

AMITY REGIONAL SCHOOL DISTRICT NO. 5

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

Charles Dumais
Superintendent of Schools

PLEASE POST

PLEASE POST

AMITY REGIONAL BOARD OF EDUCATION

November 10, 2014

A regular meeting of the Amity Regional Board of Education will be held on Monday, November 10, 2014, at 6:30 p.m. in the cafeteria at Amity Regional High School.

Agenda

1. Call to Order
2. Pledge of Allegiance
3. Recognition of CAPSS Award Recipients
4. Recognition of National Merit Scholar Program Semi-Finalists and Commended Students
5. Approval of Minutes
 - a. Regular BOE Meeting, October 20, 2014 (Enclosure)
6. Report on Adult & Continuing Education (Enclosure)
7. Public Comment
8. Student Report
9. Correspondence
10. Superintendent's Report
 - a. Personnel Report (Enclosure)
 - b. Other
11. Chairman's Report
 - a. Committee Reports
 1. ACES
 2. CABE
 3. Curriculum
 4. Facilities

5. Finance

- a. Discussion and Possible Action on Composite Investment Policy Statements for Pension, Sick & Severance and OPEB Trust
- b. Presentation and Discussion of Board Goal of Cost Savings and Efficiencies
- c. Discussion of Monthly Financial Statements
- d. Director of Finance and Administration Approved Transfers Under \$3,000
- e. Other
 - 1. Financial Audit Status Report

6. Policy

7. Personnel

12. Executive Session – Personnel

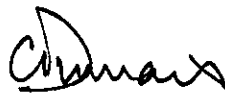
13. Discussion and Possible Action on Appointment of Director of Counseling

14. Discussion and Possible Action on Appointment of Assistant Director of Finance and Administration

15. Discussion and Possible Action on Appointment of Student Management Database Specialist

16. Items for the Next Agenda

17. Adjournment



Charles Dumais
Superintendent of Schools

CD/kfw

pc: Town Clerks:

Bethany
Orange
Woodbridge

PLEASE POST

PLEASE POST

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

BOARD MEMBERS PRESENT: William Blake, Christopher Browe, Patricia Cardozo, Sue Cohen, Diane Crocco, Steven DeMaio, Rita Gedansky, John Grasso, Jr., Thomas Hurley, Sheila McCreven, and James Stirling.

BOARD MEMBERS ABSENT: James Horwitz, and Tracey Lane Russo.

Staff members present: Charles Dumais, Jack Levine, Dr. Dellinger, Dr. Britton, Dr. Marie McPaddon, Elena Serapiglia, Claudia Mirci, technical/video recording staff, other staff.

Also present: Ruth Natzel, R. J. Kaoud, and other members of the public.

A regular meeting of the Amity Regional Board of Education (BOE) was held on Monday, October 20, 2014 at 6:30 pm in the Media Center at Amity Middle School, Bethany Campus.

1. **Call to Order:** Chairman William Blake called the meeting to order at 6:39 pm.
2. **Pledge of Allegiance** was recited by those present.

Mr. Hurley made a motion to add an item to the agenda, which is the swearing in of Sheila McCreven, 2nd by Mr. Stirling.

Vote unanimous

Motion carried

Mr. Hurley made the motion to move item #10 on the agenda, information on the proposed Peru trip, to after the student report, second by Ms. Cardozo

Vote unanimous

Motion carried

Ms. Sheila McCreven was sworn in as a member of the Amity Board of Education by Chairman William Blake.

3. **Approval of minutes.**
 - A. Regular BOE meeting, September 08, 2014 -

Motion to approve the BOE minutes by Ms. Gedansky, second by Mr. Hurley.

Vote unanimous

Motion carried

- B. BOE Retreat, October 07, 2014.

Motion by Ms. Cohen to approve the minutes, second by Ms. Crocco.

Vote unanimous

Motion carried

4. **Public comment** – none

5. **Student Report** – R. J. Kaoud (filling in for George Grotheer) presented his Student Report. The student body is very proud of the recognition of Amity High School as a Blue Ribbon School. Juniors recently took the PSAT and sophomores took the Plan test; results will be available in 6 to 8 weeks. Music in Motion is in production with a theme of City Life. The Café Coffeehouse was a success. Sports – girls swimming and diving is 11-0 so far this season. Tailgating took place before the football game two weeks ago which was put on by the LINK crew.

Girl's soccer doing well. The Amity Math Team finished 3rd behind Hamden Hall and Choate in the Greater New Haven Math League. Science – Four students 1st overall out of 50 teams at Yale.

10. **Information on proposed Peru trip** - Ms. Serapiglia (head of world languages at Amity High School) and Ms. Mirci presented information on a proposed trip to Peru, open to all students with preference given to Spanish language students. Mrs. Mirci is a Spanish teacher at Amity High and is from Peru. This trip emphasizes one of the missions of Amity students as lifelong learners. This would bring cultural awareness, help them to become effective world citizens and develop relationships with students in Lima. They would be able to use Spanish in a real-life setting. The Omega News Club is a nonprofit that works in Peru with high school students headed up by Ms Mirci's father. The student requirements are that they be an active member of Language Lovers Club, have good attendance and good citizenship. They also need two letters of recommendation, one each from a language teacher and from guidance. Ms Mirci answered questions from various board members regarding the trip. So far 35 to 40 students are interested; 18 to 20 will go on the trip with a maximum of 25. There will be three chaperones, Ms. Mirci, Ms. Serapiglia and Mrs. Reagan. Freshman to seniors are eligible. Ms. Mirci discussed the itinerary in detail which includes a high school, towns and villages, marketplaces, Machu Picchu, among other things.

Deposit and payment holds a student's place, then others will be wait-listed. Students on the waiting list will be first priority for next year's trip. The tour company is helping with fundraising ideas. Questions about safety were raised - Ms. Mirci and Ms. Serapiglia answered that students will be supervised at all time with only a very small amount of free time in the schedule and this will be in a controlled area. Since there is no male chaperone, a male bilingual guide may be requested. Mr. Blake asks for details about Omega News Group. This is a nonprofit that works with public and private high schools, 100 high schools in Lima, Ms. Mirci's father runs the program. Amity students submitted documents to Omega in Spanish and they were published on the website. Mr. Blake thanked Ms. Serapiglia and Ms. Mirci and wished them well.

6. **Presentation – Alumni survey results** –Mr. Dumais contracted with Futuristics to do a survey of our graduates. Dr. Britton presented the results of the survey of the five most recent Amity graduating. Results are mostly positive, and there are some things can be improved. (see attached summary). Dr. Britton gave an oral presentation of the data from the survey and answered various questions from members of the Board regarding various reported statistics from the survey. The conclusion was that areas worthy of further discussion and investigation are:

- Discrepancies between feedback received by level
- Perception related to the use of varied assessments
- Perceptions related to ability to make informed consumer decisions
- Perceptions related to the school career center programming
- Perceptions related to smoking on campus
- Perceptions related to drug use – much discussion about this question.

There was further discussion about the validity of the survey data and future surveys; there was some feeling that some of the data was so vague as to be invalid. Board members are in favor of getting further data with a \$500.00 up-charge.

7. **Presentation of Amity teacher evaluation plan** – Mr. Dumais stated that the State has allowed modifications to the teacher evaluation plan. (see attachment) The rubric for assessment of staff not in the class room such as psychologists, counselors, etc., was missing from plans all across the state. Dr. McPaddon stated that she is looking for Board approval for three key changes to the current plan:

1. Student surveys – (see pages 17-22 in packet). The survey used last year as good but there is another survey that the state has recommended and teachers and administrators thought this was better than what they were using.
2. Non-classroom review of practice (page 17-22) The State said that this must be added as part of the performance evaluation. Under the 4-domain rubric domains 2 and 4 have the changes.

3. Connecticut Common Core – This is a companion rubric to the original rubric. Counselors, psychologists and speech and language pathologists need to be evaluated. The revisions from the State just came last week.

Mr. Stirling asked how will administrators and staff will find the time to do these evaluations and if she perceived any shift in the culture of the staff? Dr. McPaddon answered that it's a challenge but they are doing it very well. She stated that she feels the culture among the staff is changing for the good.

8. Discussion and action on Amity teacher evaluation plan

Motion that Board of Education accept revisions to the 2014-2015 District Teacher Evaluation and Development Model outlined in the memo from Dr. McPaddon of October 16, 2014 by Mr. Hurley, 2nd by Ms. Cardozo.

Vote unanimous

Motion carried

9. Discussion and possible action on 2015 BOE meeting calendar.

Mr. Hurley moves to accept the BOE calendar for 2015, Mr. Stirling second.

Chris Browe asks that variation of meetings from 2nd Monday be considered in the future..

Vote unanimous

Motion carried

11. Discussion and possible action on goals/objectives

Goals and objectives were discussed at the BOE retreat – see attached. There was discussion of the school survey and how to glean further information. The document was modified to include an anecdotal report from the Superintendent.

Motion to approve the draft goals presented by Mr. Dumais with modifications by Ms. Cohen, 2nd by Mr. Hurley.

Mr. Browe asked about having quantification of “opportunities” (see page 2). Mr. Dumais reluctant to put this in because it's new and different than it has been done in the past and he wants to take advantage of however many opportunities there are rather than limit them by a number. Mr. Blake states that this will get more formal as and goals will be more tailored as time goes on. A standard item on the Superintendent's report for BOE meetings will be a report on the goals beginning very soon.

Vote unanimous

Motion carried

12. Correspondence - none

13. Superintendent's report

A. Personnel Report

Leann Brout has gone to ACES. There have been three coaching changes. (see attached).

- B. Other** – Dr. Britton returned from the New England Association of Schools and Colleges (NEASC) visit at Joel Barlow. Mr. Dumais will be going for a visit as assistant chairman to Pittsfield, Massachusetts this coming Sunday.
- Progress on goals** – On the shortened day for professional development, the district focused on vertical articulation. The social studies group met for 7 – 12 scope and sequence review and noted that they had not been together since 2005. Physical education and health curriculum alignment 7-12, Speech and language pathologist and transition teachers have met.
- Twenty complimentary observers have been trained.
- There is some work to do regarding transcripts, there is a change to a 4-hour credit unit.
- Peru trip; Disney trip for performing arts.
- Security** – Mr. Dumais has met with police heads from all three member towns. Expanded camera access has been obtained. He met with an outside agency regarding school security and training for staff; ICS100 training is required for every school employee by July 1, 2015. Administrators will need to be trained at three levels of courses. We are looking at conducting a possible tabletop exercise for local emergency management.
- CABE** – Our calendar won a first prize and honorable mention for Jim Saisa's report.
- Four administrators been through Title IX training.
- Amity Regional High School was named a National Blue Ribbon School.

14. Chairman's Report

Mr. Blake is meeting with the chairmen of the Boards of Education of the member towns next week.

A. Committee Reports

1. **ACES** - none
2. **CABE** – Convention in November. Jack Levine will be a presenter on how to prepare school budgets.
3. **Curriculum** – none
4. **Facilities** - The minutes of the meeting are in the packet. No report yet from United Illuminating.
5. **Finance**
 - a. **Discussion of October 01, 2014 enrollment report.** – Allocation for the towns is now slightly different. Most stable part of enrollment predictions are K thru 8. There has been a slight decrease now but it is predicted that we will be back to the enrollment we have now in 5 or 6 years.
 - b. **Discussion of Superintendent's early thoughts on allocation of any potential Amity surplus funds.** See the minutes of the Finance Committee meeting. The goal is to have more information and to have it available sooner.
 - c. **Presentation and discussion of Superintendent's update of 2015-2016 budget.**
See the Superintendent's memo to the administrators regarding evaluating their budget needs and planning on a time line longer than one year. Negotiations are underway with the teacher's union. Medical reserve fund is at 22%. There was a cut to the OPEB trust. Technology needs will need to be considered. There were zero dollars included for site improvement and that will need to be evaluated.
 - d. **Discussion of OPEB trust funding and budget** – Bethany funds at approximately 20%, Orange and Woodbridge fund it at approximately 60% for their community schools. Scenario C (see attached) is the best one for the district and that does the least harm. Our money is better off in the reserve for health insurance because it can be used to pay claims for retirees or current employees; if it's in OPEB it must stay there. If you self-fund and if premiums and claims are equal for a number of years then the actuaries will change their recommendation for what should be put in OPEB. Mr. Levine states that the District is paying what we are supposed to.

Mr. Levine addresses the legal liability of the pension fund and the formula change for OPEB. Mr. Stirling stated that the Board has a financial obligation to pay for the current staff but not push the obligations down the road, so if the trust can be fully funded in the next 10 to 15 years then we will not be pushing that payment forward. Ms. McCreven asked how the Board can transition to be able to pay ahead. Mr. Levine stated that other districts are doing the same thing as Amity but it is difficult to assess the risk. Surplus funds could be moved at the discretion of the Superintendent. Mr. Hurley spoke about predictions, example of Detroit's pension plan – do we pay as we go or do we saddle the future? We are short this year by \$200,000. Ms. McCreven asked about administrative cost savings by being self-insured been factored into our contribution? Mr. Levine stated that the savings is about \$5,000,000 per year. Ms. McCreven asked if the claim numbers changed at all? Mr. Levine answered that there is no data on that because it was not tracked.

e. Discussion and possible action on contracts of \$35,000 or more.

1. Extending contract for transportation service.

Bus contracts connected but not coordinated on the same time line. We have a 2% annual increase in the contract. The Board would like to extend contract to 2020 and had asked Mr. Levine to get comparison information. See motion on Jack's memo. We can try to coordinate district services in 2018.

Motion by Mr. Hurley to recommend to the Amity Board of Education that the Superintendent of Schools be authorized to sign a contract for transportation services with each transportation owner-operators (contractor) which extends the current contract by three (3) years, terminating on June 30, 2020. The annual increase for regularly scheduled runs, late runs and special runs shall be 2.00% for 2015-2016, 2016-2017, 2017-2018, and 2019-2020. Further, recommend the Amity Board of Education waives the bidding requirement. Jack says that this could be difficult because of having to deal with all 3 member towns. Chip says conversation comes up frequently, very similar to the surplus, have the conversation early regarding going out to bid. Chip needs to do some work to see if the other districts are amenable and if this can be coordinated, 2nd by Ms. Crocco.

Ms. Cohen asked if we can get on the same schedule with the other districts? The big challenge is coordinating with all the districts. Ms. McCreven asked if Mr. Blake talk to the other chairs in the three towns about this and he agrees to speak to them. Mr. Stirling stated he prefers to see a contract that ends in 2019 so that they could all agree on the same endpoint and make it easier to agree to send this out to bid for due diligence, in spite of the fact that everyone likes the owner-operator system. We need to be able to prove this by sending it to bid so that we can prove we are getting the best deal. Mr. Blake thinks people are fine with this and that there is no need to amend the motion.

Vote unanimous

Motion carried

f. Discussion of monthly financial statements. No questions.

g. Director of Finance and Administration approved transfers under \$3,000 – No questions

h. Other

1. Superintendent's report on deposit policy for custodial credit risk.

Per Policy 3292.A Mr. Dumais is notifying the Board that we are consolidating accounts in one bank to save money.

2. Financial audit status report – Audit showed no issues identified, highly likely that we will get a 100% clean audit report for the 5th years in a row.

3. **Information on extension of electricity supply pricing.** Mr. Dumais has negotiated a rate of 0.00970 kilowatt hour as authorized by the Board in May 2014, starting on December 24, 2014 and locked in through December 2016. This is a small savings from previous.
4. **Information on Fitch ratings update.** Amity Regional School District #5 has been rated AA+

6. **Policy –** Policy meeting scheduled for October 30th.

7. **Personnel -** Negotiations with the teachers union are underway. Mr. Dumais is trying to find a date for the personnel committee to meet.

15. **Items for next agenda** - please forward to Mr. Dumais or to Mr. Blake.

A Curriculum Committee meeting will take place this week at 5:15 pm at District offices.

16. **Adjournment**

Motion to adjourn made at 9:00 pm by Ms. Cohen, 2nd by Mr. Hurley.

Vote unanimous

Motion carried

Respectfully submitted,

Ruth E. Natzel, Recording Clerk

Thomas Hurley, Secretary

To: Members of the Amity Board of Education

From: Seth Davis, Director of Adult and Continuing Education

Re: Report on Adult and Continuing Education Program

Date: November 4, 2014

Having only started in this position at the end of the 2013-2014 school year I have only a short time frame of reference with regards to its superlatives and areas of opportunity. There are a few areas that can be part of a strong base moving forward. Some of these include:

- A robust Drama Club program geared toward elementary and middle school students. This program has seen multiple years of success and provides a tremendous benefit to the community and the future of the Drama program at the high school.
- The band program offered a summer program as well this year to go along with drama program. This offering was in its inaugural year and I am hoping to see continued growth in this course.
- In order to reduce operational costs of credit courses over the summer, Keystone Online and The Virtual High School should be explored as alternatives.
- We continue to offer contracted programs that run at little cost to the program and still bring in revenue.

The number of people participating in the courses, although down from previous years, has started to level off. This may show an increasing interest in the courses that are being offered.

Participation				
FISCAL YEAR	SUMMER	FALL	SPRING	TOTAL
2010-2011	504	437	521	1462
2011-2012	569	398	462	1429
2012-2013	540	403	398	1341
2013-2014	288	178	293	759
2014-2015	292	208	TBD	TBD

Courses				
FISCAL YEAR	SUMMER	FALL	SPRING	TOTAL
2010-2011	100	73	87	260
2011-2012	67	67	79	213
2012-2013	93	68	60	221
2013-2014	58	36	47	141
2014-2015	42	33	TBD	TBD

The program continued to operate at a loss this fiscal year. This loss is substantially less than the previous year.

Net Profit (Loss)	
FISCAL YEAR	PROFIT (LOSS)
2008-2009	(6,711)
2009-2010	51,888
2010-2011	20,579
2011-2012	25,667
2012-2013	(26,316)
2013-2014	(3,320)

The 2014 summer school program ended with a balance of \$978.69, which was used to overcome the loss of running credit courses. With the implementation of Keystone and The Virtual High School as possible alternative avenues for our students to recover credit, those losses will no longer affect the bottom line of summer school. Students will still be able to make up course work that they were unable to complete during the regular school year.

In order to better service the needs of the community, a variety of course options are being investigated and considered. Some of these offerings may stray from the current traditional 3 or 6-week summer programs. In order to entice a larger number of students over the summer, courses may be offered in shorter time spans to allow a more diverse group of students the accessibility of taking classes without a large time commitment.

I plan to look for more areas that the summer and spring courses can be expanded to increase not only course enrollment but also course offerings.

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge, Connecticut 06525



Charles S. Dumais
Superintendent of Schools

charles.dumais@reg5.k12.ct.us
phone: 203.392.2106
fax: 203.397.4864

November 10, 2014

To: Members of the Board of Education
From: Charles Dumais, Superintendent of Schools
Re: Personnel Report

New Hire(s):

Amity Reg. District Offices – Woodbridge: NONE

Amity Reg. High School – Woodbridge:
Mary Abbott - Paraprofessional

Amity Reg. Middle School – Bethany: NONE

Amity Reg. Middle Schools – Orange: NONE

Coaches:

Amity Reg. High School – Woodbridge:
Nicholas Dottori – Asst. Varsity Girls' Basketball

Amity Reg. Middle Schools – Bethany / Orange: NONE

Leave(s) of Absence: None

Resignation(s):
Mia Malafronte – Paraprofessional – Amity Regional High School

Retirement(s): None

CSD/pfc

**AMITY REGIONAL HIGH SCHOOL DISTRICT NUMBER FIVE
DEFINED BENEFIT PLAN**

COMPOSITE INVESTMENT POLICY STATEMENT AND ASSET ALLOCATION

SEPTEMBER-OCTOBER 201406

DRAFT

INTRODUCTION & PURPOSE

The AMITY REGIONAL DIST. #5 Pension Plan for non-certified employees has been established to provide retirement benefits for current and former employees. The purpose of this Investment Policy Statement is to clearly articulate the Amity Board of Education's views on the Plan's investment objectives and risk tolerance. This Statement will also establish a target asset allocation and performance benchmark that will be used to monitor performance. This statement does not constitute a contract or a statement of mandatory requirements, but is instead an explanation of the general principles established for overseeing the Plan. The Amity Board of Education will determine the weighting to be given to each of these principles and may consider factors in addition to those described in these guidelines.

ASSIGNMENT OF RESPONSIBILITIES

Board of Education - The Amity Board of Education is charged with the responsibility for the management of the assets of the Plan. The Amity Board of Education shall discharge its duties solely in the interest of Plan participants, with the care, skill, prudence and diligence under the circumstances then prevailing.

Investment Manager(s) - Each Investment Manager will have full discretion to make all investments placed under its jurisdiction, while observing and operating within all policies, guidelines, and constraints as detailed in the attached Appendix, consisting of individual manager investment policy statements or mutual fund prospectuses, as applicable. Specific responsibilities of each Investment Manager include reporting, on a timely basis, quarterly investment performance results, and informing the Amity Board of Education regarding any qualitative change to investment management organization, i.e. changes in portfolio management personnel, ownership changes, investment philosophy, etc.

Investment Consultant - The Investment Consultant's role is that of a non-discretionary advisor to the Amity Board of Education and the Plan. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement, conducting manager searches, monitoring the performance of the Investment Managers, communicating matters of policy, manager research, and manager performance.

Custodian - The Custodian shall be responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plan, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan accounts.

INVESTMENT OBJECTIVES

The objectives of the Plan have been established after a comprehensive review of current and projected financial requirements, market returns, and risks and any special requirements of the AMITY REGIONAL DIST. #5 Pension Plan. The Amity Board of Education will address these objectives in periodic reviews of the Plan's performance.

The Plans have both absolute and relative investment objectives.

Absolute objectives:

- A long-term objective is to achieve growth in the principal value of assets while maintaining a level of stability and liquidity sufficient to ensure the timely payment of the plans' obligations.
- Achieve the target rate of return as defined by the actuarial rate of return, over a full market cycle, defined as approximately 5 to 7 years.

Relative Objectives

- Outperform the target asset mix, which is defined later in this document.
- Exceed the 50th percentile return of a universe comprised of funds or managers with similar objectives and/or styles over time.

Consistent with the diversification objectives of the portfolio, the Investment Policy is based on the assumption that the volatility of the portfolios will be similar to that of the target policy.

The investment goals above are the objectives of the aggregate Plan, and are not meant to be imposed on each investment manager. Each individual investment manager shall be subject to either a specific investment policy statement for separate account mandates, or the prospectus for mutual funds. These individual investment policy statements and/or prospectus are attached in the Appendix.

ASSET ALLOCATION

The asset allocation target ranges set forth below represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range. The target allocation may change should the Amity Board of Education, at its discretion, decide to change the mix of invested assets.

Target Asset Allocation Table				
Asset Class	Min. Weight	Target Weight	Max. Weight	Benchmark
<u>Fixed Income</u>	<u>20%</u>	<u>35%</u>	<u>50%</u>	<u>Barclays Aggregate Index</u>
<u>Domestic Equity (Broad)</u>	<u>5%</u>	<u>10%</u>	<u>15%</u>	<u>S&P 500</u>
<u>Domestic Equity (Large Value)</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>CRSP US LCV TR Index</u>
<u>Domestic Equity (Large Growth)</u>	<u>10%</u>	<u>15%</u>	<u>20%</u>	<u>CRSP US LCG TR Index</u>
<u>Domestic Equity (Mid Cap)</u>	<u>0%</u>	<u>5%</u>	<u>10%</u>	<u>CRSP US MC TR Index</u>
<u>Domestic Equity (Small Cap)</u>	<u>0%</u>	<u>5%</u>	<u>10.0%</u>	<u>CRSP US SM TR Index</u>
<u>Global Equity</u>	<u>5%</u>	<u>15%</u>	<u>25%</u>	<u>FTSE Global All Cap ex US Spliced Index</u>

The Plan's target policy benchmark shall be a weighted composite of market indices of the target allocation stated above.

Given the volatility of the capital markets, strategic adjustments in various asset classes may be required to rebalance asset allocation back to its target policy. Such adjustments should be executed so as to minimize excessive turnover and transaction costs. The Amity Board of Education will review actual asset allocation versus target asset allocation periodically to assess the need for portfolio rebalancing.

EVALUATION & REVIEW

The Amity Board of Education will review performance on a periodic basis. The goal is for each individual investment manager to outperform an appropriate benchmark index and be in the top 50% of their style specific peer group over a full market cycle. Performance review will not only include the examination of investment returns, but the risk assumed to achieve those returns. At its discretion, the Amity Board of Education may replace managers for performance or other reasons other than performance (e.g. change in management or philosophy) that, in its estimation, hinders the firms ability to meet its investment objectives.

ADOPTION

This Investment Policy Statement is made effective by the Amity Board of Education on September 11, 2006.

DRAFT

**AMITY REGIONAL SCHOOL DISTRICT NUMBER FIVE SICK & SEVERANCE
DEFINED BENEFIT PLAN**

COMPOSITE INVESTMENT POLICY STATEMENT AND ASSET ALLOCATION

OCTOBER/SEPTEMBER 2014/06

DRAFT

INTRODUCTION & PURPOSE

The AMITY REGIONAL SICK & SEVERANCE Account has been established to provide retirement benefits for current and former employees. The purpose of this Investment Policy Statement is to clearly articulate the Amity Board of Education's views on the Plan's investment objectives and risk tolerance. This Statement will also establish a target asset allocation and performance benchmark that will be used to monitor performance. This statement does not constitute a contract or a statement of mandatory requirements, but is instead an explanation of the general principles established for overseeing the Plan. The Amity Board of Education will determine the weighting to be given to each of these principles and may consider factors in addition to those described in these guidelines.

Comment [t1]: Is this correct?

ASSIGNMENT OF RESPONSIBILITIES

Board of Education - The Amity Board of Education is charged with the responsibility for the management of the assets of the Plan. The Amity Board of Education shall discharge its duties solely in the interest of Plan participants, with the care, skill, prudence and diligence under the circumstances then prevailing.

Investment Manager(s) - Each Investment Manager will have full discretion to make all investments placed under its jurisdiction, while observing and operating within all policies, guidelines, and constraints as detailed in the attached Appendix, consisting of individual manager investment policy statements or mutual fund prospectuses, as applicable. Specific responsibilities of each Investment Manager include reporting, on a timely basis, quarterly investment performance results, and informing the Amity Board of Education regarding any qualitative change to investment management organization, i.e. changes in portfolio management personnel, ownership changes, investment philosophy, etc.

Investment Consultant - The Investment Consultant's role is that of a non-discretionary advisor to the Amity Board of Education and the Plan. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement, conducting manager searches, monitoring the performance of the Investment Managers, communicating matters of policy, manager research, and manager performance.

Custodian - The Custodian shall be responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plan, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan accounts.

INVESTMENT OBJECTIVES

The objectives of the Plan have been established after a comprehensive review of current and projected financial requirements, market returns, and risks and any special requirements of the AMITY REGIONAL SICK & SEVERANCE Account. The Amity Board of Education will address these objectives in periodic reviews of the Plan's performance.

The Plans have both absolute and relative investment objectives.

Absolute objectives:

- A long-term objective is to achieve growth in the principal value of assets while maintaining a level of stability and liquidity sufficient to ensure the timely payment of the plans' obligations.
- Achieve the target rate of return as defined by the actuarial rate of return, over a full market cycle, defined as approximately 5 to 7 years.

Relative Objectives

- Outperform the target asset mix, which is defined later in this document.
- Exceed the 50th percentile return of a universe comprised of funds or managers with similar objectives and/or styles over time.

Consistent with the diversification objectives of the portfolio, the Investment Policy is based on the assumption that the volatility of the portfolios will be similar to that of the target policy.

The investment goals above are the objectives of the aggregate Plan, and are not meant to be imposed on each investment manager. Each individual investment manager shall be subject to either a specific investment policy statement for separate account mandates, or the prospectus for mutual funds. These individual investment policy statements and/or prospectus are attached in the Appendix.

ASSET ALLOCATION

The asset allocation target ranges set forth below represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range. The target allocation may change should the Amity Board of Education, at its discretion, decide to change the mix of invested assets.

Target Asset Allocation Table				
Asset Class	Min. Weight	Target Weight	Max. Weight	Benchmark
Inflation Protection Fixed Income	0%	5%	10%	Barclays US Treasury US TIPS Index
Short-Term Gov't Bond	10%	22.5%	30%	Barclays 1-3 Govt
Fixed Income	10%	22.5%	30%	Barclays Aggregate Index
Domestic Equity	30%	40%	60%	CRSP US Total Market TR Index
Global Equity	5%	10%	40%	FTSE Global All Cap ex US Spliced Index

The Plan's target policy benchmark shall be a weighted composite of market indices of the target allocation stated above.

Given the volatility of the capital markets, strategic adjustments in various asset classes may be required to rebalance asset allocation back to its target policy. Such adjustments should be executed so as to minimize excessive turnover and transaction costs. The Amity Board of Education will review actual asset allocation versus target asset allocation periodically to assess the need for portfolio rebalancing.

EVALUATION & REVIEW

The Amity Board of Education will review performance on a periodic basis. The goal is for each individual investment manager to outperform an appropriate benchmark index and be in the top 50% of their style specific peer group over a full market cycle. Performance review will not only include the examination of investment returns, but the risk assumed to achieve those returns. At its discretion, the Amity Board of Education may replace managers for performance or other reasons other than performance (e.g. change in management or philosophy) that, in its estimation, hinders the firms ability to meet its investment objectives.

ADOPTION

This Investment Policy Statement is made effective by the Amity Board of Education on September 11, 2006.

AMITY REGIONAL SCHOOL DISTRICT NUMBER FIVE ~~SICK & SEVERANCE~~ OPEB |

DEFINED BENEFIT PLAN

COMPOSITE INVESTMENT POLICY STATEMENT AND ASSET ALLOCATION

SEPTEMBER OCTOBER 201406 |

DRAFT

INTRODUCTION & PURPOSE

The AMITY REGIONAL SICK & SEVERANCE OPEB Account has been established to provide ~~retirement-post-retirement~~ benefits for ~~current and former~~ those individuals eligible to receive them employees. The purpose of this Investment Policy Statement is to clearly articulate the Amity Board of Education's views on the Plan's investment objectives and risk tolerance. This Statement will also establish a target asset allocation and performance benchmark that will be used to monitor performance. This statement does not constitute a contract or a statement of mandatory requirements, but is instead an explanation of the general principles established for overseeing the Plan. The Amity Board of Education will determine the weighting to be given to each of these principles and may consider factors in addition to those described in these guidelines.

ASSIGNMENT OF RESPONSIBILITIES

Board of Education - The Amity Board of Education is charged with the responsibility for the management of the assets of the Plan. The Amity Board of Education shall discharge its duties solely in the interest of Plan participants, with the care, skill, prudence and diligence under the circumstances then prevailing.

Investment Manager(s) - Each Investment Manager will have full discretion to make all investments placed under its jurisdiction, while observing and operating within all policies, guidelines, and constraints as detailed in the attached Appendix, consisting of individual manager investment policy statements or mutual fund prospectuses, as applicable. Specific responsibilities of each Investment Manager include reporting, on a timely basis, quarterly investment performance results, and informing the Amity Board of Education regarding any qualitative change to investment management organization, i.e. changes in portfolio management personnel, ownership changes, investment philosophy, etc.

Investment Consultant - The Investment Consultant's role is that of a non-discretionary advisor to the Amity Board of Education and the Plan. The Investment Consultant will assist in the development and periodic review of an Investment Policy Statement, conducting manager searches, monitoring the performance of the Investment Managers, communicating matters of policy, manager research, and manager performance.

Custodian - The Custodian shall be responsible for the safekeeping and custody of assets. The Custodian will physically (or through agreement with a sub-custodian) maintain possession of securities owned by the Plan, collect dividends and interest payments, redeem maturing securities, and effect receipt and delivery following purchases and sales. The Custodian may also perform regular accounting of all assets owned, purchased, or sold, as well as movement of assets into and out of the Plan accounts.

INVESTMENT OBJECTIVES

The objectives of the Plan have been established after a comprehensive review of current and projected financial requirements, market returns, and risks and any special requirements of the AMITY REGIONAL SICK & SEVERANCE OPEB Account. The Amity Board of Education will address these objectives in periodic reviews of the Plan's performance.

The Plans have both absolute and relative investment objectives.

Absolute objectives:

- A long-term objective is to achieve growth in the principal value of assets while maintaining a level of stability and liquidity sufficient to ensure the timely payment of the plans' obligations.
- Achieve the target rate of return as defined by the actuarial rate of return, over a full market cycle, defined as approximately 5 to 7 years.

Relative Objectives

- Outperform the target asset mix, which is defined later in this document.
- Exceed the 50th percentile return of a universe comprised of funds or managers with similar objectives and/or styles over time.

Consistent with the diversification objectives of the portfolio, the Investment Policy is based on the assumption that the volatility of the portfolios will be similar to that of the target policy.

The investment goals above are the objectives of the aggregate Plan, and are not meant to be imposed on each investment manager. Each individual investment manager shall be subject to either a specific investment policy statement for separate account mandates, or the prospectus for mutual funds. These individual investment policy statements and/or prospectus are attached in the Appendix.

ASSET ALLOCATION

The asset allocation target ranges set forth below represent a long-term view. Short-term market volatility may cause the asset mix to fall outside the targeted range. The target allocation may change should the Amity Board of Education, at its discretion, decide to change the mix of invested assets.

Target Asset Allocation Table				
Asset Class	Min. Weight	Target Weight	Max. Weight	Benchmark
Fixed Income	10%	20%	30%	Barclays Aggregate Index
Inflation Protection Fixed Income	10%	20%	30%	Barclays US Treasury US TIPS Index
Domestic Equity Large	30%	30%	60%	S&P 500
Domestic Equity Small	0%	10%	20%	CRSP US Small Cap TR Index
Global Equity	5%	20%	40%	FTSE Global All Cap ex US Spliced Index

The Plan's target policy benchmark shall be a weighted composite of market indices of the target allocation stated above.

Given the volatility of the capital markets, strategic adjustments in various asset classes may be required to rebalance asset allocation back to its target policy. Such adjustments should be executed so as to minimize excessive turnover and transaction costs. The Amity Board of Education will review actual asset allocation versus target asset allocation periodically to assess the need for portfolio rebalancing.

EVALUATION & REVIEW

The Amity Board of Education will review performance on a periodic basis. The goal is for each individual investment manager to outperform an appropriate benchmark index and be in the top 50% of their style specific peer group over a full market cycle. Performance review will not only include the examination of investment returns, but the risk assumed to achieve those returns. At its discretion, the Amity Board of Education may replace managers for performance or other reasons other than performance (e.g. change in management or philosophy) that, in its estimation, hinders the firms ability to meet its investment objectives.

ADOPTION

This Investment Policy Statement is made effective by the Amity Board of Education on September 11, 2006.

SUPERINTENDENT'S REPORT ON COST SAVINGS & EFFICIENCIES

The Amity Board of Education's goal to 'Continuously Improve Operations to Ensure Greatest Efficiency and Effectiveness' has as one of its objectives to 'Foster a district culture in which all staff are maximizing cost savings and efficiencies'.

Our primary mission is to provide the instruction, tools, and environment to enable every student in our charge to become a life-long learner and a literate, caring, creative, and effective world citizen. We want to provide the necessary resources to maintain the high quality of education to students, while keeping the impact to taxes as low as possible. In this regard, we constantly seek to find and implement cost savings and efficiencies.

The primary positive benefits derived from cost savings and efficiencies are, as follows:

- ❖ **Reallocate found funds to higher priority needs** – If we can do things more efficiently and less costly, we can free up funds to help move the district forward. It is difficult to accurately predict what will happen in 6 to 18 months. When we prepare a budget, it is almost six months before the school year begins. We always spend the taxpayers' money prudently. We do not spend funds just because it has been budgeted.
- ❖ **Reduce the requested level of funding (i.e., lower budget increases)** – This fiscal year's budget increase is 3.53 percent. The prior five-year average was 1.24 percent, which was not sustainable. As we move forward, next fiscal year's budget will be impacted by teacher salary negotiations, medical and dental insurance, special education transportation and tuition, texts and digital resources, technology and facilities. These anticipated budget drivers can be partially offset by cost savings.
- ❖ **Reassure the taxpayers that we are using their money wisely** – Our prudent financial management has kept budget increases as low as possible; provided yearend surpluses, which have been returned to the member towns or used for high-priority needs; and our sound financial operations, transparent fiscal reporting, and prudent spending have played a key role in nine consecutive years of the budget passing on the first try.

The District administration has done an excellent job in identifying ways to be more efficient. We fully expect to continue our efforts. The Board goal is to get all staff involved so it becomes part of Amity's culture.

SUPERINTENDENT'S REPORT ON COST SAVINGS & EFFICIENCIES

We will recognize individual efforts to implement cost savings and efficiencies. This will be accomplished by a number of methods:

- ❖ **Monthly Financial Reports** – The Director of Finance and Administration will continue to include a list of the cost savings and efficiencies implemented during the fiscal year. These reports are distributed to the Amity Finance Committee and Amity Board of Education, and thereby, become a part of the public record.
- ❖ **2015-2016 Budget** – Administrators will need to describe any cost savings and efficiencies they plan to implement next fiscal year. We have always made this a part of the budget process. This is a way of formalizing our approach.
- ❖ **Budget Presentations** – The Superintendent's Proposed 2015-2016 Budget will include a section on cost savings and efficiencies. We want our stakeholders to know what we have done and plan to do to use our limited resources in the most efficient manner.
- ❖ **Superintendent's Recognition** – Periodically, the Superintendent will highlight the cost savings and efficiency recommendations of staff. This will be done in a variety of ways, such as periodic newsletters, press releases, Amity website, e-mails, and other forms of communication. In addition, the Superintendent will take staff with the best ideas to lunch and express his appreciation.
- ❖ **District-Wide Committee** – We will form a committee, led by the Director of Finance and Administration. The purpose of the committee will be:
 - **Develop a formal process for staff to suggest ways to save money and improve operations.**
 - **Discuss strategies to 'Foster a district culture in which all staff are maximizing cost savings and efficiencies'.**
 - **Report the committee's recommendations to the Superintendent of Schools.**

**AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2014-2015**

LINE	CATEGORY	COLUMN 1 2013-2014 UNAUDITED	COLUMN 2 2014-2015 BUDGET	COLUMN 3 SEP '14 FORECAST	COLUMN 4 CHANGE INCR./ (DECR.)	COLUMN 5 OCT '14 FORECAST	COLUMN 6 VARIANCE OVER/ (UNDER)	COL 7 FAV UNF
1	MEMBER TOWN ALLOCATIONS	43,260,053	44,208,682	44,208,682	0	44,208,682	0	FAV
2	OTHER REVENUE	286,607	212,494	226,891	(12,488)	214,403	1,909	FAV
3	OTHER STATE GRANTS	994,358	1,314,505	1,145,514	0	1,145,514	(168,991)	UNF
4	MISCELLANEOUS INCOME	34,193	305,690	309,417	0	309,417	3,727	FAV
5	BUILDING RENOVATION GRANTS	67,773	6,491	6,491	0	6,491	0	FAV
6	TOTAL REVENUES	44,642,984	46,047,862	45,896,995	(12,488)	45,884,507	(163,355)	UNF
7	SALARIES	23,159,109	24,131,979	24,015,610	(9,432)	24,006,178	(125,801)	FAV
8	BENEFITS	5,806,748	5,689,365	5,694,045	(254)	5,693,791	4,426	UNF
9	PURCHASED SERVICES	6,443,930	7,875,010	7,517,300	42,206	7,559,506	(315,504)	FAV
10	DEBT SERVICE	5,045,080	4,800,163	4,800,163	0	4,800,163	0	FAV
11	SUPPLIES (INCLUDING UTILITIES)	2,956,625	3,025,144	3,026,870	19,307	3,046,177	21,033	UNF
12	EQUIPMENT	355,459	227,715	227,715	0	227,715	0	FAV
13	IMPROVEMENTS / CONTINGENCY	124,214	150,000	155,100	(10,200)	144,900	(5,100)	FAV
14	DUES AND FEES	118,303	148,486	148,486	0	148,486	0	FAV
15	TRANSFER ACCOUNT	367,516	0	211,502	0	211,502	211,502	UNF
16	ESTIMATED UNSPENT BUDGETS	0	0	0	0	0	0	FAV
17	TOTAL EXPENDITURES	44,376,984	46,047,862	45,796,791	41,627	45,838,418	(209,444)	FAV
18	SUBTOTAL	266,000	0	100,204	(54,115)	46,089	46,089	FAV
19	PLUS: CANCELLATION OF PRIOR YEAR'S ENCUMBRANCES	62,660	0	0	0	0	0	FAV
20	PLUS: RECORDING OF ERRP FROM PRIOR YEAR	0	0	0	0	0	0	FAV
21	PLUS: RECORDING OF BOND PREMIUM PROCEEDS	0	0	0	0	0	0	FAV
22	PLUS: AUDIT ADJUSTMENT FROM PRIOR YEAR	0	0	0	0	0	0	FAV
23	DESIGNATED FOR SUBSEQUENT YEAR'S BUDGET:							
24	LESS: ASSIGNED TO NEXT YEAR'S BUDGET	(266,000)	0	0	0	0	0	FAV
26	NET BALANCE / (DEFICIT)	62,660	0	100,204	(54,115)	46,089	46,089	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 2014-2015**

LINE	CATEGORY	COLUMN 1 2013-2014 UNAUDITED	COLUMN 2 2014-2015 BUDGET	COLUMN 3 SEP '14 FORECAST	COLUMN 4 CHANGE INCR./ (DECR.)	COLUMN 5 OCT '14 FORECAST	COLUMN 6 VARIANCE OVER/ (UNDER)	COL 7 FAV UNF
1	BETHANY ALLOCATION	8,670,180	9,204,690	9,204,690	0	9,204,690	0	FAV
2	ORANGE ALLOCATION	21,602,772	21,758,187	21,758,187	0	21,758,187	0	FAV
3	WOODBRIIDGE ALLOCATION	12,987,101	13,245,805	13,245,805	0	13,245,805	0	FAV
4	MEMBER TOWN ALLOCATIONS	43,260,053	44,208,682	44,208,682	0	44,208,682	0	FAV
5	ADULT EDUCATION	3,286	2,936	2,936	469	3,405	469	FAV
6	PARKING INCOME	32,106	30,000	30,000	0	30,000	0	FAV
7	INVESTMENT INCOME	1,425	1,500	1,500	0	1,500	0	FAV
8	ATHLETICS	34,567	32,500	32,500	0	32,500	0	FAV
9	TUITION REVENUE	124,814	72,985	87,382	(12,957)	74,425	1,440	FAV
10	TRANSPORTATION INCOME	90,409	72,573	72,573	0	72,573	0	FAV
11	TRANSPORTATION BOWA AGREEMENT	0	0	0	0	0	0	FAV
12	OTHER REVENUE	286,607	212,494	226,891	(12,488)	214,403	1,909	FAV
13	BESB GRANT	0	0	500	(500)	0	0	FAV
14	SPECIAL EDUCATION GRANTS	994,358	1,314,505	1,145,014	500	1,145,514	(168,991)	UNF
15	OTHER STATE GRANTS	994,358	1,314,505	1,145,514	0	1,145,514	(168,991)	UNF
16	RENTAL INCOME	24,734	21,000	21,000	0	21,000	0	FAV
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	0	266,000	266,000	0	266,000	0	FAV
20	EARLY RETREEE REINSURANCE PROGRAM	0	0	0	0	0	0	FAV
21	OTHER REVENUE	9,459	18,690	22,417	0	22,417	3,727	FAV
22	TRANSFER IN	0	0	0	0	0	0	FAV
23	MISCELLANEOUS INCOME	34,193	305,690	309,417	0	309,417	3,727	FAV
24	BUILDING RENOVATION GRANTS	67,773	6,491	6,491	0	6,491	0	FAV
25	TOTAL REVENUES	44,642,984	46,047,862	45,896,995	(12,488)	45,884,507	(163,355)	UNF

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 2014-2015**

LINE	CATEGORY	COLUMN 1 2013-2014 UNAUDITED	COLUMN 2 2014-2015 BUDGET	COLUMN 3 SEP '14 FORECAST	COLUMN 4 CHANGE INCR./ (DECR.)	COLUMN 5 OCT '14 FORECAST	COLUMN 6 VARIANCE OVER/ (UNDER)	COLUMN 7 FAV UNF
1	5111-CERTIFIED SALARIES	19,385,007	20,158,622	20,057,963	(6,892)	20,051,071	(107,551)	FAV
2	5112-CLASSIFIED SALARIES	3,774,102	3,973,357	3,957,647	(2,540)	3,955,107	(18,250)	FAV
3	SALARIES	23,159,109	24,131,979	24,015,610	(9,432)	24,006,178	(125,801)	FAV
4	5200-MEDICARE - ER	307,410	318,524	318,779	(125)	318,654	130	UNF
5	5210-FICA - ER	238,123	241,309	246,930	(97)	246,833	5,524	UNF
6	5220-WORKERS' COMPENSATION	186,323	206,933	206,933	0	206,933	0	FAV
7	5255-MEDICAL & DENTAL INSURANCE	4,100,644	3,994,853	3,994,853	0	3,994,853	0	FAV
8	5860-OPEB TRUST	55,265	0	0	0	0	0	FAV
9	5260-LIFE INSURANCE	42,895	46,104	45,519	(32)	45,487	(617)	FAV
10	5275-DISABILITY INSURANCE	9,733	10,219	9,608	0	9,608	(611)	FAV
11	5280-PENSION PLAN - CLASSIFIED	707,554	738,934	738,934	0	738,934	0	FAV
12	5282-RETIREMENT SICK LEAVE - CERT	61,142	50,588	50,588	0	50,588	0	FAV
13	5283-RETIREMENT SICK LEAVE - CLASS	18,557	2,817	2,817	0	2,817	0	FAV
14	5284-SEVERANCE PAY - CERTIFIED	70,488	69,084	69,084	0	69,084	0	FAV
15	5290-UNEMPLOYMENT COMPENSATION	8,614	10,000	10,000	0	10,000	0	FAV
16	BENEFITS	5,806,748	5,689,365	5,694,045	(254)	5,693,791	4,426	UNF
17	5322-INSTRUCTIONAL PROG IMPROVEMENT	15,224	21,500	21,500	0	21,500	0	FAV
18	5327-DATA PROCESSING	69,780	67,892	67,892	0	67,892	0	FAV
19	5330-OTHER PROFESSIONAL & TECHNICAL SRVC	950,696	1,096,440	1,096,440	0	1,096,440	0	FAV
20	5440-RENTALS - LAND, BLDG, EQUIPMENT	62,930	103,127	103,127	0	103,127	0	FAV
21	5510-PUPIL TRANSPORTATION	2,238,531	2,708,889	2,582,024	31,006	2,613,030	(95,859)	FAV
22	5521-GENERAL LIABILITY INSURANCE	176,152	191,120	196,220	0	196,220	5,100	UNF
23	5550-COMMUNICATIONS: TEL, POST, ETC.	63,779	103,750	103,750	0	103,750	0	FAV
24	5560-TUITION EXPENSE	2,797,795	3,482,515	3,246,570	11,200	3,257,770	(224,745)	FAV
25	5590-OTHER PURCHASED SERVICES	69,043	99,777	99,777	0	99,777	0	FAV
26	PURCHASED SERVICES	6,443,930	7,875,010	7,517,300	42,206	7,559,506	(315,504)	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 2014-2015**

LINE	CATEGORY	COLUMN 1		COLUMN 2		COLUMN 3		COLUMN 4		COLUMN 5		COLUMN 6		COL 7
		2013-2014	UNAUDITED	2014-2015	BUDGET	SEP '14	FORECAST	CHANGE	INCR./(DECR.)	OCT '14	FORECAST	VARIANCE	OVER/(UNDER)	
27	5830-INTEREST	1,603,406		1,515,163	1,515,163	1,515,163		0		1,515,163		0		FAV
28	5910-REDEMPTION OF PRINCIPAL	3,441,674		3,285,000	3,285,000	3,285,000		0		3,285,000		0		FAV
29	DEBT SERVICE	5,045,080		4,800,163	4,800,163	4,800,163		0		4,800,163		0		FAV
30	5410-UTILITIES, EXCLUDING HEAT	699,878		845,900	845,900	847,626		19,307		866,933		21,033		UNF
31	5420-REPAIRS, MAINTENANCE & CLEANING	707,616		689,279	689,279	689,279		0		689,279		0		FAV
32	5611-INSTRUCTIONAL SUPPLIES	352,763		408,800	408,800	408,800		0		408,800		0		FAV
33	5613-MAINTENANCE/CUSTODIAL SUPPLIES	191,154		195,555	195,555	195,555		0		195,555		0		FAV
34	5620-OIL USED FOR HEATING	142,741		110,430	110,430	110,430		0		110,430		0		FAV
35	5621-NATURAL GAS	99,670		95,000	95,000	95,000		0		95,000		0		FAV
36	5627-TRANSPORTATION SUPPLIES	175,474		186,836	186,836	186,836		0		186,836		0		FAV
37	5641-TEXTS & DIGITAL RESOURCES	93,517		15,551	15,551	15,551		0		15,551		0		FAV
38	5642-LIBRARY BOOKS & PERIODICALS	20,790		23,082	23,082	23,082		0		23,082		0		FAV
39	5690-OTHER SUPPLIES	473,022		454,711	454,711	454,711		0		454,711		0		FAV
40	SUPPLIES (INCLUDING UTILITIES)	2,956,625		3,025,144	3,025,144	3,026,870		19,307		3,046,177		21,033		UNF
41	5730-EQUIPMENT - NEW	129,597		28,830	28,830	28,830		0		28,830		0		FAV
42	5731-EQUIPMENT - REPLACEMENT	225,862		198,885	198,885	198,885		0		198,885		0		FAV
43	EQUIPMENT	355,459		227,715	227,715	227,715		0		227,715		0		FAV
44	5715-IMPROVEMENTS TO BUILDING	45,324		0	0	0		0		0		0		FAV
45	5720-IMPROVEMENTS TO SITES	78,890		0	0	0		0		0		0		FAV
46	5850-CONTINGENCY	150,000		150,000	150,000	150,000		0		150,000		0		FAV
47	TRSF. FROM CONTINGENCY TO OTHER ACCTS.	(150,000)		0	0	5,100		(10,200)		(5,100)		(5,100)		FAV
48	IMPROVEMENTS / CONTINGENCY	124,214		150,000	150,000	155,100		(10,200)		144,900		(5,100)		FAV
49	5580-STAFF TRAVEL	24,889		21,068	21,068	21,068		0		21,068		0		FAV
50	5581-TRAVEL - CONFERENCES	20,220		27,389	27,389	27,389		0		27,389		0		FAV
51	5810-DUES & FEES	73,194		100,029	100,029	100,029		0		100,029		0		FAV
52	DUES AND FEES	118,303		148,486	148,486	148,486		0		148,486		0		FAV
53	5856-TRANSFER ACCOUNT	367,516		0	0	211,502		0		211,502		211,502		UNF
54	ESTIMATED UNSPENT BUDGETS	0		0	0	0		0		0		0		FAV
55	TOTAL EXPENDITURES	44,376,984		46,047,862	46,047,862	45,796,791		41,627		45,838,418		(209,444)		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 2014-2015**



OCTOBER 2014

RECAP OF 2013-2014

Return to Member Towns:

The cancellation of 2012-2013 encumbrances of \$62,660.07 will be returned to the Member Towns in January 2015 or thereabouts, subject to the review of the District's auditors. We encumber funds for goods and services received by June 30th but not yet billed. In some cases, the estimated amount encumbered varies from the actual invoice (e.g., utility bill; water bill) and we do not need to spend the entire encumbrance. The primary reason for the unspent funds was special education expenditures of \$42,860, which were not spent.

Bethany	\$12,558.33
Orange	\$31,290.56
Woodbridge	<u>\$18,811.18</u>
Total	\$62,660.07

The major components of the unaudited 2013-2014 yearend available funds were, as follows:

- Special education grants revenue of **\$117,761 favorable variance** – This is due to higher special education transportation and tuition expenditures and a higher State reimbursement rate than budgeted (79.6 percent compared to 75 percent).
- Salaries of **\$356,929 favorable variance** – “Turnover savings” from replacing teachers who retired or resigned with teachers at a lower salary, were greater than expected. We also realized savings from unpaid leaves-of-absence and workers’ compensation, lower than projected coverage costs, and the transition to a permanent Superintendent of Schools. None of these could have been reasonably anticipated at the time the budget was prepared.
- Special education transportation and tuition of **\$350,050 favorable variance** – This is one of the most difficult areas to predict.

The Amity Board of Education voted to spend these funds on several needed items:

- \$30,012 – Fixed Asset Accounting Module: The District purchased a fixed asset accounting program (FAMP) in 2007. The program worked on a 32bit operating system. It does not work on our 64bit systems.
- \$85,793 – Amity Regional High School Cooling Tower Refurbishment: During the spring startup preventive maintenance inspection, several parts that normally deteriorate over time were noticed to be of concern. It was important to fix the problem before it became a more costly project.
- \$57,950 – Engineering Study for Fuel Cell Waste Heat Use at Amity Regional High School: The District has an opportunity to use the waste heat generated by the fuel cell to potentially heat and cool the building at much cheaper rates than we are currently paying.
- \$586,655 – Self-Insurance Reserve Fund: The District is self-insured and must pay claims for current employees and retirees. The fund balance on June 30, 2014, was approximately \$231,000, or a reserve to claims ratio of 5.5 percent. This balance was projected to be about \$114,000 on June 30, 2015, or a reserve to claims ratio of 2.6 percent. It was imperative to bring the reserve balance to the minimum ratio of 20 percent (target is 25 percent). This is the third year of self-funding our medical and dental insurance. It takes time to build-up the reserve balance.

2014-2015 BUDGET VARIANCES

We have had budget surpluses for the past eight years. This has led to the obvious question of whether or not the budgets have been too high. The primary reasons for the positive variances have been 1) implementing many large and small cost savings and efficiencies; 2) utilizing our resources in a prudent manner; 3) refraining from spending funds when it was not necessary; 4) taking advantage of opportunities (e.g., refinancing debt at lower interest rates); and 5) uncontrollable or unpredictable events (e.g., higher State grants than expected).

It may be beneficial to take a look at budget variances from the perspective of what caused the actual expense to be over or under budget. We can use this information to improve our budgeting.

CATEGORY	VARIANCE \$	EXPLANATION
Salaries 'Turnover'	<i>(\$99,002) FAV</i>	We found out about 14 retirements and resignations <u>after</u> the budget was adopted. The budget assumed 5 retirements and resignations in all. There were 19 retirements and resignations. Three vacant positions are in the process of being replaced. The critical hiring time is always after the budget is adopted.
Special Education Transportation	<i>(\$95,859)</i> This favorable variance is partially offset by a reduction in Special Education Grants (Excess Costs)	<ul style="list-style-type: none">• Transportation costs are budgeted based on where we think certain students will be placed. A change in placement can affect the related transportation costs. For example, three students will attend the same out-of-district school, while the budget assumed each would be at a different school.• We were able to share transportation costs with an Elementary School District.• Three parents elected to provide transportation for their child. We reimburse the parent at the current IRS mileage rate instead of hiring a more expensive van which had been budgeted.• We budgeted for an Orange and Woodbridge bus for one of our out-of-district schools. We were able to put the students on one bus.• A smaller enrollment in summer school resulted in lower transportation costs.

2014-2015 BUDGET VARIANCES
(Continued)

<i>CATEGORY</i>	<i>VARIANCE \$</i>	<i>EXPLANATION</i>
Tuition Expense	(\$224,745) FAV This favorable variance is partially offset by a reduction in Special Education Grants (Excess Costs)	<ul style="list-style-type: none"> • Two previously outplaced students returned to the District this school year. • Changes in placements resulted in savings. • We budgeted for a 3 to 5 percent tuition increase. Two schools had no increase in their tuition. • One high cost school only increased 1 percent. We budgeted for a 3 percent increase. • The Step Forward Program at Gateway has 2 students attending. We budgeted for 4 students attending. • Our enrollment in Vo-Ag schools is down by more than one-half.

2014-2015 FORECAST

The projected net balance of revenues and expenditures for this fiscal year is **\$46,089 FAV** (previously \$100,204 FAV), which appears on page 1, column 6, line 18.

The forecast includes \$211,502 in the Transfer Account on page 4, column 5, line 53, assumes sufficient available yearend funds will exist, and the Amity Finance Committee and Amity Board of Education will agree to:

- *Designate \$100,000 UNF for unanticipated major facilities projects and put these funds into the Reserve Fund for Capital and Nonrecurring Expenditures to be used as needed; and*
- *Allocate \$111,502 UNF into the OPEB Trust Fund. The OPEB Trust Fund was underfunded by \$111,502 in 2013-2014.*

It should be noted that the Amity Finance Committee and Amity Board of Education have NOT taken any action on the abovementioned POTENTIAL budget transfers.

REVENUES BY CATEGORY

The projected yearend balance of revenues is **\$163,355 UNF** (previously \$150,867 UNF), which appears on page 2, column 6, line 25.

LINE 7 on Page 2: INVESTMENT INCOME:

The budget is based on the expectation interest rates will remain low.

<u>Month</u>	<u>Peoples United</u>	<u>State Treasurer's Investment Fund</u>
June 2014	0.25 %	0.16 %
July 2014	0.25 %	0.16%
August 2014	0.25 %	0.14%
September 2014	0.23 %	0.14%
<i>October 2014</i>	<i>0.25 %</i>	<i>0.15%</i>

LINE 9 on Page 2: TUITION REVENUE:

The tuition rate for 2014-2015 school year is \$14,397.00 for a non-resident student. There are 7 non-resident students registered in the District (including one at an employee rate). Six non-resident students (5 full pay and one employee rate) were budgeted. *A tuition student left in October 2014, which lowered the tuition revenue projection.*

LINE 13 on Page 2: BESB GRANT:

The forecast is based on preliminary information from the State. *The prior forecast erroneously showed this as the BESB Grant. It is the Health and Welfare grant, which is reported in Special Education Grants.*

LINE 14 on Page 2: SPECIAL EDUCATION GRANTS:

The State reimbursement rate for 2014-2015 is expected to be 79.6 percent compared to the budgeted reimbursement rate of 81.00 percent. The estimated decrease in revenues is **\$20,138 UNF**. In addition, the forecast of special education expenditures are lower than budget. The forecast is based on an estimate of expected grants based on projections of special education transportation and tuition and the State reimbursement rate. *The forecast includes the Health and Welfare grant of \$500 FAV.*

LINE 21 on Page 2: OTHER REVENUE:

Miscellaneous vendor rebates and refunds are put in this account.

EXPENDITURES BY CATEGORY

The projected yearend balance of expenditures is *\$209,444 FAV (previously \$251,071 FAV)*, which appears on page 4, column 6, line 55.

LINE 1 on Page 3: 5111-CERTIFIED SALARIES:

'Turnover savings' (i.e., replacing teachers who retired or resigned) are estimated at **\$99,002 FAV** over budget. We found out about 14 retirements and resignations after the budget was adopted. The budget assumed 5 retirements/resignations. There were 19 retirements and resignations in all. Two vacant positions are in the process of being replaced. This may change the 'turnover savings' variance.

The custodial overtime directly due to the Woodbridge Summer Program amounted to **\$16,830.83 UNF**, which was reimbursed by the Woodbridge Elementary School District. The check for **\$16,830.83 FAV** was netted against the salary expense. Thus, the net effect on the budget is zero.

The forecast is based on current staffing.

LINE 2 on Page 3: 5112-CLASSIFIED SALARIES:

The forecast is based on current staffing.

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

The forecast is based on current staffing.

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

Please refer to Appendix A for the detailed information regarding the Self-Insurance Reserve Fund and actual/projected claims and fees.

The forecast is based on actual claims to-date. It is assumed actual claims for the remainder of the fiscal year will be the same as budgeted.

	<u>Forecast</u>	<u>Budget</u>	<u>Variance</u>
Reserve Balance on June 30, 2015	<i>\$993,235</i>	<i>\$754,824</i>	<i>\$238,411 FAV</i>
Reserves as a Percent of Claims	<i>23.5%</i>	<i>17.2%</i>	<i>6.3% FAV</i>

LINE 8 on Page 3: 5860-OPEB TRUST:

The footnote in the Audited Financial Statements depicts the annual contribution, annual OPEB Cost, Percent Contributed, and Net OPEB Obligations (cumulative total). A historical chart is provided below:

**OPEB TRUST FUND
As Reported in Audited Financial Statements**

<u>Fiscal Year</u>	<u>Annual Contribution</u>	<u>Annual OPEB Cost</u>	<u>Percent Contributed</u>	<u>Net OPEB Obligations</u>
2007-2008	\$ 530,946	\$ 530,946	100.0%	\$ 0
2008-2009	\$ 546,294	\$ 546,294	100.0%	\$ 0
2009-2010	\$ 610,582	\$ 610,582	100.0%	\$ 0
2010-2011	\$ 373,757	\$ 591,798	63.2%	(\$ 218,041)
2011-2012	\$ 376,753	\$ 592,206	63.6%	(\$ 433,494)
2012-2013	\$ 413,627	\$ 594,786	69.5%	(\$ 614,653)
2013-2014	\$ 55,265	\$ 528,939 A	10.4%	(\$1,088,327)
2014-2015	\$ 0 B	\$ 541,802 A	0.0%	(\$1,630,129)

Note A: The 'Annual OPEB Cost' for FY 2014 and FY 2015 are based on the Actuarial Reports, which were provided earlier in the fiscal year and used for budget purposes. The auditors show the actual cost for the fiscal year in the audited financial statements footnotes.

Note B: The budget has \$0. If we have available funds through cost savings and efficiencies and other reasons, the Superintendent's priority choices includes the allocation of some of the available yearend funds into the OPEB Trust Fund.

Other Notes:

- The Amity Board of Education adopted a Resolution for the Adoption of the Trust Agreement for Payment of Other Post-Employment Benefits and the Accompanying Other Post-Employment Benefits Trust Agreement at its meeting on January 8, 2007.
- The District switched from fully-insured plan to a self-insured plan in 2011-2012.

The above chart is somewhat misleading. It shows the Actual Required Contribution as the Annual OPEB Cost. We had initially put these funds into the OPEB Trust and then transferred the 'implicit rate subsidy', as calculated in the Actuarial Report, and used these funds to pay actual claims of retirees. When we switched to a self-insured plan, the 'implicit rate subsidy' no longer applied. We could only use funds in the OPEB Trust if actual retiree claims exceeded actual retiree premiums paid, and only then, could we use the differential (i.e., claims less premiums paid).

In 2013-2014, we began putting the Expense Benefit Payments (EBP) directly into the Self-Insurance Reserve Fund and putting a portion of the estimated future retiree claims into the OPEB Trust Fund. We contributed to the OPEB Trust \$55,265 of the \$166,767 of the estimated future retiree claims, which amounted to underfunding by \$111,502. The 2014-2015 Budget is \$0. The OPEB Trust Fund will be underfunded (without any budget transfer) by \$199,411 in 2014-2015. If there are available yearend funds, some of this money could be used to fund the OPEB Trust.

LINE 9 on Page 3: 5260-LIFE INSURANCE:

This is based on the current staff.

LINE 10 on Page 3: 5275-DISABILITY INSURANCE:

This is based on the current staff.

LINE 21 on Page 3: 5510-PUPIL TRANSPORTATION:

Special Education Transportation is a projected variance of *\$95,859 FAV (previously \$126,865 FAV)*.

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

A budget transfer of \$5,100 UNF was approved from the Contingency Account to pay for medical malpractice insurance coverage for the District, Medical Advisor and Doctor who attends Amity home football games.

LINE 25 on Page 3: 5560-TUITION EXPENSE:

These figures are subject to change on a monthly basis.

Tuition has a projected variance of *\$224,745 FAV (previously \$235,945 FAV)*.

Tuition for the vo-ag schools has a projected variance of *\$93,201 FAV*.

	FY10-11 ACTUAL	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 BUDGET	FY14-15 FORECAST
Sound	7	6	8	7	7	5
Trumbull	4	3	2	2	3	2
Nonnewaug	5	3	2	2	5	1
ACES						
Wintergreen						
Magnet	0	0	2	1	0	0
Totals	16	12	14	12	15	8

ECA has a projected variance of *\$5,330 UNF*.

	FY10-11 ACTUAL	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 BUDGET	FY14-15 FORECAST
ECA	26	26	26	26	26	26

Public (ACES) and private out-of-district placements has a projected variance of \$136,874 FAV (previously \$148,074 FAV).

	FY10-11 ACTUAL	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 BUDGET	FY14-15 FORECAST
Public SPED	6	6	8	6	8	10(9)
Private SPED	21	24	21	25	26	24
Totals	27	30	29	31	34	34(33)

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

The 2014-2015 budget for electricity assumes the use of 3,940,349 kilowatt hours at an average price of \$0.17 per kilowatt hour, or a cost of \$669,859. *The District's supply rate is \$0.0899 per kilowatt hour through December 2014. The 2014-2015 budget was based on this rate for the entire fiscal year. We recently locked-in a new rate of \$0.0997 per kilowatt hour, which begins in January 2015. The higher average price for a kilowatt hour is \$0.1749. The higher price for the last six months of the fiscal year is estimated to be \$19,307 UNF over budget.* Loan payments will total \$123,290. The budget assumes a Load Shed credit of \$10,000. The actual kilowatt hours to-date is below budget; however, the forecast assumes the yearend usage will be the same as budgeted.

ELECTRICITY (KILOWATT HOURS)

MONTH	2014-2015 ACTUAL/FORECAST	2014-2015 BUDGET	VARIANCE (FAV)/UNF	2013-2014 ACTUAL	2012-2013 ACTUAL
July	321,976	362,728	(40,752)	353,041	367,417
August	331,999	362,096	(30,097)	355,228	363,974
September	349,784	359,196	(9,412)	369,190	344,252
October	307,391	307,391	-	310,925	299,620
November	293,817	293,817	-	294,532	289,052
December	301,828	301,828	-	295,361	304,135
January	327,249	327,249	-	322,535	327,453
February	315,198	315,198	-	323,318	302,733
March	308,146	308,146	-	306,728	305,316
April	322,408	322,408	-	300,730	339,642
May	336,781	336,781	-	324,543	344,377
June	343,511	343,511	-	329,909	352,378
Totals	3,860,088	3,940,349	(80,261)	3,886,040	3,940,349

Note: 2014-2015 Actual Kilowatt Hours shown in bold italics.

Sewer costs will be **\$1,726 UNF** over budget. The budget is \$26,000. We have been informed the quarterly payments will be \$6,931.50, or \$27,726.00 for the year.

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

The budget for snow removal and sanding is \$59,745. There has been no expenditures to-date. The forecast assumes the entire budget will be spent.

Below is a list of large repairs:

- Saturated chilled water piping insulation installed in the mid 1990's had become moldy in the Metal Shop at Amity Regional High School. Our installation vendor provided a quote of **\$5,800** to replace the insulation. The work was accomplished between September 29th and October 1st, 2014. This was an unbudgeted expense. We are not asking for a budget transfer to cover this cost.
- *During the quarterly preventive maintenance on our middle school chillers, we discovered that the shorting contacts are worn to the point where if not replaced they can jeopardize the integrity of the motor and compressor assemblies. If not replaced immediately, it could result in very expensive repairs. The preventive maintenance program is designed to find these types of small repairs and remedy them before much larger and expensive failures occur. The unbudgeted expense is \$5,635. We are not asking for a budget transfer to cover this cost.*

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 **\$144,900**.

September: **\$5,100** - Pay for medical malpractice insurance coverage for the District, Medical Advisor and Doctor who attends Amity home football games.

LINE 53 on Page 4: 5856-TRANSFER ACCOUNT:

The forecast *assumes* sufficient available yearend funds will exist, and the Amity Finance Committee and Amity Board of Education will agree to:

- Designate **\$100,000 UNF** for unanticipated major facilities projects and put these funds into the Reserve Fund for Capital and Nonrecurring Expenditures to be used as needed; and
- Allocate **\$111,502 UNF** into the OPEB Trust Fund. The OPEB Trust Fund was underfunded by \$111,502 in 2013-2014.

*It should be noted that the Amity Finance Committee and Amity Board of Education have **NOT** taken any action on the abovementioned **POTENTIAL** budget transfers.*

APPENDIX A

MEDICAL & DENTAL INSURANCE AND SELF-INSURANCE RESERVE FUND

Medical and Dental Insurance 2013-2014

DESCRIPTION	ACTUAL	BUDGET	VARIANCE \$
Claims – Cash Basis	\$4,188,975	\$3,836,992	\$351,983 UNF
Fees (Insurance, Network Access)	\$665,180	\$716,897	(\$51,717) FAV
Board Share of HDHP/VRIP	\$303,941	\$301,710	\$2,231 UNF
Subtotal	\$5,158,096	\$4,855,599	\$302,497 UNF
Employees & Retirees Premiums	(\$1,195,708)	(\$1,405,000)	\$209,292 UNF
Grant Payments	(\$50,195)	(\$49,079)	(\$1,116) FAV
Net Expenditures	\$3,912,193	\$3,401,520	\$510,673 UNF

Note: Claims are reported above on a cash basis. Claims incurred on or before June 30th but not paid until July 1st or later will be recorded as a liability on the financial statements.

Self-Insurance Reserve Fund Balance For Fiscal Year Ended June 30, 2014

DESCRIPTION	ACTUAL	BUDGET	VARIANCE \$
Balance, June 30, 2013	\$614,535	\$614,535	\$0 FAV
OPEB – VRIP Payouts	\$127,378 A	\$0	\$127,378 FAV
Net Expenditures Variance	(\$510,673) B	\$140,289	(\$650,962) UNF
Year End OPEB Transfer	\$111,502 C	\$0	\$111,502 FAV
Year End Available Surplus	\$586,655 D	\$0	\$586,655 FAV
Balance, June 30, 2014	\$929,397	\$754,824	\$174,573 FAV
Reserves as Percent of Claims	22.2%	19.7%	2.5% FAV

Notes:

A: Funds were transferred from the OPEB Trust Fund for Voluntary Retirement Incentive Program (VRIP) payouts. This was the final year of the program.

B: Claims were over budget by \$351,983 UNF primarily due to under budgeting expected claims by \$200,000 based on consultant's estimate rather than Anthem's projection. Premiums from current employees and retirees were lower than budgeted by \$209,292 UNF. Partially offsetting these, fees were under budget by \$51,717 FAV.

C: A portion of the OPEB Trust budget was transferred into the Self-Insurance Reserve Fund.

D: The remaining available 2013-2014 yearend balance was transferred into the Self-Insurance Reserve Fund.

CURRENT EMPLOYEES' & RETIREES' CLAIMS

MONTH	2014-2015 ACTUAL/FORECAST	2014-2015 BUDGET	VARIANCE (FAV)/UNF	2013-2014 ACTUAL	2012-2013 ACTUAL
July	\$ 311,067	\$ 365,657	\$ (54,590)	\$ 430,267	\$ 157,090
August	\$ 336,053	\$ 365,657	\$ (29,604)	\$ 381,584	\$ 277,965
September	\$ 282,989	\$ 365,657	\$ (82,668)	\$ 306,379	\$ 184,534
October	\$ 368,169	\$ 365,657	\$ 2,512	\$ 312,668	\$ 228,344
November	\$ 365,657	\$ 365,657	\$ -	\$ 327,966	\$ 282,319
December	\$ 365,657	\$ 365,657	\$ -	\$ 416,061	\$ 316,551
January	\$ 365,657	\$ 365,657	\$ -	\$ 402,402	\$ 317,314
February	\$ 365,657	\$ 365,657	\$ -	\$ 238,891	\$ 241,012
March	\$ 365,657	\$ 365,657	\$ -	\$ 368,088	\$ 251,862
April	\$ 365,657	\$ 365,657	\$ -	\$ 374,121	\$ 314,479
May	\$ 365,657	\$ 365,657	\$ -	\$ 314,836	\$ 309,373
June	\$ 365,658	\$ 365,658	\$ -	\$ 315,712	\$ 425,303
Totals	\$ 4,223,535	\$ 4,387,885	\$ (164,350)	\$ 4,188,975	\$ 3,306,146

Note: 2014-2015 Actual Claims shown in bold italics.

FEES (STOP-LOSS PREMIUMS, NETWORK ACCESS FEES)

MONTH	2014-2015 ACTUAL/FORECAST	2014-2015 BUDGET	VARIANCE (FAV)/UNF	2013-2014 ACTUAL	2012-2013 ACTUAL
July	\$ 85,723	\$ 110,000	\$ (24,277)	\$ 104,334	\$ 63,398
August	\$ 88,370	\$ 100,000	\$ (11,630)	\$ 89,545	\$ 70,842
September	\$ 96,853	\$ 100,000	\$ (3,147)	\$ 94,550	\$ 62,972
October	\$ 97,604	\$ 75,000	\$ 22,604	\$ 59,835	\$ 68,252
November	\$ 50,000	\$ 50,000	\$ -	\$ 40,563	\$ 75,925
December	\$ 50,000	\$ 50,000	\$ -	\$ 40,321	\$ 76,201
January	\$ 50,000	\$ 50,000	\$ -	\$ 44,201	\$ 83,428
February	\$ 50,000	\$ 50,000	\$ -	\$ 43,730	\$ 59,882
March	\$ 50,000	\$ 50,000	\$ -	\$ 33,847	\$ 38,761
April	\$ 50,000	\$ 50,000	\$ -	\$ 30,543	\$ 38,478
May	\$ 50,000	\$ 50,000	\$ -	\$ 41,930	\$ 38,389
June	\$ 51,343	\$ 51,343	\$ -	\$ 41,781	\$ 38,159
Totals	\$ 769,893	\$ 786,343	\$ (16,450)	\$ 665,180	\$ 714,687

Note: 2014-2015 Actual Fees shown in bold italics.

**Self-Insurance Reserve Fund Balance
For Fiscal Year Ended June 30, 2015**

DESCRIPTION	FORECAST	BUDGET	VARIANCE \$
Balance, June 30, 2014	\$929,397	\$754,824	\$174,573 FAV
Claims Variance	\$164,350 A	\$0	\$164,350 FAV
Fees Variance	\$16,450 B	\$0	\$16,450 FAV
Premiums & Other Variances	(\$116,962) C	\$0	(\$116,962) UNF
OPEB Transfer	\$0 D	\$0	\$0 FAV
Year End Available Surplus	\$0 E	\$0	\$0 FAV
Balance, June 30, 2015	\$993,235	\$754,824	\$238,411 FAV
Reserves as Percent of Claims	23.5%	17.2%	6.3% FAV

Notes:

A: The claims variance is the actual year-to-date claims compared to budgeted year-to-date claims. The forecast assumes the actual claims for the remaining months in the fiscal year will be the same as budget.

B: The fees variance is the actual year-to-date fees compared to budgeted year-to-date fees. The forecast assumes the actual fees for the remaining months in the fiscal year will be the same as budget.

C: Premiums from current employees and retirees were \$116,962 under budget in 2013-2014. The 2014-2015 Budget was based on the higher projection of premiums. The forecast assumes the same variance in 2014-2015.

D: If actual retiree claims exceed actual retiree premiums, the difference may be funded by using money in the OPEB Trust Fund. If actual retiree claims are lower than actual retiree premiums, none of the money in the OPEB Trust Fund may be used to pay retiree claims. This was the reason for putting \$111,502 of the funds budgeted for the OPEB Trust in the Self-Insurance Reserve Fund in fiscal year 2013-2014.

E: The optimum target reserves as a percent of claims ratio is 25 percent. The minimum target reserves as a percent of claims is 20 percent. The Superintendent will consider allocating all or some of the available 2014-2015 yearend funds into the Self-Insurance Reserve Fund if the reserve as a percent of claims ratio is lower than desired.

APPENDIX B

2014-2015 COST SAVINGS AND EFFICIENCIES

We continue to look for, and implement, cost savings and efficiencies. Our objectives are 1) using our resources as efficiently as possible; 2) freeing up resources for our priority needs; and 3) returning the remaining unused funds to the Member Towns.

If we have available funds through cost savings and efficiencies and other reasons, the Superintendent's priority choices are likely to be, as follows:

1. Request Board budget transfers to pay for unbudgeted, needed items (e.g., mandated special education transportation and tuition; snow removal);
2. Allocate available funds into the Self-Insurance Reserve Fund to raise the reserve to claims ratio to at least 20 percent (target ratio is 25 percent);
3. Designate \$100,000 for unanticipated major facilities projects and put these funds into the Reserve Fund for Capital and Nonrecurring Expenditures to be used as needed;
4. Allocate some of the available yearend funds into the OPEB Trust Fund. The 2014-2015 Budget is \$0. The OPEB Trust Fund was underfunded by \$111,502 in 2013-2014 and will be underfunded (without any budget transfer) by \$199,411 in 2014-2015; and
5. Assign all of the remaining funds to be returned to the Member Towns.

We will report the cost savings and efficiencies implemented since the 2014-2015 Budget was approved. Some of the changes saved money but all of them improved the way we do things.

- Curriculum and Staff Development reported the implementation of cost savings and efficiencies:
 - Eliminated the need for ProTrax (saving \$5,500 annually) by developing a seamless way to track Professional Development offerings on-line.
- Amity Middle School – Bethany Campus reported the implementation of cost savings and efficiencies:
 - A teacher said he shared Google docs and all TIP sheets rather than handing students paper copies of their task sheets.

- Amity Middle School – Orange Campus reported the implementation of cost savings and efficiencies:
 - The Media Center Administrative Assistant volunteered to check the large copier regularly for paper, cartridges and general checking of the room, supplies and machine. This has resulted in less ‘down-time’ for the copier and thereby, provides the teachers and staff greater efficiency in getting their needed copies.
 - We changed to automatic calendaring for the PPT meetings by the Guidance Administrative Secretary. This reduced the time it takes to create a list and continually update it. It has streamlined the process of scheduling meetings.
- Amity Regional High School reported the implementation of cost savings and efficiencies:
 - We saved transportation money this school year by not having a double bus run on the first day of school.
 - We have applied for grants (e.g., CAC grant; Schools of Distinction grant).
- Athletic Department reported the implementation of cost savings and efficiencies:
 - The Athletic Director is putting many of the department’s documents on-line rather than printing each one. This saves the cost of printing and makes it easy for parents and students to access the information.
- Pupil Services Department reported the implementation of cost savings and efficiencies:
 - A cooperative arrangement was made with Orange Elementary School District to share transportation costs to an out-of-district school.
 - We combined transportation runs.
- The Finance Department reported the implementation of cost savings and efficiencies:
 - The Finance Office is moving all the funds currently in Bank of America into People’s United Bank. This is being done to reduce fees, ease of transactions and security. In addition, we have been using a quasi-business-personal platform at Bank of America. Bank of America recommends we upgrade to their business platform for \$4,000 to \$9,000 more a year. We would need to take these fees out of the student activity funds, which would be unfair to the students. By switching these funds to Peoples United, we do not need to pay the extra \$4,000 to \$9,000 more a year. Also, it would be more efficient to use one bank to collect funds using our online payment system.

- We purchased a new online application called Applitrack, which will allow the District to receive and manage employment applications digitally. This recruiting tool allows us to post vacancies to social media sites, and job boards, including the #1 school job posting site. We expect this will cast a wider net in order to find the high-quality applicants we want at Amity. Applitrack helps us manage the entire application process in a much more efficient manner and will save on paper and copier costs.
- The Technology Department reported the implementation of cost savings and efficiencies:
- Pilothouse Communications, LLC installed the District's new telephone system. We used them to remove, inventory and sell the old phones. This time-consuming process saved our busy Technology Department staff a lot of work. Furthermore, the District negotiated to receive one-half of the sales price of the old phones.
 - We are implementing AlertSolutions into the PowerSchool deployment, which will allow us to contact students, teachers and parents via email, text messages or pre-recorded phone messages. It will also allow teachers to send mass e-mails to just their classes.
 - The network infrastructure upgrades have given us a true gigabit network which will allow teachers to fully utilize resources such as streaming video and digital media without bogging down or completely freezing the entire network.
 - We have purchased and installed print management software called PaperCut. This will allow us to manage and track printing activities across the District. The software will also allow us to provide quotas to staff and students that will help us control and reduce our paper and ink/toner consumption.
- The Facilities Department reported the implementation of cost savings and efficiencies:
- Facilities purchased and used new floor finish and gym finish techniques. We purchased new equipment, which allows the floor finish to be applied 37% faster than our previous methods. It also allows the gym finish to be applied up to 75% faster. This process and product has resulted in much smoother and shinier finish with no product waste.

- Facilities implemented a team-cleaning concept to help us accommodate the Woodbridge Youth Summer Camps. Amity High School Custodians and equipment went to the Middle Schools, while the High School was occupied with summer camps. This allowed us to completely clean the Middle Schools by the end of July. Teams from the Middle Schools were then temporarily reassigned to the High School to fully implement our summer cleaning program. The school buildings are in pristine condition.
- Automatic infrared flush valves were installed at the Stadium Field House. This will save on water and will ensure a much cleaner atmosphere in the public restrooms and locker rooms.
- Electric hot air hand dryers were installed at the Stadium Field House. This will provide more sanitary conditions in the restrooms and save significant money on paper towel purchases. It should also cut down on vandalism and intentional clogging of fixtures, which will save money by not having the plumbing contractor frequently come to unclog drain lines.
- One of our Custodians designed and implemented an inexpensive wood addition to some of our moving dollies. By spending a few dollars on lumber, we have converted our old dollies to functional moving dollies. This allows us to move desks, teacher desks, cabinets, etc, more safely and efficiently. This saved hundreds of dollars on purchasing new equipment from a vendor.
- We have begun retrofitting drinking fountains by adding a water bottle filler kit to the existing drinking fountains to allow occupants to easily fill water bottles instead of having to buy them. This will cut down on the amount of recycling going into the recycling dumpster. It will also allow our staff and students to save money on purchasing water from a vending machine.
- The SchoolDude work order system was revamped to streamline how work orders are disseminated and to improve communications with the work order originator. The previous approval process started with the Principal, then if approved was routed to Central Office for approval and scheduling with the appropriate technician or custodian. Now the general work orders are routed directly to the technician or custodian. The technician changes the status to "work in progress" and immediately knows of an issue. Once the work order is closed out as complete, the originator is immediately e-mailed the change in status. Large item requests are still routed through the Principal for consideration and approval. The new process has allowed quicker response time and better communication with the requesters.

Other cost savings and efficiencies have included:

- Our new Health Benefits Consultant found out that Reliance commission payments of about \$560 per month were being paid to H.D. Segur. We took action to eliminate the payments and have the Amity premiums reduced accordingly.
- Amity Regional High School had implemented a successful program Intervention Specialists for Math and Science for those students who needed tutoring. We had been paying a substitute rate for part of the day and tutor rate for part of the day. This became expensive. We changed to a single daily rate of \$140.72, which will save the District money.
- The Guidance Offices in the three schools will be combining their orders of permanent record folders to take advantage of volume pricing.
- The Middle Schools order student handbooks for both schools. This has saved money.

Amity Middle School – Bethany Campus provided parents with a ‘generic’ pocket folder to keep all handouts from teachers. In previous years, we used a customized printed pocket folder with the name of the school and Amity logo printed on the front cover.

The exterior wall pack lights on the Amity Regional High School Field House were problematic. There are seven fixtures all together. Each fixture would burn out once per year. As we looked for a better alternative, we found that the cost of the existing 70 watt metal halide bulb and ballast were equal to a new technology LED fixture, which is only 20 watts. We replaced all seven fixtures. The light quality is better; we decreased electricity usage by 65%; and the life expectancy of the LED fixture is ten years, so we have cost avoidance of bulb/ballast purchases and our electrician’s time.

We continue to look for and implement large and small cost savings and efficiencies. In the past month, administrators have reported the following additional actions to improve operations:

- *The Finance Office has been actively pursuing vendors to switch to Electronic Funds Transfer (EFT) form of payment. Each mailed check costs 62.3 cents (i.e., 5.3 cents per check sheet; 8.0 cents per envelop; 49.0 cents for postage). Year-to-date, we have paid approximately 29 percent of our vendors by EFT. The year-to-date savings is about \$172. Projected annual savings is \$938.*
- *Amity Regional High School received a \$25,000 grant from the Cable Advisory Council.*

- *Amity Regional High School sends out documents by e-mail prior to a meeting and shows the documents on a screen at a meeting. This saves the paper and time to print the handouts.*
- *Amity Middle School – Orange Campus will put all future editions of their new Students Newspaper online.*
- *A few years ago, the Adult Education Program set up a merchant services account for patrons to pay for classes. We have closed this account and are now using the MyPaymentsPlus system. The savings are approximately \$635 per year.*
- *The budget requests are being entered and verified by building staff. There is more detail being entered into the MUNIS budget module as backup information.*
- *The Technology Department is moving as many printers as possible onto a Xerox print management contract, which will save on ink and paper.*
- *The Technology Department is installing a print server to help control the printing in the District, which will save on ink and paper.*
- *The Athletic Department has added a section on PowerSchool to track athletes. This allows a direct uploading to the CIAC eligibility site, which saves about 4 hours of data input.*

Amity Regional School District No. 5 - Budget Transfers 2014-2015

<u>MONTH/YR</u>	<u>JNL#</u>	<u>ACCOUNT NUMBER & DESCRIPTION</u>			<u>AMOUNT</u>	<u>DESCRIPTION</u>
July 2014	86	03132220	5611	INSTRUCTIONAL SUPPLIES	\$ -1,700.00	to purchase databases
July 2014	86	03132220	5690	OTHER SUPPLIES	\$ 1,700.00	to purchase databases
July 2014	87	03132220	5730	EQUIPMENT - NEW	\$ 800.00	purchase tables for library
July 2014	87	03111010	5611	INSTRUCTIONAL SUPPLIES	\$ -800.00	purchase tables for library
July 2014	89	03111010	5611	INSTRUCTIONAL SUPPLIES	\$ -300.00	desks for media center
July 2014	89	03132220	5730	EQUIPMENT - NEW	\$ 300.00	desks for media center
July 2014	90	03132220	5730	EQUIPMENT - NEW	\$ 800.00	tables\desks media specialists
July 2014	90	03142219	5611	INSTRUCTIONAL SUPPLIES	\$ -800.00	tables\desks media specialists
August 2014	72	02132400	5810	DUES & FEES	\$ -40.00	MEMBERSHIP DUES -MUSIC
August 2014	72	02111010	5810	DUES & FEES	\$ 40.00	MEMBERSHIP DUES -MUSIC
September 2014	9	03111013	5420	REPAIRS,MAINTENANCE & CLEANING	\$ 456.00	For microscope repairs
September 2014	9	03111013	5641	TEXTBOOKS	\$ -456.00	For microscope repairs
September 2014	130	03142219	5611	INSTRUCTIONAL SUPPLIES	\$ -1,200.00	NEW WORLD LANGUAGE TEXTBOOKS
September 2014	130	03111006	5641	TEXTBOOKS	\$ 1,200.00	NEW WORLD LANGUAGE TEXTBOOKS
September 2014	201	01111008	5420	REPAIRS,MAINTENANCE & CLEANING	\$ 425.00	EXTENDED COVERAGE 3DPRINTER
September 2014	201	01111008	5611	INSTRUCTIONAL SUPPLIES	\$ -425.00	EXTENDED COVERAGE 3DPRINTER
October 2014	9	01113201	5690	OTHER SUPPLIES	\$ 100.00	AFTER SCHOOL ACTORS CLUB
October 2014	9	01132400	5330	OTHER PROFESSIONAL & TECH SRVC	\$ -100.00	AFTER SCHOOL ACTORS CLUB
October 2014	67	03132220	5810	DUES & FEES	\$ -745.00	NOT ATTENDING CONFERENCE 14-15
October 2014	67	03132220	5730	EQUIPMENT - NEW	\$ 115.00	PURCHASE DVD CABINET AND TABLE
October 2014	67	03132220	5690	OTHER SUPPLIES	\$ 430.00	ADDITIONAL DATABASE
October 2014	67	03132220	5642	LIBRARY BOOKS & PERIODICALS	\$ 200.00	ADDITIONAL PERIODICALS
October 2014	84	01142600	5613	MAINTENANCE/CUSTODIAL SUPPLIES	\$ -561.00	replace snow blower
October 2014	84	01142600	5731	EQUIPMENT - REPLACEMENT	\$ 561.00	replace snow blower
October 2014	125	02132120	5590	OTHER PURCHASED SERVICES	\$ -178.00	TO PURCHASE OFFICE SUPPLIES
October 2014	125	02132120	5690	OTHER SUPPLIES	\$ 178.00	TO PURCHASE OFFICE SUPPLIES
October 2014	126	02132120	5590	OTHER PURCHASED SERVICES	\$ -15.00	FOR CONFERENCE/MEMBERSHIP
October 2014	126	02132120	5581	TRAVEL - CONFERENCES	\$ 15.00	FOR CONFERENCE/MEMBERSHIP
October 2014	132	03111011	5611	INSTRUCTIONAL SUPPLIES	\$ -266.00	tv/wall mount replacement
October 2014	132	05142350	5730	EQUIPMENT - NEW	\$ 266.00	tv/wall mount replacement
October 2014	192	03132120	5590	OTHER PURCHASED SERVICES	\$ -1,084.00	New AP French Textbooks
October 2014	192	03111006	5641	TEXTBOOKS	\$ 1,084.00	New AP French Textbooks

Jack Levine

From: Amanda L. Backhaus [abackhaus@mahoneysabol.com]
Sent: Wednesday, October 29, 2014 1:01 PM
To: Jack Levine
Subject: RE: Audit Status Report
Attachments: Amity Audit Status Report 10.31.14.pdf

Hello Jack,

Attached is the updated status report as of October 31, 2014.

The single audit is complete and reviewed. I am almost finished reviewing the related report – no issues or findings were identified in connection with the FY14 single audits.

In terms of the financials – we have received the updated OPEB documents from the actuary, but have not yet received the pension information. As soon as we have that last piece – we will finalize the draft and get you the MD&A. My guess is there is a slight delay from the actuary based on the new requirements of GASB 67. Other than the pension piece – everything looks great. The audit went very well this year and we will be issuing clean reports for all items.

Please let me know if you have any questions or need anything else – Thanks,

Amanda L. Backhaus, CPA

From: Jack Levine [mailto:jack.levine@reg5.k12.ct.us]
Sent: Wednesday, October 29, 2014 12:40 PM
To: Amanda L. Backhaus
Subject: Audit Status Report

Good Afternoon, Amanda,

Could you please provide me with the audit status report at your earliest convenience? Due to the timing of the meetings, I need to put together the monthly financial reports a little earlier than normal. Thank you.

Jack

Jack B. Levine
Director of Finance and Administration
Amity Regional School District No. 5
25 Newton Road
Woodbridge, CT 06525
Telephone: 203-397-4813
Facimile: 203-397-4864

AMITY REGIONAL SCHOOL DISTRICT NO. 5
AUDIT STATUS REPORT
JUNE 30, 2014

Status Report as of October 31, 2014

	TESTWORK % COMPLETE	REVIEW % COMPLETE	STATUS/ISSUES
Planning Procedures	100%	100%	No issues noted.
Documentation and Testing of Internal Control			
Documentation of internal control and system walk throughs	100%	100%	No issues noted.
Non-Payroll Expenditure Testing	100%	100%	No issues noted.
Payroll Expenditure Testing	100%	100%	No issues noted.
Major Federal Program Compliance Testing			
IDEA	100%	90%	No issues noted. Partner review in process
Major State Program Compliance Testing			
Common Core Implementation	100%	90%	No issues noted. Partner review in process
Opinion Unit Substantive Testing			
Government-wide	90%	50%	Near completion - Please see open items below.
General Fund	100%	90%	No issues noted. Partner review in process
Internal Service Fund	100%	90%	No issues noted. Partner review in process
Aggregate Remaining Fund Information	100%	90%	No issues noted. Partner review in process
Financial Reporting			
Financial Statements	75%	0%	To be completed once substantive procedures are finalized.
Single Audit Reports	100%	0%	Management review in process.
ED001	95%	0%	Near completion - Please see open items below. Partner review to commence upon completion.

Items Needed for Completion of Audit

1 Pension valuation disclosures from actuary.

2 ED001 - State of CT Desk Audit Finding Reports are not released until mid-October. Testing to be finalized upon release of this information.

3 _____

Potential Audit Hold-ups

1 No audit hold ups are anticipated.

Other

1 We will be implementing GASB 67 (Financial Reporting for Pension Plans - an Amendment of GASB Statement No. 25) in the current year.

This statements outlines specific items which must be performed/calculated in connection with the actuarial valuations of your pension plan, as well as changes to the footnote disclosures related to your pension plan. We will prepare drafts of all footnote disclosures and review with mangement prior to issuance of reports. This standard has no accounting impact and we have not identified any additional risks and do not anticipate any delays as a result of the implementation.

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

Finance Committee	10/20/14
Curriculum Committee	10/23/14
Policy Committee	10/30/14

MINUTES

COMMITTEE MEMBERS PRESENT: Diane Crocco, Matthew Giglietti, John Grabowski, Joe Nuzzo, and James Stirling.

COMMITTEE MEMBERS ABSENT: James Horwitz.

Staff members present: Charles Dumais and Jack Levine.

Also present: Ruth Natzel, Ms. Magda selectman from Bethany , Mike Goss from Fiduciary Investment Advisors, other BOE members, other members of the public.

A meeting of the Finance Committee of the Amity Regional Board of Education (BOE) was held on Monday, October 20, 2014 at 5:30 pm at Amity Middle School, Bethany Campus.

1. **Call to Order:** Chairman Jim Stirling called the meeting to order at 5:35 pm.

2. **Discussion and possible action on minutes.**

A. Finance Committee meeting September 08, 2014

Motion to approve the minutes of the previous meeting by Mr. Giglietti, Ms. Crocco 2nd .

Vote 3 in favor, one abstention (Joe Nuzzo)

Motion carried

3. **Public comment:** Ms. Aileen Magda, Selectman from Bethany commented on the excellent education students receive in the Amity Schools. There is a decreased enrollment of students from Bethany in the Amity Regional Schools. She requested that the Board do everything in its power to keep the budget for 2015 at a 0% increase.

4. **Discussion of October 1, 2014 enrollment report.** Mr. Dumais spoke about the average daily membership (ADM) from the three member towns (see attached). The net change in the number of students is 43 with Orange having an increase in students, Bethany having a decrease in students and Woodbridge having a decrease in students. This would translate to a change in budget numbers for each town based on figure from the 2014 budget. Amity will continue to use the New England School Development Council (NESDEC) for enrollment reports. Mr. Dumais answered several questions from members of the committee regarding the details of the enrollment report.

5. **Discussion of Superintendent's early thoughts on allocation of any potential Amity surplus funds.**

(See email memo) Mr. Dumais has contacted each of the three towns and some discussion with officials from the member towns has taken place. Mr. Dumais would like to have a philosophy regarding spending rather than a straight formula for sending money back to the towns. The largest portion of the 2014 surplus went to the medical reserve fund. For example, having a well-funded self-insurance plan is a philosophical piece. The Town of Wilton uses a formula and they are at 40% which is too high. He is looking for advice on where to bring the conversation next. Mr. Giglietti commented regarding surpluses Mr. Giglietti that discussion of how to spend the surplus needs to get back to an ongoing discussion. Mr. Dumais stated that 25% is reasonable and Amity is at 22%. Mr. Grabowski agrees with Mr. Giglietti's comments and stated that the next budget will be under extreme scrutiny. Mr. Nuzzo agrees that it needs to be an ongoing process; having a surplus is not a bad thing and the actual amount given back to the towns does not make such an actual difference but it "looks good" to the towns. He is in favor for a larger budget facility needs and technology upgrades and other capital items and then give back to the towns if there is a surplus. We need to continue to get along together as a region and now with national recognition we cannot take this for granted. Mr. Dumais has scheduled a meeting with leadership in Woodbridge and will meet with Orange and Bethany's leadership.

6. **Presentation and discussion of Superintendent's update of 2015-2016 budget** – Mr. Dumais speaks about his memo to all administrators regarding allocation of any surplus funds (see attached).

Chairman Stirling requests a move to item 8 on the agenda, action on the transportation services contract.

8. **Discussion and possible action on contract of \$35,000 or more.**

A. Extending contract for transportation service. Mr. Levine spoke about the contract extension brought before up the Board last month and their request for him to research comparative data regarding transportation contracts. Proposal is the same including the comparison.

Motion made by Mr. Nuzzo, Ms. Crocco 2nd to recommend to the Amity Board of Education that the Superintendent of Schools be authorized to sign a contract for transportation services with each transportation owner-operators (contractor) which extends the current contract by three (3) years, terminating on June 30, 2020. The annual increase for regularly scheduled runs, late runs and special runs shall be 2.00% for 2015-2016, 2016-2017, 2017-2018, and 2019-2020. Further, recommend the Amity Board of Education waives the bidding requirement. Jack says that this could be difficult because of having to deal with all 3 member towns. Chip says conversation comes up frequently, very similar to the surplus, have the conversation early regarding going out to bid. Chip needs to do some work to see if the other districts are amenable and if this can be coordinated.

Mr. Stirling is in favor of passing this motion but he would like to see this go out to bid as a 4-district bid because the schools are so intertwined. The towns have indicated a willingness to pay more for owner operations but we do a disservice to the towns if we don't go out to bid to find out. We like the owner-operator system but we need to see the quotes. Mr. Levine agrees that it should go out to bid but only as a joint 4-district bid.

Vote unanimous in favor

Motion carried

7. **Discussion of Other Post-Employment Benefits (OPEB) trust funding and budget** – (see attached) Mr. Dumais spoke about trying to answer the questions about how much the OPEB trust is funded/at what percentage should it be funded? The towns of Orange and Woodbridge are at approximately 60% and Bethany is at approximately 20%. The difference between claims and premiums is the amount of money that is allowed to be withdrawn. The money is better off in the reserve fund so that it can be spent rather than the OPEB trust, where it cannot be withdrawn. There was discussion about the actuaries looking at the OPEB contribution and recommending that the contribution amount goes down. Mr. Levine said the, preference is scenario C in the attachment. The reason for these various scenarios was to answer the question of whether or not funding the OPEB at 40% is a disservice to employees; the answer is no.
9. **Discussion of monthly financial statements.** Mr. Levine pointed out that last year was not a bad year in terms of the medical benefits paid, but rather it was a budget issue; this year has been under budget so far. Mr. Levine stated he only transfers the amount of money from the medical and dental line that is needed to pay the expenses, no more than necessary. The direction for this year is positive. We are adding cost efficiency and cost savings as ongoing processes. Detailed information included about electrical consumption has been added to the report as well as listing repairs and maintenance (large repairs) to facilities. Mr. Levine mentioned that in the Fitch rating, nine consecutive budgets were supported by the member towns.
10. **Director of Finance and Administration approved transfers under \$3,000** – Mr. Levine gave an explanation of the transfers (see attached).
11. **Presentation and discussion of third quarter 2014 executive summary review of Amity Pension Fund, Sick and Severance Account and OPEB Trust.** – see attached.

- 12. Information on termination of investments in Pacific Management Investment Company (PIMCO) –**
Presentation by Mike Goss from Fiduciary Investment Advisors regarding the recommendation of termination of PIMCO. Mr. Levine asked about what is required for allowing investment decisions to be made by Mr. Dumais and Mr. Levine instead of coming to the finance committee because decisions need to be made in a timely fashion. Mike Goss summarizes the pension numbers – year-to-date thru end of September pension up about 5% but only up 1% to 2% in the last few weeks. Last year total up 11%. The Finance Committee values Mr. Goss' service to the district and his diligence in handling the funds.
- 13. Other**
- A. Superintendent's report on deposit policy for custodial credit risk.** Mr. Dumais has transferred funds to consolidate accounts and in the process to save money and he is notifying the Committee of this. Mr. Levine sends Mr. Dumais notification quarterly about where savings might be gained.
 - B. Financial audit status report.** (see attached email) The preliminary audit status report received by Mr. Levine indicates no issues noted. We expect to have a clean audit.
 - C. Information on extension of electricity supply pricing.** The current price for electricity is 0.09970 per kilowatt hour through December 2016 beginning on December 24, 2014, set by Mr. Dumais with Board authorization from May meeting.
 - D. Information on Fitch ratings update.** – Rating is AA+.
- 14. Adjournment**
- Motion for adjournment by Mr. Giglietti, 2nd by Mr. Nuzzo at 6:25 p.m.
- Vote unanimous in favor* *Motion carried*

Respectfully submitted,

Ruth E. Natzel, Recording Clerk

MINUTES

COMMITTEE MEMBERS PRESENT: William Blake (ad hoc) Chris Browe, Steve DeMaio, Tom Hurley, Diane Crocco.

COMMITTEE MEMBERS ABSENT: Rita Gedansky

Staff members present: Dr. Marie McPaddon, Dr. Richard Dellinger, Dr. Charles Britton, Mr. Charles Dumais, Ms. Elena Serapiglia, Mr. Mohamedou Mustapha, Ms. Cara Haas,, Mr. William Racco, Ms. Julie Chevan and Mr. Ken Clark.

Also present: Ruth Natzel.

A meeting of the Curriculum Committee of the Amity Regional Board of Education (BOE) was held on Monday, October 23, 2014 at 5:15 pm in the Presentation Room at the Amity District Offices.

1. **Call to Order:** Chairman Chris Browe called the meeting to order at 5:37 pm.

2. **Welcome and introductions**

3. **New course proposals and new textbook requests**

- A. **Textbook - Quant a Moi, 5th Edition (World Language)** World Language Department Chair This will be the new text for the AP French Class to be taught by Mr. Mustapha. Ms. Serapiglia presented the need for the new text, physical book versus E-edition and question of whether or not the Teacher's Edition should be purchased. The list price is \$132.49, \$84.90 on Amazon. Purchase of 12 books will be covered by funding by Dr. Britton, Ms. Serapiglia is asking the committee for permission to use this text. The price includes access to an E-book. There was discussion by Ms. Serapiglia and Mr. Mustapha and the members of the committee regarding the need for the Teacher's Edition and questions about inclusion of a listening CD with the text.

Motion to accept the text Quant a Moi into the Foreign Language curriculum by Mr. Hurley, Ms. Crocco 2nd

The Committee agreed to leave it to Dr. Britton to decide whether or not to purchase the Teacher's Edition.

Vote unanimous

Motion carried

B. **Social Robotics and Engineering Research Program (Technical and Engineering Ed)**

Dr. Dellinger gave a presentation a new elective in the technology program at the middle school and gave the history of the program at the middle school. Now the program has maxed out in terms of numbers of students that can participate. The proposal is to have 24 students in the fall and keep the traditional course in the spring. This builds on the current program and students would be more challenged. There would be \$1200 built into the budget this year, \$3000 next year. One of the projects included using the NOW robot used for tutoring. Some of the students are feeding right into the science and technology program at the high school. This program is in Bethany but could be shared with Orange. Mr. Browe proposed that the students from the middle schools come to the high school and work with the technology students and teachers.

Motion to accept the Social Robotics and Engineering Research Program into the course catalog by Mr. Hurley, 2nd by Mr. Demaio

Vote unanimous

Motion carried

Motion to move agenda items G and H up by Mr. Hurley, 2nd by Ms. Crocco

Vote unanimous

Motion carried

- G. The Graphic Novel (ELA)** The Graphic novel – Ms. Chevan spoke about this course aligning with the BOE goals and needs that have been identified; the course has interdisciplinary possibilities. Mr. Clark presented the specifics of the course. This is a visual literacy course, not about comic books, designed to improve the overall mobility and stability of the students to navigate in the very visual world they live in. It's an emerging and evolving field. Only a few high schools in Connecticut offer this course. It's approachable by a wide student population and it's multicultural. This is a senior half-year elective course. Mr. Demaio asked about the curriculum being changed depending on the needs and levels of the students. It would not be an honors course but level 1 and combined level 2 and 3. Ancillary texts would change depending on the levels of the students but the course text would not change. The medium would be studied; this is classified as more of a writing course rather than a reading course. There were questions and discussion about grading and the student's need for artistic ability between the Committee, Mr. Clark, Ms. Chevan and Dr. McPaddon. The final project would be the creation of a graphic novella. The main text is Understanding Comics at a cost of \$13.00 each, 30 copies. There is no extra staffing requirement or extra training. Curriculum development time for the instructor would be required. This is proposed to begin in the fall of 2015. Mr. Demaio complemented Mr. Clark, "being a second-year teacher and taking this on is phenomenal and we want to support you in that."

Motion to add the course The Graphic Novel to the course catalog by Ms. Crocco, Mr. DeMaio 2nd

Mr. Hurley stated that the academics of this course should be stressed, due to the "comic" text.

Vote unanimous

Motion carried

- H. AP Capstone (ELA)** Mr. Racco presented the history of the current class and proposed class. This is a 2-part course. Students currently complete a group project, an individual paper and a final examination. This is a pre-requisite for the 5,000-word thesis capstone project. Currently only 4 high schools offer this course - Choate, Taft, Hall and Conard. The college board created in response to need for more research at the high school level. There is unprecedented cross-curricula potential. The students will choose their own subject for the year-long research, such as a science subject. This also fits in with the BOE goals including individualized learning. This will begin as an AP class, then filter down to the lower levels. Mr. Hurley asked how the students will be scored/credited/graded. There is a one-time expense of training the instructor, no text book costs. Grant money will cover cost of training according to Dr. McPaddon. Mr. Hurley asks about library time/research time that would be further cost and felt that money should be put aside in case of any further costs. Mr. Demaio spoke about putting money aside to pay for copyright costs. Dr. McPaddon will check with the media specialists about that. Dr. Britton stated that capstone projects will be required by class of 2020 and he is in contact with other schools that are developing their curricula for this. An AP diploma would be awarded for both courses, AP credit awarded for taking only the first course. Projects subject to instructor-student agreement for the subject and type of thesis they choose.

Motion to add AP Capstone class to the course catalog made by Mr. Hurley, 2nd by Ms. Crocco.

Dr. Britton spoke about how this came about last year.

Vote unanimous

Motion carried

Motion to act on agenda items I thru M by Ms. Crocco, 2nd Mr. Hurley

Vote unanimous

Motion carried

- I. AP United States Government and Politics (Social Studies)** Cara Haas, Social Studies Department Chair, presented the addition of two new courses, government and economic policy course (half year each) and AP United States government and politics. Ms. Haas gave a history of the current curriculum. She proposed the purchase of the text and digital option, but the publisher, Pearson, has revamped the text so further research is needed before final approval of the texts, to be presented at January meeting. Pearson has samples on the way. Of note, a civics course is needed for graduation beginning with the class of 2017. The McGruder book has been used already and is available for use. Both of these have an updated realized platform to accompany this. Ms. Haas is asking for approval of the course with the texts to be examined in January.
- J. American Government and Economic Policy (Levels 1,2, and 3) (Social Studies)** AP Government and Economic Policy course is proposed by Ms. Haas. Training is included by the text company with the purchase of text cost and digital platform. Questions were asked about current social studies graduation requirements. A 6-year site license alone is \$106, with the book, \$128; Ms. Haas is recommending the purchase of both. Demaio asks about age of texts now. The number of civics texts needed would be 315. There were questions and discussion regarding the age of the current text books. These are new courses so there are no "old" texts. The previous civics text books the department has are 36 books 2010 edition, 55 books 2004 edition and, 96 books 2001 edition and American History books from 1998. Committee members discussed a previous policy of bringing text books that are 10 years old before the Committee for replacement. Mr. DeMaio suggested that this Committee needs to bring the issue of old textbooks to the Board and make purchase of replacements a priority in the upcoming budget. There was also discussion about the new texts and how they would align with Common Core/ Connecticut Core. Mr. Browe asked what happens to digital access after 6 years; the access would have to be purchased again. It is more cost effective to purchase the 6-year license and the digital content is improve and updated. Text book turnover every 6 years is assumed. The cost for the AP United States Government and Politics text is \$17,000, American Government and Economics Policy course book is \$73,000 (315 books), total of \$90,000. Mr. Browe suggests making sure a piece on personal economics is included in both of these courses. There was a question and further discussion on what staff members, i.e. certified in economics, will teach this course.

Motion to add both courses, AP United States Government and Politics and American Government and Economic Policy Levels 1, 2 and 3 to the catalog by Mr. Hurley, 2nd by Mr. Demaio

Votes unanimous on both motions

Motion carried

Motion to approve the American Government and Economic Policy text by Mr. Hurley, 2nd by Mr. DeMaio

Votes unanimous on both motions

Motion carried

Motion that other texts be first on the agenda for the next curriculum meeting by Mr. Hurley, 2nd by Mr. Demaio

Vote unanimous

Motion carried.

Committee now took action on the remaining agenda items C thru F.

- C. Integrated Math (Math)** Dr. Britton stated that this is integrated math for level 3 students. Students are currently being instructed in an independent-guided program (IGP) instructed by a special education teacher. We would start integrated math team-taught by a special education teacher and a qualified math teacher and move the student out of the special education resource room. Dr. McPaddon states there is no cost for this.

Motion to add the Integrated Math course by Mr. Hurley, 2nd by Ms. Crocco

Vote unanimous

Motion carried.

- D. Materials, Design, Function (CTE/Fine Arts)** Dr. Britton explained that this is an interdisciplinary course taught by applied education teacher who can allow students to weld with him and an art teacher to bring the sculpting background.

Motion to add Materials Design and Function course by Ms. Crocco, 2nd by Mr. Demaio

Questions about safety issues and staffing were asked and answered.

Vote unanimous

Motion carried

- E. Acting and Directing for Film (Fine Arts)** Dr. Britton stated that an acting and directing for film class is currently offered for one year. It is proposed to make it available as a 2nd year course for the same students who would function as mentors, take on leadership roles and expand on what they learned in the first year. Mr. Demaio would like to see this offered to as many students as possible and not turn anyone away. This is a team-taught course, 24 students with each teacher so 48 students benefit. Mr. Hurley asked what would be different between the first and second years of instruction. Dr. Britton said they will expand on what they learned and take a leadership role. Dr. Britton stated that the second year students will be evaluated to different standards than the first year student.

Motion to add Acting and Directing for Film course by Mr. Hurley, 2nd by Mr. Demaio

Mr. Browe asked if there is a way to increase enrollment of the class based on seniors possibly becoming leaders or co-teachers; will the union contract allow that? The librarian supervises 60 children at a time. Dr. Britton said it may not be allowed by the contract. It would be similar to students in the band who become section leaders. Mr. Browe asked Dr. Britton to think about how the slots for the second year students will be allocated.

Vote unanimous

Motion carried.

- F. Special Projects in Video Production and Advanced Editing (Media/Fine Arts)**
This is from the Digital Video Department to add another class in the sequence. Students will take on their own projects for the school and community.

Motion to add the course Special Projects in Video Production and Advanced Editing by Ms. Crocco, 2nd by Mr. Demaio.

Vote unanimous

Motion carried

4. **Other** - Mr. Hurley stated that a member of the Board of education has requested that the curriculum committee look at a later starting time Amity High School. Dr. McPaddon said she could do a survey. There was discussion and comments made regarding the difficulty of this tied to school transportation, athletics, and whether or not academic performance is tied to a later start time. Mr. Hurley requested that this go to the steering committee to consider the impact on high school and middle school. One high school in the state has a later starting date, Wilton High School.

5. **Adjournment**

Motion to adjourn by Mr. Demaio, 2nd by Mr. Hurley at 7:15 p.m.

Vote unanimous

Motion carried

Respectfully submitted,

Ruth E. Natzel, Recording Clerk

MINUTES

COMMITTEE MEMBERS PRESENT: Sue Cohen (co-chair), Tom Hurley (co-chair), Diane Crocco, Sheila McCreven, and Christopher Browe.

COMMITTEE MEMBERS ABSENT: Rita Gedansky.

Staff members present: Mr. Charles Dumais.

Also present: Ruth Natzel

A meeting of the Policy Committee of the Amity Regional Board of Education (BOE) was held on Thursday, October 30, 2014 at 5:30 pm in the Superintendent's conference room at the District Offices.

1. **Call to Order:** Chairman called the meeting to order at 5:40 pm.
2. **Review of recent required policy updates**

Mr. Dumais explained the contents of the packet of information containing the current bullying/school safety policy that is in place, with edits, and a draft copy of the final document. Current policies and their revision dates have been checked by Karen Wade at Mr. Dumais' request to see if updates are required. There are at least 12 policies that need to be updated; Mr. Dumais has gone back to November 2012. He will go back further after the work is completed on these. We need a process in place to update our policies. Priority is to establish a plan to update all the policies.

 1. Engage the Connecticut Association of Boards of Education (CABE) in a review to bring us to baseline
 2. Committing to going through the 12 required policies first and then moving on from there.

Ms. McCreven asked about policy regarding graduation and Connecticut Academic Performance Testing (CAPT), i.e., because class of 2016 did not take CAPT they cannot graduate according to the current policy. Does the policy need to be suspended or changed so they can graduate? There are situations that the Superintendent can use his discretion to address this and other concerns. This graduation requirement has been brought up and will be addressed.

There was discussion of the electronic version of the policies and of what the plan to update the policies should be from this point forward; electronic and paper versions need to agree.

There was discussion of the current absentee policy. Amity would like a more stringent requirement than the State has, which allows 10 unexcused absences and then requires a doctor's note. There was discussion of student handbooks versus policies with handbooks having grown so large. There was some discussion of the current dress codes. The Committee stated that the absentee policy needs to be clearer, and handbooks need to be in agreement with the policies.

The Committee decided to proceed with the 12 policy revisions and the bullying policy revisions as they have been presented here.

The Committee decided that the update for next Board meeting will be:

1. Review bullying and teen dating violence
2. Most recent CABE update June 30, 2014 update and April 18, 2014
3. New CABE update November 2014 update
4. Work backwards chronologically through the 12 revisions presented.
5. Work through 2 policies at a time until all 12 are finished.

The next Policy Committee meetings will be at 5:15 pm on November 13, 2014 and December 18, 2014.

Mr. Hurley is concerned about a concussion policy update – is this needed or is it missing? Mr. Hurley would also like the capability of presenting on a screen in future meetings, old and new policies side by side.

Mr. Browe commented that the password for CABA site needed for committee members and Mr. Dumais provided that.

Ms. McCreven stated that CABA will provide a service to put all your documents on line for a fee. Woodbridge is currently doing this and it could be beneficial. It needs to be a searchable document and we need to go truly digital with all policy documents.

Mr. Hurley asked if the Committee would like to schedule further meetings going forward now, perhaps on Thursdays? Or, use a call-in option GoToMeeting?

Ms. Cohen commented that everyone on the Committee doing their reading homework is important.

There was discussion about various points of bullying policy. There was much discussion about dating violence, emotional abuse. The policy is framed to address what is going on with students in the district. A request was made for Ms. Moses editor to incorporate legislation into the policy. The committee noted that references are missing. Mr. Dumais read aloud Public Act 14-234 section 3, subsection 3, the definition of teen dating violence in the policy draft is taken verbatim from the legislature. After much discussion and reading, the Committee finds that updated “blue” bullying policy done by Marcia Moses was taken from the CABA policy rather than the Amity updated policy.

Mr. Dumais can incorporate current policy and bring it to committee for presentation so that hard work is done ahead of the committee meetings.

There were questions and debate regarding Amity making its own policies versus just taking the State-generated policies as our own. There was extended discussion regarding bullying/teen violence policy and sexual harassment. The District is required to have a separate sexual harassment policy and the policies do overlap. A definition of hazing seems to be lacking.

Policy states that the Safe School Climate Plan must be published on the school website and in the student handbook. Policy also states that the Safe School Climate committee will make changes to the policy – who is the committee?

Plan and preparation for next Committee meeting will be:

Review bullying and teen dating violence.

Most recent CABA update June 30, 2014 (including administration of medications) update and April 18, 2014.

The question was asked about the Superintendent being able to override anything that might come up that is not covered by policy, i.e. graduation requirements.

Ms. Cohen gave Mr. Dumais some policy numbers to look at that are known to need updating.

3. Adjournment

Ms. Cohen moved to adjourn, 2nd by Ms. Crocco at 7:20 p.m.

Respectfully submitted,

Ruth E. Natzel, Recording Clerk