

**Minutes
Finance Committee
June 8, 2018**

Present:

Jacqueline Blechinger, Committee Chair
Gina Albert, Committee Member
Dr. William McKersie, Superintendent of Schools
Richard Rudl, Director of Finance and Operations

Absent:

Tony Pesco, Committee Member

Guests:

Ellen Uzenoff, Weston Resident

The meeting was called to order by Ms. Blechinger at 8:18 a.m.

The Committee discussed the following items regarding the FY 2018 financial update for the period of July 2017– May 2018:

- Mr. Rudl reported a projected fund balance for FY 2018 of \$0 with encumbrances totaling \$5,970,731 against a budget of \$50,969,373 after the supplemental appropriation of \$1,061,852 which was approved by the Board of Finance.
- Mr. Rudl informed the Committee that the report reflects transfers totaling \$178,159. Of these transfers, nine are in excess of \$5,000. Among these are included \$17,815 due to the fact that the entitlement cap was changed by the State resulting in a reduction in the final Excess Cost Payment for FY18, \$14,562 to repair the chiller at the elementary school, \$12,749 to cover increased electricity costs, \$10,000 for contracted OT/PT costs, \$7,664 to cover increased heating costs, and \$7,415 for an adjustment to an encumbrance hold for unilateral agreements.
- Regarding the Internal Services Fund, Mr. Rudl reported that the current fund balance is \$1,904,681 and the negative net change is now (\$400,650). Claims for May were higher than anticipated and the same will probably be true for June as well. This is due in large part to the fact that employees are trying to make all their medical appointments before the District switches insurance carriers on July 1.

- Regarding health insurance claims, Mr. Rudl reported that there are nine employees (which is higher than usual) who are above the Individual Stop Loss (\$175,000), seven employees between \$75,000 and \$174,999, and 11 employees between \$50,000 and \$75,000.

- Mr. Rudl identified two areas which account for a total shortfall of (\$77,438). These areas include the technology lease, which was not approved by the Board of Selectmen, and the cost for additional physical therapy requirements for students. Mr. Rudl also identified some surplus areas which will be used to completely offset this deficit, including a proposed draw down on the Internal Services Fund to be repaid back over FY19, an open choice bonus, and non-resident tuition. Once these are applied, the shortfall will be negated and the projected year-end balance will be \$0.

The Committee discussed the following items regarding special education out-of-district tuition:

- Mr. Rudl reported that the current projected Special Education out-of-district tuition has increased slightly from April, and the balance is \$3.08 million. This increase is due to unilateral placements. Taking into account the transfers approved by the Board to date, and the supplemental appropriation approved by the Board of Selectmen, there will be \$67 remaining.

The Committee discussed the following items regarding the Excess Cost Grant:

- Mr. Rudl informed the Committee that the Excess Cost Grant due to Weston, without the initial entitlement cap was \$971,408 and when the 74.5% cap was implemented, the reimbursement was reduced to \$723,830. The State has since revised the cap to 72.7%, lowering again the amount due to the District to \$706,015. This resulted in a reduction in anticipated excess cost revenue of \$17,815.

The Committee discussed the following regarding and update on the science research purchases:

- Mr. Rudl reported that to date \$50,000 worth of equipment has been purchased using a combination of WEF, PTO and Title IV grants. Delivery and installation is being scheduled for this month.

The Committee discussed the following regarding approval of the May minutes:

- Due to the fact that Mr. Pesco was not available, approval of the May minutes was deferred until the next meeting.

The Committee discussed the following regarding other business:

- Mr. Rudl reported that at the end of FY19 the cleaning contract with Shamrock ends, so the District plans to go out to bid in the fall. Also, at the end of FY20 the contract with First Student expires. Replacing the chiller at the elementary school will be included in the FY20 capital budget.

- Ms. Albert inquired if any thought has ever been given to maintaining a sinking fund for repairs. Mr. Rudl reported that some districts do have a non-lapsing account for this in which they carry over surplus funds at the end of the year. However districts are not allowed to carry over more than 1% of these funds, and it must be approved by the Board of Finance. Over the past few years, the District really hasn't had any funds left over at the end of the fiscal year to carry over. The District's capital budget has averaged \$450,000 - \$475,000 over the last several years. Mr. Rudl will create a snapshot of upcoming capital expenses for the next few years.

There being no further business to discuss, the meeting adjourned at 8:59 a.m.

The next meeting will be held on September 14th.

Respectfully submitted:

Andrew Galli

Administrative Assistant to the Director of Finance and Operations