

**SHELTON BOARD OF EDUCATION
FINANCE COMMITTEE
REGULAR MEETING
FEBRUARY 9, 2011**

Arlene Liscinsky called the meeting to order at 5:07 p.m.

Pledge of Allegiance

Roll Call:

In Attendance: Committee Members: Arlene Liscinsky, Win Oppel (5:12 p.m.), Kathy Yolish (5:08 p.m.) and Michael Pacowta (5:39p.m.).

Also in Attendance: Allan Cameron, Director of Finance; Freeman Burr ((5:15 p.m.), Superintendent of Schools; Board of Education Members, Kate Kutash (5:09 p.m.) and Tom Minotti.

Approval of Agenda

I. MINUTES OF THE FINANCE COMMITTEE REGULAR MEETING OF JANUARY 19, 2011

ACTION: Win Oppel moved to approve the minutes of the January 19, 2011 Finance Committee Regular Meeting.
Arlene Liscinsky seconded the motion.
A vote was taken with all in favor. Motion carried.

II. REVIEW AND APPROVAL OF FINANCIAL REPORTS

1. Object Summary (L2) for 2010-2011 School Year

Mr. Cameron proceeded to review the narrative for the L2.

Salaries: Journal entries for the Certified payroll are completed through January 2011. In the teachers and administrator budgets 47.9% has been spent vs. 48.8% last year at this time. Last year's overage was in the tutor account. The substitute and tutor accounts are in significantly better shape than in previous years. Money will be transferred from the "Pay-to-Participate" fund to cover the stipends paid to coaches through January.

Non-certified payroll is 57.9% committed, compared with 55.2% at this time last year. Overage is due to payments made to retirees who left on June 30, 2010.

On 2/9/10 the Board employed 25.0 Administrators. On 2/9/11 twenty-four administrators were employed. An interim employee and a consultant are filling two of the remaining positions. The Board employed 415.4 teachers and as of 2/9/11 employs 381.5 teachers, 33.9 fewer teachers.

On 2/9/10 the Board employed 62.0 tutors; on 2/9/11 55.0 tutors were employed. 7.0 less than last year. Additions have been a function of service requirements of IEPs.

On 2/9/10 the Board employed 63.0 Paraprofessionals, 2/9/11 45.0 paras were employed, 18 less.

On 2/9/10 the Board employed 20 Reading and Math Assistants. 2/9/11 no assistants were employed.

On 2/9/10 the Board employed 44.75 secretaries. 2/9/11 39 secretaries were employed. 2/9/11 39.0 (4.75 fewer) secretaries are employed with two open positions.

There is one less security guard.

On 2/9/11 the Board employed 84.7 fewer people than on 2/9/10.

Benefits: Health Insurance and FICA have been posted through January. The health insurance expenditures appear to be understated. There have been only 3 charges for dental claims payout so far this year. The program is now self-insured, and a mechanism has not yet been developed to fund an Internal Services Fund.

Mr. Oppel recommended that Counsel be consulted to determine if the Board could establish their own internal service fund for the self-insured dental fund.

The City is continuing to charge the Board of Education for Unemployment expenses. To date the Board has been charged with \$392,560; \$12,558 in January. It appears that the City has charged the \$1.2 million reserve for the December and January payments to the State resulting from workers laid off last year. It was asked whether the City was going to credit the BOE for the charges. That question has not been answered yet.

Mr. Cameron received an email on February 1st from Tom Taylor, the City's Administrative Assistant, stating that he believes the BOE should revise its budget estimate upward from \$174,000 by \$825,000 to \$1 million for Workers' Compensation. The email was made available in the BOE's packets.

It was noted that the BOE's budget was submitted to the City on January 15th. It was also noted that the Board is going out to bid for Workers' Compensation.

Instructional Materials: 64.0% committed vs. 78.3% last year. The elementary schools have used approximately 75.6% of their budget, SIS approximately 62.3%, SHS approximately 58.8%, Special Education approximately 36.5% and Office of Instruction approximately 72.8%.

Program Improvement & Staff Development: 54.1% of the budget has been committed vs. 60.6% last year. There are plans to encumber an additional \$23,000 for Lit Life training.

Tuition: \$2,316,079 has been committed so far this year compared to \$2,415,994 last year at this time. The account is under budget by \$103,575 with \$28,360 of that for the TAG program at ECA. \$130,320 is for four private school purchase orders that were incorrectly closed out in November. They were reopened in January.

Transportation: The buses were encumbered after the October 1 student census. This account is anticipated to be over budget by \$120,674; \$26,328 in Regular Education and \$96,901 in Special Education transportation. Last year the budget was over by \$416,927. Special Ed expenses continue to grow. Reallocation of the budget has put the money in the correct places. It was noted that Versatrans has been contracted to digitize the maps. Mr. Burr wanted to know the status of an impending grant for Special Ed transportation. Mr. Cameron answered that they would know around February 15th,

Administrative Expenses: 72.6% of the budget has been committed vs. 70.0% last year. Telephone and Internet services are encumbered. Non-instructional supplies have been ordered. Most of the dues and fees have been paid. The remainder of the items will be encumbered throughout the year as needed.

Heat and Utilities: The budgets have been encumbered. Two conservation projects are nearly completed.

The most recent price for fuel oil was \$2.63 per gallon. 86,850 gallons of fuel oil have been received through January 31.

The BOE has used 11% less electricity through the first five months than the average of the last three years.

Building and Equipment Services: 78.3% of the budget has been committed vs. 61.6% last year. A review of the projects for each school was included in the narrative handout for those board members who do not attend the building and grounds committee meetings.

Service Contracts: 120% committed vs. 59.5% at this time last year. This reflects the purchase of service contracts/software license renewals.

Rentals: 100% committed vs. 106% last year.

Custodial Supplies: 58.1% committed vs. 54.8% at this time last year.

Maintenance Supplies: 43.4% committed vs. 44.7% at this time last year.

The expenses for private contractors involved in snow removal and custodial overtime will come from this family of accounts.

Support Services: 88.1% of the budget has been committed vs. 143.7% last year. At this point, there are to be no major encumbrances expected in the future. This is a significant change from the past due to in sourcing OT/PT services. With the exception of negotiations other expenditures in this family of accounts are below budget.

Equipment: 28.6% of the budget has been committed vs. 21.0% last year at this time.

The audit is finished. The auditors have reported an Unreserved Fund Balance of \$4,324,097. They returned in December to review the ED001. \$9,884.74 was returned by the Board of Education to the City.

As of 01/31/2010 the bleacher account balance was \$193,414.27. On 2/07/11 the parking account balance was \$22,150.00. The balance in the Pay-to-Participate account was \$190,967.97.

ACTION: Win Oppel moved to approve the Object Summary (L2) for the 2010-2011 school year.
Kathy Yolish seconded the motion.
A vote was taken with all in favor. Motion carried.

2. Check Registers and Cash Disbursement Journals

ACTION: Kathy Yolish moved to approve the Check Registers and the Cash Disbursement Journals for January 20, 2011 (2010-2011) and January 28, 2011 (2010-2011)
Win Oppel seconded the motion.
A vote was taken with all in favor. Motion carried.

The Petty Cash Summary was reviewed. The 2010-2011 Reconciliation to the City was delayed by an interruption in incoming Internet service. The Reconciliation will be forwarded to the committee shortly.

III. OLD BUSINESS

1. Update on 2011-12 Budget

Workers Compensation was discussed previously under benefits.

Mr. Cameron handed out copies of additional pages that will be added to the budget book. A per pupil expenditure graph and source data showed Shelton to be below DRG and State averages; spending below Shelton's ability to pay. Also included was a list of partially and fully unfunded mandates.

Mr. Cameron indicated that the 2011-2012 Budget will be made available on the BOE website.

2. Update on Unemployment Charges

Discussed previously under benefits.

3. Update on Pay-to-Participate

Appears to be on target.

4. Report on Auditors Report to the Board of Aldermen

A handout of the minutes of the Board of Aldermen's Finance Committee Special Meeting of January 11, 2011 containing Dave Cappelletti's (CPA, Levitsky and Berney Auditors) presentation of the audit was available for review. Mr. Cameron is in the process of preparing a response.

IV. ADJOURNMENT

ACTION: Win Oppel moved to adjourn the meeting.
Kathy Yolish seconded the motion.
A vote was taken with all in favor. Motion carried. The meeting was adjourned at 5:59 p.m.

Respectfully submitted,

Faith B. Hack
Recording Secretary