

MINUTES

COMMITTEE MEMBERS PRESENT: Chairperson John Belfonti, Ms. Pat Cardozo (arrived 5:41 pm), Mr. Matt Giglietti, Mr. John Grabowski, Mr. Joseph Nuzzo, and Ms. Jennifer Turner (arrived 5:41 pm)

COMMITTEE MEMBERS ABSENT: None

STAFF MEMBERS PRESENT: Dr. Charles Dumais, Ms. Theresa Lumas, Mr. Scott Cleary, and Ms. Kathy Burke.

BOE MEMBERS PRESENT: Mr. Christopher Browe, Ms. Paula Cofrancesco, Ms. Sue Cohen, Mr. Thomas Hurley, and Ms. Sheila McCreven

ALSO PRESENT: Mr. Michael Goss

A meeting of the Finance Committee of the Amity Regional Board of Education was held on Monday, September, 11, 2017 at 5:30 pm in the Presentation Room at the Amity District Offices.

1. **CALL TO ORDER:** Meeting was called to order at 5:38 pm by Chairperson Belfonti.

2. **DISCUSSION AND POSSIBLE ACTION ON MINUTES**

a. **Finance Committee Meeting -- August 07, 2017** (enclosure)

Motion by Mr. Giglietti, 2nd by Mr. Grabowski, to accept the minutes as submitted.

Vote in favor, 3-0 (Mr. Giglietti, Mr. Grabowski, and Mr. Nuzzo)

Motion carried

3. **PUBLIC COMMENT**

None

4. **INFORMATION ON SECOND QUARTER 2017 EXECUTIVE SUMMARY REVIEW OF AMITY PENSION FUND, SICK AND SEVERANCE ACCOUNT, AND OPEB TRUST** (enclosure)

Mr. Goss reviewed the summary with the Committee. He highlighted some of the market changes and answered questions from the Committee regarding the summary. He then went over the recommendations being made on page 76 of the summary, which is to incorporate a level of active management within the Fixed Income Allocation tier for both the Pension Fund and the OPEB Trust Fund. This is a more flexible strategy, recommended for half of the fixed income allocation. Mr. Goss answered questions from the Committee regarding this recommendation.

Motion by Mr. Nuzzo, 2nd by Ms. Cardozo to recommend to the Amity Board of Education that Fiduciary Investment Advisors be authorized to split the Fixed Income Allocation tier to a 50% active manager and 50% indexed for the Pension Plan and the OPEB Trust Fund. BlackRock Strategic Income Opportunities K is recommended for the active manager, and Vanguard index mutual funds will remain at a lower proportion.

Vote in favor, 5-0 (Ms. Cardozo, Mr. Giglietti, Mr. Grabrowski, Mr. Nuzzo, and Ms. Turner)

Motion carried

5. DISCUSSION OF MONTHLY FINANCIAL STATEMENTS (enclosure)

Two additional tuition students enrolled in the District. Healthcare costs were lower in August 2017 compared to August 2016. Ms. Turner questioned 16 cents/kilowatt hour for electricity; however, Ms. Lumas responded that includes both generation and transmission charges.

6. DIRECTOR OF FINANCE AND ADMINISTRATION – APPROVED TRANSFERS UNDER \$3,000 (enclosure)

There were no questions on the transfers.

7. DISCUSSION OF BYLAW 9132.6 (enclosure)

Dr. Dumais informed the Committee of the two changes made to the text of this Bylaw, specifically making uniform the title of the Director of Finance and Administration in the entire document and a language change on page b, 2nd to last paragraph, regarding meetings with Department Heads “at the request of the Amity Finance Committee...” These changes are presented to the Committee for information and input before the policy is presented for a first read to the Board of Education. Chairperson Belfonti asked Committee members for input, positive or negative, regarding these two changes. Mr. Giglietti commented that he had no issue if the Board wanted to change some of the wording in the policy, as long as a member from each of the Town Finance Boards sits on the Amity Finance Committee. No committee member spoke against the proposed changes. Mr. Belfonti added that the Board of Education is checking with an attorney about this bylaw and will report back their findings to the Amity Finance Committee.

8. OTHER

a. Information on Pension Amendment (enclosure)

Ms. Lumas highlighted the information in her memo enclosed in the packet. This will be brought to the Board of Education at tonight’s meeting for a motion to modify the plan with the proposed amendment and authorize Dr. Dumais to sign it.

b. Update on Financial Audit (enclosure)

Ms. Lumas reported that the audit is in progress and that there are currently no findings.

c. Discussion of zero-based budgeting

Dr. Dumais presented this item at the request of Board of Education Chairperson Tom Hurley. Mr. Hurley explained that this option would involve “starting from scratch” district-wide each year and creating a budget not based on the

previous year's budget but instead possibly flushing out and starting over. Another option might be to do this with a different department each year.

The Committee members were not in favor of it and agreed that they trust administration's current budget handling and stated that the Committee could ask questions at any time if need be.

Dr. Dumais stated that Amity does not exhibit any signs of needing zero-based budgeting. We are now on a systems-based approach to develop budgets, which is done continuously and on a group level instead of individually. He gave a recent example of the Amity Regional High School library needing a drop-down screen, and the group discovered that one of schools had one that they weren't using and repurposed it from the middle school to the high school. This resulted in a substantial savings in that the purchase of a new drop-down screen was avoided.

9. ADJOURN

Motion by Mr. Giglietti, 2nd by Mr. Grabowski, to adjourn at 6:21 pm

Vote in favor, 5-0 (Ms. Cardozo, Mr. Giglietti, Mr. Grabowski, Mr. Nuzzo, and Ms. Turner)

Motion carried

Respectfully submitted,

Ruth E. Natzel, Recording Clerk