

**Groton-Dunstable Regional School Committee
Special School Committee Meeting with Budget & Finance Focus**

Meeting Minutes for Friday, November 17, 2011

Minutes prepared by J. Giger, Secretary

Location: Groton-Dunstable Middle School South, 344 Main Street, Groton, MA

Members present: J. Giger, A. Manugian, J. Sjoberg, J. Frey, B. Erickson and L. Lathrop (arrived at 9:20 AM)

Members absent: E. Dichter

Non-member present: J. Martin, J. Mastrocola, J. Mitchell, P. McGrath, A. Eliot, G. Green, M. Haddad, D. Metzler

1. The meeting was called to order at 8:00 AM by A. Manugian, Vice-Chair.
2. Superintendent Mastrocola kicked off the fiscal year 2013 (FY2013) budget season by delivered a presentation addressing District FY2013 budget criteria, budget priorities, budget challenges, financial problems, fiscal prudence, and potential unanticipated budget factors (see Exhibit A).
3. J. Martin delivered a presentation outlining project changes in The District's debt assessments, FY2012 through FY2028, resulting from the September 9, 2011 high school bond refinancing (see Exhibit B).
4. A. Manugian provided an overview of the District's Revolving funds (see exhibit C). It was noted that the school play sub-accounts for the High School, Florence Roche Elementary, and Swallow Union Elementary are in the Community Education Program revolving account. The fee for use of District facilities is 25 percent of the gross gate or door receipts. This may need to be revisited. It was pointed out that the Elementary Band sub-account is in the Community Education Program revolving account. Where we are at with funding for the high school football program was questioned but not discussed. In light of the need to concentrate on the FY2013 budget in the coming weeks, it was informally decided to defer additional discussion of revolving funds until the January or February B&F meeting.
5. J. Martin reported that actual FY2011-12 expenditures were tracking closely to the approved budget. The possibility of an unexpected out of district special education placement expenditure and the potential of needing an additional Paraprofessional at the Middle School and two additional Paraprofessionals at the Florence Roche elementary school were being carefully monitored by the District's Director of Business and Finance.
6. J. Martin reported that the District had received 35 applications for the recently posted Assistant Business Manager opening (replacing K. Roensch who is retiring at the end of December).

7. Superintendent Mastrocola indicated that the job opening for a District Curriculum Director would be posted sometime in February 2012.
8. There being no further business, J. Giger made a motion to adjourn which was seconded by J. Sjoberg. The motion passed by unanimous vote.
9. The meeting was adjourned at 10:10 AM by A. Manugian, Vice Chair.

Exhibits:

- A. Superintendent's FY13 Budget Kickoff Presentation
- B. Projected Changes in Debt Assessments, FY2012 through FY2028
- C. High Level Overview of the District's Revolving Funds

Criteria For FY 13 Budget

- ◎ Ensuring sustainability of effort
- ◎ Maintaining accreditation of High School
- ◎ Compliance with state regulatory requirements

Budget Priorities

- ◎ Lower class size
- ◎ Direct services to students
- ◎ Retrench positions
- ◎ Work within our means with town collaboration

Challenges for FY 13

- ⦿ Negotiate new teachers contract and evaluation instrument
- ⦿ Institute budget that recognizes the needs of Groton and Dunstable
- ⦿ Accept that revenue forecasts for FY 14 and beyond are uncertain
- ⦿ Consider the impact of spiraling health care costs

What Are The Financial Problems

- ◎ Reduction in special education circuit breaker support
- ◎ Restricted one-time stimulus funds eliminated
- ◎ Increased costs for maintenance services and utilities
- ◎ Lower transportation aid funding

Fiscal Prudence Is Our Priority

- ◎ Sought fair representation in allocation of Chapter 70
- ◎ Pursued competitive grants
- ◎ Reallocated existing funds for greater efficiency
- ◎ Created better checks & balances for accountability of spending/transparency
- ◎ Established consistency in fiscal management
- ◎ Submitted SOI for heating system conversions at multiple schools

Potential unanticipated budget factors

- ◎ Health insurance premiums
- ◎ Special Education tuitions
- ◎ Changes to Chapter 70 state aid

PROJECTED CHANGE IN DEBT ASSESSMENT
 FY2012 THROUGH FY2028
 RESULTING FROM 9/22/11 HS BOND REFUNDING

	Actual FY2012	Projected FY2013	Projected FY2014	Projected FY2015	Projected FY2016	Projected FY2017	Projected FY2018	Projected FY2019
Total Debt								
Before Refunding	4,052,680	3,924,323	3,794,129	3,457,938	3,230,250	3,120,250	3,005,375	2,885,925
After 9/22/2011 HS Bond Refunding	3,426,620	3,687,823	3,582,954	3,238,988	3,023,300	2,916,600	2,796,050	2,673,650
a Change in Total Debt/Savings from Refunding	(626,060)	(236,500)	(211,175)	(218,950)	(206,950)	(203,650)	(209,325)	(212,275)
b Allocate portion District's FY12 saving to FY13	231,478	(231,478)						
MSBA Reimbursement								
High School	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759
Before Refunding	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759
High School	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759	1,700,759
HS-MSBA share savings from refunding		(173,396)	(173,396)	(173,396)	(173,396)	(173,396)	(173,396)	(173,396)
After Refunding	1,700,759	1,527,363	1,527,363	1,527,363	1,527,363	1,527,363	1,527,363	1,527,363
c Reduction in MSBA Reimbursement	-	173,396	173,396	173,396	173,396	173,396	173,396	173,396
Net Change in debt assessment (a+b+c)	(394,582)	(294,582)	(37,779)	(45,554)	(33,554)	(30,254)	(35,929)	(38,879)
Dunstable assessment before refunding	486,669	496,474	463,754	446,499	388,644	360,693	331,503	301,151
Dunstable assessment after refunding	380,646	421,568	454,154	434,924	380,118	353,005	322,373	291,272
Change in Dunstable's assessment	(106,023)	(74,906)	(9,600)	(11,575)	(8,526)	(7,688)	(9,130)	(9,879)
Groton assessment before refunding	1,415,756	1,457,380	1,361,331	1,310,680	1,140,847	1,058,798	973,113	884,015
Groton assessment after refunding	1,127,197	1,237,704	1,333,152	1,276,701	1,115,819	1,036,232	946,314	855,015
Change in Groton's assessment	(288,559)	(219,676)	(28,179)	(33,979)	(25,028)	(22,566)	(26,799)	(29,000)
Total Change in Towns' Debt Assessments	(394,582)	(294,582)	(37,779)	(45,554)	(33,554)	(30,254)	(35,929)	(38,879)
Summary of Savings from 9/22/11 HS Bond Refunding Over the Life of the Bonds FY2012-FY2022								
District's savings					996,100			
MSBA's savings					1,733,960	66.55% of savings related to HS building		
Total savings from 9/22/11 HS bond refunding					2,730,060			

PROJECTED CHANGE IN DEBT ASSESSMENT
FY2012 THROUGH FY2028
RESULTING FROM 9/22/11 HS BOND REFUNDING

	Projected FY2020	Projected FY2021	Projected FY2022	Projected FY2023	Projected FY2024	Projected FY2025	Projected FY2026	Projected FY2027	Projected FY2028
Total Debt									
Before Refunding	2,771,350	2,656,550	2,439,375	564,500	544,300	519,188	146,813	142,088	137,363
After 9/22/2011 HS Bond Refunding	2,570,550	2,452,050	2,239,500	564,500	544,300	519,188	146,813	142,088	137,363
Change in Total Debt/Savings from Refunding	(200,800)	(204,500)	(199,875)	-	-	-	-	-	-
Allocate portion District's FY12 saving to FY13									
MSBA Reimbursement									
High School	1,700,759	1,700,759	1,700,759	-	-	-	-	-	-
Before Refunding	1,700,759	1,700,759	1,700,759	-	-	-	-	-	-
High School	1,700,759	1,700,759	1,700,759	-	-	-	-	-	-
HS-MSBA share savings from refunding	(173,396)	(173,396)	(173,396)	-	-	-	-	-	-
After Refunding	1,527,363	1,527,363	1,527,363	-	-	-	-	-	-
Reduction in MSBA Reimbursement	173,396	173,396	173,396	-	-	-	-	-	-
Net Change in debt assessment (a+b+c)	(27,404)	(31,104)	(26,479)	-	-	-	-	-	-
Dunstable assessment before refunding	272,037	242,866	187,682	143,439	138,307	131,926	37,305	36,105	34,904
Dunstable assessment after refunding	265,074	234,963	180,954	143,439	138,307	131,926	37,305	36,105	34,904
Change in Dunstable's assessment	(6,963)	(7,904)	(6,728)	-	-	-	-	-	-
Groton assessment before refunding	798,554	712,925	550,934	421,061	405,993	387,262	109,508	105,983	102,459
Groton assessment after refunding	778,113	689,724	531,183	421,061	405,993	387,262	109,508	105,983	102,459
Change in Groton's assessment	(20,441)	(23,200)	(19,751)	-	-	-	-	-	-
Total Change in Towns' Debt Assessments	(27,404)	(31,104)	(26,479)	-	-	-	-	-	-

Exhibit C to Minutes of GDRSC Special Meeting with B&F Focus on 2011-11-17

Fund Name	Fund Number	Statutory Authority	Statutory Purpose	Expenses Covered	Revenue Source(s)	Administrator
School Lunch	220	Ch 48 of Acts of 1948 MGL Ch 71 Sect. 72	Operate or provide for operation of food service programs in schools	Food for lunches, snack machines. Health Insurance for Café. employees	Lunch Money, Snack Machines?	
Performing Arts Center (Auditorium)	230	MGL Ch 71. Sect. 71E	allows district to maintain account for fees collected for school facility use		Rental to outside music, dance & theater groups	
Building Use	230	MGL Ch 71 Sect 71E	allows district to maintain account for fees collected for school facility use		Rental to outside groups - includes fields	
Community Ed Program	230	MGL Ch 71 Sect 71E	allows district to maintain account for fees from adult and continuing education		Fall & spring adult ed, fall & winter childrens enrichment	
Peter Twomey Youth Center	230	MGL Ch 71 Sect 37A	special purpose grants and gifts to support & maintain PTYC		grants & donations	
Extended Day	230	MGL Ch 71 Sect 26A-C	providing extended school services for kids 3 - 14 years old		tuition	
Early Learning Center	230	MGL Ch 71 Sect 47	SC sponsored programs & activities in which participation is paid for	Salaries	Preschool @ Boutwell Full Day Kindergarten	
Boutwell Parent/Child	230	MGL Ch 71 Sect 47	SC sponsored programs & activities in which participation is paid for	Group Facilitator Salary, program related supplies, materials	Play group sessions	
Elementary Band	230	MGL Ch 71 Sect 47	SC sponsored programs & activities in which participation is paid for	Lesson expenses	after-school music lessons	
School Choice	230	MGL Ch 76 Sect 12b (o)	non-resident student enrollment			
Health Services	230	MGL Ch 71 Sect 47	SC sponsored programs & activities in which participation is paid for		flu-clinics in past	
Lost Books	230	MGL Ch 44 Sect 53	collect & expend monies for lost books	lost books	lost books	
Fio Ro Donate-a-Book	230	MGL Ch 71 Sect 37A	special purpose grants & gifts from individuals & organizations		donations	

0/2011 Fund Balance	Beginning Fund Balance	Ending Fund Balance	Annual Revenue	Annual Expenditure	Notes
3,168.00	\$139,711.00	\$186,287.00	\$860,202.00	\$813,626.00	Remove ability of on-site managers to adjust amounts in POS system Have cashiers sign off on daily cash- out
	\$22,938.00	\$22,206.00	\$42,504.00	\$43,237.00	
	\$68,609.00	\$51,216.00	\$61,487.00	\$78,880.00	
1,372.00	\$80,280.00	\$103,135.00	\$205,713.00	\$182,858.00	
	\$28,709.00	\$33,225.00	\$29,048.00	\$24,532.00	
	\$64,093.00	\$101,348.00	\$347,248.00	\$309,993.00	
2,485.00	\$346,206.00	\$417,609.00	\$296,403.00	\$225,000.00	
	\$2,946.00	\$2,440.00	\$2,033.00	\$2,538.00	Need receipt log
	\$15,419.00	\$15,419.00	\$0.00	\$0.00	INACTIVE where does \$150 per child fee go?
7,918.00	\$232,547.00	\$321,904.00	\$199,357.00	\$110,000.00	
	\$103.00	\$0.00	\$0.00	\$103.00	INACTIVE
	\$8,237.00	\$5,590.00	\$1,297.00	\$3,944.00	
	\$178.00	\$178.00	\$0.00	\$0.00	

Fund Name	Fund Number	Statutory Authority	Statutory Purpose	Expenses Covered	Revenue Source(s)	Administrator
High School Parking Fee	230	MGL Ch 71 Sect 71E	allows district to maintain account for fees collected for school facility use	operating & capital expenses related to HS parking lots	student parking permits	
Insurance Claim	230	MGL, Ch. 44 Sect 53	insurance settlements or damage restitution of less than \$20,000	insurance settlements or damage restitution of less than \$20,000		
Special Education Parent Advisory Council (SEPAC)	230	MGL Ch 71 Sect. 37A	special purpose grants & gifts from individuals & organizations	SEPAC operations	grants & gifts	
High School Enrichment	230	MGL Ch 71 Sect. 37A	special purpose grants & gifts from individuals & organizations	advisor stipends for After-School Music Club and Music Honor Society Programs	grants & gifts	
Athletics (not football)	231	MGL Ch 71 Sect 47	SC sponsored programs & activities in which participation is paid for	costs of athletic programs	HS & MS athletic user fees & gate receipts	
Football Program	232	MGL Ch 71 Sect 47 & 37A	SC sponsored programs & activities in which participation is paid for	Football Program	Football user fees & gate receipts & donations	
Circuit Breaker	260	MGL Ch 71B Sect. 5A MA DOR bulletin 2004-06B	special education	special education	State Reimbursement	
General Revolving Fund Comments:						
Policy for collection, recording, safeguarding & reporting of receipts						
Training to ensure understanding and compliance						
Need district policy for financial hardship cases re athletic user fees						
Need to ensure that payments PO's are backed up with original invoices						
Implement quarterly reconciliation of departmental records with general ledger						

30/2011 Fund Balance	Beginning Fund Balance	Ending Fund Balance	Annual Revenue	Annual Expenditure	Notes
	\$32,805.00	\$20,389.00	\$25,060.00	\$37,476.00	Need clear audit trail - cash & check tracking by student name
	\$4,527.00	\$4,527.00	\$0.00	\$0.00	
	\$0.00	\$1,210.00	\$1,210.00	\$0.00	
	\$0.00	\$0.00	\$1,741.00	\$1,741.00	
6,606.00)	(\$33,221.00)	(\$55,904.00)	\$263,884.00	\$286,567.00	Basketball brought in \$30,752 and spent \$42,752 Ice Hockey brought in \$20,941 and spent \$37,343 (not inc all transport.) Ski Racing brought in \$7,900 and spent \$14,790 (not inc all transport) \$33,000 in transportation wasn't allocated to a sport
	\$480.00	\$6,269.00	\$62,467.00	\$56,679.00	Need timely turnover for deposit
	\$97,776.00	\$125,577.00	\$399,362.00	\$371,561.00	
	\$1,112,343.00	\$1,362,624.00	\$2,799,016.00	\$2,548,735.00	