

**Mansfield Board of Education
Finance Committee
May 14, 2020
Virtual Meeting 6:00pm**

Board Members: Kathy Ward, Chair, Susannah Everett, Martha Kelly

Finance Committee Members and Board Members attending are encouraged to phone in. This meeting is physically closed to the public but the public may view the meeting on livestream at https://townhallstreams.com/towns/mansfield_ct. Public Comment will be accepted by email at MBOEpubliccomment@mansfieldct.org at any time before or during the meeting or submitted by USPS mail by Tuesday, May 12.

Agenda

Call to Order

Approval of Minutes:
February 13, 2020 (M) (P. 1)

Hearing for Visitors

Additions to the Present Agenda

Proposed Budget Transfer (P. 2)

Financial Statements dated March 31, 2020 (encl.)

Update on Health Surplus Transfer to OPEB (P. 3)

Adjournment

Mansfield Board of Education
Finance Committee

Draft Minutes
February 13, 2020

Committee members present: Kathy Ward, Chair, Susannah Everett, Martha Kelly
Board member present: Edith Allison

Call to order: Chair called meeting to order at 6:15pm

Approval of Minutes: Motion by Ms. Everett, seconded by Mrs. Kelly, to approve the January 21, 2020 minutes. Vote: Unanimous in favor

Hearing for Visitors: None

Additions to Present Agenda: None

Quarterly Financials for the Period ending 12-31-19: Cherie Trahan reviewed the financials. Budget is on track and there are no major concerns.

Custodial Study: Discussed outside custodial services.

Adjourn: Meeting was adjourned at 6.56pm with a motion by Ms. Everett and seconded by Mrs. Kelly

Submitted by Kathy Ward

MEMO

To: Mansfield Board of Education
CC: Kelly Lyman, Superintendent of Schools
From: Cherie Trahan, Director
Date: May 14, 2016
Subject: Proposed Budget Transfer

Introduction

Recall that following the salary transfers approved on November 14, 2019, there remained \$138,150 in the contingency account because we did not need to fill the contingency teaching positions. These funds were left in contingency to help cover potential overages in substitutes and other unforeseen needs. In addition, there is \$145,400 budgeted for a Transfer to Medical Pension Trust (OPEB). This transfer will be made with the Health Insurance Fund surplus.

During the budget process Superintendent Lyman shared with you several facility maintenance projects that could be covered with the operating budget. Please see the attached School Facility Needs 2020 to 2023 and Beyond – School Buildings. At this time, we request the transfer of \$207,000 to support the following projects at the Middle School:

Room Cabinet/ Counter Replacements	\$ 35,000
School Clock System	\$ 45,000
Sealing of Brick Veneer	\$ 15,000
VCT Floor Tile Replacement	\$ 12,000
Carpeting Upgrades	\$ 15,000
Exterior Door Replacement	\$ 30,000
Folder Divider Walls (split classrooms)	\$ 30,000
Replace Electric Hot Water Heaters (with On Demand)	<u>\$ 25,000</u>
Total	\$207,000

The budget for the following accounts would be impacted per the below:

Contingency – Teacher	112-62401-51053-50	(\$73,160)
Contingency – Para-educator	112-62401-51074-50	(\$64,990)
Transfer Out – Medical Pension Trust	112-69000-58714-50	(\$68,850)
Building Repairs	112-62710-53301-50-01	\$207,000

The balance of the Transfer Out – Medical Pension Trust Fund of \$76,550 will remain unspent until the fiscal year is closed out. Those funds will be available to further reduce the OPEB liability or to be appropriated for other purposes if the Board so chooses.

Attachments

1. School Facility Needs 2020 to 2023 and Beyond – School Buildings

Town of Mansfield/Mansfield Board/Region 19
Calculation of Health Insurance Surplus for Distribution
As of February 26, 2020

As of January, 2019	No. of Subscribers	Allocated Share
Town of Mansfield	87	23%
Mansfield Board of Education	162	43%
Region 19	131	34%
Total No. of Subscribers	<u>380⁽¹⁾</u>	

	FY 19/20	FY 20/21
Total Estimated Excess @ 06/30 Prior Yr	\$ 3,130,268	\$ 2,548,065
Less: Estimated FY 19/20 FB Drawdown	(1,200,000)	(600,000)
Estimated Remaining Surplus	<u>\$ 1,930,268</u>	<u>\$ 1,948,065</u>

Partner Distribution	FY 19/20	FY 20/21
Excess Amount to Distribute	\$ 1,200,000	\$ 600,000
Town of Mansfield Share	274,737	137,368
Mansfield Board of Education Share	511,579	255,789
Region 19 Share	413,684	206,842
Total Distribution	<u>\$ 1,200,000</u>	<u>\$ 600,000</u>

Partner Uses	FY 19/20			FY 20/21		
	OPEB	Other	Total	OPEB	Other	Total
Town of Mansfield Share	274,737		274,737	137,368		137,368
Mansfield Board of Education Share	511,579		511,579	255,789		255,789
Region 19 Share	140,362	273,322	413,684	33,074	173,768	206,842
			<u>\$ 1,200,000</u>			<u>\$ 600,000</u>

Unfunded Accrued Liability (UAL)¹			
Description	Town	Board	Region 19
Actuarial Accrued Liability 7/1/2018	\$ 1,874,950	\$ 1,059,084	\$ 346,163
FY 2018/19 Normal Cost	64,617	36,378	16,424
FY 2019/20 Normal Cost	60,718	33,965	16,165
FY 2020/21 Normal Cost	63,511	35,527	16,909
Estimated Accrued Liability 7/1/2021	<u>\$ 2,063,796</u>	<u>\$ 1,164,954</u>	<u>\$ 395,661</u>
Assets as of 7/1/2018	389,560	78,036	211,775
FY 2018/19 Contribution	25,100	29,250	10,450
FY 2019/20 Contribution	274,737	511,579	140,362
FY 2020/21 Contribution	137,368	255,789	33,074
Estimated Asset Value 7/1/2021	<u>\$ 826,765</u>	<u>\$ 874,654</u>	<u>\$ 395,661</u>
Funded Ratio	40.1%	75.1%	100.0%

¹ This is a very simplistic estimate and does not reflect an actuarial valuation.

⁽¹⁾ Medical Claims # of Contracts excluding retirees

⁽²⁾ Actuarial Determined Employer Contribution