

**East Lyme Board of Education
Budget Committee Meeting Minutes
June 3, 2009
Central Office**

In attendance: Melissa Ford, Tim Hagen Committee Chair, Kevin Seery, Nancy Burdick, Paul Freeman, Don Meltabarger, Cherry McLaughlin, David Miko

Excused: Mary Broderick, Marlene Nickerson

The meeting was called to order at 3:30 p.m.

Agenda Item 1. Review FY 08 Town Audit Report

Don Meltabarger presented to the Committee the Financial Statement Findings from the audit of the basic financial statements of the Town of East Lyme that involve the Board of Education. Overall, the Board of Education audit findings and observations were relatively minor and actions have been taken for corrections in 2009.

The first observation was that the accounts receivable for student's lunch accounts were not updated and billed to customers in a timely manner. At the close of 2008, a deficit of \$132,937 was shown for the School Lunch Fund. Don Meltabarger explained that there was a lag in collecting payments until the start of the new school year. Currently, the student lunch account for 2009 is being monitored carefully and is on track for being balanced. The new Point of Sales computer system for the lunch program provides much better tracking in a timely fashion.

The second observation was that the Board of Education did not maintain several accounts on their funding software, including the BOE Special Fund, Special Education Grant Fund, School Lunch Fund and Student Activity Fund. The Auditors did not request copies of these account details during the audit and only asked for summary reconciliations. Don will provide the account details for these Funds which are maintained on funding software.

The third finding was that the Board of Education entered into a capital lease agreement with a photo copier supplier that did not include a fiscal funding clause. Don presented to the committee the RFP (Request of Proposal) that stipulated the contract terms for the fiscal funding clause.

Agenda Item 2. 2009/2010 Budget

Paul Freeman reported that resolution of the Teacher Staffing Plan was proceeding on schedule and that communication to affected staff will occur this week. There are three types of reductions involving the overall reduction of 7 Teacher FTEs: 1) Part-time individuals that are laid off, 2) individuals with a reduction in assignment, and 3) reassignment of individuals. For the 25- 30 non-tenured teachers that will not be affected by the staffing adjustments, notifications rescinding the previous letter of potential job loss will be sent this week.

The committee then discussed and compiled additional savings to address the \$146,431 shortfall in the 2009/2010 budget. Kevin Seery provided a summary of the concessions and discussions from the Custodial, Secretarial, Teacher and Administrative unions. The committee recommends to the Board of Education for consideration the following budget adjustments:

Area of Savings	Budget Reduction
Elimination of 2 Buses	\$70,000.00
Reduction of 1 Furlough Day for Custodians	\$4765.62
Reduction of 1 Furlough Day for Secretaries	\$5990.98
Reduction of Professional Development for Teachers	\$50,000.00
Reduction of Professional Development for Administrators	\$4000.00
Decrease of Wage Increase for 2009 from 3.5% to 3.0% for Nonunion/noncertified Staff	\$11,674.40
Total	\$146,431.00

The committee concurred with Cherry McLaughlin that Professional Development is extremely important. There are additional sources for funding for PD in the 2009 budget and Paul Freeman will highlight those resources at the BOE presentation on June 8th.

Paul Freeman and Don Meltabarger re-enforced to the Committee the concerns over the projected additional revenues from in IDEA funding from the Stimulus Act. It is still not clear as to when and how funds will be secured. The Committee emphasized that the Board of Education has made the concern very clear to the Town during the budget deliberations and should a shortfall occur due to not realizing Stimulus Act funding we would request additional funding from the Town.

The committee was adjourned at 4:20 p.m.

Respectfully Submitted,
 Tim Hagen
 Budget Committee Chair