

AMITY REGIONAL SCHOOL DISTRICT NO. 5

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

Dr. Charles Dumais
Superintendent of Schools

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AMITY REGIONAL BOARD OF EDUCATION


March 28, 2016

A special meeting of the Amity Regional Board of Education will be held on Monday, March 28, 2016, at 6:30 p.m. in the Presentation Room at the District Offices.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Public Comment
4. Chairman's Report
 - a. Committee Report
 1. Finance
 - a. Discussion and Possible Action on Proposed 2016-2017 Budget pg. 2
 - b. Discussion of Monthly Financial Statements pg. 6
 - c. Discussion and Possible Action on Budget Transfers of \$3,000 or More pg. 44
 - d. Discussion and Possible Action on New Funding Requests pg. 47
 1. Facilities Contingency
 2. Contingency Account
5. Adjournment

NOTE: All Board Members are invited to attend committee meetings.
 A quorum of the Board may be present.



 Charles Dumais, Ed.D.
 Superintendent of Schools

CD/kfw

pc: Town Clerks: Bethany / Orange / Woodbridge

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

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

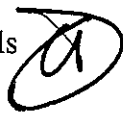
AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge, Connecticut 06525



Charles S. Dumais
Superintendent of Schools

charles.dumais@reg5.k12.ct.us
203.392.2106

To: Amity Finance Committee and Amity Board of Education
From: Dr. Charles S. Dumais, Superintendent of Schools 
Re: Superintendent's Revised 2016-2017 Budget
Date: March 23, 2016

The Superintendent's revised 2016-2017 Budget is \$933,357, or 1.99 percent, over the current fiscal year's budget. The impact of this proposed budget on the member towns is, as follows:

MEMBER TOWN	BUDGET	VARIANCE \$	VARIANCE %
BETHANY	\$9,437,981	(\$3,164)	(0.03%)
ORANGE	\$22,561,538	\$160,644	0.72%
WOODBIDGE	\$14,290,054	\$783,399	5.80%
TOTALS	\$46,289,573	\$940,879	2.07%

The proposed budget eliminates **\$225,000** of facilities items, **\$24,944** interest payment for the proposed bonding of facilities capital items, and assumes the risk of finding **\$19,102** of cost savings, or a total of \$269,046. All of the \$225,000 of facilities items are high priority and need to be done in the near future. Therefore, we are proposing to designate available funds from this fiscal year for each of these facilities items at the same time the Amity Finance Committee and Amity Board of Education vote on the 1.99 percent budget. **In a separate memorandum, we are requesting designated available funds be moved into the Reserve for Capital Nonrecurring Expenditures fund for pay for each of these facilities items. We will not spend these funds until we are sure the funds are available in this fiscal year's budget, which will occur in August 2016.**

The proposed cuts do **not** include the OPEB Trust, Contingency accounts or a reduction of the Self-Insurance Reserve Fund reserve balance as a percent of expected claims target of 20 percent. These would not be prudent changes.

For each of the facilities items eliminated from the proposed 2016-2017 budget, the need for the item and the 'potential consequence' if not done in the near future are provided.

DESCRIPTION	SAVINGS
<p>Eliminate Replacement of Custodial Equipment – The cleanliness and upkeep of our buildings would be adversely effected. We had cut the custodial workforce by 1.5 full-time equivalent positions by purchasing auto scrubbers and burnishers in 2007. The machines must be replaced soon. Without replacing the machines, hiring additional staff or using extensive overtime, the buildings cannot possibly be thoroughly cleaned on a daily basis. Indoor air quality will diminish due to the amount of dirt and dust in the air.</p> <p>POTENTIAL CONSEQUENCE <i>The appearance of our buildings will become an issue to taxpayers, students and staff.</i></p>	\$50,000
<p>Eliminate Replacement of Corridor Flooring at Amity Regional High School – The floor tile in certain parts of the building is over 20 years old. After years of scrubbing and stripping, the adhesive is letting loose causing tiles to come loose and presenting potential trip hazards.</p> <p>POTENTIAL CONSEQUENCE <i>The program needs to be started to prevent liability issues.</i></p>	\$30,000
<p>Eliminate Renovation of Gymnasium Bleachers at Amity Regional High School – If not done, there will be bleacher failure at some point in the near future. This project has been delayed for too many years. The undercarriages are starting to sag and even though we contract out the minimal maintenance to keep the bleachers safe, we are 'rolling-the-dice' as long as we delay this project. In addition, the pullout machine is on its last legs and if it fails, we will have to resort to pulling out the bleachers by hand.</p> <p>POTENTIAL CONSEQUENCE <i>Experience has shown when employees have to manually pull out the bleachers by hand there is almost always a workers' compensation back injury case.</i></p>	\$40,000
<p>Eliminate Replacement of Carpeting in District Offices – The existing carpet is faded, stained and the nap is gone.</p> <p>POTENTIAL CONSEQUENCE <i>The loose fibers are causing indoor air quality problems. The nap is gone so it cannot be cleaned properly.</i></p>	\$33,000
<p>Stairwell door replacement at Amity Regional High School – The stairwell doors have been damaged over time from constant use.</p> <p>POTENTIAL CONSEQUENCE <i>These fire doors do not always close properly and this is a safety issue.</i></p>	\$25,000

DESCRIPTION	SAVINGS
<p>Eliminate security and safety equipment needed throughout the district</p> <p>POTENTIAL CONSEQUENCE</p> <p><i>We want to install new security cameras in areas not currently covered at all three school buildings and provide other needed security and safety equipment throughout the District.</i></p>	\$32,000
<p>Eliminate drinking fountain replacements at Amity Regional High School – The drinking fountains are over 20 years old and replacement parts are obsolete. Trying to cobble them together results in a repair that usually last less than a week and the fountain again is out of service.</p> <p>POTENTIAL CONSEQUENCE</p> <p><i>We need to replace at least three fountains, two of which are ADA compliant ones. When the ADA height fountains are out of service, handicapped students are not able to obtain water in that section of the building. The other safety issue is the drain function of the fountains. When the drains are leaking or not functioning, the water ends up on the floor and presents a slip hazard for people traversing the hallways.</i></p>	\$15,000
TOTAL FACILITIES ITEMS	\$225,000

DESCRIPTION	SAVINGS
<p>Eliminate the budget for bonding facilities capital items</p> <p>POTENTIAL CONSEQUENCE</p> <p><i>The Superintendent of Schools continues to recommend the proposed bonding for major capital items. The interest payment would be taken from the Contingency Account. The potential consequence is there will not be available funds due to unanticipated emergencies. This is a risk factor.</i></p>	\$24,668
<p>Reduce the certified salary account as a 'place holder' for savings from new cost savings initiatives</p> <p>POTENTIAL CONSEQUENCE</p> <p><i>This is an additional risk factor, since we have made many cost savings and it is unknown what ideas, if any, will be forthcoming next fiscal year. This is a risk factor.</i></p>	\$19,378
TOTAL CUTS	\$269,046

Superintendent's Revised 2016-2017 Budget
 March 23, 2016
 Page 4

Summary of Revisions:

The Superintendent of Schools reduced the original budget by **\$1,735,068**. This included eliminating requests totaling **\$957,686** and adding risk factors of **\$527,714**. High priority facilities projects of **\$225,000** were eliminated, but we want to use this fiscal year's available funds to pay for these items. The interest payment for the proposed bonding of **\$24,668** has been cut from the budget; however, we would use the next fiscal year's Contingency Account, if the bond is approved.

The risk factors totaling **\$527,714** are, as follows:

- a) **\$142,835** - Turnover and vacancy savings are budgeted higher than normally budgeted.
- b) **\$40,660** - Two full-time paraeducators (paraprofessionals) are now paid by a State grant, which is subject to possible reduction due to the State's financial situation.
- c) **\$125,857** - Expected claims for next year were reduced by the favorable claims versus budget for July through February 2016, inclusive. *This risk can be higher if next fiscal year's claims exceed the expected claims.*
- d) **\$135,904** - There are no funds for any unanticipated students who are placed in out-of-district placements. *This risk can be higher if more than one additional student is placed in an out-of-district facilities.*
- e) **\$28,080** - Snow removal and sanding is budgeted below the five-year average.
- f) **\$35,000** - The fuel cell and heat exchanger installation at Amity Regional High School will save money. The assumption is the installation will be completed by January 1, 2017.
- g) **\$19,378** - The proposed budget has been cut in anticipation of finding cost savings.

Enclosure

c: Jack B. Levine, Director of Finance and Administration
 Terry Lumas, Assistant Director of Finance and Administration

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
2016-2017 SUPERINTENDENT'S RECOMMENDED BUDGET

		COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6
LINE	CATEGORY	2014-2015 ACTUAL	2015-2016 BUDGET	2015-2016 FORECAST	2016-2017 BUDGET	VAR. \$ TO BUDGET	VAR. % TO BUDGET
1	MEMBER TOWN ALLOCATIONS	44,208,682	45,348,694	45,348,694	46,289,573	940,879	2.07%
2	OTHER REVENUE	249,582	215,266	243,082	190,215	(25,051)	-11.64%
3	OTHER STATE GRANTS	1,103,952	1,157,411	987,936	1,324,940	167,529	14.47%
4	MISCELLANEOUS INCOME	320,498	174,480	197,098	24,480	(150,000)	-85.97%
5	BUILDING RENOVATION GRANTS	6,491	6,491	6,491	6,491	0	0.00%
6	TOTAL REVENUES	45,889,205	46,902,342	46,783,301	47,835,699	933,357	1.99%
7	SALARIES	23,646,038	24,522,504	24,438,330	24,967,936	445,432	1.82%
8	BENEFITS	5,417,449	5,837,134	5,805,777	6,143,208	306,074	5.24%
9	PURCHASED SERVICES	7,080,741	7,862,820	7,541,749	8,409,037	546,217	6.95%
10	DEBT SERVICE	4,799,303	4,743,788	4,743,788	4,709,213	(34,575)	-0.73%
11	SUPPLIES (INCLUDING UTILITIES)	2,987,631	3,051,561	2,992,066	2,963,347	(88,214)	-2.89%
12	EQUIPMENT	286,652	245,855	255,804	173,160	(72,695)	-29.57%
13	IMPROVEMENTS / CONTINGENCY	9,860	493,000	180,565	311,000	(182,000)	-36.92%
14	DUES AND FEES	119,827	145,680	145,680	158,798	13,118	9.00%
15	TRANSFER ACCOUNT	346,445	0	510,999	0	0	0.00%
16	TOTAL EXPENDITURES	44,693,946	46,902,342	46,614,758	47,835,699	933,357	1.99%
17	SUBTOTAL	1,195,259	0	168,543	0	0	0.00%
18	CANCELLATION OF PRIOR YEAR'S ENCUMBRANCE	16,880	0	0	0	0	0.00%
19	DESIGNATED FOR SUBSEQUENT YEAR'S BUDGET	(150,000)	0	0	0	0	0.00%
20	NET BALANCE / (DEFICIT)	1,062,139	0	168,543	0	0	0.00%
21	AVERAGE DAILY MEMBERSHIP	2,343	2,301	2,286	2,294	(7)	-0.30%
22	PER PUPIL EXPENDITURE	15,955	17,091	17,155	17,511	419	2.45%

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
2016-2017 SUPERINTENDENT'S RECOMMENDED BUDGET

LINE	CATEGORY	COLUMN 1 2014-2015 ACTUAL	COLUMN 2 2015-2016 BUDGET	COLUMN 3 2015-2016 FORECAST	COLUMN 4 2016-2017 BUDGET	COLUMN 5 VAR. \$ TO BUDGET	COLUMN 6 VAR. % TO BUDGET
1	BETHANY ALLOCATION	9,204,690	9,441,145	9,441,145	9,437,981	(3,164)	-0.03%
2	ORANGE ALLOCATION	21,758,187	22,400,894	22,400,894	22,561,538	160,644	0.72%
3	WOODBIDGE ALLOCATION	13,245,805	13,506,655	13,506,655	14,290,054	783,399	5.80%
4	MEMBER TOWN ALLOCATIONS	44,208,682	45,348,694	45,348,694	46,289,573	940,879	2.07%
5	ADULT EDUCATION	3,434	3,405	3,413	3,405	0	0.00%
6	PARKING INCOME	30,181	30,000	30,000	30,000	0	0.00%
7	INVESTMENT INCOME	2,799	1,500	2,000	2,000	500	33.33%
8	ATHLETICS	27,258	32,500	30,074	32,500	0	0.00%
9	TUITION REVENUE	75,864	72,985	92,134	47,434	(25,551)	-35.01%
10	TRANSPORTATION INCOME	110,046	74,876	85,461	74,876	0	0.00%
11	TRANSPORTATION BOWA AGREEMENT	0	0	0	0	0	0.00%
12	OTHER REVENUE	249,582	215,266	243,082	190,215	(25,051)	-11.64%
13	BESB GRANT	0	0	0	0	0	0.00%
14	SPECIAL EDUCATION GRANTS	1,103,952	1,157,411	987,936	1,324,940	167,529	14.47%
15	OTHER STATE GRANTS	1,103,952	1,157,411	987,936	1,324,940	167,529	14.47%
16	RENTAL INCOME	26,025	3,500	25,000	3,500	0	0.00%
17	DESIGNATED FROM PRIOR YEAR	266,000	150,000	150,000	0	(150,000)	-100.00%
18	OTHER REVENUE	28,307	20,980	22,098	20,980	0	0.00%
19	TRANSFER IN	166	0	0	0	0	0.00%
20	MISCELLANEOUS INCOME	320,498	174,480	197,098	24,480	(150,000)	-85.97%
21	BUILDING RENOVATION GRANTS	6,491	6,491	6,491	6,491	0	0.00%
22	TOTAL REVENUES	45,889,205	46,902,342	46,783,301	47,835,699	933,357	1.99%

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
2016-2017 SUPERINTENDENT'S RECOMMENDED BUDGET

		COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6
LINE	CATEGORY	2014-2015 ACTUAL	2015-2016 BUDGET	2015-2016 FORECAST	2016-2017 BUDGET	VAR. \$ TO BUDGET	VAR. % TO BUDGET
1	5111-CERTIFIED SALARIES	19,722,737	20,383,773	20,242,297	20,577,557	193,784	0.95%
2	5112-CLASSIFIED SALARIES	3,923,301	4,138,731	4,196,033	4,390,379	251,648	6.08%
3	SALARIES	23,646,038	24,522,504	24,438,330	24,967,936	445,432	1.82%
4	5200-MEDICARE - ER	317,397	327,104	328,032	334,538	7,434	2.27%
5	5210-FICA - ER	245,870	253,321	254,108	259,642	6,321	2.50%
6	5220-WORKERS' COMPENSATION	202,731	250,807	220,492	230,851	(19,956)	-7.96%
7	5255-MEDICAL & DENTAL INSURANCE	3,491,099	4,080,297	4,080,297	4,171,526	91,229	2.24%
8	5860-OPEB TRUST	175,000	0	0	157,272	157,272	100.00%
9	5260-LIFE INSURANCE	40,513	45,520	43,736	42,123	(3,397)	-7.46%
10	5275-DISABILITY INSURANCE	8,623	9,602	8,629	8,790	(812)	-8.46%
11	5280-PENSION PLAN - CLASSIFIED	738,934	772,191	772,191	862,404	90,213	11.68%
12	5282-RETIREMENT SICK LEAVE - CERT	80,780	39,000	39,000	25,900	(13,100)	-33.59%
13	5283-RETIREMENT SICK LEAVE - CLASS	0	2,000	2,000	2,062	62	3.10%
14	5284-SEVERANCE PAY - CERTIFIED	96,402	47,292	47,292	33,100	(14,192)	-30.01%
15	5290-UNEMPLOYMENT COMPENSATION	20,100	10,000	10,000	15,000	5,000	50.00%
16	BENEFITS	5,417,449	5,837,134	5,805,777	6,143,208	306,074	5.24%

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
2016-2017 SUPERINTENDENT'S RECOMMENDED BUDGET

		COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6
		2014-2015	2015-2016	2015-2016	2016-2017	VAR. \$ TO	VAR. %
LINE	CATEGORY	ACTUAL	BUDGET	FORECAST	BUDGET	BUDGET	TO BUDGET
17	5322-INSTRUCTIONAL PROG IMPROVEMENT	17,663	26,810	26,810	16,750	(10,060)	-37.52%
18	5327-DATA PROCESSING	65,367	78,138	78,138	79,062	924	1.18%
19	5330-OTHER PROFESSIONAL & TECHNICAL SRVC	905,144	1,118,120	1,118,120	1,075,935	(42,185)	-3.77%
20	5440-RENTALS - LAND, BLDG, EQUIPMENT	88,876	96,195	96,195	102,581	6,386	6.64%
21	5510-PUPIL TRANSPORTATION	2,511,292	2,831,153	2,653,966	2,957,249	126,096	4.45%
22	5521-GENERAL LIABILITY INSURANCE	196,758	205,831	199,901	220,548	14,717	7.15%
23	5550-COMMUNICATIONS: TEL, POST, ETC.	92,022	111,362	111,362	114,924	3,562	3.20%
24	5560-TUITION EXPENSE	3,127,149	3,323,310	3,185,356	3,757,143	433,833	13.05%
25	5590-OTHER PURCHASED SERVICES	76,470	71,901	71,901	84,845	12,944	18.00%
26	PURCHASED SERVICES	7,080,741	7,862,820	7,541,749	8,409,037	546,217	6.95%
27	5830-INTEREST	1,514,303	1,388,788	1,388,788	1,249,213	(139,575)	-10.05%
28	5910-REDEMPTION OF PRINCIPAL	3,285,000	3,355,000	3,355,000	3,460,000	105,000	3.13%
29	BONDING OF FACILITIES CAPITAL ITEMS	0	0	0	0	0	0.00%
30	DEBT SERVICE	4,799,303	4,743,788	4,743,788	4,709,213	(34,575)	-0.73%
31	5410-UTILITIES, EXCLUDING HEAT	846,736	822,839	782,955	806,764	(16,075)	-1.95%
32	5420-REPAIRS, MAINTENANCE & CLEANING	730,559	703,182	717,509	714,645	11,463	1.63%
33	5611-INSTRUCTIONAL SUPPLIES	353,751	366,819	359,819	392,007	25,188	6.87%
34	5613-MAINTENANCE/CUSTODIAL SUPPLIES	176,467	206,478	206,478	212,565	6,087	2.95%
35	5620-OIL USED FOR HEATING	122,270	87,016	44,430	36,500	(50,516)	-58.05%
36	5621-NATURAL GAS	86,384	97,000	105,648	93,706	(3,294)	-3.40%
37	5627-TRANSPORTATION SUPPLIES	178,611	132,785	132,785	109,740	(23,045)	-17.36%
38	5641-TEXTS & DIGITAL RESOURCES	39,066	126,149	126,149	73,769	(52,380)	-41.52%
39	5642-LIBRARY BOOKS & PERIODICALS	23,356	20,797	20,797	22,257	1,460	7.02%
40	5690-OTHER SUPPLIES	430,431	488,496	495,496	501,394	12,898	2.64%
41	SUPPLIES (INCLUDING UTILITIES)	2,987,631	3,051,561	2,992,066	2,963,347	(88,214)	-2.89%

AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
2016-2017 SUPERINTENDENT'S RECOMMENDED BUDGET

		COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6
LINE	CATEGORY	2014-2015 ACTUAL	2015-2016 BUDGET	2015-2016 FORECAST	2016-2017 BUDGET	VAR. \$ TO BUDGET	VAR. % TO BUDGET
42	5730-EQUIPMENT - NEW	63,443	39,170	44,970	28,128	(11,042)	-28.19%
43	5731-EQUIPMENT - REPLACEMENT	223,209	206,685	210,834	145,032	(61,653)	-29.83%
44	EQUIPMENT	286,652	245,855	255,804	173,160	(72,695)	-29.57%
45	5715-IMPROVEMENTS TO BUILDINGS	0	160,000	60,000	132,000	(28,000)	-17.50%
46	5720-IMPROVEMENTS TO SITES	9,860	183,000	120,565	29,000	(154,000)	-84.15%
47	5850-CONTINGENCY	0	150,000	0	150,000	0	0.00%
48	IMPROVEMENTS / CONTINGENCY	9,860	493,000	180,565	311,000	(182,000)	-36.92%
49	5580-STAFF TRAVEL	23,435	20,157	20,157	24,050	3,893	19.31%
50	5581-TRAVEL - CONFERENCES	24,299	25,232	25,232	36,120	10,888	43.15%
51	5810-DUES & FEES	72,093	100,291	100,291	98,628	(1,663)	-1.66%
52	DUES AND FEES	119,827	145,680	145,680	158,798	13,118	9.00%
53	5856-TRANSFER ACCOUNT	346,445	0	510,999	0	0	0.00%
54	TOTAL EXPENDITURES	44,693,946	46,902,342	46,614,758	47,835,699	933,357	1.99%

**AMITY REGIONAL SCHOOL DISTRICT NO. 5
REVENUES AND EXPENDITURES
FOR FY 2015-2016**

LINE	CATEGORY	COLUMN 1 2014-2015 ACTUAL	COLUMN 2 2015-2016 BUDGET	COLUMN 3 MAR '16 FORECAST	COLUMN 4 CHANGE INCR./(DECR.)	COLUMN 5 Revised MAR '16 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COL 7 FAV UNF
1	MEMBER TOWN ALLOCATIONS	44,208,682	45,348,694	45,348,694	0	45,348,694	0	FAV
2	OTHER REVENUE	249,582	215,266	243,082	0	243,082	27,816	FAV
3	OTHER STATE GRANTS	1,103,952	1,157,411	987,936	0	987,936	(169,475)	UNF
4	MISCELLANEOUS INCOME	320,498	174,480	197,098	0	197,098	22,618	FAV
5	BUILDING RENOVATION GRANTS	6,491	6,491	6,491	0	6,491	0	FAV
6	TOTAL REVENUES	45,889,205	46,902,342	46,783,301	0	46,783,301	(119,041)	UNF
7	SALARIES	23,646,038	24,522,504	24,438,330	0	24,438,330	(84,174)	FAV
8	BENEFITS	5,417,449	5,837,134	5,805,777	0	5,805,777	(31,357)	FAV
9	PURCHASED SERVICES	7,080,741	7,862,820	7,541,749	0	7,541,749	(321,071)	FAV
10	DEBT SERVICE	4,799,303	4,743,788	4,743,788	0	4,743,788	0	FAV
11	SUPPLIES (INCLUDING UTILITIES)	2,987,631	3,051,561	2,992,066	0	2,992,066	(59,495)	FAV
12	EQUIPMENT	286,652	245,855	255,804	0	255,804	9,949	UNF
13	IMPROVEMENTS / CONTINGENCY	9,860	493,000	404,493	(223,928)	180,565	(312,435)	FAV
14	DUES AND FEES	119,827	145,680	145,680	0	145,680	0	FAV
15	TRANSFER ACCOUNT	346,445	0	445,086	65,913	510,999	510,999	UNF
16	TOTAL EXPENDITURES	44,693,946	46,902,342	46,772,773	(158,015)	46,614,758	(287,584)	FAV
17	SUBTOTAL	1,195,259	0	10,528	158,015	168,543	168,543	FAV
18	PLUS: CANCELLATION OF PRIOR YEAR'S ENCUMBRANCES	16,880	0	0	0	0	0	FAV
19	DESIGNATED FOR SUBSEQUENT YEAR'S BUDGET:	(150,000)	0	0	0	0	0	FAV
20	NET BALANCE / (DEFICIT)	1,062,139	0	10,528	158,015	168,543	168,543	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 2015-2016**

LINE	CATEGORY	COLUMN 1 2014-2015 ACTUAL	COLUMN 2 2015-2016 BUDGET	COLUMN 3 MAR '16 FORECAST	COLUMN 4 CHANGE INCR./(DECR.)	COLUMN 5 Revised MAR '16 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COL 7 FAV UNF
1	BETHANY ALLOCATION	9,204,690	9,441,145	9,441,145	0	9,441,145	0	FAV
2	ORANGE ALLOCATION	21,758,187	22,400,894	22,400,894	0	22,400,894	0	FAV
3	WOODBIDGE ALLOCATION	13,245,805	13,506,655	13,506,655	0	13,506,655	0	FAV
4	MEMBER TOWN ALLOCATIONS	44,208,682	45,348,694	45,348,694	0	45,348,694	0	FAV
5	ADULT EDUCATION	3,434	3,405	3,413	0	3,413	8	FAV
6	PARKING INCOME	30,181	30,000	30,000	0	30,000	0	FAV
7	INVESTMENT INCOME	2,799	1,500	2,000	0	2,000	500	FAV
8	ATHLETICS	27,258	32,500	30,074	0	30,074	(2,426)	UNF
9	TUITION REVENUE	75,864	72,985	92,134	0	92,134	19,149	FAV
10	TRANSPORTATION INCOME	110,046	74,876	85,461	0	85,461	10,585	FAV
11	TRANSPORTATION BOWA AGREEMENT	0	0	0	0	0	0	FAV
12	OTHER REVENUE	249,582	215,266	243,082	0	243,082	27,816	FAV
13	BESB GRANT	0	0	0	0	0	0	FAV
14	SPECIAL EDUCATION GRANTS	1,103,952	1,157,411	987,936	0	987,936	(169,475)	UNF
15	OTHER STATE GRANTS	1,103,952	1,157,411	987,936	0	987,936	(169,475)	UNF
16	RENTAL INCOME	26,025	3,500	25,000	0	25,000	21,500	FAV
17	DESIGNATED FROM PRIOR YEAR	266,000	150,000	150,000	0	150,000	0	FAV
18	OTHER REVENUE	28,307	20,980	22,098	0	22,098	1,118	FAV
19	TRANSFER IN	166	0	0	0	0	0	FAV
20	MISCELLANEOUS INCOME	320,498	174,480	197,098	0	197,098	22,618	FAV
21	BUILDING RENOVATION GRANTS	6,491	6,491	6,491	0	6,491	0	FAV
22	TOTAL REVENUES	45,889,205	46,902,342	46,783,301	0	46,783,301	(119,041)	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 2015-2016**

LINE	CATEGORY	COLUMN 1	COLUMN 2	COLUMN 3	COLUMN 4	COLUMN 5	COLUMN 6	COLUMN 7
		2014-2015 ACTUAL	2015-2016 BUDGET	MAR '16 FORECAST	CHANGE INCR./(DECR.)	Revised MAR '16 FORECAST	VARIANCE OVER/(UNDER)	FAV UNF
1	5111-CERTIFIED SALARIES	19,722,737	20,383,773	20,242,297	0	20,242,297	(141,476)	FAV
2	5112-CLASSIFIED SALARIES	3,923,301	4,138,731	4,196,033	0	4,196,033	57,302	UNF
3	SALARIES	23,646,038	24,522,504	24,438,330	0	24,438,330	(84,174)	FAV
4	5200-MEDICARE - ER	317,397	327,104	328,032	0	328,032	928	UNF
5	5210-FICA - ER	245,870	253,321	254,108	0	254,108	787	UNF
6	5220-WORKERS' COMPENSATION	202,731	250,807	220,492	0	220,492	(30,315)	FAV
7	5255-MEDICAL & DENTAL INSURANCE	3,491,099	4,080,297	4,080,297	0	4,080,297	0	FAV
8	5860-OPEB TRUST	175,000	0	0	0	0	0	FAV
9	5260-LIFE INSURANCE	40,513	45,520	43,736	0	43,736	(1,784)	FAV
10	5275-DISABILITY INSURANCE	8,623	9,602	8,629	0	8,629	(973)	FAV
11	5280-PENSION PLAN - CLASSIFIED	738,934	772,191	772,191	0	772,191	0	FAV
12	5282-RETIREMENT SICK LEAVE - CERT	80,780	39,000	39,000	0	39,000	0	FAV
13	5283-RETIREMENT SICK LEAVE - CLASS	0	2,000	2,000	0	2,000	0	FAV
14	5284-SEVERANCE PAY - CERTIFIED	96,402	47,292	47,292	0	47,292	0	FAV
15	5290-UNEMPLOYMENT COMPENSATION	20,100	10,000	10,000	0	10,000	0	FAV
16	BENEFITS	5,417,449	5,837,134	5,805,777	0	5,805,777	(31,357)	FAV
17	5322-INSTRUCTIONAL PROG IMPROVEMENT	17,663	26,810	26,810	0	26,810	0	FAV
18	5327-DATA PROCESSING	65,367	78,138	78,138	0	78,138	0	FAV
19	5330-OTHER PROFESSIONAL & TECHNICAL SRVC	905,144	1,118,120	1,118,120	0	1,118,120	0	FAV
20	5440-RENTALS - LAND, BLDG, EQUIPMENT	88,876	96,195	96,195	0	96,195	0	FAV
21	5510-PUPIL TRANSPORTATION	2,511,292	2,831,153	2,653,966	0	2,653,966	(177,187)	FAV
22	5521-GENERAL LIABILITY INSURANCE	196,758	205,831	199,901	0	199,901	(5,930)	FAV
23	5550-COMMUNICATIONS: TEL, POST, ETC.	92,022	111,362	111,362	0	111,362	0	FAV
24	5560-TUITION EXPENSE	3,127,149	3,323,310	3,185,356	0	3,185,356	(137,954)	FAV
25	5590-OTHER PURCHASED SERVICES	76,470	71,901	71,901	0	71,901	0	FAV
26	PURCHASED SERVICES	7,080,741	7,862,820	7,541,749	0	7,541,749	(321,071)	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 2015-2016**

LINE	CATEGORY	COLUMN 1 2014-2015 ACTUAL	COLUMN 2 2015-2016 BUDGET	COLUMN 3 MAR '16 FORECAST	COLUMN 4 CHANGE INCR./(DECR.)	COLUMN 5 Revised MAR '16 FORECAST	COLUMN 6 VARIANCE OVER/(UNDER)	COL 7 FAV UNF
27	5830-INTEREST	1,514,303	1,388,788	1,388,788	0	1,388,788	0	FAV
28	5910-REDEMPTION OF PRINCIPAL	3,285,000	3,355,000	3,355,000	0	3,355,000	0	FAV
29	DEBT SERVICE	4,799,303	4,743,788	4,743,788	0	4,743,788	0	FAV
30	5410-UTILITIES, EXCLUDING HEAT	846,736	822,839	782,955	0	782,955	(39,884)	FAV
31	5420-REPAIRS, MAINTENANCE & CLEANING	730,559	703,182	717,509	0	717,509	14,327	UNF
32	5611-INSTRUCTIONAL SUPPLIES	353,751	366,819	359,819	0	359,819	(7,000)	FAV
33	5613-MAINTENANCE/CUSTODIAL SUPPLIES	176,467	206,478	206,478	0	206,478	0	FAV
34	5620-OIL USED FOR HEATING	122,270	87,016	44,430	0	44,430	(42,586)	FAV
35	5621-NATURAL GAS	86,384	97,000	105,648	0	105,648	8,648	UNF
36	5627-TRANSPORTATION SUPPLIES	178,611	132,785	132,785	0	132,785	0	FAV
37	5641-TEXTS & DIGITAL RESOURCES	39,066	126,149	126,149	0	126,149	0	FAV
38	5642-LIBRARY BOOKS & PERIODICALS	23,356	20,797	20,797	0	20,797	0	FAV
39	5690-OTHER SUPPLIES	430,431	488,496	495,496	0	495,496	7,000	UNF
40	SUPPLIES (INCLUDING UTILITIES)	2,987,631	3,051,561	2,992,066	0	2,992,066	(59,495)	FAV
41	5730-EQUIPMENT - NEW	63,443	39,170	44,970	0	44,970	5,800	UNF
42	5731-EQUIPMENT - REPLACEMENT	223,209	206,685	210,834	0	210,834	4,149	UNF
43	EQUIPMENT	286,652	245,855	255,804	0	255,804	9,949	UNF
44	5715-IMPROVEMENTS TO BUILDING	0	60,000	60,000	0	60,000	0	FAV
44a	5715-FACILITIES CONTINGENCY	0	100,000	100,000	0	100,000	0	FAV
44b	TRSF. FROM FACILITIES CONTINGENCY	0	0	(20,272)	(79,728)	(100,000)	(100,000)	FAV
45	5720-IMPROVEMENTS TO SITES	9,860	183,000	120,565	0	120,565	(62,435)	FAV
46	5850-DISTRICT CONTINGENCY	0	150,000	150,000	0	150,000	0	FAV
46a	TRSF. FROM CONTINGENCY TO OTHER ACCTS.	0	0	(5,800)	(144,200)	(150,000)	(150,000)	FAV
47	IMPROVEMENTS / CONTINGENCY	9,860	493,000	404,493	(223,928)	180,565	(312,435)	FAV
48	5580-STAFF TRAVEL	23,435	20,157	20,157	0	20,157	0	FAV
49	5581-TRAVEL - CONFERENCES	24,299	25,232	25,232	0	25,232	0	FAV
50	5810-DUES & FEES	72,093	100,291	100,291	0	100,291	0	FAV
51	DUES AND FEES	119,827	145,680	145,680	0	145,680	0	FAV
52	5856-TRANSFER ACCOUNT	346,445	0	445,086	65,913	510,999	510,999	UNF
53	ESTIMATED UNSPENT BUDGETS	0	0	0	0	0	0	FAV
54	TOTAL EXPENDITURES	44,693,946	46,902,342	46,772,773	(158,015)	46,614,758	(287,584)	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 2015-2016



UPDATED MARCH 2016

This monthly financial report provides a comprehensive analysis of current and projected revenues and expenditures. New or revised comments and figures from the prior forecast report are highlighted in *boldface italics* for future monthly reports for this fiscal year.

Projected Unspent Fund Balance:

The primary reasons for the projected unspent fund balance of \$538,629 are, as follows:

- **\$193,378 FAV:** “Turnover savings” from replacing teachers and other staff who retired or resigned is over budget and unpaid leaves-of-absence
- **\$30,315 FAV:** The bid price for workers’ compensation insurance premium was under budget. The payroll audit premium was below budget.
- **\$145,666 FAV:** Special Education Transportation and Tuition net of Special Education Grants – We had several students who were budgeted to be outplaced but were not for a number of reasons. These accounts are extremely difficult to forecast. As examples, special need students can be hospitalized; move into the district or leave the district at any time; withdraw from Amity and enroll in Adult Education. Any one of these events can have a significant impact, positive or negative, on the District’s special education expenditures.
- **\$62,385 FAV:** The bid for the stone coping repair project at Amity Regional High School was under budget.
- **\$73,822 FAV:** Utilities for electricity, heating oil and natural gas are projected to be below budget.

The projected unspent fund balance is NOT \$679,542, which is the sum of the Net Balance on page 1, Column 6, line 20 (\$168,543) and Transfer Account on page 4, column 6, line 54 (\$510,999). The Transfer Account includes \$140,913 from the Contingency Account for the District Lighting Project. The Contingency Account funds are not a part of the projected unspent fund balance, because we plan to spend it. If and when we do not spend any of these funds, we include it in the unspent fund balance.

Potential Use of Unspent Fund Balance:

Note: The prior forecast included \$300,000 of the unspent fund balance to be designated to purchase one or more of the items in the proposed 2016-2017 bond issue. This has been EXCLUDED from this updated forecast.

The District refinanced some of its bonds on the 1990's construction projects some years ago and saved a significant amount of interest expense. The State has calculated we owe a refund of the grant paid of **\$145,086**. The State has reported this on its website for the past several years but has not yet requested the money. If in several years the State fails to request these funds, the Amity Board of Education can return the money to the member towns. This appears in the Transfer Account on page 4, column 6, line 53. **The Superintendent of Schools plans to ask the Amity Finance Committee and Amity Board of Education to transfer these funds from the unspent fund balance into the Reserve Fund for Capital Nonrecurring Expenditures prior to closing the books for this fiscal year. The Amity Finance Committee and Amity Board of Education will be asked to consider these requests at their August meeting.**

The forecast includes the proposed budget transfer of \$225,000 into the Reserve Fund for Capital and Nonrecurring Expenditures to pay for facilities items removed from the Superintendent's revised 2016-2017 budget.

The net balance of \$168,543 has not been recommended for a potential use at this time. Any unspent fund balance would be returned to the member towns based on the Average Daily Membership used for this fiscal year's budget (i.e., October 1, 2014).

OVERVIEW

The projected unspent fund balance for this fiscal year is *\$168,543 FAV*, which appears on page 1, column 6, line 20.

REVENUES BY CATEGORY

The projected yearend balance of revenues are **\$119,041 UNF**, which appears on page 2, column 6, line 22.

LINE 5 on Page 2: ADULT EDUCATION:

The forecast is based on information from the State.

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 2015	0.350 %	0.043 %
July 2015	0.250 %	0.150 %
August 2015	0.400 %	0.170 %
September 2015	0.400 %	0.170 %
October 2015	0.400 %	0.170 %
November 2015	0.400 %	0.170 %
December 2015	0.400 %	0.210 %
January 2016	0.400 %	0.210 %
February 2016	0.400 %	0.370 %

LINE 8 on Page 2: ATHLETICS:

The forecast is based on a historical analysis and actual revenue collected.

LINE 9 on Page 2: TUITION REVENUE:

The budget is based on six tuition students, five at full tuition rate and one student at reduced employee rate. The actual tuition charged is higher than budgeted. One new tuition student registered.

LINE 10 on Page 2: TRANSPORTATION INCOME:

The forecast is based on historical data and the State cap. Transportation income increase is largely due to a positive adjustment to the fiscal year 2014-2015 Excess Cost calculation.

LINE 14 on Page 2: SPECIAL EDUCATION GRANTS:

The State reimbursement rate for 2015-2016 is projected to be 75.0 percent (previously 79.0 percent) compared to the budget of 75.0 percent. The State has notified all school districts of the possible reduction due to the State's budget situation.

LINE 18 on Page 2: OTHER REVENUE:

The United Illuminating Load Shed credits for the first and second quarters for last fiscal year totaling **\$3,272.91 FAV** were received in September 2015. The forecast is based on a historical analysis and actual revenues received.

EXPENDITURES BY CATEGORY

The projected yearend balance of expenditures are **\$287,584 FAV**, which appears on page 4, column 6, line 55.

LINE 1 on Page 3: 5111-CERTIFIED SALARIES:

“Turnover savings” from replacing teachers, who retired or resigned, and leaves-of-absence is over budget by **\$132,194 FAV**. Two teachers are on unpaid leave-of-absence, which is estimated to save **\$25,281 FAV**. An additional ‘turnover savings’ of **\$20,482 FAV** was realized. The forecast projects savings of **\$10,000 FAV** from anticipated leaves-of-absences occurring towards the end of the school year. Homebound expenditures are projected to be under budget by **\$6,321 FAV**. The IDEA grant does not have sufficient funds to pay for **\$25,000 UNF** of a teacher’s salary as budgeted. The forecast is based on current staffing.

LINE 2 on Page 3: 5112-CLASSIFIED SALARIES:

“Turnover savings” from replacing classified staff, who retired or resigned, is over budget by **\$5,421 FAV**. The Federal government through the State has required our district to use 15 percent of the IDEA grant to train our staff to not over identify white autistic students. The cost of a paraprofessional budgeted in the IDEA grant needed to be shifted to the Board budget (**\$26,284 UNF**) due to the requirement to use 15 percent of the IDEA grant for training. The forecast is based on current staffing.

LINES 3 & 4 on Page 3: 5200 & 5210-MEDICARE & FICA:

The forecast is based on the current staff.

LINE 6: 5220-WORKERS’ COMPENSATION:

The bid price for workers’ compensation insurance premium was **\$20,727 FAV** under budget. The payroll audit premium was \$1,219, or **\$9,588 FAV** below budget.

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

Actual employee and retiree claims are **\$95,766 FAV** under budget. Fees charged are **\$76,086 FAV** under budget. Actual claims and fees are shown below through February 2016. The forecast assumes the entire budget for this account will be used.

CLAIMS OF CURRENT EMPLOYEES AND RETIREES

MONTH	2015-2016 ACTUAL	2015-2016 BUDGET	2015-2016 VARIANCE	2014-2015 ACTUAL	2013-2014 ACTUAL
JUL	\$424,798	\$360,250	\$64,548	\$311,067	\$430,267
AUG	\$298,314	\$360,250	(\$61,936)	\$336,053	\$381,584
SEP	\$311,187	\$360,250	(\$49,063)	\$282,989	\$306,379
OCT	\$316,592	\$360,250	(\$43,658)	\$368,169	\$312,668
NOV	\$382,903	\$360,250	\$22,653	\$326,683	\$327,966
DEC	\$416,646	\$360,250	\$56,396	\$419,537	\$416,061
JAN	382,654	\$360,250	22,404	\$284,899	\$402,402
FEB	253,140	\$360,250	(107,110)	\$330,398	\$238,891
MAR		\$360,250		\$269,027	\$368,088
APR		\$360,250		\$302,864	\$374,121
MAY		\$360,250		\$291,612	\$314,836
JUN		\$360,250		\$308,985	\$315,712
TOTALS		\$4,323,000	(\$95,766)	\$3,832,283	\$4,188,975

ACTUAL/FORECAST CLAIMS AS A PERCENTAGE OF EXPECTED CLAIMS

2012-2013 ACTUAL	2013-2014 ACTUAL	2014-2015 ACTUAL	2015-2016 BUDGET	2015-2016 FORECAST
88.9%	103.8%	87.3%	100.0%	97.8%

Note: 2015-2016 FORECAST of projected claims for this fiscal year as a percentage of expected claims is based on actual year-to-date claims plus budgeted claims for the remainder of the year divided by expected (budgeted) claims.

FEES OF CURRENT EMPLOYEES AND RETIREES (Stop-Loss Premiums, Network Excess Fees, and Other Fees)

MONTH	2015-2016 ACTUAL	2015-2016 BUDGET	2015-2016 VARIANCE	2014-2015 ACTUAL	2013-2014 ACTUAL
JUL	\$95,297	\$70,000	\$25,297	\$85,723	\$104,334
AUG	\$87,514	\$69,745	\$17,769	\$88,370	\$89,545
SEP	\$73,583	\$69,745	\$3,838	\$96,853	\$94,550
OCT	\$76,154	\$69,745	\$6,409	\$97,604	\$59,835
NOV	\$41,351	\$69,745	(\$28,394)	\$55,394	\$40,563
DEC	\$40,224	\$69,745	(\$29,521)	\$47,437	\$40,321
JAN	\$29,552	\$69,745	(\$40,193)	\$47,120	\$44,201
FEB	\$38,454	\$69,745	(\$31,291)	\$46,962	\$43,730
MAR		\$69,745		\$46,314	\$33,847
APR		\$69,745		\$46,798	\$30,543
MAY		\$69,745		\$46,805	\$41,930
JUN		\$69,745		\$47,120	\$41,781
TOTALS		\$837,195	(\$76,086)	\$752,500	\$665,180

LINE 9: 5260-LIFE INSURANCE:

The forecast is based on the current staff.

LINE 10: 5275-DISABILITY INSURANCE:

The forecast is based on the current staff.

LINE 21 on Page 3: 5510-PUPIL TRANSPORTATION:

Special Education Transportation is a projected variance of \$177,187 FAV.

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

The bid price for liability, automotive and property insurance premium was \$1,972 UNF over budget. The bid price for student accident insurance premium was \$1,677 UNF over budget. The Connecticut Interlocal Risk Management Agency (CIRMA) has notified the District that we will be receiving a rebate of \$9,579 FAV.

LINE 24 on Page 3: 5560-TUITION EXPENSE:

Tuition has a projected variance of \$137,954 FAV.

Tuition for the vo-ag schools has a projected variance of \$13,097 FAV.

	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 BUDGET	FY15-16 FORECAST
Sound	6	8	7	5	6	4
Trumbull	3	2	2	2	4	3
Nonnewaug	3	2	2	1	3	5
Common Guard Charter HS	0	0	0	1	1	1
ACES Wintergreen Magnet	0	2	1	0	0	0
King Robinson Magnet	0	0	0	0	0	1
Totals	12	14	12	9	14	14

ECA has a projected variance of \$21,901 FAV.

	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 BUDGET	FY15-16 FORECAST
ECA	26	26	26	26	26	22

Public (ACES) and private out-of-district placements has a projected variance of **\$102,956 FAV.**

	FY11-12 ACTUAL	FY12-13 ACTUAL	FY13-14 ACTUAL	FY14-15 ACTUAL	FY15-16 BUDGET	FY15-16 FORECAST
Public SPED	6	8	6	10	10	6
Private SPED	24	21	25	24	23	27
Totals	30	29	31	34	33	33

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

The 2015-2016 budget for electricity assumes the use of 3,913,193 kilowatt hours at an average price of \$0.1900 per kilowatt hour, or a cost of \$743,506. The forecast assumes the use of 3,831,602 kilowatt hours at an average price of \$0.1832 per kilowatt hour, or a favorable variance of **\$41,557 FAV.**

Electricity was budgeted at \$0.1900 per kilowatt hour, and the current average price through the first half of the fiscal year is \$0.1732 per kilowatt hour. Thus, the average price is lower than budget. The usage is projected to be under budget for several reasons. First, we have made more adjustments to the operation of the HVAC equipment, which has resulted in kilowatt per hour usage savings. Second, Technology has greatly reduced the number of servers that run the District's data infrastructure, which has reduced energy consumption. Third, the number of degree days in October 2015 was higher than the previous two years, which led to much less need for air conditioning, resulting in less kilowatt usage.

ELECTRICITY (KILOWATT HOURS)

MONTH	2015-2016 ACTUAL	2015-16 BUDGET	2015-16 VARIANCE	2014-2015 ACTUAL	2013-2014 ACTUAL
JUL	339,296	350,380	(11,084)	321,976	353,041
AUG	374,855	353,327	21,528	331,999	355,228
SEP	361,951	357,369	4,582	349,784	369,190
OCT	293,904	303,582	(9,678)	292,657	310,925
NOV	276,758	292,695	(15,937)	287,227	294,532
DEC	269,037	301,518	(32,481)	297,565	295,361
JAN	273,192	316,251	(43,059)	290,906	322,535
FEB		317,768		319,356	323,318
MAR		313,876		321,785	306,728
APR		323,607		304,672	300,730
MAY		338,033		318,196	324,543
JUN		344,787		336,991	329,909
TOTALS		3,913,193	(86,129)	3,773,114	3,886,040

Loan payments will total \$14,583. The budget assumes there will not be a Load Shed credit.

The budget for propane is \$5,250. The forecast is \$3,150, or **\$2,100 FAV** under budget.

Sewer costs are budgeted at \$28,000. The forecast is \$31,773, or **\$3,773 UNF** over budget.

The budget for water is \$31,500, which is the forecast.

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

Below is a list of repair items not specifically included in the budget. At this time, we are projecting no budget transfers will be needed to cover these expenditures.

- We received an alarm on one of the large sewage ejection pumps at Amity Regional High School. The seal on the pump was leaking. The cost to repair the pump was \$4,300 UNF.
- The sign in front of the District Office building had rotted through and needed to be replaced. A replacement sign has been ordered. The unbudgeted expense is \$2,900 UNF.
- The restroom partitions in the boy's locker room at Amity Regional High School were destroyed by vandalism. The unbudgeted expense to replace the stalls is \$4,500 UNF.

Facilities Director Jim Saisa reported, "The ripples in the gym floor at Amity Middle School, Orange Campus did not settle back to normal level as thought by the vendors that looked at the problem. Our gym floor vendor cut out a three foot by three foot section during the Holiday break. There is a high amount of moisture under the floor. Flooring was replaced so the gym will be fully functional for the remainder of the school year. Funding will need to be allocated so the source of the moisture can be found and repaired during the summer of 2016. The repairs could be very costly depending on how much of the floor needs to be removed and the extent of the damage to the concrete foundation."

Facilities Director Jim Saisa received a quote of \$158,425 to "supply and install Versa shield MBX moisture barrier over the entire floor." Until work is started, there is no way to know if the entire floor will need to be replaced. Furthermore, it is possible we will need to hire a civil engineer to determine the cause of water intrusion if the obvious cause is not evident. Facilities Director Jim Saisa met with the insurance adjustor and received feedback that CIRMA will pay for this project.

Facilities Director Jim Saisa reported, “We received the retro-commissioning report from vanZelm. I met with the Superintendent to discuss the report. One of the recommendations deals with the Tech Lab at Amity Regional High School, room 165. There is a 772 gallon acid neutralization tank installed in the floor of the tool room that the science wing classrooms drain into. The tank was installed without proper ventilation. We have tried numerous repairs to remedy the rotten egg smell over the years to no avail. The Superintendent and I believe we should remedy the problem with the properly engineered design and subsequent implementation. The Superintendent would like to find the money to accomplish this as soon as possible. The total estimated cost is \$20,272.” Dr. Dumais spoke with Board Chair William Blake and agreed this project should proceed prior to the February meetings of the Amity Finance Committee and Amity Board of Education due to the health and safety of students and staff. Therefore, the project has been approved. A budget transfer of **\$20,272 FAV** has been taken from the facilities contingency budget to pay for it.

A budget transfer to Equipment - Replacement of **\$5,945 FAV** was approved to replace 3 bottom mats and 1 top mat, which have used their useful life and are in need of repair.

The Athletic budget has funds for planned general repairs, but we would like to use these funds to purchase new mats as the old mats have been damaged by mice. The season will start soon and we want to place the order as soon as possible.

The budget for snow removal and sanding is \$59,745. The costs incurred as of February 29, 2016, are \$29,925.

DEGREE DAYS: The number of degree days through January 2016 are 1,919 compared to the prior year’s same period of 2,170, or 11.6 percent under the prior year.

LINE 32 on Page 4: 5611-INSTRUCTIONAL SUPPLIES:

The Science Department budgeted for the replacement of lab technology equipment to replace overused equipment (lab probes, etc. for Environmental Earth Science and Physics classes). Due to updated technology that has been released in the last several months, the new lab technology equipment can now be used with Chrome books and is cheaper than the original requested equipment that can only work with desktop computers. Based on this update, we are requesting permission to purchase a class set of Chrome books this fiscal year to be used in conjunction with the Chrome book-compatible equipment. This equipment is necessary and would be used during the current school year. The forecast includes the purchase of Chrome books for a Science class by transferring **\$7,000 FAV** from the Science Department’s 5611 – Instructional Supplies account to the Technology Department’s Other Supplies account.

LINE 34 on Page 4: 5620-OIL USED FOR HEATING:

The budget is \$87,016. Each middle school is budgeted to use 20,000 gallons, or a total of 40,000 gallons, at a price of \$2.1379 per gallon, or \$85,516. The budget includes \$1,500 for the generators at all three schools. The installation of the natural gas line at Amity Middle School – Orange Campus will result in 20,000 gallons of heating oil not being needed. This is a favorable variance of **\$42,758 FAV** (20,000 gallons at the budget price of \$2.1379). The projected usage at Amity Middle School – Bethany Campus is 20,000 gallons, same as budgeted. However, the forecasted price is \$2.1465 per gallon, or an unfavorable price variance of **\$172 UNF**.

LINE 35 on Page 4: 5621-NATURAL GAS:

The installation of the natural gas line at Amity Middle School – Orange Campus will increase the use of natural gas. The forecast assumes the cost will be two-thirds of the cost of heating oil, or **\$28,648 UNF**. The Fall of 2015 was warmer than recent Fall of 2014. The forecast for natural gas was reduced by **\$20,000 FAV**.

LINE 39 on Page 4: 5690-OTHER SUPPLIES: The forecast includes the purchase of Chrome books for a Science class by transferring **\$7,000 UNF** from the Science Department's 5611 – Instructional Supplies account to the Technology Department's Other Supplies account.

LINE 41 on Page 4: 5730-EQUIPMENT-NEW:

A budget transfer of **\$5,800 UNF** was made from the Contingency Account to purchase Stage Tek decks for Amity Middle School – Orange Campus. The Principal stated, "The Stage Tek Decks will allow us to use the stage for the band and the strings and give back floor space for the audience which has also increased as the number of student performers has increased. In addition, we are staging our first musical this year and would like to have the option of placing scenes out front on the decks. With the extreme growth of our music and now theater programs AMSO needs the capability to extend the stage for concerts and theater events."

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

The bid price for snow removal equipment was **\$4,124 FAV** under budget. A 3-point spreader attachment for the Kioti tractor was purchased for \$2,328 UNF. This will make the spreading of salt and ice melt much more efficient and safer.

A budget transfer from Repairs, Maintenance & Cleaning of **\$5,945 FAV** was approved to replace 3 bottom mats and 1 top mat, which have used their useful life and are in need of repair.

LINE 44 on Page 4: 5715-IMPROVEMENTS TO BUILDING:

The facilities contingency has a budget of \$100,000. The forecast assumes these funds will be entirely used. *The remaining balance is \$0, if the budget transfer request is approved.*

- \$20,272 UNF - Remedy Ventilation Problem in Tech Lab at Amity Regional High School
- \$79,728 UNF – Facilities Items Removed from Proposed 2016-2017 Budget

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

The bid price for the stone coping repair project at Amity Regional High School was \$65,030 FAV under budget. Change orders for the stone coping repair project added \$2,595 UNF to the price.

LINE 46 on Page 4: 5850-CONTINGENCY:

The budget includes a \$150,000 contingency for unplanned, necessary expenditures. The forecast assumes these funds will be entirely used. *The balance would be \$0, if the two budget requests are approved.*

- \$5,800 UNF – Purchase Stage Tek decks for Amity Middle School – Orange Campus
- \$140,913 UNF – Pay for items needed for District Lighting Project
- \$3,287 UNF – Purchase facilities items cut from proposed 2016-2017 budget

LINE 53 on Page 4: 5856-TRANSFER ACCOUNT:

The District refinanced some of its bonds on the 1990's construction projects some years ago and saved a significant amount of interest expense. The State has calculated we owe a refund of the grant paid of \$145,086 UNF. The State has reported this on its website for the past several years but has not yet requested the money. If in several years the State fails to request these funds, the Amity Board of Education can return the money to the member towns. **The Superintendent of Schools plans to ask the Amity Finance Committee and Amity Board of Education to transfer these funds from the unspent fund balance into the Reserve Fund for Capital Nonrecurring Expenditures prior to closing the books for this fiscal year. The Amity Finance Committee and Amity Board of Education will be asked to consider these requests at their August meeting.**

Note: The prior forecast included \$300,000 of the unspent fund balance to be designated to purchase one or more of the items in the proposed 2016-2017 bond issue. This has been EXCLUDED from this updated forecast.

- *\$225,000 UNF: The forecast includes budget transfers into the Reserve for Capital and Nonrecurring Expenditures for facilities projects cut from the proposed 2016-2017 budget.*
- *\$140,913 – The forecast includes a budget transfer into the Reserve for Capital and Nonrecurring Expenditures to pay for the awarded contracts related to the District lighting project.*

APPENDIX A

Amity Regional School District No. 5 won the 2015 CQIA Innovation Prize, Connecticut's Malcolm Baldrige National Quality Award for Fostering a District Culture of Maximizing Cost Savings and Efficiencies.

Our District's goal has always been to provide an exceptional educational program to our students and still be mindful of the financial impact on the taxpayers. The District has had to find cost savings and efficiencies each year to offset the higher costs for salaries, medical insurance, special education, and unfunded mandates to name a few of the many budget drivers. We have had success in finding ways to hold down expenses, but the ideas have come mostly from the District Office.

We developed a process in 2014 to foster a District culture of maximizing cost savings and efficiencies. First, the Board of Education made it a District Goal for this fiscal year. Second, the administrative team embraced the concept, because they quickly understood the benefits to the District. Third, the District's staff is continually being encouraged to participate through group meetings, e-mails and one-on-one conversations. Fourth, the community at-large, including Town Officials, are learning about our efforts through monthly financial reports, local access television, and group and individual conversations. Fifth, the taxpayers have given us their 'vote of confidence' as evidenced by all three regional school district member towns voting overwhelmingly for the District's budget.

Our school district is proud of our students' achievements in art, academics and athletics. Our students are amazing. We have an obligation to provide the staff, supplies and equipment, and infrastructure (both buildings and technology) so our students can excel. We do just that by planning, implementing and following up on a day to day basis. Our goal is to find cost savings and efficiencies to make the resources available to help our students be the best they can be. Since the start of this initiative in September 2014, our staff has identified about \$140,000 of savings and efficiencies!

We continue to encourage our staff to provide their ideas to save money and improve efficiencies. The staff can contact Dr. Charles S. Dumais, Superintendent of Schools, or Jack B. Levine, Director of Finance and Administration, when they have any idea, big or small.

APPENDIX B

COST SAVINGS AND EFFICIENCIES FOR FISCAL YEAR 2015-2016

TOTAL ANNUAL SAVINGS TO-DATE OF: \$125,911
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\$63,500: The Director of Pupil Services combined special education transportation runs by sharing transportation with Orange and Woodbridge.

\$7,661: The Director of Finance and Administration coordinated the negotiations of the STAR (Standardized Test for the Assessment of Reading) for Amity and the member towns' elementary school districts. Our District saved money with the lower prices.

\$3,800: The Assistant Director of Finance and Administration and Network Coordinator worked together to review all phone and fax lines throughout the District. The Network Coordinator identified lines that could be disconnected (old construction modules); fax lines settings that could be changed to the dial 9 for an outside line; and several reserve numbers that could be eliminated. In addition, all lines have been properly labeled.

In-Kind: An administrative assistant at Amity Middle School – Orange Campus obtained two new sets of the Town of Orange maps with street numbers. The maps can be used in a number of ways (e.g., Emergency Preparedness Plan; Transportation Review/Issues). These maps were laminated in the Media Center. In return for providing these maps, the school laminated a set of maps for the Town at no cost.

\$4,000: The Director of Technology decided not to hire two part-time summer interns. The new Technician is handling the work, which would have been done by the interns.

\$2,150: The blinds in the Amity Regional High School library atrium windows are battery operated. All of the batteries had failed. The cost of each battery was over \$100, and we needed 24 of them. Dino Gizzi, Building Maintainer, and Jim Saisa, Facilities Director, decided to purchase transformers and hard wire the blinds to building power, eliminating the need for batteries. We paid \$250 for materials and installed the transformers. We saved \$2,150 and never need to replace batteries again, saving labor and battery costs in the future.

\$10,000: Jim Saisa, Facilities Director, and Tracy Daigle, Facilities Coordinator, carefully reviews every invoice for the Facilities Department. Many companies bill us at the wrong State Contract amount or charge for trip or vehicle charges we should not pay. In addition, sales tax is frequently added to invoices, which should not be the case since we are tax exempt. Based on our audit of invoices, the Facilities Department saves a considerable amount of money every year.

\$300: All of the auto scrubbers, along with other cleaning equipment, run on batteries that need frequent distilled water additions. We used to buy cases of distilled water, but this took trips to the store (time) and the cost of the water. We purchased a water distiller for \$30. We now take normal tap water and distill it and no longer have to travel to purchase distilled water.

\$17,000: Our talented and properly trained Facilities staff prepares and refinishes our gym floors in-house. Most districts contract this service. We achieve excellent quality and do not pay a contractor to do this. We have trained a travelling gym floor crew to apply the finish in all of the gyms. We have four gyms.

\$7,500: The bridge on the fitness trail at Amity Middle School, Orange Campus, had deteriorated and become unsafe. Rather than hire a contractor, Director of Facilities, Jim Saisa, worked with the Industrial Education Department at Amity Regional High School to make this a student project. The Facilities Department purchased the materials and the bridge was constructed in sections in the shop class. The bridge sections were then transported to Orange and assembled on-site. The project was a complete success. Not only were students involved in a real-life construction project, the District saved an estimated \$7,500 over hiring a contractor.

\$10,000: The Director of Curriculum and Staff Development negotiated with the textbook company for Grade 7 math texts and on-line licenses for the 2016-2017 budget.

APPENDIX C

COST SAVINGS AND EFFICIENCIES FOR FISCAL YEAR 2014-2015

TOTAL ANNUAL SAVINGS OF:	\$139,721
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\$5,000: Curriculum and Staff Development eliminated the need for ProTrax (saving \$5,500 annually) by developing a seamless way to track Professional Development offerings on-line.

\$800: Amity Middle School – Bethany Campus reported a teacher shared Google docs and all TIP sheets rather than handing students paper copies of their task sheets.

\$1,500: Amity Middle School – Orange Campus reported 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.

\$2,500: 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.

\$1,750: Amity Regional High School saved transportation money by not having a double bus run on the first day of school.

\$1,400: 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.

\$13,000: Pupil Services Department reported a cooperative arrangement was made with Orange Elementary School District to share transportation costs to an out-of-district school.

\$8,000: We combined special education transportation runs.

\$9,000: 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. 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 fees. Also, it would be more efficient to use one bank to collect funds using our online payment system.

\$5,050: 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.

\$2,000: The Technology Department reported 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.

\$950: The District negotiated to receive one-half of the sales price of the old phones.

\$5,000: 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.

\$5,000: 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.

\$10,000: 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.

\$2,000: 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.

\$1,000: 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.

\$500: 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.

\$850: 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.

\$750: 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.

\$8,000: 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.

\$3,500: 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.

\$6,720: 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.

\$6,000: 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.

\$450: The Guidance Offices in the three schools will be combining their orders of permanent record folders to take advantage of volume pricing.

\$375: The Middle Schools order student handbooks for both schools. This has saved money.

\$220: 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.

\$500: 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.

\$938: 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 envelope; 49.0 cents for postage).

\$4,700: 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.

\$300: Amity Middle School – Orange Campus will put all future editions of their new Students Newspaper online.

\$635: 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.

\$1,250: 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.

\$8,000: The Technology Department is moving as many printers as possible onto a Xerox print management contract, which will save on ink and paper.

\$600: 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 per season.

\$200: The toilet paper product was changed. We were finding the thin, single ply paper was shredding when being removed from the holder and those torn pieces were ending up on the floor. We need to be careful in the product we use, because we do not want students to clog the toilets with the paper. The Facilities Department believes we now have a better product. This suggestion came from an administrative assistant at Amity Middle School – Bethany campus.

\$14,400: An office in the Guidance Department at Amity Regional High School has had the temperature approach 90 degrees when the afternoon sun came around in both winter and summer. The design of the HVAC system is not adequate to control such a large thermal load. We had obtained a quote of \$15,000 to re-engineer the systems in that area. Another option was to install a small supplementary air conditioning system in that small office at a cost of \$4,000. We decided to try a reflective window film as studies have shown the film will reflect the majority of the heat away instead of allowing it to magnify through the window glass. It was installed at a cost of \$600. The results have been better than we expected. We solved a comfort problem for an employee at a fraction of the anticipated cost.

\$375: The Athletic Director has been looking at the overtime related to holding winter athletic practices on weekends and holidays. Mr. Goodwin decided to save 11 hours of overtime by ending Saturday practices at 3:00 p.m. instead of 4:00 p.m. Although the savings are relatively small, the effort will continue to take a close hard look at scheduling. This will be done without adversely affecting the athletic program or the time necessary for teams to practice.

\$500: We received a disposal of asset form for a computer cart that was no longer usable. High School Custodians Randy Joiner and Bob Carbone picked up the cart for disposal. They knew the art teacher was looking for a lockable, heavy duty cart to transport her ceramic and other art tools. They removed every other shelf in the cart making the size more appropriate to the teacher's needs and refastened a couple of other supports. The art teacher was ecstatic to get the cart for her use as a similar one would have cost over \$500 and it was not in the budget. Instead of throwing out an asset that was no longer usable to one department, we recycled it and put it into use in another department.

\$50: Amity Middle School – Bethany Campus teacher Helen Young noticed that the Xerox machine stapler automatically adjusts the amount of 'wire' it uses to staple documents and cuts off the excess, which is then deposited in a plastic waste container. The machine signals when the waste container should be replaced. An average used container has a mass of about 550 grams, which is approximately 1.21254 pounds. The teacher suggested bringing the 'waste' from all machine staplers to a recycling center.

\$250: Amity Middle School – Orange Campus administrative assistant Debbie Estok needed to find a way to create a large building plan image and our copiers are not capable to make large prints. Ms. Estok happened to speak to Tim Smith, Orange Deputy Fire Chief. He offered to make and deliver several large prints of our building plan. When Ms. Estok mentioned that we would laminate the prints, Mr. Smith was excited to learn that we have a laminator that will accommodate the 23 inch copies. We are going to laminate a few things for him. Thus, we saved money, gained goodwill, and solved a couple of needs.

\$3,108: Eversource (previously CL&P) recently performed a Most Beneficial Rate review for the purpose of determining whether our account is being billed on the most economical rate available to the school district. Based on our kilowatt (kW) demand and kilowatt hour (kWh) level, we can switch to a Time of Use rate. This will save approximately \$259 per month on the distribution portion of our electric bill at Amity Middle School – Bethany Campus.

\$2,600: Marie McPadden, Director of Curriculum and Staff Development, negotiated the Gates retesting fee for all students in grades 7 through 10 for the spring and had the fee reduced.

APPENDIX D

MONTHLY FORECASTS: PURPOSE, METHODOLOGY, HISTORICAL

PURPOSE & METHODOLOGY:

A forecast is a prediction or estimate of future events and trends. **It is only as good as the data available and the assumptions used.** We use current information and past history.

There are many factors, which can significantly impact expenditures, both positively and negatively (e.g., staff turnover, vacancies and leaves-of absence; medical and dental insurance claims when self-insured; special education expenditures; major facility repairs; snow removal).

To illustrate, a special education student could move into the District in mid-year and the cost impact could be over \$100,000 and/or we could have a 'bad claims year' and wipe out the Self Insurance Reserve Fund and need other funds to cover claims of current employees and retirees. If we do not have available funds to cover these and other potential shortfalls, the necessity to seek additional funding from the public would be our only option (as only the towns have a fund balance from prior years available to use in the case of an emergency).

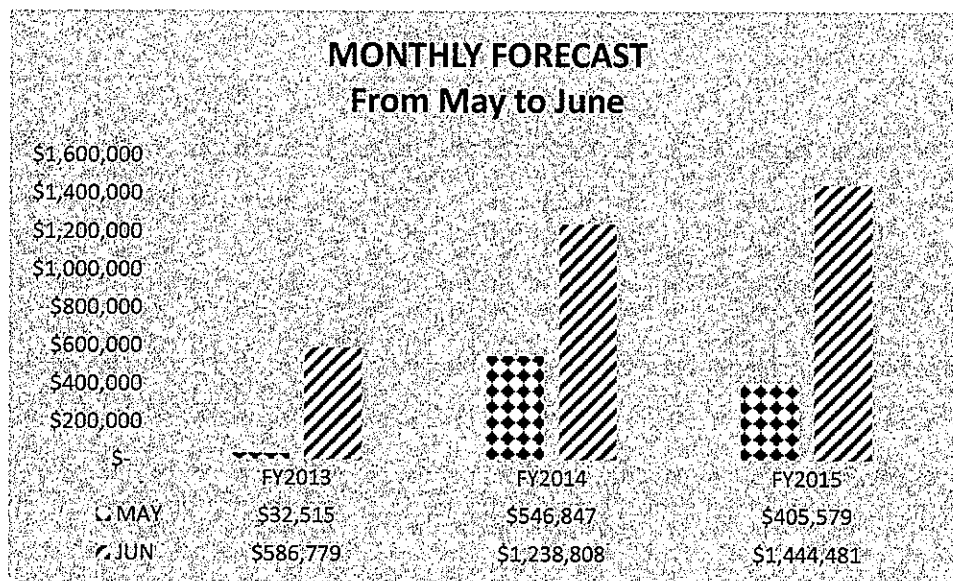
Revenues can be most impacted by decisions made at the State level for Special Education and Transportation grants. We have seen the reimbursement rate change in mid-year.

Prudent financial management is necessary. We need to be sure the total expenditures budget is never overspent (and may need to be underspent if revenues are below budget because total expenditures cannot exceed total revenues). It is imperative we 'hold back' on spending any of the Contingency Account until it is absolutely necessary or we are close to yearend. The Superintendent of Schools and Director of Finance and Administration review and approve or deny all purchase orders. We are careful to make sure funds are only spent when necessary and not just because 'it is in the budget'. We are constantly faced with the 'what-ifs' of over expenditures in certain accounts. We need to be sure there are sufficient funds available. As a result, the fund balance has been larger towards the end of the fiscal year.

Furthermore, the monthly forecasts are based on the information available. We have had large, unexpected or highly unpredictable events at the end of the fiscal year (mostly of a positive nature), which have significantly change the forecast from May to June.

HISTORICAL:

The chart below depicts the yearend balance projected in May and June of each of the past three fiscal years.



The major contributors of the significant change from the May to June forecasts are detailed below.

FY2013:

The actual fund balance was \$586,779, or **\$554,264 higher than the prior month's forecast**. The monthly forecast for May 2013 projected a fund balance of \$32,515. The major reasons for the significant increase in the yearend fund balance from one month to the next month were, as follows:

- **\$47,506:** FEMA notified us that they will reimburse 75 percent of the costs related to February 2013 blizzard. We did not know the amount or timing of any payment. The award notice was received in July.
- **\$111,095:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.
- **\$282,349:** Special Education transportation and tuition funds were forecasted for two students who were placed through IEP's in high-cost programs; however, both students remained in temporary lower cost programs throughout the year and did not transition as expected.

FY2014:

The actual fund balance was \$1,238,808. The monthly forecast for May 2014 projected a fund balance of \$546,847, or **\$691,961 higher than the prior month's forecast**. The major reasons for the significant increase in the yearend fund balance from one month to the next month were, as follows:

- **\$114,915:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.
- **\$473,674:** Most of the funds budgeted for the OPEB Trust were transferred into the Self-Insurance Reserve Fund.
- **\$148,398:** Electricity usage and water usage were lower than forecasted. The May and June invoices were received after the May forecast.

FY2015:

The projected fund balance was \$1,444,481. The monthly forecast for May 2014 projected a fund balance of \$405,579, or **\$1,038,902 higher than the prior month's forecast**. The major reasons for the significant increase in the yearend fund balance from one month to the next month were, as follows:

- **\$137,115:** Certified and classified salaries were lower than forecasted. It is not until the end of the fiscal year when we know the actual expenditures for coverages, substitutes, leaves of absences, overtime, and pay docks. We use conservative estimates in the forecasts based on past history.
- **\$153,315:** Special education transportation and tuition expenditures were lower than forecasted. The May forecast included the possible costs due to two families that were beginning to proceed to due process. No expenditures were incurred in this fiscal year.
- **\$503,754:** Medical & dental claims were lower than expected. Since we are self-insured, actual claims are not known until the end of the fiscal year. Based on actual claims, we returned most of these funds to the member towns.
- **\$136,270:** As part of the yearend processing, unspent encumbrances are eliminated.
- **\$41,162:** Final grant payments for Special Education and Transportation are not known until the end of the fiscal year.

APPENDIX E

RECAP OF 2013-2014

Return Unspent Fund Balance:

The cancellation of 2012-2013 encumbrances of \$62,660 has been returned to the Member Towns. 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	\$12,559
Orange	\$31,290
Woodbridge	<u>\$18,811</u>
Total	\$62,660

The major components of the 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.

APPENDIX F

RECAP OF 2014-2015

The fund balance of **\$1,448,929 FAV** is derived from cost savings initiatives, special education, and uncontrollable and/or unforeseen circumstances. The primary sources of the fund balance are, as follows:

FINANCIAL MANAGEMENT: **\$ 139,721**

Our efforts to foster a District culture of finding cost savings and efficiencies has been successful.

SPECIAL EDUCATION (NET): **\$ 312,263**

The primary reasons for the favorable variance were changes in the expected placements of some students; two previously outplaced students returned to the District; two fewer students than budgeted were in the Step Forward Program at Gateway; the average tuition costs increased 3 percent rather than the budgeted increase of 5 percent; and transportation costs were shared with an Elementary School District.

OTHER: **\$ 996,945**

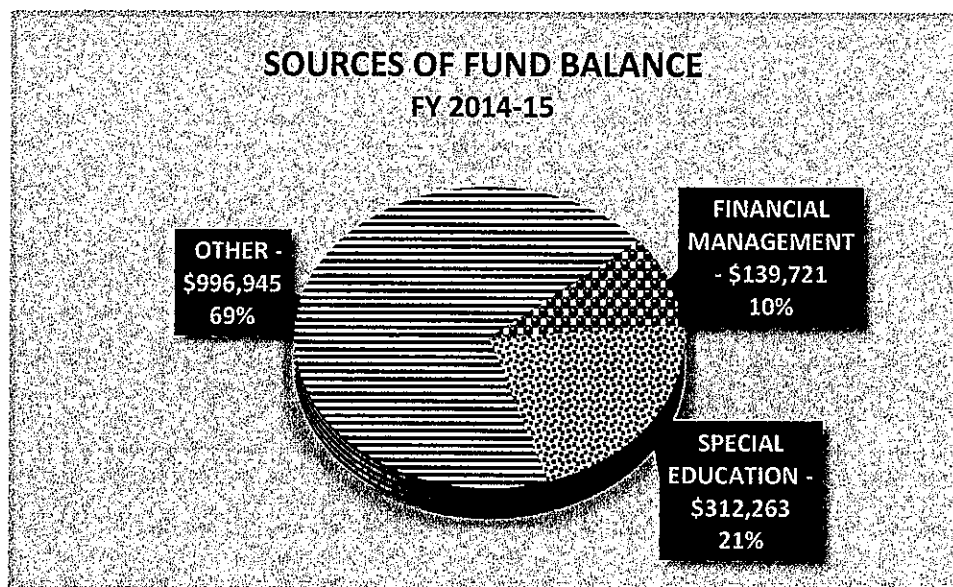
Turnover savings from replacing teachers who retired or resigned exceeded budget by **\$99,002**. We found out about 14 retirements and resignations after the budget was adopted. The budget assumed 5 retirements and resignations. In addition, the replacement of the Director of Counseling who resigned on August 28, 2014 and was replaced on November 11, 2014, resulted in a savings of **\$29,270**.

Other personnel savings came from unpaid leaves-of-absences for savings of approximately **\$135,000**; Bench Subs, long-term and short-term subs and Kelly Services substitutes were **\$60,911** below budget; Homebound expenses were under budget by **\$27,311**; and staff changes, vacancies and lower overtime accounted for most of the remaining favorable variance of **\$125,563** in the salary accounts.

Medical and dental insurance budget did not need to be fully used. This resulted in a favorable variance of **\$328,754** with the budget transfer of \$175,000 into the OPEB Trust.

Other professional services for special education students were not needed for a savings of **\$71,507**.

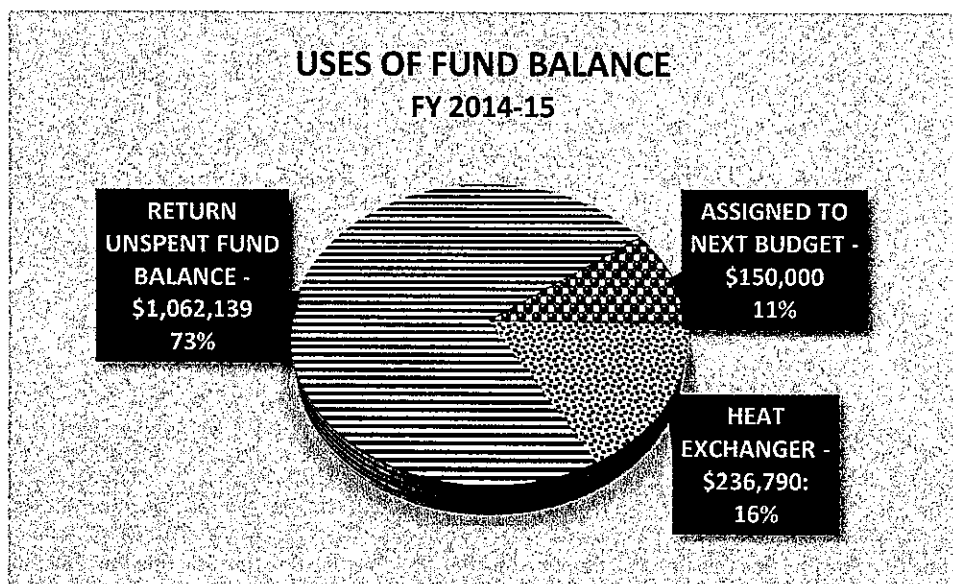
The primary sources of the fund balance are shown graphically below:



The recommended uses of the fund balance are, as follows:

1. **\$1,062,139** – Return unspent fund balance
2. **\$150,000** - Designated for the 2015-2016 budget
3. **\$236,790** - Put into the Reserve Fund for Capital and Nonrecurring Expenses for the purpose of purchasing and installing a heat exchanger at Amity Regional High School

The uses of the fund balance are shown graphically below:



Return Unspent Fund Balance:

The unspent fund balance have been returned to the Member Towns, as follows:

Bethany	\$ 221,148
Orange	\$ 522,754
Woodbridge	<u>\$ 318,237</u>
Total	\$1,062,139

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



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

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

To: Dr. Charles S. Dumais, Superintendent of Schools

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

Re: Budget Transfers of \$3,000 or More

Date: March 17, 2016

Facilities Items Removed from Proposed 2016-2017 Budget:

Budget transfers are needed to pay for facilities items removed from the proposed 2016-2017 budget. The funds will be transferred into the Reserve Fund for Capital and Nonrecurring Expenditures and identified by the specific items mentioned below.

Move to make the following budget transfer into the Transfer Account for purpose of moving \$225,000 into the Reserve Fund for Capital and Nonrecurring Expenditures for specific facilities items to be specified by separate motions:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-15-0000-5850	Contingency Account ^a	\$3,287	
05-14-2600-5715	Improvements to Buildings ^b	\$79,728	
03-14-2600-5720	Improvements to Sites ^c	\$62,385	
05-15-1026-5111	Certified Salaries ^d	\$79,600	
05-15-0000-5856	Transfer Account		\$225,000

Notes:

^a Remaining balance from the Contingency Account

^b Remaining balance from the facilities contingency amount

^c Available funds due to lower bid price than budgeted for stone coping repair project at Amity Regional High School

^d Portion of "turnover savings" from replacing teachers, who retired or resigned, and were replaced by teachers at a lower salary

Budget Transfers of \$3,000 or More
March 17, 2016
Page 2

Move to make a budget transfer of \$50,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of replacing custodial equipment.

Move to make a budget transfer of \$30,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of replacing corridor flooring at Amity Regional High School.

Move to make a budget transfer of \$40,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of renovating the gymnasium bleachers at Amity Regional High School.

Move to make a budget transfer of \$33,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of replacing the carpet in the District Offices.

Move to make a budget transfer of \$25,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of replacing the stairwell doors at Amity Regional High School.

Move to make a budget transfer of \$32,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of purchasing security and safety equipment throughout the District.

Move to make a budget transfer of \$15,000 from the Transfer Account to the Reserve Fund for Capital and Nonrecurring Expenditures for the purpose of paying for drinking fountain replacements.

The abovementioned facilities items will need to be bid, purchased through a consortium or State contract price. The amounts for each project are only estimates at this time. A motion is needed to authorize the increasing or decreasing of the amounts designated for each facilities item based on the actual price.

Move to authorize spending more or less than the specified (estimated) amount for each of the facilities items designated in the Reserve Fund for Capital and Nonrecurring Expenditures. The total amount spent from the Reserve Fund for Capital and Nonrecurring Expenditures for these facilities items shall not exceed \$225,000. The Director of Finance and Administration shall bring to the Amity Finance Committee and Amity Board of Education a request to award the contract for each facilities item costing \$35,000 or more.

Budget Transfers of \$3,000 or More
March 17, 2016
Page 3

The budget transfer requests are predicated on the forecasted unspent fund balance. In the remaining months of this fiscal year, it is possible there will not be sufficient funds to make all of these transfers. In this case (although unlikely), the following motion directs the Superintendent of Schools to eliminate one or more of the specified facilities items and use the funds, if necessary, to cover a shortfall.

Move to direct the Superintendent of Schools to eliminate one or more of the specified facilities items and use the funds, if necessary, to cover a shortfall in this fiscal year.

AMITY REGIONAL SCHOOL DISTRICT NO. 5

Bethany Orange Woodbridge
25 Newton Road, Woodbridge Connecticut 06525



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

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

To: Dr. Charles S. Dumais, Superintendent of Schools

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

Re: New Funding Requests for Fiscal Year – **Facilities Contingency**

Date: March 17, 2016

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

Facilities Items Removed from Proposed 2016-2017 Budget:

The remaining balance in the facilities contingency account will be used to pay for facilities items removed from the proposed 2016-2017 budget.

Move to make the following budget transfer of \$79,728 for facilities items (identified in a memorandum, dated March 15, 2016, to Dr. Dumais, Superintendent of Schools, from Jack Levine, Director of Finance and Administration, regarding Budget Transfer Requests of \$3,000 or More) into the Reserve for Capital Nonrecurring Expenditures fund for items:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-14-2600-5715	Improvements to Buildings	\$79,728	
05-15-0000-5856	Transfer Account		\$79,728

New Funding Requests for Fiscal Year – **Facilities Contingency**
 March 17, 2016
 Page 2

FACILITIES CONTINGENCY RECAP

Budget		\$100,000
February:	Remedy Ventilation Problem in Tech Lab at Amity Regional High School	<u>\$ 20,272</u>
Subtotal		\$ 79,728
March:	<i>Facilities Items Cut from Proposed 2016-2017 Budget</i>	<u>\$ 79,728</u>
Balance		\$ 0

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25 Newton Road, Woodbridge Connecticut 06525



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jack.levine@reg5.k12.ct.us

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

To: Dr. Charles S. Dumais, Superintendent of Schools

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

Re: New Funding Requests for Fiscal Year

Date: March 17, 2016

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

District Lighting Project:

Facilities Director Jim Saisa reports, "The Facilities Department at Amity Regional School District No. 5 recently issued a bid for LED light bulbs and fixtures to replace the existing fluorescent lamps and exterior fixtures. Various demonstration models were obtained prior to the bid to ensure the lighting retrofit results provide adequate lighting levels in all areas. The bid contained the base model of the demonstration models that functioned as we expected and included an opportunity for an "or equal" submission. The bids were opened on February 12, 2016. Eight vendors submitted proposals. Each proposal was reviewed by the Facilities Department. The wording of the bid allows Amity to choose the best product for each category and does not require us to award all fixtures to one entity. The low bid for some of the products were submitted as "or equal". The vendor that submitted an "or equal" bid was required to supply samples of their product so we could ensure the product minimally performed as well as the original item bid. All products did perform minimally as well or better than the original specification in the field test. The Amity Middle School, Orange Campus, and Amity Regional High School lighting bids will be submitted to the UI Company for consideration for rebates to be coupled with HVAC projects. This could be considered a comprehensive project and result in higher rebates to Amity. The Amity Middle School, Bethany Campus, will be a stand-alone lighting project and was filed with Eversource for potential rebates."

Move to make the following budget transfer into the Reserve Fund for Capital and Nonrecurring Expenditures to pay for the awarded contracts related to the District lighting project:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-15-0000-5850	Contingency Account	\$140,913	
05-15-0000-5856	Transfer Account		\$140,913

New Funding Requests for Fiscal Year
 March 17, 2016
 Page 2

Facilities Items Removed from Proposed 2016-2017 Budget:

The remaining balance in the contingency account will be used to pay for facilities items removed from the proposed 2016-2017 budget.

Move to make the following budget transfer of \$3,287 for facilities items (identified in a memorandum, dated March 15, 2016, to Dr. Dumais, Superintendent of Schools, from Jack Levine, Director of Finance and Administration, regarding Budget Transfer Requests of \$3,000 or More) into the Reserve for Capital Nonrecurring Expenditures fund for items:

ACCOUNT NUMBER	ACCOUNT NAME	FROM	TO
05-15-0000-5850	Contingency Account	\$3,287	
05-15-0000-5856	Transfer Account		\$3,287

New Funding Requests for Fiscal Year
 March 15, 2016
 Page 3

CONTINGENCY ACCOUNT RECAP

Budget		\$150,000
January:	Stage Tek Decks for Orange Middle School	<u>\$ 5,800</u>
Subtotal		\$144,200
<i>March:</i>	<i>District Lighting Project</i>	<i>\$140,913</i>
<i>March:</i>	<i>Facilities Items Cut from Proposed 2016-2017 Budget</i>	<i><u>\$ 3,287</u></i>
<i>Balance</i>		<i>\$ 0</i>