

Skaneateles Central School District
Board of Education

Audit, Budget, and Finance Advisory Committee

Draft Minutes

11/21/19

The meeting came to order at approximately 5:30 PM with the following in attendance:

Board of Education Members: Tom Lambdin, Michael Kell, Geralyn Huba

Advisory Committee Members: Jennifer Young, Susanne Guske

District Members: Lynda Quick, Christine DeMass, Steve Musso

Mrs. DeMass opened the meeting with a review of the agenda. She asked the committee if the extraclassroom activity funds corrective action response could be moved toward the end of the agenda. The committee agreed. Mrs. Huba advised she would be reporting back to the full board.

Mrs. DeMass reviewed the capital review I report with the committee. First, she explained the current \$100,000 capital outlay project that will entail replacing doors in the middle school. She advised that the intention was to continue to replace doors in the middle school and high school but that, because of asbestos work that goes along with the door replacement, administration would rather wait to see how the door replacement goes in February before bringing a final recommendation to the board. The next report out will be on 2/25. Until then, she will work with the district architect to determine other \$100,000 projects for the board to consider.

Mrs. DeMass then discussed the bus replacement plan. She advised that she had met with NY Bus Sales to review bus needs for the 2020-2021 school year. The recommendation will be to replace 4 buses with 71 passenger gasoline buses at a cost not to exceed \$435,000. She also advised on the cost of 5 buses with similar features with different fuel types. They were as follows: gas \$107,553, diesel \$115,804, propane \$122,965, natural gas \$146,697 and electric \$346,564. The committee would like to continue to explore all options to see what the long term benefits could be from each. One concern was that if the district went one direction but then the

market changed to another direction, what would the district do. Mrs. DeMass commented that she would also check with First Student to see if they have trained mechanics for these alternative fueled buses.

Mrs. DeMass advised that Ms. MacLachlan was currently working on updating the fleet and equipment replacement plans. More would be reported on once that was complete. She also advised that she was working with Ms. MacLachlan on staffing needs within the buildings and grounds department. Mrs. DeMass commented that there is the continued need to have more coverage during the mid-day hours to cover sports as well as to allow Ms. MacLachlan to focus on the upcoming project. She would continue to discuss this and bring back any recommendations at the next capital review. Finally, Mrs. DeMass advised that she continues to review the debt service portion of the budget to ensure it will meet the needs of our ongoing project.

Mrs. DeMass then explained the 5-year tax cap projection and the assumptions she made with the projection. This led to the discussion around the 5-year financial forecast. Mrs. DeMass explained that she starts with last year's budget and makes various assumptions that were listed in a separate letter to the Superintendent. She advised that this acts as a starting point and will be tweaked as she meets with principals and directors. There was some discussion amongst the committee about potentially comparing prior estimates and actuals as well as year end balances. Mrs. DeMass will continue to update the committee and the board as the budget process continues.

Mrs. DeMass advised the committee that the district received six responses from the external auditor RFP that was sent out in October. The audit firms and proposal costs were shared with the committee. A discussion was then had about whether or not the committee wanted to recommend a change from our exiting auditor. Administration expressed their satisfaction with their current auditor and how they have worked as partners over the last five years. The committee thought that having a fresh set of eyes on our financials was a good thing for the district. Mrs. DeMass advised the committee that she had received positive comments on the low bidder and was going to complete a few more reference checks. She would advise the

committee on the outcome via email in a few days and then draft a recommendation to the board.

Mr. Musso reviewed the corrective action plan letter with the committee. He advised on the new process for the 1099 forms as well as additional training for the profit and loss statements. He also advised that the donated equipment will be tagged by the district and gave an update on the inactive clubs mentioned in the report.

Mrs. DeMass closed the meeting with a brief update on the reserve plan. She advised that she thought the content was a better focus than the format and would like to bring one or two reserves back to the committee each meeting. This way, they can slowly build the plan for each reserve as the budget process moves forward.

The meeting adjourned at 7:10.

Respectfully submitted,

Geralyn Huba