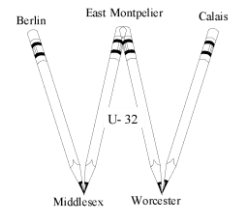


Washington Central Unified Union School District

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

1130 Gallison Hill Road
Montpelier, VT 05602
Phone (802) 229-0553
Fax (802) 229-2761

Bryan Olkowski
Superintendent



WCUUSD Finance Committee Meeting Agenda 9.16.20 5:00 - 6:00 pm

Via Video Conference*

<https://tinyurl.com/yxmo52l6>

Meeting ID: 982 9945 3728

Password: 500273

Dial by Your Location: 1-929-205-6099

1. Call to Order
2. Approve Minutes of 9.2.20 – pg. 2
3. Discussion/Action
 - 3.1. Financial Report
 - 3.1.1. COVID Cares Relief Funds – pg. 3
 - 3.1.2. Financial Update FY 21 – pg. 6
 - 3.2. Health Reimbursement and Flex Spending Budget – pg. 8
 - 3.3. Dental Insurance – pg. 10
 - 3.4. Budget Process – pg. 11
 - 3.5. Budget Timeline Draft #1 – pg. 13
4. Next Meeting Date and Future Agenda Items
 - Business Administrator Succession
 - Energy Project Consultant (Fall)
5. Adjourn

***Open Meeting Law temporary changes as of 3/30/20:**

Boards are not required to designate a physical meeting location. Board members and staff are not required to be present at a designated meeting location.

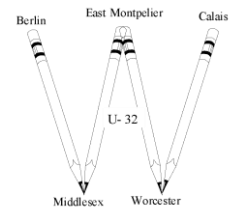
Our building will not be open for meetings. All are welcome to attend virtually.

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Bryan Olkowski
Superintendent



WCUUSD Finance Committee Meeting Minutes Unapproved 9.2.20

Committee Members Present: Flor Diaz-Smith, Scott Thompson, Kari Bradley, and Chris McVeigh
Administrators Present: Lori Bibeau and Brian Olkowski
Others Present: Keith MacMartin, ORCA Media

1. Call to Order – **Ms. Diaz-Smith called the meeting to order at 5:30 pm.**
2. Approve Minutes of 7.29.20 – pg. 2 **Mr. Bradley motioned to approve the minutes of 7.29.20. Mr. Thompson seconded. The motion carried.**
3. Discussion/Action
 - 3.1 Calais Road Sign Request – pg. 4 **Mr. McVeigh motioned to approve the expenditure of \$1,262 for the movable sign in Calais as proposed by the Calais selectboard. Mr. Thompson seconded.** Mr. Thompson started the conversation by expressing his concern that Calais may feel like this could be a way to try to recoup some of what they brought into the consolidation. Mr. McVeigh stated that he doesn't see how this expenditure could have anything to do with the debt., but sees it as a potential partnership for schools and towns to share expenses, of which he is in favor. Mr. Bradley stated that he had mixed feelings, primarily because of precedence setting of spending school funds for items that would fall under town responsibilities. Ms. Diaz-Smith agreed with Mr. Bradley. Ms. Bibeau noted that relationships with the towns must be disclosed to the state, and the state makes the decision on whether these expenses are eligible for education property tax. **The motion did not pass.** The finance committee members decided to send this topic to the policy committee for a policy to be adopted around shared expenses with towns.
4. Next Meeting Date and Future Agenda Items – Sept 16th at 5:00 pm
 - Energy Project Consultant (Fall)
 - Finance Update
 - Research into property tax collections – Ms. Bibeau stated that they are expecting the same cash flow projections in the same amounts. There has been nothing of significance that would impact the school's cash flow at this time.
 - Debt discussion (Act 46 loose ends)
5. Adjourn – **Meeting adjourned at 5:53 pm**

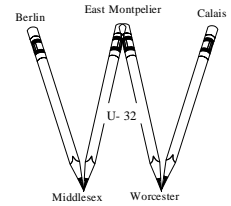
Respectfully Submitted,
Tiffany Miller, Board Recording Secretary

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Bryan Olkowski
Superintendent



TO: WCUUSD School Board & Finance Committee
FROM: Bryan Olkowski, Superintendent
Lori T. Bibeau, WCUUSD Business Administrator
RE: Financial Report & COVID -19 Update
DATE: September 11, 2020

Financial Report Update

This report includes the beginning fund balances from fiscal year 19-20. The fiscal year 19-20 audit is still open and will be delayed due to a lack of final information regarding the Cares Relief Fund grants for FY 19-20. At the time of writing this report, there are still questions regarding COVID-19 reimbursements and the eligibility of some expenses for both FY 20 and FY 21. Our audit firm expects to receive further guidance and instructions on the Single-Audit requirements for COVID-Cares Relief Funds in November/December 2020. The Vermont Legislature has reconvened and is expected to budget for the FY 20-21 amount of Cares Relief Funds for schools in the coming weeks.

The Auditors verified that receivables in the amount of the actual (net) spending be recorded as revenue with any difference recorded in Fiscal Year 20-21. During Fiscal Year 19-20 here is the latest COVID-19 Program Financial Information:

- **Instructional, Support and Related**
 - Revenues \$0, Expenses \$111,846=Net Amount \$111,846
- **Day Care**
 - Revenues \$47,591, Expenses \$97,710=Net Amount \$50,119
- **Food Service**
 - Revenues \$250,780, Expenses \$455,157=Net Amount \$204,377

In Summary: Revenues \$298,371, Expenses \$664,713=Net Amount \$366,342

The Net Amount is recorded as a COVID-19 reimbursement: Instructional, Support and Related \$111,846, Day Care \$50,119, Food Service \$204,377, for a Total of \$366,342. Please see the note regarding the \$366,342 on the Fund Balance report as Other Considerations for Fund Balance.

Here is a summary of the current fiscal year (20-21) financial information:

KEY: Increase (Decrease) to Fund Balance

Revenues Changes

- Increases to Fund Balance
 - COVID-19 (CRF) Reimbursement \$744k
 - COVID-19 (CRF) Reimbursement-Efficiency Vermont \$492k
 - Miscellaneous Income-Rumney Outdoor Learning \$10k
- Decreases to Fund Balance
 - Interest Income\$53.8k

Projected Revenue Increase to Fund Balance \$1,192.3K

Expense Changes

- Increases to Fund Balance
 - Interest Expense \$53.8k
- Decreases to Fund Balance
 - COVID-19 (CRF) Expenses(\$744k)
 - COVID-19 (CRF) Expenses Efficiency Vermont (\$492k)
 - Program Costs-Rumney Outdoor Learning (\$10k)

Projected Expense Decrease to Fund Balance \$1,192.3k

NET Projected Increase to Fund Balance \$0

In summary:

- The beginning Fund Balance transferred in as Revenue in the amount of \$2,510,525
- NET projected increase to Fund Balance for FY20-21 \$0
 - Combined projected Fund Balance total is \$2,510,525
 - Less Fund Balances Reserved for Specific Purposes (\$0)
 - Equals projected ending Fund Balance Reserved for Operations \$2,510,525
 - Target Fund Balance at 2% is \$708,910 which leaves a projected amount of \$1,801,915 beyond the target amount.
- **This is preliminary fund balance information for FY 20-21 and is subject to audit.**

Other notes:

- The previous information includes an expected COVID reimbursement in the amount of \$366,342. Should the reimbursement amount be less than \$366,342, the Reserved Fund Balance would need to cover the shortfall.
- Fund Balance considerations:
 - At a future meeting the School Board will consider options for the audited Fund Balance.
 - Some ideas are to reserve Fund Balance for multi-year revenue shortfalls and/or to transfer an amount to the capital fund.
 - A more comprehensive recommendation will be developed as more information is shared as we learn more from the state and federal governments.

Cares Relief Fund(CRF) Update

The Cares Relief Fund (CRF) grants have multiple funding sources. There are:

- Summer Food Program (Both FY20 & FY 21)
- Efficiency Vermont (FY 21)
- FEMA (Both FY20 & FY 21)
- Agency of Education-CRF (Both FY 20 & FY21)
- ESSER Grant (FY 21)

Lori Bibeau has been completing applications and monitoring the requirements for all of the above funding sources. The Vermont Legislature has reconvened and is expected to budget for the FY 20-21 amount of Cares Relief Funds for schools in the coming weeks. We should have more information for the October Finance Committee meeting.

Other Funds

This year, we have included all of the other funds on the Fund Balance Summary sheet. They are:

- Special Revenue Funds (Grants)
- Permanent, Trust and Agency Funds (Restricted, scholarship etc.)
- Capital Funds
- Enterprise Funds (Food Services, Community Connections, Dental Program, Health Reimbursement/Medical Spending Account/Dependent Care

We will review these other funds in more detail at the Finance Committee meeting.

Washington Central Unified Union School District
FUND BALANCE SUMMARY
 Fiscal Year 2020-2021
COVID-Cares Relief Fund(CRF)-To Be Determined

NOTE: Fund Balance available to the School Board is the "After Audit Beginning Balance". The Projected Ending Fund Balance is an estimate using the current information. This amount becomes final after the school year ends and the audit is completed.

KEY: Increase (Decrease) to Fund Balance

GENERAL FUND (1)

Beginning Fund Balance-Reserved for Operations:		Month of Update	
Reserved for Operations	July 2020		\$2,510,525
Total Beginning Fund Balance-Reserved for Operations(A)			\$2,510,525

Revenues Changes:		BUDGET 2020	CHANGE	PROJECTED 2020
Interest Income	Sept 2020		-\$53,780	* See Expenses Below
Miscellaneous Income-Rumney Outdoor Learning	Sept 2020		\$10,000	* See Expenses Below
CARES RELIEF FUND-COVID Reimbursement-AOE	Sept 2020		\$744,043	* See Expenses Below
CARES RELIEF FUND-COVID Reimbursement-Efficiency Vermont	Sept 2020		\$492,034	* See Expenses Below

TOTAL REVENUES(B)	\$35,430,502	\$1,192,297	\$36,622,799
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Expense Changes:		BUDGET 2020	CHANGE	PROJECTED 2020
Interest Expense	Sept 2020		\$53,780	*See Revenues Above
Program Costs-Rumney Outdoor Learning	Sept 2020		-\$10,000	*See Revenues Above
CARES COVID Instructional, Support and Related Expenses-AOE	Sept 2020		-\$744,043	*See Revenues Above
CARES COVID Air quality, Isolation Rooms-Efficiency Vermont	Sept 2020		-\$492,034	*See Revenues Above
TOTAL EXPENSES(C)		\$35,430,502	-\$1,192,297	\$36,622,799

CURRENT YEAR OPERATIONS-REVENUE LESS EXPENSES (B-C)=D \$0
BEGINNING BALANCE + CURRENT YEAR OPERATIONS(A+D)=E \$2,510,525

Other board considerations for Fund Balance(F):

Possible reserve for future Transportation Aid \$54k-TBD	\$0
Board Authorized Summer Food Program if needed \$37,637-TBD	\$0
Possible reserve CRF (COVID-19) Amount \$366,342-TBD FY19-20	\$0

PROJECTED ENDING BALANCE-Reserved For Operations(E+F)=G \$2,510,525

Note: Target Fund Balance at 2% of current year budget \$708,610

Amount Available Beyond the 2% Target \$1,801,915

Other Reserved Items:

Reserved for Technology Equipment	\$357,928
Reserved for Fiscal Software & Related Costs-Includes Interest Income	\$309,000
	\$0
Subtotal Reserved Items (G)	\$666,928

**Washington Central Unified Union School District
FUND BALANCE SUMMARY**

Fiscal Year 2020-2021

SPECIAL REVENUE FUND(2)-GRANTS

Beginning Fund Balance	\$0
Projected Income	\$1,907,326
Projected Expense	<u>-\$1,907,326</u>
Projected Available Funds	\$0

OTHER FUNDS

	PERMANENT (Fund 5)	TRUST(Fund 8) SCHOLARSHIP/	AGENCY(Fund 9) SCHOLARSHIP/
Beginning Fund Bal. /Deposits Payable	\$5,577	\$83,009	\$128,026
Projected Surplus(Use)	\$ (640)	\$ (43,716)	\$ -
Projected Available Funds	\$4,937	\$39,293	\$128,026

CAPITAL PROJECTS FUND(3)

Beginning Fund Balance:	Combined Totals	BERLIN	CALAIS	EAST MONTPELIER	MIDDLESEX	WORCESTER	U32	Central Office	WCUUSD
Beginning Fund Balance(A)	\$2,573,393	\$451,588	\$130,849	\$907,669	\$72,995	\$234,448	\$632,091	\$117,370	\$26,383

Revenues:

Interfund Transfers	\$706,522	\$129,183	\$10,076	\$0	\$118,178	\$111,080	\$143,482	\$0	\$194,523
Interest Income	\$3,128	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,128
TOTAL REVENUES(B)	\$709,650	\$129,183	\$10,076	\$0	\$118,178	\$111,080	\$143,482	\$0	\$197,651

TOTAL FUND BALANCE & REVENUES(A+B)=C	\$3,283,043	\$580,771	\$140,925	\$907,669	\$191,173	\$345,528	\$775,573	\$117,370	\$224,034
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Expenses:	Combined Totals	BERLIN	CALAIS	EAST MONTPELIER	MIDDLESEX	WORCESTER	U32	Central Office	WCUUSD
ACTUAL EXPENSES PAID TO DATE	\$1,252,354	\$522,145	\$4,668	\$1,635	\$112,553	\$118,283	\$469,027	\$0	\$24,044
ENCUMBERED PURCHASE ORDERS TO DATE	\$843,947	\$58,626	\$136,257	\$0	\$78,620	\$227,245	\$306,546	\$0	\$36,653
TOTAL EXPENSES(C)	\$2,096,301	\$580,771	\$140,925	\$1,635	\$191,173	\$345,528	\$775,573	\$0	\$60,697

CURRENT CAPITAL PROJECT BALANCE AVAILABLE	\$1,186,742	\$0	\$0	\$906,034	\$0	\$0	\$0	\$117,370	\$163,337
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ENTERPRISE FUNDS(Fund 6)

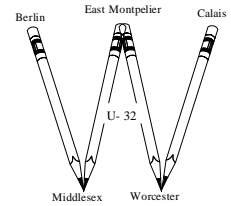
Fiscal Year 2020-2021	Total Fund 6	Food Services	Community Connections	Dental Program	Health Reimbursement/ MSA/DC
Beginning Fund Balance	\$1,072,090	\$214,208	\$27,809	\$231,393	\$598,680
Budget Support	\$189,115	\$149,115	\$40,000	\$0	\$0
Projected Use	\$ (212,215)	\$ (149,115)	\$ (67,809)	\$4,709	\$0
CURRENT PROJECTED FUND BALANCE	\$1,048,990	\$214,208	\$0	\$236,102	\$598,680

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Bryan Olkowski
Superintendent



TO: WCUUSD School Board & Finance Committee
FROM: Bryan Olkowski Superintendent
Lori T. Bibeau, WCUUSD Business Administrator
RE: Dental and Health Reimbursement/Flex Spending Account Budgets
DATE: September 11, 2020

This packet includes budgets for FY 21-22 for two programs:

- 1) Self-Funded Dental Insurance
- 2) Health Reimbursement/Flexible Spending Accounts

On an annual basis, employees have the opportunity to change their benefit elections during an open enrollment period for calendar year coverage (January 1-December 31). Each year, Washington Central Unified Union School District (WCUUSD) sends this information to each benefit eligible employee in October. This timeline provides the employee ample time to make an informed decision and meets the deadline for WCUUSD to process the benefit changes with the plan administrators.

On an annual basis, the WCUUSD School Board approves the budgets in September. These budgets determine the prices used for the open enrollment packets and establishes parameters used in drafting up the WCUUSD budget for FY 21-22. Please see the enclosed budgets for more information and for the recommended board actions.

Washington Central Unified Union School District
 Health Reimbursement & Flex Spending Accounts Budget 2021-2022
 Finance Committee & Board Meeting-September 16, 2020

Board Action Needed:

To approve the Health Reimbursement and Flexible Spending Accounts Budget for FY21-22.

Rates per eligible participant:	\$70	\$70
# Participating	331	336

	ACTUAL FY 2020	BUDGET FY 2021	PROJECTED FY 2021	BUDGET FY 2022
<u>Revenues:</u>				
Interest Income	\$16,820	\$7,380	\$10,000	\$10,000
Employee Ded-Reserved for FSA Claims	\$105,726	\$135,696	\$106,000	\$106,000
Employee Ded-Reserved for Dep Care Claims	\$80,203	\$93,000	\$82,000	\$82,000
District Cost for HRA Claims & Admin	\$841,303	\$841,160	\$841,160	\$841,160
District Cost For Flex Plan	\$22,791	\$23,170	\$23,170	\$23,520
Total Revenues	\$1,066,843	\$1,100,406	\$1,062,330	\$1,062,680
<u>Expenses:</u>				
Enrollment & Benefit Coordination-EST HRA	\$47,730	\$49,639	\$49,639	\$51,625
Enrollment & Benefit Coordination-S125	\$23,670	\$24,617	\$24,617	\$25,602
Monthly Admin. Fees, Tax Reporting	\$22,485	\$37,295	\$37,295	\$37,295
Processing Materials	<u>\$1,100</u>	<u>\$1,100</u>	<u>\$1,100</u>	<u>\$1,100</u>
Subtotal District Costs	\$94,985	\$112,651	\$112,651	\$115,621
Employee Reimbursement-FSA	\$77,348	\$135,696	\$106,000	\$106,000
Employee Reimbursement-Dependent Care	\$76,598	\$93,000	\$82,000	\$82,000
Claims-Health Reimbursement	\$609,489	\$759,059	\$759,059	\$759,059
Surplus/(Deficit) Claims	\$0	\$0	\$0	\$0
Total	\$858,420	\$1,100,406	\$1,059,710	\$1,062,680
Surplus/(Deficit)	\$208,423	\$0	\$2,620	\$0
Prior Year-Reserve for Claims	\$390,257	\$598,680	\$598,680	\$601,300
Carryover-Reserve for Claims	\$598,680	\$598,680	\$601,300	\$601,300

NOTES:

- 1) Health Reimbursement Account began January 2018. The Program Agent was Future Planning(Jan-April)
- 2) WCUUSD employees complete the employee enrollment and benefit coordination and receive additional compensation for hours worked beyond contract hours.
- 3) Any surplus or deficit is undetermined at this time and cannot be calculated until April 2021

Amount Employees are saving taxes on CY2020 \$1,019,976
 FICA Savings to the District **\$78,028**

Washington Central Unified Union School District
Self Funded Dental Insurance Budget FY 2021-22
Finance Committee & Board Meeting-September 16, 2020

Board Action Needed:

To set the CY21 Dental Insurance rates as follows:

	Jan-19	Jan-20	Jan-21
Single Plan	\$552	\$552	\$552
2Person Plan	\$1,080	\$1,080	\$1,080
Family Plan	\$1,512	\$1,512	\$1,512

	<u>ACTUAL</u> <u>FY 2020</u>	<u>BUDGET</u> <u>FY 2021</u>	<u>PROJECTED</u> <u>FY 2021</u>	<u>BUDGET</u> <u>FY 2022</u>
<u>Revenues:</u>				
Interest Income	\$3,580	\$3,860	\$3,300	\$3,300
Employee Participation	\$124,501	\$127,146	\$124,501	\$124,501
District Share	\$154,861	\$152,372	\$154,861	\$154,861
Total Revenues	\$282,942	\$283,378	\$282,662	\$282,662
<u>Program Costs:</u>				
Employee Claims	\$178,119	\$222,480	\$222,480	\$222,698
Benefit Coordination	\$37,358	\$39,599	\$39,599	\$42,371
Monthly Administrative Fees	\$12,758	\$13,390	\$13,500	\$14,193
Tax Reporting & Compliance	\$1,927	\$2,200	\$2,200	\$2,300
Processing Materials & Communication	\$1,000	\$1,000	\$1,100	\$1,100
Total	\$231,162	\$278,669	\$278,879	\$282,662
Surplus/(Deficit)	\$51,780	\$4,709	\$3,783	\$0
Carryover-Beginning Balance	\$179,613	\$231,393	\$231,393	\$235,176
Carryover-Ending Balance**	\$231,393	\$236,102	\$235,176	\$235,176

**Note: This carryover is reserved for future claims and to maintain level pricing.

OTHER NOTES:

- 1) EBPA/CBA Blue is the agent for this self-insured program.
- 2) WCUUSD employees complete the employee enrollment and benefit coordination and receive additional compensation for hours worked beyond contract hours.
- 3) There have been 9 insurance premium increases in 26 years.
- 4) Any surplus or deficit is undetermined at this time and cannot be calculated until April 2021.

WCUUSD Draft Budget Process-September 16, 2020

Prepared by: Lori T. Bibeau, WCUUSD Business Administrator

September-October

Expense Budget Drafts developed by Central Office/WC Leadership Team

- **Level Service Budget includes:**
 - Current staffing salaries and benefits plus estimates for inflation.
 - The student information from the SPED Service Plan
 - Current contracts like busing, auditor etc.
 - Level budget and/or adjust non payroll expenses (Using historical information).
 - Capital Fund Support-needs per project list.
 - Food Service Support from operating budget.
 - Technology Plan per multi-year budget.
 - Debt Service per schedules.
- **Budget changes includes:**
 - Program changes-instructional services and special education services.
 - Grants-using federal and state information-adjust local budgets as needed.
 - Schools review student count information, staffing needs and make staffing FTE changes -this happens multiple times before the budget process is complete.
 - Principals solicit information from staff regarding books, supplies, equipment.
 - New initiatives-as recommended.

November

The above work results in a first draft of the budget for the School Board

- The School Board provides feedback regarding the first budget draft.
- Using the board feedback, the Central Office and Leadership Team make changes to the budget for draft #2.

December

The above work results in a second draft of the budget for the School Board

- If information is received from AOE and meeting is after December 15th, second draft includes Revenue/Tax updates from AOE.
- The School Board provides feedback regarding the second budget draft.

January

The above work results in a third draft of the budget for the School Board

- Once tax estimates, equalized pupils and CLA are known, budget revisions are made per board targets.

January 15th-Last date to finalize budgets to allow time for warning and printing budgets for Town Meeting.

What's the same, what's different...

FY2021-2022

- Consider equity for staffing based on student needs.
- Develop resources needed to compare information by building.

WCUUSD BUDGET TIMELINE FY 2021-2022

September - Preliminary Budget Information is compiled.

- 16th – WCUUSD Board approved budget process and timeline

October – Preliminary Budget Conversation & WCUUSD Draft #1

- 13th – WCLT budget planning meeting review current year projections, clarify meetings, timeline and materials need for budget development. Business Administrator develops budget draft using FY21-22 level service budget.
- 16th – Deadline for Principals to provide changes to Business Administrator for Draft # 1 Budget
- 21th – Finance Committee review budget information

November – WCUUSD Budget Draft #1 to Board

- 10th – WCLT budget planning meeting
- 18th – Finance Committee reviews budget 21-22 Draft #1
- 18th – First draft of budget presented to WCUUSD Board

December – Develop Budget Draft #2

*****NOTE: Revenue information for budgets becomes available between December 1-15th.**

- 8th – WCLT budget planning meeting
- 9th – Community Budget Forum at U-32
- 16th – Finance Committee
- 16th – Second draft of the budget presented to WCUUSD Board
- 31st – **Grand List and Common Level of Appraisal information available from Agency of Education**

January – Budget Meeting to Finalize Warning, Budget and Town Meeting Materials

- 6th – Additional Board meeting for budget discussion @ U-32
- 13th – Finance Committee final budget review
- 13th – Community Budget Forum at Berlin

WCUUSD Board approve WCUUSD Budget for FY 2020-2021

- 20th – **Final Budgets and other materials to the printers and Town Clerks**

February

- 17th – Community Budget Forum at Calais

March

- 1st – Annual meeting at U-32
- 2nd – Town Meeting Day Budget Vote Via Australian Ballot