

**WEST WINDSOR-PLAINSBORO REGIONAL SCHOOL DISTRICT  
BOARD FINANCE COMMITTEE MINUTES**



<u>BOE Committee:</u> Dana Krug (Chair) Anthony Fleres Yu "Taylor" Zhong	<u>Administration:</u> David Aderhold Larry Shanok Lawrence LoCastro	<u>Guest:</u> Scott Powell
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**December 15, 2014**

The meeting was called to order at 7:56 PM at the Central Office. Topics covered included:

Review Agenda Items. The first item discussed was the appointment of a district financial advisor. The district's long standing relationship with Municipal Capital Management is ending.

The district issued a Request For Proposals to the financial advisor community and received responses from three of the most active firms in New Jersey. Each has many New Jersey clients. One is especially well represented among similar New Jersey districts. Phoenix Advisors serves Princeton, Hopewell Valley, Montgomery, and Cherry Hill among many others and is the administration's recommendation. The committee supports the agenda items.

An examination of the Report of the Secretary shows that available balance is at a healthy level, but well below the level of a year ago. Expenditures are closing the gap with revenues. This will continue to have implications for excess surplus, as well as the levels of tax relief and capital reserve that can be sustained from excess surplus

2015-2016 Budget Progress: The committee discussed many of the financial issues covered at the recent BOE Retreat. One is the need to raise total revenues from among existing fund balance (tax relief), tax levies, state aid, and grant monies. If state aid and grants are stable, then any decline in total tax relief has to be balanced by tax levy dollars.

This was followed by a discussion of district full time equivalents (FTEs). Another observation covered at the retreat was the budget as a planning tool. As such, tradeoffs are made throughout the year as the needs of children are reassessed. Nonetheless, the pressure for services cannot always be balanced by reductions elsewhere. Current FTE levels are close to the 2014-15 budget level. Overall the budget total of 1196.5 is presently exceeded by 4 FTEs; basically, this is found in increases in special education staffing that were not balanced by reductions elsewhere in the district.

The administration will be applying the financial parameters developed during the BOE Retreat to a more detailed 2015-2016 budget over the coming 6-8 weeks.

Reorganization Meeting: The draft agenda was reviewed, as was last year's agenda. It was observed that the process is well established and the district is prepared for the January 6, 2015 reorganization meeting.

Unemployment Compensation Payments Update: Claims paid through the third quarter of 2014 are in hand. The third quarter payments were the lowest in six years. 2014 year-to-date is shaping up as the lowest total claims payout in six years. As we saw in the recently issued CAFR, the unemployment compensation trust fund is in good financial shape.

Meritorious Budget Award. Last May the Association of School Business Officials (ASBO) International published a list of all North American districts awarded the designation. It was the first time for the district. Only two districts in New Jersey are on the list and the total number of districts was 115 last year. The district has just been notified that the recent budget submission earned the MBA designation once again - two in a row now.

ASBO notes that to earn the award a district must follow rigorous guidelines. The rigor reflects a district's commitment to sound fiscal management practices and represents a significant achievement.

The meeting adjourned at 9:02P.M.

**NEXT MEETING: Tuesday, January 21, 2015, 6:30 PM @ Central Office**

Topic for Next Meeting  
Review Agenda Items  
Budget

Future Topics:  
Impact of Recent Legislation  
Policies  
Transportation