

**LAMOILLE NORTH MODIFIED UNIFIED UNION SCHOOL DISTRICT
FINANCE COMMITTEE
MINUTES OF MEETING
AUGUST 28, 2017**

Deb Clark introduced the subject of distributing Board Orders prior to Board meetings. Mark Neilsen stated there were nine entities that he approved for payment. He suggested incoming bills should be categorized by school system and forwarded to Board members immediately upon receipt for review.

Miller reviewed her understanding of the checks and balances associated with the payment of invoices. She stated that the administrators first reviewed the bills and then approved the charge. The bill then went to the Supervisory Union and ultimately to the Clerk. Miller asked if a second person reviewed a large bill, such as the Laraway Youth and Family Services bill. Clark explained the invoices went to Sherry who entered them into AP. Then someone else reviewed the run in the office. Neilsen then reviewed the run. Neilsen asked if the information could then be sent out to the school systems. Clark said it could be, but she was concerned about siloing. Clark noted that each school was still responsible for coding their own invoices.

Miller offered to assist Neilsen if he needed help reviewing the run and invoices. Clark suggested that if the review process became cumbersome, invoices could be split up between special education and general education expenses. Neilsen stated it was working fine so far and Board members agreed that this last batch that had been approved was probably the largest, as there had been a lag in approving payments due to the merger. Clark was asked what the cutoff would be in the future for payments from the prior fiscal year. Clark stated she had informed the Board that a report needed to be provided to the State by August 15th and that had been difficult this year due to last minute revisions from administrators. Next year she would move the cutoff date to August 1st and only significant changes would be processed.

Neilsen stated that as a Board member he wasn't able to see the finances charted monthly. He said he had already approved \$3 million. As a Board member he wanted to be able to see where those expenses fell by town. Neilsen wanted the Board to be able to see this information on a more regular basis. Clark stated that at the second meeting of each month the Board would receive the previous month's spending statement. Clark confirmed that the school administrators and their assistants would be able to run reports to review their school's spending and individual line items.

Miller noted that while the Clerk was receiving an additional stipend for work being performed, she asked that Neilsen keep track of the amount of time he spent on this task. This would let the Board know if he was being adequately compensated and whether a second person might be necessary to assist with the work.

Clark then discussed Act 85, the Recapture of Health Care, which had passed the Legislature. Act 85 stated that, because of the new health plans based on the Affordable Care Act, the State expected to see savings. The State wanted to keep those savings. The AOE performed their calculations and have informed the school district that they will recapture 65% of the expected savings in FY18 and 35% in FY19. This money would be recaptured by the State by taking the funds from the budgeted education funding amount due the LNMUUSD. Clark stated they were expected to find \$250,000 across the entire LNMUUSD, which was less than 1% of the education funding. Therefore, efficiencies needed to be explored and initiatives might need to be deferred in FY18. Clark was not as concerned about finding the funds in the FY19 budget.

The Committee adjourned and returned to the full Board meeting.