

**Coventry Board of Education**  
Coventry, Connecticut

**Fiscal Committee Meeting**  
Approved Minutes of April 08, 2021  
Remote/Electronic

Committee Members Present:

William Oros, Fiscal Committee Chair  
Mary Kortmann  
Michael Sobol  
Jennifer Beausoleil, Board Chair (arrived 6:06 p.m.)

Also Present:

Dr. David J. Petrone, Superintendent of Schools  
Robert Carroll, Director of Finance and Operations

**I. Call to Order**

W. Oros called the meeting to order at 6:00 p.m.

**II. VOTE: Approve Fiscal Minutes of March 11, 2021**

**MOTION: Approve Fiscal Minutes of March 11, 2021**

**By: M. Kortmann                      Seconded: M. Sobol**

**Result: Motion passes unanimously**

**III. Information: Capital Improvement Plan**

W. Oros reviewed the updated Capital Improvement Plan (CIP) spreadsheet. He highlighted what the Town Council appropriated for CIP projects versus what the BOE had approved for the 2021/2022 budget. He explained that the BOE was given \$25,000 towards the upgrade to network so we can use our e-rate. W. Oros said the second area was the kitchen refrigeration equipment upgrade which the Town Council suggested the Board use the Cafeteria fund to support this project; everything else has been postponed.

W. Oros asked the Superintendent about the air conditioning unit being suggested for the bond. Dr. Petrone responded that only the compressor was going to go in the bond and it was up to the Board to fund the split units.

W. Oros said he wanted to point out that this is the second year the CIP has been decimated and that this cannot keep happening because it puts off the bill that will eventually come down the road.

(J. Beausoleil arrived)

M. Kortmann agreed with W. Oros and said we need to make a stand on this.

J. Beausoleil explained that we have tried to provide information and stress the importance of this by holding quarterly joint meetings with the Town Finance Committee.

M. Kortmann said we are lucky we have money in the Cafeteria account, but it is only because the government was funding the meals during the pandemic. She added that based on how the year goes, we should try to plan to use this money to replace the other two kitchen refrigerators on the CIP.

M. Sobol said that historically that fund struggled to break even on an annual basis and the money carried over is viewed as surplus but is really lunch money from parents that rolls over to the next year.

M. Kortmann responded that due to COVID savings when schools shutdown, we moved money to food services to pay cafeteria employees even though no income was coming into the cafeteria. She continued to explain that the Fed. Gov. is paying the district more than we actually charge for free meals, creating a surplus which has been extended all the way until June 2021. She added, this is a one year surplus; these meal funds cannot continue to be expected.

W. Oros said that we will need to continue to discuss the different strategies we can use to get to where we need to be and to get back on track in regard to our facilities.

J. Beausoleil asked if the food service attachments included the encumbrance from the high school walk-in freezer. Mr. Carroll explained that they do not as of yet.

J. Beausoleil asked for what the current balance is on the account. M. Kortmann said it is close to \$133,000 right now. Mr. Carroll said there is income each month.

#### **IV. Information: Network Expense**

Dr. Petrone said we have this on the Board agenda as well but we wanted to give you rough numbers for now. He said we are looking at between \$48,000 and \$75,000 for Tracepoint's work and \$10,000 and \$20,000 for the attorneys work. He explained that they plan to push back on this a little bit and he will have a more solid figure on this for the next Fiscal Committee meeting. He added that this might be something that the Board may want to tap the 1% account for because this is an emergency expense.

Dr. Petrone said our max out of pocket will be \$75,000 because our deductible is \$100,000 and the town will pay 25% of that expense.

The Committee agreed to wait on suggesting to use the 1% account because there was plenty of time.

#### **V. Financial Reports for March 31, 2021**

##### **A. Management Report**

W. Oros began with saying that it looks like the bottom line for COVID-19 expenses right now is \$383,000. M. Kortmann said it is \$383,000 plus what we spent in grants and that this is the uncovered expenses.

Mr. Carroll explained we did budget for the expected substitute coverage through April; if we need to keep this going through May and June, they are about \$50,000 a month. He said this is a main reason why the COVID-19 expense continues to increase. W. Oros asked this

will be covered by the different grants and Mr. Carroll responded no; these expenses are all in the general operating budget.

Mr. Carroll said the two grants we have been awarded (CRF and ESSER 1) have been accounted for. He added, we are at -\$70,000 because we picked up money in certified temporary salaries and in the tuition for magnet schools. He added, we will most likely pickup athletic transportation money because we have been on a reduced schedule.

M. Kortmann confirmed that we haven't spent ESSER II yet. Mr. Carroll said that is correct we are just applying for ESSER II. Dr. Petrone reminded the Committee that the Board approved the preliminary plan for the use of the ESSER II funds even though we haven't officially been awarded it yet, but those funds are all earmarked. He added, we will put a plan together for the American Rescue Plan (ARP) funds and it will be the Board's decision on how those funds are used.

M. Sobol asked if we have tapped into the \$99,000, of funds the Town Council put aside for COVID-19 expenses. Dr. Petrone responded no. J. Beausoleil said that if those funds are not used, the money would be moved back into the general fund balance. She said our goal is not to use the funds, especially because the guidelines on how to access them were vague.

## **B. Encumbrance Reports**

M. Kortmann asked where she could find the ESSER funds on the grant report. Mr. Carroll said they are not on that report; it is an error and he will obtain the correct report.

## **C. Special Education Tuition/Excess Cost**

W. Oros says said we are looking at a positive balance of \$51,000.

J. Beausoleil affirmed that Food Services is making a profit and we have less costs in special education than projected.

W. Oros reminded the Committee that we are only reviewing the March reports and it is still early.

## **D. Food Service**

W. Oros said the bottom line in Food Service prior to the refrigerator fix, was about \$158,000. Mr. Carroll said once the refrigerator is accounted for it will be around \$35,000 less. M. Sobol said that it was nice to see a positive balance here.

J. Beausoleil said she has some concerns; if we have been paid for school lunches based on circumstances and the federal government says here is \$70,000 for lunch costs, I expect this money would be expected by the federal government to be spent in this program, not other programs or given to the town. M. Kortmann said that the refrigerators are included in that program. J. Beausoleil said any new equipment will save us money in utilities too.

## **E. Capital and Special Funds**

M. Kortmann said for future discussion, this is an area when looking for places to get money. She added, the tuition money started the year at \$145,000 and is projected to end the year at \$146,000. She said this is not a fund for day to day expenses. She added, this fund is totally dependent on outside students and this year we didn't get much. M. Sobol confirmed this account is tied to out of district kids coming in. J. Beausoleil responded yes, the parents of these students choose to send them here and their district pays the tuition. M. Sobol verified this is separate from the preschool and the response was yes.

#### **F. Preschool Fund**

Mr. Carroll said the preschool is running pretty good; he does have concerns about making the revenue on SmartStart family fees; we are only at 70% but should be at 80. He added we may not make this target. Mr. Carroll said, overall, it is looking like we are going to clear \$32,000 profit for the year.

M. Sobol asked what the grant mitigation line was. Mr. Carroll responded that we are trying to build up a reserve of funds for when the SmartStart grant expires; we want to have a year or two saved up so we can operate at a lower cost. Dr. Petrone added that last year, the pandemic really set us back on building that account up.

#### **VI. Adjournment**

**MOTION: To adjourn the Fiscal Meeting at 6:46 p.m.**

**By: M. Sobol**

**Seconded: M. Kortmann**

**Result: Motion passes unanimously**

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Respectfully submitted,

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Christina Small  
Central Office Secretary

Approved: May 13, 2021