

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525
(203) 397-4811

Michael R. Nast

Interim Superintendent of Schools

PLEASE POST

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AMITY REGIONAL BOARD OF EDUCATION

February 11, 2014

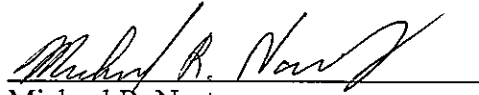
A special meeting of the Amity Regional Board of Education will be held on Tuesday, February 11, 2014, at 6:30 p.m. at ***Amity Middle School, Orange Campus, 100 Ohman Ave., Orange.**

***Please note change of location.**

Agenda

1. Call to Order
2. Pledge of Allegiance
3. Approval of Minutes
 - a. Regular BOE Meeting, January 13, 2014 (Enclosure)
4. Public Comment
5. Student Report
6. Discussion and Possible Action on 2014-2015 School Calendar (Enclosure)
7. Superintendent's Report
 - a. Personnel Report (Enclosure)
 - b. Other
8. Chairman's Report
 - a. Committee Reports
 1. ACES
 2. CABE
 3. Curriculum
 4. Facilities

5. Finance
 - a. Update on Budget Issues
 - b. Information on 2014-2015 Budget Calendar
 - c. Discussion and Possible Action on Contracts of \$35,000 or More
 1. Food Service Operations
 2. Technology Server Upgrade and Consolidation
 - d. Discussion of Monthly Financial Statements
 - e. Director of Finance and Administration Approved Transfers Under \$3,000
 - f. Discussion and Possible Action on Budget Transfers of \$3,000 or More
 - g. Discussion and Possible Action on New Funding Requests
 - h. Discussion of Timeline in Selection of Auditing Firm
 - i. Fourth Quarter 2013 Executive Summary Review of Amity Pension Fund, Sick and Severance Account and OPEB Trust
6. Policy
7. Personnel – Executive Session
9. Items for the Next Agenda
10. Adjournment


Michael R. Nast
Interim Superintendent of Schools

MRN/kfw
pc: Town Clerks: Bethany
Orange
Woodbridge

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Working to "enable every Amity student to become a lifelong learner and a literate, caring, creative and effective world citizen." District Mission statement

If you require accommodations to participate because of a disability, please contact the office of the Superintendent of Schools in advance at 397-4811.

MINUTES

AMITY BOARD MEMBERS PRESENT: William Blake, Christopher Browe, Patricia Cardozo, Sue Cohen, Steven DeMaio, Rita Gedansky, James Horwitz, Thomas Hurley, Tracey Lane Russo, James Stirling

AMITY BOARD MEMBERS ABSENT: Julie Altman, Diane Crocco, John Grasso, Jr.

Staff Members Present: Charles Britton, Richard Dellinger, Kathleen Fuller Cutler, Kevin Keller, Jack Levine, Marianne Lippard, Terry Lumas, Marie McPadden, Paul Mengold, Michael Nast, Mary Raiola, Jim Saisa

Also Present: Patrick Dudley; other members of the Public

A regular meeting of the Amity Regional Board of Education was held on Monday, December 9, 2013, at 6:30 p.m., in the cafeteria at Amity Regional High School.

1. **Call to Order:** William Blake called the meeting to order at 6:44 p.m.
2. **Pledge of Allegiance** was recited by those present.
3. **Student/Staff Recognition**
The Board recognized outstanding students and teachers. Special Education teachers Lynn Edwards and Vicki Fielosh acknowledged Matt Schmidt, Nicholas Bencivengo and Julia Wilde, student volunteers involved in helping with the summer program Side Kicks. The Side Kicks program addresses IEP goals and objectives. Dr. Dellinger spoke of the excellent work of Bethany music teachers Rob Fragione and Brennan Orie. Mr. Nast noted that the High School was designated as a School of Distinction by the State Department of Education.
4. **Student Report**
Patrick Dudley, student government representative at the High School, reported that the start of midterms has been moved back two days due to the snow. The midterms will now take place from January 23rd through January 28th. The schedule will be subject to change, depending on the weather. Patrick reported that Student Government will be running a clothing drive to benefit the Birmingham Group, which helps victims of domestic violence. The clothing is being collected by the entrance to the High School. Link Crew is organizing an event called Cocoa and Cram to help freshman students prepare for midterms. Freshmen can enjoy treats and get help preparing for their exams as well as learn strategies for studying for midterms. Students also are working to raise money to support the American Cancer Society. An event is being planned to take place on

January 31st. A visit by former NBA star Chris Herren is planned to take place soon.

Motion to change the order of the agenda to move Item #9 to Item #6 (Ms. Cohen, 2d Ms. Gedansky).

Vote in favor unanimous.

Motion passed.

5. Approval of Minutes

a. Regular BOE Meeting, December 9, 2013

Motion to approve the minutes from December 9, 2013 as presented (Mr. Hurley, 2d Mr. Browe).

Discussion: Ms. Cohen noted two changes; one on page 2 and one on page 6.

Vote in favor unanimous.

Motion passed.

b. Special BOE Meeting, December 19, 2013

Motion to approve the minutes from December 19, 2013 as presented (Mr. Hurley, 2d Ms. Cohen).

Vote in favor: Patricia Cardozo, Sue Cohen, Steven DeMaio, Rita Gedansky, Thomas Hurley, Tracey Lane Russo, James Stirling

Vote opposed: none

Abstain: Christopher Browe, James Horwitz

Motion passed.

6. Discussion and Possible Action on Audited Financial Statements

a. Review of Audited Financial Statements by Auditors

John Bauer, C.P.A., a partner from Mahoney Sabol & Company, LLP of Glastonbury, and Amanda Backhaus, C.P.A., provided a report on the audit. Ms. Backhaus noted that the District received an unmodified clean report on all opinion areas. There was one non-material instance of non-compliance involving a late filing. The filing was completed on time, but there was a late submission in this instance. There was no need for a letter showing areas for improvement as everything is operating very smoothly.

Mr. Hurley questioned the impact of new accounting rules. Ms. Backhaus said that the audit was performed in keeping with these changes.

Ms. Backhaus noted that the audit of the District showed good financial practices are in place. Of the audits she has worked on recently, it stood out.

Mr. Stirling thanked Mr. Levine and Ms. Lumas for their excellent work.

Mr. Blake noted that Amity is fortunate to have an outstanding Finance Department.

- b. Discussion and Possible Action to Accept Annual Financial Report**
Motion to accept the Annual Financial Report (Mr. Stirling, 2d Mr. Hurley).
Vote in favor unanimous. Motion passed.
- c. Discussion and Possible Action to Return Funds to Member Towns**
Move to authorize the Superintendent of Schools to return the balance of \$398,285 from the fiscal year ended June 30, 2013, to the Member Towns, as follows: Town of Bethany - \$82,129; Town of Orange - \$197,760; Town of Woodbridge - \$118,396 (Mr. Stirling, 2d Mr. DeMaio).
Vote in favor unanimous. Motion passed.

The Board took a short recess at 7:06 p.m. and returned to session at 7:22 p.m.

7. Update on Superintendent Search

Mr. Blake said that the Board is pleased to announce that Charles Dumais, principal of Newtown High School, will be the new superintendent. He will be a great fit for Amity. The Board is grateful to Mr. Nast for stepping in for the third time as interim superintendent. Mr. Dumais' anticipated start date is March 1st.

Motion to approve the appointment of Charles Dumais as superintendent (Mr. Hurley, 2d Ms. Gedansky).

Discussion: Ms. Cohen noted that five members of the Board traveled to Newtown. Mr. Dumais was extremely impressive. Mr. Hurley said that making this selection was very difficult. There were a lot of great candidates and he appreciated their interest. Mr. Blake asked if anyone had questions or comments on the authorization to enter into a contract. There were no questions or comments.

Vote in favor unanimous.

Motion passed.

8. Public Comment

No members of the public addressed the Board.

9. Presentation and Discussion of Superintendent's Proposed 2014-2015 Budget

Mr. Nast congratulated the Board on their selection of the next superintendent. He noted that the budget was developed by the administrative team. He expects to work with the new superintendent as much as possible in the coming months.

The District is in solid financial shape. When he served as interim superintendent previously, the financial picture was quite different. He is happy that the focus tonight can be on student and teacher recognition and student success. He noted that the budget figures he presented previously were too high. The increase has been reduced to 3.10 percent.

Mr. Nast noted that the reason for a greater increase than in past years is due to the fact that the average budget increase for the last five years has been 1.24 percent. The District cannot maintain operations with that low of an increase this

year. Factoring in money that is being returned to the towns, the 3.10 percent increase would be lower. He noted that even in business, if you continued to operate at status quo, you'd be moving in reverse. We can't stay stagnant.

The basic salary increase amounts to \$620,573. Planning for special education costs presents a major challenge. Medical insurance costs have been higher than the projections.

Plans are to cut two certified staff positions (\$196,542). The goal is not to terminate employees, but to reconsider filling vacant positions. This would have to align with the goals of the new superintendent.

He noted two new expenses in the proposed budget: wages for a part-time security guard after hours at the High School (\$19,492) and a replacement phone system (\$46,000). Mr. Nast said that there is a great deal of activity at the High School in the late afternoon until about 9:00 or 10:00 p.m. A security guard has been hired to serve in this role for the time being. The phone system also needs to be replaced as the software for the District's phone system will not be supported after June 2014.

Mr. Nast noted that no new programs were added with this budget. He added that though the student population is down somewhat, there haven't been any major staff reductions. There are reasons for this course of action. Every student is now taking a biology lab. Chinese II and culinary arts have been added. Our students can potentially take eight classes per day. Though our student numbers are down, the activities and opportunities for students have increased. He isn't sure how the District has managed to maintain what is currently offered. The graduation rate at Amity is among the best in the State. All of the successes cost money

Some people have suggested that past budgets may have been too high given the surpluses. The girls' ice hockey team was expected to require more funds, but three students went to private schools and two students opted not to participate. Athletic Director Paul Mengold decided to continue with Amity's previous arrangement for girls' ice hockey, rather than forming a new team. The perception that the budget was padded with these types of expenses was untrue. Some of the money will come back to the District.

Budget drivers include Contracted Salaries (\$761,665), Medical Insurance (\$426,566) and Special Education Tuition and Transportation (\$488,196). Mr. Nast noted that rather than putting out money up front for special education costs that are unknown, we can have those funds to use as a contingency.

The average surplus over the last five years has been 1.2 percent. This isn't a bad number, but a fairly competitive number, given the size of the budget.

In the area of self-insurance, this past year has been tough. We are told that what we are experiencing now happens every five years; we are hoping this is the year. It is too early to tell whether or not it was a good idea to change to self-insurance.

Mr. Nast noted that if there are questions that come up in the community, he would like to know about them so that he can address them. He noted that looking at the DRG is okay, but Amity isn't competing with 18 groups. The High School has been rated among the top five in the State. He noted that the teaching staff is very dedicated and dynamic and puts in a great deal of time. Amity's music program is excellent and the District is competitive in every sport.

Mr. Nast said that the budget eliminates \$91,000 for textbooks. He noted that today everything is digital and textbooks are no exception. This is an expense that we can hold off on for now.

Mr. Nast said that he has had a great deal of experience going to many high schools as part of a NEASC team and has seen numerous Blue Ribbon schools. He noted that the Amity Regional School District is second to none. We cannot afford to keep the status quo, as that would set the District back. The next step in this process would be to meet with the new superintendent.

The Budget Summary: Revenues by Category shows a \$572,770 variance for the Bethany allocation, \$245,855 for the Orange allocation and a \$313,762 variance for Woodbridge.

Discussion:

Mr. Stirling noted that during the meeting of the Amity Finance Committee earlier tonight, members expressed understanding of the financial challenges facing Amity, as they're experiencing similar financial challenges in their towns. There is some concern about the cost of health benefits, and perhaps a need to add more money to this area because it might be underfunded.

Mr. Hurley said that he believes if we have another bad year with the self-insurance, we will be in trouble. There appears to be a problem. The back office needs work. When he looks at this budget, he believes we are \$300,000 to \$400,000 short. This will be a problem. He is concerned about the OPEB Trust. We need to stop spending future money. He is worried that this budget is too low. We are chronically not funding things.

Mr. Blake questioned what Mr. Hurley is suggesting.

Mr. Hurley said that he is concerned about the 13 servers that the system is resting on. This is not up-to-date technology. This is not something that everybody in the community rallies around, but it is needed. At some point we'll be in trouble if we ignore this need.

Ms. Russo said that she would like to see a letter with a recommended amount for the Contingency Account for the self-funded insurance. She would also like to see more information and a recommendation regarding the server. We have been pushing things down the road. It would be helpful to have more information on these topics for future meetings.

Ms. Cardozo and Ms. Cohen asked for more information and a recommendation about the back office.

Mr. Nast said that there has been discussion about making the system “state of the art.”

Mr. Blake thanked Mr. Nast for his presentation. He will talk to Mr. Nast further and set up a meeting with the insurance consultant about an itemized list for the self-insurance. Information also will be gathered about creating a “state of the art” back office.

10. Superintendent’s Report

a. Personnel Report

Mr. Nast noted that the Personnel Report shows that Athletic Director Paul Mengold is retiring. Mr. Mengold has accumulated a long list of outstanding accomplishments; it will be very difficult to try to fill this position.

Mr. DeMaio said that it is a sad day for Amity when Mr. Mengold retires. Under his leadership; Amity has been very competitive in every sport. He thanked Mr. Mengold for all that he has brought to Amity.

b. Other

Mr. Nast reminded the Board that midterms were moved due to the recent snow days. He noted other calendar modifications.

Mr. Nast said that he met with an ad hoc committee in Bethany to discuss moving sixth graders to Amity Middle School in Bethany. He also spoke with school officials in Orange about a flooding problem and whether students from Orange could be accommodated at Amity. School officials in Orange decided on another plan.

Ms. Russo said that her daughters were affected by the problem in Orange and she appreciates the support offered. It has been tough the past few weeks.

11. Chairman’s Report

a. Committee Reports

1. **ACES** – Ms. Cohen noted that the guidelines for a unified calendar came out. She noted that a vacation was recommended in April, although she thought that a March vacation might be proposed. It isn’t easy to come up

with this type of calendar. It's not going to happen to quickly, because contracts have already been signed. The information can be emailed to everyone.

Mr. Nast said that we will have a calendar for our next meeting.

Mr. Blake questioned whether the State would require us to reduce our school year.

Ms. Cohen noted that 180 days is the minimum. Regional school snow days were also discussed.

Mr. Nast said that the concept of a unified calendar was initiated by charter and magnet schools.

2. **CABE** – There was no report.
3. **Curriculum** - There is a Steering Committee meeting tomorrow.
4. **Facilities** – There was no report.
5. **Finance**
 - a. **Discussion of Monthly Financial Statements**
There was no discussion.
 - b. **Director of Finance and Administration Approved Transfers Under \$3,000**
There were no questions.
 - c. **Discussion and Possible Action on Budget Transfers of \$3,000 or More**
In a memo dated January 8, 2014 to Mr. Nast, Mr. Levine recommends a budget transfer for upgrading the District's technology infrastructure and computer equipment. The District was awarded a grant of \$186,568 through the efforts of Technology Education Specialist Lisa Lassen and District Technology Coordinator Shaun DeRosa. We need to transfer \$15,000 to Other Professional & Technical Services to pay for the labor to install the upgrade to the District's technology infrastructure. Labor costs cannot be paid by the grant funds. The funding of the labor costs will come from the unused technology budget of \$21,850 to replace Megabit network switches to Gigabit Switches. We had set these funds aside to pay for a long-range planning study; however, we are now asking to use these funds to pay for the labor costs to install the new technology infrastructure. We will use the remaining grant funding to purchase ChromeBooks needed for new online testing format.

Move to make the following budget transfer to pay Consolidated Computers, Inc. of Easton, Connecticut, as part of the total bid price, \$15,000 for labor costs (Mr. Hurley, 2d Ms. Cohen):

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
05-14-2350-5731	Equipment – Replacement	\$15,000	
05-14-2310-5330	Other Professional & Tech		\$15,000

Discussion: Mr. Levine said that the \$186,516 grant the District received requires Amity to pay \$15,000 in labor costs.

Vote in favor unanimous.

Motion passed.

6. Policy

Mr. Hurley noted that the issue of waiving testing for seniors needs to be addressed. This should go to the Curriculum Committee to make sure that the current policy makes sense. Another item that should be considered by the Policy Committee is the need to change language to reflect the names of new tests being administered.

7. Personnel – Executive Session

This item was addressed under Item #7.

12. Items for the Next Agenda

Ms. Russo recommended that Board members read the Shriver Report, which addresses how women are underrepresented in science and math. The report is free and downloadable. It might be worth discussing at a future meeting.

Mr. Mengold said that he would like to thank everyone for 38 ½ years at Amity. It has been a wonderful ride and he has worked with thousands of great kids.

13. Adjournment

Motion to adjourn the meeting at 8:27 p.m. (Ms. Gedansky, 2d Ms. Cohen).

Motion passed; meeting adjourned.

Respectfully submitted,

Marianne Lippard, recording clerk
Thomas Hurley, secretary

References/Attachments:

Minutes: Amity Finance Committee Meeting, 12/9/13

Reports: Amity Regional School District Number 5 Year-to-Date Budget Report, 1/6/14
Amity Regional School District Number 5 Communication with Those Charged with Governance, 6/30/13
Amity Regional School District Number 5 Basic Financial Statements, Supplementary Information, and Independent Auditor's Report, 6/30/13
Amity Regional School District Number 5 Federal and State Single Audit Reports, 6/30/13
Amity Regional School District Number 5 2014-2015 Superintendent's Proposed Budget, 1/13/14
Amity Regional School District Number 5 Personnel Report
Amity Regional School District Number 5 Budget Transfers 2013-2014
Amity Regional School District Number 5 Revenues and Expenditures for FY 2013-2014, 1/9/14

Memos: Jack B. Levine to Michael R. Nast (1/8/14) re: Budget Transfers of \$3,000 or More for Fiscal Year 2013-2014
Jack B. Levine to Michael R. Nast (1/8/14) re: Return Funds to Member Towns
Michael R. Nast to Members of the Amity Finance Committee and Amity Board of Education (1/10/14) re: Frequently Asked Budget Questions

Amity Regional School District No. 5 2014-2015 School Calendar

AUGUST/SEPTEMBER 20 Days				
Mon	Tue	Wed	Thu	Fri
25	26	27	X	Y
A	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23	24	B	27
29	30			

OCTOBER 22 Days				
Mon	Tue	Wed	Thu	Fri
		1	2	3
6	7	8	9	10
C	~ 14 ~	15	16	17
20	21	22	23	24
27	28	29	30	31

NOVEMBER 18 Days				
Mon	Tue	Wed	Thu	Fri
3	~ 4 ~	-5-	6	7
10	11	12	13	14
17	18	19	20	21
24	25	26/	D	D

DECEMBER 17 Days				
Mon	Tue	Wed	Thu	Fri
1	2	3	4	5
8	9	10	11	12
15	16	17	18	19
22	23/	E	E	E
E	E			

JANUARY 19 Days				
Mon	Tue	Wed	Thu	Fri
			E/F	E
5	6	7	8	9
12	13	14	15	~ 16 ~
G	20	21	-22-	23
26	27	28	29	30

FEBRUARY 18 Days				
Mon	Tue	Wed	Thu	Fri
2	3	4	5	6
9	10	11	12	~ 13 ~
H	I	18	19	20
23	24	25	26	27

MARCH 21 Days				
Mon	Tue	Wed	Thu	Fri
2	3	4	5	6
9	10	11	12	13
16	17	18	19	X
23	24	25	26	27
30	31			

APRIL 16 Days				
Mon	Tue	Wed	Thu	Fri
		1	2	J
-6-	7	8	9	10
13	14	15	16	17
K	K	K	K	K
27	28	29	30	

MAY 20 Days				
Mon	Tue	Wed	Thu	Fri
				1
4	5	6	7	8
11	12	13	14	15
18	19	20	21	22
L	26	27	28	29

JUNE 11 Days				
Mon	Tue	Wed	Thu	Fri
1	2	3	4	5
8	9	10	11	12
15	SD	SD	SD	SD
SD	SD	SD	SD	SD
SD	SD			

X August 28

Y August 29

A September 1

September 2

September 10

September 11

September 17

B September 25

October 3

C October 13

October ~14~

November ~4~

November -5-

November 12

November 19

November 20

November 25

/ November 26

D November 27-28

December 2

December 3

December 10

/ December 23

E December 24 – Jan. 2

F January 1

January 5

January ~16~

G January 19

January -22-

January 28

February 3

February 4

February 11

February ~13~

H February 16

I February 17

March 2

X March 20

J April 3

April -6-

April 10

K April 20-24

May 13

L May 25

June 15

June 16-30

Teacher Only

Full Day Staff Development

Labor Day

Opening Day - Students

Back to School Night 9 & 12

Back to School Night

Back to School Night 10 & 11

Rosh Hashanah

Mid Marking Period

Columbus Day

Delayed Opening – 2-Hr

Delayed Opening – 2-Hr

End of Marking Period

Report Cards Issued

Parent Conferences

Parent Conferences

Parent Conferences

Minimum Day

Thanksgiving Recess

Parent Confs. – Min. Day-MS ONLY

Parent Conferences

Mid Marking Period

Minimum Day

Holiday Recess

New Year's Day

School Resumes

Early Dism'l - Students

Martin Luther King, Jr. Day

End of Marking Period

Report Cards Issued

Parent Conferences

Parent Conferences

Parent Conferences

Early Dism'l - Students

Presidents' Day

Winter Recess

Mid Marking Period

Full Day Staff Development

Good Friday

End of Marking Period

Report Cards Issued

Spring Recess

Mid Marking Period

Memorial Day

Last Day of School (formal)

Snow Days (SD)

No School

No School/Teachers Only

No School/Offices Closed

High School

Middle Schools

High School

No School/Offices Closed

No School/Offices Closed

2-Hr Prof. Dev. - Teachers

2-Hr Prof. Dev. - Teachers

Middle & High Schools

High School

Middle Schools

Middle Schools

Dismissal 12:14 p.m.

No School/Offices Closed

Middle Schools

High School

Dismissal 12:14 p.m.

No School

No School/Offices Closed

2-Hr – Staff Dev. – Tchrs.

No School/Offices Closed

Middle & High Schools

High School

Middle Schools

Middle Schools

2-Hr – Staff Dev. – Tchrs.

No School/Offices Closed

No School

No School/Teachers Only

No School/Offices Closed

High & Middle Schools

No School

No School/Offices Closed

Student Days 182

Teacher Days 185

Amity Regional School District No. 5
District Offices (203) 397-4811
Amity Regional High School (203) 397-4830

Amity Regional Middle School
Bethany Campus (203) 393-3102
Orange Campus (203) 392-3200

Testing Window -

BOE Approved _____

*If emergency closings go beyond June 30th, then any additional days will be taken from April vacation.

AMITY REGIONAL SCHOOL DISTRICT NO. 5

**Bethany Orange Woodbridge
25 Newton Road, Woodbridge, Connecticut 06525**



*Mr. Michael Nast
Interim Superintendent of Schools*

*michael.nast@reg5.k12.ct.us
phone: (203) 392-2106
Fax: (203) 397-4864*

February 11, 2014

To: Members of the Board of Education

From: Michael Nast, Interim Superintendent of Schools

Re: Personnel Report

New Hire(s):

Amity Reg. District Offices – Woodbridge - NONE

Amity Reg. High School – Woodbridge:

John Hemstead – P/T - Custodian

Amity Reg. Middle Schools – Orange - NONE

Amity Reg. Middle School – Bethany - NONE

Coaches:

Amity Reg. High School – Woodbridge - NONE

Amity Reg. Middle Schools – Bethany / Orange - NONE

Resignation(s):

Kevin Donovan & Bryant Sterczala (Split) – Asst. Varsity Boys' Lacrosse
Michael Faroni – Asst. Varsity Boys' Lacrosse

Retirement(s): NONE

MRN/pfc


AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



Mr. Michael R. Nast
Interim Superintendent of Schools

To: Amity Finance Committee and Amity Board of Education

From: Michael R. Nast, Interim Superintendent of Schools 

RE: Update on Budget Issues

Date: February 7, 2014

In response to inquiries from the Amity Finance Committee and Amity Board of Education Members, I have addressed several topics below. In some cases, I will be asking for your approval (e.g., transfer OPEB Trust budget to Self-Insurance Reserve Fund; purchase new servers). Other topics (e.g., Special Education; Fixed Asset Accounting Module) are for your information at this time and consideration at a later meeting.

1. MEDICAL AND DENTAL INSURANCE:

The monthly forecast predicts actual claims will exceed budget by approximately \$740,000. Actual claims have exceeded budget by \$339,083 through January 2014. The forecasted **potential** reserve balance on June 30, 2014, is **minus** \$428,000.

Recommended actions:

- Transfer the OPEB Trust budget of \$528,939 to the Self-Insurance Reserve Fund
- If funds are available, transfer \$400,000 (or more if possible) of the year end surplus to the Self-Insurance Reserve Fund

With the abovementioned recommended actions, the reserve balance as a percent of claims is **projected** to be 10.9 percent on June 30, 2014 and 16.0 percent on June 30, 2015. This assumes actual claims will exceed budget by \$400,000 and actual fees will be over budget by \$62,000 for the remaining five months in this fiscal year.

Below are three scenarios to increase the reserves to claims level. The impact of adding \$100,000 to the proposed 2014-2015 budget is a 0.225 percent increase to total expenditures.

SELF-INSURANCE RESERVE FUND BALANCE

RESERVE JUN 30, 2015	RESERVE TO CLAIMS	DOLLAR IMPACT	MEMBER TOWN ALLOCATIONS		
			BETHANY	ORANGE	WOODBIDGE
\$700,830	16.0%	\$0	\$0	\$0	\$0
\$800,830	18.3%	\$100,000	\$20,821	\$49,217	\$29,962
\$900,830	20.5%	\$200,000	\$41,642	\$98,434	\$59,924
\$1,000,830	22.8%	\$300,000	\$62,463	\$147,651	\$89,886

2. TECHNOLOGY:

Our current server situation is comprised of thirteen servers ranging in age from eight to ten years old, with another three servers approximately three years old. The industry standard for server lifespan is approximately five to six years. The current servers are not only outdated, but also inadequate for our current district needs. In addition, our current data backup is done using outdated physical tape drives that are not only unreliable, but due to the age of the technology, expensive to maintain. We currently spend \$5,469 per year just on blank tape media. That cost is going to keep rising as the technology fades further into obscurity. Our disaster recovery plan is tenuous at best and has deteriorated over time along with the servers. These servers currently house our email exchange services, file storage for staff and students, MUNIS TCM, Chartwells, teacher web pages, terminal services, SNAP healthcare software and additional services and files.

The proposed solution would consolidate all servers into two physical servers. These two physical servers would then house virtual servers that would replace the functions of all of our current machines. These two new servers would not only share the load, they would be redundant systems and located in separate campuses. This would allow the failure of one without the disruption of a single service while we make any necessary repairs or replacements. VMWare would be used to manage all servers from a single console and allow load balancing to improve performance across the network. In addition we would be replacing the outdated tape backup system with a dedicated digital solution. Current restore times would be reduced from hours to minutes. All systems would be set up to eliminate any single point of failure which would translate to 100 percent uptime in the event of hardware or software failure. The entire architecture of the servers and backup systems would employ current best practices. The elimination of the cost of backup tapes from the budget will offset the cost of the new backup service plan. There are also additional benefits such as a reduction in energy and cooling costs associated with eliminating fifteen servers.

Consolidated Computer, Inc. has provided a quote for the server upgrade and consolidation. This is the same company which is upgrading the District's technology infrastructure. The total cost is \$137,466.23 for the equipment, software, installation, configuration, training services, and five years of support services. This includes a discount of \$4,500 on the trade-in of 3 of the newest servers. The pricing is from a consortium under the Federal Government Services Administration so no bid is required. We obtained pricing on a five-year lease/purchase agreement with a \$1 buyout. The implicit interest rate is 4.6 percent, which adds \$12,673.77 in interest expense.

Lease Charge Schedule:

April 1, 2014	\$7,648 - 1 quarter
July 1, 2014	\$30,028/year
July 1, 2015	\$30,028/year
July 1, 2016	\$30,028/year
July 1, 2017	\$30,028/year
July 1, 2018	\$22,380 - 3 quarters

Recommended actions:

- Award the contract for the five-year lease/purchase agreement with a \$1 buyout for the server upgrade and consolidation
- Transfer \$7,648 from the Contingency Account for the first payment in April 2014
- Increase proposed 2014-2015 budget for Technology equipment by \$30,028

3. ORANGE MIDDLE SCHOOL MOLD ISSUES:

The first week in September, 2013, experienced record-breaking humidity. The HVAC system at Orange Middle School could not effectively dehumidify the building. As a result, high humidity conditions were prevalent in the building and many areas had water condensing on floors and desks. The moisture caused mold and mildew on various surfaces in different areas of the building. Dehumidifiers were added in high-moisture content areas, indoor air quality studies were done, and the building was thoroughly cleaned and sanitized.

High humidity conditions in the building have been sporadically experienced since the construction project was completed. We hired vanZelm Engineering to do a study of the existing HVAC system and make recommendations to improve the thermal comfort in the building as well as eliminate high humidity conditions inside the building. VanZelm prepared a detailed report on how to remedy the issues in different parts of the building depending on the type of HVAC system that serves a particular area. All of the initiatives have a dual benefit of improving thermal comfort and eliminating high humidity. They will save energy and could qualify for the United Illuminating Energy Efficiency Incentive Programs.

We are working with United Illuminating and vanZelm Engineering to determine if we can find a way to make the recommended enhancements to the HVAC system and offset most of the costs by incentive rebates and energy savings. We will report back when we have a specific proposal.

4. FIXED ASSET ACCOUNTING MODULE:

The District purchased a fixed asset accounting program (FAMP) in 2007. FAMP was designed as a 32bit program for 32bit operating system. With the new installations being 64bit, FAMP will no longer work on these systems. We have been trying to run FAMP on 64 bit systems with different setups but it does not work. We had left this out of the proposed 2014-2015 budget in hopes of using FAMP for one more year. However, this appears to be no longer a viable option. FAMP has its limitations and it would be extremely helpful to upgrade to a new system.

We recommend purchasing the MUNIS fixed asset module. Total one-time fees are \$26,440. The recurring annual fees would be \$1,782.

Recommended action:

- If funds are available, transfer \$28,222 of the year end surplus to Data Processing for the purchase the MUNIS Fixed Asset Accounting Module

5. SPECIAL EDUCATION:

The Director of Pupil Services Mary Raiola informed me that there is a **potential** for two students to be placed in out-of-district placements. These two students' programs are being closely monitored and may change from our initial budget request. There is also a third student that is coming into the district next school year. The student's current district is placing the student in an out-of-district placement before the end of this school year. The estimated cost is \$246,500 for tuition and \$71,400 for transportation for all three students.

6. REVISIONS TO PROPOSED 2014-2015 BUDGET:

The recommended revisions below will have the net effect of increasing expenditures and member town allocations by \$6,810.

- Increase Technology equipment by \$30,028 for server upgrade and consolidation
- Increase Data Processing by \$1,782 for annual fixed asset accounting fee
- Decrease Improvements to Sites by \$25,000 by eliminating asphalt repairs for the high school parking lot and wait another year to make the repairs

The other budget issues are the medical and dental insurance and special education transportation and tuition.

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



Jack B. Levine
Director of Finance and Administration
jack.levine@reg5.k12.ct.us

Phone (203) 397-4813
Fax (203) 397-4864

To: Michael R. Nast, Interim Superintendent of Schools

From: Jack B. Levine, Director of Finance and Administration

Re: Award of Contracts of \$35,000 or More

Date: January 30, 2014

We are in the fifth, and last, year of our contract with Chartwells. We bid the food service operations and Chartwells was the only bidder. ARAMARK and Sodexo did not submit a bid.

The Chartwells proposal is an excellent one:

- A guaranteed profit of \$19,744 in the first year of the contract.
- No increase in Type A lunches.
- Overall increase in a la carte prices of approximately 5 percent, subject to the approval of the Director of Finance and Administration.
- Renovation of the snack room, digital signage and self service equipment at the high school and self service salad bar at each middle school. Chartwells will invest \$80,000 to make these improvements, if the District agrees. The interest-free amortization schedule will impact the food service operations financial budget by \$13,000 each year.

I recommend the following motions:

Amity Finance Committee:

Move to recommend the Amity Board of Education authorize the Director of Finance and Administration to sign a contract with Chartwells for a one-year contract from July 1, 2014 to June 30, 2015, with the option, at the Board's sole discretion, to extend the contract for up to four additional years.

Amity Board of Education:

Move to authorize the Director of Finance and Administration to sign a contract with Chartwells for a one-year contract from July 1, 2014 to June 30, 2015, with the option, at the Board's sole discretion, to extend the contract for up to four additional years.

AMITY REGIONAL SCHOOL DISTRICT NO. 5

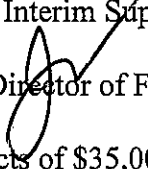
Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



Jack B. Levine
Director of Finance and Administration
jack.levine@reg5.k12.ct.us

Phone (203) 397-4813
Fax (203) 397-4864

To: Michael R. Nast, Interim Superintendent of Schools

From: Jack B. Levine,  Director of Finance and Administration

Re: Award of Contracts of \$35,000 or More

Date: January 25, 2014

Technology Server Upgrade and Consolidation:

Our current server situation is comprised of thirteen servers ranging in age from eight to ten years old, with another three servers approximately three years old. The industry standard for server lifespan is approximately five to six years. The current servers are not only outdated, but also inadequate for our current district needs. In addition, our current data backup is done using outdated physical tape drives that are not only unreliable, but due to the age of the technology, expensive to maintain. We currently spend \$5,469 per year just on blank tape media. That cost is going to keep rising as the technology fades further into obscurity. Our disaster recovery plan is tenuous at best and has deteriorated over time along with the servers. These servers currently house our email exchange services, file storage for staff and students, MUNIS TCM, Chartwells, teacher web pages, terminal services, SNAP healthcare software and additional services and files.

The proposed solution would consolidate all servers into two physical servers. These two physical servers would then house virtual servers that would replace the functions of all of our current machines. These two new servers would not only share the load, they would be redundant systems and located in separate campuses. This would allow the failure of one without the disruption of a single service while we make any necessary repairs or replacements. VMWare would be used to manage all servers from a single console and allow load balancing to improve performance across the network. In addition we would be replacing the outdated tape backup system with a dedicated digital solution. Current restore times would be reduced from hours to minutes. All systems would be set up to eliminate any single point of failure which would translate to 100 percent uptime in the event of hardware or software failure. The entire architecture of the servers and backup systems would employ current best practices. The elimination of the cost of backup tapes from the budget will offset the cost of the new backup service plan. There are also additional benefits such as a reduction in energy and cooling costs associated with eliminating fifteen servers.

Consolidated Computer, Inc. has provided a quote for the server upgrade and consolidation. This is the same company which is upgrading the District's technology infrastructure. The total cost for the equipment, software, installation, configuration and training services, and five years of support services is \$137,466.23. This includes a discount of \$4,500 on the trade-in of 3 of the newest servers. The pricing is from a consortium under the Federal Government Services Administration so no bid is required. We obtained pricing on a five-year lease/purchase agreement with a \$1 buyout. The implicit interest rate is 4.6 percent.

Lease Charge Schedule:

April 1, 2014	\$7,648 - 1 quarter
July 1, 2014	\$30,028/year
July 1, 2015	\$30,028/year
July 1, 2016	\$30,028/year
July 1, 2017	\$30,028/year
July 1, 2018	\$22,380 - 3 quarters

Recommended Motion:

Move to award the server upgrade and consolidation bid to Consolidated Computers, Inc. of Easton, Connecticut based on prices from a consortium under the Federal Government Services Administration. The Director of Finance and Administration is authorized to sign a lease/purchase proposal with Vantage Financial. The lease charge schedule shall be: April 1, 2014 - \$7,648 - 1 quarter; July 1, 2014 - \$30,028/year; July 1, 2015 - \$30,028/year; July 1, 2016 - \$30,028/year; July 1, 2017 - \$30,028/year; and July 1, 2018 - \$22,380.

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2013-2014

LINE	CATEGORY	COLUMN 1 2012-2013 ACTUAL	COLUMN 2 2013-2014 BUDGET	COLUMN 3 DEC '13 FORECAST	COLUMN 4 CHANGE INCR./(DECR.)	COLUMN 5 JAN '14 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COLUMN 7 FAV UNF
1	MEMBER TOWN ALLOCATIONS	41,627,220	43,260,053	43,260,053	0	43,260,053	0	FAV
2	OTHER REVENUE	234,264	218,032	237,825	0	237,825	19,793	FAV
3	OTHER STATE GRANTS	765,300	876,597	986,529	23,084	1,009,613	133,016	FAV
4	MISCELLANEOUS INCOME	406,782	56,000	37,403	0	37,403	(18,597)	UNF
5	BUILDING RENOVATION GRANTS	286,347	67,773	67,773	0	67,773	0	FAV
6	TOTAL REVENUES	43,319,913	44,478,455	44,589,583	23,084	44,612,667	134,212	FAV
7	SALARIES	22,915,703	23,516,038	23,441,904	(110,239)	23,331,665	(184,373)	FAV
8	BENEFITS	5,114,613	5,256,101	5,233,216	(1,640)	5,231,576	(24,525)	FAV
9	PURCHASED SERVICES	6,111,199	6,974,367	6,703,611	89,497	6,793,108	(181,259)	FAV
10	DEBT SERVICE	5,469,195	4,913,679	4,916,444	0	4,916,444	2,765	UNF
11	SUPPLIES (INCLUDING UTILITIES)	2,945,495	3,096,685	3,086,170	4,100	3,090,270	(6,415)	FAV
12	EQUIPMENT	154,864	324,479	337,378	7,648	345,026	20,547	UNF
13	IMPROVEMENTS / CONTINGENCY	57,696	247,006	212,097	(7,648)	204,449	(42,557)	FAV
14	DUES AND FEES	113,989	150,100	150,100	0	150,100	0	FAV
15	TRANSFER ACCOUNT	177,494	0	0	0	0	0	FAV
16	ESTIMATED UNSPENT BUDGETS	0	0	0	0	0	0	FAV
17	TOTAL EXPENDITURES	43,060,248	44,478,455	44,080,920	(18,282)	44,062,638	(415,817)	FAV
18	SUBTOTAL	259,665	0	508,663	41,366	550,029	550,029	FAV
19	PLUS: CANCELLATION OF PRIOR YEAR'S ENCUMBRANCES	37,255	0	0	0	0	0	FAV
20	PLUS: RECORDING OF ERRP FROM PRIOR YEAR	64,034	0	0	0	0	0	FAV
21	PLUS: RECORDING OF BOND PREMIUM PROCEEDS	35,000	0	0	0	0	0	FAV
22	PLUS: AUDIT ADJUSTMENT FROM PRIOR YEAR	2,331	0	0	0	0	0	FAV
23	DESIGNATED FOR SUBSEQUENT YEAR'S BUDGET:							
24	LESS: ASSIGNED TO NEXT YEAR'S BUDGET	0			0		0	FAV
25	LESS: COMMITTED TO ERRP	0	0	0	0	0	0	FAV
26	NET BALANCE / (DEFICIT)	398,285	0	508,663	41,366	550,029	550,029	FAV

Column 7: FAV=Favorable Variance
Revenues: At or OVER budget
Expenditures: At or UNDER budget

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2013-2014

LINE	CATEGORY	COLUMN 1 2012-2013 ACTUAL	COLUMN 2 2013-2014 BUDGET	COLUMN 3 DEC '13 FORECAST	COLUMN 4 CHANGE INCR./ (DECR.)	COLUMN 5 JAN '14 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COLUMN 7 FAV UNF
1	BETHANY ALLOCATION	8,583,949	8,670,180	8,670,180	0	8,670,180	0	FAV
2	ORANGE ALLOCATION	20,669,164	21,602,772	21,602,772	0	21,602,772	0	FAV
3	WOODBRIE ALLOCATION	12,374,107	12,987,101	12,987,101	0	12,987,101	0	FAV
4	MEMBER TOWN ALLOCATIONS	41,627,220	43,260,053	43,260,053	0	43,260,053	0	FAV
5	ADULT EDUCATION	2,990	2,936	3,209	0	3,209	273	FAV
6	PARKING INCOME	31,562	30,000	30,000	0	30,000	0	FAV
7	INVESTMENT INCOME	358	1,500	844	0	844	(656)	UNF
8	ATHLETICS	22,372	23,500	23,500	0	23,500	0	FAV
9	TUITION REVENUE	110,859	86,382	124,814	0	124,814	38,432	FAV
10	TRANSPORTATION INCOME	66,123	73,714	55,458	0	55,458	(18,256)	UNF
11	TRANSPORTATION BOWA AGREEMENT	0	0	0	0	0	0	FAV
12	OTHER REVENUE	234,264	218,032	237,825	0	237,825	19,793	FAV
13	BESB GRANT	0	0	0	0	0	0	FAV
14	SPECIAL EDUCATION GRANTS	765,300	876,597	986,529	23,084	1,009,613	133,016	FAV
15	OTHER STATE GRANTS	765,300	876,597	986,529	23,084	1,009,613	133,016	FAV
16	RENTAL INCOME	31,357	29,000	21,000	0	21,000	(8,000)	UNF
17	CAPITAL RESERVE	0	0	0	0	0	0	FAV
18	CONSTRUCTION SINKING DEBT FUND	0	0	0	0	0	0	FAV
19	DESIGNATED FROM PRIOR YEAR	300,000	0	0	0	0	0	FAV
20	EARLY RETIREE REINSURANCE PROGRAM	0	0	0	0	0	0	FAV
21	OTHER REVENUE	75,425	27,000	16,403	0	16,403	(10,597)	UNF
22	TRANSFER IN	0	0	0	0	0	0	FAV
23	MISCELLANEOUS INCOME	406,782	56,000	37,403	0	37,403	(18,597)	UNF
24	BUILDING RENOVATION GRANTS	286,347	67,773	67,773	0	67,773	0	FAV
25	TOTAL REVENUES	43,319,913	44,478,455	44,589,583	23,084	44,612,667	134,212	FAV

Column 7: FAV=Favorable Variance
Revenues: At or OVER budget
Expenditures: At or UNDER budget

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2013-2014

LINE	CATEGORY	COLUMN 1 2012-2013 ACTUAL	COLUMN 2 2013-2014 BUDGET	COLUMN 3 DEC '13 FORECAST	COLUMN 4 CHANGE INCR./(DECR.)	COLUMN 5 JAN '14 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COLUMN 7 FAV UNF
1	5111-CERTIFIED SALARIES	19,299,776	19,712,301	19,631,792	(95,496)	19,536,296	(176,005)	FAV
2	5112-CLASSIFIED SALARIES	3,615,927	3,803,737	3,810,112	(14,743)	3,795,369	(8,368)	FAV
3	SALARIES	22,915,703	23,516,038	23,441,904	(110,239)	23,331,665	(184,373)	FAV
4	5200-MEDICARE - ER	298,493	310,765	305,347	(1,436)	303,911	(6,854)	FAV
5	5210-FICA - ER	228,835	235,430	234,090	(1,101)	232,989	(2,441)	FAV
6	5220-WORKERS' COMPENSATION	149,887	193,000	184,362	0	184,362	(8,638)	FAV
7	5255-MEDICAL & DENTAL INSURANCE	3,110,613	3,039,348	3,039,348	528,939	3,568,287	528,939	UNF
8	5860-OPEB TRUST	394,346	528,939	528,939	(528,939)	0	(528,939)	FAV
9	5260-LIFE INSURANCE	46,733	50,263	44,172	893	45,065	(5,198)	FAV
10	5275-DISABILITY INSURANCE	10,426	10,615	9,217	4	9,221	(1,394)	FAV
11	5280-PENSION PLAN - CLASSIFIED	663,791	707,554	707,554	0	707,554	0	FAV
12	5282-RETIREMENT SICK LEAVE - CERT	83,794	61,142	61,142	0	61,142	0	FAV
13	5283-RETIREMENT SICK LEAVE - CLASS	4,575	18,557	18,557	0	18,557	0	FAV
14	5284-SEVERANCE PAY - CERTIFIED	114,570	70,488	70,488	0	70,488	0	FAV
15	5290-UNEMPLOYMENT COMPENSATION	8,550	30,000	30,000	0	30,000	0	FAV
16	BENEFITS	5,114,613	5,256,101	5,233,216	(1,640)	5,231,576	(24,525)	FAV
17	5322-INSTRUCTIONAL PROG IMPROVEMENT	17,393	11,564	19,564	0	19,564	8,000	UNF
18	5327-DATA PROCESSING	63,926	67,730	67,730	0	67,730	0	FAV
19	5330-OTHER PROFESSIONAL & TECHNICAL SRVC	990,797	1,050,636	1,077,886	0	1,077,886	27,250	UNF
20	5440-RENTALS - LAND, BLDG, EQUIPMENT	75,995	94,227	94,227	0	94,227	0	FAV
21	5510-PUPIL TRANSPORTATION	2,185,438	2,493,553	2,306,453	7,672	2,314,125	(179,428)	FAV
22	5521-GENERAL LIABILITY INSURANCE	166,401	183,792	176,968	0	176,968	(6,824)	FAV
23	5550-COMMUNICATIONS: TEL, POST, ETC.	62,858	77,168	77,168	0	77,168	0	FAV
24	5560-TUITION EXPENSE	2,464,993	2,896,374	2,784,292	81,825	2,866,117	(30,257)	FAV
25	5590-OTHER PURCHASED SERVICES	83,398	99,323	99,323	0	99,323	0	FAV
26	PURCHASED SERVICES	6,111,199	6,974,367	6,703,611	89,497	6,793,108	(181,259)	FAV

Column 7: FAV=Favorable Variance
Revenues: At or OVER budget
Expenditures: At or UNDER budget

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2013-2014

LINE	CATEGORY	COLUMN 1 2012-2013 ACTUAL	COLUMN 2 2013-2014 BUDGET	COLUMN 3 DEC '13 FORECAST	COLUMN 4 CHANGE INCR./ (DECR.)	COLUMN 5 JAN '14 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COLUMN 7 FAV UNF
27	5830-INTEREST	1,655,560	1,603,406	1,603,406	0	1,603,406	0	FAV
28	5910-REDEMPTION OF PRINCIPAL	3,813,635	3,310,273	3,313,038	0	3,313,038	2,765	UNF
29	DEBT SERVICE	5,469,195	4,913,679	4,916,444	0	4,916,444	2,765	UNF
30	5410-UTILITIES, EXCLUDING HEAT	713,980	811,240	819,958	0	819,958	8,718	UNF
31	5420-REPAIRS, MAINTENANCE & CLEANING	734,850	678,797	686,477	14,000	700,477	21,680	UNF
32	5611-INSTRUCTIONAL SUPPLIES	354,115	387,620	378,763	0	378,763	(8,857)	FAV
33	5613-MAINTENANCE/CUSTODIAL SUPPLIES	180,396	189,355	192,442	0	192,442	3,087	UNF
34	5620-OIL USED FOR HEATING	38,330	135,500	135,500	0	135,500	0	FAV
35	5621-NATURAL GAS	92,465	125,000	110,000	(9,900)	100,100	(24,900)	FAV
36	5627-TRANSPORTATION SUPPLIES	188,718	183,803	183,803	0	183,803	0	FAV
37	5641-TEXTS & DIGITAL RESOURCES	102,002	90,204	90,204	0	90,204	0	FAV
38	5642-LIBRARY BOOKS & PERIODICALS	21,236	21,607	21,607	0	21,607	0	FAV
39	5690-OTHER SUPPLIES	519,403	473,559	467,416	0	467,416	(6,143)	FAV
40	SUPPLIES (INCLUDING UTILITIES)	2,945,495	3,096,685	3,086,170	4,100	3,090,270	(6,415)	FAV
41	5730-EQUIPMENT - NEW	97,876	105,519	105,519	0	105,519	0	FAV
42	5731-EQUIPMENT - REPLACEMENT	56,988	218,960	231,859	7,648	239,507	20,547	UNF
43	EQUIPMENT	154,864	324,479	337,378	7,648	345,026	20,547	UNF
44	5715-IMPROVEMENTS TO BUILDING	0	48,006	48,006	0	48,006	0	FAV
45	5720-IMPROVEMENTS TO SITES	57,696	49,000	38,990	0	38,990	(10,010)	FAV
46	5850-CONTINGENCY	150,000	150,000	150,000	0	150,000	0	FAV
47	TRSF. FROM CONTINGENCY TO OTHER ACCTS.	(150,000)	0	(24,899)	(7,648)	(32,547)	(32,547)	FAV
48	5855-CAPITAL RESERVE	0	0	0	0	0	0	FAV
49	IMPROVEMENTS / CONTINGENCY	57,696	247,006	212,097	(7,648)	204,449	(42,557)	FAV
50	5580-STAFF TRAVEL	19,255	21,568	21,568	0	21,568	0	FAV
51	5581-TRAVEL - CONFERENCES	12,702	23,624	23,624	0	23,624	0	FAV
52	5810-DUES & FEES	82,032	104,908	104,908	0	104,908	0	FAV
53	DUES AND FEES	113,989	150,100	150,100	0	150,100	0	FAV
54	5856-TRANSFER ACCOUNT	177,494	0	0	0	0	0	FAV
55	ESTIMATED UNSPENT BUDGETS	0	0	0	0	0	0	FAV
56	TOTAL EXPENDITURES	43,060,248	44,478,455	44,080,920	(18,282)	44,062,638	(415,817)	FAV

Column 7: FAV=Favorable Variance
Revenues: At or OVER budget
Expenditures: At or UNDER budget

**AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES & EXPENDITURES BY CATEGORY
FINANCIAL ANALYSIS
FOR THE FISCAL YEAR 2013-2014**

JANUARY 2014

2013-2014 FORECAST

The projected net balance of revenues and expenditures for this fiscal year is **\$550,029 FAV** (*previously \$508,663 FAV*), which appears on page 1, column 6, line 18.

REVENUES BY CATEGORY

The projected yearend balance of revenues is **\$134,212 FAV** (*previously \$111,128 FAV*), which appears on page 2, column 6, line 25.

LINE 5 on Page 2: ADULT EDUCATION:

The forecast is based on the current State award.

LINE 7 on Page 2: INVESTMENT INCOME:

The budget is based on the expectation interest rates will remain low. To-date, this has been the case. The interest rate at Peoples United bank was **0.25 percent** (*0.25 percent in December*) and State Treasurer's Investment Fund (STIF) was **0.15 percent in December** (*0.15 percent in December*). Most of the District's funds are kept a Peoples United Bank.

LINE 9 on Page 2: TUITION REVENUE:

The budget assumed six tuition students at full price. We have 11 tuition students, 10 at full tuition price and 1 student at the employee rate. Two of the tuition students became residents in December, and therefore, no longer pay tuition to the District.

LINE 10 on Page 2: TRANSPORTATION INCOME:

The projected income is based on FY 2012 and FY 2013 data and the State caps. The forecast includes an adjustment of \$30,000 from the prior fiscal year. The State makes prior year adjustments against the current year's transportation payment. These changes are made between the March SEDAC-G filing and the actual final special education costs reported on the ED001 report.

LINE 14 on Page 2: SPECIAL EDUCATION GRANTS:

The forecast is based on the SEDAC-G report filed with the State in December 2013. The State reimbursement rate is projected to be 81 percent compared to the budget of 75 percent. *The forecast was revised based on updated information on student costs.*

LINE 16 on Page 2: RENTAL INCOME:

NCS Pearson typically rented Bethany Middle School for about \$11,000 per year to offer graduate classes. They are now offering their classes on-line.

LINE 21 on Page 2: OTHER REVENUE:

The teachers' union payment for their union representative's release time is only .10 this fiscal year, not .20 as was budgeted. Miscellaneous vendor rebates and refunds are put in this account.

EXPENDITURES BY CATEGORY

The projected yearend balance of expenditures is **\$415,817 FAV** (previously \$397,535 FAV), which appears on page 4, column 6, line 57.

LINE 1 on Page 3: 5111-CERTIFIED SALARIES:

'Turnover savings' (i.e., replacing teachers who retired or resigned) exceeded budget by **\$79,977 FAV**. The replacement for the Reading Department Head was decreased from 1.0 to 0.6 full-time equivalent at a savings of **\$22,438 FAV**. Expenses were increased by **\$9,290 UNF** due to long-term substitutes hired to cover leaves-of-absence. *The forecast includes estimated savings from a teacher on an unpaid leave-of-absence, lower projected coverage costs, and the transition to a permanent Superintendent of Schools (\$95,500 FAV).*

LINE 2 on Page 3: 5112-CLASSIFIED SALARIES:

A part-time security guard for Amity High School will provide coverage after the end of the school day when many students and others are in the building. *The forecast includes estimated savings from vacancies (\$4,000 FAV) and a lower projected substitute costs (\$9,800).*

LINES 4 and 5 on Page 3: MEDICARE AND FICA:

The forecast is based on the projected salaries.

LINE 6 on Page 3: 5220-WORKERS' COMPENSATION:

The actual premiums are **\$8,638 FAV** under budget. The forecast assumes the payroll audit premium will be the same as the budget of \$13,000.

LINES 7 on Page 3: 5255-MEDICAL AND DENTAL INSURANCE:

CLAIMS ONLY			
	2013-2014	2013-2014	2012-2013
<u>Month</u>	<u>Actual Claims</u>	<u>Budget Claims</u>	<u>Actual Claims</u>
July	\$ 430,267	\$ 319,749	\$ 157,090
August	\$ 381,584	\$ 319,749	\$ 277,965
September	\$ 306,378	\$ 319,749	\$ 184,534
October	\$ 312,668	\$ 319,749	\$ 228,344
November	\$ 327,966	\$ 319,749	\$ 282,319
December	\$ 416,061	\$ 319,749	\$ 316,551
January	\$ 402,402	\$ 319,749	\$ 317,314
February	\$	\$ 319,749	\$ 241,012
March	\$	\$ 319,749	\$ 251,862
April	\$	\$ 319,749	\$ 314,479
May	\$	\$ 319,749	\$ 309,373
June	\$	\$ 319,753	\$ 425,303
		<u>\$3,836,992</u>	<u>\$3,306,146</u>

SELF-INSURANCE RESERVE FUND BALANCE

FISCAL YEAR 2013-2014

LINE	DESCRIPTION	FORECAST
1	BANK BALANCE, JUNE 30, 2013	\$ 700,934.00
2	PLUS: IMPLICIT RATE SUBSIDY	\$ 394,346.00
3	LESS: JUNE INVOICES PAID IN JULY	\$ (480,744.71)
4	RESERVE BALANCE, JUNE 30, 2013	\$ 614,535.29
5	PLUS: MEDICAL & DENTAL INSURANCE BUDGET	\$ 3,039,348.00
6	LESS: ACTUAL CLAIMS	\$ (2,577,326.99)
7	LESS: BUDGETED CLAIMS - FEB. THRU JUN.	\$ (1,598,749.00)
8	LESS: ACTUAL FEES	\$ (473,348.52)
9	LESS: BUDGETED FEES - FEB. THRU JUN.	\$ (159,130.00)
10	PLUS: ESTIMATED RETIREE CONTRIBUTIONS	\$ 610,000.00
11	PLUS: ESTIMATED EMPLOYEE CONTRIBUTIONS	\$ 710,000.00
12	LESS: OTHER PAYMENTS	\$ (131,568.07)
13	SUB-TOTAL	\$ 33,760.71
14	LESS: FORECASTED FEES OVER BUDGET - FEB. THRU JUN.	\$ (61,870.00)
15	LESS: FORECASTED CLAIMS OVER BUDGET - FEB. THRU JUN.	\$ (400,000.00)
16	POTENTIAL RESERVE BALANCE, JUNE 30, 2014	\$ (428,109.29)
17	PLUS: TRANSFER FROM OPEB TRUST BUDGET	\$ 528,939.00
18	PLUS: TRANSFER OF PORTION OF YEAR END SURPLUS	\$ 400,000.00
19	PROJECTED BANK BALANCE, JUNE 30, 2014	\$ 500,829.71
20	RESERVE BALANCE AS PCT. OF CLAIMS	10.9%

Notes:

- a) *Projected claims are approximately \$740,000 over budget by fiscal year end (January 2014 Year-to-Date actual claims are \$339,083 over budget)*
- b) *Recommend transfer of OPEB Trust budget into the Self-Insurance Reserve Fund*
- c) *Recommend transfer of \$400,000 (or more if available) from year end surplus into the Self-Insurance Reserve Fund*

LINE 8 on Page 3: 5860-OPEB TRUST:

A budget transfer is requested to move the entire OPEB Trust budget into the Self-Insurance Reserve Fund. This is due to the higher than expected claims.

LINE 9 on Page 3: 5260-LIFE INSURANCE:

The forecast is based on current staffing.

LINE 10 on Page 3: 5275-DISABILITY INSURANCE:

The forecast is based on current staffing.

LINE 17 on Page 3: 5322-INSTRUCTIONAL PROGRAM IMPROVEMENT:

A budget transfer of \$8,000 UNF was made to cover the participation fee for ACES Consortium membership from July 1, 2013 through June 30, 2014.

LINE 19 on Page 3: 5330-OTHER PROFESSIONAL & TECHNICAL SRVC.:

During the transition to fill the vacant District Technology Coordinator position, Dr. Brady authorized the hiring of TBNG Consulting of West Haven. The firm provided a comprehensive network support team. A budget transfer of \$7,750 UNF was made to pay TBNG Consulting for services rendered in July.

Last year, the Board authorized the purchase of technology equipment to replace Megabit network switches to Gigabit switches for \$21,850, which is included in this fiscal year's budget. The purpose of this was to free up these funds for a long-range planning study. Instead a portion of these funds will be used to pay for the labor costs related to the upgrade of the District's technology infrastructure. The State has informed us that the infrastructure grant will not pay for labor costs, only equipment. The remaining grant funds will be used to purchase ChromeBooks needed for new on-line testing format.

The budget for the annual audit is \$40,000; however, the Board extended the contract of the current auditor at a reduced price of \$32,500. Thus, the forecast includes a favorable variance of \$7,500 FAV.

The forecast includes \$13,900 UNF to pay the Superintendent search consultant.

A budget transfer of \$12,000 UNF was made to hire an engineering firm to evaluate the HVAC systems at Orange Middle School. The study will look into the causes for the humidity issues experienced at this particular site and propose modifications to the operations of the HVAC systems to mitigate the problem.

LINE 21 on Page 3: 5510-PUPIL TRANSPORTATION:

Special Education Transportation is projected to be under budget by \$179,428 FAV (previously \$187,100 FAV).

LINE 22 on Page 3: 5521-GENERAL LIABILITY INSURANCE:

Actual premiums for property, liability, crime and international travel coverage were **\$178 UNF** over budget. Fiduciary insurance is projected to be **\$565 UNF** over budget.

Finance Manager Terry Lumas found some overpayments in 2011-2012 and endorsement credits that were applied to the District's account but not returned to us. This amounted to **\$5,976.99 FAV**. The insurance carrier agreed to credit our premiums for this fiscal year.

Student Accident Insurance premium was **\$1,590 FAV** under budget, including catastrophic accident medical insurance. Claims have been very high. The projected loss ratio for 2012-2013 is 116 percent. Unfortunately, some of the claimants have no family insurance coverage, so the District's policy ends up paying as the primary plan rather than the secondary plan. The favorable variance is due to the insurance carrier's projection for the budget being conservative.

LINE 25 on Page 3: 5560-TUITION EXPENSE:

These figures are subject to change on a monthly basis.

Tuition is forecast to be under budget by **\$30,257 FAV (previously \$112,082 FAV)**.

Tuition for the vo-ag schools has a projected variance of **\$77,822 FAV (previously \$76,922 FAV)**. The number of students is lower than budgeted.

	FY09-10 ACTUAL	FY10-11 ACTUAL	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 BUDGET	FY13-14 ACTUAL
Sound	9	7	6	8	9	8
Trumbull	2	4	3	2	4	2
Nonnewaug	5	5	3	2	4	2
ACES Wintergreen Magnet	0	0	0	2	1	1
Totals	16	16	12	14	18	13

Public (ACES) and private out-of-district placements has a projected favorable variance of **\$51,327 UNF (previously \$31,398 FAV)**. At this time, there are fewer students than budgeted.

	FY09-10 ACTUAL	FY10-11 ACTUAL	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 BUDGET	FY13-14 ACTUAL
Public SPED	7	6	6	8	8	6
Private SPED	20.5	21	24	21	22	23(22)
Totals	27.5	27	30	29	30	29(28)

Note: 0.5 is a part-time student.

The District has 26 students attending ECA. There is a favorable variance of \$3,762 FAV.

LINE 28 on Page 4: 5910-REDEMPTION OF PRINCIPAL:

The unspent balances in the Reserve Fund for Capital and Nonrecurring Expenditures for the high school generator, high school roof restoration, high school air handler and natural gas conversion of \$64,727.25 were re-designated for payment of debt service in 2013-2014. Due to a yearend audit adjustment, the amount available is \$61,961.77. Therefore, there is an unfavorable variance of \$2,765.48 UNF.

LINE 30 on Page 4: 5410-UTILITIES, EXCLUDING HEAT:

Electricity usage is budgeted at 3,805,373 kilowatt hours at an average price of \$0.1634 per kilowatt hour. Last fiscal year, energy savings were less than budgeted for the middle schools and distribution rates were higher than expected. At this early stage, we are assuming usage of 3,866,572 kilowatt hours at an average price of \$0.1634 per kilowatt hour. Thus, Facilities Director is projecting an unfavorable variance of \$20,000 UNF.

Load shed credits of \$11,392 FAV were received. We did not budget for these credits. Sewer billings are based on last year's water usage. The Facilities Director projects an unfavorable variance of \$264 UNF.

The Facilities Director projects propane will have a yearend favorable variance of \$154 FAV.

LINE 31 on Page 4: 5420-REPAIRS, MAINTENANCE & CLEANING:

A budget transfer of \$7,680 UNF was made to cover the costs of the air quality testing done at Orange Middle School. Due to the high humidity, we found some mold in the building. For health and safety reasons, the Interim Superintendent of Schools hired Fuss & O'Neill to perform air quality testing.

Snow removal and sanding expenditures through February 3, 2014 were \$41,000. The budget is \$47,000. The forecast assumes an additional expenditure of \$20,000, or an unfavorable variance of \$14,000 UNF.

LINE 32 on Page 4: 5611-INSTRUCTIONAL SUPPLIES:

A budget transfer of \$8,857 FAV was made to Other Supplies to offset the purchase of Scantron student licensing for software and on-site training.

LINE 33 on Page 4: 5613-MAINTENANCE/CUSTODIAL SERVICES:

A budget transfer of \$3,087 UNF was made for the purchase of dehumidifiers for Orange Middle School, as part of our effort to eliminate the growth of mold in certain areas.

LINE 35 on Page 4: 5621-NATURAL GAS:

Last fiscal year, total expenditures were \$92,464. Projected usage for this fiscal year is *9,100 MBTU (previously 10,000 MBTU)* at \$11.00 per MBTU compared to a budget of 11,365 MBTU at \$11 per MBTU, or a favorable variance of *\$24,900 FAV (previously \$15,000 FAV)*.

LINE 39 on Page 4: 5690-OTHER SUPPLIES:

Last fiscal year, we negotiated a two-year contract with Xerox to supply toner, maintenance kits and fusers, as well as service, for the District's printers at a substantial savings. For example, the price per copy of black and white printed pages will be lowered from \$0.08 (which we now pay Hewlett-Packard Company) to \$0.02, or a 75 percent reduction in cost. The estimated annual savings is **\$15,000 FAV**.

A budget transfer of **\$8,857 UNF** was made to purchase Scantron student licensing for software and on-site training. The system will allow teachers to develop multiple choice, selected-response, and open-ended assessments in a format that, once assessed, will upload data and results for teachers and administrators.

LINE 42 on Page 4: 5731-EQUIPMENT-REPLACEMENT:

Last year, the Board authorized the purchase of technology equipment to replace Megabit network switches to Gigabit switches for \$21,850, which is included in this fiscal year's budget. The purpose of this was to free up these funds for a long-range planning study. Instead a portion of these funds will be used to pay for the labor costs related to the upgrade of the District's technology infrastructure. The State has informed us that the infrastructure grant will not pay for labor costs, only equipment. The remaining grant funds will be used to purchase ChromeBooks needed for new on-line testing format.

A budget request of **\$12,899 UNF** has been made to cover the cost of purchasing a stainless steel tank for the Orange Middle School. The hot water boiler that provides all of the domestic hot water to Orange Middle School developed a small leak during the week of October 22, 2013. Leaks always get worst over time. If the tank completely fails, we would not be supplying domestic hot water to the building. This is a sanitation issue for the kitchen and other building occupants as they would not have hot water to wash dishes, pans, or hands. Kitchens are required to provide 180 degree rinse in the dish washer machines and that could not be achieved with the lack of domestic hot water supplied to the booster heater in the kitchen. The water heater has been ordered, as the Interim Superintendent and Board Chair agreed it was a health and safety matter.

Our current server situation is comprised of thirteen servers ranging in age from eight to ten years old, with another three servers approximately three years old. The industry standard for server lifespan is approximately five to six years. We are purposing a server upgrade and consolidation. A budget transfer of \$7,648 UNF is requested from the Contingency Account to pay the first payment of a five-year lease/purchase agreement with a \$1 buyout in April 2014.

LINE 45 on Page 4: 5720-IMPROVEMENTS TO SITES:

Due to the successful over seeding, fertilizing, and aerating of Stadium Field and the really wet spring, the field is in great shape and the re-sodding will not be necessary. The budget of **\$15,000 FAV** for the re-sodding will not be used.

The forecast includes a budget transfer of **\$4,990 UNF** to purchase an additional 40 feet of netting for the softball field at Amity High School. This is to protect people and property from foul balls.

LINE 47 and LINE 48 on Page 4: 5850-CONTINGENCY:

The forecast assumes the entire Contingency Account of \$150,000 will be spent by fiscal year end. ***The remaining balance is \$117,453 if the budget request is approved.***

October: **\$12,000** – Hire vanZelm Engineers to provide engineering services to evaluate the HVAC systems at Orange Middle School. The study will look into the causes for the humidity issues experienced at this particular site and propose modifications to the operation of the HVAC systems to mitigate the problem.

December: **\$12,899** - Replace the Orange Middle School hot water heater immediately for health and safety reasons.

February: \$7,648 – Purchase new servers.

Amity Regional School District No. 5 - Budget Transfers 2013-2014

<u>MONTH/YR</u>	<u>JNL#</u>	<u>ACCOUNT NUMBER & DESCRIPTION</u>		<u>AMOUNT</u>	<u>DESCRIPTION</u>
July 2013	53	01111009	5611	INSTRUCTIONAL SUPPLIES	\$ -50.00 MATHCOUNTS REGISTRATION
July 2013	53	01111009	5810	DUES & FEES	\$ 50.00 MATHCOUNTS REGISTRATION
July 2013	54	03111001	5730	EQUIPMENT - NEW	\$ 2,645.00 Digital lab tables/chairs
July 2013	54	03132400	5550	COMMUNICATIONS: TEL,POST,ETC.	\$ -2,645.00 Digital lab tables/chairs
July 2013	55	03132120	5111	CERTIFIED SALARIES	\$ 2,994.00 Counselors working summer reg
July 2013	55	03132120	5611	INSTRUCTIONAL SUPPLIES	\$ -2,994.00 Counselors working summer reg
July 2013	69	01111005	5690	OTHER SUPPLIES	\$ 1,320.00 Book Truck
July 2013	69	01111005	5690	OTHER SUPPLIES	\$ 272.00 Book Truck shipping
July 2013	69	05142510	5690	OTHER SUPPLIES	\$ -1,320.00 Book Truck
July 2013	69	05142510	5690	OTHER SUPPLIES	\$ -272.00 Book Truck shipping
July 2013	126	02132220	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -900.00 Purchase additional books
July 2013	126	02132220	5642	LIBRARY BOOKS & PERIODICALS	\$ 900.00 Purchase additional books
July 2013	134	02132220	5642	LIBRARY BOOKS & PERIODICALS	\$ 600.00 Character Education books
July 2013	134	02132120	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -600.00 Character Education books
August 2013	123	01111008	5611	INSTRUCTIONAL SUPPLIES	\$ -2,098.00 FOR 3D PRINTER
August 2013	123	01142219	5730	EQUIPMENT - NEW	\$ 2,098.00 FOR 3D PRINTER
September 2013	15	02111008	5611	INSTRUCTIONAL SUPPLIES	\$ -2,820.00 3D PRINTER
September 2013	15	02111008	5730	EQUIPMENT - NEW	\$ 2,820.00 3D PRINTER
September 2013	44	02132120	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -600.00 TO PURCHASE BOOKS
September 2013	44	02132220	5642	LIBRARY BOOKS & PERIODICALS	\$ 600.00 TO PURCHASE BOOKS
September 2013	46	02132220	5642	LIBRARY BOOKS & PERIODICALS	\$ 900.00 PURCHASE AUTHOR BOOKS
September 2013	46	02132220	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -900.00 PURCHASE AUTHOR BOOKS
September 2013	57	03142219	5611	INSTRUCTIONAL SUPPLIES	\$ -1,144.00 5 laptops BOE SEPT
September 2013	57	03132400	5550	COMMUNICATIONS: TEL,POST,ETC.	\$ -328.00 5 laptops BOE SEPT
September 2013	57	03132120	5590	OTHER PURCHASED SERVICES	\$ -1,000.00 5 laptops BOE SEPT
September 2013	84	03142600	5715	IMPROVEMENTS TO BUILDINGS	\$ -2,682.00 Adobe site license
September 2013	84	05142350	5690	OTHER SUPPLIES	\$ 2,682.00 Adobe site license
September 2013	110	05142350	5730	EQUIPMENT - NEW	\$ 2,152.00 purchase scantron scanner
September 2013	110	03111009	5611	INSTRUCTIONAL SUPPLIES	\$ -2,152.00 purchase scantron scanner
September 2013	111	02111015	5611	INSTRUCTIONAL SUPPLIES	\$ 1,092.00 STEM supplies
September 2013	111	02111015	5810	DUES & FEES	\$ 150.00 STEM supplies
September 2013	111	01111015	5611	INSTRUCTIONAL SUPPLIES	\$ 1,092.00 STEM supplies
September 2013	111	01111015	5810	DUES & FEES	\$ 150.00 STEM supplies
September 2013	111	03111015	5611	INSTRUCTIONAL SUPPLIES	\$ -1,092.00 STEM supplies for Orange
September 2013	111	03111015	5611	INSTRUCTIONAL SUPPLIES	\$ -1,092.00 STEM supplies for Bethany
September 2013	111	03111015	5810	DUES & FEES	\$ -150.00 STEM for Bethany
September 2013	111	03111015	5810	DUES & FEES	\$ -150.00 STEM for Orange
September 2013	146	03132220	5611	INSTRUCTIONAL SUPPLIES	\$ -1,500.00 to purchase database
September 2013	146	03132220	5690	OTHER SUPPLIES	\$ 1,500.00 to purchase database
September 2013	163	02132220	5642	LIBRARY BOOKS & PERIODICALS	\$ -900.00 Reverse Dup #46
September 2013	163	02132220	5330	OTHER PROFESSIONAL & TECH SRVC	\$ 900.00 Reverse Dup #46
October 2013	87	02132120	5590	OTHER PURCHASED SERVICES	\$ 255.00 TO PURCHASE AWARD CERTIFICATES
October 2013	87	02132120	5690	OTHER SUPPLIES	\$ -255.00 TO PURCHASE AWARD CERTIFICATES
October 2013	118	03111010	5730	EQUIPMENT - NEW	\$ 500.00 New Drum Set for Strings Progr
October 2013	118	03142219	5611	INSTRUCTIONAL SUPPLIES	\$ -500.00 New Drum Set for Strings Progr
October 2013	173	05142350	5690	OTHER SUPPLIES	\$ 2,440.00 MOODLE ON LINE ASSESSING
October 2013	173	05132212	5611	INSTRUCTIONAL SUPPLIES	\$ -2,440.00 MOODLE ON LINE ASSESSING
October 2013	174	03111006	5611	INSTRUCTIONAL SUPPLIES	\$ -140.00 reimbursement/conference fee
October 2013	174	03111006	5810	DUES & FEES	\$ 140.00 reimbursement/conference fee
November 2013	44	03111001	5731	EQUIPMENT - REPLACEMENT	\$ 1,150.00 tranfer funds - replace print
November 2013	44	03111001	5611	INSTRUCTIONAL SUPPLIES	\$ -1,150.00 tranfer funds - replace print
December 2013	23	03132120	5590	OTHER PURCHASED SERVICES	\$ 70.00 ACT
December 2013	23	03132120	5611	INSTRUCTIONAL SUPPLIES	\$ -70.00 ACT
December 2013	74	05142350	5731	EQUIPMENT - REPLACEMENT	\$ 500.00 MODEM REPLACEMENT

<u>MONTH/YR</u>	<u>JNL#</u>	<u>ACCOUNT NUMBER & DESCRIPTION</u>		<u>AMOUNT</u>	<u>DESCRIPTION</u>
December 2013	74	03142600	5613	MAINTENANCE/CUSTODIAL SUPPLIES	\$ -500.00 MODEM REPLACEMENT
December 2013	118	03132400	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -350.00 Auditorium sound system
December 2013	118	05142350	5730	EQUIPMENT - NEW	\$ 350.00 Auditorium sound system
January 2014	14	04132190	5611	INSTRUCTIONAL SUPPLIES	\$ 280.00 UNIFIED THEATRE MATERIALS
January 2014	14	04132190	5730	EQUIPMENT - NEW	\$ -280.00 UNIFIED THEATRE MATERIALS
January 2014	74	03142700	5510	PUPIL TRANSPORTATION	\$ 500.00 buses for music recruitment
January 2014	74	03142700	5510	PUPIL TRANSPORTATION	\$ 500.00 buses for music recruitment
January 2014	74	03142219	5611	INSTRUCTIONAL SUPPLIES	\$ -500.00 buses for music recruitment
January 2014	74	03132400	5590	OTHER PURCHASED SERVICES	\$ -500.00 buses for music recruitment
January 2014	93	02132130	5810	DUES & FEES	\$ -100.00 PURCHASE MEDICA SUPPLIES
January 2014	93	02132130	5690	OTHER SUPPLIES	\$ 100.00 PURCHASE MEDICA SUPPLIES
January 2014	107	05142350	5580	STAFF TRAVEL	\$ -2,000.00 transfer powerschool conferenc
January 2014	107	05142350	5581	TRAVEL - CONFERENCES	\$ 2,000.00 transfer powerschool conferenc
January 2014	112	01132220	5611	INSTRUCTIONAL SUPPLIES	\$ 835.00 Book Carts & supplies needed
January 2014	112	01132220	5642	LIBRARY BOOKS & PERIODICALS	\$ -835.00 Book Carts & supplies needed
January 2014	160	03132400	5590	OTHER PURCHASED SERVICES	\$ -399.00 iPad 2 Ali Grasson
January 2014	160	05142350	5730	EQUIPMENT - NEW	\$ 399.00 iPad 2 Ali Grasson
February 2014	4	02132130	5690	OTHER SUPPLIES	\$ 260.00 MEDICAL SUPPLIES
February 2014	4	02142219	5611	INSTRUCTIONAL SUPPLIES	\$ -260.00 MEDICAL SUPPLIES

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



Jack B. Levine
Director of Finance and Administration
jack.levine@reg5.k12.ct.us

Phone (203) 397-4813
Fax (203) 397-4864

To: Michael R. Nast, Interim Superintendent of Schools
From: Jack B. Levine, Director of Finance and Administration
Re: Budget Transfers of \$3,000 or More for Fiscal Year 2013-2014
Date: February 4, 2014

I recommend the Amity Finance Committee and Board of Education approve the following budget transfer(s) of over \$3,000:

OPEB Trust and Self-Insurance Reserve Fund:

The monthly forecast predicts actual claims will exceed budget by approximately \$740,000 by year end. Actual claims have exceeded budget by \$339,083 through January 2014. The **potential** reserve balance on June 30, 2014, is a **minus \$428,000**. This requested transfer will provide funds to offset the projected deficit in the Self-Insurance Reserve Fund.

#1 – Move to make the following budget transfer of \$528,939 to the Self-Insurance Reserve Fund:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-15-0000-5860	OPEB Trust	\$528,939	
05-15-2512-5255	Medical & Dental Insurance		\$528,939

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



Jack B. Levine
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jack.levine@reg5.k12.ct.us

Phone (203) 397-4813
Fax (203) 397-4864

To: Michael Nast, Interim Superintendent of Schools

From: Jack B. Levine, Director of Finance and Administration

Re: New Funding Requests for Fiscal Year

Date: January 30, 2014

I would like to recommend the Amity Finance Committee and Amity Board of Education approve the following budget transfer request(s):

Technology Server Upgrade and Consolidation:

Our current server situation is comprised of thirteen servers ranging in age from eight to ten years old, with another three servers approximately three years old. The industry standard for server lifespan is approximately five to six years. The current servers are not only outdated, but also inadequate for our current district needs. In addition, our current data backup is done using outdated physical tape drives that are not only unreliable, but due to the age of the technology, expensive to maintain. We currently spend \$5,469 per year just on blank tape media. That cost is going to keep rising as the technology fades further into obscurity. Our disaster recovery plan is tenuous at best and has deteriorated over time along with the servers. These servers currently house our email exchange services, file storage for staff and students, MUNIS TCM, Chartwells, teacher web pages, terminal services, SNAP healthcare software and additional services and files.

The proposed solution would consolidate all servers into two physical servers. These two physical servers would then house virtual servers that would replace the functions of all of our current machines. These two new servers would not only share the load, they would be redundant systems and located in separate campuses. This would allow the failure of one without the disruption of a single service while we make any necessary repairs or replacements. VMWare would be used to manage all servers from a single console and allow load balancing to improve performance across the network. In addition we would be replacing the outdated tape backup system with a dedicated digital solution. Current restore times would be reduced from hours to minutes. All systems would be set up to eliminate any single point of failure which would translate to 100 percent uptime in the event of hardware or software failure. The entire architecture of the servers and backup systems would employ current best practices. The elimination of the cost of backup tapes from the budget will offset the cost of the new backup service plan. There are also additional benefits such as a reduction in energy and cooling costs associated with eliminating fifteen servers.

Consolidated Computer, Inc. has provided a quote for the server upgrade and consolidation. This is the same company which is upgrading the District's technology infrastructure. The total cost for the equipment, software, installation, configuration and training services, and five years of support services is \$137,466.23. This includes a discount of \$4,500 on the trade-in of 3 of the newest servers. The pricing is from a consortium under the Federal Government Services Administration so no bid is required. We obtained pricing on a five-year lease/purchase agreement with a \$1 buyout. The implicit interest rate is 4.6 percent.

Lease Charge Schedule:

April 1, 2014	\$7,648 - 1 quarter
July 1, 2014	\$30,028/year
July 1, 2015	\$30,028/year
July 1, 2016	\$30,028/year
July 1, 2017	\$30,028/year
July 1, 2018	\$22,380 - 3 quarters

#1 – Move to make the following budget transfer of \$7,648 to pay the first payment of a five-year lease/purchase agreement with a \$1 buyout in April 2014:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-15-0000-5850	Contingency Account	\$7,648	
05-14-2350-5731	Equipment – Replacement		\$7,648

CONTINGENCY ACCOUNT RECAP

Budget		\$150,000
October:	Orange Middle School HVAC Evaluation	\$ 12,000
December:	Orange Middle School Hot Water Heater	<u>\$ 12,899</u>
Subtotal		\$125,101
<i>February:</i>	<i>New Servers</i>	<u><i>\$ 7,648</i></u>
<i>Balance</i>		<i>\$117,453</i>

Attached are the minutes from the following Board of Education
Sub-Committee meetings:

Finance Committee	1/13/14
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MINUTES

COMMITTEE MEMBERS PRESENT: Matthew Giglietti, John Grabowski, James Horwitz (5:50 p.m.), Joseph Nuzzo, James Stirling

COMMITTEE MEMBERS ABSENT: John A. Grasso, Jr.

Also Present: Charles Britton, Richard Dellinger, Kathleen Fuller Cutler, Kevin Keller, Jack Levine, Marianne Lippard, Terry Lumas, Marie McPadden, Paul Mengold, Michael Nast, Mary Raiola, Jim Saisa

A meeting of the Finance Committee of the Amity Regional Board of Education was held on Monday, January 13, 2014, at 5:30 p.m. in the cafeteria at Amity Regional High School.

1. Call to Order: James Stirling called the meeting to order at 5:34 p.m.

2. Discussion and Possible Action on Minutes

Finance Committee Meeting – December 9, 2013

Motion to approve the minutes as presented (Mr. Giglietti, 2d Grabowski).

Vote in favor: Matthew Giglietti, John Grabowski, James Stirling

Vote opposed: none

Abstain: Joseph Nuzzo

Motion passed.

3. Public Comment

No members of the public addressed the Committee.

4. Presentation and Discussion of Superintendent's Proposed 2014-2015 Budget

Mr. Nast said that the entire administrative team worked together to develop the budget that he will be presenting tonight. Work on this budget began in August. One of the goals in developing this budget was to create a smooth transition for the new superintendent.

He noted that the budget figures he presented at previous meetings were too high. The projected increase has been reduced to 3.10 percent. Looking at the last five years, the average budget increase has been 1.24 percent. The reason for the increase to 3.10 percent is partially due to the fact that the budget has been kept low and the District has needs that must be addressed. The District cannot maintain operations with that low of an increase this year. Factoring in money that is being returned to the towns, the 3.10 percent increase would be lower.

Higher increases have been seen recently in neighboring towns, such as Ansonia and Seymour. After discussing the budget tonight, Mr. Nast said that he would like to meet with members of the Committee again to go over the figures.

Salary, benefits and purchased services comprise a large portion of this budget. Mr. Nast noted that planning for special education costs presents a major challenge. Medical insurance costs have been higher than the projections.

Plans are to cut two certified staff positions. The goal is not to terminate employees, but to reconsider filling vacant positions. This would have to align with the goals of the new superintendent. Two certified librarians are retiring. We might be able to fill only one of these positions, but this decision would be up to the new superintendent.

He noted two new expenses in the proposed budget: wages for a part-time security guard after hours at the High School and a replacement phone system. Mr. Nast said that there is a great deal of activity at the High School in the late afternoon until about 9:00 or 10:00 p.m. A security guard has been hired to serve in this role for the time being. The budget request includes \$19,492 for a new security guard. The part-time position doesn't include benefits. The current phone system is old and needs to be replaced (\$46,000).

Mr. Nast noted that this budget keeps the District at status quo; no new programs are being proposed. He added that though the student population is down somewhat, there haven't been any major staff reductions. Every student is now taking a biology lab. Chinese II and culinary arts have been added. Our students can potentially take eight classes per day and most students take advantage of this opportunity. The staffing can't be reduced if we want to keep the same variety of courses. Class sizes need to be kept at appropriate levels.

There has been a shift in enrollment from Orange to Bethany. We are trying to keep costs down to reduce the impact on Bethany as we did when Orange was faced with the same problem.

Some people have suggested that past budgets may have been too high given the surpluses. The perception that past budgets were padded is untrue. A 1.2 percent difference in a budget of this size isn't bad. Special education costs are difficult to predict. Money that isn't used is returned to the towns.

Self-insurance is a new area that the District has become involved in. We have been advised that what we are experiencing now happens every five years; we are hoping this is the year.

Mr. Nast said that the budget eliminates \$91,000 for textbooks. He noted that today everything is digital and textbooks are no exception. This is an expense

that we can hold off on for now. Recently, more than \$465,000 has been spent on technology and the District is in pretty good shape with technology, so the figure for next year has been lowered.

Amity Regional High School has been identified as a School of Distinction by the Connecticut State Department of Education. Mr. Nast said that he has had the opportunity to visit many schools and he noted that the High School is as good or better than Blue Ribbon schools he has visited. The schools cannot get better by being status quo.

Questions/Comments:

Mr. Stirling confirmed that no vote is expected this evening.

Mr. Nast said that he would like to talk to the new superintendent about this budget. We are currently ahead of last year's budget timeline.

Mr. Stirling said that a special meeting might be needed to talk about the budget.

Mr. Nuzzo said that the staffing numbers haven't changed much, but the student numbers have. He questioned whether the increase is due to the cost of doing business.

Mr. Nast said that labs have been added. Chinese and culinary classes have been added as well. This year's senior class will need fewer credits than next year's seniors. The special education population will be growing next year and this will involve additional expenses.

Mr. Stirling said that he that we might need to add \$300,000 to the self-insurance line item.

Mr. Nuzzo questioned how Mr. Stirling arrived at that figure.

Mr. Stirling said that the number seems to make sense.

5. Discussion and Possible Action on Audited Financial Statements by Auditors

A. Review of Audited Financial Statements by Auditors

John Bauer, C.P.A. and Partner of Mahoney Sabol & Company, LLP of Glastonbury, and Amanda Backhaus, C.P.A., provided a report on the audit. Ms. Backhaus noted that the District received an unmodified clean report on all opinion areas. There was no material non-compliance. There was one non-material instance of non-compliance involving a report filed a couple of days late. There were no areas of concern and no difficulties were met in performing the audit. Overall, it was a very clean audit.

Ms. Backhaus noted that the audit of the District showed good financial practices are in place. Of the audits she has worked on recently, it stood out and this is quite an achievement on a budget of this size.

Mr. Levine credited Ms. Lumas and her staff for the success of the audit.

B. Discussion and Possible Action to Accept Annual Financial Report
Motion to accept the Annual Financial Report (Mr. Giglietti, 2d Mr. Nuzzo).

Vote in favor unanimous.

Motion passed.

C. Discussion and Possible Action to Return Funds to Member Towns

Move to recommend to the Amity Board of Education that the Superintendent of Schools be authorized to return the balance of \$398,285 from the fiscal year ended June 30, 2013, to the Member Towns, as follows: Town of Bethany - \$82,129; Town of Orange - \$197,760; Town of Woodbridge - \$118,396 (Mr. Giglietti, 2d Mr. Horwitz).

Vote in favor unanimous.

Motion passed.

6. Discussion of Monthly Financial Statements

Mr. Levine noted changes in special education grant money and self-insurance.

7. Director of Finance and Administration Approved Transfers Under \$3,000

There was no discussion.

8. Discussion and Possible Action on Budget Transfers of \$3,000 or More

In a memo dated January 8, 2014 to Mr. Nast, Mr. Levine recommends a budget transfer for upgrading the District's technology infrastructure and computer equipment. The District was awarded a grant of \$186,568 through the efforts of Technology Education Specialist Lisa Lassen and District Technology Coordinator Shaun DeRosa. We need to transfer \$15,000 to Other Professional & Technical Services to pay for the labor to install the upgrade to the District's technology infrastructure. Labor costs cannot be paid by the grant funds. The funding of the labor costs will come from the unused technology budget of \$21,850 to replace Megabit network switches to Gigabit Switches. We had set these funds aside to pay for a long-range planning study; however, we are now asking to use these funds to pay for the labor costs to install the new technology infrastructure. We will use the remaining grant funding to purchase ChromeBooks needed for new online testing format.

Move to recommend making the following budget transfer to pay Consolidated Computers, Inc. of Easton, Connecticut, as part of the total bid price, \$15,000 for labor costs (Mr. Nuzzo, 2d Mr. Grabowski):

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
05-14-2350-5731	Equipment – Replacement	\$15,000	
05-14-2310-5330	Other Professional & Tech		\$15,000

Discussion: Mr. Levine noted that here were nine bids. We went with the lowest bid that met our requirements.

Vote in favor unanimous.

Motion passed.

9. Adjourn

Motion to adjourn the meeting at 6:25 p.m. (Mr. Giglietti, 2d Mr. Horwitz).

Vote in favor unanimous.

Motion passed; meeting adjourned.

Respectfully submitted,
Marianne Lippard, recording clerk