Concord School District
Finance Committee Minutes

School Board Committee: Finance Committee

Date: October 24, 2011

Finance Committee members present: Clint Cogswell, Chair, Jack Dunn, Kevin Fleming, Bill Glahn

Other Board members present: Kass Ardinger, Chris Casko, Jennifer Patterson, Tara Reardon,

Administrators: Chris Rath, Michele Croteau, Larry Prince, Matt Cashman

Finance Committee Chair Clint Cogswell called the meeting to order at 5:38pm welcoming the community and explaining that the meeting would focus on finalizing the Board Approved FY 2011-2012 Budget for tax rate setting. Mr. Cogswell then turned the meeting over to Business Administrator Michele Croteau to review the current budget and present the proposed budget changes. Business Administrator Croteau distributed report packets to the committee to help explain the proposed changes.

The first report Ms. Croteau reviewed was a history of prior Board changes, votes and approvals to the FY 2011-2012 Budget arriving to the current Board Approved FY 2011-2012 Budget.

Business Administrator Croteau directed the Committee’s attention to the next report which showed that the final FY 2010-2011 Unreserved Fund Balance turned out to be $2,329,930; $311,580 greater than the $2,018,360 that had been anticipated and budgeted in the FY2011-2012 Budget. She went on to explain that the proposed use of the $311,580 Unreserved Fund Balance was to apply $167,300 to cover revenue reduction in Catastrophic Aid, to cover revenue reduction of $4,000 in Building Renovation & Maintenance Reserve FY 2011-2012, to increase the Superintendent’s contingency for FY 2011-2012 by $100,000, to transfer $33,000 to the Risk Management Reserve Funds and to apply $7,280 toward reduction in tax rate calculation in November 2011.

A discussion ensued regarding the Superintendent’s Contingency and whether to leave in the contingency the $534,000 which was voted by the Board at the Regular Board Meeting on July 11, 2011 to be appropriated to the Superintendent’s Contingency with the intent for the funds not to be used unless unforeseen emergency funds were needed. The Committee agreed to leave the funds in the Superintendent’s Contingency at this time in order to give the Board greater flexibility to use the funds if needed.

Ms. Croteau continued, explaining how the real growth in City valuation and the Market decrease in valuation affect the tax rate. She described how the current proposed tax rate of $12.39 was obtained using the City’s estimate in 44% Real Growth valuation. There was a slight increase from $12.39 to $12.40 due to a reduction in the
State portion of the amount to be raised in taxes. Recently, the Real Growth in valuation was determined by the City to be a 0.37% increase with an overall decrease in Market valuation of just over 4%. The projected tax rate based on Real Growth remains constant at $12.40 while the projected tax rate incorporating the decline in Market Valuation is anticipated to be $12.98.

Ms. Croteau was asked by the Committee to review what needed to be recommended to the full Board at the Special Board Meeting regarding the use of the FY 2010-2011 Unreserved Fund Balance. Ms. Croteau responded that there were two recommendations that needed to go before the full Board concerning the FY 2010-2011 Unreserved Fund Balance; one vote regarding the $4,000 decrease in revenue due to a reduction in the amount to be withdrawn from the Building Renovation & Maintenance Reserve and the other vote to increase appropriations by $133,00; $100,000 to increase in the Superintendent’s Contingency and $33,000 for the purpose of transferring funds into to the Risk Management Reserve Fund. The other mentioned uses of Unreserved Fund Balance do not need a vote.

Committee Chair Cogswell asked for motions to recommend the proposed allocations to the full Board.

The Committee voted 4 - 0 (motioned by Bill Glahn, seconded by Kevin Fleming) to recommend to the full Board the reduction of $4,000 in the amount to be withdrawn from the Building Renovation & Maintenance Reserve, changing the withdrawal from $103,000 to $99,000.

The Committee voted 4 - 0 (motioned by Bill Glahn, seconded by Kevin Fleming) to recommend to the full Board to increase the appropriations by $133,000; $100,000 to increase in the Superintendent’s Contingency and $33,000 to transfer funds to the Risk Management Reserve Fund.

The meeting adjourned at 6:22 p.m.

Respectfully submitted,

Clint Cogswell, Finance Committee Chair
Michele M. Croteau, Recorder

MMC/srr