

**SHELTON BOARD OF EDUCATION
FINANCE COMMITTEE MEETING
MARCH 21, 2012**

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

Pledge of Allegiance

Roll Call: Committee Members: Arlene Liscinsky and Win Oppel.

Absent: Mark Holden.

Also in Attendance: Allan Cameron, Director of Finance; Freeman Burr, Superintendent of Schools; Board of Education Members: Kathy Yolish and Jay Francino-Quinn; SEA President, Deborah Keller, Judson Crawford, A&T; Lou Marusic, Director of Finance, City of Shelton.

ACTION: Arlene Liscinsky moved to approve the agenda.
Win Oppel seconded the motion.
A vote was taken with all in favor. Motion carried.

I. MINUTES OF THE FINANCE COMMITTEE MEETING OF JANUARY 18, 2012

ACTION: Win Oppel moved to approve the minutes of the Finance Committee Meeting of February 15, 2012.
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 2011-2012 School Year

Al Cameron proceeded to review L2 dated 03/21/2012.

Salaries: Salary journal entries were completed through February. Teachers and administrators salaries were 55.4% expended compared with 55.4% at this time last year. BOE is over budget by \$157,406. "Other payments-Certified" is over budget at this time because the revenue from Pay-to-Participate has not yet been posted. Tutor expenditures appear over budget; however, none of the tutors have been booked off to the Title I or IDEA grants yet. Twelve per cent of the students are Special Education; therefore, a portion of the tutor expense can be charged to IDEA and Title I.

The non-cert payroll was 66.3% committed vs. 62.9% at this time last year. This item is on track.

Al expects to be able to forecast by Bargaining Unit.

Benefits: Health, dental and life insurance and merit pension have been posted through February. It is expected that health insurance will end up close to but below budget this year. Year to date dental insurance expense is \$190,000. FICA and Medicare payments have been posted through February.

Merit Pensions paid in February have not been posted. The City has charged the BOE \$165,832 for **unemployment** vs. a budget of \$32,738. BOE unemployment is budgeted in the City budget.

As reported last month the BOE was billed \$489,174.13 for **workers' compensation** by the City. The budgeted amount is \$174,701. In response to a letter from the BOE, a five-year history was provided by the City. Over the 5-year period \$2,687,109 was paid out against \$873,505 premium. It was expected that the 3rd party administrator would have information on prior years. Worker's comp pays up to \$500,000 per occurrence after which insurance takes over. Discussion regarding workers comp and funding followed. The BOE is over budget YTD by \$450,000. An unexpected and unbudgeted \$780,000 expense is projected for the year.

Instructional Materials: 46.2% of the budget has been committed vs. 65.3% last year. The elementary schools have expended 66.0% of their budgets, SIS 66.7%, SHS 61.8%, and Special Education 69.4%, and Office of Instruction 26.0%. Items will be purchased by the end of the year.

Program Improvement & Staff Development: 117.9% of the budget was committed vs. 59.9% last year. Of the \$152,433 expended, approximately \$86,000 of the expended budget went to teachers who worked on the curriculum-writing committees. Three professional development days have been scheduled; and most of the expenditures have been made.

Tuition: \$1,759,891 has been expended through February 29. \$653,660 has been encumbered. All student outplacements have been encumbered. Regular education tuitions were encumbered in December. Tuitions are over budget by \$201,000. Special Education private placements are over budget by \$352,000 and may qualify for the Special Education Excess Cost Grant.

Transportation: Buses are normally encumbered after October 1st to apportion the cost to the appropriate level. The encumbrances on the books presently have been rolled over from last year to allow the bills to be paid and will need to be adjusted for this year's rates and the October 1 census due to the absence of the Transportation Coordinator. Special Education transportation is overcommitted by \$330,300. The commitments have to be reviewed to determine if, in fact, they are over budget. If so, the excess may qualify for the Special Education Excess Cost Grant.

Administrative Expenses: 83.3% has been committed vs. 77.2 % last year at this time. Some non-instructional supplies have been ordered, and most of the dues and fees have been paid. The balance of the items is encumbered throughout the year. The budget for this family of accounts was adjusted downward by \$49,479 because of the closing of Lafayette School and the SHS accreditation process.

Heat and Utilities: Electricity and natural gas budgets have been encumbered have been adjusted but need further review. Year to date electricity cost totaled \$549,000 for 5 to 7 months. The bills are not received at the same time. Year-to-date kilowatt usage is 9.0% higher than the 3-year average because of PHS which uses electricity on a par with SHS not Lafayette school.

Fuel oil deliveries are less than the three-year average. The average price per gallon in February was \$3.40. A mild winter continues to help with Gas usage.

Building and Equipment Services: 79.0% of the budget has been committed vs. 84.5% last year. It is believed that service contracts and equipment rentals are encumbered.

Support Services: 134.8% committed vs. 95.5% last year. The expense overages are related to transportation consultants and HRIS implementation. Two payrolls have been achieved with success.

Equipment: 85.7% expended vs. 35.5% last year and 23% the year before.

Athletic Account Balance as of 03/20/12 was \$204,311.92

Parking Account Balance as of 03/21/12 was \$24,200.

Pay to Participate billed a total \$230,945 as of 03/21/12. The balance after adjustments and refunds is \$200,411. The target is \$280,000.

The HR piece of the HRIS conversion is a work in progress. Plans are to have it in place by July 1st.

ACTION: Win Oppel moved to approve the Object Summary (L2) for the 2011-2012 school year.
Arlene Liscinsky seconded the motion.
A vote was taken with all in favor. Motion carried.

2. Check Registers and Cash Disbursement Journals

ACTION: Arlene Liscinsky moved to approve the Check Registers and Cash Disbursement Journals for February 1, 2012 (2011-2012); February 3, 2012 (2011-2012); February 14, 2012 (2011-2012); and February 28, 2012 (2011-2012).
Win Oppel seconded the motion.
A vote was taken with all in favor. Motion carried.

Petty Cash summary was handed out. Reconciliation to the City GM360L dated 03/09/12 was handed out for review.

III. OLD BUSINESS

- 1. Review Year-to-Date Expenditures** – Discussed previously.
- 2. Report on Workers Comp charges** – Discussed previously.
- 3. Discussion of Budget Presentation to BOA and Board of A & T`**

Discussion followed regarding areas needing relief because of going over budget, tuition, transportation and tutors in particular.

ACTION: Arlene Liscinsky moved to have Allan Cameron write a letter to the City requesting that the Special Education Excess Cost dollars be reimbursed to the Board of Education at this time.
Win Oppel seconded the motion.
A vote was taken with all in favor. Motion carried.

IV. ADJOURNMENT

ACTION: Win Oppel moved to adjourn the meeting.
Arlene Liscinsky seconded the motion.
A vote was taken with all in favor. Motion carried. The meeting was adjourned at 6.07 p.m.

Respectfully submitted,

Faith B. Hack
Recording Secretary