

Onteora Central School District
Audit Committee--Minutes

November 9, 2020

Committee Members: Robert Curran, Drew Boggess, Kevin Salem, Wendy Wolfenson,
Emily Sherry

Invited Guests: Victoria McLaren, Superintendent
Monica LaClair, Assistant Superintendent for Business
Debra D'Aprile, District Treasurer

- 1) Call to Order
 - a. Meeting was called to order at 9:30am
- 2) Attendance
 - a. Drew Boggess and Victoria McLaren were absent
- 3) Approval of Minutes – September 10, 2020
 - a. Wendy Wolfenson first, Robert Curran second.
 - b. There were a few minor adjustments made to the minutes.
 - c. All in favor
- 4) Introduction of new member: Emily Sherry
 - a. Emily Sherry introduced herself to the rest of the committee. The committee is very excited to have her on board. Wendy Wolfenson made a motion to accept Emily as a new committee member, Bob Curran second.
 - b. All in favor
- 5) Update on Fixed Asset Inventory
 - a. Deb D'Aprile informed the committee that the District contracted with Questar III BOCES and Assetworks to do a physical inventory of District assets in all building and sheds. Items that were found to have not been tagged, were tagged and Assetworks was able to reconcile the data to our previous software and the new data was used in our June 30, 2020 financial statements. The cost of using this new company was also lower, as our insurance company, Utica National, picked up a portion of the cost.

Wendy Wolfenson asked about Chromebook inventory. Deb said that while the Chromebooks could not be tagged due to the fact they were out in the hands of the students, John Reimer had a tracking system in place and knew exactly who had what device.

Bob Curran asked if there were massive changes due to the new inventory. Deb said no, there were not, and even Assetworks was impressed that our prior system

was so well established. The biggest issue was assets moving location, but in the end they found everything.

Bob Curran also asked about amortization and the dollar threshold of tagged items. Monica LaClair explained that the BOE policy has the District tagging and amortizing everything over \$5,000. Items between \$500 and \$4,999 are tagged for insurance purposes along with items under \$500 that can be easily walked away with (i.e. computers, graphing calculators). Bob asked if the policy committee could review the Fixed Asset policy and share it with the audit committee at the next meeting. Kevin Salem will ask Laurie Osmond and Rob Kurnit to review, as they are the Board members on the policy committee.

6) Update on COVIDs effect on the financials

a. Monica LaClair review were the District was financially since the COVID epidemic began. At the end of the last school year, the District was able to add \$2.4 million to fund balance and reserves for use in future years. The largest areas of saving in the spring of 2020 was transportation and Employee Benefits.

Monica LaClair then went on to explain what has happened this year to date. Not having summer school and not opening the schools in September did net savings to the District. Along with no fall sports, no after school activities and a reduction in the number of stipends being offered. There have been increased costs in certain areas as well, such as Technology software and hardware, additional staffing with monitors and aides, and approx. \$120,000 in costs for PPE supplies such as masks, desk shields, temperature monitoring stations, and cleaning supplies. The committee reviewed the variance report that was supplied by Mike Rossi and Monica explained what many of the variances meant.

In addition to the increased costs, the District is mindful of the potential of decrease State Aid. Thankfully, Onteora is not as heavily reliant on state aid as many other school districts, however, a cut in aid could potentially affect the District in future years. The biggest issue at hand for the district is the increased CWR (Cost Wealth Ratio) that the District will see as a result of the inflationary prices of homes being purchased within our District. For the 2019-20 school year, the CWR for Onteora 2.25, the highest in the County. The next highest is Rondout at 1.086. Average is 1.0.

Kevin Salem brought up the question of what education could potentially look like when this is all over and that many kids could need a lot of support. Monica LaClair agreed and offered that while there was a savings of no summer school this year, there may be double the cost of needing a larger than normal summer school next year as parents find their students having fallen behind. In addition, increased social worker/psychologist costs may be incurred as we find students battling serious social/emotional issues as schools resume normal operations along with potentially increased after school homework help.

Kevin Salem asked that Monica LaClair present the information to the full Board of Education at the November 24, 2020 meeting.

- 7) Old Business
- 8) New Business
- 9) Adjournment
 - a. Wendy Wolfenson first, Bob Curran, second. All in favor.
 - b. Next meeting, Monday March 1, 2021

All meetings begin at 9:30 am either at Central Administration OCSD, Boiceville or via Google Meet.

DRAFT