

**BARRE UNIFIED UNION SCHOOL DISTRICT
FINANCE COMMITTEE MEETING**
Via Video Conference - Zoom
May 5, 2020 - 5:30 p.m.

MINUTES

COMMITTEE MEMBERS PRESENT:

Sonya Spaulding (BC) - Chair
Victoria Pompei (BT) – Vice Chair
Gina Akley (BT)
Emel Cambel (BC)

COMMITTEE MEMBERS ABSENT:

OTHER BOARD MEMBERS PRESENT:

Paul Malone

ADMINISTRATORS PRESENT:

John Pandolfo, Superintendent – joined meeting at 6:50 p.m.,
Stacy Anderson, Co-Director of Special Services
Penny Chamberlin, Director Central Vermont Career Center
Carol Marold, Director of Human Resources
Jennifer Nye, BTMES Principal
Lisa Perreault, Business Manager
Brenda Waterhouse, SHS Principal

GUESTS:

Dave Delcore, Times Argus “b” David Wells

1. Call to Order

The Chair, Mrs. Spaulding, called the Tuesday, May 5, 2020 BUUSD Finance Committee meeting to order at 5:40 p.m., which was held via video conference.

2. Additions and/or Deletions to the Agenda

None.

3. Public Comment

None.

4. Approval of Minutes

4.1 April 14, 2020 BUUSD Finance Committee Meeting Minutes

The Committee agreed by consensus to approve the Minutes of the April 14, 2020 BUUSD Finance Committee meeting.

5. New Business

5.1 Summer 2020 Project Update

A document titled ‘BUUSD FY20/21 RFP Schedule, Facility Projects, etc...Spring/Summer 2020, May 5, 2020’ was distributed. Mrs. Perreault reported that the water storage tank replacement is near completion and that the project went very well. The RFP for the Revenue Anticipation Note will go out this week. The closing date for the SEA property has been moved to 05/22/2020, and Mrs. Perreault has been working on the RFP for that project. The RFP for the SEA Project will be advertised in the near future. All documents and specifications will be sent to those who express an interest in bidding on the project. Other projects slated for the summer include; replacement of underground heating pipes at SHS, removal of the canopy at BTMES, and Phase 1 of the bus loop at BCEMS. All of these projects are in the FY21 budget. Mrs. Perreault does not have the cost estimates with her for the meeting, but can provide that information at a later time. Mrs. Perreault believes these projects and their costs will be discussed at the Facilities Committee meeting. Mrs. Spaulding is concerned about spending, even though the funds are budgeted. Mrs. Perreault confirmed that the BUUSD does retain the right to refuse any and all bids for projects. Mrs. Spaulding believes most of the projects are necessary, but believes that the issue at BCEMS has been around for many years, and that perhaps that project could be postponed. Mrs. Spaulding would like to be mindful of what needs to be done versus what we want to have done.

5.2 FY20 Projections

Nine documents were distributed:

BUUSD Fund Balances – May 5, 2020
BUUSD FY20 Year-end Projection Report – May 5, 2020
BUUSD Expense Report – dated April 28, 2020
BUUSD Revenue Report – dated 04/28/20
CVCC FY20 Year-end Projection Report – dated May 5, 2020
CVCC FY20 Budget – dated 04/28/20
BUUSD Revenue Report (CVCC) – dated 04/28/20
A copy of a letter from VASBO to Secretary French (dated 04/30/20).
A document titled ‘CARES Act Funding for Vermont’.

Mrs. Perreault advised that the year-end projections have not changed significantly since last month. Mrs. Perreault is trying not to overestimate SPED revenue and always makes projections using the worst case scenario. The projection does not include COVID-19 elementary and secondary school emergency relief funds. Projections include COVID expenses, but not revenues. COVID expenses are approximately \$20,000. All COVID-19 expenses are being tracked on a spreadsheet, and it is expected that there will be more expenses. In response to a query regarding use of CARES funds, Mrs. Perreault advised that of the \$31,000,000, 90% is allocated to LEA's, with allocation based on how Title I funds are allocated. There are different requirements for CARES funds. The 12 requirements are listed on the CARES Act funding document. CARES money requirements are more lenient and flexible than Title I funds. The BUUSD will receive its allocation, and will then develop an application that has the different strategies and investments. The BUUSD needs to report out on what it has spent money on. There will be summer and fall expenses that will also utilize some of these funds. At this point, there is much that is still unknown. At the Joint Fiscal Office webinar, it was made clear that districts will need to do some creative thinking and scheduling. The summer and the start of the school year will look much different than we are used to. Also included in the packet is the letter from VASBO because there has been much conversation that due to the Education Fund deficit, the State may want to ‘take back’ monies. VASBO is asking Secretary French to see that the funds are protected. There are some expenses we know will arise (that were not budget for), such as mental health services, social and emotional supports, classroom set up, and possible transportation changes. Mrs. Perreault advised that much work and planning will need to take place. In response to a query, Mrs. Perreault advised that given the current deficit (\$150,000,000), there will need to be an additional 22¢ to 25¢ added to the Homestead tax rate. Secretary French is aware that the projected tax rate is too much for most Vermonters to bear. There are other possibilities, including transferring money from the General Fund or borrowing money. Much is unknown at the present time. Districts have been advised to be as conservative as possible. Mrs. Perreault said that one suggestion is that the BUUSD consider not hiring new positions. Mr. Pandolfo and administrators are carefully reviewing enrollment. The impact to tax payers and school districts is very concerning. There is hope that there will be some additional relief. Mr. Wells understands that the deficit will most likely have a multi-year impact, and that being conservative with the FY21 budget will assist with the FY22 budget. Mr. Malone expressed additional concern relating to the State negotiated health care benefits, which are adding a significant amount to the budget. In response to a query, Mrs. Perreault advised that even if the BUUSD used all of the Fund Balance, a deficit would still remain. Mrs. Perreault reiterated that her projection is very conservative, and that CARES funds are not included. All of the anticipated SPED revenue is included in the projection. Mrs. Perreault does not anticipate that the deficit amount will increase. It was noted that the lack of spring sports has resulted in some savings (has been included in the projections), and there is a freeze on the budget. Only COVID-19 expenses are being incurred. Mrs. Waterhouse advised that graduation expenses have not been encumbered yet. Administrators and staff have been seeking grants and donations have been secured. Mrs. Waterhouse hopes not to use any of the general operating funds for graduation, other than for diplomas. One of the efforts being worked on is some preplanning for an “electronic” graduation.

5.3 FY21 Budget

As discussed under Agenda Item 5.2, Administrators are looking at enrollment, and are not hiring for new positions. Mrs. Spaulding voiced concern that 80% of the budget is for salaries and benefits, and as teachers are already under contract, there are very few places to cut the budget. Mrs. Perreault suggested that areas of the budget that were increased should be identified. Mrs. Perreault has identified a few; the addition of 2 custodians, a \$76,000 increase for construction/facilities (changing from 75¢ a square foot, to \$1 per square foot), and \$45,000 (\$15,000 for each building for kitchen facility upgrades). It was noted that the BUUSD is making money on the food service program because the cost per meal is less than the reimbursement from the Federal Government. Mrs. Spaulding would like all Administrators and Directors to check their budgets and look for ways to save. The next meeting will include Mrs. Perreault's list of budget areas that had increases, as well as any new possible cuts identified by Administrators and Directors. Mrs. Pompei queried regarding hiring for a replacement receptionist at SHS and asked if Mrs. Waterhouse has checked with BCEMS Administrators regarding how their system works. Mrs. Waterhouse has not discussed this matter with Mr. Coon or Mr. Hennessey, but is open to finding out more. Mrs. Perreault cautioned that we need to be mindful that the structures are different at each building, and it may be beneficial to perform an efficiency study and to check with other districts to learn about their administrative structure. Mrs. Waterhouse advised that the bookkeeper position at SHS is now also open.

6. Old Business

6.1 Efficiency Studies – Ink/Printers Findings/Action Plan, SWISH Cost Analysis, Phones Update

A document titled ‘BTMES Ink/Toner-Efficiency Study Report – May 5, 2020’ was distributed.

A document titled BUUSD Efficiency Analysis – Swish White River Ltd. was distributed.

A document titled BUUSD Efficiency Analysis – FirstLight Fiber was distributed.

Mrs. Perreault advised that last month's meeting included discussion on what areas to study and a structure to be utilized for efficiency studies. Much time was spent reviewing and identifying printers used in each building. Findings are noted in the report. It will be important to inform/educate staff regarding the higher cost for color printing. The IT department will identify staff using printers and default those to OSV copiers. Administrative Assistants will be directed to use the color OSV copier in the duplicating room instead of individual printers. Administrators will educate faculty and staff regarding the cost of color printing (as opposed to black and white). Account codes will be assigned to grade levels and departments, to be used when printing color copies. There will be ongoing oversight and monitoring which will result in consolidation of printers. It is anticipated that the list of changes will result in approximately \$2000 in savings. In response to Mrs. Spaulding's concern that SHS and BCEMS were not included in the study, it was noted that the focus was on BTMES because their printing expenses were significantly higher than the other schools. BCEMS made efforts to reduce their copying costs some time ago and has eliminated many printers. Mrs. Nye queried the Committee regarding any changes they would like to see with the format/structure used for the efficiency study report. The report format/structure was well received and there was a request to include projected savings when known.

Mrs. Perreault advised that the report on SWISH is for all supplies from 07/01/2019 – 04/22/2020. Mrs. Perreault did obtain an itemized list of supplies purchased. It was noted that BTMES replaced one floor machine (\$4,451), which contributed to the increased spending for that building. Mrs. Pompei is concerned with the big difference in spending between buildings. Mrs. Spaulding would like things compared across the schools and wants to know why there would be a difference in the cost per square foot in each of the buildings. Mrs. Spaulding believes the supplies should be in line per square foot. Mrs. Perreault will be researching this matter further with Mr. Evans. Mrs. Perreault queried regarding whether the SWISH representative should attend a Finance Committee meeting or a Facilities Committee meeting. Mrs. Pompei feels that it is more appropriate for the SWISH representative to meet with the Finance Committee (as part of efficiency studies), rather than the Facilities Committee. Mrs. Pompei shared supply cost data that she previously researched. Mrs. Pompei advised that her research for SWISH supplies for last year (January through December) were as follows: SHS: \$30,513, BCMES: \$33,419, and BTMES \$47,183. The budgeted amounts for FY20 are as follows: BTMES: \$50,000, SHS: \$35,000, and BC: \$29,000. Square footage per building is as follows: BTMES: 156,000 sf, SHS: 200,000 sf, and BCEMS: 126,000 sf. Custodial wages budgeted for FY21 for each school are as follows: BTMES: \$468,000, SHS: \$360,450, BCEMS: \$412,000. It is believed that BTMES has more carpeted space, which may be increasing expenses. Mrs. Spaulding would like a 'deeper dive' into facilities related expenses. It was noted that for unknown reasons, SHS wasn't included in the Regional Buyers Group. Per statute, the Regional Buyers Group goes out to bid every year. Mrs. Perreault is working to see that SHS is included in the buyers' group contract. It was noted that BTMES has been replacing carpet with tile. Mrs. Spaulding wants to know what is driving facilities costs. Mrs. Nye advised that she doesn't know if the study performed years ago, regarding the standard number of square feet per custodian is still valid. Mrs. Spaulding wants to continue to research facilities costs and is concerned that the FY21 budget for supplies might not be high enough due to possible increased sanitation measures. Mrs. Perreault will provide an update at next month's meeting.

Mrs. Perreault provided an update regarding long distance phone costs, advising that John Radigan, the account representative reviewed the invoices and noticed that the BUUSD is being charged per call. Switching to \$75 per month unlimited calling will greatly reduce the invoice. Switching to unlimited calling will eliminate the need for using PINS and will save close to \$5,000. The BUUSD will probably be able to consolidate the Phoenix phone line resulting in additional savings.

6.2 SEA Update

A document titled 'SEA Project Team Meeting – April 28, 8:30, via Zoom' was distributed. Mrs. Perreault advised that the Project Team meets every Wednesday at 9:00 a.m. The project is moving forward, and there are many project related e-mails per day. The ad for RFP's is prepared, and it was noted that the RFP is seeking pre-qualified contractors. Architect Dave Laurin continues to perform much design work. Mr. Malone advised that he would like to see a higher student load in the new building. The building can accommodate approximately 250 people at one time. In response to a query regarding food preparation in the new building, Mrs. Perreault advised that the BUUSD is waiting for the AOE to provide additional information, and then will meet with Aladdin representatives if appropriate.

7. Other Business

In response to a query, Mr. Pandolfo advised that he has not received any additional financial information. It was noted that due to COVID-19, FY20 year-end information may not be available until September or October 2020. This issue may impact the audit.

In response to a query regarding the number of open positions, Mrs. Marold advised that there are approximately 20 to 25. Some of the positions are new, some are existing positions. Some of the open positions are in the process of being filled. Mr. Pandolfo advised that additional information relating to new hires will be in next week's Board packet.

Ms. Cambel would like to be added to the list of those being invited to the Joint Fiscal Office webinars.

In response to a query, it was noted that some Aladdin employees have been laid off, though Mr. Pandolfo advised that Aladdin's employees are not part of BUUSD business. The BUUSD pays by 'the plate', and is not involved in Aladdin's day to day operations. In response to concern voiced by Mrs. Spaulding, Mr. Pandolfo advised that he anticipates Aladdin will be able to be adequately staffed in the fall. Mr. Pandolfo does have some concern regarding having enough volunteers for long term food delivery.

In response to a query from Mr. Malone, Ms. Chamberlin advised that she is still unsure how to finish this year. Directors will meet on 05/21/20. IRC's are at issue as certificates require hands-on tests. Secretary French has suggested that teachers volunteer in the summer to help students achieve certifications. Ms. Chamberlin advised that there are many issues with asking staff to volunteer, and she suggested that perhaps some students could return in the fall. Ms. Chamberlin advised that she does not have an answer yet relating to licenses/certificates that are at the State or National level. Ms. Chamberlin noted that CVCC will continue to incur some expenses for necessary supplies.

8. Items for Future Agendas

—~~8.1 Solar Management for FY20~~ (no discussion)

Future Agenda Items:

- Summer Projects – RFP Updates
- FY20 Projections
- FY21 Budget
- Efficiency Studies – Facilities, Personnel (Principals' Office, Front Office, Guidance, Registrars, Book Keepers)
- Food Service Update
- FY22 Budget Development (August Agenda)

9. Next Meeting Date

The next meeting will be held on Tuesday, June 2, 2020 at 5:30 p.m.

10. Adjournment

The Committee agreed by consensus to adjourn at 7:15 p.m.

Respectfully submitted,

Andrea Poulin