

Panel Meeting Minutes  
February 23, 2011

MINUTES OF MEETING  
FINANCIAL OVERSIGHT PANEL  
VENICE COMMUNITY SCHOOL DISTRICT NO. 3  
FEBRUARY 23, 2011  
5:00 P.M.

**CALL TO ORDER**

Chairman Rudy Wilson called the meeting to order at 5:00 p.m.

**ROLL CALL**

Present: Rudy Wilson, Chairman  
Dennis Brueggemann, Member  
Mary Kane, Member

Also present:

Jeff Endres, Financial Administrator  
Deb Vespa, ISBE Division Administrator  
Carl Holman, ISBE Fiscal Consultant  
Dr. Cullen Cullen, district superintendent  
Carol Reinhardt, district bookkeeper  
Toni Chandler, district secretary  
Brian Wuertz, district auditor

**PUBLIC COMMENTS**

Mr. Brian Wuertz, district auditor representing the accounting firm of Kerber, Eck & Braeckel, presented to the FOP the Annual Financial Report for FY2010. He explained what the responsibilities of the auditing firm are to the district and what the district's responsibilities are to the firm during the annual audit. He indicated that the district fixed assets are excluded from the audit and that the opinion is a qualified opinion in the audit. Deb Vespa, ISBE, asked Mr. Wuertz whether or not the amended AFR had been filed with the state board. He indicated that it had been filed with ISBE. Mary Kane, FOP member, asked Mr. Wuertz why the audit was so late in being completed this year. The amended audit was filed on December 15, 2010 which is approximately two months later than the law requires. He indicated that the district once again encountered software problems and this delayed him in being able to complete the audit in a timely manner. He also indicated that an extension had been filed with the state board allowing additional time for the audit to be completed. Rudy Wilson, FOP chairman, expressed his concern as well about the lateness of the audit being finished. He also indicated that he was satisfied with the completed audit and expressed his thanks to Mr. Wuertz for coming to the meeting today and explaining the audit and procedures required for him to complete the audit. Dr. Cullen, district superintendent, indicated that the district should be able to close the books

for the fiscal year in late July now, which would allow the auditing firm to begin the annual audit a few weeks earlier than in previous years. This should help eliminate any lateness in completing the audit. He also thanked Mr. Wuertz for his understanding and patience in dealing with the software problems the district encountered last year.

The presentation by Dr. Nick Osborne on the feasibility study was postponed until the next FOP meeting on March 23, 2011. Dr. Osborne was unable to attend today's meeting.

## **REPORTS**

Dr. Cullen, district superintendent, reported that the district had received an Academic Improvement Award for 2010 from the state board. He was very pleased with the award and said this shows that the district is working hard to improve in the academic area. He updated the FOP on the construction project involving the kindergarten vestibule. AT&T is to move the phone lines next week and then the work will proceed. Dr. Cullen told the FOP that he had been working with Carl Holman on updating the district's three year financial projections now that the governor had presented his state budget. Dr. Cullen said that he wanted to make sure and make the necessary adjustments in the projections before presenting the report to the board and FOP. He also indicated that he had attended and spoke at a men's ministry breakfast meeting in the community and that he thought it went very well. He also told the FOP that the district's discipline committee had met and begun to work on the district's discipline policy.

Dr. Cullen gave the principal's report for Shirley Davis. The district enrollment (K-8) on 2/23/11 was 87 students.

Jeff Endres, Financial Administrator, reported that monthly revenue and expenditure reports had been prepared and distributed to the board and FOP. These reports reflect the year to date totals through January 31, 2011. He indicated that all funds looked to be on target with budget amounts with the exception of the Transportation Fund. Revenues are running far behind budgeted amounts because state reimbursement is running way behind schedule. He stated that when the budget was presented for FY2011, he and Dr. Cullen knew that the transportation fund would be the one to watch and that it could fall well short of the projections at the end of the fiscal year. If that happens, then the district would be forced to put additional state aid in the transportation fund. He indicated that they would be monitoring the situation very closely the rest of the fiscal year. Mary Kane, FOP member, asked several questions about specific line items in the budget and answers were provided by Mr. Endres, Dr. Cullen and Carol Reinhardt, bookkeeper.

Deb Vespa, ISBE Division Administrator, spoke about the state budget that was presented by the governor and indicated that discussions had begun between the governor and ISBE regarding the education budget. She indicated the ramifications to school districts with the reduction in state funding. She also discussed briefly the consolidation issue that the governor

proposed in his budget. The governor has proposed that the state reduce the number of school districts from approximately 830 down to 300. She also discussed the elimination of state funding for the ROE offices as well and what impact that might have on local school districts.

#### **APPROVAL OF MINUTES**

Motion to approve the minutes from December 22, 2010 regular meeting was made by Dennis Brueggemann. Seconded by Mary Kane. Unanimously passed by voice vote.

#### **NEW BUSINESS – FEBRUARY 17, 2011 BOE REGULAR MEETING**

Motion to approve the February 17, 2011 Accounts Payable list in the amount of **\$67,857.44** and January 2011 payroll in the amount of **\$74,306.24** was made by Dennis Brueggemann. Seconded by Mary Kane. Discussion followed: Mary Kane asked about items regarding board travel and classroom development as well as classroom supplies. Carol Reinhardt, bookkeeper, explained to the FOP what each of those expenditures were. It was also discovered that the check to Quill Corp. listed for \$8,325.00 should be for \$83.25, making the total accounts payable list \$8,241.75 less than originally shown (**\$76,099.19**) on the preliminary report and that a corrected check would be issued to them. Unanimously passed by voice vote.

Motion to approve the agreement for membership and participation in the Illinois Energy Consortium (IEC) natural gas program was made by Dennis Brueggemann. Seconded by Mary Kane. Discussion followed: Jeff Endres, Financial Administrator, indicated that this program is sponsored by Illinois ASBO for member school districts and that it provides school districts with an opportunity to purchase natural gas at reduced rates thus saving significant dollars for a school district. He also stated that if the IEC cannot save a district money, then they will not accept a school district to participate in the program. Unanimously passed by voice vote.

#### **PERSONNEL – FEBRUARY 17, 2011 BOE REGULAR MEETING**

There was no personnel action at this meeting.

#### **OTHER BUSINESS**

The next FOP meeting is scheduled for Wednesday, March 23, 2011 at 5:00 p.m.

#### **ADJOURNMENT**

Motion to adjourn meeting was made by Dennis Brueggemann at 6:10 p.m. Seconded by Mary Kane. Unanimously passed by voice vote.