

## MINUTES OF REGULAR MEETING

Board of Education  
Coventry Local School District

Tuesday, May 20, 2014

The Coventry Local School District Board of Education convened a Regular Meeting on Tuesday, May 20, 2014 at 5:30 p.m. at the Lakeview Administrative Office, 2910 South Main Street, Akron, Ohio 44319 with the following roll call: Mr. David V. Andrews, present; Mr. Mark Conner, present; Mr. Christopher Davis, present; Mrs. Vicki Tavenier, present; Mr. Robert L. Wohlgamuth, present.

The Board observed a moment of silence and then led the meeting in the Pledge of Allegiance.

Acting upon the recommendation of Aaron Butts, Treasurer, it was moved by Tavenier, seconded by Conner that the Board approve the following Board of Education meeting minutes: 14-61

- April 15, 2014 – Regular Meeting
- May 8, 2014 – Special Meeting

**Roll Call:** Tavenier, yes; Conner, yes; Davis, yes; Andrews, yes; Wohlgamuth, yes. President declared motion carried.

Acting up on the recommendation of Aaron Butts, Treasurer, it was moved by Andrews, seconded by Conner that the Board approve and place on file the April 2014 financial reports. 14-62

**Roll Call:** Andrews, yes; Conner, yes; Davis, yes; Tavenier, yes; Wohlgamuth, yes. President declared motion carried.

Acting upon the recommendation of Aaron Butts, Treasurer, it was moved by Conner, seconded by Andrews, that all of the following items appearing in the agenda constitute the consent calendar and are adopted by one single motion, unless a member of the Board requests that any such item be removed from the consent calendar and voted upon separately: 14-63

- that the Board approve the revised Five-Year Forecast per Exhibit T-1.
- that the Board approve the fund to fund transfers per Exhibit T-2.
- that the Board approve the payment of general fund facility related debt from the Permanent Improvement Fund – 003.

May 2014

COVENTRY LOCAL SCHOOL DISTRICT -- SUMMIT COUNTY  
 Schedule Of Revenue, Expenditures and Changes In Fund Balances  
 Actual and Forecasted Operating Fund

	ACTUAL			FORECASTED				
	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
<b>Revenue:</b>								
1.010 - General Property Tax (Real Estate)	9,612,906	10,109,335	8,714,895	9,414,110	9,653,591	8,778,562	7,967,816	7,967,816
1.020 - Public Utility Personal Property	(53,741)	616,736	530,031	545,579	562,948	553,090	525,335	525,335
1.030 - Income Tax	-	-	-	-	-	-	-	-
1.035 - Unrestricted Grants-In-Aid	3,750,097	3,310,580	3,217,787	3,925,472	4,067,162	4,260,350	4,463,203	4,676,205
1.040 - Restricted Grants-In-Aid	468,821	215,617	23,553	14,753	15,174	15,326	15,479	15,634
1.045 - Restricted Federal Grants-In-Aid - SPSF	-	-	62,913	32,236	-	-	-	-
1.050 - Property Tax Allocation	1,912,120	1,588,117	1,491,163	1,499,020	1,493,657	1,359,473	1,226,907	1,226,907
1.060 - All Other Operating Revenues	4,782,628	5,781,155	5,328,264	5,739,830	6,258,900	6,258,900	6,258,900	6,258,900
<b>1.070 - Total Revenue</b>	<b>20,472,831</b>	<b>21,621,540</b>	<b>19,368,606</b>	<b>21,171,000</b>	<b>22,051,433</b>	<b>21,225,701</b>	<b>20,457,640</b>	<b>20,670,797</b>
<b>Other Financing Sources:</b>								
2.010 - Proceeds from Sale of Notes	-	1,500,000	500,000	-	-	-	-	-
2.020 - State Emergency Loans and Advancements	-	-	-	-	-	-	-	-
2.040 - Operating Transfers-In	7,343	-	-	-	-	-	-	-
2.050 - Advances-In	662,760	271,678	-	-	-	-	-	-
2.060 - All Other Financing Sources	27,912	2,742	-	-	-	-	-	-
2.070 - Total Other Financing Sources	698,015	1,774,420	500,000	-	-	-	-	-
<b>2.080 - Total Revenues and Other Financing Sources</b>	<b>21,170,846</b>	<b>23,395,960</b>	<b>19,868,606</b>	<b>21,171,000</b>	<b>22,051,433</b>	<b>21,225,701</b>	<b>20,457,640</b>	<b>20,670,797</b>
<b>Expenditures:</b>								
3.010 - Personnel Services	11,689,783	11,776,752	10,623,995	10,444,968	10,638,134	10,801,281	11,331,232	11,755,175
3.020 - Employees' Retirement/Insurance Benefits	4,757,993	3,948,052	3,757,946	4,679,255	5,633,448	5,920,153	6,292,681	6,672,537
3.030 - Purchased Services	2,912,587	3,568,322	4,423,749	3,833,575	4,108,508	4,174,721	4,216,469	4,258,633
3.040 - Supplies and Materials	388,771	396,503	271,430	295,616	450,663	251,670	254,187	256,729
3.050 - Capital Outlay	428,734	236,042	(67,363)	82,739	113,567	114,703	55,849	56,408
3.060 - Intergovernmental	-	-	-	(130,729)	(261,459)	(261,459)	(261,459)	(261,459)
<b>Debt Service:</b>								
4.010 - Principal-All Years	764,499	2,613,863	1,344,925	-	-	-	-	-
4.020 - Principal - Notes	-	-	-	506,150	506,150	70,000	70,000	75,000
4.030 - Principal - State Loans	-	-	-	-	-	-	-	-
4.040 - Principal - State Advances	-	-	-	-	-	-	-	-
4.050 - Principal - HB264 Loan	-	-	-	317,144	192,970	123,978	53,039	55,437
4.055 - Principal - Other	-	-	-	62,000	64,000	67,000	70,000	73,000
4.060 - Interest and Fiscal Charges	178,722	127,054	118,701	190,165	163,718	143,265	128,483	90,067
4.300 - Other Objects	303,208	182,235	188,884	255,161	257,712	260,290	262,892	265,521
<b>4.500 - Total Expenditures</b>	<b>21,424,297</b>	<b>22,848,823</b>	<b>20,662,267</b>	<b>20,536,045</b>	<b>21,867,413</b>	<b>21,665,602</b>	<b>22,473,373</b>	<b>23,297,049</b>
<b>Other Financing Uses</b>								
5.010 - Operating Transfers-Out	45,308	-	47,857	-	-	-	-	-
5.020 - Advances-Out	271,678	400,000	-	-	-	-	-	-
5.030 - All Other Financing Uses	-	-	-	86,629	-	-	-	-
5.040 - Total Other Financing Uses	316,986	400,000	47,857	86,629	-	-	-	-
<b>5.050 - Total Expenditures and Other Financing Uses</b>	<b>21,741,283</b>	<b>23,248,823</b>	<b>20,710,124</b>	<b>20,622,674</b>	<b>21,867,413</b>	<b>21,665,602</b>	<b>22,473,373</b>	<b>23,297,049</b>
<b>Excess of Rev &amp; Other Financing Uses Over (Under)</b>								
<b>6.010 - Expenditures and Other Financing Uses</b>	<b>(570,437)</b>	<b>147,137</b>	<b>(841,518)</b>	<b>548,326</b>	<b>184,020</b>	<b>(439,902)</b>	<b>(2,015,733)</b>	<b>(2,626,252)</b>
<b>Cash Balance July 1 - Excluding Proposed Renewal/</b>								
<b>7.010 - Replacement and New Levies</b>	<b>723,630</b>	<b>153,193</b>	<b>300,330</b>	<b>(541,188)</b>	<b>7,138</b>	<b>191,158</b>	<b>(248,743)</b>	<b>(2,264,476)</b>
<b>7.020 - Cash Balance June 30</b>	<b>153,193</b>	<b>300,330</b>	<b>(541,188)</b>	<b>7,138</b>	<b>191,158</b>	<b>(248,743)</b>	<b>(2,264,476)</b>	<b>(4,890,728)</b>
<b>8.010 - Estimated Encumbrances June 30</b>	<b>163,259</b>	<b>560</b>	<b>236</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Reservations of Fund Balance:</b>								
9.010 - Textbooks and Instructional Materials	-	-	-	-	-	-	-	-
9.020 - Capital Improvements	-	-	-	-	-	-	-	-
9.030 - Budget Reserve	-	-	-	-	-	-	-	-
9.040 - DPIA	-	-	-	-	-	-	-	-
9.050 - Debt Service	-	-	-	-	-	-	-	-
9.060 - Property Tax Advances	-	-	-	-	-	-	-	-
9.070 - Bus Purchases	-	-	-	-	-	-	-	-
9.080 - Subtotal	-	-	-	-	-	-	-	-
<b>Fund Balance June 30 for Certification</b>								
<b>10.010 - of Appropriations</b>	<b>(10,066)</b>	<b>299,770</b>	<b>(541,424)</b>	<b>6,138</b>	<b>190,158</b>	<b>(249,743)</b>	<b>(2,265,476)</b>	<b>(4,891,728)</b>
<b>Rev from Replacement/Renewal Levies</b>								
11.010 - Income Tax - Renewal	-	-	-	-	-	-	-	-
11.020 - Property Tax - Renewal or Replacement	-	-	-	-	-	992,588	1,985,175	1,985,175
11.030 - Cumulative Balance of Replacement/Renewal Le	-	-	-	-	-	992,588	2,977,763	4,962,938
<b>Fund Balance June 30 for Certification</b>								
<b>12.010 - of Contracts, Salary and Other Obligations</b>	<b>(10,066)</b>	<b>299,770</b>	<b>(541,424)</b>	<b>6,138</b>	<b>190,158</b>	<b>742,844</b>	<b>712,286</b>	<b>71,209</b>
<b>Revenue from New Levies</b>								
13.010 - Income Tax - New	-	-	-	-	-	-	-	-
13.020 - Property Tax - New	-	-	-	-	-	-	-	-
13.030 - Cumulative Balance of New Levies	-	-	-	-	-	-	-	-
<b>14.010 - Revenue from Future State Advancements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>15.010 - Unreserved Fund Balance June 30</b>	<b>(10,066)</b>	<b>299,770</b>	<b>(541,424)</b>	<b>6,138</b>	<b>190,158</b>	<b>742,844</b>	<b>712,286</b>	<b>71,209</b>
<b>ADM Forecasts</b>								
20.010 - Kindergarten	-	-	-	146	151	151	140	130
20.015 - Grades 1-12	-	-	-	2,125	2,122	2,125	2,139	2,149

Coventry Local School District  
Summit County  
Five Year Forecast Assumptions

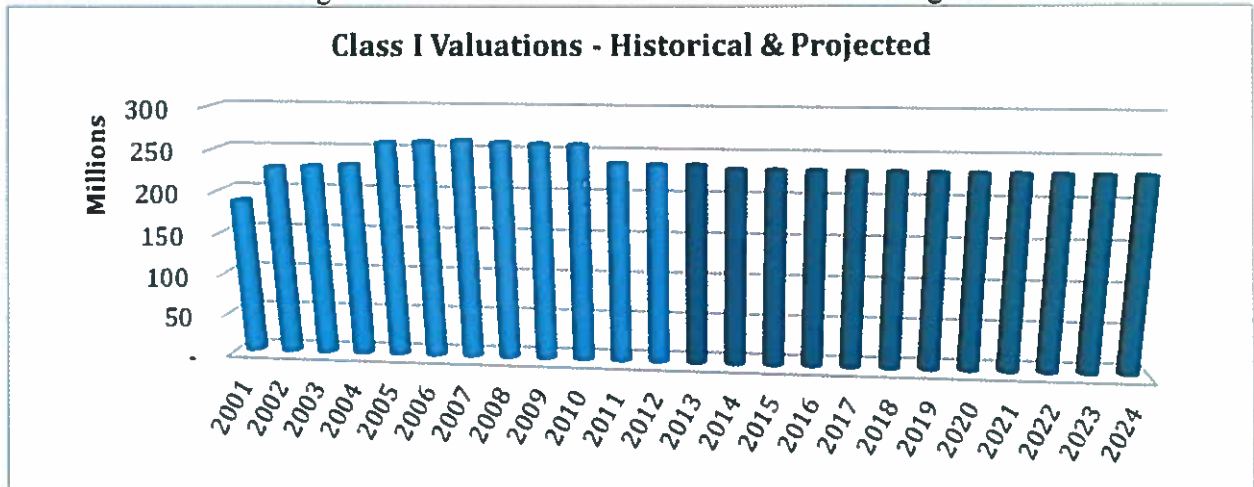
**REVENUES**

Property Taxes

The district was at the twenty-mill floor. Due to a drop in property value of -10.84% it has come off the 20 mill floor. Reappraisals are conducted every six years with an update in the third year.

	<u>3 year update</u>	<u>6 year reappraisal</u>
Summit County	2014	2017
		(half collected FY14 & half collected FY15)

Forecast assumes Summit County real estate property values at -2.6% for calendar year 2014 and 0% for years 2015 through 2019. Forecast also assumes an average .10% increase in new construction for 2014 through 2019.



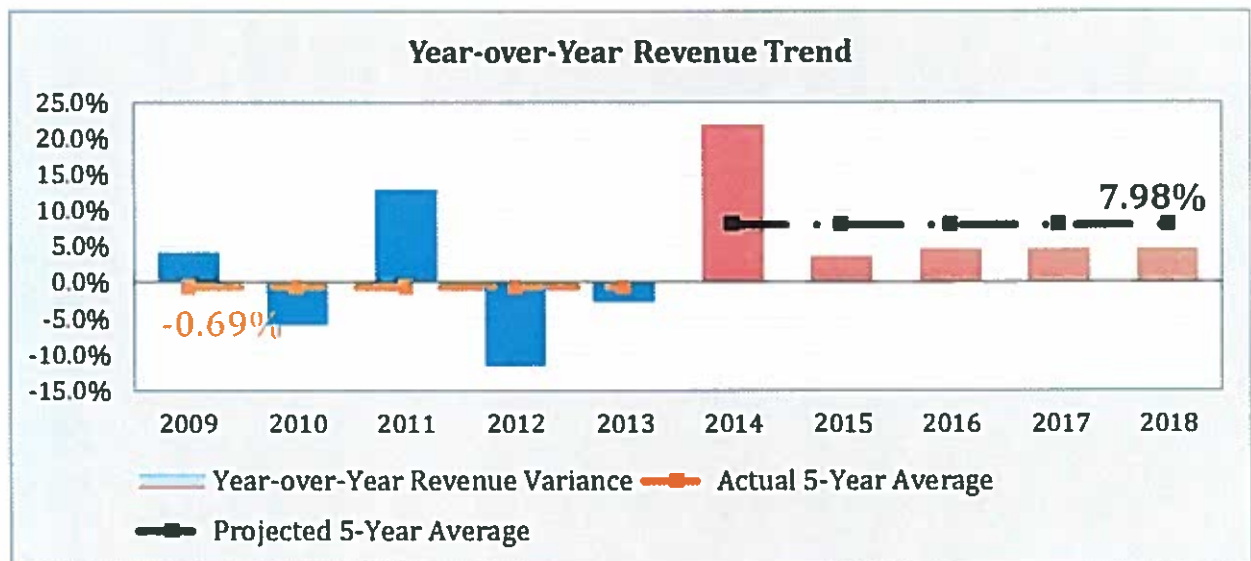
In FY16, the forecast assumes the renewal of the 2010 emergency levy that generates \$1,985,175 each year for ten years.

Restricted Grants-in-Aid

In FY15-FY18 the district assumes a 1% increase in funding based on career tech funding from the FY14-FY15 biennium budget.

Unrestricted Restricted Grants-in-Aid (state foundation)

FY14 funding is based on the May #1 foundation funding formula of \$3,499,356 with an accumulated increase of \$750,733 in FY15-FY18.

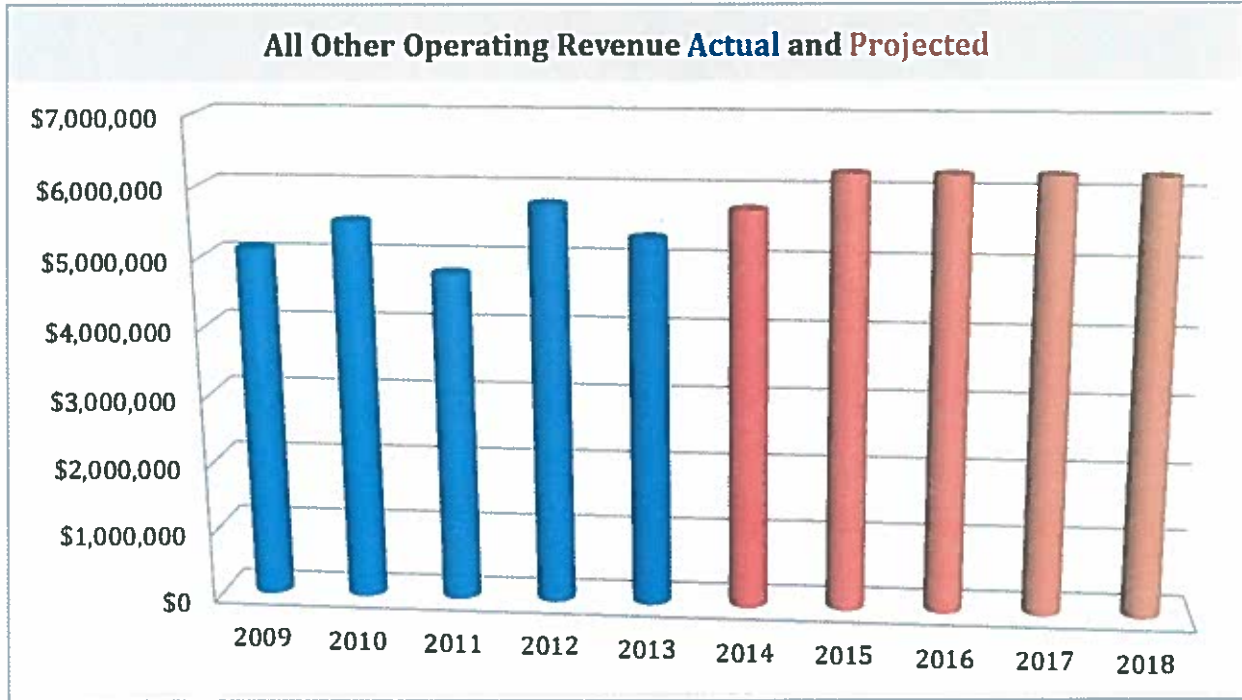


Property Tax Allocation (homestead & rollback)

The property tax allocation is calculated as a fixed percentage of real property tax receipts. The growth in this revenue parallels the anticipated growth in real property taxes.

Other Revenues

These receipts are primarily for casino money, open enrollment and court placed students coming into the district. New to this line item is Portage Lakes Fitness Center revenue from recently negotiated five year lease Coventry will be getting. The forecast assumes an increase of \$519,070 in FY15.



## EXPENDITURES

### Personnel Services and Benefits

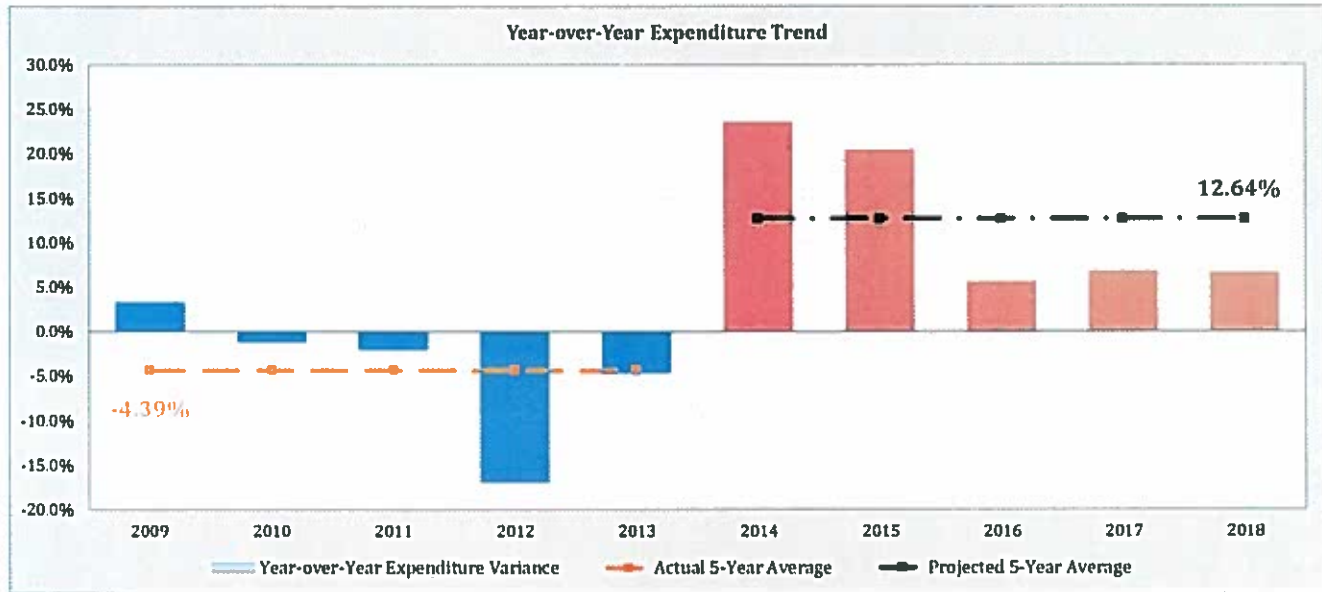
The forecast assumes 0% base raise for all staff in FY14. In FY15, the forecast projects a 0% base raise and step freeze for all classified staff. In FY15 the forecast projects a step raise for certified staff. Also in FY15, the forecast projects a one-time 2% bonus for all staff. In FY16-FY17, the forecast projects a 1% base raise and 1.5 step raise for certified staff. In FY17, the forecast projects a 1% base raise and step raise for certified staff.

Due to closing Erwine Intermediate School, Coventry enacted a reduction in force for FY15.

### Retirements and Benefits

In FY12 and FY14, the COG has deferred four month of premium payments that help get Coventry to a positive yearend balance. The COG will assess a .75% interest rate and the repayments of \$528,000 will begin in FY15 through FY19.

In FY15 the COG has secured a 5% insurance renewal. The forecast assumes a 10% renewal in FY16-FY18.

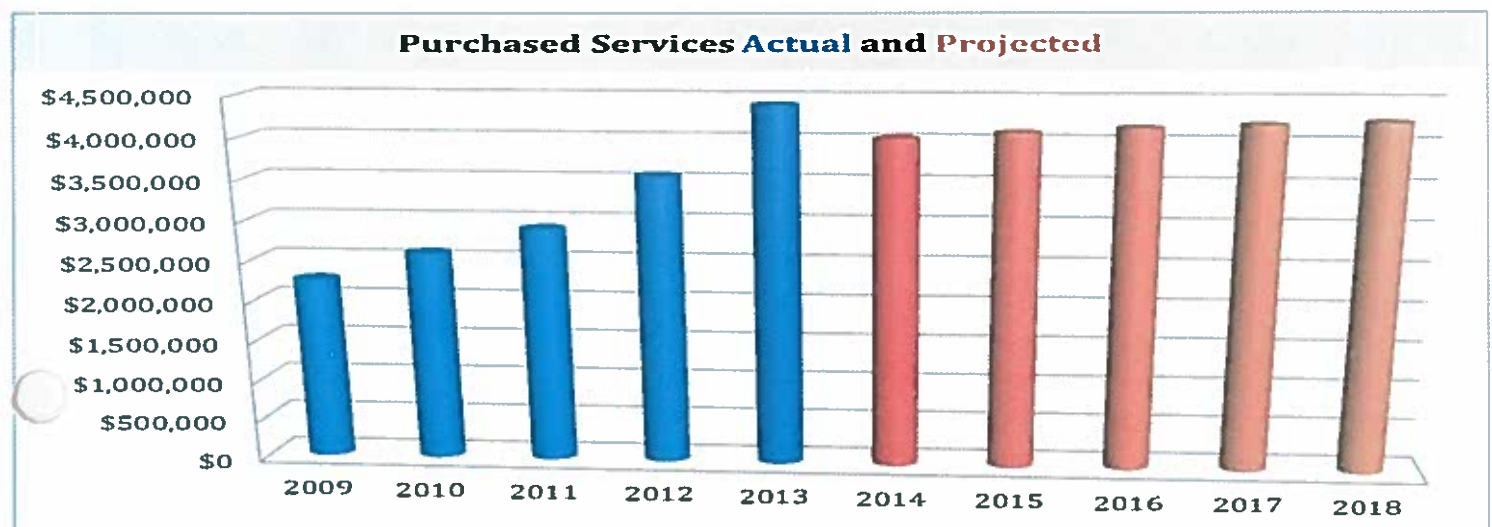


### Purchased Services

In FY15, the forecast projects the reduction of services due to the closing of Erwine Intermediate School.

In FY15, the forecast projects an increase of \$50,000 for the purpose of district wide technology upgrades.

For FY16-FY18, the forecast assumes 1%.





### Supplies and Materials

For FY15, forecast projects a one-time purchase of textbooks to be in compliance with the common core for the amount of \$200,000.

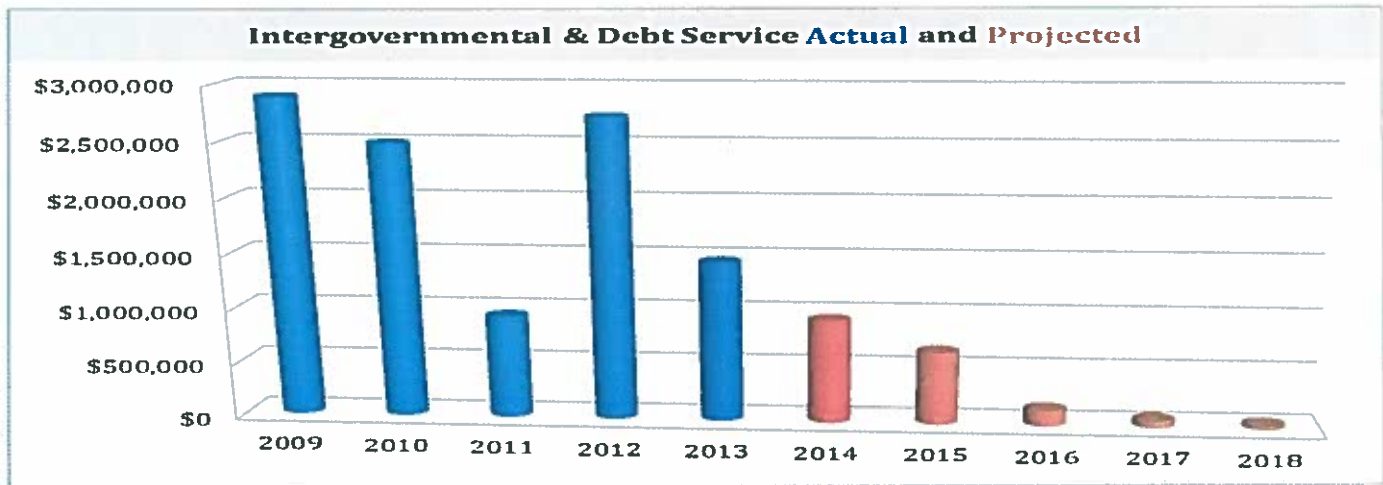
For FY15-FY18 the forecast assumes a 1% increase.

### Capital Outlay

In FY15-FY16 the forecast assumes a purchase of one maintenance truck each year \$30,000 each. In FY15-FY18, the forecast assumes a 1% increase.

### Debt Service

This area of the forecast includes all debt related to the general fund. In this case, the debt encompasses the three House Bill(HB) projects, the purchase of the modular's at our elementary building, the original purchase of our current high school, the 2012 renovation of our high school and the Tax Anticipation Note(TAN) from May 2010. In FY14, the total debt service for the general fund will be \$942,938 and \$926,839 in FY15. In FY16, you will see a large drop in debt service due to no longer paying the "TAN" from May 2010 and HB#1.



### Other Objects

Other objects include expenditures for county auditor/treasurer fees and Summit County Educational Service Center costs. Auditor/treasurer fees are calculated at 3% of real and personal property tax receipts.

Aaron Butts  
Treasurer / CFO  
Coventry Local Schools  
5-20-2014