

MINUTES OF BUDGET HEARING

****Budget Hearing meeting taking place at the District Office on June 15, 2015**

MEMBERS

Position	Present	Absent
Presiding Officer	Jack Caldwell	
	Matt Seman	
		Teresa Benner
	Pam Kovacevich	
	Corey Conklin	
Superintendent	David Root	
Building Principals	Doug Furlow, Becky Miller, Janis Lindsey and Adam Eucker	Clay Shoufler
Board of Education Secretary	Charlie Waugh	

Call to Order / Roll Call / Approval of Agenda

The meeting was called to order by President, Jack Caldwell. Roll call was taken by the recording secretary. President Caldwell declared the Budget Hearing open.

A motion was made by Matt Seman and seconded by Pam Kovacevich that the agenda for the Budget Hearing be approved as read.

Discussion: None
Motion carried.

Recognition of Employees and Public

Mike Barker and Tom Ray – members of the public

Amended Budget Hearing

Mr. Root noted that while we have a deficit budget, we remain committed to our students, staff and programs. He noted that what we are dealing with is a slow bleed from the State and that it is a revenue problem, not an expenditure problem.

Deficit Budget Summary Information (Operating Funds Only), Fiscal Year 2014-15:

- Education \$2,100,718
- Transportation \$296,548
- Working Cash \$504,466
- Operation and Maint \$1,782,188



Ending fund balance in our Operating Funds - \$4,683,920 (This includes early tax money.)

Mr. Root reported that our Results of Operation, (the difference between our Direct Revenues and Direct Expenditures) for the 2014-15 Fiscal Year were a negative <\$111,430>. The negative result was due to decreased revenues from the State – not because of what we are spending. We have an unbalanced budget; however, a deficit reduction plan is not required at this time.

Mr. Root noted that our original budget deficit projection was around \$500,000. It was then reduced to \$300,000 and ended just over \$111,000. Mr. Root stated that we are doing well overall despite being unable to control the revenue and the continued poor financial climate of the State. He stated that our current situation could keep us in 'Recognition' status, and noted that the State continues to give the district a financial rating despite not meeting its obligation to fund us.

He stated that the operating funds are the ones reviewed by the State. Site & Construction and Health, Life and Safety funds are restricted funds. The budget has been available for public review for the last 30 days.

Mr. Root stated that the proposed property tax freeze, one of two revenue streams for schools, was voted down. This is a positive as its approval would have crippled schools. He noted that the State cannot do something like that and not introduce another way to fund schools. They cannot freeze property taxes and cut general state aid and do nothing to supplement the loss.

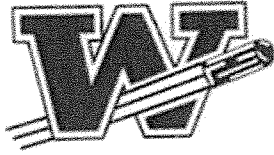
Mr. Root noted that we are currently operating on 85% proration on 2009-10 foundation level of what it costs to educate a student. The current recommended foundation level is \$8300 per student. We are funded at \$5700 per student.

Mr. Root was asked how the district gets its payments and what happens in the event the State does not pass a budget. He stated that the ISBE (Illinois State Board of Education) website has a payment structure and displays state aid payments. As the fiscal year comes to a close, the payments are removed so they cannot be seen. 'Categoricals' are set payments for Special Education and Transportation and we are to get 4 per year. Often times they make 2 or 3 in one fiscal year and then another in the next fiscal year, but count it in the previous fiscal year. It's a process that is akin to a snake eating its tail.

If the State does not pass a budget, we would still have about half of our money. Our high water mark is in September and we spend down from there.

President Caldwell asked if anyone had any more questions concerning the budget. Hearing none, he asked for a motion to close the Budget Hearing.

A motion was made by Matt Seman and seconded by Charlie Waugh to close the Budget Hearing.



Adjournment


President Caldwell declared the Budget Hearing closed at 7:03pm

Discussion: None
Motion carried.

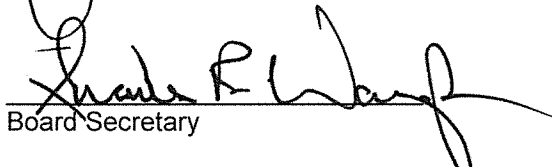
Meeting adjourned at 7:03pm

Board Approval

Dated this 15th day of June, 2015



Board President



Board Secretary

**Submitted by Jenny Brennan, Recording Secretary