

Minutes of the Finance Committee of the Board of Education
Regional School District 14 www.ctreg.org
Tuesday, January 22, 2019

In attendance were: Committee members Janet Morgan, Dave Lampart, Michael Devine, George Bauer. Also in attendance were Wayne McAllister, Dr. Olzacki, Maryanne Van Aken, Steve Sordi, and BOE Clerk, Natascha Schwartz.
Missing: George Bauer

The Meeting was called to order at 6:01pm

Mr. Bauer asked Mr. McAllister to present the year-to-date financials through 12/31/18. Mr. McAllister advised that he Agriscience sending towns' tuition have come in at almost 50% and that it is at a good point in the year. The Special Education tuition is up to 87% of the expected budget at the halfway point. Mr. McAllister mentioned that the preschool tuition is paid monthly by some parents and some annually, and confirmed that all monthly payments have come in.

He went on to mention that revenues through 12/31/18 are at \$18,502,538 representing a total of 54%. Coming down the pipeline are the teachers' salaries which are due to be paid in June. Mr. McAllister clarified that the region has tremendously slowed down on purchases throughout the year due to the \$300K variance in the additional Agriscience grant to supplement not supplant, but is confident that the region will be caught up by June 2019. Expenditures through 12/31/18 are at \$13,848,220, representing a total of 41%.

Regarding the excess cost grant, the region is currently ahead which is an anomaly, but will not be available next year as the region used the funds as revenue to reduce the liability to towns.

Mr. Bauer asked if there are any items on the horizon to which Mr. McAllister advised that there is nothing expected.

Mr. McAllister advised the committee that he included the NHS renovation project forecast prepared by Colliers and O & G. The first page indicates the revenue received to date through BOND and BAN funding as well as reimbursement for expenses. This forecast lays out a 12 month plan. The region received \$36M in funding to date and expenses paid of \$32M. An anticipated \$2.1M to be paid by the region in January 2019. The region will be filing a request for the 2nd reimbursement of approximately \$4.6M and is hoping for reimbursement 45 days from the filing date. The next filing will cover through to December 2019. Mr. McAllister mentioned that the committee will need to start laying out the next steps for the General Obligation Bond vs. BAN and to measure the impact on debt service.

Mr. McAllister also went over the school luncheon program financials, explaining that for the 4 month year-to-date, NHS and WMS are turning a small profit, whereas both elementary schools are somewhat down. By the end of the school year, all schools will be close to even.

Lastly, Mr. McAllister was happy to report that the second quarter number of transfers are down and it is being tightly controlled for the \$300K shortfall.

Mr. Bauer asked Mr. McAllister to have Donna Marcinek give the committee her quarterly review of Special Education finances at the next meeting which will be held on February 4, 2019.

During other business, Mr. Sordi mentioned that he is concerned with the challenges of shifting student enrollment and with Woodbury down 60 students and the equity share for Bethlehem increasing to more than 25%, from 22% only 2 years ago. The Bethlehem Board of Finance is concerned how the debt service, the loss of ECS funds, and the revaluation will impact the mill rate. Mr. Sordi went on to state that if everything remains status quo from last year's numbers, the Bethlehem budget will still see an increase of approximately \$607K for those 3 items.

Mr. Bauer requested a motion to adjourn. Ms. Morgan motioned to adjourn, seconded by Mr. Devine.

The meeting was adjourned at 6:37pm

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "N. Schwartz". The signature is fluid and cursive, with the first letter of the first name being a large, stylized capital 'N'.

Regional School District 14 Board Clerk

Recorded and filed subject to Board of Education approval by: Natascha Z. Schwartz, Board Clerk 1/23/2019