

**SHELTON BOARD OF EDUCATION
FINANCE COMMITTEE MEETING
MAY 15, 2013**

Chairman Arlene Liscinsky called the meeting to order at 5:02 p.m.

Pledge of Allegiance

In Attendance: Committee Members: Arlene Liscinsky, Tom Minotti, Win Oppel, and Mark Holden, BOE Chairman

Absent: Jim Orazietti, Michael Pacowta, and Jay Francino-Quinn

Also in Attendance: Allan Cameron, Director of Finance; and Freeman Burr, Superintendent of Schools (5:20) and Judson Crawford, Board of A&T.

Approval of the Agenda:

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

I. MINUTES OF THE FINANCE COMMITTEE SPECIAL MEETING OF APRIL 17, 2013

ACTION: Tom Minotti moved to approve the minutes of the Finance Committee Special Meeting of April 17, 2013.
Win Oppel 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 2012-2013 School Year

Mr. Cameron reviewed the L2 dated 05/15/2013. A narrative and the L2 detail were distributed.

Salaries: Journal entries have been completed through April. 78.3% of the budget has been expended. "Other Payments—Certified" are significantly over budget because Pay-to-Participate collections have not been posted. When the spring season collections are over at the end of May, the postings will be made; thus, significantly reducing the overage. Overages in the substitute and tutor accounts will be covered by grants and the Excess Cost Grant. Support Staff salaries are 85.4% committed vs. 87.1% at this time last year. The actual year-end expenditures are expected to very close to the budgeted amount.

Benefits: Health insurance is still a concern. The balances reported in the L2 are current with the exception of Workers' Comp. 87.4% of the budget has been committed through April not including Workers' Comp. A crude projection indicates a possible budget overrun. The \$177,000 expense incurred last year but not booked to last year, is expected to be covered by the Internal Service Fund the Board established in June 2011 to cover situations like this.

According to the Workers' Comp trust, the budget will be fully expended but not exceeded.

Instructional Materials: 70.6% committed vs. 56.5% last year at this time. The elementary schools have used approximately 92.8% of their budget, SIS approximately 67.5%, SHS approximately 91.2%, Special Education approximately 65.3 and the Office of Instruction approximately 35.3%. It is expected that this family of accounts will be fully expended at year-end.

Program Improvement & Staff Development: 50.7% committed vs. 130.1% last year. A surplus is expected in this family of accounts at year-end.

Tuition: Tuition is over budget by \$114,939.00, a significant improvement compared with two months ago. The open PO's have been carefully reviewed by Kathy Hudak and Dawn Anderson, and appropriate adjustments have been made. The overage in Special Education is expected to be covered by the Special Ed Excess Cost Grant. There will be no tuition increase from CES.

Transportation: The L2 shows \$94,161 over budget. It is expected the Excess Cost Grant will cover the overage.

Administrative Expenses: 86.4% committed vs. 88.3% at this time last year. This account is expected to be fully expended by the end of the year.

Heat and Utilities: The April report includes 10 months of UI and 10 months of Direct Energy usage indicating that the BOE is back on track to come in below budget. The usage has grown by less than 0.75% compared with the 3 year average. A surplus in this account is expected.

The heating season is almost over. One more delivery per school is anticipated. The last invoice was billed at \$2.82 per gallon.

A surplus is expected in the Natural Gas account. SHS is on natural gas and is realizing a large savings. It was suggested that a report be made showing how much has actually been saved by the conversion to natural gas.

Gene Sullivan is conducting a "reverse auction" for energy for the City and BOE. The BOE contracts for natural gas and electricity expire at the end of November.

Building and Equipment Services: 111.1% of the budget has been committed vs. 102.4% last year. Further discussion under New Business.

Support Services: 115.2% of the budget is committed vs. 171.2% last year. The drivers for the overages are a result of Special Education professional services, legal fees and fees for negotiations.

Equipment: 89.5% of the budget has been committed vs. 93.5% last year. Most of the commitment is for network infrastructure equipment. The recent increase is due to \$40,000 purchase of computers for Allison Pianka-Gray's room.

Mr. Cameron summarized: After transferring some additional salaries to the grants, after applying the Special Ed. Excess Cost Reimbursement Grants and after out-boarding \$177,000 in health care expense to the Internal Service Fund, the forecast is that the BOE will end its year with its budget fully expended NOT over expended.

Other Items:

Athletic Account Balance as of 05/13/13 was \$168,695.91.

Parking Account Balance as of 05/10/13 was \$27,150.00.

Pay to Participate-Fall and winter season collections have been completed. Through May 13, collections total \$240,697.37. This has been collected from 672 SHS and 171 SIS students. \$13,237.50 has been refunded for a net of \$227,459.87. Collections for the Spring season continue. Collections YTD exceed the \$217.00 collected last year by \$10,500.

ACTION: Tom Minotti moved to approve the Object Summary (L2) for the 2012-2013 school year.
Win Oppel 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 April 12, 2013 (2012-2013); April 17, 2013 (2012-2013); April 19, 2013 (2012-2013); and April 26, 2013 (2012-2013).
Tom Minotti seconded the motion.
A vote was taken with all in favor. Motion carried.

Petty Cash summary (05/13/2013) was handed out for review. The Reconciliation to the City was not ready at this time.

III. OLD BUSINESS

1. Review Year-to-Date Expenditures 2012-2013—completed previously.

2. Update on Items Pertinent to 2013-2014 BOE Approved Budget

a. Health Insurance—Report on Anthem meetings.

The Board is considering self-insurance administered by Anthem. There would be no change in benefits to the employee. Anthem would take money out of the City's account on a weekly basis in order to collect money in real time. Freeman indicated a 3% renewal over current premium with no cap. Allan reported that no up front money or reserve was needed except if they wanted to exit the plan a reserve would be needed to cover the necessary impending costs. It was anticipated that HR would monitor the process. The BOE would be responsible for its own accounting.

b. Student Transportation—progress report on Landmark Student Transportation and start of school.

Landmark is active and moving ahead. They have headquarters established and have contacted the employees. Jim Burns has 5 bids for propane autogas and setup for tanks and dispensers. We don't own a location and need to create fill stations. The City is aware and a site plan is being worked on. Results are expected in 2 to 4 weeks. Summer school will be okay.

The busses have to be insured before they can be registered. Insurance is needed and being looked into. The bus company needs a deal with the City to lease the busses.

IV. NEW BUSINESS

1. Report on SHS chiller project

a. Roof top stairs—and engineered solution is needed. Fletcher-Thompson is working to rectify the problem.

b. Hazardous gas detection system—It is estimated to cost \$10,000 to fix. There was no test switch. There is also a broken pump in the cooling system tower that needs to be fixed quickly and is estimated to cost \$10,000.

2. Update on Perry Hill School Settlement—The attorney said a settlement was made. It does not appear to be a full settlement. The BOE is not getting the money. The BOA authorized the \$245,000 over budget amount. The chillers will be fixed when all is settled. A PE (professional engineer) will look at the specs to make sure the system performs as specified.

3. Update on State Fire Marshall report—3 categories are being worked on by the Fire Marshall and the Mayor. A reporting format was developed. Maintenance and custodial items are nearly complete on the 1st and 2nd floors. The third floor is being started. Architect and engineering items need to be addressed. Kenny LaCroix and the Fire Marshal will meet. After 30 days fines may be imposed.

4. Front entrance to Shelton High School—The Mayor is not committing to demolition. The BOE has to pay to have the steps replaced. The BOE does not have the money.

5. Cafeteria—The Cafeteria has achieved Bronze status, an achievement recognized by the State Board of Education. Only 6% of the schools in the U.S. have this distinction. A letter was received from the Cafeteria management indicating that they need \$35,000 relief under their contract guarantee. They need a letter from the BOE and they will be able to get \$50,000. They also asked for assistance in implementing electronic payments. PayPal was discussed.

6. It was noted that the budget for next year is short \$841,514.00

V. ADJOURNMENT

Arlene Liscinsky adjourned the meeting at 6:12 p.m.

Respectfully submitted,

Faith B. Hack
Recording Secretary