

Great Neck Public Schools
Minutes of the Building Advisory Committee Meeting
December 19, 2017

The Meeting began at 8:10PM at Phipps Building

The first topic on the agenda was the 2016-2017 Independent Audit report

District staff began by explaining the individual sections of the Report: Management Discussion & Analysis; the Government Wide and District Wide Financial Statements; the Notes to the Financial Statements and with an added emphasis on the Audit Opinion and the Management Letter.

While discussing the Audit Opinion, John Powell explained the different types of Audit Opinions an entity undergoing an audit could receive:

- Unqualified
- Qualified
- Adverse
- Disclaimer (or no opinion)

John explain that the Unqualified Audit Opinion was the highest, best and most common opinion an entity could receive and that it indicated the District's financial statements and related notes were fairly stated in all material respects and that they were prepared in accordance with Generally Accepted Accounting Principles applied on a consistent basis.

An explanation of a Management Letter, which is an Auditors recommendation for improvement after completion of the audit, was discussed.

After the Committee had a chance to briefly view the document Don Ashkenase asked if there were any questions.

Realizing that this was the first time the Committee members had seen the report, John Powell said that if they had any questions after had had more time to review the document that he would be available by phone or in person to answer any questions or that he would answer them at the next Financial Advisory Committee Meeting

The next item on the agenda was a discussion on the amount of Para Professional Hours the District budgets and expends on Teacher Assistants (Instructional Aides), Teacher Aides, Bus Monitors, Hall and Cafeteria Monitors (Non Instructional Aides) in both the Regular and Special Education areas of the Budget. This was an item requested by FAC Member Nathan Fong from last year's meetings and the first meeting in the fall of the 2017-2018 School (fiscal) Year.

District Staff handed out spreadsheets illustrating the breakdown of hours and expenditures in both Regular and Special Education. Nathan's questions were why the variation and continued increases at

certain schools when the amount of students enrolled in certain sections at those schools did not appear to warrant the amount of hours and related expenditures reported. John Powell acknowledged that the accounting of hours and expenditures needed to improve and that what will appear in the 2018-2019 Preliminary Budget Booklet would be more precise.

The next item of discussion was the recently adopted Federal Tax Law changes to the Internal Revenue Code.

The limitation to \$10,000 beginning in 2018 for State and Local income taxes and Real property Taxes and their impact on voting for school budgets elicited a lot of discussion. The main concern would be the backlash that schools would receive on account of school budgets being the only budgets that the public votes on directly.

The next topic of discussion was the status of budget development 2018-2019. John Powell began by discussing what was actually known concerning Employer Contributions to both Retirement Systems, the % increase for health Insurance and what components of the Real property Tax Cap calculations were known at this time. The following is what was reported:

Employers Retirement System:	14.90%
Teachers Retirement System:	10.50% -11.00%
Health Insurance:	7.47%

Real property Tax Cap:

- Tax Bases Growth Factor: 0% at the time of the meeting
- Tax Levy Growth Factor: 2.00% (the Consumer Price Index (Urban) for calendar year 2017.
- Payment in Lieu of Tax (PILOT) Agreement Amounts: Nothing reported at the meeting or nothing had been received from Nassau County as of the meeting date.

The meeting ended at about 9:50 PM with Don complimenting the Committee on the content level of discussion.

Respectfully Submitted,

Donald Ashkenase

Jeffrey Shi