

Region 14 Finance Committee Meeting Minutes
Central Office Conference Room
November 16, 2009

Meeting Start Time: 6:30
Meeting End: 7:27

Attending:

Dr. Cronin
Jay Hubelbank
Steve Sordi
Carla Juhas
Charles Cosgriff
Scott Baider

1. Status of Excess Spending for 2008-2009

Chris explained the circumstances related to the state's decision to deny reimbursement for certain excess cost items. Chris was notified during the 2008-2009 school year and began correspondence with the department within the state Department of Ed that controls the reimbursement decision, in an attempt to resolve the issue. According to Chris, there is no formal process to address disputes of this type at the state level. Chris explained that costs that were rejected last year had been reimbursed by the state in prior years. Chris will be providing copies of all correspondence with the state to the R14 outside council, and a letter will be sent to the state articulating our position from council. Dr. Cronin will also contact the CT Commissioner of Education directly if there is no resolution by next month.

2. Review of Monthly Financial Reports

The committee reviewed line item of spending and encumbered as of mid-November. At this time, 98.2% of the approved budget is spent or encumbered. Dr. Cronin is working with each principal to prioritize spending.

Jay also explained how Excess Cost Sharing (ECS) Funding was being managed differently by the state this year. Funding amounts to R14 will remain the same, however Jay sent letters to each town to explain the change in process.

3. The committee reviewed Transfers as of 9-30-09.

4. GASB

Discussed a reporting requirement from the Government Accounting Standards Board (GASB) that will require R14 to record a liability on our financial statements related to health care insurance for retirees. Jay has discussed this issue with our auditors and insurance carrier, and although reporting must be done based on a formula from GASB, R14 does not have any actual liability related to this, as we are not self-funded. The liability will be reported as a footnote on our statements. Jay also discussed this with Webster bank related to bonding issues, and was told that it would have no impact. The amount that will be reported with be approximately \$5,000,000.

** All documents related to these minutes are available at central office**