Concord School District  
Board of Education  
Finance Committee  

**School Board Committee:** Finance  
**Date:** September 30, 2009  
**Committee Members Present:** Laura Bonk, Chair Chris Casko, Clint Cogswell;  
**Board Members Present:** Kevin Fleming, Kass Ardinger, Jennifer Patterson, Eric Williams  
**Administrators:** Chris Rath, Michele Croteau  

The meeting was called to order at 6:30 p.m.  

**1. Future Financial Liability (GASB 45 Requirement)**  
Business Admin Michele Croteau reported on the Nyhart study that is being completed of the school district’s future financial liabilities in the area of retiree health coverage. This study was required because of the change in Governmental Accounting Standards Board rules. Randy Gomez, from Nyhart, will attend a subsequent Finance Committee meeting scheduled for October 14.  

**2. Year End Fund Balance**  
Michele Croteau distributed the following reports: summary of the district’s financial position as of June 30, 2009 as estimated on September 30, 2009; summary of FY2008-2009 expenditures by object; and FY2008-2009 Revenue Report as of June 30, 2009.  

According to the summary of the district’s financial position as of June 30, 2009, the unreserved fund balance is estimated to be $2,405,054. This fund balance resulted from slightly higher revenues as well as lower expenditures for FY2008-2009. Michele reminded the Committee that we initiated a budget freeze during the 2008-2009 year. The unreserved fund balance amount represents 3.41% of the total budget, well within strong budgeting practices. The budget passed in March 2009 for FY2009-2010 projected an unreserved fund balance from FY2008-2009 of approximately $1,241,900. This means the School Board needs to make decisions regarding $1,163,154 prior to finalizing the FY 2009-2010 budget for tax rating purposes.  

The Committee reviewed the actions taken earlier this year to reduce the budget by $800,000 to enable the city to increase its budget, lowering the district’s portion of the Concord tax rate. This $800,000 was originally planned to be considered for the elementary facilities reserve fund.
Michele Croteau explained the option the committee and Board has to use a portion of the unreserved fund balance to increase the FY2009-2010 budget in order to put funds into the elementary facilities reserve account. In addition, the Board has the option to use all or some of the $1,163,154 of the unreserved fund balance to reduce the tax rate for FY2009-2010 or to fund other reserve accounts.

The administration was requested to provide an update on the amount of funds currently in all the reserve accounts and to make a recommendation to the Board about the disposition of the unreserved fund balance.

The Board will need to post notice of a public hearing 10 days prior to the hearing. The hearing can be held on Monday, November 2 prior to the School Board meeting at which the Board will make final decisions on the FY2009-2010 budget. The Board can present the options to the public at the public hearing. The Committee discussed the challenge of making these final decisions about the unreserved fund balance with a very short time period between learning the final assessed valuation and finalizing the school district budget.

The meeting adjourned at 7:30 pm.

Respectfully submitted,

Laura Bonk, Chair
Chris Rath, Recorder

CR/laj