

**Finance Committee**

**Minutes-** Monday October 03, 2016 Finance Committee Meeting  
**PLACE:** Shepaug MS/HS Resource Room

**1. Meeting called to order 6:00 PM**

**Members present:** COMMITTEE MEMBERS:

Valerie Andersen, Chair    Michelle Gorra    Anthony Amato  
Robert Giesen, Director of Finance

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

**2. Chairman's Report**

No Report

**3. Acceptance of Minutes-(September 12, 2016) Approved**

**4. Comments from the Public - None**

**5. Review of Financial Report**

**a) September 28, 2016**

The unexpended balance from appropriations is \$1,137,353 or 5.3% of the approved budget which is down from 6.0% in last month's report.

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

**100 series- Salaries** are under budget by \$146,563 as a result of staff replacements with lower replacement costs as well as the state reimbursement for paraprofessionals greater than budgeted. Individual accounts within this object have some overages but will be corrected within the object code.

**200 series- Employee Benefits** are under budget by \$78,143 with the majority coming from a favorable final medical insurance renewal. Within the account the classified pension is over budget by \$91,977 and was anticipated from the changes in the assumed interest rate actuarial decrease as well as the change in mortality tables to reflect a longer life expectancy.

**300 series- Purchased Professional & Technical Services** This category of expense is under budget by \$44,170 and tracking to budget at this time.

**400 series- Purchased Property Services**, is under budget by \$49,685 at this point. This is a result of a security grant which was

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applied for previously and only received this year in the amount of \$37,176.

**500 series- Other Purchased services** – This is under budget by \$501,492. Transportation expenditures at \$89,979 as well as tuition expenditures at \$308,584 are under budget in addition to Other Purchased Services make up the most of the variance. Accounts over budget is the Flood Insurance as well as the Internet Service formerly provided by the state and now the responsibility of the local board.

**600 series-Supplies**- This is under budget by \$229,411 as a result of savings from consortium bidding for supplies, software, electricity, heating oil, and diesel fuel.

**700 series-Property & Program Improvements**- Spending remains under budget by \$85,065.

**800/900 series-Dues & Fees / Debt Service** the accounts are under \$2,824 with savings in Dues and Fees account.

**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. Planning for the 2017/2018 Budget**

**a) Staffing Discussion – small class sizes**  
(How to address combining classes)

This was discussed in light of the continuing decline in enrollment as well as what the finance committee would recommend to incorporate into the upcoming budget preparation.

**b) Indicator for preparing the upcoming budget**

We have been receiving two different messages as to the approach either include everything into the development of the budget or try to maintain a zero or near zero budget presentation.

With budget not yet underway we will discuss this further at the next meeting.

**7. Update on Status of the 2015/2016 Audit**

The auditors are continuing and it is expected that the audit will be completed in December.

**8. Other Business-**

The following are indicators of where the market is heading under The Region participation in the consortiums for energy supplies:

**a) Diesel Fuel pricing 2017-2018 budget year**  
Between \$1.85 to \$1.95

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b) Heating oil pricing 2017-2018 budget year  
Between \$1.92 to \$2.02

c) Electrical Generation pricing 2016-17 contract expiring  
Generation market is at \$ .0779 per KWH for a three year contract

All these are at or below the current 15/16 budgeted amounts.

Finally there was discussion to look at the budgets and actual expenditures by school in addition to the district level. This will be discussed further in future meetings.

**9. Adjournment to Board of Education meeting (6:58PM)**

*Valerie Andersen*, Chair