

1 **RGB Finance Committee Meeting**
2 **January 9, 2008 – 10AM**
3 **CDC Conference Room**
4

5 Present: Gloria Alexander; Claude DeLucia; Frank Lamb; Ed Letourneau (arrived @
6 10:37); Greg Lewis; Bob Montgomery (arrived @ 11:45); Donna Oyama; John Waller,
7 Banner Reporter.

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9 Recorder: Barb Schlesinger

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11 Lamb called the meeting to order at 10:06

12
13 **Bulldozer Purchase**

14 First discussed was Attorney Robert Woolmington's letter, dated January 8, 2008. The
15 gist of his letter is that what was done in regards to the bulldozer purchase was legal.
16 DeLucia brought up that the Board was not informed of the purchase until after the fact
17 and Woolmington's letter/ opinion is also after the fact. Lamb stated that "it is over,
18 done with, and we'll make sure that it doesn't happen again. The issue now is that there
19 needs to be a clear policy. "
20

21 Lewis presented an invoice for the extended warranty that he wants to pay. He also
22 brought to the group the plan for selling the old bulldozer. The old machine has been
23 dealer appraised for \$5K as-is. Vermont statute requires that Tech Centers get first dibs
24 on used equipment. A Vermont Tech Center has agreed to pay CDC \$5K. Oyama
25 would also like to sell the 1973 tractor formerly used by Horticulture. Administration is
26 recommending to the Finance Committee that they both be sold.
27

28 Oyama explained that there are two ways to sell these items: either set price or bid. The
29 bulldozer was put out to bid and there was only one response. Lewis recommends not
30 re-bidding.
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32 **Alexander moved and DeLucia seconded a motion to recommend to the full RGB**
33 **that per VT guidelines, CDC sell its retired bulldozer to another Tech Center for**
34 **\$5K. All were in favor.**
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36 DeLucia inquired if CDC had ever acquired machinery this way. Oyama responded that
37 indeed it has, for example the fire truck, however this is the first time CDC has sold
38 anything. All were in agreement that proper procedure was being followed.
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40 Lewis explained the Maintenance Contract. Basically, the cost of the contract is \$1,500
41 for 5 years. DeLucia commented that there was no need for Board approval.
42

43 **State of Vermont Audit Letter**

44 DeLucia asked if the State received the corrected Audit Report. He noted that the Board
45 has never formally approved the Audit; it has been waiting for the corrected page before
46 voting to accept. He also noted that last year he requested that the Audit contain an
47 "Opinion". It was discussed and agreed that an Opinion would be in this years report.
48 DeLucia stressed that this "Opinion" will be important in future discussions with others.
49 Oyama will call Steve Love (Auditor) and express concern over the Report's lack of an
50 "Opinion".

1 Oyama noted the State letter is a FYI; the State views the FY2007 Audit Report for
2 SWVRTSD as approved and closed.

3
4 **Budget - Revision # 9**

5 Lamb noted that bottom line; revision #9 puts the budget up 2.85% over last year.
6 DeLucia questioned what had happened to the budget that was approved at the last
7 Finance Committee meeting. Lamb replied that he felt that that tuition was too high and
8 he requested Donna to reduce it further, hence revision # 9. Oyama removed from the
9 Committee approved draft budget the half-time Horticulture Instructor position and
10 related expenses. DeLucia expressed concern that the Program of Studies was
11 supposed to be "priced out". DeLucia feels that we should stick with the priced out
12 Program of Studies then scale back – not cut courses. Lamb noted there were time
13 restraints and there was no instructor, no one qualified had responded to the ad for a
14 part-time instructor for next semester. There is also no great student demand. It can
15 always be put back in if there is extra income. Letourneau noted that there was a lot of
16 community interest and support regarding the Agro Ecology program (Horticulture).
17 However, you can't predict at this point if there will be enough students to support it.
18 Alexander noted that more outreach to local industry was needed.

19
20 The group then scanned the budget by lines for other areas that could be cut rather than
21 the program. Lewis noted that the only option would be to restore Agro Ecology from the
22 contingency fund; if there is a demand the Board can authorize the transfer of money to
23 cover it. Letourneau noted that another program might be expanding and could very
24 possibly need the contingency monies. Letourneau suggested a hybrid approach: seed
25 money of \$15K to start the Program and going out to local industry for the balance
26 necessary.

27
28 DeLucia requested a report showing budget impact with the minimum number of
29 students versus with the maximum number of students. FTEs, ADMs, and the way the
30 State computes payment were discussed. It was noted that because the State
31 computes tech education by minutes, i.e. 240 minutes equals one FTE, enrollment is
32 confusing. One FTE equals two Program students. Students enrolled from New York,
33 who would not affect Vermont State revenue, would pay full tuition thereby increasing
34 the revenue stream.

35
36 Oyama noted that the NEASC recommendations have not been costed out yet and are
37 not included in the budget.

38
39 Oyama reported that Cosmetology is the only four-hour per day Program because of the
40 students need to put in the 1500 hours required for State licensing. This poses a
41 problem next year; there will be students needing to finish the program and no teacher
42 for new enrollees. Either students will have to wait another year to enroll or an additional
43 teacher will have to be employed.

44
45 DeLucia requested clarification of the individual program equipment lines versus the
46 yearly public-voted equipment reserve fund. Oyama explained that the public voted fund
47 is for major, non-routine equipment. An Article in 2006 established this fund for up to
48 \$750,000.

49
50 Also discussed was how CDC receives its money from the locally voted budget.
51 Currently, CDC's budget is incorporated into the MAU budget, which is what is

1 presented to the public for vote. MAU then “passes along” the local tuition to CDC.
2 Oyama noted that last year they went to the legislature to propose a bill that would
3 ensure the budget wasn’t voted on twice. Lamb expressed that the State money should
4 come directly to the CDC.

5
6 Oyama explained that Perkins is calculated from US Census Bureau American
7 Community Survey information. The formula calculates 30% based on the region’s
8 population ages 5-17 and 70% based on poverty of the population ages 5-17. The
9 Department of Education receives the numbers from school districts and in turn
10 distributes by service regions. Using these figures (30% / 70%), the Department basis
11 CDC’s allocation its percentage of the total population in the region. If there is growth
12 (or not) in other parts of the state, then the percentage of CDC’s allocation will fluctuate
13 accordingly. Oyama noted that in our region students are decreasing but student
14 poverty is up.

15
16 In summation, Lamb expressed that if a way can be found to put some money back into
17 Agro ecology without raising the tuition he would be okay with it. Lamb feels the 2.85%
18 budget increase from 2007 is barebones.

19
20 DeLucia expressed his opinion that the six-semester average unit of measure is
21 erroneous. Oyama noted that this average is used because tech center enrollment is up/
22 down, up/ down. The group feels that FTEs should be 1.25 for tech centers being that
23 tech education cost more.

24
25 The group discussed the variance of enrollment between spring sign-up and actual fall
26 program enrollment and how to budget for such. Lamb requested more detailed
27 information about this variance. Oyama noted that the major reasons for this variance is
28 that students fail classes that have to be made up for graduation, student’s interests
29 change, schedule conflicts and some students move out of the area therefore have to
30 drop their CDC plans.

31
32 A motion was made to accept and recommend to the full Board Budget revision # 9 as it
33 stands. Money for Agro ecology may be added as long as it does not change the bottom
34 line of the Budget. DeLucia noted that a 4.2%/ \$13K Budget (# 8) was already
35 approved.

36
37 **A motion was made to rescind the previously voted Finance Committee**
38 **recommendation of Budget Revision # 8. Vote was taken with Lamb and**
39 **Alexander voting to rescind and DeLucia and Letourneau voting no. The motion**
40 **did not pass.**

41
42 **Lamb motioned to recommend approval of \$3,234815.00, a budget with an**
43 **increase of 2.85%, to the full Board and Alexander seconded. All were in favor.**
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45 **At 12:42 Lamb moved and Alexander seconded a motion to adjourn. All were in**
46 **favor.**