

Finance Committee

Minutes- Monday September 12, 2016 Finance Committee Meeting
PLACE: Shepaug MS/HS Resource Room

1. Meeting called to order 6:09 PM

Members present: COMMITTEE MEMBERS:

Valerie Andersen, Chair Michelle Gorra

Patricia Cosentino, Ed.D, Supt. Robert Giesen, Director of Finance

Absent: Anthony Amato

Present were Patricia Cosentino, Ed.D, Supt. Robert Giesen, Director of Finance

2. Chairman's Report

No Report

3. Acceptance of Minutes-(June 06, 2016) Approved

4. Comments from the Public - None

5. Review of Financial Report

a) Preliminary June 30, 2016- Unaudited

The preliminary unexpended balance from appropriations is \$9,390 or .04% of the approved budget.

The accounts, by object code, were reviewed and the overall budget and show the following:

100 series- Salaries are under budget by \$111,118 as a result of staff replacements, lower replacement costs and Staffing changes made during the year in response to the declining enrollment.

There were also unpaid medical leaves of absence with long term subs filling those vacancies at a lower salary. Finally the state reimbursement for Tutors was greater than budgeted.

200 series- Employee Benefits were under budget by \$84,179 with the majority coming from a more favorable medical insurance renewal after the budget was adopted as a result of all employees now enrolled in the High Deductible Health Plan instead of the higher cost PPO. This was partial offset by the higher cost in the Unemployment insurance and Worker's Compensation rates.

300 series- Purchased Professional & Technical Services This category of expense was over budget by (\$30,921). The major expenses over budget resulted from higher Professional Services for students along with purchased Pupil Services for specialists not on staff totaling \$45,080 being offset by lower than budget cost for other categories.

400 series- Purchased Property Services, tracked over budget by (\$77,961). The largest of overage being Building Repair & Upkeep of \$98,952 as well as Grounds Upkeep of \$14,299. All other expenditures were under budget by a combined \$35,290.

500 series- Other Purchased services – This was under budget by \$153,591. Transportation expenditures as well as Tuition

Approved October 03, 2016

expenditures were under budget and contributed to the favorable results. Other accounts ran over budget with the largest being the Other Purchased services for updates to the Shepaug building.

600 series-Supplies- this was under budget by \$137,978 as a result of savings from consortium bidding for supplies, software, electricity, heating oil, and diesel fuel. The milder winter added to the savings along with the lower fuel and electricity pricing.

700 series-Property & Program Improvements- Spending was over budget by (\$155,982). Capital facilities which included upgrades to the Cafeteria and hallways along with improvement of the lighting in various areas of Shepaug with LED fixtures contributed \$241,763 to the overage. The other areas netted savings of \$85,781.

800/900 series-Dues & Fees / Debt Service accounts over budget by (\$209,113) and was made up of the transfer to 1% capital reserve fund of \$215,615 and savings from dues and fees of \$6,502..

b) August 31, 2016 financial report

The report was reviewed and the expenditures are tracking to budget with 6.0% remaining at this time.

There were over budgets in the flood insurance at Washington primary School as well as Internet service formerly provided as part of the state budget which was billed to local school districts after the budget was prepared.

6. Status of the 1% capital reserve account

a) Report on the preliminary status as of June 30, 2016

The fund stands at an available balance of \$313,191 after the June 30th transfer. There are authorized but not yet completed projects totaling \$341,000 which are authorized but not yet finished.

7. Status of the Elementary Capital Reserve Account

a) Report on the preliminary status as of June 30, 2016

This fund has an unencumbered balance of \$1,082 and there are \$115,323 in projects authorized but not yet completed.

8. Update on Status of the 2015/2016 Audit

The auditors have begun the 2015/2016 results and all confirmations are sent as well as actuarial reports are underway. It is expected that the audit will be completed in December.

9. Other Business-

a) The September 8, 2016 Child Nutrition Program compliance review was Received and there are no areas requiring corrective action.

10. Public Comment- None

11. Adjournment to Board of Education meeting (6:56PM)

Valerie Andersen, Chair