

Newtown Public Schools
CFF Sub-Committee Meeting Minutes
September 3, 2024, 6:00 PM
BOE Conference Room

PRESENT: Shannon Tomai, Alison Plante, Brian Leonardi, Tanja Gouveia, Steve Goodridge, Board of Finance, Jill Soderholm, Legislative Council
1 Public

CALL TO ORDER: Mrs. Tomai called the meeting to order at 6:01pm.

BUSINESS: Mrs. Tomai made a motion to approval the BOE CFF Sub committee minutes of May 16, 2024. Mr. Leonardi moved the motion. Mrs. Plante seconds the motion to approve the minutes of May 16, 2024. All in favor. Motion passes.

NEW BUSINESS

EOY Financial Report and Transfers

Ms. Gouveia presented the end of year financial report. She stated we ended the year with a positive balance of \$250,902 and we expended 99.71% of the budget. We have \$358,771 in encumbrances remaining and those are various departments which we will carry throughout the year until we close out at the next fiscal end.

She began with reviewing the major objects.

The certified salary account has a balance of \$63K. The majority of that came from certified subs, specifically our building subs. On an average we had about 5 positions open. Salaries throughout the year had a positive balance, primarily driven by the para balance. There was a transfer of \$170K which was used to covered shortfalls in other non-certified areas as well as some benefits. We ended the year with \$63K in our para union. In our custodial union, we ended the year with just over \$106K due to a fair amount of turnover along with Worker's Comp claims that came in later than anticipated.

Mr. Leonardi asked about the difficulty in filling open positions. Ms. Gouveia stated its been extremely challenging. We experienced vacancies in Bldg Subs, Para's and BT's. We budget for about 25 Bld Subs and our average is about 20 which has been consistent for the last 4 years.

Mrs. Gouveia stated the non-certified ended with a \$207,884 balance with a combined total for salaries of \$270,896. She emphasized that salaries all along has been our driver behind all of our balances. She stated we have been able to use some leverage of salaries towards our 24-25 pre-purchases because of our budget adjustment for next year.

In benefits we ended the year with a positive balance. Early projections showed a deficit in our FICA and Medicare that was based on filling the open positions. We did a transfer of \$40K to cover the shortfall however we only needed about \$8K so we have a remaining balance of \$32K.

Another early projection was our unemployment. She stated claims were coming in higher than she has ever seen however the last quarter fizzled out and only required \$4K.

Mr. Leonardi stated if it was not for the transfers we would have been in the red.

Ms. Gouveia stated that in May she was forecasting a negative \$40K so that is why we did the transfer.

In Professional services she reported all year we had two SLP's come in and cover for our speech and pathologist teachers that were out on leave. The total cost was \$70K. We also needed an additional \$21K for Nixon. This was for the last payment and they had submitted travel expenses as an added cost.

Mrs. Tomai and Ms. Gouveia talked about the vendor contract and the travel costs that were covered.

Ms. Gouveia stated that there was an approval by the former Superintendent and therefore we paid the additional expenses.

Mrs. Tomai asked if a check was done prior to approval to ensure the additional costs were included in the contract. Ms. Gouveia stated yes and the invoices did get approval. Mrs. Tomai stated if this was the case then maybe we should look at the offset of future expenses to them.

Ms. Gouveia stated she would review.

Ms. Gouveia talked about nursing services who worked with a student on a one-on-one basis which cost us an additional \$30K. We did not transfer any more than \$140K into this account but we still need an additional \$26K which will be addressed with a budget transfer.

Ms. Gouveia moved on to Purchased Property Services and stated this object fared pretty well with a balance of \$21,676 despite a larger deficit in the Building Site & Emergency Repairs. She stated the Building Site & Emergency repairs account started out strong and she thought it would be coming in under budget but we ended coming in over budget. She stated we budgeted \$475K and costs came in at \$513K. She stated these are contingency accounts and if we have emergencies it will hit this account.

Mrs. Plante stated the boiler was the driver of this account. Ms. Gouveia stated roof repairs as well.

Mr. Leonardi asked about when we do an RFP for the roof at the high school what account that would go under. Ms. Gouveia stated it depends, if it is a project it would be in our capital non-reoccurring which is on the town side. If it is over \$200K it would land on the CIP, and if it is under \$50K it will land in this account.

Ms. Gouveia stated we had a few surpluses and overall Purchased Property Services ended in a positive balance.

With Other Purchase Services Ms. Gouveia stated the contracted services account has a deficit due to the BT (Behavioral Therapist) contracted services. She stated the amount we spent was quite high although lower than last year and we spent \$270K with grant dollars for our BT Techs.

Mrs. Tomai asked if they were hourly services. Ms. Gouveia stated yes they are all hourly positions.

Internal positions are paid hourly and the services are paid hourly but the services get about \$60-70/hr.

Mrs. Plante stated the way she understood this is that we have a big surplus in our salary accounts because we cannot fill the positions. If we can fill the positions we would be paying our BT's out of that account. But we can't so we have a surplus in that account. We therefore have to pay outside

contractors to come in and provide the services because they are special ed which are required to deliver the services and therefore cost more than if we were to hire internally.

Ms. Gouveia stated the transportation deficit of \$32K was due in part to displaced students needing to be picked up outside of our district and the addition of a monitor for one bus.

She talked about out-of-district tuition which we came in above budget. Overall this major object ended with a positive balance of \$31,788.

Mr. Leonardi asked about the transportation account and if that was just the All-Star contract.

Ms. Gouveia stated it is All-Star and our Out-of-District. She said our Out-of-District is about \$1M and we currently have EdAdvance as our main vendor. They have also had a hard time with drivers so we have had to outsource.

Mr. Leonardi asked about the term of our transportation agreements.

Ms. Gouveia stated All-star is a 5 year contract which we are currently in year 3 and this is the last year for EdAdvance so we will be putting an RFP together.

Mrs. Tomai asked about the insurance-property and liability costs and how do we not know for sure what the cost for insurance is going to be.

Ms. Gouveia stated that our insurance gets renewed every April and we budget in October so we don't know and we assume it will stay the same. Our LAP insurance we usually get a heads up. Workers comp is variable and there is a cap. Typically we put in for a 3% increase. She said the Cyber is a small policy which used to be about \$40K and now with putting in protocols in place the costs have been going down a bit.

Moving onto supplies Ms Gouveia stated we have a deficit which we will take care of with the year end transfers. We went over budget in instructional supplies by \$20K, Software was a bit over, plant supplies was also a bit over budget. Last year's budget was adjusted at the superintendent's level but they purchased everything they need at the school level as far as software supplies and plant supplies. In the electric we had made an early transfer in April to cover for textbooks and some of our pre-purchases for the 24-25 budget. After virtual net metering credits came in and bills were settled we ended with -\$120K negative due to the transfer we made early on.

Mr. Leonardi asked about the budget amount of 23-24 was significantly larger than what was expended in 22-23. Ms. Gouveia stated our virtual net metering budget was different. First year we did not budget for any of the credits. Second year we budgeted a bit more. This year was more aggressive and we received a full year of credits on the virtual net metering. Also, Hawley's budget was significantly increased last year because of the new HVAC. Ms. Gouveia stated she would further follow up on this as she did not want to miss-speak on the exact differences year over year.

In the Property major object our technology equipment has a small balance and other equipment balance of \$22K with a total of \$24K as the balance. The \$22K was going to be for an upgrade to our radio system but we have put that project on hold as we are looking into grants and we want to make sure we are in alignment with the town.

The excess cost grant came in at 66.71% which is a less revenue than we anticipated at 70%. All in all we have a favorable balance in our out-of-district tuition. She talked about the various other revenues that get turned over to the town such as local tuition, parking permits and fees.

Mrs. Tomai suggested this should be annotated in the summary report as it is not actually revenue to the Board of Ed.

Transfers

Ms Gouveia stated per board policy all major objects need to be in a positive state at the end of the year so she is requesting a transfer from the salaries accounts to cover the deficit in professional services, supplies, and miscellaneous.

She said the unexpended balance is to be transferred into the non-lapsing and speaking with the Superintendent we would like to recommend that \$80K does go towards SpeEd reserves and the balance of \$170,902 goes towards the general reserve.

Right now without the transfer we have \$300K in sped. We have a total of \$115,675 in general reserves for a grand total of \$415,675 in the non-lapsing. That is without this request going in.

Non-lapsing account deposit

Mrs. Plante then gave a background on the non-lapsing account for the newer subcommittee board members explaining the non-lapsing account that was established for the BOE. She explained that all accounts in the budget expire on June 30th. From the BoE perspective, state statute enabled us to create what is essentially a savings account where we can deposit all of the unexpended money into this account which we can then use that money for unforeseen emergency expenses, capital expenses etc., as long as the money we deposit each year does not exceed 2% of the total budget and as long as the funds are used for educational purposes. This account is called the Non-lapsing account.

Historically we have earmarked funds towards the SpEd overages since this area is hard to predict.

Mrs. Tomai asked if there is an ability of the town to not permit us do this and to take the money that is left over. Mrs. Plante stated there was a recent change in state statute at the end of this legislative session where in previous years we had to get fiscal authority from the town to approve our deposit.

We had just revised a policy last November how this process would work. Now the state has changed the process and on our own recognizance the BoE can approve the deposit without requesting further approval from the Board of Finance and Legislative Council.

Mrs. Plante stated it is now up to us how we want to handle it as we are no longer required to request that approval and wanted to know how the subcommittee felt about it. She stated we are no longer required but we still work in partnership with the Board of Finance and Legislative Council and she thought it was appropriate to provide transparency on this with the balance we are seeing, the balance of the account and amount we expect to deposit.

Mr. Leonardi agreed and stated it was a professional courtesy. Mrs. Tomai also agreed with the transparency.

Mrs. Plante stated that the Policy committee will update the policy to reflect the statute.

July Financials

Ms. Gouveia presented the July financial report. She stated the total budget is \$87,409,066 and all accounts have been adjusted per the BoE budget that was approved in May. Right now we don't have any anticipated obligations and we have \$28M in encumbrances. She stated we don't usually start analyzing these accounts and putting forecasts in until October. The first couple of months we want to make sure all of our salaries are in alignment, encumbrances are up to date especially in salary accounts as this is the driver for our budget. We will then begin to look at forecasts. There is not anything to discuss regarding the July report at this time.

Transportation Update

Ms. Gouveia stated the end of year athletic trips came in at \$10K under budget for athletics. This year All-Star provided 64% of the trips, last year it was 44% but the cost went down significantly due to finding cheaper transportation.

She stated we are still facing driver issues. Beginning last week we had 4 drivers, two went out on FMLA and two quit. We had 4 spares that went into those permanent spots. All-star has 3 in training and 1 is being tested this week. So all in all we are still down drivers. We will be conversing with All-Star to be sure there is a plan in place. We are holding our own right now and All-star has been doing advertising and still offering a sign-on bonus. She stated there are other towns experiencing the same issues.

PUBLIC PARTICIPATION none

ADJOURNMENT: Mrs. Tomai made a motion to adjourn the meeting. Mr. Leonardi moved the motion. Mrs. Plante seconds the motion. All in favor. The meeting was adjourned at 6:58 pm

Respectfully Submitted,
Joanne Morris

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

Newtown Public Schools
CFF Sub-Committee Meeting Minutes
May 16, 2024, 6:00 PM
BOE Conference Room

PRESENT: Shannon Tomai, Alison Plante, Brian Leonardi, Christopher Melillo, Tanja Gouveia, John Barlow, Steve Goodridge, Board of Finance, Jill Soderholm, Legislative Council

CALL TO ORDER: Mrs. Tomai Called the meeting to order at 6:08 pm.

BUSINESS: Approval of BOE CFF minutes of April 23, 2024. Mrs. Plante made a motion to approve the minutes of April 23, 2024. Mrs. Tomai seconds the motion. All in favor. Motion passes.

NEW BUSINESS:

Facilities Update

Mr. Barlow stated the Reed school basketball hoops purchased by the PTA are installed. Also with Reed school, we always paid a contractor to mow the courtyards at MG, Reed and front flower bed at SHS. We have now pre-purchased a few pieces of machinery and therefore we have reduced costs and custodial staff will mow these areas. The tractor and two weed whacker's cost us \$2,800 vs the contract costs just for Reed was \$8K. We will keep the equipment in the courtyard with covers under an overhang for protection and in winter we will move the equipment to the maintenance shop.

Mr. Barlow stated he has a couple of contractors for Middle Gate area in the back. We don't have any quotes yet but we have a scope of work of what needs to get done to establish some grass. One problem is that the area has been trampled so much and compacted so the soil needs to be aerated and opened up in order to get grass to grow. We are looking at least a tri-axle load of top soil and then looking at an option of putting turf grass on top. The larger rolls of 4x50 would work best to keep everything together. Our custodial staff will have to keep kids off for the summer and we would have to do a lot of watering so that it establishes itself. If all works out the kids will have a place to play with grass.

Mrs. Plante asked if this would be pricey. Mr. Barlow stated he was not sure and was looking to get numbers back to see what he could do. Mrs. Plante stated the PTA was willing to kick in about \$10K. Mrs. Plante stated this would be huge for the school.

Mr. Leonardi asked if this was the best option in place of seeding or hydra-seeding.

Mr. Barlow stated that is an option but he wants to see what the numbers come back at for the turf grass on top.

Mr. Barlow stated right now is the perfect time to grow grass and if we try to do during the summer it will need constant watering so we are trying to get the best option established for the fall.

Mr. Barlow stated the RTU jobs for the High School is 100% complete and that includes the wiring for the BMS system. Hawley School is 100% complete and signed off on the letter for the \$85K

reimbursement from Eversource. They are coming to do inspection soon and they will issue us a check. That check will go back to the town because that money came from that project.

Mr. Barlow stated we received \$3.5M back from the HVAC grant from the State of CT. He stated he would plan to have some meetings with First Selectman and BOF to possibly re-purpose that money back into continuing the RTU work, the replacement work and air handler work. He said there are two options; they could potentially give the money back to the BOE for us to continue that or, they can pay down their bonds. He stated it is worth the ask. He further said the 20th is the official Grant announcement and press release.

Mr. Barlow talked about Head O'Meadow and that there was a slight set back issue with one of the dx coils where they were not able to seal the leaks. They sent an option on how they will potentially make that repair with a slight increase in cost of \$5K but there is plenty of money left in the project from the CIP. He stated he expects in the next two weeks the air conditioning will be on at Head O'Meadow.

He went on to discuss NHS and with all of the rain lately he was happy to say they have not had any roof leaks but that is indicative of a lack of huge temp fluctuations. Although we are in great shape right now it is possible that when we get to the fall these problems could come up again. We did have some issues with the chiller on the roof of the HS. It was installed on the roof in 2013. Over the course of years it has not received the care and proper maintenance and unfortunately they have had nothing but problems. It has only operated in its full 400 ton capacity for about 2 years and now mainly runs on about half of capacity for the last 5-7 years. He stated it is a dying unit so if he can possibly reutilize some of that \$3.5M it would be a great opportunity to look at what we could do with that. He stated he would never put a water cooler unit back on the roof. We would either go to an air cooler chiller or switch to a Intellapac unit.

Mrs. Tomai stated with dealing in performance guarantees for equipment that is expensive, if we put in an expected useful life as a guarantee it can sometime protect us from the defects that are happening.

Mr. Barlow stated he had a kickoff meeting for the Bureau Veratas facility study and has a timeline. He stated the drafts would come in for all schools on the first of August. They would give a month for review and then all finals would be due August 30th. Middle Gate was the Pilot school picked to start on June 10th. Mr. Barlow stated we also contracted with a company called FMX which would be replacing School Dude. SchoolDude was used for generating work orders. FMX will take over and is in our contracted services and is about an annual \$1K savings from SchoolDude. FMX is for work orders, which we can track and know where are repairs are. FXM integrates with Veratas so all of the data will get dumped into FMX including all of the bar codes so when we do work orders we can work off of the bar codes and will become very usable. FMX also does work orders, preventative maintenance, and school facility scheduling.

Financial Report and Transfers

Ms. Gouveia presented the financial report. She stated we have a \$1.9M budget adjustment. She then talked about the sequence of determining transfers and budget cuts. First she said w look at our current

balance and we try to identify some areas we can pre-purchase out of next year's budget and use our current year funding. We have worked with principals and administration to go through all accounts and figure what balances we can use for transfer. Our summary sheet identified over \$165K over the prior month to bring into the current budget that we can use for pre-purchasing. The budget is showing an expected year-end balance of \$567,162 right now.

For our sub accounts she stated there was not too much change in salary accounts. Anticipated obligations were lowered by positions that will not be filled such as paras, a teacher position, home bound tutors and we released some funding in the certified staff of \$19K. In non-certified staff we released about \$45K. We adjusted mostly to anticipated obligations.

In the benefits accounts we did a re-adjust for Fica and Medicare and had to include an additional \$40K based on a forecast budget that was built last year.

Our pension account was in a negative last month with our 401A plan, and as new employees come on they are not eligible for our defined benefits so they have to sign up for the defined contribution which happens every year. It is hard to budget because we base it on employees that we have.

Unemployment costs were very high last month and estimated to be a negative of -\$34K with a possible addition of another -\$10K.

In professional services we are going to go over in our legal account about \$15K. We also have the two SLP's which is driving the professional services to a negative due to 2 teachers out on leave which we had to bring in a service for specialized teaching.

Purchase Property Services is looking pretty good. Bldg & grounds emergency repair account stays status quo and we could see a very small deficit at the end of the year. Ms. Gouveia stated this may be the first time we might not go over budget.

Other purchase services: contracted services we added the superintendent search for \$12K. We also had to add an additional encumbrance for BT services as we discussed in previous meetings. The conversation continued around BT services, labor shortage and what the needs are for these students.

For contracted services this year, we have the highest negative student lunch balance. By contract and state statute we have to provide for that. We have to budget \$7K each year. This year the balance is at \$23K.

Mr. Melillo stated he believes parents are aware.

Ms. Gouveia stated we are sending out weekly emails to parents and we will use school messenger more next year. She also stated she is working with principals and guidance to get the balances down. She stated she was just informed that the reduced lunches will be free again next year and we will work on getting that communication out to the district.

Mrs. Tomai left the meeting at 6:50pm

Transportation is still showing a negative of \$70K due to the two displaced students which is ongoing through the end of the school year.

Out of district tuition is holding steady.

Supplies is showing a really good balance of \$330K. The majority coming from electricity accounts with virtual net meeting. Propane and Natural gas are seeing a surplus due to the mild winter.

In the other equipment account we did go through all of the accounts and because we have such a large budget adjustment we did release \$75K in equipment which was set aside in our security budget. We were holding this money for radio upgrades. We had a quote from Norcom for \$85K which we were going to put through this year. We are now able to push this off to next year so that money will go back into the general fund for pre-purchase.

She then presented a schedule of transfers she is requesting which lists pre-purchases for next year's budget. She stated we are looking to pre-purchase out of the curriculum budget a reading 6-8 program, Spanish textbooks, classroom companion library for K-5, and psych books. This would reduce next year's budget by \$523K. The actual cost is going to be \$366,358. She would like to request a transfer from the supply accounts.

The second request is from our equipment line which is for technology which has about \$75K of equipment and also the cafeteria tables for the Middle School. The total of \$453,616. Sitting at the balance of \$567K it looks like we can fit all of these pre-purchases in our current year budget.

Mrs. Plante stated the first reduction from the Board of Finance was about \$528,109 so this pre-purchasing takes care of these reductions. She then stated the work we do next week will be to figure out how to find the \$1.4M reduction.

Transportation Update

Ms. Gouveia stated we have drivers in training and getting licenses. We had a meeting with All-Star to talk about SpEd ESY that will be coming up. She said that transportation is going well. The Sports budget is looking okay. We have spent 85% of the sports activity fund. We set aside about \$140K in general fund for athletic transportation. When that is depleted we then go to the activity fund which comes from pay-to-pay and ticket sales. So we have only spent 85% of that.

Chartwell's Contract Renewal (Food Service Provider)

We have 5 yr contract with chartwells and every year we have to renew. Each year it has to be approved by the State.

Mr. Barlow left the meeting at 7:10pm

The Only change we had in this renewal was the management and admin fees which they are allowed to increase up to 4.6% inflation rate given by the state. She stated we agreed on a 4.2% rate. All other language in the contract remains the same.

She stated Chartwells has done a great job with a lot of programs that they have rolled out. The state has approved our renewal so we will take it to the board for final approval.

She also mentioned that Sandy Hook school would be starting a Recycling program next year.

Mr. Melillo stated we applied and received a Grant for \$5K for recycling. He stated we will begin a program at SHS where we take food waste and bring it for compost. It will lower our cost for hauling as we pay by the tonnage. We will teach the students on how to be green. He stated it's a program that he has alot of knowledge on as he implemented it to one school district and it grew to other schools within that district. He said, besides being a benefit to the community and teaching the students about recycling it actually saves money. The town will also benefit from this.

School Activity Account Balance Review

Ms. Gouveia presented the current balances as of March 2024 for each school activity account. She stated that last year we contemplated changing the timing of presenting to the board once the school year ended to capture final balances. The accounts are presented to the Board yearly which are approved by the Board to allow these accounts to exist at each school.

Ms. Gouveia talked about the different accounts within the High School activity account. She mentioned talking with principals in the near future about spend down plans as some of the accounts can be used for students within the classroom.

Mrs. Plante stated these accounts exist outside of our regular budget and these accounts do not expire. Ms. Gouveia agreed.

Mrs. Plante moved to discuss this at the end of August for the Board to approve.

Superintendent's Update

Mr. Melillo stated everyone in the Central Office was working hard on determining budget cuts and making recommendations that will be brought to the Board. He stated we would Keep cuts away from students as much as possible. We have a good plan in working with the Board and coming to a consensus with a mind-set that decisions are for the students.

He stated the \$3.5M that we obtained through our grant writer with the town is part of a greater mind set with working together as a municipality and that the Board of Education is not a separate entity and that the work that we do helps all. We have approached the town about having the grant writer split between the two entities because she does write grants for the town also. He has spoken with the First Selectman to see if that is something that could happen and hopefully we can look at that position and others down the road where we can regionalize within our own communities and work together.

Mrs. Plante stated she thought that makes a lot of sense and there has been a push to explore those kind of shared services across the district and town in the past.

He also stated he was participating in the dunk tank at MG school where people will be lining up to take their shots!

PUBLIC PARTICIPATION None

ADJOURNMENT: Mrs. Plante made a motion to adjourn the meeting. Mr. Leonardi seconds the motion. All in favor. The meeting was adjourned at 7:27pm

Respectfully Submitted,
Joanne Morris

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