

Budget and Finance Committee Meeting
April 6, 2021, 3:30 pm
Virtual

Attendance: Bret Nathaniel, Amber Catron, Chris Ensslin, Amy Green, Carl Hayden, Jessica Hiler, Rodney Jackson, Twanjua Jones, Piper Lewis, Kate McAnelly, Michael Price, Sherry Price, Betsy Rains, Ann Sampson-Grimes, Lisa Smith, Joshua Williams

John began the meeting at 3:32pm and spoke about the following:

- Welcomed everyone and announced the makeup of the committee has changed to reflect inclusion of additional representation from schools, primarily additional principals.
- John recognized and welcomed FCPS Board member Amy Green.
- Ann displayed a power point slide presentation and John presented a monthly, chronological overview of the budget timeline and information gathering process in building the budget, i.e., meeting with various school and department leaders to learn what their needs and requests were going to be for the next fiscal year; timing of presenting budgets to the FCPS board, etc.
- John stated a lot of progress has already been accomplished in preparing the FY22 budget, but to ensure this committee has the opportunity to provide adequate input into the budget process, an additional meeting has been scheduled for this committee to meet in December of each year so this group could provide input in planning for the next fiscal year.

John turned the meeting over to Ann Sampson-Grimes (Director of Budget and Financial Planning) who shared the following:

- Detailed projection of new operating expenditures for FY22.
- Forecast of Personnel expenditures and related benefits costs for FY22 and some of the initiatives planned related compensation, i.e., amending the four-year experience cap for classified hourly staff members with new hires starting the day after Board approval and existing staff as of July 1, 2021 not to be retroactive post Board approval as well.
- Discussed the projected cost of a compensation study.
- An overview of the SAFETY Plan was presented and costs associated with each of the ten points of the plan was discussed.
- Information was provided and discussion was had about how COVID19 Relief Funding has been utilized thus far, particularly ESSER I and ESSER II, and that additional federal funding was coming by way of ESSER III but the amount is not known at this time.

Ann turned the meeting over to Rodney Jackson (Director of Financial Accounting and Benefits Services) who presented current year revenues and expenses information. Financial highlights through the month of March included the following:

- Property tax revenues are performing less than compared to last year primarily because the district adopted a tax rate less than compensating.
- Occupational license tax revenues are surprisingly higher compared to a year ago. This is a welcome addition because we thought they would be lower due to the negative impact COVID19 has had on our local economy.

- Expenses are trending lower compared to last year, specifically salaries and fringes due to decreased need for substitute teachers as kids were not physically in school most of the year. Additionally, many of the expenses that are normally part of the general fund are occurring in grants. These expenses would normally be in the general fund and will be coming back into the general funds when the grant funds expire. Thus it is important for the district's financial sustainability that a strategic plan is utilized for these funds to avoid creating a structural imbalance for the district when these grants end.
- Transportation costs are also lower because busses have not been on the road transporting students to and from school.
- Transfers to plant funds are lower this year compared to last year because the prior year includes the transfer of funds to purchase the former Lexmark Building, now the John D. Price Administration Building.

Ann wrapped up the presentation by providing totals for each individual fund for the FY22 Tentative Budget as it currently stands. Total FY22 Tentative Budget for all funds is approximately \$734 million.

John opened up the meeting for comments and questions from attendees. The question was brought up if there was still time for the committee to get back together to provide input for schools to receive funding to address specific needs. John responded that might be possible, but only after the Tentative Budget has been presented to the Board to gather feedback from the Board and what their priorities might be.

The meeting adjourned around 4:38pm.