

Finance Committee Meeting. December 15, 2014

Present: Joe Phelan, Tom Burnell, Mark Fleischauer, Diane Lyons, Deirdre Burns

1. Veteran's Tax Exemption

The committee reviewed the various levels of exemption and the impact on other tax payers. Other school districts actions were also reviewed. Many have chosen the basic exemption, but actions range from no exemption to more than the basic. Several districts are still weighing options. One hearing is required for adoption of the basic exemption. Any exemption that would be more or less than that would require two hearings. Committee members do not have a recommendation to make to the board on whether or not to adopt an exemption. Opinions range from support for some level of exemption with minimal impact on other tax payers to objection to tax shifting policies. The committee recommends a hearing to create an opportunity for members of the community to voice their opinion to inform BOE decision making. The committee suggests a hearing on January 27, 2015. This would allow time for a second hearing, if necessary, and acting on any motion by the March 1, 2015 deadline.

2. 2014-15 Fund Balance

Tom reviewed with the committee 2014-15 estimated expenses in relation to the budget and the impact on fund balance. Highlights include:

- * fuel prices down - some savings
 - * using more electricity - more devices, more technology = more electricity use
 - * Central Data Processing line item - costs for technology consultants - discussions with Red Hook on sharing this position or other ways to collaborate here - more technology requires more personnel to manage the technology
 - * costs of substitutes due to leaves
 - * number of Special Education students has unexpectedly increased - some of whom require costly services - spending more in this area than anticipated. Consequently will also receive more State Aid in this area - but the amount will not be known until January.
 - * decision made last year to have a slimmer margin between budget and revenues
 - * no DEHIC "holiday" this year - paying 12 months of health insurance out, not 11 months
- We will not overspend our budget, but will be creating less fund balance. Typically we have one million dollars in fund balance at the end of the year to support the following year's budget. Tom anticipates we will have a half million dollars this year. These closer margins, in the context of the tax cap, will affect our ability to add "wish list" items. The first draft budget that we will see in January will help guide further discussion on fund balance and the 2015-16 budget.

3. Review of Enrollment Projections.

Overall enrollment next year is projected to be stable. However, enrollment at BMS is projected to be 30 fewer students than this year. At this time, the administration is not recommending specific changes in response to that decline. However, discussions continue.

4. Next meetings: January 20 at noon; February 17 at noon.

Submitted by Deirdre Burns