

Coventry Board of Education
Coventry, Connecticut

Joint Town Finance/BOE Fiscal Committee Meeting

Approved Minutes of July 30, 2020

Remote/Electronic Meeting

BOE Fiscal Committee Members Present:

William Oros, BOE Fiscal Chair
Mary Kortmann, BOE Fiscal
Barbara Paré, BOE Fiscal
Jennifer Beausoleil, Board Chair

Town Finance Committee Members Present:

Matt O'Brien, Sr., Town Finance Chair
Lisa Thomas, Town Finance
Richard Williams, Town Finance
Julie Blanchard, Town Council Chair

Also present:

John Elsesser, Town Manager
Dr. David J. Petrone, Superintendent of Schools
Robert Carroll, Director of Finance and Operations
Amanda Backhaus, Town Finance Director
William Trudelle, Director of Physical Plant and Facilities

I. Call to Order

W. Oros called the meeting to order at 5:35 p.m.

II. Facilities Summer Projects

Mr. Trudelle reviewed the various summer projects taking place, including the Asbestos Abatement; Fire Door Project; CHS Walls Project; CHS Cafeteria Project; CGS Parking Lot; Gym Floor Refinishing; Classrooms are being set up for the reopening within COVID-19 guidelines; Device collection; Air ventilation and water projects for COVID-19 guidelines; and staff training.

W. Oros asked if we were able to get the HEPA filters. Mr. Trudelle said they are on order and we are hoping they will come in, in time for the start of school.

W. Oros verified plexiglass was ordered. Mr. Trudelle said yes, we have received some and more is on order.

Mr. Trudelle expanded on the LED lighting project. He said the next phase has been approved for GHR and CGS.

Mr. Elsesser updated the Committee members on the HVAC project for the middle/high school since they rejected the bids for the unit ventilators. He said they would not meet the

current noise standards or the new COVID-19 standards. He said we are in a "pause" until we hear what the new standards are. He said they would like to get an engineer on board to start working on that.

Mr. Elsesser informed the Committees that the school gym units and the front high school office control system have been awarded to Sav-Mor. He said he needs to work with Mr. Trudelle on the timelines.

Mr. Trudelle left the meeting.

III. End of FY20 Review

W. Oros reviewed questions that were submitted by M. O'Brien, Sr.

The first item was related to how the calculation was done for the final number for the COVID-19 savings report and how was it determined what constituted a COVID-19 savings/expense.

Mr. Carroll said there was no clear cut definition of a COVID-19 expense, but based on all of the information, we determined these by asking - if COVID-19 didn't exist, would we have done this. He added that regarding the COVID-10 savings, the obvious was athletic coach stipends and the settlement of the transportation. Dr. Petrone agreed - the question worked both ways. He listed some of the expenses: 5th and 8th grade promotion ceremonies; the PreK-5 reverse parades; and high school graduation. He said these were small examples.

Mr. Carroll said if you had something already in your budget, like salaries, you could not count those as an expense, because they would be paid out regardless.

M. O'Brien, Sr., asked about the \$32,000 in expenses. Mr. Carroll said the assumption was, after consultation with Ms. Backhaus, that the money would come in after June 30 and would go into the Town general fund and it would have been credited to BOE expense. He said when the check comes the Town will keep it.

M. O'Brien, Sr., posed the question, "If you didn't have those expenses, would the COVID-19 savings, be higher or lower at the end of the year?" He said they have been paid for in this budget and that number has already reduced the total COVID-19 savings that you calculated at the end of the year by \$32,000 - they have been paid for out of COVID-19 savings.

Mr. Carroll and M. Kortmann said no, it has not been paid for out of COVID-19 savings.

M. Kortmann explained that the \$32,000 is part of the explanation that includes money we did not spend because of COVID-19 and money we did spend due to COVID-19 that explains the bottom line money returned to the Town. She reiterated that the money being returned to the Town and the COVID-19, page 3 explains the components of that money, which is money we didn't spend because of COVID-19 and money we did spend because of COVID-19. She added that the line items that are the savings line items that are included in the explanations, do not include those expenses, those expenses are in other line items. M. O'Brien Sr., confirmed they are not in any of the line items you are using to add up the COVID-19 savings? M. Kortmann said that is correct.

M. O'Brien, Sr., said the question has been asked and not answered that way. J. Beausoleil said this is the same description [answer] that has gone back, when the question was asked.

M. O'Brien, Sr. asked for an example of what the \$32,000 was spent on that doesn't appear in any of the items that wasn't added up for COVID-19 savings. Mr. Carroll said a lot was spent on travel reimbursement, for deliveries to student homes; it was under 580 travel.

Ms. Backhaus agreed, if this is the case, then the \$32,000 deduction is correct.

M. O'Brien, Sr., asked about the updated P&L for Food Service for June. He said rather than their being a \$60,000 deficit, there is a \$51,000 surplus and \$127,000 is the cash on hand.

Mr. Carroll noted that the report is combined with Andover services. He said the actual Coventry numbers will be released at the time of the audit. Mr. Carroll continued that in March the Food Services director indicated there would be a \$60,000 loss for the year and the Board agreed to transfer to the Food Services department. He continued, after that, the SDE/federal government came out and told districts they could do the "summer seamless program," which allowed districts to recover most of the deficit.

Mr. Carroll said the Food Service fund is by itself and can be carried over; the Board wanted to make sure the fund was solvent so that is why they transferred the funds. M. O'Brien, Sr. asked how much reimbursement was received from the meals program. Mr. Carroll said the report notes the amounts of the federal reimbursement; in April it was \$41,000, in May it was \$56,000, and in June \$34,000. Mr. Carroll talked about the rates for free and reduced lunch.

M. O'Brien, Sr., said the amount of revenue received more than offsets or eliminates the projected loss and it looks like right now the cash on hand is larger than what it was last year at this time. There was a discussion about the summer food service program.

Mr. Carroll said the hope is the summer program will be a break even this year. M. Kortmann noted that the cash balance includes the parent deposits and they didn't get to use it.

R. Williams said it does not sound like the \$60,000 was a COVID-19 expense, because by the end of the year, the account was back to even. He wanted to know if the \$60,000 would be transferred back because it is not needed.

M. Kortmann said we don't know if it will be needed.

R. Williams said it looks like a profit when you forecasted a loss.

J. Beausoleil explained the figures and how they work over the summer into the early fall; funds are used over the summer, as needed, and quite often there isn't enough and we are in a deficit in early September. She said that was the concern when the transfer was made based on the fact that we did not know that CARES would consider as long as it has. J. Beausoleil continued that we have not gone too far in the summer and depending on the expenses, we don't want to hit the fall and have a deficit in food service account. She added the goal is to start the year with the appropriate amount of money.

R. Williams said the Fiscal Year ended June 30 and the money wasn't needed and it is sitting there. J. Beausoleil said the Food Service account does not zero out at the end of the Fiscal Year because it has summer expenses. This discussion continued.

Ms. Backhaus said she understands R. Williams' logic path, and believes it is different than the Board's logic path. She said, leaving the money in the cafeteria fund is a management level decision, and she does not agree or disagree, but she is not the manager for the BOE.

W. Oros said we can anticipate other expenses related to COVID-19 in this area, such as purchasing disposable items. Dr. Petrone added that we are receiving \$3.43 for every lunch this summer and a 10% performance based reimbursement as well; and every breakfast it was \$1.84.

M. O'Brien, Sr., noted the Food Service account did not run a deficit it ran a small profit at the end of the year. M. Kortmann said it did run a deficit - if you subtract \$60,000 from the P&L you get a \$9,000 deficit. M. Kortmann said it is in the P&L; it is posted under interest earned. She added there was a reason to boost this.

IV. COVID-19 Planning and Financial Impact

V. ESSER Grant

W. Oros said, given the situation that is coming down in September, the Board will be reviewing the reopening plan. He asked the Superintendent for a brief summary of the plans and financial implications.

Dr. Petrone reviewed the Reopening Plan that was submitted to the State [available on the website]. He said there will be presentation to the Board later this evening. He noted how challenging it has been with information changing daily. He continued and talked about the process related input from parents and how to meet parent needs.

J. Beausoleil wanted to note the modifications to the facilities and the labor and material costs that are being spent this summer to accomplish our reopening. She noted the cost of time and hours paid to get the reopening plan developed and submitted to the state. She said these are items we will see in future Management Reports. She said one of the items in the Hybrid Model is the cost of transportation, due to 50% maximum capacity in the buses. Dr. Petrone further explained the Hybrid Model schedule. J. Beausoleil said we are unsure what kind of costs these changes will incur. She said new budget codes will be created to assist in tracking costs.

Dr. Petrone said we are already up to over \$80,000 in COVID-19 expenses for FY21. Mr. Carroll said it is closer to \$90,000.

M. O'Brien asked if items could be flagged as projected to be reimbursed under guidelines. Dr. Petrone said we will be applying for the ESSER funds, and Coventry is eligible for \$117,339. He reviewed some of the items that have been included.

VI. FMLA Guidelines Under the Families First Coronavirus Response Act

Dr. Petrone noted the summary document attached. He said this could prove to be very extensive and expensive.

J. Beausoleil said one of the items about the FMLA+ is that the employer is required to pay the employee part of their salary. There was discussion about whether there was reimbursement but the answer was unclear. Dr. Petrone said things are changing hourly.

M. O'Brien, Sr., said how grateful the Council is for the hard work that has been done. He said the Council will be willing to work through issues with the Board as they arise.

L. Thomas asked about teachers needing to use their paid sick time first before FMLA+. Mr. Elsesser said it is different under the CARES Act.

W. Oros thanked the Council for their support.

VII. Adjournment

MOTION: To Adjourn the Fiscal Meeting at 6:53 p.m.

By: M. Kortmann

Seconded: B. Paré

Result: Motion passes unanimously

Respectfully submitted:

Kimberlee Arey Delorme
Board Clerk

Approved: August 13, 2020