

Skaneateles Central School District
Board of Education

Audit, Budget, and Finance Advisory Committee

Draft Minutes

10/26/20

The meeting came to order at approximately 5:30 PM with the following in attendance via Zoom:

Board of Education Members: Danielle Fleckenstein, Michael Kell, Tom Lambdin

Advisory Committee Members: Susanne Guske, Jenn Young

District Members: Christine DeMass

Mrs. DeMass opened the meeting with a review of the agenda. Mr. Kell advised he would be reporting back to the full board.

Mrs. DeMass began the meeting by reviewing the corrective action plan in relation to the 2019-2020 audit just completed by Grossman St. Amour. She explained the below responses:

Capital Asset Accounting – The District will continue to refine our process and work with our construction team to define when items should be moved from in progress to a depreciable asset category. We will also coordinate with our vendor, Asset Systems, to ensure proper tracking of assets. This is an ongoing process that will continue throughout the 2020-2021 school year and future years.

Unreserved Undesignated General Fund Balance – The District will further discuss our existing plan to use fund balance and establish additional reserves with the Audit, Budget and Finance committee as well as the Board of Education. This discussion is ongoing and should commence in June 2021.

Mrs. DeMass advised that the District Treasurer, Connor Brown, and her would look further into the current asset system we have as she believed that there is some support available from BOCES for this type of reporting. She will report back to the group as necessary throughout the year. The goal is to have a better system in place by the end of the school year.

Mrs. DeMass acknowledged that she would work with ABF to develop a plan in which the District would not go above the required 4% unreserved undesignated general fund balance for the next school year. This plan would most likely include the use of reserves to support future budgets.

Mrs. DeMass then gave an overview of the financials for the proposed Capital Project 2023/2024. She explained the total maximum cost of the project is \$21,500,000 using \$2,500,000 of the general construction capital reserve fund and \$375,000 of the turf replacement & track resurfacing capital reserve fund. She explained that the District's building aid ratio is 62.9% and the project is built around being 95% aidable. She advised this would mean the District would receive about \$12.8 million state aid. The project costs would be borrowed over a 15-year period and would align with the building aid payments. Overall, the cost to taxpayers would be about \$5.7 million.

There was discussion with the committee about the communication of the project and how the District was reaching out to those that may not be parents in the District. There was a suggestion to have some of the local groups forward our emails out to their contacts to help spread the word. Mrs. DeMass mentioned that the District was working on more videos and other communications for social media as well as small group meetings with the Superintendent. They also planned to connect with local news media again. The newsletter should be in homes around November 13th and has a section on the project. The group also gave suggestions around pointing out things that did not happen in Project 2021 that were moved into this project.

Mrs. DeMass reviewed the fund balance projection for the current year. She explained some assumptions and advised that many things could change from now until the end of the school year. She will continue to review with ABF and the board monthly throughout the year so everyone is aware of any changes in the projections.

Mrs. DeMass advised that there was no new information about any withholdings for the 2020-2021 school year. She stated that we did not receive \$23,391.95 in 19-20 revenue in August and September but, so far, nothing else has been withheld. She would share any information received with the committee and BOE in future meetings.

Finally, Mrs. DeMass gave a brief overview of the District's reserves and their intended use. Her plan is to review the notes from the 19-20 school year around reserve planning and bring those

back to the committee for further discussion. This will be an ongoing discussion throughout the budget planning season.

Mrs. DeMass advised the next meeting is November 19th at 5:30.

The meeting adjourned at 7:00.

Respectfully submitted,

Michael Kell

DRAFT for Committee approval