

## **FINNEYTOWN LOCAL SCHOOL DISTRICT**

### **Special Meeting**

**Secondary Campus Media Center**

**8916 Fontainebleau Terrace**

**Cincinnati, OH 45231**

**November 10, 2021**

**5:00pm**

The Finneytown Board of Education met in special session on Wednesday, November 10, 2021, in the Administrative Office Conference Room, 8916 Fontainebleau Terrace, Cincinnati, OH 45231. Mr. Engleman, Mr. Gast, Mrs. Rebman and Mr. Reeb were present. The President called the meeting to order at 5:04pm.

**82-21** Mr. Gast moved, seconded by Mr. Reeb, that the Board dispense with the opening ceremony and approval of minutes from October 18, 2021. The President declared the motion passed.

### **Discussion – Facilities Planning**

**Mr. Chadwick Engleman, President** – discussed the following OFCC/district facilities recap:

#### Ohio Facilities Construction Commission Definitions/Mnemonics

- OFCC: the Ohio Facilities Construction Commission oversees capital projects undertaken by state agencies and state-supported institutions of higher education; manages Ohio's school facility program which provide support for the construction and renovation of public K-12 schools; and administers the funding for community-based cultural and sports facilities projects.
- OSDM: Ohio School Design Manual
- CFAP: Established in 1997, the Classroom Facilities Assistance Program (CFAP) is based on the assessed property valuation per student. That property wealth factor determines the state and local share of the facilities project. CFAP takes a comprehensive approach with local districts by addressing the entire facility needs of a district from kindergarten through 12<sup>th</sup> grade. 100% enrollment bases funding.
- ELPP: Expedited Local Partnership Program (ELPP) is designed to give districts not yet participating in the Classroom Facilities Assistance Program the opportunity to move ahead with portions of their project.
- Master Plan: Approved by the board and submitted to OFCC. Road map to what we are doing.
- POR: Program of Requirements is the final product of facility programming activities (i.e. the process of defining the Owner's project needs and the relationships of the various project components).
- Local Share: The portion of the co-funded master plan needed to be covered locally.
- LFI: Locally Funded Initiative represent portions of the project for which the district will have to pay the full 100% of cost. Examples: stadium turf

### Local and State Guidelines/Requirements/Restrictions

- OFCC Guidelines
  - Allowable maximum square footage is based upon student enrollment
  - Cost determination based upon elementary and secondary building cost/square foot standards
  - Based upon Finneytown ranking, it qualified for a 60% state share/40% local share co-funded project
- OFCC Restrictions
  - constructions cannot have any underground space
  - will not co-fund any school for less than 350 students
  - will not co-fund more than 1 school building for a district of under 1500 students without a penalty for the construction cost differential
  - will not fund temporary classrooms
  - will not fund renovations on projects in which the cost is greater than 66% of new construction
  - will not fund district level (not building level) administrative office space
  - specifies 50 acres for a single building K-12 construction (Finneytown's largest parcel, the secondary campus is 32 acres)
  - newly constructed buildings must be at least 30 feet away from existing buildings
- Springfield Township Restrictions
  - 2.5 story new construction height limitation
- State of Ohio
  - 9% of Valuation Debt Limitation. (for FLSD \$11 M)
  - OFCC project exception allows districts to borrow 1.5 times the state approved facility plan local project share (for FLSD \$27.78 M)

### Local Master Plan Community Input and Election Result

- Community Forums & Feedback
  - When presented with multiple facilities planning options, the community rejected the OFCC recommended single building option, choosing a two-building solution, even though it would have to pay 100% of the cost differential versus a single building solution
- Finneytown Bond Millage and Tax Effort
  - A 7.65 mill 37-year bond issue was placed on the ballot in November 2019
  - The bond issue passed with a 69.5% approval rate
  - Note: At the time Finneytown could only raise approximately \$200,000 per mill based upon its property valuation
  - Finneytown resident millage at 103 – 105 mills is 18<sup>th</sup> highest in the state of Ohio with 52.37 mills (or 60%) going to the school district

### Finneytown Elementary Design & Construction

- The District was able to financially undertake building the elementary school as a segmented project
- This requires the project be paid in full from the locally raised bond issue funds

- Any expenditures qualified for co-funding will be counted toward the district's local share of the phase II, secondary school building project. The effect is to reimburse the district for the state share of the elementary it paid before state funds became available, during the second phase.
- Originally, the elementary was to be built on the Brent site, disrupting only the softball field. During the design project, the district was advised that a superior elementary solution would also require disruption of the baseball field. Committed to a 50-year solution, the decision was made to give the design team the space they necessary for the best solution.

#### Finneytown Secondary Planning Decisions Ahead of Us

- Current Gym - The OFCC project will not include a competition gym with significant spectator seating on par with the current gym. Plans to save that gymnasium (and add air conditioning) as a separate project are under consideration.
- Administrative Offices - District administrative office space is needed as the current building will be demolished during construction of the secondary campus. This expense is not eligible for co-funding and does not currently have an identified funding source.
- PAC - The Performing Arts Center (PAC) is too expensive to replace and will need to be renovated (including ADA accessibility) as part of a separate project.
- Baseball and softball fields can fit and be built on the new secondary campus site, but the cost may require completion as part of a Phase III project.
- Future dispositions under consideration
  - Brent Elementary – keep or dispose decisions are need based upon opportunities for that space and the cost to renovate, maintain and operate
  - Whitaker Elementary – will it be needed for swing space during construction or can it be demolished, sold or used in other ways?
  - Cottonwood Property – what is the best use of this property
- Community Hub – Making the district a community hub was identified in the facility planning as a goal. For this to happen, enhanced partnerships with township, YMCA or local businesses will be explored.

#### OFCC Project Cost Escalation

- Inflation - Significant construction material cost escalation has already occurred since our project was cost estimated based upon 2019 pricing and local funds raised via our bond issues
- The cost increase to the district is already estimated by multiple sources to be well into the multi-million dollar (\$2.6) range.
- Another year of inflationary increases will also have to be figured in the revised cost of construction
- OFCC will pay the inflationary increase on its 60% share. Finneytown will be responsible for the inflationary increase on its 40% share.

- While local money was set aside for typical inflationary increases, these amounts have been grossly exceeded.

#### Enrollment Projection Updates

- OFCC rules require the recalculation of student enrollment projections prior to a CFAP participation offer.
- Finneytown Local School District enrollment is significantly reduced versus its last OFCC headcount update in 2019.
- COVID has been a significant factor in the enrollment decline, not only in Finneytown but, across the state.
- OFCC will reduce the square footage of the entire project if the decline is significantly different from the average COVID attributed reductions experience in the state.
- If the square footage is reduced the district will need to make a decision as to whether or not to accept the smaller building, which may not be adequate post-COVID, or fund the original square footage as a 100% locally funded initiative.

**Mr. Oliverio, Treasurer** – discussed the following information:

#### Possible Revenue Sources in the Event of a Construction Shortfall

- General Fund (001) – It is legal for general fund operating funds to be used for any legal purpose, including construction purposes. The district current five year forecast shows extremely healthy cash balances through its five year forecast horizon that could support transfer of as much as \$3 million dollars, without impact operating levy time over the five year forecast period.
- Private Donations (019) – A very generous alumni, Mr. Jeffrey Immelt, has donated \$750,000 to the school district over the last 4 years. A colleague of Mr. Immelt also made a \$25,000 donation in his honor to the school district. The district has not dipped into these resources and they would be available to help cover the construction shortfall.
- Permanent Improvement Fund (003) – The P.I fund can only be used on assets with a life of at least 5 years. This fund, which is used to upkeep the district facilities, has been sparingly used since the decision was made to move forward to build all new school buildings. This was a conscious decision to time repairs and replacements with the remaining life of the assets needing repair or replacement.
- ESSER federal grants – ESSER dollars can be spent on construction to the extent that it can be used to prevent, prepare for, or respond to COVID. There are two avenues for this: 1) HVAC improvements that improve air quality, and 2) square footage additions that reduce student density in buildings. There are some downsides to using these funds including more costly prevailing wage contract laborer requirements.
- Support Organization – The district has been approached by a coalition of Finneytown support organizations and private individuals anxious to raise

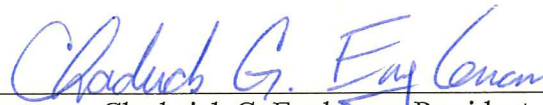
significant funds (millions) from alumni to assist the district in long-term infrastructure needs associated with the OFCC new building construction project. They are ready to start and requested an authorizing formal resolution to begin a fundraising campaign in partnership with the school district.

**Mr. Fred Wittenbaum**, an alumni and 1983 graduate, upon being invited to speak by Mr. Engleman, discussed work that is already taking place among support organizations and private individuals to rollout a massive fundraising campaign, strictly focused on alumni. The group believes it can successfully raise a few million dollars for this project. The focus would be a Performing Arts Center renovation and a new or renovated gymnasium for the secondary campus, as incorporated in the final secondary campus architectural design. This group seeks an authorizing formal resolution from the Board indicating the Board of Education's support and acceptance of this goal as an acceptable fundraising project.


**Mr. Wagner, Director of Operations** – discussed the following information:

A Secondary Campus build schedule, based upon an OFCC CFAP construction funding offer of funds July 1, 2021 scenario, was shared with the Board.

**83-21** There being no further business, Mrs. Rebman moved, seconded by Mr. Reeb, that the meeting be adjourned. The president declared the meeting adjourned at 6:50pm.

  
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Chadwick G. Engleman, President

ATTEST:

  
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David Oliverio, Treasurer

