The meeting was called to order at 6:40 pm.

Chair Laura Bonk opened the meeting, noting that the Committee had two (2) items on the Agenda. The first agenda item was a presentation on GASB 45 by Randy Gomez FSA and Principal of Nyhart and the second was the $2.4M Unreserved Fund balance for the FY 2008/2009 ending June 30, 2009.

Ms. Bonk turned the meeting over to Business Administrator Michele Croteau who then introduced Randy Gomez from Nyhart to the Committee and invited him to take the floor for his presentation.

Governmental Accounting Standards Board (GASB) Statement No. 45 (Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions) becomes effective for the District for the fiscal year ended June 30, 2009. Mr. Gomez covered the following areas in his presentation: the current retiree health program including retiree health plan provisions and the cost of retiree health care, key actuarial assumptions, GASB 45 accounting treatment, prefunding with an OPEB trust, methods to manage liability and how the rest of the country is handling GASB 45. Mr. Gomez also indicated that there is no requirement that the District fund the liability for post-employment benefits at this time, just that the liability be calculated and disclosed in the annual financial statements.

Ms. Bonk thanked Mr. Gomez for his informative presentation and then proceeded to the second item on the agenda, the $2.4M unreserved fund balance from the FY2008/2009 Budget. Ms. Croteau distributed two reports which supported the Administration’s recommended budget adjustments.

Ms. Croteau explained that there is $2.4M in unreserved funds of which 52%, or a little more than $1.2M, is being proposed to offset the tax rate; leaving a little less than $1.2M in the unreserved fund balance.

The Administration’s proposed budget adjustments to be funded by the remaining $1.2M unreserved fund balance include the following:
1. Reinstate $800,000 into the Purchase/Renovation Fund which had been applied to the FY 2009/2010 Budget to help the City of Concord with the tax rate setting of 0%. The Administration recommended increasing the amount from $800,000 to $823,000.

2. Transfer $300,000 into the Building Repair and Maintenance Fund for unforeseen repairs and possibly to support the RMS HVAC project.

3. Reinstate $40,000 into the General Fund for the Furniture Budget. This had been cut from the FY 2009/2010 Budget in anticipation that the ARRA stimulus fund would have included funding for the purchase of new furniture. ARRA did not include such funding and Administration is requesting reinstatement of the $40,000.

A discussion ensued regarding the Unreserved Fund balance, the possible use of it to support long-term planning by funding reserves, as well as, the possibility of returning an amount in excess of the planned $1.2M to the taxpayers.

The Committee decided to postpone this evening’s vote on the Administration’s recommendation pending forthcoming information to the next Finance Committee meeting on Monday, October 26, 2009.

The meeting adjourned at 7:50 pm.

Respectfully submitted,

Laura Bonk, Chair
Michele M. Croteau, Recorder

MMC/srr