

# **BUDGET / FACILITIES SUBCOMMITTEE MEETING**

## **MINUTES**

**Tuesday, January 20, 2015**

**Oliver Administration Building**

### **Present**

**Subcommittee: Bill O'Dell, Acting Chair and John Bento**

**School Committee, Administration and Staff: John Saviano, Erin Schofield, Mario Andrade, Superintendent; Pauline Silva, Director of Finance and Administration and George Simmons**

**Guests: Raymond Celona, MARCUM Accountants**

**Absent: Marjorie McBride, Chair**

**Bill O. called the meeting to order at 5:50 PM.**

### **OLD BUSINESS**

**FY14 Audit Presentation**

**Pauline S. introduced Raymond Celona from MARCUM Accountants**

**to present the FY14 Audit Report.**

**Ray C. shared highlights from the FY14 Audit Report with the following remarkable points:**

- There are no unassigned funds from the General Fund for the end of FY14.**
- The Capital Projects Fund is down to \$2,696,698 and may eventually have a zero balance.**
- The Lunch Fund's beginning of year net position was \$173,277 with an end of year balance of \$156,821. Total change in net position due to expenses exceeding revenue was \$16,456.**
- Pension plan required contributions were made in accordance with the state retirement plans.**
- In 2016, GASB 68 will become effective. GASB 68 will affect how pension plan contributions are reported on the financials. Pension contributions will "appear as a deficit", but will not be an actual deficit. This change in financials reporting will have no effect on the fund balance.**
- OPEB (Other Post-Employment Benefits) showed an increase in liability of \$1,564,996 based on census data.**

- **The unaudited Statement of Revenues and Expenditures (Non-CAAP Budgetary Basis) Budget and Actual Report – Year Ended June 30, 2014 shows a net increase in fund balance of \$838,415.**

**The FY2014 Audit Report will be recommended for acceptance to the full School Committee at their next meeting.**

**(Ray Celona left the meeting at 6:34 p.m.)**

### **Facilities Update**

**George Simmons reported the following facilities updates:**

- **Andrews School insulation project is complete**
- **The MHHS fire pump design drawings are in the process of being completed. Due to a recent change in regulations, the fire pump design will include a 600 amp relay rather than the initially required 600 amp service for the space.**
- **The KMS auditorium project began a week ago with mostly demo work. Scaffolding will be installed at the end of the week.**
- **A tentative finish date for the KMS auditorium work is set for the end of March, but more realistically by April vacation.**

**(Mario Andrade stated that as part of his weekly report to the School Committee, he will provide timeline information and progress reports regarding the KMS auditorium project.)**

- **The Guiteras field work has gone out for rebid due to changes made in the work specifications – the fencing item has been eliminated, and an addendum for a sprinkler system to the infield has been added. All those who submitted bids the first time the Guiteras field bid request was made have been notified that another bid has been requested.**

**(George S. left at 6:43 p.m.)**

### **FY15 Budget Update**

**Pauline S. stated that there was nothing remarkable to report. She commented that the FY15 budget is right where she would expect it to be at this time.**

### **NEW BUSINESS**

#### **FY16 Budget Update**

**Pauline S. shared a spread sheet for FY16 comparing 2004-2016 per pupil calculations using the original formula as set forth by the Enabling Legislation which used October 1st enrollment numbers to the recently amended Enabling Legislation formula which uses a 13 year averaging formula based on average daily membership. Pauline S. reported a 2.3% difference between the two methods for per pupil calculations.**

**Pauline S. reported that the FY16 projected budget for revenues from**

**the Rhode Island Department of Education (RIDE) shows a reduction of \$420,348. Pauline S. commented that she views this reduction as a “positive” because the funding formula initially mandated an \$800,000 reduction.**

**Pauline S. reported that the FY16 budget is still very preliminary and is being reviewed line by line.**

**Future Agenda Items**

**Stipend Analysis**

**Next meeting – Tuesday, February 17, 2015**

**Adjournment:**

**MOTION: At 7:09 p.m. John B. made a motion to adjourn the meeting; Bill O. seconded.**

**The motion passed unanimously.**

**kd**