

*Oneonta City School District
Finance/Audit Committee Meeting Minutes
January 19, 2022*

The meeting began at 3:30pm.

Members Present: Lisa Weeks, Business Manager; Joe Temming, Board of Education; Amy Burnsworth, Board of Education

Members Absent: Tom Brindley, Superintendent; Mike Iannelli, Board of Education

2022-2023 Bus Purchase Recommendation (handout)-Laura Hagzen from Durham School Services joined us to review bus purchase recommendations for 2022-2023. We have a quote from Matthews for two buses. One is a 66 passenger and one a 30 passenger. Quotes total \$241,465. This will be adjusted once the luggage compartment and white roofs are deleted and the camera cost is finalized. These would replace Bus #175 (2010 model, 133,883 miles) and Bus #72 (2012 model, 87,236 miles). Bus #175 has transmission problems and body corrosion. Bus #72 continues to fail inspection with electrical issues. We do not need to order any wheelchair accessible buses this cycle. The two buses quoted use the same parts even though they are different capacities which would create maintenance efficiencies.

Both buses would be put on the ballot as one proposition.

Reserve Fund Recommendation (handout)-Recommendations were presented for reserve funds currently in place (Unemployment and Repair) as well as the creation of new reserve funds (Capital 1/2/3). After much discussion, the Finance Committee is recommending the following:

Unemployment Insurance-Present proposal for board approval at next meeting.

Repair Reserve-Adjust and repurpose as needed. Hold public hearing once we obtain firm quotes for MS pavement, failing catch basins, stage light system repairs, and Valleyview pathway.

All capital reserves would require voter approval to establish and withdraw from them. If the board decided that they wanted to establish these reserves, we would need to determine a vote date, which may or may not be the same as the annual budget vote. Capital Reserves can be established with a maximum funding amount while deposits into the reserves can be made as the district determines that funding is available.

Capital 1-Grey Barn Replacement-There was discussion regarding location and timing. Various locations have been discussed with the architect and although it is located in a flood plain, this is the best spot for it. This building would never generate aid but needs to be replaced as it is a safety risk. Costs are being finalized by architect but are currently between \$750K and \$900K dependent on size of the building.

Capital 2-Equipment Replacement-The creation of this reserve will be discussed again once we have a vehicle and equipment replacement plan that is currently being developed

by our Director of Buildings/Grounds/Transportation. It was noted that the bus lift is currently repaired and does not need to be replaced right away.

Capital 3-Reserve for Future Capital Project-District would not have a project to present to the voters prior to 2024, so we have some time to further discuss this reserve. Fiscal Advisors has reminded us that in 2024-2025, there is a large drop in local share so that would be a good time to phase in a new project without a notable shift in the tax levy.

Federal Single Audit Report (handout)-Report from our Auditor, Raymond G. Preusser, CPA was provided. This is a required additional audit as our funding from the Federal Government exceeds \$750,000. There is no corrective action plan as there were no findings or recommendations. This report has been filed with the Federal Clearinghouse as well as with NYSED.

2022-2023 Budget Development Status-(Informational)

-Budget forms and historical information has been distributed to each building administrator and is due back to the Business Office by February 14, 2022.

-The final 2021 CPI is 4.7% so 2% will be used as the allowable growth factor in the tax cap calculation.

-Our benefits will remain stable overall for the 2022-23 budget.

Health Insurance premiums are expected to decrease by 0.7% due to a positive experience rating (overall consortium premiums are expected to increase by 3%). We also anticipate receiving a surplus distribution from the consortium of just under \$400K. It would be good if we could figure out a way to reserve this to offset future health insurance premium increases as a few years ago we experienced a nearly 15% increase based on a negative experience rating.

ERS is expected to decrease from 16.2% of salaries to 11.6% of salaries, while TRS is expected to go from 9.8% to a range of 10.0 to 10.5% of salaries. The increase in TRS should be offset by the decrease in ERS.

-We will have the BOCES budget amounts by February 1, 2022.

-We anticipate increases in our utility costs. Business Office needs to look into when our utility contract runs out and needs to be rebid.

Other Discussion

Our American Rescue Plan Grant was finally approved today so we will be working on amendments as since it was submitted, actual expenditures have shifted.

We recently learned that all grants need board approval. We will address this by including a listing for the board to approve on the Financial Memorandum, or including Finance Committee minutes with grant information for board approval.

We recently learned that as part of the criteria for receiving the IDEA (Special Ed) grants, we need to have a specific policy related to that grant. ASBO provides a sample policy which is about 90 pages long. There was a question regarding whether we could give this to the Erie 1 policy service for assistance in development.

The committee discussed the Erie 1 Policy Service and what they are actually providing compared to what the Board was led to believe that they were providing relative to revamping the district's policy manual.

Our meeting ended at 4:38pm.

Next meeting: February 15, 2022, 3:30pm

Location: DL Room, Center Street

Respectfully submitted,

Lisa J. Weeks, Business Manager