

April 26, 2021

The Board of Education of the County of Kanawha met in Statutory Session on Monday, April 26, 2021 at the Board of Education Building, Charleston, West Virginia. The meeting was called to order by Board President Becky J. Jordon at 6:00 p.m.

PRESENT

Becky J. Jordon, President
Tracy White, President Pro Tem
Ric Cavender
Jim J. Crawford, Sr.
Ryan White
Thomas E. Williams, Jr., Secretary

Debra J. Lewis, Recording Secretary

ADMINISTRATIVE STAFF

Paula Potter, Deputy Superintendent
Melanie Meadows, Treasurer, Budget & Finance
Briana Warner, Communications Director

NEW BUSINESS

A. Public Hearing on Preliminary Operating Budgets for Fiscal Year 2021-22.

Melanie Meadows-The first thing that I want to say is that we have very minimal changes since the last time we met in March. I want to go through the process as required by West Virginia code and the West Virginia Department of Education and let you know where we are in our budget process. The proposed levy rates were presented to the Board on March 15, 2021. The budget workshop was held on March 15, 2021. The purpose of the workshop is to discuss the fiscal condition of KCS with the Board. No vote was taken during this presentation. The schedule of proposed levy rates was published in the Charleston Gazette-Mail on March 18, 2021 and March 26, 2021.

NEW BUSINESS (continued)

Notice of today's budget hearing, along with the preliminary budget, was published in the Charleston Gazette-Mail on April 7, 2021 and April 14, 2021. The proposed budget was published on the KCS website April 13, 2021. The Board officially entered the levy rates on April 20, 2021. Today is the required public hearing. No vote will be taken during this presentation. On May 18, 2021, the Board will vote to adopt the proposed budget, pending final approval by the State Superintendent. Within the proposed budget, revenues must equal expenditures to result in a balanced budget. Slide three has changed just today. All steps of the state aid funding formula must be properly coded per the chart of accounts.

A second set of preliminary comps was sent out by the WVDE on April 6, 2021. Only a few changes were made when compared to the first set of preliminary comps. The first set of preliminary comps were used for the budget workshop in March, as well as for the newspaper publication. The second set of preliminary comps was used for the website publication and today's public hearing. We actually received final comps this morning but it was too late to change the budget as it is published, but essentially the only item that changed from the second set of preliminary comps to our final comps was our PEIA allocation that the State pays on our behalf as well as the retirement allocation that the State pays on our behalf and they were minimal. Those changes will be included in the final document that you will see at the meeting coming up in May. While the budget workshop that we had in March focused on the General Current Expense Fund, today I'm going to touch on all of our funds and I will start with the Current Expense Fund. Some of the schedules are a little bit different from what you saw in March. You will see that the school support program which is our State Aid is our largest percentage of revenue. You will see after the very end after we account for all of our allocations, the net State Aide available for our budget is \$164,466,665. This is year three of our excess levy ballot that we are getting ready to enter into. Our Special Revenue Fund consists of restricted funds including various state and federal grants. Right now all of the numbers included in our Special Revenue Fund are preliminary. We don't usually receive these grants until well into the next school year but we are required to budget based on what we received in the current year for these grants. We seem to get the bulk of our grants between August and October.

Mr. White-It doesn't look like the money that was allotted for the initial COVID package is in this. Melanie Meadows-We are required to account for the COVID grants in a separate fund and I'm going to touch on that here when we get to that fund.

NEW BUSINESS (continued)

Melanie Meadows-Our General Current Expense Fund Budget shows that proposed revenues equal proposed expenditures in order to have a balanced fund budget. Both our Public Library Excess Levy Fund as well as our Permanent Improvement Fund are balanced.

Mr. White-The Permanent Improvement Fund says \$10 million. Is that the same amount that we had last year? Melanie Meadows-We always strive to keep \$10 million in our Permanent Improvement Fund, typically we end up with more. Mr. White-How much is in that fund right now? Melanie Meadows-If you account for our restricted funds which includes the flood, in terms of actual cash in bank it's around \$16 million, but in terms of budget we are at about \$50 million. Almost all of that is for the new Hoover school being constructed. I want to say that \$10-\$15 million is what we have in there that is being allocated to various other projects. Dr. Williams-The money comes from the State and we have to put it in our Permanent Improvement Fund in order to spend it out.

Mrs. White-We still don't know at this point how the different cost in construction materials are going to affect Hoover do we? Melanie Meadows-I know that they have recently worked on a budget increase request that they submitted to the SBA who will review it and submit it to FEMA. Dr. Williams-Melanie and I have talked and we are going to put as much money as we can in the Permanent Improvement Fund so that after we pay our 10% that we are going to have to pay after the \$73 million, we will have the money. We have the money set aside now but I'd like to have more. Mr. White-Is that invested in something? Melanie Meadows-All of our actual checking accounts are sweep accounts so each night they sweep it into an investment account so we do earn a little bit and there's no risk involved.

Melanie Meadows-When you look at the Federal Stimulus Stabilization Fund that Mr. White asked about, when you first look at that it seems very small. You know we have received grants in excess of \$30 million at this point and we are getting ready to apply for another that's going to be around \$80 million, but in terms of the preliminary budget we are only required to include any amount that we are going to use to cover salaries of positions that we would have otherwise had to cut due to a decline in enrollment.

Mr. White-Are we still over what the projected amount was for the levy? Melanie Meadows-We are right on target for year three for what we projected for the excess levy. Mr. White-If there is a decrease again next year then will we be under? Melanie Meadows-Yes.

ESTABLISHMENT OF MEETING DATES

- A. Monday, April 26, 2021, 6:00 p.m.-Statutory Session (Public Hearing on Proposed Budget)
- B. Monday, May 3, 2021, 4:00 p.m.-Special Session
- C. Thursday, May 13, 2021, 6:00 p.m.-Regular Session
- D. Tuesday, May 18, 2021, 12:00 Noon-Statutory Session (Approval of the Proposed Budget)
- E. Monday, June 7, 2021, 4:00 p.m.-Special Session
- F. Thursday, June 17, 2021, 6:00 p.m.-Regular Session
- G. Tuesday, July 6, 2021, 4:00 p.m.-Special Session
- H. Thursday, July 15, 2021, 6:00 p.m.-Regular Session

NOTE: The above meetings of the Kanawha County Board of Education, unless otherwise indicated, will be held in the Board of Education Building, 200 Elizabeth Street, Charleston, WV.

ADJOURNMENT

Mrs. Tracy White moved: That the Statutory Session of the Board be adjourned. Motion was seconded by Mr. Jim J. Crawford and unanimously carried. The Regular Session was declared adjourned by Board President Becky J. Jordon at 6:13 p.m.

President

Secretary

djl

5/3/2021