

**Call to order:** A regular meeting of the Shelton Board of Education Finance Committee was held on Wednesday, September 19, 2018. The meeting convened at 5:03 p.m., Chairman Thomas Minotti presiding.

**Roll Call:**

**Members in Attendance:** Chairman Thomas Minotti, Anne Gaydos, David Gioiello, Jose Goncalves, Mark Holden, Amanda Kilmartin, Dr. Darlisa Ritter.

**Also in Attendance:** Kate Kutash, BOE Member, Kathleen Yolish, BOE Member, Dr. Christopher Clouet, Superintendent, Ed Drapp, Finance Director, John Calhoun, Facilities Manager, Deborah Keller, Shelton Education Association President, Dr. Beth Smith, Shelton High School Principal, Kenneth Saranich, Shelton Intermediate School Principal, John Niski, Athletic Director, Victoria White, Supervisor of Teaching & Learning/ Humanities, Beth Jones, Parent, Stephen Massad, Parent.

**The Pledge of Allegiance was recited.**

**Mark Holden MOVED to add the propane bid recommendation to agenda, SECONDED by Amanda Kilmartin. A vote was taken with all in favor, motion carried.**

**Approval of the Agenda:**

**Anne Gaydos MOVED to approve the agenda as amended, SECONDED by Dr. Darlisa Ritter. A vote was taken with all in favor, motion carried.**

**Review and Approval of the Following Reports to the Committee:**

**Minutes of the meeting of: "Regular" Finance Committee August 15, 2018:**

**Mark Holden MOVED to approve the meeting minutes, SECONDED by Amanda Kilmartin. A vote was taken with all in favor, motion carried.**

**Finance Director's Report (handout):**

- **2018-19 School Year through August**

Ed Drapp stated that there has been a reformatting of the reports. This was done in order to clear any confusion, add detail, and to present a more comprehensive picture. There has not been a change in information, just the way that it is presented.

- Revenue Report

Ed Drapp stated that one of the things he thinks the board was missing last year was the understanding of how revenue plays a part in the budget. All of the areas that we will look at are sources of revenue that go toward offsetting certain areas of the budget. Without these revenues, the budget would have to be cut by the amount less than the \$1.73 million collected in anticipated revenue. Pay-to-Participate funds will allow us to reduce line items specific to SIS and SHS Athletics and Co-curricular activities. Things like coaches, transportation, and athletic liability insurance. All of this revenue will help offset those expenses. David Gioiello asked if we have established targets/dollar incomes per month relative to expenses so we will know well in advance if we are running short on some things so we can make adjustments during the course of the year. Ed Drapp responded that in the report you can see what we've billed to date, what we've received to date, what has been projected, and this was done at the end of August so we are still early into the year. Things will change as we find some patterns. We will discuss Pay-to-Participate, ECA/RCA Transportation, and Preschool Tuition which are all new to the District. It is unknown what will happen in those areas. ECA/RCA Transportation goes to offset Talented & Gifted Transportation. Preschool Tuition goes to offset a Preschool Teacher. Building Usage Fees goes

to offset Custodial Overtime. Parking Fees goes to offset Security Staff Salaries. Athletic Fees and Gate Receipts go toward offsetting ticket sellers, officials, announcers, etc. The Excess Cost Grant goes to offset SPED Tuition, Transportation & Purchased Services. The Adult Education Grant goes toward the Adult Education Allocation. The Magnet School Transportation Grant goes toward Magnet School Transportation. The Summer School Program fees go toward offsetting Summer School Tutors. Medicaid funds go toward SPED Purchased and Technical Services. We rely on this \$1.73 million of revenue to support the budget. David Gioiello asked how we arrived at the price of \$2,500.00 per student for the Preschool Tuition. Ed Drapp responded that it was the recommendation of the Special Education Director at the time. Superintendent Clouet stated that she looked at tuition charged by most districts in the state. David Gioiello asked if the number was based on any actual cost data. Superintendent Clouet responded that it is based on what other districts are charging and our need for revenue. Kathleen Yolish stated that at the last finance meeting she asked for a breakdown of what it actually cost for the preschool program. Superintendent Clouet replied that the request implies that the numbers were built related to the cost, but the numbers were actually built on the fact that we are underfunded, we need revenue, and we were looking at places where we can legitimately raise revenue. Many districts do charge general education parents. David Gioiello asked if we get money from the federal government to offset the cost of propane. Ed Drapp responded that the City of Shelton has gotten that in the past. David Gioiello asked if we would receive it now since we are paying for all of the propane. Ed Drapp responded that we are planning on it. Mark Holden stated that he read something in the paper suggesting that the City of Shelton would allow the Board to have those funds this year. David Gioiello stated that may be additional income that could be shown in the report. Ed Drapp responded that we need to know how much we will spend on propane. David Gioiello stated that Durham must have an approximation for the amount of propane that will be needed. Ed Drapp stated that it varies from 200,000 to 250,000 gallons. He can add it to the report. We will need the reimbursement to break even. We will monitor things throughout the year and in January we will be making much better projections on actual cost than we can do in August. David Gioiello stated that January is a difficult time to start making adjustments and cuts. Ed Drapp stated that we are making cuts "as we speak." Dr. Darlisa Ritter asked if we have seen a reduction in the number of students participating in athletics for the Fall Season. John Niski stated that because of the notification of fees happening after the tryouts and start of season there was not a significant number of students dropping out or quitting. We do not know the number of students who are not participating because of it. However, there has been some talk concerning other sports for the Winter and the Spring Seasons. Dr. Darlisa Ritter asked that John Niski keep the Board informed regarding any changes.

- Expenditure Report

Ed Drapp stated that there are 12 character codes (families) of expenditure that this Board monitors. Teachers and Administrators, Classified Staff, Employee Benefits, Instructional Materials, Program and Staff Development, Outgoing Tuition, Student Transportation, Administrative Expenditures, Heat and Utilities, Building and Equipment Services, BOE Support Services, and Equipment. Also listed is the detail that makes up each of those summary totals. Looking at Teachers and Administrators, we are anticipating a small amount of money being available in that category. It is a similar case with Classified Staff. In Employee Benefits we are expecting an overage due to a large number of people leaving at the end of the year that we had to pay out accrued sick time and vacation time. We're anticipating being over in Instructional Materials. There is no cause for concern regarding Program Improvement or Outgoing Tuition. Because of the availability of the city buses versus what we were planning on we anticipate some money being available in Student Transportation. Administrative Expenditures are on target. Heat and Utilities may be a little bit over based on what we know now. Building and Equipment Services may be a little bit over as well as BOE Support Services. From what we know now if there was going to be an amount of money left at the end of the year he would predict \$89,000. However, we still

have 10 months to go and that number will change substantially. The Line-item Detail Expenditure Report was discussed. The Current vs. Prior Year Expenditure Comparison Charts were discussed. The two major changes that we see are the visuals and being able to make better predictions. David Gioiello asked if what we've spent this far for legal services has covered our cost for the lawsuit. Ed Drapp responded that we have paid some of the cost. We encumbered some money for legal services at the end of last year and we've been paying out of that, and that has not hit the 18/19 budget. David Gioiello asked if we have an idea of what the final cost will be. Ed Drapp stated that he will present the cost of transportation related legal fees for the next meeting. Dr. Darlisa Ritter asked about the Instructional Supplies line item. Ed Drapp stated that we have asked people to reduce their printing and copying cost, but no building has been denied paper. David Gioiello asked if we track who is printing. Superintendent Clouet responded that we do. Ed Drapp stated that teachers are allowed a certain allotment of color copies. We've also made tracking the cost easy by having teachers swipe their district issued cards in order to print. This is all monitored by Daniel DiVito. Kathleen Yolish asked if we would assume/expect the cost for materials to be higher because we don't have as many consumables as we one use to have. Superintendent Clouet responded that part of the model that we are presently using has to do with past paper orders, but also utilizing digital options that now exist. There is a plan in place concerning the use of paper. Amanda Kilmartin suggested checking with legal regarding the amount of forms that are sent home yearly to students at the beginning of the school year. Kate Kutash asked how we are dealing with textbook shortages. Superintendent Clouet responded that we are trying to come up solutions wherever books are needed. Ed Drapp stated that we simply do not have enough resources. Kathy Yolish asked how many people retired for the Early Retirement/ Post-Employment Benefits line to be \$100,000 over. Ed Drapp responded that he will have the list with that information at the next meeting. Expenditure highlights of projected overspent line items were discussed.

- Budget Narrative

We had to hire a Behavioral Specialist, contracted through November to address the needs of two new students. So far this year we have spent 5% of the budget on Teacher and Administrator Salaries. Last year it was 2%. The reason for that is because this year the first Teacher payroll occurred in August and last year the first Teacher payroll occurred in September. The budget was increased this year for Instructional Materials. We did get some additional software that we wanted to support literacy and mathematics. Kathleen Yolish asked if we are going to pay attention to the amount of people going out for professional development. Kathleen Yolish asked if we will be paying attention to controlling overtime costs. Ed Drapp stated that to help with custodial overtime costs we will be charging more for the use of our buildings. Also, John Calhoun has reconfigured his staff. We are looking into reducing a secretarial position and a technology position. Superintendent Clouet stated that we continue to face the challenge of having our younger technology experts leave because they are being paid more in the private sector. Student Transportation will be over by about \$40,000 because of Durham using their buses for Summer School Transportation. Dr. Darlisa Ritter asked how we are doing on the Opt-out in regard to Transportation. Ed Drapp responded that he could share the results from the survey. Superintendent Clouet stated that not too many people are opting out. Kathleen Yolish asked if the Superintendent was still looking into the Work Experience Program to see if there are any possible cost savings. Superintendent Clouet responded that he was and that it may be minimal. Ed Drapp stated that we have 25 staff members out on Long Term Leave. Some will receive pay and some won't due to the time they have available. A discussion ensued where questions were asked and answered. David Gioiello stated that it would benefit the community to understand where we started with our proposed budget and what was approved. Document the steps that we have taken to reduce the impact of the Transportation "fiasco". What we spent, where we ended up, what we have left, and how it has impacted the rest of our budget. Show the income from Pay-to-Participate and the other things so the community truly understands where we started, what we ended up with, what we've done in order to

manage the budget; because there is a perception by some that we are mismanaging money, that we are throwing it away, that we are not being responsible with the tax dollars that we have been given. We should have it on our website and also put out as a press release. Kathleen Yolish asked what happens if we don't collect the money that we expect to collect. David Gioiello stated that we need to track it and if need be we will make additional cuts. The Board Members are responsible for a balanced budget. If the budget is over, each Board Member is legally responsible to write checks to cover the balance. David Gioiello suggested that everyone read the minutes of the May 29, 2018 Board of Aldermen's Meeting. We all want to have the District in the top 25%, but what we didn't do is layout a concrete plan of how we are going to measure that we are in the top 25%, where we are today, how long it will take us to get there, the steps we need to take, and what those steps are going to cost. Amanda Kilmartin stated that there should be multiple conversations between the Board of Education and the Board of Aldermen about our needs. Superintendent Clouet stated that both SAT and SBAC scores are aspects of what we are looking at in regard to being in the top 25%. We would be looking at all of the Districts in the State and aim to be in the top quartile. Over time we could have interesting discussions about what other things should be considered. David Gioiello stated that there are other factors that drive costs for us. We may have fewer students and teachers, but have a higher need for specialists. We need to bring to light the many things that impact the budget so that there is an understanding of these driving factors. Kathleen Yolish stated that we had to push for all day Kindergarten. We have found it to be a success, but we haven't shown how successful it really was. Perhaps we need to start there as a focus point. We need to show them that the funding helped produce growth. Amanda Kilmartin mentioned adding in the School of Innovation. Dr. Darlisa Ritter mentioned adding in the Preschool Program. Superintendent Clouet stated that in the year 2042 children that are in kindergarten right now will be 29 years old. What are we doing to prepare those children for that future? We need to shift the focus to the future. Ed Drapp reviewed other budget considerations. Ed Drapp stated that there are a variety of factors to consider in regard to the cost for transportation. We have a meeting with Durham on Thursday.

**David Gioiello MOVED to approve the 2017-2018 Check Register & A/P Cash Disbursements Journal (handout), the 2018-2019 Check Register & A/P Cash Disbursements Journal (handout), and the Petty Cash Summary for August 2018 (handout), SECONDED by Mark Holden. A vote was taken with all in favor, motion carried.**

**Amanda Kilmartin MOVED to have a moment for public participation, SECONDED by Mark Holden. A vote was taken with all in favor, motion carried.**

Beth Jones addressed the Board regarding her concerns for the Typical Peer Preschool Program.

**Old Business:**

- **Capital Projects and Non-recurring Cost Review Ad hoc Committee**

Ed Drapp stated that they talked about the list of capital repairs. They found that they need to redefine the scope of some of the work. Dr. Darlisa Ritter stated they started to prioritize. Ed Drapp stated that they would like to meet with the Aldermen once there is a plan in place. Mark Holden stated that they are looking into trying to put some of the smaller and reoccurring items into our budget.

- **Review of 2017-2018 Budget Variances (handout)**

Ed Drapp discussed the 2017-2018 Budget Variance handout. Ed Drapp stated if the \$29,000 that we have used for the Behavioral Specialist services extends throughout the year the Other Professional/ Technical Services- SPED line item might go over budget by \$100,000. That is based on student needs. Dr. Darlisa Ritter asked if we still have any teachers on an early retirement incentive. Ed Drapp replied

that there are still a few. Kathleen Yolish asked for a list of major grants that we receive and a detailed summary of how we use them. David Gioiello stated that going to the City of Shelton for funds from the ECS Grant would be appropriate. Ed Drapp stated that we have a lot less flexibility in our budget compared to past years.

- **2018-2019 Budget Fees (handout)**

- Pay-to-Participate

Ed Drapp stated that we've collected a little over \$80,000, primary from football season. Another round of reminders has gone out for those who haven't paid.

- Talented and Gifted Transportation (ECA & RCA)

Ed Drapp stated that we looked at the cost of providing the transportation. We looked at the number of riders, the cost per rider, and the grant contribution. We put in what we thought was a reasonable estimate. That is how we came up with the amount for the parent contribution. There is no profit built into the cost. It's four payments of \$155.00 that are spread throughout the year. We are mandated by the state to pay for transportation to Trumbull Agriscience, Bridgeport Aquaculture, Platt Tech, and Emmett O'Brien. Schools that transport our children a no cost are Six-to-Six Magnet and Fairchild Wheeler. The only optional transportation for the district is ECA and RCA. Originally we had gotten rid of the transportation to ECA and RCA. Parents came to us and said that they would be willing to pay a small amount of money for transportation so that there would be no cost to the district. David Gioiello asked if there was any update regarding the Fairchild Wheeler tuition cost. Superintendent Clouet responded that we have not received any further communications from them.

- Preschool Tuition

As of today we have 4 three year olds and 12 four year olds in the program. 7 students have paid and 9 are unpaid. We will be following up with those who have not paid up to date. It's four payments that occur around two months apart from each other.

John Niski stated that there are things in place to help those who are having difficulties meeting the Pay-to-Participate fee. First we check to see if they are involved with the free and reduced lunch program; which reduces the cost overall. We have been very accommodating with providing parents with a payment plan. If there are still difficulties after that, we have a small fund that was donated previously from the last time we had Pay-to-Participate. That fund has been growing. Individuals from the community have donated to that fund. We have been using that money to offset the cost for those who are having more difficulties paying the fee. We still are trying to make it possible that every student is responsible for something towards the fee. There have been different fundraisers in the community and businesses have asked to sponsor athletes in the program so we are making that available. Amanda Kilmartin asked if there were enough funds to help anyone who came forward and asked for assistance. John Niski replied, at this point we have been able to meet the needs. Amanda Kilmartin asked if there is any concern that someone will get financial assistance and someone else will ask why they got it; what is the plan on how will we deal with those issues. John Niski responded that everyone will go through the process of the aforementioned steps. We also speak to the students and parents.

**New Business:**

- **Review & Discussion of City Support of Schools ('In-Kind' Service) (handout)**

Ed Drapp discussed the 2017-2018 In-Kind Services Report.

- **Review, Discussion, and Approval of 2019 Finance Committee Schedule (attached)**

**David Gioiello MOVED to approve the 2019 Finance Committee Schedule, SECONDED by Dr. Darlisa Ritter. A vote was taken with all in favor, motion carried.**

- **Recommendation for the Full Board to Accept as Complete State Project 126-0079 Shelton High School Renovations**

Ed Drapp stated that he met with the Mayor, Paul Hiller, the Finance Director, and Joseph DiSanti. We reviewed all of the open projects. The recommendation that came out of that meeting was to accept as complete state project 126-0079 which are High School renovations which go back about 12 years. He will have the complete language at the next meeting; the resolutions that you have to accept. The board needs to accept it as complete. There is money that the state withholds pending the project being complete so the city is anxious to get that money.

- **Propane Bid**

Ed Drapp stated that he will be recommending that we go with Santa Energy to provide the propane for the filling station for the buses. He is working with the city because there is a proposal to put in a bigger tank, but the city owns the tank. However, he has talked with Paul Hiller and they will check in on next year. As far as we know right now we are only responsible for year one. We need know what will happen with propane in years two and three, if and when the city assumes the bus contract. We need to know if they then assume the propane cost or does it stay with district. Ed Drapp stated that he will come back with a recommendation for 1, 2, or 3 years.

- **Maintenance Director's Report (handout)**

John Calhoun stated that in regard to the ESS Window project the anticipated start date will be some time in November. The new poles and lights are completed, in line with the High School Field Turf and Track Replacement Project. There is a soft opening for the first soccer game on September 27<sup>th</sup> and the first football game is on September 28<sup>th</sup>. We are expecting that the track will be completed a few weeks after that. We implemented a new Green Cleaning program district-wide, including the purchase of electrostatic sprayers to aid in disinfection and sanitation when dealing with wide area outbreaks. We installed energy efficient hand dryers in two of our elementary schools (SSS & ESS) to reduce our use of paper towels and to save money on the supply line. We are working with the PTO at Booth Hill to coordinate a replacement of old drinking fountains with new bottle filling stations. This has been very popular and successful at the High School and Long Hill School. Going forward we will continue to evaluate the organizational changes in the Custodial department to absorb the loss of one full-time employee and reduce the overall overtime budget to comply with the cuts implemented in the budget process. We will continue to monitor and correct air quality issues at the Shelton High School relative to the issues that occurred at the end of August. We will continue to upgrade and improve our Single Stream Recycling initiatives in the district. When we get to the beginning of the calendar year we plan to start working with UI to start investing in some more energy efficiency programs. Hopefully that will cause a reduction in our electrical line going forward. Ed Drapp stated that we are doing a joint bid with the city for natural gas in all our buildings. Dr. Darlisa Ritter stated that John Calhoun mentioned in a previous meeting that he would possibly get together with a consortium for supplies and services. John Calhoun responded that he has been looking into some of those. This year we did make a major purchase through a consortium for our air filters for our buildings. We did see significant saving there. We are looking to use that at various times to save money as well as reduce our "footprint" and purchase in bulk to reduce shipping cost. John Calhoun stated that we did have an issue at the high school with some moisture intrusion in several spaces and that happened a week before school started. We found that the issue was caused by the high humidity and heat in the building and that fact that we were doing weekend setbacks on our air conditioning system in order to save on energy expenses. This coupled with the fact that we had such high humidity and that the temperature didn't go down at night made it possible for mold to grow over the weekend. So when staff members came in on the following Monday those issues were there. We immediately changed our air conditioning system and decided to run it for 24 hours to dehumidify the spaces. The staff also went through each area that was affected

and cleaned with a 1:10 bleach solution; which is recommended for mold. No sheetrock had to be replaced, but the custodial staff did remove and replace several ceiling tiles. Most of the hard surfaces were cleaned with the solution. After that, we decided to call one of our partners, Conn OSHA who sent out an Environmental Hygienist. He came in today to do an evaluation of the situation. He began to do an air quality test. He will be back tomorrow. In wanting to do a very thorough job he wanted to make sure that he had enough viable samples. He will be back tomorrow to finish that. We will receive his report in about a week. He made some recommendations today to the maintenance staff and will continue to do so going forward. He stated that this has been a problem in other buildings throughout the state that are very similar to ours due to the weather pattern. Deborah Keller asked if the elementary schools will ever get blinds. Dr. Darlisa Ritter stated that we are working on it. In regard to the mold at the High School John Calhoun stated that there were no recommendations that anyone was in any danger. We have all new air filters that were replaced last weekend. We have no reason right now to believe that there are any spaces unsafe for students or staff. Some people have been relocated as a matter of courtesy.

**Superintendent's Commentary:**

Superintendent Clouet stated that he has no further comments.

**Chairman Thomas Minotti adjourned the meeting at 7:30 p.m.**

**Respectfully Submitted,  
Anita Smith  
Recording Secretary  
September 26, 2018**