

**Town of Preston  
Board of Education  
Finance Committee Regular Meeting  
Thursday, December 5<sup>th</sup>, 2019  
PPMS Library  
6:00 pm**

**1. Call to Order**

Chairman Nugent called the meeting to order at 6:00 pm.

Sean Nugent (SN)  
Ed Gauthier (EG)  
Superintendent Seitsinger (SS)  
John Spang (JS)

**2. Pledge of Allegiance**

**3. Public Comment**

None provided.

**4. Approval of Minutes**

**A motion was made by EG and seconded by SN to accept the October 3<sup>rd</sup>, 2019 Special Meeting Minutes as submitted. All in favor; the motion carries.**

**5. Business:**

- FY19 Close-out/Audit:
  - JS indicated that we are awaiting the Auditors final report; which is expected sometime in December. SN asked that a copy of the Auditors final reports be provided to the FC.
  - JS indicated that the BoE looks to be returning roughly \$112,000 to the Town.
- FY20 Update:
  - JS provided an update on the FY20 budget indicating that two variances are being closely tracked (a) an anticipated shortfall of \$53,000 for health insurance expenses and (b) a shortfall associated with our employer social security and Medicare. It is currently anticipated that these will be offset by savings due to (a) delayed hiring of staff positions and (b) reductions in costs associated with our school bus transportation.
- FY21 Calendar/Start:
  - SN and SS formally introduced our plan to employ a ‘zero-based budget’ (ZBB) approach for FY21. It was noted that the district has been working with SS to improve our budgeting development and reporting but (a) creating the FC, (b) developing the 5-year high level report, (c) updating, re-aligning, and standardizing our Phoenix report that was consistent with the Town[and eliminate a duplicate report], (d) the implementation of a Strategic Plan, (e) the introduction of a robust ‘Business Proposal’ model for new funding requests, and (f) a line-by-line review of budgets.
  - SS and SN both emphasized the notion that this does not mean that the budget increase will be zero. Rather this approach “starts from zero each year with no reference to the previous years budget, and each budget item inclusion must be justified.” This means that we will begin by identifying what we need to educate our children and, once justified, then determine the costs associated with those needs.
  - It was also emphasized that even with a ZBB approach that contractual agreements and commitments (e.g. Union Contracts, lease agreements, etc.) must be accounted for. However, a

- ZBB approach would provide the specifics regarding the specific numbers (headcount, supply volumes, etc.).
- SN is aware of at least 5 school districts in CT that employ a ZBB approach and has reached out to learn from them (e.g. their starting template, what worked well/what didn't, was the traditional ZBB approach modified and, if so, how & why, etc.).
- Capital Projects: JS walked the group through the updated capital-tracking list and:
  - JS provided an update on the PPMS Science Lab project reminding us that it is expected to be significantly higher than the current budget estimate of \$105,110. JS also shared that he briefed the BoF at their last meeting so that we can collectively begin to strategize how to address this in 2020. A planning calendar is being finalized for the next BoE meeting.
  - The team also discussed the timing for requesting bids on the next round of replacement buses (January 2020) and the repaving of the PPMS parking lot (February 2020).
  - JS and SS shared an 'Emerging BoE Capital Needs' list for future discussion and consideration.
- 2% Non-Lapsing Reserve (next steps): The FC asked IS to present this on behalf of the BoE-FC
- Phoenix Replacement Status: JS indicated that a presentation/recommendation was being finalized for both the BoS and BoE.
- Non-Lapsing Reserve & Shared Services:
  - SN indicated that Ian Stammel (in his former role as FC Liaison to the BoF) had presented the notion of a joint committee (BoF, BoS, and BoE) evaluating the pros/cons of creating a 2% BoE reserve in accordance with State Statute. No action was taken as the BoF is transitioning to new members.
  - The team also agreed to link the Reserve and Shared Services topic together as they are linked in a number of ways.

## **6. Public Comment**

Tom Turner & Andy Depta spoke in favor of the BoE & BoE-FC moving toward the use of ZBB.

Ian Stammel shared his perspective regarding the BoF supporting a BoE-related reserve.

Vicky Rabovsky shared her concern regarding the salary of an Elementary Music Teacher and the cost to renovate Middle School Science labs. She was directed to speak with the Superintendent off-line about these questions.

Leilani Parker was surprised to learn that we have elevators in our schools. We indicated that there were a number of reasons (Special Education, Custodial, Supply deliveries, etc.) for having elevators including zoning requirements.

## **7. Adjournment**

**A motion was made by EG and seconded by SN to adjourn the meeting at 7:35 pm. All in favor; motion carries.**

The next FC regular meeting will be held on January 9<sup>th</sup>, 2020 beginning at 6 pm at PPMS.

Respectfully submitted,

Sean Nugent