

**Meridian CUSD #223
Finance Committee Meeting**

**August 17, 2010
5:30 p.m.**

**Meridian Junior High Board Room
Summary Report**

Present: Ron Steenken, Barb Reeverts, Bruce Larson, Tim Jagielski, Bob Mellon, Jennifer Porter, and Bob Prusator

The Board Finance Committee met on August 17, 2010 at 5:35 p.m. in the Meridian Junior High Board Room.

Jennifer Porter reviewed the tentative Fiscal Year (FY) 2011 budget documents including a description of the budget development process and parameters and assumptions used in developing the budget. Ms. Porter reported that the budget process has been made more difficult by the recent activity at the state level regarding funding. Ms. Porter reviewed the status of projected revenues and expenditures in each fund. She relayed that the recent jobs bill passed at the federal level has the potential to add over \$500,000 in revenue, but the restrictions for using the money have not been fully defined, although it appears likely the District will be able to access the funds and make the case that instructional related positions can be better protected. Without including the jobs bill funds, the budget shows a total deficit in all funds of (\$700,108). The Education Fund, the District's largest, shows a tentative budget deficit of (\$569,947). The District's other major funds, Operations and Maintenance and Transportation show revenue over expenditures of \$537 and \$51,934 respectively. Ms. Porter also shared that approximately \$50,000 will be used to pay additional principal on the bond for the purchase of the property south of the Stillman Valley High School campus. The Tort Immunity Fund shows a deficit of (\$181,104) due to using previously issued insurance reserve fund bonds as revenue to cover expenses in that fund.

Mr. Prusator reviewed that the current budget projections are better than what was expected in the spring. He said that the issuance of a state bond to cover reimbursements from Fiscal Year 2010; the state's decision to maintain the current foundation level (instead of a proposed reduction); and the passage of the jobs bill has provided unexpected revenue and a much better cash flow for FY 2011. Mr. Prusator also added that the actions do not provide a permanent solution to school funding issues and the actions have done nothing more than prolong the funding problem into the future.

Board members asked questions regarding the historical staffing patterns relative to student enrollment. Additional discussion occurred on the topic of the recently passed jobs bills and the potential instructional areas that the funds might be expended. Ms. Porter was asked to identify the reductions enacted in the current tentative budget from the previous year. Ms. Porter relayed that the budget will continue to be modified as revenues become more certain and that the tentative budget will be placed on the next regular board meeting agenda on August 25, 2010.

The meeting adjourned at 6:45 p.m.

Respectfully Submitted,



Bob Prusator