



**MINUTES  
FINANCE COMMITTEE  
AVON BOARD OF EDUCATION**

**Avon Board of Education  
34 Simsbury, Avon, Connecticut 06001  
Meeting Room One  
Tuesday, September 10, 2019 - 12:00 p.m.**

**Attendance**

**Members Present:** Jay Spivak, Chair; David Cavanaugh (telephonically), Bogdan Oprica (telephonically); Deb Chute (ex officio)

**Member(s) Absent:** Laura Young

**Administration Present:** Dr. Bridget Heston Carnemolla, Superintendent; Heather Michaud, Director of Fiscal Affairs

**Others Present:** Shirley Moy, Board Recording Secretary

I. Call to order

*The meeting was called to order by Jay Spivak, Finance Committee Chair, at 12:14 pm.*

II. Approval of June 11, 2019 Minutes

*Mr. Spivak moved, Mr. Cavanaugh seconded, to approve the minutes of the June 11, 2019 Finance Committee meeting.  
The motion passed 3-0-0.*

III. Financial Report June 30, 2019 & August 31, 2019

Ms. Michaud reported that the District had a successful close of the year for 2018/19. The amount of \$408.26 was returned to the Town and the encumbrance listing totaled \$490,488.20 with 83 valid open purchase orders. Purchases were accomplished with the help of the supplemental appropriation from Open Choice (just over \$113,000) as well as year-end variances. Ms. Michaud listed for the Committee some of the purchases which included various classroom furniture; Phase II of interior shades; RBS student lockers; stage curtains for AMS, TBS, RBS & PGS; RBS intercom system; TBS projector system; crew trailer; two new scoreboards at AMS & TBS and the funding of the Special Education escrow account, which \$1,061,975.00 was funded for 9 students. For comparison, Ms. Michaud stated that for the 2017/18 fiscal year \$27,396.82 was returned to the Town and the open encumbrances total was \$996, 769.18 with 120 open purchase orders.

Ms. Michaud reviewed the June 30<sup>th</sup> Use of Facilities summary and informed the committee that \$50,242.00 was collected in revenue which was an increase due to increased use as well as the receipt of receivables from the prior year. Expenditures for the account totaled \$44,999.29. Regarding the use of facility funds for the refinishing of the gym floors, when the FICA and Medicare amounts were released at the end of the fiscal year, \$28,560.00 was journaled back to the general fund resulting in a total of \$5,670 used from the Facility Use account for the refinishing of two gym floors.

Ms. Michaud also clarified for the Committee that last year in the Special Ed Escrow account, there were 8 students that were funded for approximately \$481,000.00 with \$1,046.10 to the Town.

Ms. Michaud continued to report on the August 31, 2019 financial report and stated that not a lot of activity was seen during the month of August with an increase usually seen in September when school is back in session. August 2018/19 had \$37,000,000.00 encumbered compared to the \$41,000,000.00 this year, which is a 9.3% increase due to the schools pre-loading their purchase orders for the school year during the summer. Ms. Michaud stated she did not see anything out of the ordinary in the year to year comparison.

Ms. Michaud explained to the Committee that fees for facility use were not raised for the last two years, however, there will be a 7.5% for the two largest users of APS facilities, St. Ann's and the YMCA, due to custodial and utility increases. The Committee discussed comparing surrounding districts' rates to Avon's. Dr. Carnemolla reminded that renting out the facilities is not done to make a profit and agreed to look at the surrounding district rates.

A Special Ed analysis was not given as it was not yet completed by the Special Education Department but will be given to the Committee in October.

#### IV. Transfers

Ms. Michaud explained that operational transfers are put into three categories: utility, operating and salary. Regarding transfer 2020-12, utilities fluctuate year to year, the electricity costs at RBS was unexpected last year and reviewed due to the large increase. The increase was due to higher facility use of RBS's gym. Natural gas increase at TBS and AHS was due to the meter readings. An audit was conducted to determine the correct rates. Savings on utilities at other schools were able to cover the increased costs. Ms. Michaud also explained that regarding transfer 2020-13, the actuaries (Milliman) who performed the calculations on the pensions and OPEB employer liabilities first showed an amount of \$645,000.00 for OPEB but actually came in at a cost of \$887,000.00 for contributions. However, the pension came in lower on the actuarial analysis - \$610,000.00 rather than \$762,000.00. This created a \$90,000.00 difference which was made up from the magnet school tuition line as enrollment in magnet schools has decreased. Ms. Michaud said she will ask Milliman for an explanation of the cost differences. Dr. Carnemolla added that this same scenario should not happen again in the upcoming year as the District is now aware of the increase and can better plan for the higher cost. The Committee asked Ms. Michaud to provide numbers of how many employees are actively enrolled in the pension and how many are retired. Ms. Michaud also explained transfers 2020-14 regarding positions added due to the increase in enrollment.

2020-01 - \$75.00 to cover shortage in Special Ed. Budget line  
2020-02 - \$200.00 for four microscopes to be cleaned, adjusted and par-focaled at TBS  
2020-03 - \$2,350.00 for settlement agreement for student to attend IEA  
2020-04 - \$1,494.00 to purchase three camcorders for Tech Ed at AMS  
2020-05 - \$650.00 for additional math supplies at RBS  
2020-06 - \$1,500.00 to purchase online ebooks for Latin class at AHS  
2020-07 - \$176.00 to purchase tables at AMS  
2020-08 - \$2,630.00 to purchase tablets for Math Dept. at AHS  
2020-09 - \$457.82 for summer program planning for 4 staff members  
2020-10 - \$1,200.00 for Makerspace furniture for PGS library

2020-11 - \$460.00 to install a phone in PGS classroom

2020-12 - \$79,139.33 for annual utility transfer

2020-13 - \$266,776.19 for annual operating transfer

***Chair Spivak moved, Mr. Cavanaugh seconded, to approve and move to the full Board budget transfers as presented.***

***Motion passed 3-0-0***

V. New Business

a. Student Activity Quarterly Report

Ms. Michaud explained that the reports have now been standardized among the schools.

b. Facilities Use Report

Ms. Michaud shared that all revenue was collected that was invoiced.

VI. Comments from the Public

No comments from the public.

VII. Adjournment

***Jay Spivak moved to adjourn at 12:40 pm.***

***The motion passed unanimously.***

Minutes prepared by Shirley Moy, Recording Secretary

Minutes respectfully submitted by Jay Spivak, Finance Committee Chair

*Jay Spivak, Sept. 18, 2019*

Minutes respectfully received by Jeffrey S. Fleischman, Board Secretary

*Jeffrey S. Fleischman, Sept. 18, 2019*

***Minutes are approved at the next Finance Committee meeting, and any corrections to the minutes, if needed, will be made at that time.***