

**Coventry Board of Education
Coventry, CT
Approved Minutes
Fiscal Committee Meeting
Thursday, May 12, 2011
Administration Building Conference Room**

Members Present: Mary Kortmann, Fiscal Committee Chair
Jennifer Beausoleil, Fiscal Committee Member
Mark Malcolm, Fiscal Committee Member

Also Present: Dr. Donna Bernard, Superintendent of Schools
Gregg Blackstone, Business Manager
Barbara Trinks, Director of Pupil Services

The meeting was called to order at 6:05 p.m. by M. Kortmann.

I. Approve Fiscal Minutes

MOTION: Approve Fiscal Minutes from April 14, 2011

By: M. Malcolm

Seconded: M. Kortmann

M. Kortmann asked for the following changes:

On page one, second paragraph, change the grant number 7101 to 7105.

On page two, second to last paragraph, third sentence from the end, change moving roof tresses that were not hung correctly to welding steel reinforcements on the load point of the roof tresses.

On page three, third paragraph, create a new paragraph starting with G. Blackstone stated he received. Add against the contractors who constructed the building after the word recourse in that same sentence.

Result: Motion to approve the minutes with corrections passed unanimously.

II. Financial Reports for April

A. Encumbrance and Management Reports

G. Blackstone reported to the committee that the Federal Unemployment tax increase that may occur in January will not affect the School district or the town because we pay as we go.

G. Blackstone stated there were many changes that are highlighted in the management report and this is normal at the end of the year. G. Blackstone began the review with certified salaries noting the negative balance was reduced to \$62,000.00 because he used tuition revenue to offset special education salaries. He received permission from the town to expend the funds. G. Blackstone stated he received all but \$11,000.00 of the tuition revenue and is waiting for the second payment

from Vernon. M. Malcolm asked if information on expected revenues ever existed on the management report before. G. Blackstone answered no and this was revenue he was not expecting. J. Beausoleil asked if G. Blackstone could increase the line item is because the town council approved the expenditure increase. G. Blackstone answered this actually increases our budget by the amount the town approved.

G. Blackstone said non certified salaries went from a balance of \$100,000.00 to \$6,000.00 due to a math error on his part. He stated he missed a month in his calculations.

G. Blackstone stated the negative \$7,000.00 in Athletic Salaries will be covered by a transfer the athletic director is requesting. He stated the director is holding money in account 611, instructional supplies. M. Malcolm asked who the director was. G. Blackstone answered Nancy Levinson. M. Malcolm asked why the director has money in instructional supplies. G. Blackstone answered the director made arrangements with Michelle in January and he asked them to withhold the money until a formal transfer is authorized. M. Malcolm asked if there will be a budget transfer later. G. Blackstone answered yes but not tonight.

G. Blackstone said the negative \$123,000.00 in Certified Temp Salaries is lower than last month because the maternity leaves have been re-forecasted and adjusted. G. Blackstone stated the health insurance line item has changed due to the transfers that were approved during the last Board of Education meeting. G. Blackstone stated the change in unemployment was also due to the transfer. He stated workers compensation changed slightly.

G. Blackstone stated he took out the \$10,000.00 surplus in legal and audit. He received a low bill during April but does not expect low bills for the rest of the year and there is a lot going on where legal services could be needed. G. Blackstone said he is confident of the \$20,000 surplus in pupil services. G. Blackstone stated there is a surplus now in utilities. He stated he confirmed this figure with Paul Noel.

G. Blackstone stated contracted services line item has a lower negative figure. He needs to discuss with Paul Noel what will be needed for the end of the year, but he doesn't think it will be as high as the negative \$8600.00. G. Blackstone said he did not include any costs for structural engineering services. Dr. Bernard stated the plan for the structural engineering services is to put out to bid at the end of May with a due date of mid June. G. Blackstone stated we should see where we are next month and determine where we want to spend the money.

G. Blackstone stated student transportation was revised due to a re-forecast. M. Malcolm asked if the adjustments were for field trips. Dr. Bernard answered no, this was a projection out from the most current sixty day experience. M. Malcolm stated that the bus routes are set and there is not a lot of variation. G. Blackstone said he needs to look into possible charges due to the extra two days of school needed to make up for school closings earlier in the year. He said he will have this for the next month's forecast. J. Beausoleil asked which of the accounts the athletic transportation costs fall into. G. Blackstone answered that was the athletic and field trip account.

G. Blackstone said there is a \$5,000.00 surplus in telephone up from \$2,000.00 last month. He stated the advertising line item is zero and he included a \$20,000.00 line item for Superintendent search costs. M. Malcolm asked if the advertising money was for advertising job openings. G.

Blackstone stated he will need to advertise an RFP but the openings are not that expensive. M. Kortmann asked if there was a municipal bidding registry available. G. Blackstone answered he will look into it.

G. Blackstone stated printing surplus was up to \$9,000.00 due to a recalculation. He said the Tuition non public that was negative was addressed with the transfer. G. Blackstone stated instructional supplies line item has a surplus of \$10,000.00. Dr. Bernard stated this was because they are on hold. G. Blackstone stated the maintenance line item negative was reduced due to the transfers. He is asking for more specific information and the negative \$3,000.00 may be reduced to zero.

G. Blackstone stated the heat energy went from a surplus to a negative \$11,000.00. He said part of the reason was his forecast was short a months worth of data. G. Blackstone stated the new forecast included 1500 gallons of oil needed to the end of the year for hot water and the cost of topping off the tanks. M. Malcolm stated the topping off of the tanks should be done even if a negative end balance occurs because our lock-in rate is much lower than the current spot price rate. M. Malcolm asked if we need to notify Dime Oil we plan to top off the tanks by June 1st. G. Blackstone told Dime Oil in the fall that we will be topping off the tanks. M. Malcolm asked G. Blackstone if he could double check. G. Blackstone answered he would do so. M. Kortmann stated if there is a problem in getting the rate of \$2.31 per gallon, we will address that. G. Blackstone stated the offensive language in the contract regarding number of gallons per month and notification for topping off was out of the contract for the next year. G. Blackstone stated gasoline and diesel surplus was reduced to \$6,000.00 due to transfers.

G. Blackstone stated textbooks has a surplus due to the spending hold. Dr. Bernard stated she instructed staff to get their deferred orders ready to go for possible purchase at the end of the year. M. Malcolm asked if this was something the committee needs to review and discuss next month. G. Blackstone answered yes. M. Malcolm asked what textbooks would be purchased at the end of the year. J. Beausoleil answered textbooks for curriculum review for next year. M. Malcolm stated those would be on next year's budget. Dr. Bernard stated the textbook purchases could be to replace worn copies and materials for summer school. J. Beausoleil stated some textbooks will take a long time to arrive and ordering them in August may not be enough lead time.

G. Blackstone stated there will be one purchase in special education instruction equipment and he does not anticipate any additional spending so there is a surplus of \$6,800. M. Malcolm asked why special education instructional equipment will have a surplus balance of 70% of what was budget for. He wants to know what the target was when the budget was put together. Ms. Trinks answered she was not the one who did the budget last year, but she could find out and get back to the committee. M. Malcolm stated budgets should not be based on what was budgeted in the prior year, but on the needs and goals of the department.

G. Blackstone stated the \$322,000.00 in excess cost we were counting on has been reduced to \$221,000.000 due to the additional placements. He said during last months meeting the placements were estimated to be \$121,000.00 and they are coming in at \$80,000.00. M. Malcolm asked what impact the check we received has on this budget. G. Blackstone answered he already included it in the figure.

G. Blackstone reviewed the ARRA Stabilization Grant under the double line. He stated there was an \$8,660.76 surplus that he journaled up to the certified salaries line.

M. Kortmann stated the date on the Budget Balance as of line should read April and not March. G. Blackstone said he would correct that on the report.

B. Food Services P&L and Cash Flow

G. Blackstone stated that food services had a good April and ended the month with a positive balance. M. Kortmann asked if a total line could be added to the report. G. Blackstone answered he would add a total line. G. Blackstone said because of new Federal requirements, the Food Services Coordinator will need to raise prices by a dime overall to stay in compliance. M. Kortmann stated the Coordinator will need to document why the increase is needed. Dr. Bernard stated she will ask for the item to be added as an agenda item on the next Board of Education meeting and for the Food Service Coordinator to present the information and request approval.

J. Beausoleil asked if the district is still receiving money from the state for the healthy lunch program. Dr. Bernard answered yes. M. Malcolm asked where that money is reflected in the statement of cash flows. G. Blackstone stated he would find out. M. Malcolm said the food services coordinator has commented about the type of food that can be served due to restrictions from the healthy lunch program. Dr. Bernard said she met with the food service staff and asked if it was worth the money to continue the healthy lunch program and she was told by food services it was worth it.

J. Beausoleil mentioned the change in restrictions in cleaning supplies and now people cannot bring their own cleaning supplies. G. Blackstone stated it will be difficult to enforce. Dr. Bernard stated Paul Noel is on top of this. G. Blackstone stated Mr. Noel is looking for a software program in which to keep the MSDS forms.

M. Kortmann suggested placing a food service survey on face book to get feedback on what people want and like for food services. Dr. Bernard cautioned not to use face book but instead use survey monkey. J. Beausoleil suggested placing a survey on the web site and having the survey results automatically e-mailed to the food services department. Dr. Bernard stated she will follow up with Alison to start the survey process.

C. Excess Cost Report

G. Blackstone noted the new placements are now on the excess cost report with the latest information he had as of May 5th. He stated the additional costs are now estimated to be \$80,000.00. M. Kortmann asked how the placements came about. Ms. Trinks answered they came from a couple of different sources. Some were new referrals and some were moves into the district. She said she gave G. Blackstone the worst case scenario and wanted to make sure the committee was aware of the placements. Ms. Trinks stated originally there were five placements, but one of them is now off the table for discussion. She said three of the placements have begun and the final one is still in process, and is listed as anticipated on the report. M. Malcolm asked which one was the anticipated one. Ms. Trinks answered it was Waterford which is listed as Norwich Free Academy. M. Malcolm noted the expense was listed for two months at \$10,000.00.

G. Blackstone said that figure included tuition and transportation. M. Malcolm asked if the special education services provided at Norwich can't be provided in Coventry. Ms. Trinks answered Coventry is fiscally responsible because the student is in foster placement.

Dr. Bernard stated some planning has begun to increase Coventry's capabilities specifically related to Autism because there are now some preschool autism students. Ms. Trinks also stated that placements are made within district whenever possible and she is often looking to increase Coventry district capabilities.

M. Malcolm wondered if any of the services provided for any of the placements can be serviced in Coventry if we can build up our capabilities. He continued and asked about the budget for next year. He asked if the four new placements were included in next year's budget. J. Beausoleil asked if this was a cost increase for two placements or four placements. M. Malcolm asked Ms. Trinks if she can take the numbers for the new placement and extrapolate them for next years budget. Ms. Trinks answered she would do that.

D. Grant Report

G. Blackstone reviewed grant 7105 and stated he received written confirmation from the state grant manager that we have until December 30th of this year to get down to zero as long as it is encumbered by September 30th. Dr. Bernard asked if this was the case for 7107. G. Blackstone answered no. M. Kortmann asked if this was the case for 7106. G. Blackstone answered he didn't think it applied to the 7106 grant. M. Kortmann asked if this was all ARRA or only the IDEA ARRA. G. Blackstone answered it was only IDEA ARRA. M. Kortmann asked if 7106 will be spent down. G. Blackstone answered since it was teachers salaries, he would be able to use the money to cover some of the certified salaries shortfall.

M. Kortmann asked if there was a change in the 7105 ruling and that money could not be used until December 30th, do we have any money in the special education budget that belongs to the professional and technical services line that can be used. She stated she would rather give the money back to the town than the federal government.

Ms. Trinks mentioned that the bills for services are sometime late. M. Malcolm suggested we make sure the bills are on time. Ms. Trinks stated she received bill for March.

M. Kortmann stated there was \$11,000.00 in Title II carry over money. G. Blackstone stated that grant was awarded late, so the activities started late. M. Kortmann asked about the other grants that had carry over such as Safe and Drug free, Improve Basic Program, and College Career Pathways. G. Blackstone stated he would check into them.

III. Date and Time for June Fiscal Meeting - Discussion

G. Blackstone stated there is a retirement celebration scheduled for the same time and location as the June Fiscal meeting. He would like to know if the Fiscal meeting could be rescheduled and if so, when. The committee discussed and agreed that Monday June 6, 2011 starting at 6:30 p.m. would work for all the members.

IV. Education Facilities Use Fund - Discussion

G. Blackstone stated the committee asked for a definition and this was what he received from the town. He said he is focusing on the Allowable Expenditures and what we can spend the money on. M. Kortmann asked how much money is in the fund now. G. Blackstone answered he did not know. The committee discussed and determined they need to know how much money is in the fund and then discuss further how to spend the money. M. Kortmann suggested Paul Noel put together a list of items that need to be replaced or fixed. She also suggested the new form be filled out to use the money from the student activity fund and combine it with this fund to create a light fund.

V. Adjournment

The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Terri Lessard, Subcommittee Clerk

Approved: June 6, 2011