

ERCSD Finance Committee Meeting Minutes
June 6, 2006 – 5:00 PM
SAU Office

MEMBERS PRESENT: Patty Lovejoy, Townley Chisholm, Greg Kann, Robin Scott

ADMINISTRATION PRESENT: Skip Hanson, Walter Pierce, Nathan Lunney

Chair Lovejoy opened the meeting at 5:01 PM. The following agenda items were discussed.

1. EHS Nature / Fitness Trail: The Superintendent introduced Dave Shannon, Physical Ed teacher at EHS, who made a presentation to the committee about a proposed fitness trail at the new high school that would serve the physical education department, be used by other departments for outdoor sessions, and would be available for use by cross country teams as well for practice and competition. This proposal was submitted for grant consideration to the Robinson Trust but was not accepted. Mr. Shannon is confident that his future attempts will be more successful as he learns more about the grant writing process. His proposal calls for approximately \$32,000 in materials and labor, the latter being provided by staff and students. There has been a donation of \$1,000 from the David Barrows fund, but Mr. Shannon slowed on solicitations when the Robinson Trust news was delivered. He intends to renew the effort to garner additional community support. Future plans include teaching stations, outdoor fitness equipment, a simple outdoor shelter for small group classwork, and more.
2. Approval of Minutes: Robin Scott made the motion to accept the minutes as presented of the April 4, 2006 meeting. The motion was seconded by Greg Kann and with a unanimous vote the motion was passed.
3. Auditor's Report: Bob Sanderson of Plodzik & Sanderson met with the committee to review the audited financial statements for the year ending June 30, 2005. Mr. Sanderson explained GASB 34 and its impact to the audit report. He reviewed elements of the statements and the related notes and explained their importance to the committee. The audit found no material weaknesses or reportable conditions. The overall opinion was adverse because the ERCSD set a five year plan to comply with GASB 34 and has not yet done so. The committee thanked Mr. Sanderson for his time and information.
4. Fund Balance Projection:
 - a. Appropriations Summary: Nathan distributed and reviewed the function summary of the current fiscal year appropriations and detailed the projected fund balance. The report suggested a projected balance of approximately \$230k. The biggest variances in the year are teacher retirements, special education unused tuitions, utilities costs, and health insurance savings.
 - b. Revenue Estimates: Nathan then reviewed estimated revenues with the committee and explained that the projection continues to be about \$700k in unanticipated funds. This amount will be included in the final fund balance that offsets next year's taxes. The biggest contributors to this balance are earnings on investments (in a period of rising interest rates), catastrophic aid, and Medicaid reimbursements.
 - c. End-of-Year Encumbrances: Nathan then reviewed a short list of year-end requests. It was suggested that we encumber funds to support the proposal of Mr. Shannon for the EHS fitness/cross country trail in the amount of \$30,000. It was suggested that we encumber funds for repairs and improvements to the ropes course at the Tuck

Learning Campus in the amount of \$20,000. This apparatus has been in use but is in need of upkeep, without which our initial investment will be lost. There will be a number of students at the TLC who will benefit from the maintained course. After some discussion, Greg made the motion to recommend this encumbrance (\$30k + \$20k) to the board. The motion was seconded by Robin Scott and with a unanimous vote the motion was passed. Nathan asked the committee to endorse, as we have in the past two years, the transfer from the building project to the operating budget the costs related to Walter Pierce as project manager. He reminded them that we planned at the outset of the project to fund that oversight out of surplus funds as possible and have been successful in doing so thus far. After some discussion, Robin made the motion to recommend this encumbrance to the board. The motion was seconded by Greg and with a 3-0-1 vote (with Townley Chisholm abstaining) the motion was passed.

5. Update on EHS Project: Walter reviewed Change Order #10 and a summary of the project to date with the committee. He also updated the committee on Changer Order #11 in preparation for its review at the upcoming Facilities Committee meeting.
6. Next Meeting Date: The committee did not set a next meeting date. A schedule of dates are expected to be published following committee reorganization at the Board Retreat later this month.

There was a motion to adjourn which was seconded and with a unanimous vote the meeting was adjourned at 6:58pm.

Respectfully submitted,

Nathan Lunney