

SMITHTON COMMUNITY CONSOLIDATED SCHOOL DISTRICT #130

Smithton, Illinois 62285

Finance Committee Meeting, August 13, 2015

MINUTES

A Finance Committee meeting of the Board of Education of Smithton Community Consolidated School District #130 was held on August 13, 2015, in the Superintendent's Office, 316 South Hickory, Smithton, Illinois 62285.

Dr. Susan Homes, District Superintendent, recorded minutes of the committee meeting held on August 13, 2015 beginning at 5:15 p.m.

1. The meeting was called to order by Dale Barschak at 5:15 p.m.
2. Pledge of Allegiance was recited by all.
3. Roll Call: Dale Barschak. Gabe Schwemmer arrived at 5:25 p.m.. Board member Sara Sutherland was absent.
4. There were no public comments during the Public Forum.
5. Mr. Barschak inquired about the recent audit completion. Director of Business Heidi Etling reported that the auditing firm is expected to attend the September Board Meeting to present the audit report. Mrs. Etling said she was unaware of any concerns raised by the audit and reported that Rogers Mathews, CPA, was onsite the week of July 27 to complete the work.

Mrs. Etling then provided an overview of the FY15 budget and reported that the ending deficit of \$313,925 in the Education Fund was less than originally anticipated. She reported that one factor that led to the decreased deficit was the fact that an out-of-district tuition bill from Grant School was not received prior to the close of the fiscal year. Mrs. Etling reported that the Operations and Maintenance Fund ended the year with a surplus of \$62,659; the Debt Service fund ended with a surplus of \$5,777; the Transportation Fund ended with a surplus of \$34,013; the IMRF & Social Security Fund ended with a surplus of \$21,682; the Capital Projects Fund ended with a deficit of \$115,000 (this was not a true "deficit" since the fund does not receive revenue and the \$115,000 merely represented a transfer of existing funds from the account into the Operations and Maintenance Fund); the Working Cash fund ended with a surplus of \$45,977; the Tort Fund ended with a surplus of \$38,627; and the Health/Life & Safety Fund ended with a deficit of \$51,739 (again, not a true deficit since revenue from a \$50,000 maintenance grant was recorded in the previous budget but expenses did not occur until the FY15 budget).

Mrs. Etling then reviewed the FY14 and FY15 budgets, noting the overall 3% revenue loss. She also highlighted the district's decreased expenses (3.5%) which helped offset the revenue loss. In particular, she pointed out the savings from the health insurance shift, the reduction in supplies and materials costs, the reduction in capital outlay, and the

savings in workman's compensation and unemployment insurance. She also noted that the special education tuition costs had decreased substantially from the previous year.

Mrs. Etling then presented the tentative FY16 budget and noted that through moving some costs, such as copiers, to the Operations and Maintenance Fund, along with increased revenue due to increased enrollment, she anticipated the Education Fund deficit would come in at \$215,654 for the year. This reflects a significant improvement over the FY15 budget.

Mrs. Etling gave an overview of current CD (Certificates of Deposit) investments and reported two 52-month CDs had recently been redeemed to provide cash to cover expenses, particularly in the Education Fund. She then gave a recommendation that the district re-invest \$1,050,000 for 52 weeks in three CD's through Citizen's Bank. The Citizen's rate was the best in the area at .8%

Mrs. Etling asked the committee if they would recommend including the detailed Financial Report from the district's accounting system in the monthly Board packet. The committee indicated it would like to have that report in the packet.

Dr. Schwemmer asked Dr. Homes if she would send out an electronic request to find a mutually agreeable date and time for the next meeting, and Dr. Homes agreed to do so.

6. The meeting adjourned at 5:44 p.m.



President



Secretary