

**MINUTES OF MEETING OF BOARD OF FINANCE
OF
CLAY COMMUNITY SCHOOLS**

A Regular Meeting of the Board of Finance of Clay Community Schools was held at the Central Administrative Office, 1013 S. Forest Avenue, Brazil, IN 47834, on Thursday, January 10, 2019. Tom Reberger, Michael Shaw, Lynn Romas, Andrea Baysinger, and Kevin Kumpf were present. Amy Burke Adams and Charley Jackson were absent.

I. Call to Order

Board President Kevin Kumpf called the meeting to order at 7:15 p.m.

II. Election of Officers

Dr. Shaw moved to nominate Tom Reberger as president and Andrea Baysinger as secretary of the Board of Finance. Mr. Romas seconded, and the motion was approved by a 5-0 vote.

III. Report on Investments

As required by Indiana Code 5-13-7-6, Mr. Mark Shayotovich, Director of Business Affairs and Treasurer, presented the amount of investment income for the school corporation for the previous calendar year. In his report, a copy of which will become a part of the official minutes, he shared total interest received on demand deposits, which is basically interest received on the checking account. For 2016, interest totaled \$22,863.70; however, at the end of 2017, there was a solid uptick in interest rates on the checking account, so there was an increase of \$40,000 in interest earned. That rate continued on through this calendar year to the point where the school corporation was earning anywhere from \$12,000-\$15,000 a month, just on the checking account. The total interest earned in 2018 was \$177,666.38, which he deemed to be a substantial amount of money. It was his hope that 2019 would be a similarly prosperous year as it relates to the demand deposit account.

Although not required, Mr. Shayotovich also included interest earned from construction funds, with a total of \$192,641.25 in 2017 and a total of \$95,875.00 in 2018. He explained this interest by noting that when bonds went to market, the school corporation received the funds from the sale of the bonds to finance the building project. Because the entire \$32.9 million would not be needed at one time, a significant amount was invested in very short-term, conservative, low-risk instruments. There were about 20 different investments of that money that were staggered so they became mature at different points in time throughout the construction process. When that money becomes mature, it is deposited into the checking account so that what had to be paid in a particular month could be paid. Because the school corporation had spent down a lot of that money and was coming toward the end of the projects, there was less money to be invested, which resulted in less interest income for 2018. There is still some interest to be gained as the last few instruments come due before the construction projects wrap up. At some point in time, Mr. Shayotovich will be coming to the Board with any funds that are left over from the construction projects to let the Board know how they would recommend spending some of those monies; he assumed a good chunk of that interest would be left over, as extra funds.

Mr. Shayotovich then recommended accepting this report to the Board of Finance.

Mrs. Baysinger moved that the Board of Finance accept the report on investments. Dr. Shaw seconded. The motion was approved by a 5-0 vote.

IV. Adjournment

Having exhausted all agenda items, the meeting of the Board of Finance was adjourned at 7:22 p.m.

The meeting was audio recorded and copies may be requested by contacting the Central Administration Office.

January 10, 2019 Board of Finance Minutes

Board of Finance President
Tom Reberger

Board of Finance Secretary
Andrea Baysinger

Member

Member

Member

Member

Member