

MINUTES

FINANCE SUBCOMMITTEE MEETING

May 1, 2018 6:00 PM Superintendent's Conference Room Minuteman High School

Present: Carrie Flood, Dave Horton, Jim Gammill, Kevin Mahoney, Elizabeth Rozan, Michelle Shepard

Not Present: Ed Bouquillon

1. Call to Order: Open Session

Chair Carrie Flood called the meeting to order at 6:00 PM.

2. Warrant Review

Outstanding questions on the warrants that had been sent out in advance of the meeting were discussed, and the warrants were then signed. (See Attachment A.)

3. Approval of Draft Minutes 3.27.18

The following vote was taken on the draft minutes:

Moved (Horton) and seconded (Gammill)

To approve draft minutes of 3.27.18, as presented

VOTE: Unanimous

4. 3rd Quarter Financial Statements

Kevin reviewed the Expenditure Report (presented in summary format and by function code), the Revolving Funds Statement for March 31, 2018, as well as the Cash Summary Reconciliation for the month ending February, 2018, and the schedule of Cash Balances and Interest Income by Bank Account as of March 31, 2018. Appreciation was expressed for the inclusion of comments on the Expenditure Report, a number of the items were clarified and discussed, and Kevin confirmed that there were no surprises. With regard to questions that arose on the E&D, he noted that he would include a thumbnail report at the next meeting on May 29. He addressed questions with regard to the Revolving Funds, and noted that the Cash Summary Reconciliation and the Cash Balances reports were included as a result of the Audit Report.

5. 10 Mill St. Repairs/Upgrades

Jim Gammill had prepared a spreadsheet summarizing the estimates on the 10 Mill St. repairs from the documents provided. Kevin confirmed that he had no issues with the funding estimates, as 100K had been spent a few years ago to upgrade 16 Mill St. He noted these are District properties/assets that need to be maintained, as there is no plan to tear them down. In response to a comment that there is no way to judge the possible expenses, he confirmed that these are not bids, but estimates; he noted that most of the work would be done by students, with some exceptions, and that the funds would be taken from the facilities rental fund, if approved. The following revised motion was taken:

Moved (Gammill) and seconded (Horton)

To recommend the approval of building repairs/upgrades at 10 Mill St., as presented, up to \$60,000 from the facilities rental fund 1300000-403

VOTE: Unanimous

The item will appear on the next School Committee agenda for a vote.

6. Certified E&D as of July 1, 2017

Kevin called attention to the Certified E&D detail sent to the School Committee in April as informational. He noted that this item will be on the next School Committee agenda for a formal vote to authorize \$540K be used to reduce assessments in FY 18. The Subcommittee took the following vote:

Moved (Horton) and seconded (Gammill)

To recommend favorable action to the School Committee to authorize \$540K be used to reduce assessments in FY 18

VOTE: Unanimous

7. FY 17 Audit: Continued Discussion

Jim Gammill raised two items addressed in the FY 17 Management Letter: Treasury Fund Controls and Student Activity Fund Audits. He expressed that he was comfortable with the corrective actions on the Treasury Fund Controls item, and suggested that the topic of an audit of student activity funds be placed on an agenda of the Finance Subcommittee each year. The chair noted that she would worry if there never was a Management Letter, and she was pleased with the positive working relationship between the Auditors and Minuteman. Kevin confirmed that state guidelines suggest an annual review of the Student Activity Accounts, with an annual vote of the School Committee, and he will be proposing some revision to the Policy DIBA (Student Activity Accounts) at the May 29 Finance Subcommittee meeting.

Additionally, Jim raised his concerns about funding long term liabilities [Other Post Employment Benefits (OPEB)]. He noted that the financial statements provide a context for discussing the topic, and he suggested that a process be established to begin exploring models or IMAs. He explained the reasoning for his concerns, and noted that while he does not have a quick fix, he urged discussion for a fair, full cost of OPEB to be more accurately reflected in next year's FY 20 budget preparations. Kevin agreed the topic is being discussed widely, and that it presents political and fiscal challenges related to member/non-member cost sharing and enrollment. It was agreed that the Chair would decide how it could be discussed (task force or subcommittee, e.g.) and that Kevin could provide a report to the School Committee early on in the budget process in the fall.

8. Review of Proposal for Melanson Heath Continuation Contract

Kevin presented this item as informational, as a follow up to the vote taken by the School Committee on 4.10.18 to authorize the awarding of a 3 year contract to Melanson Heath for Auditing Services for FY 18, 19, and 20. He noted that he was comfortable with the proposal, and with the way the services were broken down into Single Audit/End of Year Report, Retirement System Audit, and recommended Student Activity Fund Audit. He noted that they could conduct the Student Activity Fund Audit in FY 18 for \$3,500, but that his professional organization (MASBO) could do it the other two years at \$1,900.

9. Next Meeting: Tuesday May 29, 2018 6:00 PM

The next meeting date was confirmed, as noted.

10. Adjournment

There being no further business, the meeting adjourned at 7:20 PM.

Elizabeth Rozan, Recorder

ATTACHMENTS

A. List of signed warrants 5.1.18

VENDOR WARRANT**FY18 Vouchers****5/1/2018**

DATE	VOUCHER #	TYPE	AMOUNT
3/19/2018	1258	AP	\$220,511.91
3/23/2018	1264	AP	\$3,073,026.61
3/26/2018	1265	AP	\$56,001.56
4/4/2018	1275	AP	\$429.00
4/6/2018	1281	AP	\$138,895.95
4/9/2018	1282	AP	\$45,573.87
	TOTAL		\$3,534,438.90

PAYROLL WARRANTS**FY18****5/1/2018**

DATE	VOUCHER	TYPE	AMOUNT
3/22/2018	41/1259	PAYROLL	\$230,460.42
3/22/2018	1260-1263	PAYROLL	\$74,787.86
3/30/2018	42/1266	PAYROLL	\$86,382.27
3/30/2018	1267-1273	PAYROLL	\$412,247.76
4/5/2018	43/1274	PAYROLL	\$230,904.04
4/5/2018	1276-1280	PAYROLL	\$70,460.55
4/17/2018	46/1283	PAYROLL	\$83,836.69
4/17/2018	1284-1288	PAYROLL	\$25,066.88
	Total		\$1,214,146.47