

## FINANCE COMMITTEE

November 22, 2022 @ 12:30PM

In attendance Mr. Bannister, Mr. Hughes and Mrs. Martin.

**Investment Update:** Interest rates continue to rise, keeping maturities short. Significant higher interest earnings than last year, earning in a month what we earned all of last year.

**SM-2 Report:** Reviewed and State aid is on budget. Last year's not a good comparison due to change in state funding. Capital outlay, negative expenditures reflects a journal entry for technology made in September. Due to supply chain issues, a journal entry was made to adjust general fund expenditures to the ESSER grant to ensure we expend the funds as the grant ended on September 30, 2022. We are making efforts now to ensure journal entries will not be needed for the ESSER grant that ends on September 30, 2023.

**Enrollment Report:** Report reviewed- 210 open enrolled students, 153 non-employee students. If you exclude non-employee open enrollment (153) our enrollment is 6,717. If you compare to 2018/2019 (Pre-pandemic), we are down 332 students. 2 out of 3 past Kindergarten classes were under 480 students and OFCC is forecasting a decline of 200 students. As funding (eventually) is generated by enrollment, declining enrollment is a concern especially as staffing continues to increase.

**Education – Non-Public Schools:** Reviewed funding sources, administrative fee and Auxiliary Service. Administrative fee is paid directly to the private schools and auxiliary service payment is made directly to us. Their payments from both sources was nearly \$1,400 per student or \$1.3 million. The amount paid to us was \$1,050,000 and the 4% fee was nearly \$42,000 and our share was \$17,828.

**Food Service:** Too early for a good comparison but currently have a FYTD loss of \$292,000. Food Service Supervisor projects the fund will breakeven this fiscal year.

**Timekeeping System:** We looked at three systems and decided on Timeclock Plus which is used by Oregon and Sylvania districts. There will be issues, but we will work through them.

**Healthcare:** Been only four months but do have a \$184,000 surplus. End of December will have a better gauge on how the fund is doing. We do receive 100% of the pharmacy rebates, recently received \$262,000. November medical payments have been extremely low, but do not have an explanation.

**Abatement Agreement:** Secor Senior Lofts has requested an agreement. We are held harmless and will be on the December 14, 2022 Board agenda. The abatement that is being terminated (Holland Hospitality) is expected to be voted on in early December due to lack of payment. If council does not approve termination, consideration will need to be given for future abatement approvals as we are only held harmless, if the company makes the payment.

**Five-Year Forecast:** Only adopted last week, nothing to update. We did forecast 98% of budget to be expended which is similar to previous forecasts before COVID. Last few years was 92-95%, do expect to be at the 98% as textbooks plan on being purchased and ESSER funding gone. Previously ESSER was expended first before General Fund.

**Audits:** The retirement audit is complete with no issues. The annual financial audit is ongoing, likely until March. Workers' Compensation will perform an audit of December 15. Many districts have had workers' compensation audits this year resulting in an additional few hundred dollars in premium after the audit.

**ESSER Update:** No major changes. Curriculum preparing budget, salaries and technology, if funds are not available, could use leftover Student Wellness and Success funds. These are funds leftover from the funding system two years ago. These could be used for the Health Aides if needed. Ended October 31, 2022 with \$9.1 million in cash and \$8.6 million unencumbered.

**Wrap Up /Summary:** December will be the last Finance Committee for the year.