

**Meeting location:** Waverly Elementary School; 1805 West 57<sup>th</sup> St., 44128

**Call to Order:** Chairman Brown called the meeting to order at 6:37 p.m.

### **Roll Call**

Present: Jack Bialosky, SeMia Bray, Tom Cook, Don Brown, Jamar Doyle, Nancy Schuster

CMSD/CMSD Representative(s): Hollie Dellisanti, David Riley, Dr. Lisa Thomas

**Approval of Minutes:** Commissioner Bialosky moved to approve the minutes from the BAC meeting on May 9, 2022. Commissioner Schuster seconded. Motion carried.

### **Executive Director's Report**

Director Chalker provided a few updates prior to her full report.

- The revised definition of an unused school building went into effect on 7/1/22.
  - There has been no new guidance issued. ODE may provide administrative guidelines at some point.
  - Booker and former Garrett Morgan are the only empty buildings not offered to charters because they are going to be used as swing spaces for Segment 8.
- Director Chalker had an introductory meeting with Holly Trifiro, Chief of Education, on May 12.
- A complete inventory of school properties includes active schools, closed schools, properties sold, leased, or swapped, vacant properties maintained, etc. has been created and will be added to the BAC website per the Commissioners' request.
- Derek Richey, CMSD CFO, is leaving 7/25
  - Interim CFO will be Nathan Mortimor, who recently retired from University of Akron with finance and operations experience.
  - Dr. Thomas added that a national search is underway for a new CFO.

Director Chalker provided the Commissioners with updates from the Board of Education. She explained that updates about Segment 8 would be included under the annual report item on the agenda. In May, the District's five-year forecast was presented and approved by the Board. The District has estimated an annual reduction of \$4 million due to HB126, which limits the ability to challenge and defend property tax valuation proposals.

Commissioner Schuster asked if there has been any new movement on this issue. Dr. Thomas shared that there are lots of challenges, but there is a conservative legislature. Mr. Riley added that there will be court challenges. Commissioner Doyle suggested that the best route is opposition through the courts. Commissioner Cook asked if any work is done to assess highest return for specific buildings. Dr. Thomas answered that the Board is still challenging valuations

and has a firm that does such assessments. Commissioner Schuster shared that she would like to read the statute again for more clarity.

On 6/28/2022, the Board voted to rename three schools, the first to have their names changed under a review that the Board commissioned over a year ago.

- The board approved renaming Patrick Henry School for the late U.S. Rep. Stephanie Tubbs Jones. Tubbs Jones, who also was a Cuyahoga County judge and the county prosecutor, served in Congress from 1998 until her death in 2008.
- Thomas Jefferson International Newcomers Academy will now be known as Natividad Pagan International Newcomers Academy. Pagan, who died in 2016, was a community leader and District administrator and principal who led the Newcomers Academy, a school for immigrants and refugees.
- Louis Agassiz School will be renamed for Mary Church Terrell, an internationally known lecturer, educator and activist for racial equality and women's rights from the late 19th century through the mid-20th century. She earned bachelor's and master's degrees from Oberlin College.

Commissioner Brown asked if there are more schools to be renamed and Dr. Thomas answered yes, there are more to come.

On 6/28/22 the Board approved a resolution authorizing the purchase of properties contiguous to Segment 8 projects to enhance site plans and traffic flow. The total amount cannot exceed \$500,000. The individual purchase agreements are expected to be expedited this summer. Mr. Riley added that preliminary deals for two properties around Clark have been reached. One property will serve as the construction management office until the project is complete. Property purchases get complicated as many are under water. Commissioner Bialosky asked Mr. Riley if they ever overpay, and he replied yes if the District needs it bad enough.

Ms. Chalker provided details for several upcoming events for the Commissioners' participation.

- CMSD Board Work Session – 08/23/22 at 6:30 p.m. location TBD
- OFCC Commission Meeting – 08/18/22 at 10:30 a.m. location TBD

## **Annual Report**

### **Segment 8 update**

Eric Gordon received redesign renderings of Clark and Lincoln West in early June to review. Once approved, additional community meetings will take place. Meetings with the Design/Builder are happening regularly. The District is trying to get real world market conditions to determine what is needed to order right away so Gallagher can remain on time. Surveys have been done and environmental reports are coming back for each project. Specific meetings at Seltzer to discuss Memorial Gardens with the City, Tamir Rice's mother, and architects have transpired.

Local funds available as of May 31, 2022 (p. 4 of annual report) total \$68.1M.

Annual work resolution for 2021-22 ended on June 30, 2022. Director Chalker will complete a crosswalk and issue a report once final information is received. The 2022-23 annual work resolution was approved by the Board for \$12M.

FY22 BAC financials year ending June 30 are on p. 6 of annual report. Variance from budget was \$2,777, primarily from under spending on training and education. Director Chalker explained that the subsidy for BAC operations for FY23 was received in FY22.

Commissioner Schuster asked about design trends, particularly for school buildings. Commissioner Bialosky responded that there are trends, but they can't be done by CMSD because there is not enough money. Commissioner Schuster added that one of our jobs is to see we are getting the best we can for our money. Commissioner Bialosky responded that it is a starving system of resources. Mr. Riley added that the District must fight the state's design manual minimums.

Commissioner Bray asked if the schools are being set up to be able to use solar energy someday, if available. Mr. Riley answered yes, extra conduit is included, and the buildings are structurally fine, but may need additional steel for weight. Commissioner Bialosky added that CMSD is in it for the long haul, so it would be worthwhile to consider.

Commissioner Bialosky asked what standards the District looks for (i.e. LEED, Fitwel, Energy Star, etc.). Mr. Riley shared that the school has five geothermal buildings to date, and all are at least LEED silver since Segment 4 and Mound is LEED gold. He explained that the State brings a certification person to meet with the District and go through where best options are to get points for certification.

Commissioner Bray suggested that the Commissioners learn about and discuss the various standards. Commissioner Bialosky offered to assist with such an education session for the BAC. Director Chalker will follow-up with Commissioner Bialosky to organize.

**New Business**

BAC FY2023 Budget (fiscal year July 1 - June 30)							
	FY2022			FY2023 Budget	FY2024 Projection	FY2025 Projection	FY2026 Projection
	Actual	Budget	Variance				
<b>Revenue</b>							
CMSD Subsidy <sup>1</sup>	103,196	103,196	-	103,196	103,196	103,196	-
Grant/projects	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>103,196</b>	<b>103,196</b>	<b>-</b>	<b>103,196</b>	<b>103,196</b>	<b>103,196</b>	<b>-</b>
<b>Expenses</b>							
Payroll	86,971	86,527	444	89,415	91,836	94,329	96,897
Payroll service	2,061	1,863	198	2,114	2,136	2,136	2,136
Rent	3,000	3,090	(90)	3,000	3,000	3,000	3,000
Liability insurance (D&O)	1,941	2,235	(294)	2,100	2,200	2,300	2,400
Equipment	-	600	(600)	800	800	800	800
Supplies, printing, etc.	351	550	(199)	500	500	500	500
Communications	1,647	1,540	107	605	614	622	630
BWC premium	151	145	6	155	160	165	170
Consult/projects	-	-	-	-	-	-	-
Travel/mileage	-	200	(200)	200	225	250	250
Seminars/events	800	250	550	1,000	1,000	1,000	1,000
Training and education	50	2,750	(2,700)	2,000	2,000	2,000	2,000
<b>Total Expenditures</b>	<b>96,974</b>	<b>99,750</b>	<b>(2,777)</b>	<b>101,889</b>	<b>104,471</b>	<b>107,102</b>	<b>109,783</b>
<b>Net Income/(Loss)</b>	<b>6,223</b>	<b>3,446</b>	<b>2,777</b>	<b>1,307</b>	<b>(1,275)</b>	<b>(3,906)</b>	<b>(109,783)</b>
Cash Balance BOY	108,725			114,947	116,254	114,979	111,073
Cash Balance EOY	114,947			116,254	114,979	111,073	1,290

\*Cash basis accounting

<sup>1</sup>Annual installment of \$103,196 for BAC operations; per two-year funding resolution (for FY22 & FY23) approved by BOE on 2/23/21; payment is received no later than May of the fiscal year preceding the fiscal year the funds are to cover (FY22 received March '21, FY23 received February '22)

**Budget Narrative/Assumptions:**

**CMSD subsidy** - assumes annual installment of \$103,196 for BAC operations approved by BOE through completion of Segment 8 (anticipated to be the end of FY2026); payment is received no later than May of the fiscal year preceding the fiscal year the funds are to cover

**Grant/projects** - grant funding secured by the BAC for special projects

**Miscellaneous** - includes rebates from BWC, tax refunds, etc.

**Payroll** - salary and taxes; assumes 3% increase per year

**Payroll service** - payroll service vendor fees

**Rent** - assumes no increase per year

**Liability insurance (D&O)** - assume year over year increase based on history of actuals

**Equipment** - office equipment such as printer, computer, etc.

**Supplies** - office supplies, meeting materials, Microsoft 365 subscription

**Communications** - teleconferencing, internet, website, phone, etc.

**Consult/projects** - contingent expense for special projects

**BWC premium** - based on history of actuals

**Travel/mileage** - minimal travel due to pandemic; assume increase to historic actuals in FY23

**Seminars/events** - participation in applicable activities based on history of actuals

**Training and education** - expense for commissioners' and executive director's continued training; on-boarding for new commissioners

Commissioner Bialosky made a motion to approve the FY2023 budget. Commissioner Doyle seconded. The motion carried.

FY2023 Slate of Officers

Don Brown, Chair  
Nancy Schuster, Vice Chair  
Tom Cook, Treasurer  
Caroline Peak, Secretary

Commissioner Bialosky made a motion to approve the slate of BAC officers. Commissioner Bray seconded. The motion carried.

**Public Comment**

Dr. Thomas stated that she thought there would be more excitement from the Commissioners about the building purchases based on previous meetings. They were such necessary actions. Commissioner Brown responded that he was more interested in the improvements planned for Lincoln West High School.

Commissioner Bialosky asked Dr. Thomas what the BAC can do, what should it look at? She responded that we should consider what happens to Segments 9 and 10, explore the politics of the schools included in those segments. She posed the question, what happens to the BAC after FY2026?

Mr. Riley added that the other big challenge coming up is the estimated actual cost of these buildings. The state's strategy is to do less and we are not doing that. Supply chain conversations are happening, and they are trying to order now. There is not good information coming in on true school costs. The District hopes to have order of magnitude by September 1, 2022. Commissioner Bialosky added that nobody is holding a price. Mr. Riley stated that he is seeing things in the marketplace he has never seen before.

Dr. Thomas suggested that Director Chalker send a copy of the Annual Report to Board of Education Chair, Anne Bingham and Vice Chair, Robert Heard.

**Next Meeting:** Monday, September 12, 2022 at 6:30 p.m. at Marion C. Seltzer, 1468 W. 98<sup>th</sup> St., 44102

**Adjourn**

Commissioner Bialosky moved to adjourn. Commissioner Bray seconded. The motion carried and the meeting was adjourned at 7:37 p.m.

*Minutes approved 09.12.2022.*