

**Coventry Board of Education  
Coventry, CT  
Approved Minutes  
Fiscal Committee Meeting  
Wednesday, November 10, 2010  
Administration Building Conference Room**

Members Present: Mary Kortmann, Fiscal Committee Chair  
Cheryl Trudon, Fiscal Committee Member  
Mark Malcolm, Fiscal Committee Member

Also Present: Dr. Donna Bernard, Superintendent of Schools  
Gregg Blackstone, Business Manager

The meeting was called to order at 6:33 p.m. by M. Kortmann.

**I. Approve Fiscal Minutes**

**A. October 14, 2010 Meeting**

**MOTION: Approve Fiscal Minutes from October 14, 2010**

**By: M. Malcolm**

**Seconded: C. Trudon**

M. Kortmann asked for a change on page 2, 2<sup>nd</sup> full paragraph, 4<sup>th</sup> sentence, change the end of the sentence to probably be claiming for the rest of the year. Also on page 3, 3<sup>rd</sup> full paragraph, 1<sup>st</sup> sentence, add the word capital before the word budget.

C. Trudon asked if the spelling of the word capital should be with an a or an o. The committee agreed it should be spelled with an a. C. Trudon asked that the spelling of the word capital be checked throughout the document.

**Result: Motion passes to approve the minutes with changes noted 2-0-1. (M. Malcolm abstains.)**

**B. October 20, 2010 Special Meeting**

**MOTION: Approve Fiscal Minutes from October 20, 2010 Special Meeting**

**By: M. Malcolm**

**Seconded: C. Trudon**

**Result: Motion passes unanimously.**

## II. Encumbrance Reports for October 2010

G. Blackstone asked if the committee wanted the answers to the question posed during the last meeting. Dr. Bernard answered yes. G. Blackstone responded to the question of who was on the unemployment list, and could the committee estimate the costs. He did check with the Department of Labor and there is no way to log into their system and see who is on our list. He said we do get a list with our bill and he handed a copy of the list to M. Kortmann. G. Blackstone stated that the bills are trending down. He wants to find some of the prior bills. He stated the bills are two months in arrears, so we are paying the November bill now but it is for September. M. Kortmann reviewed the list and stated the amounts are small. M. Malcolm asked if G. Blackstone knows where they are in the number of weeks on unemployment. G. Blackstone answered he did not know but could find out. M. Kortmann stated there is more than enough money in the budget for unemployment costs. C. Trudon asked if it was possible to review the prior bills and find out how much longer they will be on unemployment benefits. M. Kortmann answered yes, but it is a lot of work and the size of the claims is small. G. Blackstone stated the budget is \$45,000.00 and \$7200.00 was spent, so the whole \$45,000.00 will not be spent.

G. Blackstone reviewed Legal and Audit. He stated we have paid the majority of Audit. He received the bill for the Audit today and it is \$100.00 less than last year. He asked if extra money was allocated to that line in the last budget. The committee answered extra money was allocated to Legal but not Audit. G. Blackstone stated then the line item will be even in Audit. M. Kortmann stated they put in \$50,000.00 for the teacher arbitration and not all of the money was used. She said that there will be one more contract negotiated for Cafeteria, and other than that Legal is stuff that comes up during the year. G. Blackstone stated he received the mediation bill today and it was a couple of thousand dollars. M. Kortmann stated that when G. Blackstone does the management report the committee should have some answers on where money can be moved.

G. Blackstone spoke about the sewer bill. He said they have been paid. He said they are paid by check and nothing additional should be billed.

G. Blackstone spoke about Pension. He stated we have \$11,000.00 more to go. He said everything we owe to the town is paid. We do one journal entry in August and a 403B amount that comes to \$10,000.00 from this point forward. M. Kortmann asked if it was encumbered. G. Blackstone answered no because it comes through payroll.

G. Blackstone spoke about student transportation. He said it is billed twice a year for regular transportation. G. Blackstone believes this will be over budget due to field trips and athletics. C. Trudon stated both the soccer and volleyball teams are going to the state tournaments. G. Blackstone estimates the budget will be over by \$10-15,000.00.

M. Malcolm asked if another column is needed to show the over budget amounts. M. Kortmann answered no because the management report will show this detail.

### III. Position Statement

M. Kortmann asked if the people on the top are the people already encumbered in certified salaries. G. Blackstone answered yes. M. Kortmann asked if the Other Adjustments is not encumbered yet. Dr. Bernard stated that the Maternity Leave costs were not built in to a July 1st budget. G. Blackstone stated that those salaries were encumbered for the year. When somebody goes out and they have time to cover it they will continue to get paid. When their time runs out we have an encumbrance for which there is no expenditure. M. Kortmann said that was how we get a savings. She said when they are sick, we double pay because subs are needed. Dr. Bernard stated the other long-term costs may be extended. She stated this is the biggest coverage of costs she has seen in a decade. G. Blackstone stated there are eleven known maternities. M. Kortmann asked if the \$148K figure represents sub costs. G. Blackstone answered yes. M. Kortmann stated that the subs start out in non certified temps and after they are here for thirty days it moves over to long term sub and a salary bump. M. Kortmann asked if they pick up health care once they go to long term sub. G. Blackstone answered he did not know and he did not include benefits here. Dr. Bernard said she will check with Ms. Michaud.

C. Trudon asked if the savings seen on the top portion of this report are included in the certified salaries, which has a negative total. G. Blackstone answered yes they are partway. C. Trudon asked about the Other Adjustments totals being more negative than the positive salary total from the top. The committee discussed and determined they really did not know for sure if the savings was already in the certified salaries. Dr. Bernard asked G. Blackstone if he could go back with payroll and do a review of this to make sure what is and is not accounted for. Dr. Bernard stated she was more nervous because the certified salaries are negative already. M. Malcolm stated that it is unusual for us to be under so early in the year because we had the early retirement incentives so that we would be in good shape in this area. M. Kortmann stated we used the early retirement savings in the budget. Dr. Bernard stated that the money was mostly saved by the non replacements. M. Kortmann stated they took the savings out of salaries. Dr. Bernard stated that the health insurance budget went to bed at a 15% increase, and actually only increased 9%. M. Kortmann stated there is money in benefits. Dr. Bernard said that the excess cost in special education should also be a savings. Dr. Bernard asked G. Blackstone to validate how much is and is not in the year to date figure. M. Kortmann stated that the subs are not reflected for the first thirty days. Once they reach thirty days, and they are in long term sub, then their costs should be encumbered.

M. Malcolm asked why the long term subs are not reflected in the budget if it is known they will be needed. M. Kortmann answered that the management report will reflect the anticipated costs. M. Kortmann stated the management report matters so much because items that are not normally encumbered and we wouldn't know the status of we have to guess to the year end and we have buckets that we can get some of this money from and it would be nice to make some transfers. She stated they could not do this last year because they could not nail this down enough to see what bucket was safe. M. Kortmann stated that the management report matters; for items that are not normally encumbered, we would have to guess the year-end number. We should have accounts that we can get some of this money from and it would be nice to make some transfers.

#### **IV. Grant Report**

M. Kortmann had a question on the Expenditure Grant Report. She said that one of them is negative and she doesn't believe we can have a negative in a grant. G. Blackstone stated that it has already probably been journal vouchered. He asked if it was preschool 619. M. Kortmann answered yes. G. Blackstone stated it goes to regular IDEA.

G. Blackstone stated there was some expenditure in the current year IDEA Part B 611 that he will voucher to the carry over from last year. G. Blackstone stated the same would be for benefits. M. Kortmann stated that most grants do not cover benefits. M. Kortmann stated there is at least \$30,000.00 in the grants that can absorb some money.

#### **V. Food Service**

Dr. Bernard asked if the committee could discuss Food Service. M. Kortmann stated the report looks awesome. She asked if G. Blackstone could highlight the subtotals. G. Blackstone answered yes. C. Trudon stated it gave answers and understanding on what was going on. M. Kortmann stated that the cash was separate from the profit and loss statement. She asked if this figure balances with what the town. G. Blackstone answered yes. M. Malcolm asked if we ended last year with \$52,000.00 in cash. G. Blackstone answered yes. Dr. Bernard asked if this will match the auditors' observations. G. Blackstone answered yes to the best of his knowledge.

#### **VI. Capital Budget**

M. Malcolm stated he is fine with Capital. G. Blackstone stated he received some small revisions from Mr. Noel that add some energy savings terminology for the boiler controls for CGS and Digital controls. Dr. Bernard asked if it was terminology only and no amount. G. Blackstone answered yes. He was not sure if it was too late to introduce it. M. Kortmann answered no. She suggested that G. Blackstone just read it at the Board of Education meeting. Dr. Bernard stated that the final document would need to include it.

M. Kortmann asked how the committee wants to explain it to the town manager. C. Trudon asked if pictures were to be included. M. Malcolm stated he thought we were going to do an inventory of pictures. M. Malcolm asked if the pictures will be included when it is sent to the town manager. G. Blackstone answered that the town manager had his own format for submitting and he has to submit on the town managers form. M. Malcolm asked if the pictures could be attached. G. Blackstone answered yes. C. Trudon stated that a picture is worth 1000 words. She wants to make sure the pictures go with these good paragraphs. The committee discussed and agreed that only relevant pictures should be included.

Dr. Bernard asked about the follow up meeting with the town manager and the sub text. M. Kortmann stated it was the town managers sub text that he makes the decision and the town council does not make the decision. She explained that town council does not have input in step one. She said the town manager was objecting to us suggesting that we meet with finance again. M. Kortmann stated she doesn't have a problem with G. Blackstone meeting with the town manager. Dr. Bernard agreed. M. Kortmann stated that if G. Blackstone hit some resistance, and needed help, the fiscal committee could assist.

Dr. Bernard asked if the committee was ready to speak about CIP at the board meeting. M. Kortmann answered yes.

## **VII. Excess Cost**

Dr. Bernard stated that G. Blackstone was in the development stages and she would work with him in getting the full spectrum of special education costs. She stated that now we have a limited excess cost. M. Malcolm asked if this report was e-mailed. G. Blackstone answered yes. M. Kortmann stated we need to come up with terms such as budgeted to be received. She stated what was in our budget is the LEA Cap of \$927,943.00 plus 30% of the Excess Cost of 1,147,116.00. In order to receive the transportation money, we need to document that we do spend 30% of the excess cost money. M. Kortmann stated this report will not be enough to justify the special education costs. The committee discussed the need to break out the special education costs for each teacher and staff involved. G. Blackstone stated he will put something together for the next meeting.

## **VIII. Adjournment**

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

Respectfully submitted,

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Terri Lessard, Subcommittee Clerk

**Approved: December 9, 2010**