

**Coventry Board of Education  
Coventry, CT  
Approved Minutes  
Fiscal Committee Meeting  
Thursday, December 9, 2010  
Administration Building Conference Room**

Members Present: Mary Kortmann, Fiscal Committee Chair  
Cheryl Trudon, Fiscal Committee Member  
Mark Malcolm, Fiscal Committee Member

Also Present: Dr. Donna Bernard, Superintendent of Schools  
Gregg Blackstone, Business Manager

The meeting was called to order at 6:33 p.m. by M. Kortmann.

**I. Approve Fiscal Minutes**

**MOTION: Approve Fiscal Minutes from November 10, 2010**

**By: M. Malcolm**

**Seconded: M. Kortmann**

M. Kortmann asked on page 3, first paragraph, middle sentence, change the word longer to “extended.”

C. Trudon asked on page 2, second to last paragraph, remove the space between the word “He.” She also asked on page 3 second paragraph, 6<sup>th</sup> sentence from the bottom, change the sentence to read, “Dr. Bernard stated that the health insurance budget went to bed at a 15% increase, and it actually only increased 9%.”

C. Trudon asked for a change on page 3, third paragraph, the last sentence because it didn’t make sense. M. Kortmann reviewed the sentence and asked to change the end of the paragraph to read, “M. Kortmann stated that the management report matters; for items that are not normally encumbered, we would have to guess the year-end number. We should have accounts that we can get some of this money from and it would be nice to make some transfers.”

C. Trudon asked on page 4, under food service, to remove the sentence “The report was not in the packet.” She also asked to change the second to last sentence in that same paragraph, to read “auditor’s observations.”

**Result: Motion passes to approve the minutes with changes noted unanimously.**

## **II. Fiscal Committee Meeting Dates for 2011**

### **MOTION: Approve Fiscal Committee Meeting Dates for 2011**

**By: C. Trudon**

**Seconded: M. Malcolm**

The committee discussed changing the start time of the meeting to 6:00 p.m. instead of 6:30 p.m.

**Result: Motion passes to approve the dates with meeting start time of 6:00 p.m. unanimously.**

## **III. Financial Reports for November**

### **A. Encumbrance and Management Reports**

G. Blackstone stated he did move some money in the grant report to spend old year money first. He stated we do have Title I and II money that is not reflected in this report, but it will be reflected on the next report.

Dr. Bernard stated she really appreciates the efforts G. Blackstone is making in transition of the fiscal services office. The Fiscal committee members also stated their appreciation.

G. Blackstone reviewed the management report and encumbrance report. He began with certified salaries and noted there is a difference between what he is forecasting and what the Encumbrance report shows. He is attributing this to the saving that will be accrued once the teachers who are on maternity leave will run out of time. The cost is picked up on the Certified Temp account. G. Blackstone stated that long term subs do not get benefits.

G. Blackstone reviewed the Non Certified salaries. He stated he was not as confident in that number as it seems high. He stated that last year every dime of that account was spent. M. Kortmann stated that they had some contract settlements that came in less than what was budgeted and they may explain some of the difference.

G. Blackstone stated that the lines that read per fy2010 experience looked at the account from last year. If every penny was spent, he zeroed them out.

G. Blackstone noted that the largest positive amount was Health Insurance. He stated that the early retirement incentive program did not adjust for the fringes, and that may be some of the cost savings. G. Blackstone stated that the number is based on the bills that have come in. He stated the bills fluctuate more than he anticipated, but that is how Anthem bills.

G. Blackstone stated that there will be some money left over in pension and unemployment compensation. He stated the sewer is over expended and rentals will have more money. He stated that Transportation will run short as well as Athletic and Field Trips. M. Kortmann asked if G. Blackstone can come up with a better number for Transportation for next year's budget. G. Blackstone stated he is working with his payables clerk on the Transportation account. Dr. Bernard stated that the next time we bid for transportation, we should tighten out bid process.

M. Malcolm asked why the balance available on the management report and the All Activity report do not match. G. Blackstone answered that is because the balance available is his projection of where the budget will be at the end of the year.

G. Blackstone stated we have a little money left over in Property and Liability Insurance, Advertising, and Printing. He stated he zeroed out the Tuition accounts because they are so fluid. M. Malcolm confirmed that the Tuition was excess cost. He stated that this will be noted in greater detail in the excess cost report, but he did not want to have it zeroed out. M. Kortmann suggested that the Tuition and Tuition Non Public be placed after the total general fund and before the ARRA Stabilization Grants. M. Malcolm stated that the committee needs to make sure the excess cost numbers are hammered out.

G. Blackstone stated we will be short in Maintenance Supplies and we will need to cover that. M. Malcolm asked why. G. Blackstone answered we have been putting off things for too long such as burned out security lights. G. Blackstone also mentioned roof patches that needed to be made a month or two ago. M. Malcolm stated he was not aware of the roof patches. M. Kortmann suggested that at the next Board of education meeting where the Fiscal Committee reports, G. Blackstone should mention the roof leaks and provide more detail to the Board why the Maintenance Supplies will be short. C. Trudon asked G. Blackstone if he could ask Mr. Noel to do preventative maintenance i.e. replacing all the security lights when one goes out. G. Blackstone answered he could. M. Malcolm asked G. Blackstone how he got to the \$50,000.00 EOY number. G. Blackstone answered that is his estimate of what will be needed. He included the Encumbered in the Estimated to EOY figure.

M. Malcolm asked if excess cost will increase the total general fund. G. Blackstone answered possibly but we need to talk about external forces that act upon this.

G. Blackstone handed out a chart he made based on the Expended vs. Appropriated. The committee reviewed and discussed it. M. Malcolm suggested adding a separate bar for remaining and expended. G. Blackstone stated he can change it whatever way the committee wants.

## **B. Food Services P&L and Cash Flow**

G. Blackstone handed out a copy of an e-mail that was sent out for Food Services Statement of Cash Flows. He stated that Food Service had a positive month but it could have been better because some staff had paid holidays and time off.

## **IV. Special Ed – Prototype schedule for all costs**

G. Blackstone stated at the last meeting the committee discussed using budget sense codes to determine the entire breadth of Special education relative to the transportation and excess cost money that the town receives. He reviewed the Schedule 4: Special Education Expenditure Data sheet. G. Blackstone stated that this was last year's data, the EEO01 report that is sent to the state in September. M. Malcolm asked if the numbers were actual spent dollars from last year. G. Blackstone answered yes. M. Malcolm asked if G. Blackstone could run the same report against

budget for this year. G. Blackstone answered yes. The committee discussed using this report and running it against budget now and at the end of the year.

M. Malcolm asked if the committee thought this report would be enough evidence that we spent more than we budgeted for. Dr. Bernard answered yes. M. Malcolm stated he disagrees. He stated that we need to run the budget vs. the actual to prove we spent more than we budgeted. The committee agreed that this report is a starting point and they will need to provide more evidence.

M. Malcolm asked for an explanation of how budget sense does this report, not at this meeting, but at a future meeting. G. Blackstone stated he could put something together. M. Malcolm stated we need to put something together for January or early February. Dr. Bernard stated the report is due in March. M. Kortmann agreed that the committee needs to discuss this at their January meeting. M. Malcolm stated that this report was a great start.

G. Blackstone reviewed the Excess Cost Calculations 2010-2011 report. He stated that he and M. Kortmann reviewed the report that afternoon. M. Kortmann reviewed her calculations under Budgeted Local Expenditure. She stated that it doesn't matter what was budgeted, it matters what was spent. M. Kortmann explained how she got to the final figure of \$416,835.92. She stated this is the amount we still need to spend before the state will reimburse us for the excess cost.

## **V. Adjournment**

The meeting was adjourned at 7:31 p.m.

Respectfully submitted,

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Terri Lessard, Subcommittee Clerk

**Approved: January 13, 2011**