

Board of Education Finance Committee  
Minutes  
December 3, 2014

Present for the meeting were Mr. Preis, Ms. King (via telephone), Mr. Richards, Mr. Toepke, Ms. Quinley, Dr. Stiepleman, and Mr. Cherrington. Also present were Mr. Jim McGinnis and Ms. Amy Watson of Gerding, Korte and Chitwood and Heather McArthur of Business Services and Ms. Laina Fullum of Nutrition Services. Mr Preis called the meeting to order and asked for a motion to approve the minutes of the October 8, 2014 meeting. The minutes were approved as presented.

Ms. Quinley reviewed the historical report of cash balances and discussed the timing of receipt of local property taxes and their impact on cash balances. The committee discussed the importance of appropriate fund balances as of June 30<sup>th</sup> in order to sustain operations until the January tax check is received.

Ms. Quinley and Ms. Fullum shared the results of the 2013-14 financial year with the committee as it relates to the Nutrition Services Fund and discussed the significance of the net loss incurred by the fund. Discussion was held around the impact and cost of federal compliance, the federal reimbursement for free meals and the impact of additional buildings and programs supported by the department.

With a decrease in paid participation and rising costs, the committee agreed the District needs to look for efficiencies in the program, work with federal legislators on regulations and funding and consider all program options including contracting.

Mr. McGinnis presented the 2013-14 Comprehensive Annual Financial Report and the audit. He noted that the auditor's opinion is a clean one with no compliance findings or deficiencies. He expressed appreciation for the staff working on the CAFR and the quality of work they perform. He advised the committee that prior year findings appear to have been addressed and shared no current year findings. He did further advise the committee to continue to monitor student fund accounting and provide education to teacher leaders, supported the previous conversation regarding concern of the Nutrition Services fund and suggested a need to review attendance data processes.

Mr. McGinnis also advised that the committee consider the impact to the financial statements the upcoming requirement of including unfunded retirement obligations might create. The committee asked to have this topic added as a future meeting topic.

Mr. Toepke moved to adjourn. Ms. Quinley seconded and motion carried.

Respectfully submitted:  
Linda D. Quinley, CFO