



**Hood River County School District Finance Advisory Committee**  
**September 17, 2014 4:00-5:30 pm**  
**District Office Board Room**  
**1011 Eugene St., Hood River, OR**

**MEETING CALLED TO ORDER AT 4:06 P.M.**

Members Present: Sandra Buchanan, Bob Danko, Sheri Holloway, Heather Staten, Gus Hedberg, Mikka Irusta, and Catherine Dalbey.

**Agenda**

Finance Advisory Committee Members:

Dan Goldman, Superintendent	Sandra Buchanan, Chief Financial Officer
Jake Bolland, Community Member	Catherine Dalbey, Principal Wy'east MS
Bob Danko, Board Member	Gus Hedberg, Principal Parkdale ES
Mikka Irusta, HREA	Sheri Holloway, OSEA
Mike Oates, Community Member	Rich Polkinghorn, Principal HRVHS
Dr. David Russo, Board Member	Heather Staten, Community Member

1. Welcome and Call to Order Sandra Buchanan
2. Reports & Discussions
  - Summary of Revenue and Expenditures YTD August 31, 2014 Sandra Buchanan
  - What information would the committee like reported to the Board? All
3. Schedule of Meeting Dates - The Finance Advisory Committee is scheduled to meet the third Wednesday of each month from 4:00 to 5:30 p.m. for fiscal year 2014-15, except no meetings will be held in May or June 2015, in the District Office Board Room.
  - September 17, 2014
  - October 15, 2014
  - November 19, 2014
  - December 17, 2014
  - January 21, 2015
  - February 18, 2015
  - March 18, 2015
  - April 15, 2015

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## **Financial Update and Report as of August 31, 2014**

Chief Financial Officer Sandra Buchanan presented information on the financial report as follows:

The financial report, Summary of Revenue and Expenditures YTD August 31, 2014, is organized by fund and function with budget variances for the current year; and includes preliminary beginning and ending fund balances. The data for 2013-14 reflects year-to-date work in process before the final year-end closing which will adjust beginning fund balances for 2014-15.

### **2013-14**

General Fund. The year-end closing process is underway for 2013-14. Pending items include:

- Grant close-outs which may result in General Fund journal entries and recording of indirect cost revenue
- Pending transfer to the Unemployment Fund from the General Fund once the UI Trust Fund statement is received.
- Pending General Fund revenue accruals for miscellaneous revenues to be received plus the Long Term Care and Treatment state contract
- Clearing of remaining encumbrances
- Reconciliations of balance sheet accounts

Preliminary results indicate that General Fund expenses will be within the budget appropriations established by the Board. The final ending fund balance is dependent on the results of the pending items listed above but is expected to be at least the amount budgeted as resources in the 2014-15 budget.

Fund 200 Food Service – Food Service will be within its \$1,800,000 budget appropriation and projects an ending fund balance of approximately \$596,000 to be used as resources in the 14-15 budget.

Fund 204 Student Body Funds – To be recorded are the summarized transactions of student body funds for the year.

Fund 205 Community Education – The community education program operated within its budget appropriation, and has a preliminary ending fund balance of \$44,735.

Fund 210 Unemployment Reserve – The Unemployment Reserve Fund may require a transfer from the General Fund. Once the District's Local Government Benefit Trust Fund statement is received, the amount of the actual transfer necessary will be calculated and recorded up to the \$40,000 budgeted amount.

Fund 212 Bus Reserve – Since no further expenses will be made in the Bus Reserve Fund, the current ending fund balance of \$8,257 will be resources to the 14-15 budget.

Funds 220-299 Grant Funds – Quarterly reports and grant invoicing for the quarter ending June 30 are in process, therefore revenues are less than expenditures at this point and will increase as revenue is received.

Fund 300 Debt Service – The Debt Service Fund property tax revenues are 104% of budget and will cover this year’s debt service, leaving an ending fund balance of approximately \$331,000 pending any year-end audit adjustments.

Funds 4XX Capital Construction Funds - Fund 400 Capital Construction Bond Funds balance is \$128,574 for remaining projects. Fund 401 Construction Excise Tax Fund includes receipts and a fund balance totaling \$449,531 to provide funds for future development. Fund 402 Energy Projects Fund has sufficient resources to pay for budgeted expenditures of facilities management and the ending fund balance of \$130,511 will provide resources for next year. Fund 403 Property Fund incurred some engineering expenses for the Sherman Avenue street extension in 2013-14 and will provide resources to cover the construction costs of the District’s requirement to provide the street extension to the District’s undeveloped property totaling approximately \$334,600 from the current ending fund balance of \$735,568.

## **2014-15**

General Fund.

Pages 1-8 of the Summary of Revenue and Expenditures – YTD August 31, 2014 provide year-to-date General Fund financial data in the same format as the budget document.

The first report view on pages 1-2:

- summarizes General Fund operating revenues and group revenue into State School Fund Resources, Local Option Revenues, Education Service District Revenues and other local, state and federal revenues;
- summarizes expenditures or operating requirements by function category;
- includes a section of other financing sources and uses; and
- shows a net change in fund balance, beginning and ending fund balance.

Encumbrances as of August 31 only reflect a portion of the year’s salary and benefits due to timing of the input of the various employee contracts or annualized amounts.

The second report view on pages 3-4 provides a high level summary of both revenue and expenditures by function and by object classification. The third report view on pages 5-9 provides revenue by object code and expenditure summaries by function code.

With current enrollment higher than originally budgeted, the District may receive more revenue from the state school fund in 2014-15 based on estimates submitted to the State. As

the State revises state-wide information, we will receive additional estimates which will allow us to make year-end projections.

For other revenue and expenditure categories, it is too early to evaluate budget variances. The Board did approve a budget transfer from contingency in the amount of \$130,302 for salary and benefits for one licensed position and 1.0 FTE of classified instructional assistant position(s).

**Other Funds.** All other funds are shown beginning on page 10 through 20. Grant Funds 220-299 and the Capital Construction Funds 400-403 are grouped and summarized for this report. The 2014-15 beginning fund balances reflect the prior year ending fund balance which is still in process for some funds.

Fund 200 Food Service – Food Service is projected to operate within its \$2,318,500 budget appropriation.

Fund 204 Student Body Funds – Since activity is recorded at year-end, no revenue or expenditures have been recorded for the year. The beginning fund balance will be updated once the 2013-14 activity is recorded.

Fund 205 Community Education – The community education program activity reflects a beginning fund balance of \$44,735 and current activity recorded through August 31. The program will be expected to cover its expenses for 2014-15.

Fund 210 Unemployment Reserve – The Unemployment Reserve Fund balance does not reflect final 2013-14 entries to record activity of the District's Local Government Benefit Trust Fund nor a pending transfer to balance the fund.

Fund 212 Bus Replacement Fund – As of August 31, pending activity for this fund is the amount of the transfer for bus depreciation which will cover the purchase of the bus leased during last fiscal year.

Funds 220-299 Grant Funds – Grant activity has begun for 2014-15 and this fund primarily reflects year-to-date expenditures. Most grant revenue is recorded after the receipt of the reimbursements for the previous quarter, so only \$600 is shown to date. The negative beginning fund balance will be resolved as the 2013-14 revenue accruals are recorded.

Fund 300 Debt Service – The Debt Service Fund is showing an increase in the preliminary beginning fund balance. Any excess beginning fund balance will be used to offset future years' property tax levies.

Funds 4XX Capital Construction Funds – The summary of all capital construction funds shows a preliminary beginning fund balance of \$1,444,183 some of which is encumbered for facilities management with the remainder available for ongoing or future capital improvements.

**Meeting adjourned at 5:30 p.m.**