

**Finance Committee Meeting
June 11, 2015**

Board Members Present: Dan Dietrich, Charlie Hartmann, Bob Runge

Others Present: Dr. Blankenheim, Ruthie Rumpff, Sheila Lefebber

State Trust Fund Loan: Ruthie Rumpff shared with the committee that the state trust fund loan is currently at 1.4% for January to June. It is built into the budget and will be used to pay off debt, which has an open window until August 31. The window closes between September 1st and January 1.

Dr. Blankenheim referenced the list of B&G projects and that the \$60,000 could be used towards those projects versus paying off the debt. Are there any downsides to doing this? The money is already amortized and it will save interest. Member Hartmann expressed his interest in paying off the debt faster, perhaps cut in half. Member Dietrich asked if other expenses area needed. Member Hartmann would like to see the Board set up a Fund 41. Member Runge says we need to look at the big picture and what really needs to get done and then if monies are left, pay off the debt.

The district will need \$250,000/year to support the 5-year B&G plan. Use the \$60,000 towards B&G projects. Member Runge inquired about the pool monies. Dr. Blankenheim explained that those monies will be used for chemicals, heater, etc. She informed them that the preliminary report shows that the crack has been there for a long time and has not changed. Will there be outside access for the chemicals? Need to build a fund for future needs. Member Runge is not in favor of Fund 41 as it works in conjunction with the revenue cap and the downside to Fund 46 is that the district cannot use the money for five years. As a district we are currently levying to the max. Fund 41 has to be budgeted for and reductions will need to be made elsewhere. Fund 46 would be the safest route and is about long-range planning. It is more for preventative maintenance program. This would show the public we are responsible for future projects. Fund 46 keeps the equalized aid stable. Member Dietrich asked the committee if they are in agreement to pursue Fund 46, all are in agreement. Ruthie shared that the Board would need to approve a resolution and 10-year facility plan as well as setting up a separate bank account with a minimum of \$2,500. Do we take the \$60,000 to set up Fund 46? Is there any life cycle with Fund 46--No. Tom Beck is putting together the 10-year plan. Fund 41 can be

transferred back to the general fund. Do districts have the ability to dissolve Fund 46 at a later time? Yes, but Ruthie would not recommend it. Where is the district at with end of year monies? Ruthie shared that the following projects will be done with end of year monies: purchasing a truck/van; Zielanis carpeting.

The committee then discussed that Fund 80 can only be used for school purposes versus solely for community. The monies designated for the PSLO and pool utilities will need to be pulled out of Fund 80 and put into the general fund. This is approximately \$90,000. New legislation has been put into law retro back to July 1, 2014. The district will look to transfer existing funds from Fund 80 to Fund 10.

The committee will revisit Fund 41 after the annual meeting, once the revenue limit has been known.

Member Dietrich recommended using the \$60,000 towards projects versus paying off debt. Members Runge and Hartmann agreed.

Referendum

Ruthie reviewed the status of the referendum budget. The Ag dept. needs to purchase specific items identified. Any monies not spent go back to paying off financing.

The meeting adjourned at 6:48 p.m.