

Budget and Finance Committee Notes
Monday, December 17, 2007

Attending: Board Members Burke, Garrity and Wetmore; Administrator Mikos.
Absent: Strickland, Duncan and Petrizzo.

New Funding Formula – 2008-09 Budget We discussed the school aid proposal presented by Governor Corzine on December 12. We have more questions than answers. So far, our administration is unable to match our in-house 2007-08 budget figures with those attributed to our district on the chart. (POST MEETING NOTE: Mr. Petrizzo has determined that the \$2.914 million shown as our '07-'08 state aid is actually a combination of our '07-'08 DOE aid plus our '05-'06 extraordinary aid.) The proposal refers to an “adequacy budget,” for each district. The concept is not explained, and its potential long-term impact on our district is unclear.

New Policy: Payment for Goods and Services: Draft policy 3326 reflects our current practice of permitting the BA to approve payment of items either previously approved by the Board or provided for in the budget, once they have been audited by the school secretary. Since our BA and our Board Secretary are one and the same person, does this function need to be divided in order to maintain a check and balance?

2008-09 Budget: All budget defenses are complete with the building /departmental administrators. Messrs. Petrizzo and Mikos will now review the proposed budgets to be sure all required expenses/services are included. Our tax levy growth is capped at 4%. Cost items to be absorbed include in part:

- 4.8% contractual salary increase
- Increased PERS contribution for non-certified staff to 100% of the liability (NOTE: Due to an increase in the state actuarial rate (finalized after our budget submission), our PERS liability for 07/08 is \$434K an increase of 126% vs. 06/07 PERS liability of \$192K, resulting in a \$156K 07/08 budget shortfall.)
- Non-health insurance cost increase of about 10%
- Health insurance (no estimate yet)
- Utilities (no estimate yet).

Dell Service Certification -- Update: Anthony Gattini spoke last summer of having some technicians certified to make our Dell warranty repairs, a service for which we could be reimbursed. The Dell Warranty Parts Direct Program has two tiers. Warranty labor reimbursement only occurs in Tier II. However, given the high cost of registering for Tier II and our fairly low need for warranty repairs, it would not be cost effective to participate in the program. Anthony is investigating whether Tier I, which allows us to bypass remedial troubleshooting and move quickly to a dedicated technician, would be worthwhile. The certification costs \$179 per technician.

Other Matters:

Solar Power: B&G is investigating. Possible savings: \$30-40K per year.

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Summer Enrichment The program has lost money. Bus transportation cost \$5K, but is no longer required now there's no grant \$\$ supporting the program. Prompt investigation of financially-viable program elements is needed.

Next Meeting: Monday, January 14, 2008, at 4:15 PM

Respectfully submitted,
Barbara Garrity