

REPORT OF COMMITTEE

Finance Committee

Monday, March 27, 2017

Auditorium, Rev. Lyman S. Parks Administration Building

4:15 p.m.

Present: Dr. Baker - Chairperson, Dr. Flores, Ms. Schottke, Mr. Ghareeb Mr. Klomparens, Ms. Kribs, Ms. Liggins, Mr. Oberst, Ms. Trovillion

Absent: Ms. Grant

Public Comment

None.

ACTION ITEMS

Purchasing Agenda

Mr. Oberst presented the Purchasing Agenda. A Board member asked what the cause of the increase for Kennari Consulting was. Mr. Oberst advised that they assist with strategic fundraising, and have a staff person for the XQ Grant Application. Since the XQ Grant was awarded to GRPS, there has been ongoing work toward receiving disbursement. The staff person is also working on a Wallace Foundation Grant of \$10 million. The increase of \$60,000 actually has reimbursement by foundations for approximately \$50,000, so only a net actual cost of \$10,000 when completed.

A Board member asked about the potential of getting a staff person for the district to work on grants to avoid these fees. Mr. Oberst said that they are actively working on the 2017-18 budget, and have discussed shortfalls and the potential for savings with a staff grant writer in the future.

Motion for Purchasing Agenda approval made by Dr. Flores, supported by Ms. Schottke.

Motion carried.

Your Finance Committee recommends the Purchasing Agenda to be placed on the Agenda for Board action at the April 17, 2017 Board of Education meeting.

Donations and Grants

Mr. Oberst reviewed the donations and grants. He also reminded the Board of the district's policy to notify the Board if a grant was applied for in excess of \$100,000, which is the case for The Carl's Foundation Grant.

Motion for Donations and Grants approval made by Ms. Schottke, supported by Dr. Flores.

Motion carried.

Your Finance Committee recommends these Donations and Grants to be placed on the Agenda for Board action at the April 17, 2017 Board of Education meeting.

REPORTS/UPDATES/DISCUSSION

February Financial Statements

Mr. Oberst presented the February financial statements. He advised that the projected fund balance is unchanged from January. The 2017-18 budget will be completed within the next sixty days. Mr. Oberst reviewed the State Legislation for Early Warning, which is to assist the Department of Treasury to identify fiscally stressed districts by raising flags if the fund balance is below 5% of unrestricted general fund revenue. Mr. Oberst pointed out the Bond purchases that are now reflecting on the Financial Dashboard as technology was purchased in February. A Board member asked what a 1% variance in the fund balance would be equal to in dollars. Mr. Oberst advised it would be approximately \$1.4 million. The Board member commented that the millage that will be voted on in May is worth approximately 2.5% of the fund balance.

Warm, Safe & Dry Update

Mr. Klomprens reviewed the current Warm, Safe & Dry project status. He provided an update that the Franklin Campus data center was concluding. The Ridgemoor and Innovation Central gym roofs are the remaining projects. There will be a balance preserved in the Warm, Safe & Dry account for emergency purposes.

Bond Update

Mr. Klomprens updated that the Museum High School bid for demolition and abatement is out, and pending Board approval will begin after April 17th. The bidding for Buchanan Elementary is going to occur in April, and will come to Finance Committee in May. City High Middle has finalized the program, and an advisory committee will review the renderings of the decided improvements on March 29th.

Bond Refunding

Mr. Oberst updated that the Bond Refunding proceeds were received on March 21st. These funds will be held in escrow to pay off the refunded bonds when they become due over the next 12 years. This is the last refunding opportunity we will have for the next few years.

Closing Comments

Mr. Oberst stated that the Enhancement Millage that will be voted on in May is valued at 2.5% of our fund balance, and benefits the entire county. With Federal cuts to education, these funds are needed now more than ever. There is staff volunteering their time to reach out to the community through canvassing and calling.

On March 29th the Michigan House and Senate will release their versions of the 2017-18 budget.

Meeting adjourned 4:40 p.m.

Dr. Tony Baker, Chairperson
Dr. Jose Flores
Kristian Grant
Jen Schottke

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