

Board of Education  
Regular Meeting Minutes  
Tuesday, September 20, 2011 Time: 7:00 P.M.

1.0 Call to Order

Board meeting called to order at 7:00 p.m. by Vice President, Michele Snyder.

2.0 Roll Call

2.1 Board Members: Ms. Pack, Mrs. Snyder, Ms. Siegfried, Mr. Barlow, Mr. Cox, and Mr. Knipe. Mr. Sinele-Absent

2.2 Non-Board: Mr. Young, Mr. Ayer, Mrs. Nolte, Mrs. Elschlager, Mrs. Meyer, Mr. Nichol, Mr. Foote, and Mrs. Foote.

Pledge of Allegiance

3.0 Approval of Minutes

3.0 The motion was made by Mr. Barlow, seconded by Ms. Pack to approve regular meeting minutes for August 2011 as amended. Vote: 6-0. Sinele-Absent.

- On page two there are two sets of votes for item 7.0. The first one needed removed.

4.0 Financials

4.01 The motion was made by Ms. Pack, seconded by Mr. Siegfried to pay the bills for August 2011 as presented. Vote: 6-0. Sinele-Absent.

4.02 The motion was made by Mr. Siegfried, seconded by Ms. Pack to approve the financial and treasurer report for August 2011 as presented. Vote: 6-0. Sinele-Absent.

5.0 Public Comment

Mr. Nichol is here to speak about the budget.

The motion was made by Mr. Siegfried, seconded by Ms. Pack to adjourn the regular meeting as presented. Vote: 6-0. Sinele-Absent.

The motion was made by Ms. Pack, seconded by Mr. Cox to open the budget hearing as presented. Vote: 6-0. Sinele-Absent.

Mr. Nicol was wondering why support services \$250,000 more than last year. Mr. Young explained that the state requires certain increases and this could be one of them. He can look further into it.

The motion was made by Mr. Barlow, seconded by Mr. Cox to adjourn the budget hearing as presented. Vote: 6-0. Sinele-Absent.

The motion was made by Ms. Pack, seconded by Mr. Siegfried to open regular meeting back up as presented. Vote: 6-0. Sinele-Absent.

6.0 Superintendent's Report

6.01 Presentation on PBIS by Mrs. Elschlager

6.02 Review of the Deactivation Committee Meeting

- 6.03 Review of the Bus Routes - We are running three routes plus a high school route. We are running one extra-curricular route.
- 6.04 Enrollment- The junior high school has 112 students enrolled as of September.
- 6.05 Elementary Principal's Report

## 7.0 Action/Discussion Items

### 7.01 Discussion of the FY2012 Budget

**The education fund is in the negative without a loan from another fund. I had to loan \$20,000 to the ed fund from the working cash fund to make the ed fund balance. The board can permanently transfer funds from the transportation and/or operation and maintenance funds to the ed fund but that requires a notice in the newspaper and a hearing. We are probably not at that point yet but we are getting close. The school board will have to consider some reductions in staff for next year. Last year revenue was \$2,409,183 and expenditures were \$2,807,529 for a difference of -\$398,349. This year revenue is \$2,435,398 and expenditures is \$2,631,779 for a -\$196,381. This is only a projection. The state owes the district about \$200,000 by not paying bills at any given time. We have some reductions in transportation due to reductions in the state budget.**

**The budget cycle is an ongoing complex process. The fiscal year begins on July 1 and ends on June 30. For example, here is how the FY12 (July 1, 2011-June 30, 2012) budget is developed.**

- 1. Beginning in October/November 2010, I worked on the tax levy for FY 12. The amount of the tax levy is a component of the formula that determines the funds the district received for property taxes for the 2011-2012 school year.**
- 2. I contact the Hancock County Clerk to determine the "estimated" EAV (Equalized Assessed Value) of property within the district.**
- 3. In December 2010, the school board held a "Truth in Taxation Hearing". Any time the district requests more than 5% of the previous year's levy, a public hearing must be held. There is no way of knowing the amount of property tax increase. If the district does not levy enough, the district only receives the amount levied. If the district proposes a large levy, the district only receives the actual amount of the property tax increase that is determined by the County Assessor.**
- 4. Before the last Tuesday in December, 2010 the "Certificate of Levy" must be delivered to the Hancock County Clerk's Office at the Hancock County Courthouse and to the Regional Office of Education #26 in Macomb. This is a requirement of State Statute.**
- 5. May/June 2011, the County Clerk provides the district the amount of taxes to be collected.**
- 6. Anywhere from June to September the district receives funds from the Tax Levy for the 2010 tax year.**
- 7. By September 30, 2011 the school board approves the Final FY 12 budget.**
- 8. If the district overspends in any fund, the board must approve and file an amended budget by June 30, 2012.**
- 9. In July/August the budget process starts over for the next fiscal year, ex. FY13.**

**The school district's accounting records, budgets and financial reports are organized and reported on a fund basis.**

**A fund is established for specific activities and objectives and is operated in accordance with laws, regulations, restrictions or other designated purposes.**

**Each fund is a separate and independent accounting entity with its own assets, liabilities, and fund balance.**

**The number of funds created depends on the school district's operations, rather than size. Nine reporting funds are listed on the School District Budget Form (ISBE 50-36).**

**The following account codes/definitions are provided in the accounting rules [23 IAC 100] and are used to designate nine funds for reporting purposes:**

- 10 Educational**
  - 20 Operations & Maintenance**
  - 30 Debt Service**
  - 40 Transportation**
  - 50 Municipal Retirement/Social Security**
  - 60 Capital Projects**
  - 70 Working Cash**
  - 80 Tort**
  - 90 Fire Prevention & Safety**
- Nauvoo-Colusa does not use fund 60.

**10 - Educational Fund -** The most varied and the largest volume of transactions will be recorded in the Educational Fund. This is due most because the Educational Fund covers transactions that are not specifically covered in another fund. Certain expenditures that must be charged to this fund include the direct costs of instruction, health and attendance services, lunch programs, all costs of administration (even those for buildings and grounds), and related insurance costs. Certain revenues that must be credited to this fund include educational tax levies, tuition, and textbook rentals.

The salaries of janitors, engineers, and other custodial employees and all costs of fuel, lights, gas, water, telephone service, and custodial supplies and equipment shall be charged to this fund. The school board may approve, by resolution, to charge to the Operations and Maintenance Fund all salaries of janitors, engineers, or other custodial employees and all costs of fuel, lights, gas, water, telephone service, and custodial supplies and equipment or any one or more of these items, per Section 17-7 of the Illinois School Code (105 ILCS 5/17-7).

**20 - Operations & Maintenance Fund -** All costs of maintaining, improving, or repairing school buildings and property, renting buildings and property for school purposes, or for the payment of premiums for insurance on school buildings shall be charged to the Operations and Maintenance Fund and paid from the tax levied for that purpose.

**30 - Debt Service Fund -** Bonds are generally issued to finance the construction of buildings, but may also be issued for other purposes. Taxes are levied to provide cash to retire these bonds and to pay related interest.

**40 - Transportation Fund -** If a school district pays for transporting pupils for any purpose, a Transportation Fund must be created. Costs of transportation, including the purchase of vehicles and insurance on buses, are to be paid from this fund. Moneys received for transportation purposes from any source must be deposited into this fund, except for the portion of state reimbursement applicable to other funds (e.g., utility costs from the Operations and Maintenance Fund) as provided in Section 29-5 of the Illinois School Code (105 ILCS 5/29-5).

**50 - Municipal Retirement/Social Security Fund -** This fund is created if a separate tax is levied for the school district's share of retirement benefits for covered employees or a separate tax is levied for the purpose of providing resources for the district's share of Social Security and/or Medicare only payments for covered employees. If any of these taxes are not levied, payments for such purposes shall be charged to the fund where the salaries are charged.

**70 - Working Cash Fund -** If a separate tax is levied for working cash purposes or if bonds are sold for this purpose, this fund shall be created. Cash available in this fund may be loaned to any fund for which taxes are levied.

**80 - Tort Fund –** This fund is created if taxes are levied or bonds are sold for tort immunity or tort judgment purposes.

**90 - Fire Prevention and Safety Fund -** When a tax is levied or bonds issued for fire prevention, safety, energy conservation, disabled accessibility, school security and specified purposes, such proceeds shall be deposited and accounted for separately within the Fire Prevention and Safety

**Fund.** The .05% levy is to be made only when there are not sufficient funds available in the Operations and Maintenance Fund; School Facility Occupation Tax Fund; or Fire Prevention and Safety Fund as determined by the district on the basis of regulations adopted the ISBE to make such alterations, repairs, or reconstruction, or to purchase and install such permanent fixed equipment ordered or determined necessary.

**Revenues** are the monies estimated to be received by the school district that do not create an offsetting liability (debt/obligation to repay) or cancel an asset. The district annually considers each fund's four major categories:

**Accounts:**

**1000 Local Revenue-** Revenue earned within the boundaries of the district.

**2000 Flow through Revenue -**Revenue received for specific grant purposes for transfer to another district/joint agreement.

**3000 State Revenue -**Revenue from funds collected by the state and distributed to the district.

**4000 Federal Revenue -**Revenue from funds collected by the Federal Government and distributed to the district (either directly or through the state).

**Other Financing Sources** are estimated non-revenue receipts which may or may not increase the total combined fund balance. All other financing sources are recorded, by fund, in the 7000 series of accounts

**Expenditures** are charges estimated during the fiscal year that involve the disbursement of cash or the establishment of an obligation without creating an asset or canceling a liability. The school district considers fund, function, and object classifications when determining expenditures.

**Functions:**

**1000 Instruction -** The teaching of pupils or the interaction between teacher and pupils.

**2000 Support Services –** Services which provide administrative, technical, and logistical support to facilitate and enhance instructions.

**3000 Community Services -** Services provided by the district for the community as a whole or some segment of the community.

**4000 Payments to Other Districts.**

**5000 Debt Services -** Payments for specific debt service activities.

**6000 Provision for Contingencies -** Not an account for recording entries, but the number would be used in the budget as a means of identifying contingency provisions. **14 Objects:**

**100 Salaries -** Gross salary for personal services rendered while on the payroll of the district.

**200 Employee Benefits -** Fringe benefits paid by the district on behalf of the employee.

**300 Purchased Services -** Amounts paid for personal services rendered by personnel who are not district employees, and other services which the district may purchase.

**400 Supplies and Materials -** Amount paid for material items of an expendable nature.

**500 Capital Outlay -** Amount paid for the acquisition of fixed assets or additions to fixed assets.

**600 Other Objects -** Amounts for goods and services not otherwise classified above.

The motion was made by Ms. Pack, seconded by Mr. Siegfried to approve the budget as presented. Vote: 6-0. Sinele – Absent.

7.02 The motion was made by Ms. Pack, seconded by Mr. Siegfried to accept the agreement with the Nauvoo Pageant as presented. Vote: 6-0. Sinele-Absent.

7.03 The motion was made by Ms. Pack, seconded by Mr. Siegfried to hire Tacy Nelson as a one-on-one aid as presented. Vote: 5-1. Sinele-Absent. Knipe-No.

7.04 The motion was made by Mrs. Snyder, seconded by Mr. Cox to hire Regina Lox as an assistant girls basketball coach for the junior high as presented. Vote: 6-0. Sinele-Absent.

7.05 The motion was made by Mr. Barlow, seconded by Mr. Siegfried to change the Board Meetings to the Third Mondays of Every Month unless it Lands on a Holiday than it is the Second Monday as presented. Vote: 6-0. Sinele-Absent.

7.06 The motion was made by Mr. Cox, seconded by Ms. Pack to approve the Recognition of Schools as presented. Vote: 6-0. Sinele-Absent.

#### 8.0 Communications and Correspondence

8.01 Regular School Board Meeting Oct. 17, 2011 at 7 p.m.

9.0 The motion was made by Ms. Pack, seconded by Mr. Siegfried to adjourn the meeting at 7:55 p.m. Vote: 6-0. Sinele-Absent.