

Newtown Board of Education
CFF/CIP/Facilities/Finance Sub-Committee Minutes
April 17, 2023
BOE Conference Room

CALL TO ORDER: Mrs. Larkin called the meeting to order 6:00 p.m.

Participants: Jennifer Larkin, Deborra Zukowski, Alison Plante, Tanja Vadas, Chris Melillo, Steve Goodridge, Board of Finance, Ed Shierloh, Board of Selectman

BUSINESS

Mrs. Larkin made a motion to approve the BOE CFF/CIP minutes of March 16, 2023. Mrs. Plante moved the motion. Ms. Zukowski seconds the motion. All in favor. BOE CFF/CIP minutes of March 16, 2023 approved.

NEW BUSINESS

Superintendent Update

Mr. Melillo stated they have interviewed for the Facilities Director and went through 2 full interview rounds with both Board of Education and Town participation. We are going to be moving to an offer and are hopeful that this person will take the offer. He stated we had 3 strong candidates and at the end if our first offer does not play out we will offer the position to number 2.

Mrs. Plante asked how many candidates applied.

Mr. Melillo stated there were 19 applicants and it was narrowed down to 7. He indicated he was very happy with the quality of candidates that were interviewed.

Ms. Zukowski stated she was also very impressed with the top 3 candidates.

Mrs. Plante asked about the potential for making it a joint position with the Town and across the district and would that be the path we are taking.

Mr. Melillo stated that this is a Board of Education position, and we have kept the job description more open ended. We can always go that route if we need to but there has to be financing on the Town side as well.

Mrs. Vadas stated it is a very big position with budgeting, staffing and 7 buildings.

Mrs. Vadas stated as part of the Superintendent updates she wanted to give the committee updates on the facilities. She began with the Hawley building updates. She stated everything is looking good. They are finishing up the sheet rock and painting. They are still waiting for the tiles in the ceiling after the Cat6 wires are pulled through. She is waiting for a transfer request to be approved for that wiring to be completed. All of the big components are done but they are still waiting for the switch gear which has been pushed back to June at this point. She stated it was such a smooth project and they are ahead of schedule. The budget for the project was set at

\$8M and they are coming in at \$7.6M. She stated there was one change order for \$154K that just came through.

She further said the Cat6 wiring is completely separate and will come out of our general fund. Mr. Melillo stated the wiring that was in the existing ceiling was not up to current standards. We had the option to leave the wiring and fill in the sheet rock knowing that we would eventually have to replace it and go back into the walls.

Mrs. Larkin asked if that was outside of the scope of the budget.

Mrs. Vadas stated there was \$7200 in damage done when they were tearing down that the Town did pick up and added into the project since they damaged it. So now, the Town will fund the \$7,200 and we are funding the \$33K to replace all of the wiring. She stated the floors are getting done now and they are replacing small carpet areas where kids sit on and we will use the Hawley fund for that. The painting was done internally.

She talked about the vanities that were damaged. Each classroom has a vanity that comes off the wall with a sink. When they took the vanities off the wall to do the ductwork they fell apart. We are working with the contractor to replace the vanities in each classroom. She believes this is going through the Bldg. & Site Committee.

Ms. Zukowski stated these were casualties of the HVAC and should be able to be covered by the budget of \$8M.

Mrs. Vadas stated there is a balance of \$350K with coming in under budget so they should be covered.

Mrs. Vadas stated we have encumbered all of the costs for the movers.

Mr. Melillo stated we have been in contact with the movers and we have a plan. We are waiting to hear back from the community center on programs for the Hawley kids while the move takes place.

Mrs. Larkin asked about the cost.

Mr. Melillo stated about \$19,000 which is an estimate.

Mrs. Larkin asked how many kids were budgeted for.

Mr. Melillo stated we could budget for the entire school if we need to but we are going to send out forms to families to get a head count.

Mrs. Larkin asked about cost to pay the teachers to do their classrooms.

Mrs. Plante stated we cannot ask teachers to work more than the contractual obligated days.

Mr. Melillo stated they do not have to agree to it and we could end up being short-handed if we asked them outside of the contractual days.

Ms. Zukowski stated the teachers are not going to be working on day 182 of the school calendar.

Mr. Melillo stated that is correct and the movers will be bringing things over. Once everything is moved over to Hawley then the teachers will come back to set up their classrooms.

Mr. Melillo stated we have set a date that they will have to have their classrooms completed by.

Mrs. Vadas stated we are still working on insurance costs for the High School flood. The total cost in damages is about \$120K. Our insurance has a \$25K deductible per incident.

Aside from the flood, she stated we also found several leaks in the roof and in the auditorium. The roof is now sealed and patched at a cost of about \$11K. She indicated that one of our custodians watched as the repairs were made and he now knows the materials to use and how to make the repairs and will be able to do this.

Mrs. Plante asked about the Middle Gate playground equipment and if it was ordered. Mrs. Vadas stated she was not sure but thought it was ordered before Mr. Gerbert left. The PTA has made their contribution of \$10K and the town has contributed \$33K plus our budgeted amount. Mrs. Vadas stated she would look to be sure the equipment was ordered and get the delivery time.

Transportation Update

Mrs. Vadas presented an updated expenditure of the athletics. Not too much has changed. She stated that by this week All-Star would have 3 spare drivers. There were a couple of movements on drivers.

Ms. Zukowski asked if we have a driver for every bus.

Mrs. Vadas stated yes and the additional 3 spares.

Mrs. Vadas stated she asked the athletic director to use All-Star for trips. We recently lost one of our Job Coaches who worked transporting the smaller sports teams.

Mrs. Larkin asked if any of our athletic coaches are driving as of right now.

Mrs. Vadas stated we have 5-6 that went into the program and we are still waiting to hear from them.

Mr. Melillo stated we just have the job coaches making some of the runs as of right now.

Mrs. Larkin stated the spring sports have not really started yet.

Mrs. Larkin asked if the 3 spares will make a dent in athletics.

Mr. Melillo stated they will make a small dent.

Mrs. Larkin asked about the transportation subcommittee and if they have met.

Mr. Melillo stated they have not met in a while.

Ms. Zukowski stated we might want to meet and make a plan for the summer so we are not caught for the next school year.

Mrs. Vadas stated if we want to look at things for next year we have to consider the budget since we have deep cuts this year.

Non-Lapsing Fund Policy Discussion

Ms. Zukowski stated the last time we talked about it she stated there is no substitutive difference in terms of finance with the changes that the Board of Finance is proposing. She said they changed 'deposit' into 'transfer', and they added something that says 'across town bodies' in terms of how to revisit every two years. She stated it was really more of an administrative set of changes and did not have anything to do with the finance at all. She said she was worried they were talking about putting a cap on a high water mark but they dropped that. So now it is just going to the policy committee this week which was agreed as long as there is no finance on it.

Mrs. Larkin stated it does not have to come back here to this committee.

Ms. Zukowski stated that was correct.

Mrs. Plante stated it would follow the regular path and be brought to the policy committee.

Mrs. Vadas requested an internal transfer for \$120K to be appropriated or reserved for SpEd portion in the non-lapsing. She stated the BOF met last week and she believes it was approved and so we now have the \$200K reserved for SpEd.

Ms. Zukowski asked about the dollar amount for the chiller.

Mr. Melillo stated we have not earmarked that yet and we have the new facilities director we are hiring and we want to make sure that we run that through the new person.

Mrs. Vadas stated if we reserve that money specifically for that then it is appropriated for that project only. We don't necessarily want to appropriate those funds just for that project and then have something else come up where we need the funds.

Mr. Melillo stated we would get the facilities director on board to give input.

Mrs. Plante asked about the appropriation money for SpEd and does that imply that we will use that money to cut a check to cover SpEd expenses for this budget year.

Mr. Melillo stated since it is such a volatile account in the last 2 years it has really spiked as we are seeing increased cost of transportation and outplacement tuition.

Mrs. Plante stated we are using the money more as an earmark.

Mrs. Vadas stated the other concern with SpEd is the contracted services for behavioral therapists. Next year we cut that line item in hope that we fill those positions. If we don't we can use it for that.

Ms. Zukowski stated especially since the budget was cut as it was we may have to dip into that contingency. She further stated we do not want to even plan that our emergency repairs will come from the non-lapsing because if you use it you need it to fill back up for the next year.

Mrs. Vadas stated in the past the non-lapsing was used for special projects.

The discussion went on to the budget cut that the legislative council proposed of \$550K. Mrs. Larkin was wondering when the recommendations would be presented to this committee before going to the board with the timeline. The conversation continued with discussion of areas where the cuts could be applied.

Ms. Zukowski asked Mr. Melillo and Mrs. Vadas when they go through and make determination and options in areas to be cut that everything is listed for review.

Mr. Shierloh asked how much the budget request went up.

Mrs. Vadas stated it is up 3.57%.

Mr. Melillo stated the difference from this year to next year is we are down in positions and even though it is up 3.57% it is grant money that came off this budget. We did reduce staff going into the 2023-24 school year, so we are going in leaner than last year. The difference is the funding sources have changed.

Mr. Shierloh asked about the per pupil cost with surrounding communities.

Mr. Melillo stated we are higher but there are some of those reasons that are outside of the realm of educations. Security that we carry in Newtown is more robust, SpEd costs because we are a larger district is per pupil and is not a 1 to 1 ratio. We also carry a larger facility cost. He stated he shared with the Board where there is a website that compares schools per pupil to per-pupil, and also puts it on a gradient between per pupil and academic outcomes.

Mrs. Larkin asked Mr. Melillo and Mrs. Vadas how much they were expecting for a budget change.

Mrs. Vadas thought it would be \$200K.

Mr. Shierloh asked about the student population and whether it was going up or down.

Mr. Melillo stated it was flat for this year. He further stated we conservatively projected based on our internal projections and not the 2 outside enrollment studies we brought in by NESDAC and Prowda. He said if we were to go with the external projections we would have been asking for more teachers.

Mrs. Vadas stated that kindergarten is the driver.

Mr. Melillo stated we have open enrollment earlier this year to get a better feel of where we are.

Ms. Zukowski asked if we would know the final enrollment in August.

Mr. Melillo stated we have historical data that we can compare to so we can get an idea of how many kids enroll in the summer time and we can play off of that.

Mr. Shierloh made a comment that it is a bigger problem even with the cut and it is still a \$3M increase and you have the town to absorb that going forward every year.

Ms. Zukowski talked about double funding in that tax payers fund a certain amount, and then there are grants that were providing the services and paying for the services. Grants were paying \$750K of which was put into the budget for this year. This is something that will not happen year after year.

Mr. Melillo stated we have a choice and to make the best out of it.

Ms. Zukowski stated as long as we have committed personnel and our facilities stay standing we will be just fine.

Financial Report and Transfers

Mrs. Vadas presented the financial report for the month of March. Our balance went up by \$87K which now shows a projected balance of \$578K. The majority is coming from salaries. We also had a big decrease in our other purchased services with the balance at a negative of \$481K. The majority of that was for the behavioral therapists and we had to encumber an additional \$60K. In supply accounts we increased our energy surplus which comes from our virtual net metering program and it could again increase next month.

The certified salary account is projected to be a negative of \$28K. We did not meet our turnover budget. Non-certified is driving with a \$536K balance. Balance for Paras was at \$119K, Supervisors & Technology \$111K, SpEd services at \$115K but we will be requesting a transfer in May to cover the behavioral therapist contracted services.

Employee benefits have slightly changed. The balance went down by \$9,500 which is in our pension.

Professional services is still on track.

Purchased property services is seeing a slight balance increase in our water accounts.

Mrs. Larkin asked if there were any savings from Hawley being closed this year.

Mrs. Vadas stated there were still cost contingencies on repairs and maintenance on the building.

Mr. Melillo stated we do have some savings on security and custodial and some additional smaller areas of savings.

Mrs. Vadas stated with the HVAC system new in Hawley we had to bump up the energy for next year's budget. Currently we use about 282 thousand kilowatts and with the HVAC it will be about 552 thousand kilowatts.

Mrs. Vadas also stated that Middle Gate is the only building that is not on the virtual net metering. They are trying to get that building on the program.

Our contracted services account holds a deficit due to the behavioral therapists with \$115K. Transportation is holding steady at a surplus of \$151K.

SpEd numbers are holding steady with additional expenses of \$8,778.

We have a surplus in electricity of \$387K. The virtual net metering for this year was budgeted for \$146K in credits but we will most likely hit the cap of \$495K in credits. Based on that, next year's budget includes roughly \$460K in virtual net metering credits.

Property and equipment is holding steady.

In the revenue we received the excise tax credit for the 2022 calendar year for propane fuel which is not included in this financial report but we will see a surplus in the fuel balance next month. We also received an additional fuel credit of \$76K for the 2021 calendar. That money went back to the town because it was last year's money.

Mrs. Vadas stated she has one request for transfer for the Hawley Cat6 wiring of \$33K which would come out of transportation line item and moved to contracted services within the same object.

She presented a hand out of all of the donations accounts she wanted to share with the committee which contains information on all of the donations from the beginning of time to now which is sent out annually to the schools as a reminder of the donations they received and to use it. Some are specific and some are general deposits.

Ms. Plante asked if these accounts are like a non-lapsing where they don't go away.

Mrs. Vadas stated that is correct.

Ms. Zukowski stated they are in a special fund.

Mrs. Plante asked about the Hawley HVAC State grant and if it is still active.

Mr. Melillo stated due to technicalities that we had no control over the state gave reasons such as that we do not have a building committee and we do not work through a building committee, even though we provided them the charter and showed them the commission, meeting dates and minutes. He also stated that they said we did not send in the building specs which we did.

Mrs. Plante asked if there was an appeal process.

Mr. Melillo stated we did send them a rebuttal and we will see where that goes.

Public Participation: none

Adjournment: Mrs. Larkin made a motion to adjourn meeting. Mrs. Plante moved the motion Ms. Zukowski seconds the motion. All in favor. The meeting was adjourned at 7:11 p.m.

Respectfully Submitted,

Joanne Morris

THESE ARE DRAFT MINUTES AND ARE SUBJECT TO THE APPROVAL OF THE BOE
CFF/CIP SUB COMMITTEE

Newtown Board of Education
BOE CFF/CIP/Facilities/Finance Sub-Committee Minutes
March 16, 2023 6:00 p.m.

Call to Order: Mrs. Larkin called the meeting to order at 6:01 p.m.

Participants: Jennifer Larkin, Deborra Zukowski, Alison Plante, Bob Gerbert, Tanja Vadas, Chris Melillo, Superintendent, Michelle Ku, Legislative Council, Steven Goodridge, Board of Finance, Ed Schierloh, Board of Selectman

Item 1: Approval of BOE CFF/CIP Minutes of February 16, 2023

Mrs. Larkin made a motion to approve the BOE CFF/CIP minutes of February 16, 2023
Ms. Zukowski seconds the motion. All in favor, motion passes unanimously.

NEW BUSINESS:

Superintendent Update:

Mr. Melillo reported that the Legislative Council approved the ARPA funds for Middle Gate School's playground (\$33,000), the chiller project at Reed Intermediate (\$71,000) and the Project Adventure equipment at Newtown Middle School (\$23,000). The Legislative Council requested that the Educational Committee start setting up dates for meeting to discuss the budget. Mr. Melillo is looking forward to working with the Legislative Council.

Mrs. Vadas was not sure how much the PTA at Middle Gate was able to contribute.
Mrs. Plante answered that the PTA passed \$10,000 for the playground.
Mrs. Vadas said the purchase order for the playground equipment (\$64,389) is ready to go.

Transportation Update:

Mrs. Vadas reported that she received an update from Alan at All-Star. They currently have five drivers about to be licensed.
Mr. Melillo added that three of those drivers are testing at the DMV. One is testing this week and the last two are testing in the next two weeks. Four additional drivers are currently going through the training process and three potential drivers are coming in for interviews this week.
Mr. Melillo continued by stating that they are still sending flyers out. It seems that more people are applying than they did in previous months. All-Star is still providing drivers until the potential drivers officially start. Newtown has not been without daily drivers since February 3rd.

Ms. Zukowski asked when we will know when these drivers have officially started.
Ms. Vadas said we will know once they are licensed.
Mr. Melillo added that unfortunately, there is no contract for them to stay; however, it is encouraging that they have a pipeline of drivers in the queue.

Ms. Zukowski asked if their CDL prohibits them from driving tractor trailers.
Mr. Schierloh confirmed that a school bus is a Class B and a tractor trailer is a Class A.

Mrs. Larkin asked how many drivers Newtown technically needs.
Mrs. Vadas answered that Newtown is down two drivers.

Mr. Melillo added that to be “fully staffed” Newtown would need two drivers plus six backups.

Mrs. Larkin asked what the commitment of a “backup” driver was. She would like to know if they signed up to solely be a backup driver.

Mr. Melillo and Mrs. Vadas were unsure of their agreement and inner workings of All-Star.

Ms. Zukowski said that she believes that the backups have to be at the bus yard at each of the bus runs to confirm that there are enough drivers. She also believes they are compensated comparably.

Mrs. Vadas anticipates credit coming for December (\$2,000), January (\$5,000) and February (\$500).

Mrs. Larkin asked how the runs were going for athletics.

Mr. Melillo answered that we have some bus drivers picking up some runs. For the smaller teams, they are using the school vans to charter the athletes. As of March 2nd, there have been sixty runs that used the school vans. The price is \$100 per run which is less expensive than the charter bus.

Non-Lapsing Fund Policy Discussion:

Mrs. Larkin explained that this is a follow up from last month where Ms. Zukowski brought the committee the Non-Lapsing Fund policy which would help triangulate the Board of Education, Board of Finance and Legislative Council in the non-lapsing fund.

Ms. Zukowski reported that the Board of Finance talked about the policy at their last meeting. She gave feedback to the Board of Finance that the committee did not understand how the behavior would change in the case of the threshold because there were three edits that the Board of Finance was suggesting. One edit was having a threshold between 2 and 5 percent which they would provide added scrutiny.

Ms. Zukowski continued by stating the committee did not understand what would change with the proposed edit. Another edit would be outlining more of what the deliverable in terms of the annual report would be. The last edit would be having a process in which to review the policy on a periodic basis.

It would be the responsibility of the CFF committee to determine the threshold.

Ms. Zukowski said that the Board of Finance could not answer the questions regarding how the threshold would change anything or add any value. Unfortunately, the Board of Finance was not able to vote at their last meeting due to the Chair being absent.

Mrs. Larkin asked if anyone knew if the Board of Education had two million dollars in the non-lapsing fund.

Mrs. Ku answered that they never did.

Ms. Vadas showed the committee a history of the non-lapsing fund. The Board of Education started making deposits in 2012. Currently, there is \$475,205 in the non-lapsing fund.

Ms. Zukowski asked if there was a way to add an earmark the money for a certain expense.

Mrs. Vadas said that they have written a yearly letter in the past indicating what they would like to use for Special Education and what they would like in the general deposit.

Ms. Zukowski would like history in the accounting system so future administration could see.

Mrs. Ku would like to clarify what was happening with the non-lapsing fund policy approval.

Ms. Zukowski answered that the Board of Education and Legislative Council both approved this policy and is now waiting for the Board of Finance to approve.

Mr. Melillo continued by stating that they are trying to avoid mistrust.

Ms. Zukowski summarized by saying that this is a current policy with three minor tweaks. This policy will need be approved by the Board of Education in April. The Legislative Council will look at this policy in May. Ideally, all three councils will have this updated policy.

Facilities Update:

Mr. Melillo reported that Mr. Gerbert's position has been posted with a total of sixteen applicants. The posting will close on March 17th. A committee will interview this person in the next couple of weeks. This position has the possibility of becoming a shared position with the Town.

Mrs. Larkin asked if there was enough time for one person to do both jobs.

Mr. Melillo said there still needs to be a lot discussed regarding that option.

Mr. Gerbert reported that he was pleased that the Legislative Council approved the ARPA funding. He confirmed that he entered the requisition for the playground equipment. He anticipates this being a summer project that would take a few weeks.

Mrs. Larkin asked if anyone notified Middle Gate about this project.

Ms. Zukowski said that she notified the appropriate parties about the decision the night before via email.

Mr. Gerbert said that he does not have a financial update from Downes regarding Hawley. However, they do anticipate being done at the end of the month with about 98% of the work. The focus is in the 21 building (area C) by installing ceilings, finishing duct work and prepping for painting. They will continue the project at the end of May when the switch gear arrives. The final part of the project which will happen in the summer will be the commissioning process which includes going room to room to make sure every switch works and the controlling is responding appropriately.

Mr. Gerbert confirmed that they maintained being on time and on budget. He said this has been a successful project overall.

Mr. Gerbert said that they met with the moving company and they are more than ready to help when it is time. He expressed the need for extra crates during the move.

Ms. Zukowski confirmed that anything we did not spend was appropriated specifically for Hawley and so it cannot be used for any other project.

Mr. Melillo said that the money will go to Capital.

The committee thanked Mr. Gerbert for his hard work getting this project off the ground.

Mr. Gerbert expressed his gratitude towards his workers and everyone that worked daily on this project.

Mrs. Larkin asked if there were any spring break projects planned.

Mr. Gerbert said they thought they would need to do flooring but they were able to finish that project during the mini winter break in February.

Mr. Gerbert continued by saying that there has been some roofing issues that are being worked on. Unfortunately, these leaks can just "spring up" on you without notice.

Financial Report and Transfers:

Mrs. Vadas reported that the finances look good this month. We increased the balance by just under \$100,000 (\$98,156) showing a total projected balance of \$491,314. Not much has changed in the salary account and still seeing a negative balance in the certified salaries. The majority of the balance is being driven by the non-certified salaries. There is currently a big balance in Special Education and Mrs. Vadas

anticipates having to transfer some of that to contracted services because another purchase order for \$60,000 has to be created for the behavior therapists contracted services. They are very costly.

Mrs. Larkin asked if the behavior therapists from the agency are reliable.

Mrs. Vadas answered that they are reliable and not a lot of turnover. There are currently five open positions.

Mrs. Vadas continued by saying that the biggest change she can see if in the supplies line item with electricity. This account now shows a positive balance of \$320,000. Due to the increase in the Eversource energy supply rate, we are experiencing a windfall in credits from the virtual net metering project. This is an estimate now as there are a few variables that can affect this account. This is definitely a win for the Board of Education.

Mrs. Vadas presented the Essex Grant spreadsheet to the committee. She said that they received 75% of the 1.8 million dollars. The grant reimbursement rate for eligible expenses was calculated by the state at 70%. Mrs. Vadas has heard that it could potentially increase by 15% and we would receive an additional \$380,000.

Mrs. Larkin asked if this will carry into next year's budget.

Mrs. Vadas said that the 85% will. As of now, there is a \$491,000 balance and could potentially go up another couple hundred thousand dollars.

Ms. Zukowski asked if we are still trying to fill positions.

Mr. Melillo said they have been seeing more people applying for jobs.

Mrs. Vadas stated that the propane RFP was sent out to ten vendors and advertised in the Newtown Bee. There were questions from two different vendors and we expect them to come in next week.

Mrs. Vadas confirmed that there were no transfers.

Public Participation

None

Adjournment

Mrs. Plante made a motion to resign to adjourn.

Mrs. Larkin seconds the motion. All in favor. Meeting was adjourned at 6:43 pm.

Respectfully Submitted,
Sarah Connell

THESE ARE DRAFT MINUTES AND ARE SUBJECT TO THE APPROVAL OF THE BOE CFF/CIP SUB COMMITTEE.