



From: Ryan Camp

To: Governing Board of Directors

Cc: Kari Lovell, Matt Underwood

Re: April 2018 Business and Operations Report Summary

Date: April 17, 2018

**Cash Position** – Cash and investment balance is \$3,159,600 with \$2,345,050 in operating cash and \$814,550 in CD and Money market accounts. \$730,820 of invested funds are allocated as reserve funds.

**Roof Repair / SPLOST Funding** – Matt and Jim met with APS representatives to review facilities and discuss SPLOST funding that ANCS will be eligible for through 2022.

- APS has ANCS EC slotted for *up to \$766,000* in priority improvements during this SPLOST cycle through 2022,
- Of that \$766,000, it's broken out roughly to about a third dedicated to the roof, a third to interior system replacements (like HVAC), and a third to exterior "capsule" improvements.
- APS doesn't want to dip into the exterior improvements pot so that they can be sure that's reserved to protect the brick exterior of the building, retaining walls, etc., but they said we could dip into the interior systems replacement pot if needed for the roof replacement
- So there's a budget of up to \$482,000 for the roof to get replaced.
- APS will use one of their contractors to handle the replacement, which means we won't have to front any money (unless the replacement costs more than \$482K)
- A gentleman from the APS facilities team who was at the meeting will work with Jim to get different bids from APS's roofing contractors and then we can make the call as to which one we want to go with
- They are going to work to get this on the schedule for this summer but given the demand for roofing around the city it might creep into the early part of the school year. Likely to take up to 8 weeks from start to finish for the replacement, and if we get a tar roof they strongly suggest it be at a time when no or minimal students are in the building because of the smell.

**Budget** – The committee spent this month working on the FY2019 Budget.

1. Allocation – Based on indications from APS we should see an allocation increase of 1% from State funding and 4+% increase in local funding. For budgeting purposes we anticipated a 3% total allocation increase. This will be reduced some due to class size / enrollment reductions. Resulting in an expected allocation increase of \$179,899.
2. Other line items in the Budget have been adjusted based on current year actuals and feedback from the budget holders.
3. **Salaries and Benefits** – The vast majority of changes to this budget comes from Salaries and Benefits. In 2019 we are proposing to fund:
  - a. 2% Cost of Living adjustment for all employees.
  - b. Tenure Bonuses – (for 2019 = \$83,000 for regular scheduled bonuses, and \$78,000 for 10 yr + employees who otherwise would not have received a bonus this year)
  - c. 10% increase for associate teachers and nutrition staff.
  - d. State mandated increase in TRS ER Contribution from 16.81% to 20.9%. (\$232,284 increase)
4. **Reserve funds** – Reserve funds have been fully funded to original plan specifications and therefore will not be funded further in 2019.