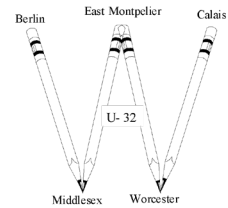


Washington Central Unified Union School District

WCUUSD exists to nurture and inspire in all students the passion, creativity and power to contribute to their local and global communities.

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Jennifer Miller-Arsenault
Interim Superintendent



**WCUUSD Finance Committee
Meeting Minutes Approved
9.13.22 8:30-9:30 a.m.
Central Office, 1130 Gallison Hill Rd., Montpelier
Via Video Conference**

Present: Flor Diaz Smith, Susanne Gann, Ursula Stanley, Chris O'Brien, Meagan Roy, Eric Andersen, Steven Dellinger-Pate, Daniel Keeney

- 1. Call to Order: Flor Diaz Smith called the meeting to order at 8:34 a.m.**
- 2. Approve Minutes of 8.9.22: Ursula Stanley motioned to approve the minutes from 8.9.22. Eric Andersen seconded and the motion passed.**

3. Informational Reports

3.1. Monthly Reflection:

Susanne reported that the search to fill the Financial Accountant position at Central Office has begun. She advised that the essential duties and responsibilities for this position will be in accounts receivable, financial reporting and budget support, cash management, record retention, capital asset and grant tracking. The position responsibilities have remained the same with a few duties that were shuffled around. Susanne reported on the tasks that were completed in August for the Finance Team. The following were completed:

- RHR Smith completed the onsite portion of the FY2021-22 annual audit the week of August 8, 2022. The audit is on track for reporting to the Board in December.
- The annual statistical report was due to the AOE on August 15, 2022.
- Personnel projections are updated for the new year based upon new hire salary and benefits.
- Preparation for the FY 2023-24 budget development has started. We have begun with the Food Service and Community Connections funds in anticipation of Board review in October. The initial requests for Special education are coming together based upon current student needs. This segment of the budget is a moving target throughout the budget process. Students coming, going, or newly identified for services may change the request as we move closer to Board approval.

Susanne reported that at the District in-service we had 44 employees that were new to the District or transferred to a new school building. We have continued to add to this number since the opening of school, as we fill remaining vacancies. Susanne thanked Virginia Breer for her work making the necessary changes in the payroll for new employees in the payroll software as well as employees who terminated in a short window of time. Susanne also acknowledged that the District welcomed two new Administrative Assistants. Christopher Pollard is new to Doty and Shannon Knowles is new to Rumney. Penny will be working with them to be sure they are adequately trained in accounts payable functions and Virginia will give them guidance in payroll.

3.2. Capital improvement Project Updates:

Susanne and Chris provided a memo that gave updates on the projects in the District that were completed or close to completion over the summer. These projects included U-32 storm water, air handling unit upgrades, roof replacement, bathrooms, scoreboards, field hockey field refurbishment, softball dugouts, windows, ventilation at Calais, bathrooms at Rumney, and across the District security access and cameras. Susanne recognized Bill Ford and advised we did not have issues that other districts faced with projects being incomplete at the start of the school year. Daniel Keeney asked about the air handling upgrades and what the project consisted of as it didn't appear that it was completed yet. Chris O'Brien advised that basically all parts are being replaced except for the housing of the equipment. Chris advised it should run more efficiently with new parts. He advised that it was more affordable to replace parts as opposed to replacing the entire unit.

4. Discussion/Action

4.1. FY 24 Capital Improvement Project Budget Revisions:

Susanne and Chris provided a memo in regards to projects for next year. The Superintendent Authorized Engineering Ventures to proceed with bid development for the parking lot project, Margolis and Healy to proceed with a safety and security program assessment for district-wide security work, and Black River Design to proceed with the scope and budget development for the remaining capital projects. Black River Design enlisted Roy Swain P.E. of Kohler & Lewis Mechanical Engineering to summarize the scope of work and provide us with a rough budget for each item. The project was originally thought to be around \$300,000. The reassessment including soft costs of 25% and 10% contingency for change orders came to a new budget estimate of \$1,278,750. There has been discussion surrounding the ARP ESSER funds that are unallocated. That amount is currently \$795,501 and could be used to offset the HVAC work if completed by September 30, 2024. If we use the remaining unallocated funds, it would increase the use of ARP ESSER on the capital improvement budget by \$483,249. Daniel Keeney asked what would happen if the ARP ESSER funds weren't an option. Susanne advised that the projects would have to be spaced out over time. Chris O'Brien advised that on the older units it would be better to replace them as the vendor is no longer in business and trying to replace the parts is not feasible. Ursula asked what the typical lifespan is when new HVAC units are put in. Chris advised approximately 20-25 years. **Ursula Stanley motioned to recommend that the Board authorize the Superintendent to engage Black River Design to develop the necessary bid documents and vendor prequalification's for the Doty AHU damper replacement, U-32 Boiler Circulator Pump Replacement and the U-32 HVAC Energy Recovery Units (ERUs) 20-year upgrade, for an amount not to exceed \$1,278,750. Daniel seconded and the motion passed unanimously.**

4.2. Operating Budget Policy & Planning:

Susanne gave an overview of a memo she provided regarding Operating Budget Policy & Planning. This highlighted a plan for a Debt Management Policy, a Fund Balance policy and budget planning discussions around expenditures. She asked the committee to think about questions they may have as she will be developing a draft. Susanne advised that our debt is hovering around \$10 million combining all outstanding debt. If we go over that amount our debt is no longer tax free therefore we become less attractive to lenders and we would get a higher interest rate. Daniel advised he hadn't seen a summary of our debt and asked about the nature of it. Susanne advised that it is in the audit and will be sure to provide it. Daniel asked historically what the trend has been. Susanne advised the District has not incurred new debt since the merger.

Meagan asked if the auditors have a recommendation for debt load? She is aware of their recommendation for fund balance. Susanne advised there is nothing highlighted about a debt level that is acceptable from the auditors. She has not reached out to the auditors about this. Ursula asked if we were to set a policy that were to say we will not incur any new debt and there is something catastrophic at one of our schools that needs to be fixed, we would be stuck. We should perhaps set guidelines. Daniel asked if Susanne would come back with the audit and actions that she is taking. Susanne advised that would be a good idea. Ursula spoke about bonds and how they are part of the debt that will eventually be paid off. Flor advised that it would be important for a policy to not be restrictive, she also spoke about assets of the District. Susanne spoke about fund balance and the concerns that Chris McVeigh had around the 2% reserve. She advised there are no rules stating that it has to be 2% and it depends on comfort level. We could increase it to say 5% however that would limit our use of the fund balance in other ways. Steven advised that historically at U-32 before the merger they used 4% and after the merger it was changed to 2% for the entire district. Flor suggested doing some comparisons with other districts for the board to see. Susanne spoke about establishing consistent parameters for recurring expenditures and how she is looking to identify the level for budgeting for tuition reimbursement for staff, identify a process for budgeting for transfers to enterprise funds and the capital reserve fund, and guide requests for expanded staffing or services.

4.3. Review & Approve Budget Timeline and Process:

There was some discussion as to whether the school open houses were included in this timeline so as not to interrupt them. Meagan advised that perhaps next year they will be included; they were not included in this one. No motion was made to recommend to the board as there were only 3 members but will be included in the 9.21.22 board meeting.

5. Next Meeting Date and Future Agenda Items

- 5.1.** Next Regular Meeting: October 11, 2022
- 5.2.** Prepare for the School Board Budget Training
- 5.3.** Prepare for November Community Forum
- 5.4.** Review and approve the Dental and HRA budget
- 5.5.** Review and approve the Food Service budget
- 5.6.** Review and approve the Community Connections budget

6. Adjourn: The meeting adjourned at 9:35 a.m.

**Respectfully Submitted by,
Melissa Tuller
Administrative Assistant**