee that she received the following TIFs on October 16, 2017 from Marc Von Allmen, the CRA analyst for the City. He provides the District with the Community Reinvestment Agreements (CRAs). The City is asking the Board for approval of those TIFs at the Board’s October 23, 2017 Regular meeting. The investor needs the agreements signed for their closing documents.

The Committee asked if the Avondale Community Council was made aware of the TIFs. The Committee reiterated the need for engaging the community on TIFs in order to stay in alignment with the process as well as informing the City of the engagement process.

ACTION: Mrs. Wagner will contact General Counsel Hoying for his follow-up with the City regarding the engagement in advance of the October 23, 2017 Regular meeting and inform the Board if community engagement had or had not taken place. The Finance Committee agreed with moving the TIF forward this time. Mrs. Wagner will submit the TIFs for recommendation of approval in her Treasurer’s Report.

Additional Payment in lieu of Tax Agreements for 10/17/17:

Agreement	Years of Agreement	Estimated Annual Revenue	Estimated Total Agreement Revenue
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(A) Avondale Town Center North, LLC 15-years \$99,253.59 \$1,488,803.84

Description: improvements made to Avondale Town Center in the Avondale neighborhood of Cincinnati, in connection with the construction of an expansion of the northern building to include approximately 50 residential units.

(B.) New Avondale Center LLC (NC) 15-years \$214,616.75 \$3,219,251.31

Description: improvements made to real property known as the Avondale Town Center in the Avondale neighborhood of Cincinnati, in connection with the construction of two mixed-use buildings.

(C.) New Avondale Center LLC Rehab 15-years \$9,203.29 \$110,439.44

Description: improvements made to the real property known as the Avondale Town Center in the Avondale neighborhood of Cincinnati, in connection with the remodeling of a portion of a building.

Uptown Properties Schedule of select Payment In Lieu of Tax Payments

Treasurer Wagner provided the Committee with the following schedule of payments and reported that Uptown Properties is asking to make their normal payment in January 2018 along with half of their arrears. Moving forward, they would like to pay ¼ of the remaining until paid off. Mrs. Wagner advised that the request was reasonable.

Uptown Properties Schedule of select PILOT payments

8.24.17

	SV Apt	Scheif	Combined
Amount due for prior amount	126,007.40	306,949.23	432,956.63
Current due	17,594.89	54,031.18	71,626.07
	143,602.29	54,031.18	197,633.47
Jan 2018 Invoice	17,594.89	54,031.18	71,626.07
50% of arrears	63,003.70	153,474.62	216,478.32
	80,598.59	207,505.80	288,104.39
Balance of Prior amount due	63,003.70	153,474.62	216,478.32
July 2018 Invoice	17,594.89	54,031.18	71,626.07
1/4 of past balance	15,750.93	38,368.65	54,119.58
July 2018 Amount Due	33,345.82	92,399.83	125,745.65
Jan 2019 Invoice	17,594.89	54,031.18	71,626.07
1/4 of past balance	15,750.93	38,368.65	54,119.58
Jan 2019 Invoice Due	33,345.82	92,399.83	125,745.65
Jul 2019 Invoice	17,594.89	54,031.18	71,626.07
1/4 of past balance	15,750.93	38,368.65	54,119.58
Jan 2019 Invoice Due	33,345.82	92,399.83	125,745.65
Jan 2020 Invoice	63,003.70	153,474.62	216,478.32
1/4 of past balance	15,750.93	38,368.65	54,119.58
Jan 2019 Invoice Due	78,754.63	191,843.27	270,597.89
Balance of Prior amount due	-	-	-

The Committee expressed concern about how many special agreements will need to be addressed. Mrs. Wagner informed the group that she hired a temporary worker to manually match the city’s records with the county’s, the state’s and CPS’ records. She also reported she will follow-up and address any other agreements that may be discovered in the research.

ACTION: The Committee agreed with moving forward with the recommendation of approval of the payment schedule at the November 1, 2017 Regular meeting, in the Treasurer’s Report. The group also advised Mrs. Wagner to confirm the appropriate name for the property. The Committee also advised that the process for releasing TIFs to the District be an agenda item at an ACES meeting.

Five Year Forecast

Mrs. Wagner reviewed the below draft of the Five-Year Forecast with the Committee.

Cincinnati Public City
 Hamilton County
 Schedule of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Years Ended June 30, 2015, 2016 and 2017 Actual;
 Forecasted Fiscal Years Ending June 30, 2018 Through 2022

	Actual			Average Change	Forecasted				
	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017		Fiscal Year 2018	Fiscal Year 2019	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Revenues									
1.010 General Property Tax (Real Estate)	224,078,567	229,951,469	253,604,244	6.5%	275,043,686	257,399,465	237,942,377	209,542,065	160,630,812
1.020 Tangible Personal Property	26,294,459	27,864,399	31,082,610	8.8%	34,537,923	33,206,971	31,865,591	29,722,387	25,583,616
1.030 Income Tax	-	-	-	0.0%	-	-	-	-	-
1.035 Unrestricted State Grants-in-Aid	153,470,415	167,575,186	176,092,031	7.1%	183,647,015	186,511,622	188,090,135	189,742,967	191,598,675
1.040 Restricted State Grants-in-Aid	19,655,078	21,034,281	22,807,436	7.7%	21,692,216	21,445,908	21,204,822	20,968,823	20,737,781
1.045 Restricted Fed. SFSF Fd. 532 /Ed Jobs Fd.504 FY12	0	0	-	0.0%	-	-	-	-	-
1.050 Property Tax Allocation	37,704,872	30,646,950	28,140,734	-13.4%	27,243,368	24,573,816	21,451,779	17,625,677	13,304,824
1.060 All Other Revenues	24,932,878	28,277,260	35,488,014	19.5%	24,876,616	30,228,645	30,281,195	30,334,270	30,387,876
1.070 Total Revenues	486,136,269	505,349,545	547,215,069	6.1%	567,040,822	553,366,426	530,835,899	497,936,189	442,243,585
Other Financing Sources									
2.010 Proceeds from Sale of Notes	-	-	-	0.0%	-	-	-	-	-
2.020 State Emergency Loans and Advancements (Approved)	-	-	-	0.0%	-	-	-	-	-
2.040 Operating Transfers-In	-	11,260	35,518	0.0%	-	-	-	-	-
2.050 Advances-In	26,182,275	17,288,115	12,354,183	-31.3%	11,505,000	12,500,000	12,500,000	12,500,000	12,500,000
2.060 All Other Financing Sources	112,823	3,198,317	11,172,996	1492.1%	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
2.070 Total Other Financing Sources	26,295,098	20,497,692	23,562,697	-3.5%	15,005,000	16,000,000	16,000,000	16,000,000	16,000,000
2.080 Total Revenues and Other Financing Sources	512,431,367	525,847,237	570,777,766	5.6%	582,045,822	569,366,426	546,835,899	513,936,189	458,243,585
Expenditures									
3.010 Personal Services	216,950,183	91,077,322	104,102,889	-21.9%	\$117,801,315	\$124,151,367	\$127,184,395	\$129,678,083	\$132,221,644
3.020 Employees' Retirement/Insurance Benefits	70,056,843	28,769,824	32,445,283	-23.1%	37,218,446	40,715,205	42,787,951	44,738,418	46,773,816
3.030 Purchased Services	171,529,900	170,023,074	193,152,235	6.4%	201,326,615	208,375,129	215,708,250	223,338,242	227,777,927
3.040 Supplies and Materials	6,035,331	5,861,496	6,481,339	3.8%	11,282,349	11,465,380	11,652,071	11,842,497	12,036,730
3.050 Capital Outlay	6,273,870	4,689,415	3,409,414	-26.3%	2,839,604	2,981,584	3,130,664	3,287,197	3,451,557
3.060 Intergovernmental	-	-	-	0.0%	-	-	-	-	-
Debt Service:									
4.010 Principal-All (Historical Only)	-	-	-	0.0%	-	-	-	-	-
4.020 Principal-Notes	-	-	-	0.0%	-	-	-	-	-
4.030 Principal-State Loans	-	-	-	0.0%	-	-	-	-	-
4.040 Principal-State Advances	-	-	-	0.0%	-	-	-	-	-
4.050 Principal-HB 264 Loans	-	-	-	0.0%	-	-	-	-	-
4.055 Principal-Other	-	-	-	0.0%	-	-	-	-	-
4.060 Interest and Fiscal Charges	-	-	-	0.0%	-	-	-	-	-
4.300 Other Objects	4,907,031	4,954,415	3,485,543	-14.3%	5,450,375	5,450,375	5,450,375	5,450,375	5,450,375
4.500 Total Expenditures	475,753,158	305,375,546	343,076,703	-11.7%	\$375,918,704	393,139,041	405,913,706	418,334,811	427,712,048
Other Financing Uses									
5.010 Operating Transfers-Out/Contingency	15,979,631	196,799,511	192,091,179	564.6%	\$203,151,556	\$207,586,872	\$214,015,240	\$220,668,178	\$227,548,919
5.020 Advances-Out	17,288,115	12,354,183	11,505,000	-17.7%	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
5.030 All Other Financing Uses	(1,162,230)	4,682,306	16,933	-301.3%	\$0	\$0	\$0	\$0	\$0
5.040 Total Other Financing Uses	32,105,516	213,836,000	203,613,112	280.6%	\$215,651,556	220,086,872	226,515,240	233,168,178	240,048,919
5.050 Total Expenditures and Other Financing Uses	507,858,674	519,211,546	546,689,815	3.8%	\$591,570,260	613,225,913	632,428,945	651,502,989	667,760,967
6.010 Excess of Revenues and Other Financing Sources over (under) Expenditures and Other Financing Uses	4,572,693	6,635,691	24,087,951	154.1%	(9,524,438)	(43,859,487)	(85,593,046)	(137,566,800)	(209,517,383)
7.010 Cash Balance July 1 - Excluding Proposed Renewal/Replacement and New Levies	54,108,439	58,681,132	65,316,823	9.9%	89,404,774	79,880,336	36,020,849	(49,572,197)	(187,138,997)
7.020 Cash Balance June 30	58,681,132	65,316,823	89,404,774	24.1%	79,880,336	36,020,849	(49,572,197)	(187,138,997)	(396,656,380)
8.010 Estimated Encumbrances June 30	13,622,917	12,322,749	13,136,744	-1.5%	12,500,000	12,500,000	12,500,000	12,500,000	12,500,000
Reservation of Fund Balance									
9.010 Textbooks and Instructional Materials	-	-	-	0.0%	-	-	-	-	-
9.020 Capital Improvements	-	-	-	0.0%	-	-	-	-	-
9.030 Budget Reserve	-	-	-	0.0%	-	-	-	-	-
9.040 DPIA	-	-	-	0.0%	-	-	-	-	-
9.045 Fiscal Stabilization	-	-	-	0.0%	-	-	-	-	-
9.050 Debt Service	-	-	-	0.0%	-	-	-	-	-
9.060 Property Tax Advances	-	-	-	0.0%	-	-	-	-	-
9.070 Bus Purchases	-	-	-	0.0%	-	-	-	-	-
9.080 Subtotal	-	-	-	0.0%	-	-	-	-	-
10.010 Fund Balance June 30 for Certification of Appropriations	45,058,215.00	52,994,074	76,268,030	30.8%	67,380,336	23,520,849	(62,072,197)	(199,638,997)	(409,156,380)
Revenue from Replacement/Renewal Levies									
11.010 Income Tax - Renewal	-	-	-	0.0%	-	-	-	-	-
11.020 Property Tax - Renewal or Replacement	-	-	-	0.0%	-	26,265,000	51,500,000	84,752,000	141,180,000
11.300 Cumulative Balance of Replacement/Renewal Levies	-	-	-	0.0%	-	26,265,000	77,765,000	162,517,000	303,697,000
12.010 Fund Balance June 30 for Certification of Contracts, Salary Schedules and Other Obligations	45,058,215	52,994,074	76,268,030	0	67,380,336	49,785,849	15,692,803	(37,121,997)	(105,459,380)

Audit Committee Charter Revision Update

Internal Auditor Lauren Roberts provided and updated the Committee on her following memo that was a summary of the September 26 Finance Committee meeting:



Memo

To: CPS Finance Committee

CC: CPS Audit Committee

From: Lauren Roberts, Internal Auditor

Subject: Audit Committee Feedback Regarding Charter Revisions

Date: October 3rd, 2017

During their September 26th meeting, the Finance Committee assigned me the task of compiling the feedback provided during the August Audit Committee meeting regarding the Charter revisions to include a new member appointment process.

Based on the notes taken during the Audit Committee's discussion of their Charter document, the following key points were made:

- Suggested ideas for the process of reviewing and appointing new members:
 - Create a window of time for potential new members to apply
 - Will not accept appointments during election periods (90 days prior to election)
 - (or) Appointments occur each year during the January Audit Committee meeting to allow full year appointments
- Current nominees:
 - Suggested new members as of the August Audit Committee meeting:
 - Jennifer Couser
 - Christine Fisher
 - Clarice Warner
 - Carol Lawrence
 - The Audit Committee determined appointments will be tabled until a more clear appointment process has been determined and documented within the Charter
- Next Steps:
 - The Finance Committee will devise a process for appointing new Audit Committee members, send the Audit Committee a draft and bring proposed draft to the full CPS Board

Ms. Roberts reported that the Audit Committee agreed with her memo and delaying appointment of the above current potential Audit Committee members until January 2018.

ACTION: The Finance Committee recommended that the four current potential appointees would be considered in December 2017 for appointment in January 2018.

The Finance Committee advised the need to revise the Audit Committee Charter to outline the process of appointing future members, soliciting additional appointees, and how to clarify the selection process.

ACTION: Ms. Roberts will provide the Audit Committee, at their October 24, 2017 meeting, with a draft of the Charter that will include the Finance Committee's recommendations. The Audit Committee will also discuss processes for making appointments to the group.

Business Advisory Committee Update

Ms. Bolton, at the September 26, 2017 Finance Committee meeting, inquired if state law requires Districts to have a Business Advisory Committee. Brittany Marks, Director of Financial Reporting and Transparency, informed the Committee that General Counsel Hoying is working on the information. Ms. Bolton advised that okay to provide the information in a memo to the Committee.

Tax Incentive Review Council

Treasurer Wagner will provide the Committee with information from the June 29, 2017 Tax Incentive Review Council meeting.

Other Business

Committee Chair Bates advised the Treasurer to obtain a copy of the City's Disparity July 2015 Final Report to use as a tool for enhancing District goals. The report is also known as the *Crosen* report. Click on: [Crosen](#) for access to the document.

The meeting adjourned at 12:53 PM

Finance Committee

Melanie Bates, Chair
Eve Bolton
Carolyn Jones

Staff Liaisons

Laura Mitchell, Superintendent
Jennifer Wagner, CFO/Treasurer
Bill Moehring, Interim Chief Operating Officer