

Twinsburg Board of Education Finance Subcommittee Meeting

Thursday, March 3, 2022 ~ 6:00 p.m.

Twinsburg Board of Education Office, 11136 Ravenna Road, Twinsburg

Meeting Minutes

In Attendance: Mark Curtis, Rob Felber, Kathi Powers, Marty Aho, Chad Welker, John Sommers, Jennifer Economus (Allerton Hill Communications)

CALL MEETING TO ORDER: The meeting was called to order at 6:00 p.m.

Minutes from the July 28, 2021 Finance Subcommittee Meeting were approved.

Jennifer Economus from Allerton Hill Communications was present via Zoom to provide a perspective on what other Ohio School Districts are facing regarding finances.

DISCUSSION ITEMS

District Finances – Five Year Forecast:

- Five Year Forecast was distributed
- This year, the District is deficit spending at a rate of approximately \$6 million
- County estimates of revenue to be received is always underestimated
- Numbers driving deficit: Pre-pandemic 496 employees – last May 553 employees; increase in salaries; loss of CAT tax has been a half million dollars every year
- Being a service organization, salaries are our biggest expense
- Financial Strategic Planning Flowchart was recently updated
- In the year 2024, the CAT tax revenue will be diminished; The District previously receiving \$9.8 million
- Last levy passed was the \$5 million emergency levy (10 year cycle)
- Question of new operating funds and when the Board should continue placing that issue on the ballot
- If the Fair Funding Model is fully funded, the District will receive \$3 million dollars; most we would receive in the first round is \$500,000
- Decisions on expenditures have been legitimate and necessary for the well-being of the students. Will continue to monitor expenses moving forward.
- Costs are continually increasing – salaries alone are 2 to 2.5 percent yearly
- Preschool is an important part of the Five Year Forecast. Our Preschool programs continue to grow with increased enrollment. The BOE will need to consider ways to address the space constraints caused by growth in the programs.

ESSER Fund Update:

- ESSER funds are being used to cover expenses caused by the COVID-19 pandemic; Marty will provide an update regarding ESSER expenditures for the next Finance Committee Meeting
- First round of ESSER funds have been expended; District has approximately \$400,000 left in ESSER II. ESSER III is \$2.6 million and the District still awaits these funds
- The District remains cognizant in staying within the parameters set for use of ESSER funds

Levy Cycle:

- The 6.9 levy must be renewed every 5 years
- First opportunity to place a renewal levy on the ballot is November 2022. The levy would have to pass by November 2023 or residents would lose the benefit of homestead rollback
- Jennifer (Allerton Hill) discussed a “Combined Levy”. This is being done by several school districts in Ohio seeing as bond and operating levies need each other to be successful for the District. A “Combined Levy” is less confusing for the public. There is one vote for both which addresses all the needs.
- Recommendation was to run simulations utilizing different scenarios to see how proposed levies would affect the bottom line. Marty will prepare simulations for the next Finance Subcommittee Meeting.
- If a “Combined Levy” is not decided on, Jennifer suggested going for the Operating Levy before the Bond Levy
- Advantage of TCSD is that the High School bonds are now paid off

Fees, 2022/23 School Year:

- Fees were last approved in April, 2021
- Student Fees will be discussed with the Board in April 2022. Board will remain mindful of hardships and will be as flexible as possible.

Next Finance Committee meeting will be March 17th at 5:00 p.m., Board of Education Office

Mark Curtis adjourned meeting at 8:14 p.m.

Meeting Minutes approved on March 17, 2022.