

**SHELTON BOARD OF EDUCATION
FINANCE COMMITTEE
REGULAR MEETING
MAY 18, 2011**

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

Pledge of Allegiance

Roll Call: Committee Members: Arlene Liscinsky, Win Oppel, Kathy Yolish, and Mike Pacowta.

Also in Attendance: Allan Cameron, Director of Finance; Freeman Burr Superintendent of Schools (5:20); Board of Education Member, Kate Kutash. SEA President, Debbie Keller; and Judson Crawford, A&T.

Approval of Agenda

ACTION: Mike Pacowta 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 REGULAR MEETING OF APRIL 13, 2011

ACTION: Win Oppel moved to approve the minutes of the April 13, 2011 Finance Committee Regular Meeting.
Arlene Liscinsky seconded the motion.
A vote was taken with two abstentions. 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 April 2011. In the teachers and administrator budgets 73.6% has been spent vs. 73.8% last year at this time. 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.

Non-certified payroll is 86.2% committed, compared with 82.0% at this time last year. As previously reported, the overage is due to payments made to retirees who left on June 30, 2010.

Benefits: *Health Insurance* and other payments with the exception of FICA have been posted through April. The health insurance expenditures continue to be understated. There have been only 5 charges for dental claims payout so far this year. \$205,849 more in dental insurance has been spent this year than last year. Dental expenses continue to be paid on a pay as you go basis. There appears to be a substantial savings in the health insurance budget.

Further discussion resulted in a recommendation from the Finance Committee to the full Board to draft a letter to the BOA to request a special revenue fund be established for dental with the concern that the pay-as-you go scenario could result in a shortfall if serious dental issues were to occur. Al Cameron is to draft the letter.

Unemployment insurance is still being charged although at a slower rate. The BOE has been charged year-to-date \$424,496. Payments are being made to those who were not part of the RIF.

Workers' Compensation is being reviewed by the city's administrative assistant, Tom Taylor. He is reviewing the recommended budget for this year and next. Miller Agency is getting quotes. They don't expect to hear for several months.

Instructional Materials: 72.9% committed vs. 78.3% last year. The elementary schools have used approximately 88.6% of their budgets, SIS approximately 70.8%, SHS approximately 64.2%, Special Education approximately 70.1% and Central Office has expended 94.4% of its allocation. Plans are in motion to send all of the money by the end of the year.

Program Improvement & Staff Development: 72.0% of the budget has been committed vs. 61.8% last year. There are plans to encumber the spring initiatives in the near future. The curriculum committee has plans to revise and update programs. The monies are expected to be expended by year-end.

Tuition: \$2,324,967 has been committed so far this year compared to \$2,419,707 last year at this time. Two things are working out well this year: the establishment of more programs in the district to meet student's needs and the reallocation of the budget. This account is in a better place this year than last year.

Transportation: This account is anticipated to be over budget by \$127,022, \$26,328 in Regular Education and \$103,144 in Special Education transportation. Last year the budget was over by \$431,473. Special Ed expenses continue to grow. Expenses are \$170,83 higher than last year. Reallocation of the budget has put the money in the correct places.

Administrative Expenses: 84.1% of the budget has been committed vs. 73.6% 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 have been completed. The BOE is meeting next week with UI and PPE to consider new projects. System-wide YTD reduction in electrical usage is 11% compared to the three year base period prior to the energy conservation programs resulting in a savings of \$127,338.

The most recent price for fuel oil was \$3.35 per gallon. Through April 149,229 gallons of fuel oil have been received, approximately 24% less than the 8 year average. This item will be under budget.

23% more natural gas has been consumed year-to-date than the three-year average. This was expected as Perry Hill is heated with natural gas, whereas Lafayette School was heated with oil. Sunnyside School has a dual fuel system and has been heated with natural gas because of the cheaper price.

Natural gas bills have not been received for March or April.

Building and Equipment Services: 95.5% of the budget has been committed vs. 74.7% last year. This portion of the budget was substantially reduced in order to hire teachers.

No substantial change in the dollars committed to the schools

Service Contracts: 123.0% committed vs. 73.9% at this time last year. This reflects the purchase of service contracts/software license renewals. The new copiers are in place.

Rentals: 103.4% committed vs. 109.2% last year.

Custodial Supplies: 82.5% committed vs. 73.3% at this time last year. Will be higher by year's end.

Maintenance Supplies: 67.1% committed vs. 59.6% at this time last year.

Win Oppel asked if some money could be put back into this account for much needed repairs such as the chillers. Further discussion regarding the chillers at SHS and the \$500,000 that the City has that belongs to the BOE. Freeman Burr stated that he wanted funds to be used to replenish the Technology Account. He also indicated that there were some out-of-districts placements coming up. Al Cameron was asked to provide a list of high priority items for the Board to review for allocation of the \$500,000.

Support Services: 108.5% of the budget has been committed vs. 154.6% last year. At this point, there are to be no major encumbrances expected in the future. This is a significant change from the past. With the exception of negotiations other expenditures in this family of accounts are below budget except in negotiations.

Equipment: 37.1% of the budget has been committed vs. 24.0% last year at this time. This will be expended by the Technology Center.

Bleacher account balance 4/29/11: \$205,869.54. (three more years to pay off field)

Parking account balance 4/29/11: \$23,450.00.

Pay-to-Participate account balance 4/29/11: \$286,938

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: Arlene Liscinsky moved to approve the Check Registers and the Cash Disbursement Journals for April 14, 2011 (2010-2011) and April 18, 2011 (2010-2011), and April 27, 2011 (2010-2011).
Kathy Yolish seconded the motion. A vote was taken with all in favor. Motion carried.

The Petty Cash Summary and the 2010-2011 Reconciliation to the City (5/5/11) were handed out for review.

III. OLD BUSINESS

1. Discussion of allocation of 2011-12 Budget

A draft entitled “Preliminary Proposed 2011-2012 Budget Allocation” was handed out along with a spreadsheet showing a “Summary of Proposed Preliminary Allocation of 2011-2012 Budget”.

The preliminary draft was discussed. The committee looked at this as an opportunity to reallocate some funds to technology, building and grounds, media specialists. They need to insure 10 tutors in title I grant where there is not enough money. Al Cameron was asked to provide a list for the next Finance meeting of pullbacks from next year’s funds to pay for the tutors. It was significant for the Board to approve this preliminary recommendation to allow the schools to get started with the order process.

The committee set up a Finance meeting for Wednesday, May 25th from 6:00 to 7:00.

2. Update on Unemployment Charges

Discussed previously under benefits.

3. Update on Pay-to-Participate

Expected to be slightly short of goal.

IV. NEW BUSINESS

1. Report on Balance Sheet and HRIS Projects

Blum Shapiro interviewed Central Office and 3 principals. **The** developed a chart in Visio. Dominic Barone indicated that there were lots of opportunities for process improvement. He expects to have results by the end of June.

2. Consideration of the Committee to approve the VHS Coordinator Stipend of \$3,901.

The proposal has gone through the necessary committees, policy and personnel, and now it was up to the Finance Committee to make the recommendation to the Board

ACTION: Win Oppel moved recommend the VHS Coordinator Stipend of \$3,901 to the full Board for approval.
Kathy Yolish seconded the motion.
A vote was taken with all in favor. Motion carried.

3. Consideration of items that may appropriately be brought before the committee.

Kathy Yolish questioned whether or not the stipend for the summer school coordinators had to be brought before the full Board. It was explained that the total stipend budget had not been exceeded so it did not need full board approval.

She questioned the pick up of a LHS student at 1:30. It was determined that no additional bus was required.

Kathy questioned \$25.00 gift cards that were given in appreciation to secretaries. The question had been asked of her. The funds came from the Superintendent's account.

Kathy asked if grant money was used for the students to go to the space shuttle launch. It was explained that the funds came from the field trip account.

V. ADJOURNMENT

ACTION: Arlene Liscinsky 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 6:30 p.m.

Respectfully submitted,

Faith B. Hack
Recording Secretary