

SPECIAL BUDGET MEETING NOTES AUGUST 20, 2012 6:19-7:30 pm Junior High Shared Common Area

The Special School Board meeting was called to order by Carla Doxey. Trustees Michele Bashor, Debbie Lester, Jami Romney-FitzGerald and Dianne Burke (6:30-7:30 pm), Supt. Randy Cline, and District Clerk Cindy McMurray were also present. Meeting opened with the Pledge of Allegiance.

The purpose of the meeting was to review/take action on the 2011-2012 Frenchtown Trustee Report and the 2012-2013 Frenchtown School Budget report.

Public Comment: None

Supt. Randy Cline noted that the Trustee Report needed to be approved prior to the approval of the Budget report. District Clerk Cindy McMurray noted that the ending budget information from the Trustee report was used to prepare the succeeding year's Budget report. She went over the various parts of the Trustee Report. **Motion by Lester, seconded by Bashor, to approve the 2011-2012 Trustee Report. Bashor, Lester, Doxey, & Romney-FitzGerald voted aye. Motion unanimous since Dianne Burke wasn't in attendance during the discussion.**

Supt. Randy Cline noted that the General Fund budgeted amount hasn't changed since March since a levy wasn't put on the election ballot to try and increase the General Fund budget. District Clerk Cindy McMurray went over the other budgeted funds: Transportation, Bus Depreciation, Tuition, Retirement, Adult Education, Technology, Flexibility, Building Reserve, and Debt Service funds. She noted that the Transportation (the fund that pays for the costs of transporting students to & from school) & Retirement (the fund that covers paying for retirement & unemployment benefits for employees of the district) budgets are based on actual needs of the district. Therefore, the recommendation is to set the budgets at these amounts. The Tuition fund covers the cost of educating students outside of the district. The recommendation is to set the budget as the current cash balance in the Fund. The Adult Education fund covers the cost of the adult education classes. The recommendation is to set the budget (and levies) to equal the maximum amount in agreement with Missoula County Public School to coordinate our adult education program for the 2012-2013 school year. The Technology fund includes money from an ongoing levy of \$35,000 each year that the taxpayers passed a number of years ago to cover the cost of replacing technology equipment for the district. In addition, the State sometimes provides a small amount of money for this fund. The recommendation is to set the budget to include the cash balance from the previous year, plus the \$35,000 levy and the amount to be received from the State. The Building Reserve fund contains the remaining balance from a three year levy to help pay off an Intercap Loan for the purchase of land. The Debt service fund is required to levy taxes for the payment of taxpayer approved building bonds. The amount needed to make bond payments during 2012-2013 is the recommended budget for this fund. The Flexibility Fund used to be a levied fund. It is now used for deposit of monies from block grant monies. The Bus Depreciation fund allows the District to levy taxes against the depreciation of district owned buses. This fund is used to purchase new buses for transportation of student to and from school. District Clerk Cindy McMurray noted that there are really only a few decisions that can be made by the Board in regards to changing the Budget amounts for the budgeted funds. Those include making a determination on how much, if any, the board would like to depreciate their buses to increase the amount of money in the Bus Depreciation fund. The Administration recommends depreciating at least the same amount as was depreciated last year. Discussion occurred in regards to whether to depreciate, what buses to depreciate and how much to depreciate. Changes in which buses would be depreciated were made to draft budget report. District Clerk Cindy McMurray noted that the Board also needed to decide how to distribute revenue designated by the legislature in the form of the Combined State Block grant (\$69,932.83) and the Tax Rate Reduction School Block grant (\$7087.67). These monies can either be used to reduce taxes or increase budget authority. The recommendation by the Administration was to distribute these monies as follow: Combined State Block grant-\$22,699.21 to Adult Education (reduce levies), \$14868.19 to the Flexibility Fund (increase budget authority), & \$32,385.43 to the Debt Service fund (reduce levies); and Tax Rate Reduction School Block grant: \$7087.67 to the Debt Service fund (reduce levies). **Motion by Burke, seconded by Bashor, to approve the Budget report with a change in the distribution of depreciation by bus as discussed. Unan**

Adjourned.

Approved _____ September 18, 2012 _____

Respectfully submitted,

/s/ John Mazzola
Chair, Board of Trustees

/s/ Cindy L. McMurray
District Clerk