

Regional School Unit No. 5

17 West Street, Freeport, Maine 04032

Durham

Freeport

Pownal

Finance Subcommittee Report

Date: October 13, 2011

Committee: Finance Subcommittee

Chair: Eric Dube

Meeting Date: October 12, 2011

Members Present: Eric Dube, John Ricker, Beth Parker (in for John Morang) and Shannon Welsh

Agenda Items and Discussion:

Transfers:

Director of Finance discussed the need for transfers between Article 6 (contingency) and the remaining articles for changes in benefits and wages negotiated after budget was passed. The Board of Directors will be voting at their meeting on October 12 to authorize the Finance Committee to make the transfers of up to 5% of the total budget between lines for the 2012 fiscal year. Motion was made by John Ricker and seconded by Beth Parker to authorize the Superintendent to make wage and benefit transfers from Article 6 to necessary Articles contingent upon Board approval and the signing of the final transfer document. All voted in favor.

Capital/Facility Plan Update:

Director of Finance reviewed the Capital Facility Plan that Transportation Director Dennis Ouellette had prepared. The Facilities Sub Committee had visited each school, toured and met with the Principals to compile a list of items to be addressed. The Committee then worked through the requests prioritizing them and working them into the local budget or into the Capital Plan. Kelly pointed out the big changes in the five year plans and explained that the items on the list were placed at their expected replacement life and are moving targets as needs arise. As of the 2012-2013 year the Capital Plan will be funded at \$400,000. In order to avoid spikes and valleys during the budget years we are starting to put money into a Capital Reserves Fund.

3-5 Year Financial Plan:

Director of Finance presented the third draft of the 3-5 Year Financial Plan. The suggestion was made to update 2011/2012 budget information with the transfers discussed earlier regarding wage and benefits negotiated after the budget was passed. Director of Finance will make necessary revisions for the November 9 Finance meeting. During discussion of the revenues section of the plan Eric requested that during the budget process we review with the communities the various reserve funds that are now being utilized to help stabilize the budget. Report should include capital reserve funds, fuel reserves fund, and undesignated fund balances.

Warrant Signing:

Payroll warrant was signed.

Next Meeting: November 9, 2011

- 3-5 Year Financial Plan Update
- Warrant Signing

Submitted by: Kelly Wentworth, Finance Director