

Finance Committee

Minutes- Monday September 18, 2017 Finance Committee Meeting

PLACE: Shepaug MS/HS Resource Room

1. Meeting called to order 6:05 PM

Members present: COMMITTEE MEMBERS:

Michelle Gorra, Chair John Buonaiuto
Peter Tagley Stephanie Kolnick

Absent - Anthony Amato

Patricia Cosentino, Ed.D, Supt

Also present were Robert Giesen, Director of Finance

2. Chairman's Report -None

3. Acceptance of Minutes-(June 05, 2017) Approved

4. Q & A of:

a) Approved Budget Document

The 2017/2018 approved budget was reviewed with the members of the committee and various portions of the budget were discussed.

For example the notes on each page were reviewed and pointed out that how that is a good resource to explain each area of the budget. In addition it was discussed as to how each object detail could be found in the supplemental section of the budget and is a good resource to further explain the objects. In addition it was suggested that the page for Program Improvements be changed to Program Changes in the future. In regard to this page it was pointed out that any permanent staff changes would be put into the proper accounts next month and that the remaining items would be remaining for accounting purposes. This page is also used to lend transparency for the public during the budget presentation process. On the debt schedule it was pointed out that this is the last year for payments on the loan taken for elementary repairs.

b) Format of the Financial Report

The format of the monthly financial report was discussed and the headings for the columns were reviewed. Below are the descriptions:

The monthly financial report is prepared for each meeting of the finance committee following the object format used in the budget process.

The report consists of the following columns

Object – This refers to object codes for classifications of expenditure as defined by the Federal handbook on reporting

Budget – This is the current year's approved budget

Expenditures – This is the actual payments made by the district for goods and service as they are received.

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Encumbrances – This is commitments entered into for the purchase of goods and services. This will change each month and reflects the known approved expenditures.

Total Expended – The sum of both the encumbered and expenditures made through the period.

Projections – This is the best estimate prior to items either being encumbered or expended.

Total Committed - combines the expended and the projections for each period.

Remaining – The result of subtracting the committed expenditures from the approved budget.

The reports will show negatives, numbers in brackets, which are accounts that may have exceed the budget as well positive numbers which indicate that money is still not committed.

The accounts will from time to time reflect negative numbers but are being monitored. These give us indications of potential areas that deserve closer scrutiny. If there are areas of more concern that needs highlighting we will bring them forward.

The need to stay within the bottom line appropriation is the end measurement of the budget.

5. Review of Financial Report

a) June 30, 2017 – Preliminary Unaudited close

The preliminary expenditure report was reviewed and the year ended with unexpended funds of \$23,692 or .1%. The summary was reviewed and it was pointed out that a final completed report would be part of the audit.

In addition the revenue has exceed the budget by \$58,361 which when combined with the unexpended expenditures the unaudited fund balance is \$82,052. This final fund balance will be distributed when the audit is completed.

b) August 28, 2017 (Report Enclosed)

The report was reviewed and the expenditures are tracking to budget with 5.0% remaining at this time.

The accounts, by object code, were reviewed as well as the overall budget and show the following:

100 series- Salaries are under budget by \$325,701. This will be reduced after the program change budget adjustments will be made in September. Also the credit in the account for Paraprofessional is the offset for the Federal grant anticipated to be received. All other accounts are tracking to budget.

200 series- Employee Benefits are under budget by \$55,672. The accounts are within budget.

300 series- Purchased Professional & Technical Services This category of expense is under budget by \$16,214. All accounts are within budget.

400 series- Purchased Property Services, is under budget by \$93,645at this point. All accounts are tracking to budget.

500 series- Other Purchased services – This is under budget by \$628,111. The contracts for out placed tuition were not yet received and when booked will lower this balance.

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600 series-Supplies- This is under budget by \$89,042 as a result of savings from consortium bidding for supplies, software, electricity, heating oil, and diesel fuel. All accounts are under budget at the current time.

700 series-Property & Program Improvements- Spending remains over budget by (\$151,775) when the salary budget adjustments are booked (see 100 series notes) this will be back to positive balance.

800/900 series-Dues & Fees / Debt Service the accounts are under \$22,006 in Dues and Fees account.

6. Status of the 1% capital reserve account

a) Report on the preliminary status as of June 30, 2017
The unaudited balance is \$522,908.16.

7. Status of the Elementary Capital Reserve Account

a) Report on the preliminary status as of June 30, 2017
The unaudited balance is \$52,351.63.

8. Update on Status of the 2016/2017 audit to date

The audit is progressing with an anticipated December 31st completion. All State reports required for September 1st submission have been completed.

9. Other Business-

Discussion on possibly changing the meeting time was discussed with the chair to follow up.

10. Public Comment - None

11. Adjournment - 7:40

Submitted,

Michelle Gorra