



Special Meeting
Avon Board of Education
34 Simsbury Road, Avon, Connecticut

Mission Statement

Our mission is to inspire in each student a joy and passion for learning and a commitment to excellence, personal integrity, and social responsibility.

Tuesday, April 28, 2020, 6:00 pm

via Remote Meeting

Avon Board of Education
34 Simsbury, Avon, Connecticut 06001
Via Zoom

Minutes

Attendance

Members Present: Jackie Blea; David Cavanaugh; Debra Chute; Jeffrey S. Fleischman; Jason Indomenico; Bogdan Oprica; Lisa Seminara; Jay Spivak; Laura Young

Members Absent: none

Administration Present: Dr. Bridget Heston Carnemolla, Superintendent of Schools; Roberto Medic, Director of Human Resources; Heather Michaud, Director of Fiscal Affairs; Donna Nestler-Rusack, Assistant Superintendent

- I. Call to Order
The meeting was called to order by Deb Chute, Board Chair, at 6:01 pm.
- II. Pledge of Allegiance
After the Pledge of Allegiance, a roll call of Board members was taken.
- III. Discussion and Possible Action regarding Proposed 2020-2021 Budget
Chair Chute reminded everyone that the 2020-2021 budget was previously voted on and is now the Board of Educations' Proposed Budget but this meeting was to take a look at what the savings might be due to the circumstances of Covid19.

After turning the meeting over to the Superintendent, Dr. Carnemolla explained that the current budget process in having to talk about possible reductions after having approved and submitted a budget is highly unusual given the pandemic. The savings due to the closure of the schools allows the Board to be proactive in bringing a reduced budget before the Town meetings. Dr. Carnemolla explained that though the exact amount of the savings cannot be projected there are certain savings in areas such as copying and paper costs. This is also the time to review the budget to see what can be put off until the following year as a cost savings. To address budgetary concerns and to mitigate the tax concerns, the Superintendent added that moving forward with the potential reductions

includes the reduction of a high school business teacher. This was also the only certified staff position that was not directly related to enrollment explained Dr. Carnemolla, while every other added staff person in the budget is needed due to the increased enrollment, particularly in the elementary grades.

The Superintendent went on to explain the two categories of reductions – the reduction had by prebuying materials, resources and supplies for 20/21 thereby reducing those lines in the 20/21 budget; and the reduction of the business teacher. Dr. Carnemolla explained the Proposed Budget Reductions will bring a reduction of \$378,318.87 to the 20/21 budget.

Ms. Michaud gave additional details to the reductions after reviewing the savings from the initial closing including substitutes, some contracted services, planned profession development, supplies, paper and copying, and unemployment benefits. Transportation may show additional savings and is currently under review with District counsel.

Dr. Carnemolla responded to a Board question regarding staff activity stipends saying that at this point in time, it is unclear if schools will reopen and activities resumed but she is anticipating given the circumstances that the District will see approximate savings of \$500,000 in both stipends and transportation for the activities.

To address a Board question, Ms. Michaud clarified that anticipated savings are based on FICA, medicare under the unemployment line since no one was laid off. The District does not pay into the unemployment insurance fund as a municipality. The Superintendent informed that no staff was laid off and everyone is working in some capacity; Ms. Michaud added that since no one was laid off, COBRA was not implemented. The rest of insurance remained the same. The Board is a straight contributor to the Town of Avon Medical Fund.

The concern of the potential need of additional teachers due to enrollment was addressed by Dr. Carnemolla where she stated that current registrations are similar to last year's, it will not be until summer when we know what the true enrollment numbers are. If a teacher is needed it will be addressed in house by having larger sections where possible in the upper grades.

Dr. Carnemolla clarified that the savings are in addition to the \$500,000 anticipated savings from activity stipends and transportation.

Responding to a question regarding the food services deficit, Dr. Carnemolla stated there will be a small reimbursement from the federal government for food costs of meals currently being distributed. There is an anticipated loss of \$200,000 but can be offset with the use of the unemployment, FICA and substitute savings. Whatever is reimbursed later by the federal government goes directly to the Town of Avon because it will come after the close of the fiscal year. Avon is designated an Emergency Feeding Location. The Superintendent added that whether this is an anticipated loss or not, it is the right thing to be doing for families during this time.

Dr. Carnemolla was asked to describe the impact of not having the business teacher to which she replied there would be an impact after reviewing the course selections for the upcoming year showed more business teachers were needed at the high school. It will primarily impacting juniors but with the timing of when courses are offered some student requests for business courses can be held off until their senior year.

Vice Chair, Jay Spivak, commented that it is a difficult time for everyone, especially the students who are missing out on important educational experiences and the Board needs to consider what they can do to address this. When students are already losing so much Mr. Spivak asked Board members to consider how the cuts will further affect the students and to think about the uncertainty of what will be needed, from PPE, additional teachers, renovating classrooms, etc., to deal with the pandemic in the upcoming school year. Mr. Spivak shared with the Board information about General Statute 10-248A, which was established in 2010, and allows Boards of Educations to establish non-lapsing accounts for unexpended education funds, which the Board of Finance needs to approve. The non-lapsing account will allow the Board to prioritize how to spend the money into next year instead of being forced to spend it this year, which given the circumstance is very timely. According to best practices, at least 25 other towns currently have a similar account including Simsbury, Bloomfield, Madison, Newtown, and East Granby. The Statute now allows 2% of the budget to be set aside. Mr. Spivak also stated that he has spoken with the Chair of the Education Committee for the CT House of Representatives who agreed it was the perfect time to use what was envisioned to help Boards of Education to carry forth funds for future years to help students. Mr. Spivak expressed that this will allow the Board to ask for less money while still fulfilling the needs of students going forward.

Mr. Spivak motioned to request the Superintendent to have a letter drafted to have the Board of Finance implement a non-lapsing account for unexpended education funds going forth. Ms. Blea seconded the motion.

Mr. Fleischman had a point of order questioning that since this was a Special Meeting and not on the agenda, whether it was permissible to have a motion at this time to create an account that deals with the 19/20 budget. Chair Chute addressed Mr. Fleischman's point of order stating that the non-lapsing fund deals with the 20/21. Even though the non-lapsing account would use 19/20 funds it would be spent in 20/21 and impacts the 20/21 budget, therefore allowed to be discussed under the agenda.

Mr. Fleischman asked the Superintendent if this would be an illegal motion. Dr. Carnemolla replied that from a point of order standpoint there is a motion on the floor and can address it as part of what the possibilities are to the topic on the agenda. The Superintendent added that sending a letter to the Town may not even need a motion depending on the decided action. It has been unprecedented to have as large a sum due to the savings and a decision must be made as to what to do with the money which the Superintendent felt is in the scope of the meeting. Ms. Blea added that the motion was just to start an inquiry as to what was possible and not necessarily to establish the account. There was additional Board discussion with many agreeing to pursue gathering information about the account and to explore it further. Dr. Carnemolla added the Town itself had similar funds. Ms. Michaud reiterated on the guidelines associated with the account that Mr. Spivak mentioned and added that some towns have provisions as to its use and those must be agreed upon by both parties. The amount to be placed in the fund must be a line item transfer and approved by the Board on an annual basis as well as any expenditure out of that fund. Dr. Carnemolla reviewed the potential scenarios having such a fund and without the fund. With a potential zero increase or no impact to the tax rate the question is how do we reduce the budget enough that there is no increase or how do we supplement the revenue source for them? The Superintendent shared that the Town is currently considering tapping into the unencumbered funds on the Town side of \$1.3 million. This will still require the Board make additional cuts to come back to zero, the alternative will be an increase in the tax rate. Dr. Carnemolla stated to come back with a zero increase without the offset of funds would be impossible. Currently the choices are to spend down the money to reduce our budget for next year

and work with the Town and make reductions, utilizing the unencumbered funds and deciding whether or not to increase the tax levy; give the \$500,000 to the Town which they would use to offset the \$1.3 million used from unencumbered funds; to try to establish the non-lapsing fund with the \$500,000 and utilize it to pay a year end balance such as our OPEB obligations, much like the Town does. \$2 million in reductions is needed if the budget is not offset with the unencumbered funds. Dr. Carnemolla shared that the Town Manager was not optimistic that the non-lapsing fund could be set up in time for the current year based on the approval process, however, the Superintendent still thought it beneficial to have.

The Board continued to discuss the options as well as further detail on establishing a non-lapsing account. The Board reminded how they had asked the Town to establish a similar fund twice before, as recently as 2017, but was not approved even though there is no downside or harm to the Board. And though they did not approve it in the past, Chair Chute felt it did not hurt to ask again as it is practical during these circumstances and the funds need to be addressed. It was also stated that had the Town established such a fund when the Board first requested the current situation would be very different. The fund will give the Board options, none negative, including the option to give money back to the Town if decided. It was also commented that the option of not spending down the savings and giving everything back to the Town with the presumption that the funds would be used for the Board of Education would be similar to having a non-lapsing fund. The Superintendent was confident the Town could manage a zero budget increase. The option of giving the money directly to the Town to have the Town do with it however they felt necessary, whether to designate to the Board of Ed or any other Town budget item was also discussed. The question of whether or not the account can be established in time to be utilized this school year was also discussed though many felt that at the least an inquiry should be made and further discussion can be had later. When asked if legal counsel was sought on the matter of the non-lapsing account, Dr. Carnemolla stated major decisions are never made without legal advice, but this is just a request to start a conversation to let the Town know the Board is interested in the account is primarily what is being asked so that the window of opportunity is not missed in establishing this account with the funds. The Superintendent considered if having an account like this could be detrimental; perhaps if there is reluctance of the Town approving a budget or requests due to money already in the account. Any limitation on the account must be negotiated and agreed upon between the fiscal authority and the Board of Education. This will provide an option other than “use it or lose it” and enables better management of the money. Mr. Fleischman reiterated his concern with the motion.

Mr. Spivak motioned to request the Superintendent to have a letter drafted to ask the Board of Finance to consider a non-lapsing account for unexpended education funds to address the 2020/2021 budget. Ms. Blea seconded the motion.

The motion carried 7-0-2 (yay –Blea, Cavanaugh, Chute, Indomenico, Seminara, Spivak, Young; nay – none; abstain – Fleischman, Oprica.

Mr. Spivak motioned to adopt reductions totaling \$378,318.87 to the proposed fiscal year 2020/2021 Board of Education. The proposed and revised Board of Education budget totals \$61,015,224.61 with a gross dollar increase of \$2,409,675.51 or 4.11% over the prior fiscal year. Mr. Oprica seconded the motion.

The Board asked for clarification that this amount is separate from the \$500,000 to which Dr. Carnemolla confirmed this is the money to make the reductions. Totally with the \$500,000 it is over 1% of a reduction to the budget.

The motion carried 9-0-0.

IV. Adjournment

*David Cavanaugh motioned to adjourn the meeting, Laura Young seconded.
The Board adjourned by unanimous consent at 8:21pm.*

Minutes prepared by Shirley Moy, Board Recording Secretary

Minutes respectfully submitted by Jeffrey S. Fleischman, Board Secretary

Jeffrey S. Fleischman, May 16, 2020

Board minutes are approved at the next regular monthly Board meeting, and any corrections to the minutes, if needed, will be made at that time.