

Finance Committee Meeting
Tuesday, June 18, 2019
7:00 p.m.

Present:

Louis Schwartz	BOE Member
Shannon Johnson	BOE Member
Rita Kennedy	BOE Member
Matt Rosenberg	BOE Member
Jean Lucasey	BOE Member
Ron Clamser	Assistant Superintendent
Lisa Brady	Superintendent

1. **Tax Certiorari & Related Legal Items Discussion** (Executive Content - will not be posted with the public Minutes of this meeting)
2. **2018-19 Budget Status**

Expenses are over budget by approximately \$260,000 due to unanticipated expenses. The District Auditor, Alan Kassay has suggested that the BOE approve a resolution to cover the over expended items by using money out of unassigned fund balance; however, we are checking with David Shaw about this. The unanticipated expenses are due to the Capital Project expenses covered by the General Fund, utility expenses, and SE tuition costs from BOCES (over budget by \$173,000). We also had some retiree Medicare Part B reimbursements that were not budgeted (plus a rate increase) and some staff medical insurance buyouts that weren't budgeted (a combined impact of \$68,000). Subsequent to the committee meeting, David Shaw responded to Lisa and Ron via email that he concurs with the recommendation of Alan Kassay that this should be addressed by BOE resolution on 9/24.

Revenues were also under collected - State Aid received was under budget by approximately \$1M due to a delay in completing the last building project and submitting the final cost reports prior to the deadline for filing in order to receive the aid in the current cycle. The building aid will be received, but in future years. Revenues for tuitions, sales tax, and interest earnings were received above budget by approximately \$560,000. The combined net effect resulted in total revenues being under collected by \$440,000.

The combined effect of the revenue shortfall and budget overage will result in a \$700,000 reduction in unassigned fund balance. This will leave our fund balance at approximately 2.1% of the subsequent years budget (the limit is 4%).

The committee would like to know how this will impact our bond rating?

Additionally, what process(es) are being implemented to avoid this in the future? Also, what is our strategy to get the fund balance back to 4%?

Next meeting scheduled for November 12, 2019