

Community Financial Review Committee Meeting

May 9, 2023 / 6:00 PM / District Office Room 123/Via Zoom

Attendees

Bob Chase, Lynne McIntosh, Christine Miller, Tom Pappenhagen, Jane Rattenni, Nate Schwartz, Community Members; RCEA Member: Amy Mirolli; BOE Members: Dr. Kecia Nesmith, Cathy Thompson; Red Clay Assistant Superintendent/CFO: Ted Ammann Ed. D., Red Clay Principal of Early Years Program: Cari Phillips; Staff: Steven Andrzejewski

Approval of April 2023 Meeting Minutes

The April 2023 meeting minutes were reviewed. Ms. Thompson moved to accept the minutes; Ms. Miller seconded. The motion carried.

Renewal of Committee Member Terms

Ms. Thompson made a motion to renew the term of Ms. Miller, Mr. Schwartz seconded. Ms. Miller abstained; motion carried. Mr. Schwartz made the motion to renew the term of Ms. Marie-Cecile Medine. Ms. Thompson seconded; motion carried.

Early Years Presentation

Ms. Phillips presented to the committee on the Early Years Program in Red Clay. Ms. Phillips indicated that the EYP program current has 403 students in 4 locations. She also highlighted the community partnerships that Red Clay has with the LACC, Music School of Delaware, etc. Ms. Phillips indicated there are expected to be 3 additional classrooms at our ELC site in Fall 2023 due to increased demand.

FY21 Funds Audit Review

Dr. Ammann discussed the audit of the FY21 funds. He mentioned 3 findings which included:

-Salary compensation for one of the 6 exempt secretaries in the district was not listed correctly on the board report at the time of hire but the compensation was set as is customary. The Human Resources office has modified procedures to ensure this oversight does not happen in the future.

-A contract for bus tracking was during not properly approved by the board first during covid.

-The final finding is related to the debt service tax. Red Clay collected enough funds to make the payments. However, the auditors noted that Red Clay did not include a 10% buffer to account for delinquencies. While state code does call for a 10% additional collection, that is not necessary for Red Clay to make debt payments and would account for an unnecessary increase to local tax payers. Other districts do not account for 10% delinquency. We have a long history showing that a 10% allowance for delinquencies is excessive. This will be discussed with the board when setting the debt service rate for FY24.

Monthly Expenditure Report

Dr. Ammann reported to the committee the monthly expenditure report. He mentioned that the district is about 85% through the school year with revenue at 92% and expenditures at 81%. He highlighted that the district continues to be in sound fiscal shape and able to meet its obligations even with the last operating increase due to a referendum being in 2015.

Financial Position Report

Dr. Ammann presented to the committee the financial position report. This forward-looking report shows that the district will be able to meet its obligations for the upcoming quarter. Mr. Schwartz motioned to accept the financial position report as presented. Ms. Thompson seconded. Motion carried.

The next meeting will be held June 13, 2023 at 6pm in person at District Office with a zoom option. Topics expected to be discussed are the Monthly Expenditure Report and a presentation from Dr. Sarah Celestin from the Special Services Department.

The approved meeting minutes will be posted on the district's website, redclayschools.com, within 3 business days of the meeting at which they are approved.