

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



BOE Committee:
Louisa Ho (Chair)
Anthony Fleres

Administration:
David Aderhold
Larry Shanok
Lawrence LoCastro

Guest:
Scott Powell

July 14, 2015

The meeting was called to order at 7:30 PM at Central Office. Topics covered included:

Review Agenda Items. There was a wide-ranging discussion of the finance topics. In addition to the usual agenda categories, this agenda includes the public hearing for the bond refunding, renewal of student accident insurance coverage, and a change to the bid threshold for purchasing.

It was noted that the student accident insurance has seen claims paid rise rapidly as family's health plans face rising deductibles and copays. The premium has increased from the \$22,087 level in 2011-12 to \$78,094 for the current year.

After a number of years at the \$36,000 level for the bid threshold, the State of New Jersey has authorized a rise in the threshold for districts with Qualified Purchasing Agents (QPA) to \$40,000. This provides a little bit more flexibility in utilizing quotes for some projects instead of following the procedurally longer bid process for a project.

Solar Renewable Energy Credits. The general sense of the committee is that the district can sell its SRECs as soon as convenient and the state's procedural requirements are met.

Church Agreement on Parking. The committee was updated on comments from the church on the initial draft. The church suggested small changes in the payment language. A new draft adjusts the agreement and will be shared with the church committee. The Finance Committee is in favor of the agreement being made.

Bond Refunding. There was a general discussion of the district's debt and the upcoming bond refunding. The next step in the process is a public hearing at the July 21, 2015, Board of Education meeting.

2014-2015 Year Ending. A discussion on available balance was engaged in using the May Report of the Secretary from both 2014 and 2015. Where the available balance was at \$11.8 million a year ago, this May it is \$7.3 million. As discussed over the past few years, the budget is tightening.

Audit Status. Year-end work by our auditors has been going well; next week the audit personnel will return to move the process forward. While the Business Office and audit staff are progressing, some elements for the Comprehensive Annual Financial Report (CAFR) will depend on the State of New Jersey. Today the State alerted districts that information for their responding to GASB 68 requirements will not be made available to districts by the State until late in October.

Buildings & Grounds. Buildings & Grounds and Aramark personnel are making good progress toward the summer cleanup process. It is more difficult than usual, given the relocation of many regular and special education classrooms in addition to heavy summer building-use and construction.

Village Addition. Generally, progress remains good. As often happens at the tail end of the construction progress, various frustrations have arisen. At this time, no significant delays are anticipated unlike other area schools that have been suffering significant delays with their major construction projects. Shortly, the district will submit documentation for a Temporary Certificate of Occupancy (TCO), a key critical path event.

Town Center Conversion. The interior work at Town Center is moving forward well. As the Board of Education is aware, the exterior work failed to elicit contractor interest and the district is attempting to negotiate a solution and the governmental approvals associated with the work. Delay on these exterior aspects is likely as we are already through a significant portion of the summer.

Summer Construction. Construction activity throughout the state is heavy this summer; this has made getting contractor interest in projects difficult in some cases and in others, has extended delivery dates for key equipment that will be installed. The district and its architect are working hard to cope with these difficulties. Projects such as the roof work at High School South and the HVAC work in the Dutch Neck cafeteria are progressing at a good clip. This year's painting effort is proving to be effective and will be considered for continuation next summer. With 1,500,000 square feet of buildings, painting can be useful on an annual rotating basis.

Unemployment Compensation. The calendar year 2014 experience was the most favorable in years; this allowed the balance in this account to return to its former level. On the other hand, the past two quarters have seen higher unemployment compensation than in previous quarters, so the slowdown may be a thing of the past.

2016-2017 Budget. A discussion covered the value of increasing the capital outlay portion upward from the \$2.2 million level. With benefit and salary costs increasing, this may be a challenging but necessary action. The committee will give some thought to the capital outlay level to be utilized in the 2016-17 budget.

2016-2017 Proposed Capital Projects. Buildings & Grounds will soon commence meeting with budget managers in order to generate a new 2016-2017 project list. This list will be used in conjunction with the overall capital outlay level by the Administration & Facilities Committee as it evaluates the nominated projects.

Merit Goals/District Goals. The Superintendent discussed both the merit goals and the revised district goals. The district goals take into account the Board of Education input from the recent board retreat.

Other. The Superintendent discussed possible dates for future Board of Education retreats. Early selection will maximize the ability of the participants to attend each retreat. Also, there was an agreement that the Board of Education calendar dates that were listed for future Finance Committee meetings were satisfactory.

The meeting adjourned at 9:26 P.M.

NEXT MEETING: Tuesday, August 18, 2015, 7:30 PM @ Central Office

Topic for Next Meeting
Review Agenda Items
2016-2017 Budget

Future Topics:
Impact of Recent Legislation
Policies
Transportation