

Columbia Public Schools
Finance Committee Meeting Minutes

April 4, 2018

4:30 p.m.

1818 West Worley St., Training Room

Type of Meeting: Finance Committee 2017-2018

Meeting Facilitator: Heather McArthur, Interim Chief Financial Officer

Present for the meeting were committee members: Mrs. Christine King – Acting Chair, Mr. Jonathan Sessions, Mr. Tom Richards, Mr. Joe Toepke, Dr. Peter Stiepleman, Ms. Heather McArthur, Mr. Jim Cherrington. Absent: Mr. Paul Cushing, Mr. Keith Bausman.

Mrs. Christine King called the meeting to order and asked for a motion to approve the minutes of the March 7, 2018 meeting. The minutes were approved as presented.

Open Issues:

- a) Bond Election
- b) Audit Discussion
- c) Discussion of Revenue Assumptions for 2018-19 Budget
- d) Fixed Costs and One-Time Needs for 2018-19 Budget
- e) Implications to 5-Year Model

Bond Election – Dr. Peter Stiepleman and Ms. Heather McArthur

Dr. Stiepleman and Ms. McArthur reported that the Bond Issue on the April 3, 2018 ballot had passed with 83% approval and thanked everyone for voting. The Long Range Facilities Planning Committee will meet next week to discuss planned capital projects.

Audit Discussion – Mr. Brian Wuertz and Ms. Kali Patterson, KEB

Ms. McArthur introduced Mr. Brian Wuertz and Ms. Kali Patterson from Kerber, Eck, and Braeckel, the District's new audit firm. Committee members discussed specific procedures they would like reviewed during the annual audit. Cash handling and deposit procedures and Extra Curricular Activity Accounts were mentioned as high-risk areas. Brian indicated since they were new auditors to CPS that they would dig deeper into internal controls, especially since CPS has had turnover in financial leadership. He also indicated that he would test compliance with District policies and procedures.

Discussion of Revenue Assumptions, Fixed Costs, One-Time Needs and Implications to the 5-Year Model

Ms. McArthur walked the committee through various revenue assumptions and the corresponding components that drive those revenues for the 2018-19 budget. The committee recommended using 3% as the assessed valuation increase for calculating property tax revenues. The District voluntarily rolled back 9 cents of the tax levy funds approved by the voters in 2016 and those funds would be available for the 2018-19 school year.

The committee recommended using \$1,000 per WADA for the calculation of Prop C revenues. The components of the Foundation Formula were discussed and the committee decided to use \$6,180 as the SAT and 94% as the attendance percentage for 2018-19.

Ms. McArthur presented information on fixed costs the District must continue for 2018-19 including student transportation, utilities, and property and liability insurance.

Ms. McArthur presented the 5-Year Model and committee members recommended the District avoid deficit spending until the 2020-21 school year when the new middle school opens. Currently, the fund balance percentage at the end of the 2022-23 school year is at 18%.

Meeting adjourned.

Next Meeting May 9, 2018.