

DRAFT
BARRE SUPERVISORY UNION
FINANCE COMMITTEE MEETING
Spaulding High School Library
September 20, 2018 - 4:30 p.m.

MINUTES

COMMITTEE MEMBERS PRESENT:

Paul Malone (SHS) – Chair
Sonya Spaulding (BCEMS) – Vice Chair
David LaCroix (SHS)
Jay Paterson (BTMES) – arrived at 4:42 p.m.

COMMITTEE MEMBERS ABSENT:

Tim Boltin (SHS)
Alice Farrell – (BTMES)
Sarah Pregent (BCEMS)

ADMINISTRATORS PRESENT:

John Pandolfo, Superintendent
Lisa Perrault, Business Manager

GUESTS PRESENT:

1. Call to Order

The Chair, Mr. Malone, called the Thursday, September 20, 2018, BSU Finance Committee meeting to order at 4:37 p.m., which was held at the Spaulding High School Library.

2. Additions and/or Deletions to the Agenda

None.

3. Approval of Minutes – June 20, 2018 BSU Finance Committee Meeting

On a motion by Mrs. Spaulding, seconded by Mr. Paterson, the Committee unanimously voted to approve the Minutes of the June 20, 2018 BSU Finance Committee meeting.

In response to a query regarding the location of the SPED Director's Office, it was noted that Co-Director Don McMahon has an office at BTMES and no longer has office space at the Central Office.

4. FY18 Audit Update

Three reports were distributed; the BSU FY18 Expenditures/Year-end Projection Report (dated 09/20/18), The BSU Expenditures-FY18 Report (dated 09/19/18), and the BSU Expenditures-FY19 Report (dated 09/20/18). Mrs. Perreault advised that the auditors were in the office for two weeks preparing for and working on the FY18 audit. Much work has been done to reconcile SPED expenses. The reconciliation process is coming along well. There is currently an unaudited projected surplus of \$14,745 for the BSU Office. The FY19 expenditures 'to date' are included in this evening's packet. It is too early in the year to make projections. The Business Office has been spending their time on the FY18 Audit and FY20 Budget Development. All para-educators are now in the BSU Budget, and will be billed back to the districts on a quarterly basis. Though most para-educators are SPED, some are in Regular Education. The new process allows for cutting one check rather than two for para-educators who work in both Regular and Special Education.

Going into FY19, it was not known where the \$20,000 budgeted for construction and renovations would be spent. Two projects that are currently being considered or are in progress are; construction of an office for the Communications Specialist and expansion of the BSU parking lot. The parking lot expansion should not be a significant expense and is expected to be completed by the end of fall. It is estimated that the parking lot expansion will create approximately 12 new parking spots.

5. FY20 Budget Development Update

Six documents were distributed; 'BSU FY20 Budget Considerations – September 20, 2018', 'Barre Supervisory Union SU061 Grant Award Dollar Amounts', 'Overview of Special Education Funding Changes', 'Transportation Contract 8/14/18', the VSBA Multi-line Inter-municipal School Program – Barre Member Contribution report, and the VSBIT Annual Insurance Breakdown – FY19 report.

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Mrs. Perreault advised that 1st drafts of budgets will be provided to the Boards in November. Mrs. Perreault provided an overview of the Budget Considerations document, advising of the unaudited General and Capital Fund Balances, the percentages by district - when calculating by Equalized Pupils and by Child Counts (Child Count confirmation will occur in Spring 2019), the possibility that the 11/06/18 Act 46 vote may impact the budget, that contract negotiation increases are currently an 'unknown', there is a known 11.8% increase in health insurance premiums, the budget moves all para-educators to the BSU Budget, Technology (staff and budget lines) are also being moved to the BSU budget (equipment will not be moved to the BSU budget), the BSU copier lease will be included in the BSU budget, curriculum/instructional improvement and in-service budget lines are in the BSU Budget, the budget will include the purchase of 2 Suburbans (to supplement transportation), and inclusion of the VSTRS Health Assessment.

Mrs. Perreault provided an overview of the methodology for calculating assessments to the districts. Special Education will be assessed based on Child Count. All other BSU expenses will be assessed based on Equalized Pupils. Mrs. Perreault provided an overview of the new assessment methodology for State reimbursement for Extraordinary SPED expenses (the threshold has increased to \$60,000, the reimbursement will increase from 90% to 95%. As both the threshold and reimbursement percentage have risen, the change in methodology will probably not have much of an impact. Mrs. Spaulding voiced concern that with so much of the district budgets moving to the BSU, community members might be concerned regarding transparency. Mr. Paterson believes that given the number of items being budgeted at the BSU level, the BSU Board will need to be much more involved and accountable. Additionally, Mr. Paterson advised that as more items become budgeted at the BSU level, community members might start trying to compare the number of employees at each school. Mr. Pandolfo advised that the BSU Finance Committee will review the first draft of the budget in October and district Boards will review the first drafts of their respective budgets in November. In the unlikely event that a merge vote doesn't pass and the State opts not to merge Barre City and Barre Town, the BSU Board may wish to consider moving some budget items out of the BSU budget and back to the district budgets. Finance Committee members were asked to give this option some consideration.

Copies of the consolidated Transportation contract were included in this evening's packet. Committee Members were advised to review the contracts. It was noted that STA could not accommodate transportation of homeless students, so the BSU had to contract with First Student (a cost of \$10,000). It is anticipated that the BSU's purchase of 2 Suburbans will allow for transportation of homeless students, some SPED students and Work Based Learning students at cost that is lower than if STA provided the transportation.

The Committee was advised that the Medicaid Billing Provider, MSB didn't do the work they were hired to perform, which required the BSU to hire a Medicaid Clerk. The BSU is hoping to file suit to recoup \$315,395.44. Details are listed on the BSU Grant Award document included in the packet (page 34).

Mrs. Perreault provided a brief overview of the Special Education Funding Changes document.

6. Other Business

A letter from the State of Vermont (Child Nutrition Consultant Jamie Curley), dated 08/14/18 was distributed. Mrs. Perreault advised that the letter from Jamie Curley, confirms that all food service concerns raised in the review performed on 02/12/18 and 02/13/18, have been addressed.

An e-mail from the SSDDMS Project Team (dated 08/31/18) was distributed. Mrs. Perreault advised regarding the implementation of a new Unified Chart of Accounts. A manual has still not been received, there are too many unresolved issues and not enough resources to deal with them. Mrs. Perreault advised that the State needs to slow down the implementation process. Mrs. Perreault is hoping that something can be put before the legislature to persuade them to have the implantation proceed at a slower pace and assure that the system is implemented correctly.

7. Items to be Placed on Future Agendas

Possible Change in Auditing Firm

8. Next Meeting Date

The next meeting will be held on Thursday November 15, 2018 at 4:30 p.m., in the Spaulding High School Library.

9. Adjournment

On a motion by Mrs. Spaulding, seconded by Mr. Pandolfo, the Committee unanimously voted to adjourn at 5:52 p.m.

Respectfully submitted,
Andrea Poulin