

# Finance Committee Meeting Notes

March 10, 2020

The Finance Committee met on Tuesday, March 10, 2020 in the District Office Conference Room. In attendance were: Chairperson Thomas DiBello and committee members Wendy Earle, Clinton Jackson and Christina Melton. Administrators present were Dr. Goodin – Superintendent, Robert Rizzo – Assistant Superintendent, James Fink – CFO, and Mary Davidheiser - Controller. Also present were board members Linda Fazzini and Colleen Zasowski and resident Will Cromley. Mr. DiBello called the meeting to order at 6:30 p.m.

- Review and acceptance of minutes February 11, 2020. Accepted.
  
- Executive Reports – 2019/2020 reports through February 29, 2020
  - Liquidity: Currently \$104MM. Last year's balance was \$108MM which included the \$6.2MM in construction funds. On par.
  - Revenues are on the mark and some areas are trending ahead of plan.
  - Expenditures are generally in line with the monthly rolling budget plan overall.
  - Assessments:
    - Up \$5MM from prior month.
    - \$16MM more required to achieve forecasted goal of \$4.099 billion over the next 3 months.
  - R/E Transfer Taxes are at 96% of goal. Trending good and estimating coming in at \$500K over budget.
  - Earned Income Taxes are trending higher and is economic condition sensitive.
  - Self-funded insurance costs are starting to normalize. Estimating \$100-300K over budget.
  - Food Services sales are improving nicely.
    - More operating days this year than last (4) equating to 11K more meals
    - Operating loss due mainly to health insurance costs is leveling off down from last month.
    - 346K lunches and 28K breakfasts served so far this year.
  - HS Project: Not much change and no new change orders. Any remaining funds will move to capital reserve.
- 2020/2021 Budget Update
  - Mr. Fink gave an overview recap of the budget as it stood last month reflecting a shortfall of \$4.5MM.
  - Mr. Fink hi-lighted areas of change showing the gap of 4.12% as of February and current gap of 3.18%.
  - Mr. Fink's forecast model is on target.
  - Mr. DiBello would like Administration to pull together a breakdown of salaries by employee type showing the average salary and the number of people at that salary level (professional, support staff, administration and executive levels).
  - Mr. Jackson stated the costs are the costs, and it is difficult at times to be on the Finance Committee. Also was hoping the whole Board would have been present at this meeting.
  - Mr. DiBello stated that the 4.8% increase in salaries and benefits is primarily related to the teacher contract.
  - Mr. Jackson questioned if additions were being made to the mental health needs of the district and Mr. Rizzo stated that that is a contracted service. Board wants to make sure Administration is planning properly in this area. Dr. Goodin replied that the number of staff is based on caseloads. Mr. Rizzo to investigate cost analysis of crisis counselors.
  - Mr. DiBello questioned if any new requests for staffing were eliminated due to budget concerns. Mr. Rizzo stated he did not barter because of cost, but rather based on student/district needs.
  - Mr. DiBello asked other committee members if they saw anything to cut, and all replied no.
  - Ms. Zasowski questioned Mr. Fink if he had gone back to bring that number down more. Mr. DiBello replied there is no fluff; no wasteful spending in this budget and the increases due to the teacher contract are what they are.

- Mr. Jackson asked Ms. Zasowski if she felt the 3% was too high and was curious to know what she wanted. Ms. Zasowski replied that she would like Administration to sharpen their pencils and take away the level 2 staffing additions or provide more justification. Mr. Jackson replied the math is the math, and it is not what makes the Board feel good but what is best for the District.
- Mr. DiBello stated that the committee puts forth and recommends to the full Board a 3.18% budget increase, and then will ask the full Board how they want to proceed. Mr. DiBello replied that the Board needs to tell the Administration what to do and he is not comfortable with budgeting revenue increases at this time.
- Ms. Melton agreed to the 3.18% increase and that the committee cannot come up with any cuts. She further recommended having Mr. Fink present to the Board at the work session meeting next week on where we are at now; to present what Mr. Fink reviewed at tonight's meeting.
- Mr. Jackson agreed on the 3.18% and wanted to see an action item to move forward.
- Ms. Fazzini noted that the Administration does a good job in preparing the budget for the District.
- Other Committee Business
  - None
- Board Comment
  - Mr. Jackson stated to put on your moral compass and be fair.
- Public Comment
  - None
- Meeting adjourned 7:37 pm.