

GERMANTOWN SCHOOL DISTRICT

Notice of Finance Committee Meeting

June 25, 2018

6:00 P.M.

Germantown School District Administration Building

N104 W13840 Donges Bay Rd.

Germantown, WI 53022

AGENDA

I. Meeting Called to Order

II. Roll Call

III. Agenda Revisions and Approval

IV. Approve Minutes

A. May 21, 2018 Meeting Date

V. Consent - Review & Discuss

A. June Vouchers

VI. Unfinished Business – Discussion with Appropriate Action

A. 2018/2019 Budget

VII. New Business – Discussion with Appropriate Action

A. Monthly Purchase Requests Exceeding \$15,000 & Purchasing/Project Bid Results

VIII. Reports

A. Voucher(s): Follow Up

B. Monthly Financial Reports

1. General Report(s)

C. General Financial, Updates & Other Reports

1. Swim Club & Performing Arts Partnerships

2. Tax Incremental District (TID) Number 8

IX. Adjourn

Note: School Board members who are not members of the Finance Committee may be present at this Finance Committee meeting.

GERMANTOWN SCHOOL DISTRICT

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: IV.A. – Approve Minutes: **May 21, 2018 Meeting Date**

ATTACHEMENTS: See next page(s).

RECOMMENDATION: Approved as presented.

GERMANTOWN SCHOOL DISTRICT
Minutes of May 21, 2018 Finance Committee Meeting

Held at 6:15 p.m.
Germantown School District Administration Building
N104 W13840 Donges Bay Road
Germantown, WI 53022

1. The meeting of the Finance Committee was called to order by Chair Loth at 6:35 p.m. Finance Committee Members Present: Loth, Borden, Barney, Other Board members present or arrived later: Medved, Larson, Soderberg, Spies, Also present was Ericksen, Holmes, Erickson, Mohn
2. Motion by Barney, second by Borden to approve the agenda as presented. Motion Carried.
3. Motion by Borden, second by Barney to approve the April 30, 2018 Finance Committee minutes as presented. Borden is requesting that the spelling of his name be corrected. Motion Carried.
4. Committee discussion regarding Business Membership to Costco. Holmes and Ericksen will investigate answers for questions the Committee had on the vouchers and respond back via email.
5. Motion by Barney, second by Borden to consent to Payment of Claims of the May 2018 vouchers. Motion Carried.
6. Ericksen led discussions on the operational cost analysis for the new construction and renovated areas. Erickson then described the report that he provided for the Finance Committee packet. Soderberg mentioned that this item was for discussion purposes only.
7. Motion by Barney to bring forward to the Board of Education with a positive recommendation the purchase of six scrubbers for all schools from Veritiv for an amount not to exceed \$20,313.30 as presented and charge to the appropriate accounts in the building and grounds general fund budget. Second by Borden. Motion Carried.
8. Ericksen led discussions on the 2018-2019 budget. Ericksen explained how legislative action can shift state aid, the safety grant, accumulated costs at MacArthur for the parking project, Amy Belle's expansion project, and Germantown High School Tech Ed program purchases. Loth ask if this could be brought back to the next meeting for further discussion.
9. Brief discussion on the partnerships with the swim club and performing arts that was discussed at the Building Committee.
10. Motion by Barney, second by Borden to adjourn the meeting. Motion Carried.
11. Meeting Adjourned at 7:11 p.m.

GERMANTOWN SCHOOL DISTRICT

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: V.A. – Consent of Vouchers: **Review & Discuss**

Vouchers List(s)

Review monthly bills and voucher payments.

Only the FC needs to consent and approve monthly vouchers. Based on policy, it does not go to the full Board of Education.

The report has been posted at the district's web site Finance Committee link.

ATTACHEMENT(S): None

RECOMMENDATION: Consent to Payment of Claims as presented & reviewed.

GERMANTOWN SCHOOL DISTRICT

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: VI.A. – 2018/2019 Budget

Please refer to the March, April, & May Finance Committee background for previous information.

There are several challenges unique to the 2018/2019 budget year. For example, on December 18, 2017 the Board approved using fund balance to invest in high school technical education equipment. As of this writing, about \$600,000 has been booked through May 31 with about \$400,000 of purchase orders remaining outstanding including 2 mills which will be delivered any day. This complicates how to report the \$400,000 of transactions for budget planning purposes. Generally accepted accounting principles, (GAAP) will need to be followed and might not always make sense. Consequently, the June 25 Detail Budget draft will likely have significant changes between the current year-end and the upcoming budget-year.

There are a least ½ dozen similar situations with significant work-in-progress & year-end complications from an accounting and budgeting standpoint.

Two others for example: 1) The mis-match of the sale of Donges Bay property with the purchases of the MacArthur & Amy Belle adjacent properties; 2) Costs have already been incurred for the Amy Belle project and booked this year. Construction costs will occur next year. However, the board is using fund balance as the financing mechanism.

The June 25 Draft of the 2018/2019 Detail Budget report is attached (also posted at the FC web link) and reflects assumptions made on my part relative to the above discussion. Please take time to read the very first page, if nothing else..

Great News

Using an increase in the tax base growth of 3.25%, I am estimating the tax increase on a home valued at \$250,000 will range from \$3.91 (less than 1%) to \$76.04 (3.41%).

This will all be pending the final state equalized aid.

Continued

Balancing the Budget

Given the board resolutions on the use of the fund balance, line 141 demonstrates that the Proposed Budget is greater than the targeted budget by \$98,636 or a budget surplus. Although, many items are still not included in this draft as identified on lines 33 to 42.

ATTACHMENT(S): Detail Budget Report, with timetable & state imposed revenue control worksheet. Also posted at FC web link.

RECOMMENDATION: None.

GERMANTOWN SCHOOL DISTRICT

TO: Board of Education **TOPIC:** Purchases Over \$15,000
FROM: Todd Lamb **BOARD MEETING:** June 25, 2018
 Ric Ericksen
DATE: June 20, 2018 **AGENDA ITEM:**

FC Date: June 25, 2018
FC Agenda Item(s): VII. A.

-- The intent is to review due diligence with respect to seeking competitive bids/quotes when possible.
Vetting for the purpose of the purchases may have occurred at other committees. --

\$18,920: Pupil Services - iPads

Recommendation to the Board of Education and Finance Committee:

Bring forward to the Board of Education with a positive recommendation to purchase 44 replacement iPads for an amount not to exceed \$18,920.00, as presented, and charge to the appropriate IDEA Federal Flow-Through accounts of the special education budget.

From Director of Pupil Services, Todd Lamb

Background:

Students and staff utilize iPads for communication and other instructional purposes for which specific apps are required. Previously purchased iPads were scheduled into a routine replacement cycle that is currently past due. Many of the devices in need of replacement are no longer compatible with district wireless technology and / or do not support the current versions of apps. A districtwide analysis of student / staff needs in comparison to available devices resulted in the determination that 44 new iPads are necessary to be purchased.

Please see attached quote(s).

Proposal 2103261451

Proposer: Marc Gabrysiak

Thank you for your proposal dated 06/04/2018. The details we've provided below are based on the terms assigned to account 47174, GERMANTOWN SCHOOL DIST.

To access this proposal online, please search by referencing proposal number 2103261451.

Comments from Proposer:

Part Number	Description	Total Quantity	Unit Price	Total Price
BN592LL/A	Personalized iPad Wi-Fi 128GB - Space Gray (10-pack) with 3-	4	4,730.00	18,920.00 USD
PR8E2LL/A	Personalized iPad Wi-Fi 128GB - Space Gray (10-pack) Engraving: Germantown School District	40		
S6560LL/A	3-Year AppleCare+ for iPad / iPad mini	40		
Subtotal				18,920.00 USD
Estimated Tax				0.00 USD
Total				18,920.00 USD

Please note that your order subtotal does not include Sales tax or rebates. Sales tax and rebates, if applicable, will be added when your order is processed.

How to Order

If you would like to convert this Proposal to an order, log into the Apple Store for Education Institution [<https://ecommerce.apple.com>] and click on Proposals. Then search for this Proposal by entering the Proposal number referenced above.

Note: A Purchaser login is required to order. To request Purchaser access for your Apple Account, log into Apple Store for Education Institution and select the 'Register' link from the store login page. Purchases under a Proposal are subject to the terms and conditions of your agreement with Apple and the Apple Store for Education Institution.

Please contact us at 800-800-2775, if you have further questions or need assistance.

The prices and specifications above correspond to those valid at the time the proposal was created and are subject to change.

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GERMANTOWN SCHOOL DISTRICT

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: VIII. Reports

A. Voucher(s): Follow Up

None

B. Monthly Financial Reports

1. General Report(s)
 - All Financial Reports are posted at the Finance Committee web link.
2. American Deposit Management (ADM) – Monthly Activity Report
 - The monthly earnings statement is attached.

C. General Financial Reports

1. Swim Club & Performing Arts Partnerships

Mr. Holmes and Mr. Soderberg will assist in providing this update.

Please know that Director of Student Activities Ms. Unertl met with Mr. Holmes, Mr. Nowak, and myself and reviewed, among other things, the PAC and Pool usage strategies.

2. Tax Incremental District (TID) Number 8

Officials from the Village, Ehlers, and the Developer/Property Owner will be present this evening. Also, please reference your school board packet.

AGENDA ITEM: IX. Adjourn

Germantown School District Account Summary
CGERSD03 – 2016 Referendum
06/20/2018

Deposit Activity

6/1/2018	CD Interest Earned, Westbury Bank - \$7,863.01
6/1/2018	CD Interest Earned, Westbury Bank - \$6,115.06
6/4/2018	CD Interest Earned, Bank of the Ozarks - \$18,756.61
6/4/2018	Deposit of \$4,566,497.96
6/8/2018	Accrued Interest Earned, Customers Bank CD - \$28,418.42
6/12/2018	Accrued Interest Earned, Customers Bank CD - \$6,836.16
6/12/2018	Accrued Interest Earned, Customers Bank CD - \$151.72

Total Credits - \$4,634,638.94

Withdrawal Activity

6/5/2018	Vendor Payment to CD Smith in the amount \$4,566,497.96
6/15/2018	Withdrawal in the amount of \$136,975.03

Total Debits - \$4,703,472.99

Investment Activity

Bond proceeds are currently spread across **23** financial institutions:

Altra Federal Credit Union	LegacyTexas Bank
American National Bank – Fox Cities	Luther Burbank Savings
Associated Bank, National Association	NexBank, SSB
Bank of the Ozarks	Northpointe Bank
Bridgewater Bank	Republic Bank of Chicago
City National Bank of Florida	Summit Credit Union
Commerce State Bank	Synchrony Bank
CrossFirst Bank	Union Bank & Trust Company
Customers Bank	US Bank, National Association
Dollar Bank	Westbury Bank
Fifth Third Bank	Western Alliance Bank
Landmark Credit Union	

Miscellaneous: As a reminder, ADM only utilizes state approved investments for investing the District's funds. Investments that exceed \$250K per institution are backed with state and GFOA approved collateral which is held and tracked by ADM. All other investments listed on your statement are backed with FDIC insurance.



June 20, 2018

Account Activity:
June 01, 2018 - June 20, 2018

Germantown School District
N104 W13840 Donges Bay Road
Germantown, WI 53022

Contact Us 

- ★ For personal assistance, call:
414-961-6600
- ★ Visit us online:
www.americandeposits.com
- ★ Questions on products & services:
info@americandeposits.com
- ★ Mail correspondence to:
505 Wells Street - Suite 200
Delafield, WI 53018

CGERSD03 - 2016 Referendum

Transaction Type	Settlement Date	Amount	Balance
Beginning Balance	06/01/2018		\$ 52,649,740.55
CD Interest Earned	06/01/2018	\$ 7,863.01	\$ 52,657,603.56
CD Interest Earned	06/01/2018	\$ 6,115.06	\$ 52,663,718.62
CD Interest Earned	06/01/2018	\$ 6,115.06	\$ 52,669,833.68
CD Interest Earned	06/01/2018	\$ 7,863.01	\$ 52,677,696.69
Interest Distribution Client	06/01/2018	-\$ 7,863.01	\$ 52,669,833.68
Interest Distribution Client	06/01/2018	-\$ 6,115.06	\$ 52,663,718.62
Interest Distribution Client	06/04/2018	-\$ 18,756.61	\$ 52,644,962.01
CD Interest Earned	06/04/2018	\$ 18,756.61	\$ 52,663,718.62
Deposit	06/04/2018	\$ 4,566,497.96	\$ 57,230,216.58
CD Interest Earned	06/04/2018	\$ 18,756.61	\$ 57,248,973.19
APS Vendor Payment Payment to CD	06/05/2018	-\$ 4,566,497.96	\$ 52,682,475.23
Accrued Interest Earned	06/08/2018	\$ 28,418.42	\$ 52,710,893.65
Accrued Interest Earned	06/12/2018	\$ 6,836.16	\$ 52,717,729.81
Accrued Interest Earned	06/12/2018	\$ 151.72	\$ 52,717,881.53
Withdrawal	06/15/2018	-\$ 136,975.03	\$ 52,580,906.50
Ending Balance	06/20/2018		\$ 52,580,906.50