Call to order: A regular meeting of the Shelton Board of Education Finance Committee was held on Wednesday, October 17, 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, Mark Holden, Amanda Kilmartin, Dr. Darlisa Ritter.
Member not in Attendance: Jose Goncalves
Also in Attendance: Kate Kutash, BOE Member, Kathleen Yolish, BOE Member, Dr. Christopher Cloutet, Superintendent, Ed Drapp, Finance Director, John Calhoun, Facilities Manager, Deborah Keller, Shelton Education Association President, Judson Crawford, Shelton Senior Center Commission, Dr. Beth Smith, Shelton High School Principal.

The Pledge of Allegiance was recited.

Ed Drapp made a recommendation that we table Item “g” under old business, “Pathway to the Final Budget.” Dr. Darlisa Ritter asked to add “High School Renovation” as item “h” under old business.

Approval of the Agenda:
Mark Holden 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:

Dr. Darlisa Ritter mentioned that Kathleen Yolish asked about the cost for preschool students and not David Gioiello.

Approval of the Minutes of the “Regular” Finance Committee meeting, September 19, 2018:
Mark Holden MOVED to approve the minutes as amended, SECONDED by Amanda Kilmartin.
A vote was taken with all in favor, motion carried.

Finance Director’s Report (handout) – Period Ending September 30, 2018:
1. Financial Report- Budget Narrative
   a. Revenue Report
   Ed Drapp stated collections and receipts are within acceptable guidelines. So far this year we have collected about $200,871 in locally generated revenue. The state grants will be received later in the year according to the state grant payment guidelines.
   i. Program Fees Update:
   There is an ongoing process for monitoring program fees. Four students are being privately transported to ECA & RCA. One student is no longer attending preschool; special education staff will be adding students from waiting list. Kathleen Yolish stated that there was no waiting list and we are now recruiting students for preschool. Kathleen Yolish stated that 3 students dropped out of the preschool program. Ed Drapp stated that 6 students are not participating in athletics due to the fee and 12 students are receiving assistance. Amanda Kilmartin asked if those 6 students knew about the assistance options. Dr. Smith responded yes.
   b. Expenditure Report
   Ed Drapp stated that currently we are anticipating $211,946 budget surplus, 0.29% of the budget, based on where we are now. It is early in the year and the surplus will change. Ed Drapp reviewed the budget
by each line item highlighting areas where the budget is projected to go over and under initial budget estimates. For instance, there are currently 25 long-term absences that will negatively impact the budget by $185,000. In the future, we will look at our assumptions on long-term staff absences and see if we would like to make any adjustments for the subsequent year. There are also areas of savings. For instance, new hires should result in $60,000 saving to the teacher salary line and staff adjustments and charging some staff, i.e., job coaches, to grants should result in Classified Salaries being under budget by $222,078. Employee Benefits are projected to be over by $39,272, primarily due to payments for post-employment benefits that exceed the budget projection. We need to examine our assumptions on post-employment benefit costs. We are on target with Instructional Materials, Program Improvement, and Staff Development. We anticipate about $5,000.00 in savings from the Adult Education reimbursement grant that we get from the state. Student Transportation has been a fluid number. Now that the most of the major variables are known for transportation, we are now anticipating being about transportation costs to be $305,156 under budget. This will cover most of the overages in the items noted above and cover some health and safety repairs. $288,539 comes from savings due to Durham using city-owned buses. Summer school transportation was $36,121 over budget since Durham had to use its own buses for Summer School. We do anticipate $52,738.00 from propane savings due to bid results and anticipated alternative fuel credit. David Gioiello asked if we know what the Federal Government rate is per gallon. Ed Drapp replied that the rate varies. Last year it was 37.5 cents per gallon. The year prior to that was 55 cents. Administrative Expenses are on target. Heat and Utilities based on a couple of months are a little over budget. Our fuel cell was down over the summer and we noticed that our electrical cost went up for the month. Hopefully that’s a one-time occurrence. We are locked in on our electric and gas so we good be in good shape moving forward. Building and Equipment Services are $60,000.00 over budget to address some immediate needs in the district that are impacting instruction and safety, items such as window shades, fans, sidewalk and elevator repair. As we move forward we would include the cost for shades and blinds with the window replacement projects. We also talked about strategically placing fans in the classrooms and repairing some sidewalks. Kate Kutash asked where the money would come from. ED Drapp stated that it would come from the bottom line of our budget. Kathleen Yolish asked for an estimation of how many ceiling fans we would need. She asked the mayor if he would be receptive of possibly funding ceiling fans for our elementary classrooms. He stated that he would consider it if she could give a price. John Calhoun stated that his estimate is a little over 250 fans. The cost per fan is around $150 without installation coat. Ed Drapp stated that a good estimate would be roughly $45,000.00 plus installation. BOE Support Services are over $60,000.00 over budget. Historically, there has been overspending in Professional & Technical Services. Going forward we need to examine our assumptions on Professional & Technical Services. Equipment is on target. We anticipate about $1.7 million in revenue. The amount billed to date is approximately $155,736. The amount received to date is about $200,871. The balance to collect is around 1.5 million. The biggest part of that is a little over a million in the Excess Cost Grant. The first payment for that comes in during February. The Adult Ed Grant and the Magnet School Transportation Grant the state pays on a schedule. Kate Kutash asked if Medicaid comes from the state. Ed Drapp responded yes. If people are involved in Medicaid services that drives the reimbursement amount. Kate Kutash asked if there has been any drop outs due to the current building usage fees. John Calhoun stated that we have only seen a little bit of a drop out in the amount of spaces and dates requested for usage. We have honored all agreements that were made prior to having the new fees. Dr. Darlisa Ritter asked if there is any movement to help the scouts. Ed Drapp stated that there would need to be a change in policy. John Calhoun stated that we charge them the lowest rate but sometimes we modify the room description. David Gioiello stated that we need to treat everyone fairly. What they could do is schedule the same day and split the cost. Ed Drapp stated that he has highlighted where there are some variances on the Line-item Detail Expenditure Report (handout). You can now see more details on some of the line-items. David Gioiello asked if the number
for legal services includes the lawsuit. Ed Drapp responded no. Kathleen Yolish stated that she heard that we cancelled our relationship with the corporation council for the City of Shelton. She also stated that we should not be paying for that council and that the city should be getting billed. Superintendent Clouet stated that he had sent out an email stating that we would use a different council for expulsions. Ed Drapp stated that he would check into it. Superintendent Clouet stated that we were going to use a different corporate council today for an expulsion hearing that was cancelled. We’ve stated in the past that there seems to be a conflict of interest with the current corporate council and that we should explore other options. Dr. Darlisa Ritter stated that the board should vote on it. Superintendent Clouet stated that because of the expulsion we agreed that we would have Dan Murphy come in one time to see how we would like him. Mark Holden stated that he has considerable experience in education law. Kathy Yolish asked what he fee was per hour. Superintendent Clouet stated that he would report back with the rate. Kathy Yolish stated that she wanted a copy of the bills from the past corporation council. Ed Drapp stated that there was no activity in the petty cash journal in September. Dr. Darlisa Ritter asked where the report was for the debit card. Ed Drapp stated that he would have that report going forward. The only thing that has been charged so far is the monthly time clock expense.

Old Business:

a. Capital Projects and Non-recurring Costs Review Ad hoc Committee:
Ed Drapp stated that the committee met today to further discuss the updated spreadsheet (handout). Gary DeFilippo joined the meeting to talk from the city side about what some of the thoughts were from there as well. We identified a couple of additional items to put on there. We will be meeting again in December to further revise the list based on today’s discussion. Then we will be talking about the operating budget items when we begin talking about the 19-20 school year budget.

b. Transportation Contract Dispute – Associated Legal Fees:
Ed Drapp stated that $25,758.00 was incurred for legal fees related to the transportation dispute between May and August. Amanda Kilmartin asked if this was final. Ed Drapp stated that he does not have the September bill yet. However, things were pretty much resolved by then. Kathleen Yolish asked if the bus drivers have a contract. Ed Drapp responded no, but Durham and the drivers’ union are doing negotiations this week. They are operating off of the contract that was in place. Kathleen Yolish asked if they get a sign on bonus. Ed Drapp responded yes.

c. Transportation Ridership – Survey Results:
Ed Drapp stated that we had 970 respondents representing a little over 1500 students. 62% of riders lived 2 or more miles from school. 84% of students ride the bus 4 or 5 days per week. 9% of students never ride the bus.

d. Post-employment Benefit Cost Report (handout):
Ed Drapp stated that it includes unused sick days and unused vacation days as well as any early retirement payments. We have an overage this year of about $125,000.00 based on our assumptions at the time of budgeting.

e. Legacy Payment Schedule (handout):
Ed Drapp stated that these are people that have retired from the district and we pay medical, dental, and/or life insurance for. It equates to about $76,000.00 annually. Everyone on the list has some sort of agreement made with the district that we are honoring. The report is based on a list that the city provided. Kathleen Yolish stated based on the current budget the she would assume and board should consider not offering any incentives for retirement. Mark Holden stated that retirement incentives could save us money. Kathleen Yolish responded that is only true in certain situations. Replacing 10 years with teachers just beginning is saving money, but retiring administrators don’t really save us money unless you can get 3 administrators. Discussion ensued.

f. Grant Summary Report (handout):
Ed Drapp stated that the report states what the funds from the grants are used for.

g. “Pathway to the Final Budget”:
i. **Impact of Transportation:**
Ed Drapp stated that this item was tabled.

h. **High School Renovation:**
(An adjustment was made to the previous month’s minutes.)
The recommendation was already presented and approved at the previous month’s Regular Board Meeting.

**New Business:**

a. **Maintenance Director’s Report**
John Calhoun stated that we got some preliminary reports in from CT OSHA who we brought in to do some testing. The results are very positive. Many of the spore counts were low compared to the outside spore counts. There were a couple of rooms on the second day of testing that were a little bit higher, nothing of any major concern, but the outside counts that day were low so that is why we wanted to bring CT OSHA back in last week on Thursday to retest those rooms. We did some extra cleaning in those spaces and retested those and we will have the results in a few days. We have changed all of the filters in the entire building. We have adjusted our building management system so that it can dehumidify and air condition for the entire time. We did a thorough cleaning of all the classrooms and any other spaces that had any issues. We changed many ceiling tiles that were affected. We brought in a roofing contractor to address the roof leak concerns that were around the air handling units. We are also looking for a duct cleaning company to start in the building. Superintendent Clouet stated that David Gioiello mentioned that the NADC (National Association of Duct Cleaners) has an accreditation process and we should go with a company with the accreditation. Dr. Darlisa Ritter asked about flags, books, and supplies. John Calhoun stated that flags were replaced as needed and he heard no concerns about books or supplies. Discussion ensued. John Calhoun stated that we will be ready when we start next year’s process. Superintendent Clouet stated that when we get the written report in he will share it with all of the board members first and then we will share it on our website. Kathleen Yolish asked about roof leaks at the elementary schools. John Calhoun replied we’ve had a couple of issues. We have to have some warranty items that we are working on. For the most part, the roof has been very good. The pillars at Sunnyside are just about ready to be finished.

**Superintendent’s Commentary:**
Superintendent Clouet stated that he had no further comments.

**Dr. Darlisa Ritter MOVED to approve the 2017-2018 Check Register & A/P Cash Disbursements Journal (attached/handout), 2018-2019 Check Register & A/P Cash Disbursements Journal (attached/handout), and Petty Cash Journal (no activity), SECONDED by Mark Holden. A vote was taken with all in favor, motion carried.**

Chairman Thomas Minotti stated that next month’s meeting will be on November 14, 2018.

**Chairman Thomas Minotti adjourned the meeting at 6:20 p.m.**

Respectfully Submitted,

Anita Smith
Recording Secretary