Call to order: A regular meeting of the Shelton Board of Education Finance Committee was held on Wednesday, January 16, 2019. The meeting convened at 5:10 p.m., Chairman Thomas Minotti presiding.

Roll Call:
Members in Attendance: Chairman Thomas Minotti, Anne Gaydos, Mark Holden, Amanda Kilmartin, Dr. Darlisa Ritter, David Gioiello.
Members not in Attendance: Jose Goncalves.
Also in Attendance: Kate Kutash, BOE Member, Kathleen Yolish, BOE Member, Carole Pannozzo, Director of Human Resources, Dr. Christopher Clouet, Superintendent, Ed Drapp, Finance Director, Deborah Keller, Shelton Education Association President, Judson Crawford, Shelton Senior Center Commission, John Calhoun, Facilities Manager, Rick Belden, Finance Director Elect, Victoria White, Supervisor of Teaching and Learning – Humanities.

The Pledge of Allegiance was recited.

Amanda Kilmartin MOVED to add a brief discussion about the audit report to the agenda under “New Business”; also to obtain the number of Preschool students under “Old Business”, SECONDED by Mark Holden. A vote was taken with all in favor, motion carried.

Approval of the Agenda:
Mark Holden MOVED to approve the agenda as amended, SECONDED by Amanda Kilmartin. A vote was taken with all in favor, motion carried.

Approval of the Minutes of the “Regular” Finance Committee meeting, December 12, 2018:
Mark Holden MOVED to approve the minutes, SECONDED by Amanda Kilmartin. A vote was taken with all in favor, motion carried.

Finance Director’s Report (handout) - Period Ending December 31, 2018
1. Financial Report- Budget Narrative
   a. Revenue Report
   Ed Drapp stated that we are fairly on target with the revenue that we’ve anticipated collecting. Preschool tuition continues to go up. The Excess Cost Grant has been updated to 1.5 million dollars.
   b. Expenditure Report
   Ed Drapp stated that we have 12 main categories in our budget. In those 12 categories we have our various object codes. We are keeping track of long-term substitutes. We keep track of the daily substitutes as well. We have 26 designated building substitutes. We also track the amount of tuition for our interns. The big pressure on the budget this year is the amount we are paying for long-term substitutes, which is projected to be over $300,000. Kathleen Yolish asked how many interns we have. Ed Drapp replied, 3. Superintendent Clouet stated that there was no way to really project that this many people would be out on leave. Ed Drapp stated that we were able to charge about $111,000 of the budgeted salaries to the IDEA Grant. There were also two vacancies that were not filled or filled with interns or temps. So we anticipate some cost savings there. We are anticipating some savings in Health Insurance. We’ve been trending lower than what was anticipated. We currently have a surplus of approximately $231,000 in the Benefits category. People are being very conservative in their spending. Special Ed Tuition Private Schools / Outplacements was budgeted at $2.3 million. This year to date we’ve spent $1.8 million and we will probably spend another $1.8 million. We are over budget about $430,000 that we anticipate based on what we know right now. Special Ed Transportation out of district is also over budget by $277,000. We are expecting some overages in Administrative fees and expenses.
Utilities our gas is running a little higher than anticipated. We have a small variance in Building and Equipment Services. In the BOE Support Services we are $119,000 over budget for the Professional and Technical Services of Special Education. Amanda Kilmartin asked if those increases are primarily due to increased enrollment. Ed Drapp replied, yes. David Gioiello asked if we are at a $400,000 deficit at this point and time. Ed Drapp replied yes, and noted that the Superintendent came up with a plan to address the projected budget deficit. The one unknown is how much in Excess Cost we will receive. Rick Belden, Kathy Hudak, and Superintendent Clouet will keep everyone apprised to what things are looking like as we progress throughout the year. David Gioiello asked if we can put any numbers to items of the plan to address the projected budget deficit. Superintendent Clouet responded that the variables may change, but he is confident that we won’t end the year with a deficit. David Gioiello asked how we are going to respond to parents. Superintendent Clouet responded when you’re in a budget crisis you have to make decisions that won’t always make people happy. Rick Belden stated that in any district budget Special Ed Tuition and Transportation are always a challenge. We will continue to monitor the March 1st submission regarding Excess Costs. Superintendent Clouet stated that this is a foreshadowing of the budget year to come. Kathleen Yolish asked if we foresee having to ask for money. Superintendent Clouet responded, no.

2018-2019 Check Register & A/P Cash Disbursements Journal (attached/handout):
Amanda Kilmartin MOVED to approve the 2018-2019 Check Register & A/P Cash Disbursements Journal (attached/handout), SECONDED by Anne Gaydos. A vote was taken with all in favor, motion carried.

Petty Cash Journal:
Ed Drapp stated that approximately $153.00 was spent in December.

Pre-Purchased Card Journal:
Ed Drapp stated that the Pre-Purchased card is still being used to pay for the time keeping system for the Technology Department.

The Finance Committee was in recess beginning at 5:40 p.m. and reconvened at 5:50 p.m.

Old Business:
   a. Preschool Enrollment:
   Ed Drapp stated that at the last meeting Kathleen Yolish asked about the amount of preschool students that enrolled since the fall letter was mailed out. 6 students enrolled after the letters were mailed out.
   b. Budget Outlook
   Ed Drapp stated that we will talk about what it will cost to continue operating at the current service level next year based on factors that we know and some of the unanticipated factors as well. Also what the impact of the additional request by the Principals, Program Directors, and Curriculum Leaders would mean to the Board as well. Superintendent Clouet has a format that he wants to follow with that. All will be discussed in the next meeting.

New Business:

Maintenance Director’s Report
John Calhoun stated that at Sunnyside School the brickwork has been sealed and the windows on the Gym have been re-caulked. We will now be focusing on other warrantee items. At Elizabeth Shelton School the contractor is expected to mobilize at the end of this month to begin the project in February and March. One of the discussions we had last month was on the duct work at the High School. Since that time we have been generously loaned some video equipment to look into our duct work and our staff has been doing that. Also, we are getting a quote from one of our air quality companies that does
our asbestos reporting. They are going to give us a quotation on an initial visual inspection of our duct work, developing specifications for our duct work cleaning, post cleaning verification. We are working now on steam trap evaluations at the High School and Sunnyside. Once this is completed, they will present a proposal to replace these units. The energy savings potential could be very drastic with this measure. We did lose a snow blower at the end of December. One was stolen from Perry Hill so we had to remove those. We purchased a new one to replace the one that was stolen. Our energy management company has been working on redrafting proposals for electrical retrofits and other savings measures at the High School, Intermediate School, and Long Hill School. We have been receiving donations from PTOs. The installation of three new bottle filling stations has been completed at Booth Hill thanks to the PTO. We are looking to do the same thing at Elizabeth Shelton in collaboration with their PTO. The maintenance staff is still working on improvements in the new ticket booth and existing buildings at the Finn Stadium complex. We want to be ready for the spring. We had a couple of classrooms that had a little higher levels of radon so we are retesting those. After the retesting we will take the appropriate actions. We are working with Garland roofing on a five year capital plan to look at roof repairs and replacements D/W. We are also looking at working with School Dude technicians to bring the Use of Buildings program (FS Direct) online so that suit may be accessed electronically. We will be installing a light strobe in Shelton High School band room to notify staff and students of announcements that previously could not be heard when the students were performing. We have been working with the security staff on upgrading cameras in the High School in areas that previously lacked the proper coverage. We are working with a contractor to replace a main breaker in the Perry Hill electrical room. This will result in a shut-down of power for the building and will be done on a weekend.

Potential for Retirement Incentive
Carole Pannozzo stated that the last retirement incentives that we offered were for administrators and teachers. Both were in the school year of 16/17 with effective retirement date of June 30, 2017. The Board controlled for the teacher’s retirement incentive how many teachers it would require so that it would be cost effective. We put out the incentive with the understanding with the union if the number the board required was not taken by the teachers then the letters of retirement would be returned and the teachers could then decide if they wanted to proceed with retirement. The incentive was paid out over 3 years with $6,000 in the first year, $5,000 in the second year, and $4,000 in the third year. Sick pay severance was paid out over 4 years. Teachers can be paid up to $50,000 in sick pay. 25% of the total was paid out over 4 years. The administrators incentive was virtually the same with $6,000 in the first year, $5,000 in the second year, $4,000 in the third year, and severance up to $50,000 paid over 4 year; 25% in each year. The criterion for retirement was in accordance with the teacher requirements system. Amanda Kilmartin asked if we met the number we asked for. Carole Pannozzo replied, yes. Kathleen Yolish and David Gioiello raised some concerns about the idea of offering incentives. Carole Pannozzo stated if the board decides that they want to put the incentive out there then there is a clause in the incentive that says that if the board does not get what they feel is cost effective they do not have to crumble. Kathleen Yolish stated that we also have two negotiating contracts this upcoming year and we still haven’t resolved the secretaries’ contract; that’s more money that we have to consider too. David Gioiello stated that this is a conversation that should probably happen during the budget workshop. Discussion ensued.

Superintendent’s Commentary:
Superintendent Clouet stated that board members often get approached by interest groups that have a thing that they want done. We have been asked for years that we cut back on OT. We had some request to open up some building on MLK Day, but we can’t afford to pay people holiday pay and overtime. We will be sending out a letter to all parents whose children are receiving transportation services to attend ECA and RCA. Unfortunately, we have an unfair situation on our hands. Some parents have paid the
tuition for transportation, but most parents have not. We will be sending a letter that says if you have not made arrangements by February 1st your child can avail themselves of this transportation service. The final payment for everyone is due March 1st. Kathleen Yolish asked if the cost was figured out per student. Superintendent Clouet responded yes and that it was significantly discounted because we applied for a state grant. The State will give parents an individual payment of $5 per day if they would like to transport their children to these programs.

Amanda Kilmartin stated that the Board had received a copy of the audit report that afternoon but there seems to be confusion around the ECS Grants and funding. Superintendent Clouet responded that there is a profound misunderstanding about how Excess Cost works. He’s been in communication with our legal counsel. The Board of Alderman will be having a meeting on the 31st of January where the auditor that they’ve hired will explain the audit to them. We are most interested in what the report says about the Board of Education and the legitimate claim that the special activities account at the Intermediate and High School can be better managed. Discussion Ensued.

Amanda Kilmartin MOVED to adjourn the meeting, SECONDED by Mark Holden, a vote was taken with all in favor. Motion carried.

Chairman Thomas Minotti adjourned the meeting at 6:26 p.m.

Respectfully Submitted,
Anita Smith
Recording Secretary
01.23.19