

RSU 13 – Finance Committee Meeting Minutes

November 8, 2012

McLain Building

	Committee		Committee		Visitors
P	Darryl Sanborn, Chair	P	Don Robishaw	P	Tess Kilgour
P	Sherm Hoyt	P	Scott Vaitones	P	Nancy Jeffers
E	Arvilla Collins	P	Lewis Collins		
P	Present	A	Absent	E	Excused

1. New Business

- a. Signed Warrants
- b. Auditor Ron Smith of RHR Smith & Company gave a presentation and overview of FY 12 Audit.

He discussed the summer salary accruals. Teacher contracts are paid out from September 1st to August 31st. Thus, if the organization went out of business on July 1st the salaries to be paid out in July and August would still be owed. Thus, it is general accounting practices to encourage an organization to accrue an amount equal to that liability. Currently, the District is funding this liability at the rate of 20% of fund balance for each until it is fully funded.

The District has established a Fuel stabilization account funded from fund balance in the amount of \$200,000.

Ron Smith noted that there are no material weaknesses.

He noted the food services program needs to become fully funded.

- c. Discussed the FY14 budget process and timeline
Scott passed out a proposed timeline that follows the same format as last year. Tess noted last year's budget process was the smoothest she had seen. Lew stated his approach is to look at a budget to focus just on the proposed changes both up and down.
- d. Reviewed Minutes from October 11, 2012
Don Robishaw should have been an excused absence, Scott to fix...
- e. Don Robishaw also questioned whether the minutes accurately reflected the contingency amounts and how the Art teacher at the high school was to be funded. Scott feels the minutes accurately represent the details.
- f. Reviewed the October General Fund Revenues & Expenditures
Don Robishaw expressed concern about some of the lines being overspent in the copier leases. Scott noted that overall; he had under budgeted the copier leases by a total of about \$5,000.
Don suggested that each month the budgeted amounts in account groups be adjusted if there are overages in the expenditures. 'Scott feels this method

distorts the actual budget and would rather watch overspent lines and know that adjustments will need to be made in subsequent year budgets in some areas, both up and down.

Noted that purchased transportation needs to be better funded.

2. Other Business

No other business

Goals - ongoing

- a. Review Property and Liability insurances for possible bidding
Will be placing in budget process
- b. Continue to monitor the fuel reserve account
Ongoing Unused \$200,000
- c. Continue the process to fully accruing summer salaries
Ongoing to determine after audit
- d. Explore setting up a capital reserve account
Awaiting the strategic plan
- e. Once complete, incorporate the suggestions from the strategic plan

Adjourned 7:55 PM