

Panel Minutes
March 21, 2012

MINUTES OF MEETING
FINANCIAL OVERSIGHT PANEL
VENICE COMMUNITY SCHOOL DISTRICT NO. 3
MARCH 21, 2012
5:00 P.M.

CALL TO ORDER

Chairman Rudy Wilson called the meeting to order at 5:03 p.m.

ROLL CALL

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

Also present:

Dr. Cullen Cullen, district superintendent
Carol Reinhardt, district bookkeeper
Carl Holman, ISBE Financial Consultant

REPORTS

Dr. Cullen Cullen, district superintendent, reported on the following:
MISSVIC board meeting – insurance expected to increase 14%
Region I Special Ed Cooperative – New Director Named: Paula Hubbard
Update on TAG Meeting – training s/b completed by April 28th or May 3rd
Full Recognition is expected by State Compliance Visit on March 13th
Job Postings of School Nurse, Regular Teacher, and Principal
ISAT's have been completed
Upcoming Urban League Dinner on March 29th
Next School Board Meeting on April 19, 2012

Mrs. Shirley Davis, district principal, was not present at the meeting. Dr. Cullen reported that the district enrollment was now 153 students, (gain of one child since last month).

Carl Holman, ISBE Fiscal Consultant, will present his report under the action items.

APPROVAL OF MINUTES

Motion to approve the minutes from February 22, 2012 regular meeting was made by Dennis Brueggemann. Seconded by Mary Kane. Unanimously passed by voice vote.

NEW BUSINESS – MARCH 15, 2012 BOE REGULAR MEETING

Motion to approve the March 15, 2012 Accounts Payable list in the amount of **\$83,048.25** and February 2012 payroll in the amount of **\$79,475.31** was made by Rudy Wilson. Seconded by Mary Kane. Unanimously passed by voice vote.

Motion to approve the 2012-13 Intergovernmental Cooperative Agreement with Brooklyn Unit School District 188 for the Venice High School Students at a yearly tuition charge of \$9,000 was made by Rudy Wilson. Seconded by Mary Kane. Discussion followed on history of the tuition: Previously, the Venice District was paying \$6,000 per pupil for both the Brooklyn and East St. Louis School Districts. Both districts have much higher per capita tuition charges. The Venice School District has benefited greatly by the lower tuition rate charged. Tuition was raised to \$9,000 per pupil from \$6,000 currently. Unanimously passed by voice vote.

Motion to Approve the selection of J.W. Boyle & Co.,Ltd., to conduct the FY12 Audit and prepare the Annual Financial Report for a base audit fee of \$8,000 in FY12, \$8,100 in FY13, and \$8,200 in FY14; (If a Federal A-133 Audit is necessary, those rates are \$2,500 for FY12 and FY13 and \$2,700 in FY14) was made by Mary Kane. Seconded by Dennis Brueggemann. Unanimously passed by voice vote.

There was discussion by FOP on the repayment plan on the Emergency Assistance Financial Loan payment to the Illinois State Board of Education in the amount of \$27,932.93 due on August 1, 2012. District is planning to pay the loan off early. District would need to approve a loan from the Working Cash Fund to the Debt Service fund in order to have the required funds to pay the loan early. When taxes are collected and received, the Working Cash Fund loan would then be repaid. No action by the FOP at this time.

Carl Holman, RFC, discussed with the FOP the tentative three year projections which he and Dr. Cullen had worked on. It appears that the district will be experiencing a structural deficit in the future. For the last several years the district has benefited from the low High School Tuition charged by the East St. Louis S/D and the Brooklyn S/D. Now with the tuition increasing and the increase of high school enrollment, the district's tuition expenditures are increasing. Just in FY12 alone, the district has had to increase their budgeted line item for tuition by \$125,000. The District will see increased salary costs, health insurance costs, and other expenditures increasing in the future without any increases in their revenues. These deficits do not include any changes in the TRS Pension costs which the State of IL may pass down to the local districts. The District used to be a Flat Grant formula district for GSA funding, now with the increase in ADA and the decreases in both EAV and CPPRT, they have become an Alternate Method formula district for GSA funding. This will not bring any funding increases in the future as it relates to GSA. Furthermore, there is the strong likelihood that the State of IL will continue to pro-rate the GSA funding for school districts which will limit any increases in GSA. The district can not expect to see any increases in either Local Property Taxes nor CPPRT funding. The District's BOE will have to discuss how the District will address these structural deficits in the future.

Motion to go into executive session in accordance with 5 ILCS 120/2(c)(1) to discuss personnel and employment and 5 ILCS 120/2(c)(2) to discuss collective negotiations was made by Dennis Brueggemann at 6:10 p.m. Seconded by Mary Kane. Unanimously passed by voice vote.

RESUMPTION NEW BUSINESS – MARCH 15, 2012 BOE REGULAR MEETING

Motion to go back into open session was made by Dennis Brueggemann at 7:10 p.m. Seconded by Mary Kane. Unanimously passed by voice vote.

PERSONNEL – FEBRUARY 16, 2012 BOE REGULAR MEETING

Motion to Approve the Resolution Authorizing Non Re-employment of a Full-Time Special Education Teacher was made by Dennis Brueggemann. Seconded by Mary Kane. Unanimously passed by voice vote.

OTHER BUSINESS

The next FOP meeting will be Wednesday, April 25, 2012 at 5:00 p.m.

ADJOURNMENT

Motion to adjourn meeting was made by Dennis Brueggemann at 7:14 p.m. Seconded by Mary Kane. Unanimously passed by voice vote.