

Finance, Facilities, Technology Committee

Agenda

February 6, 2020

Board Members:

Thair Joshua

Anthony Mazzocchi – Finance Chair

Johanna Wright

Administration

Dr. Ronald Taylor, Superintendent

Paul Roth, Business Administrator

Keith Bonds, Technology Director

Discussion Items:

- Towing Service
- Seth Boyden Wi-Fi Agreement
- South Orange water meter reading
- Spending Freeze
- Budget
- Capital plan update

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Minutes

February 6, 2020

Members Present: Johanna Wright, Thair Joshua, Erin Siders, Annemarie Maini, Dr. Ronald Taylor, Paul Roth, and Keith Bonds.

Towing Service

The high school has been experiencing repeat offenders parking in the faculty parking lot by the gymnasium entrance. The person has been contacted several times and refuses to cooperate. The Maplewood police is unable to ticket and tow. A towing company was located that will post signs and tow vehicles at the request of school administration. The service is provided at no cost to the district as the offender must pay the towing company direct to retrieve their vehicle. Towing charges are \$150 hook-up fee, \$35 per day storage fee. The offender is required to pay in cash to recover their vehicle. A resolution will be presented to the board.

Seth Boyden Wi-Fi Agreement

The township of Maplewood is requesting the ability to place an antennae on the roof and power the system on one or more schools in the district to provide free internet access for economically disadvantaged students. This internet service will not mix with the districts existing network system; therefore, it does not pose a security or bandwidth issue. A resolution will be presented to the board authorizing administration to enter into an agreement with Maplewood Township.

South Orange water meter reading

The South Orange Water Authority is requesting to mount an antenna on Montrose and South Mountain Schools wirelessly read water meter data in the area. This provides a cost savings to the water authority and provides the ability to detect and respond to water pipe leaks/breaks.

Spending Freeze

A spending freeze was implemented to generate about \$500,000 in revenue for the 2020-21 budget. A spending freeze was put into place during the last two year's. The amount of revenue generated by the spending freeze each year has been decreasing with the goal to eliminate the need to generate revenue for the subsequent budget year.

Budget

Tax Levy vs. Contractual Salary Increase

State statute permits the Board of Education to increase tax levy by 2% plus additional spending adjustments for enrollment and health care. The district is obligated to increase staff salaries by 3% according to bargaining unit agreements. Additionally, our employees that are procured through

contract service providers belong to various bargaining units. Vendors are obligated to honor those contracts and the costs are passed on to the district when contracts are renewed. The tax levy for the 2019-20 school year is about \$120 million and contractual salaries \$80 million. The additional revenue generated by increasing tax levy by 2% is \$2.4 million and a 3% increase on contractual salaries is \$2.4 million. Additional funding will be appropriated to contract service account lines as contracts are ending and it is anticipated costs will jump to align with bargaining contracts.

Staff leave of absence

Currently there are eight employees on a long term paid leave of absence. Leave replacements have been hired to perform the work. The cost to maintain the additional salaries is about \$762,000 plus benefits. This part of the minutes will not be posted publicly as it relates to legal and personnel issues.

Transportation

During the 2018-19 school year \$5.8 million was appropriated for student transportation. During the year about \$300,000 was transferred to these accounts to cover costs. The 2020-21 school budget for transportation was adjusted up by \$500,000 to adjust for the projected costs of services.

Insurance

The district's experience with workers compensation claims increased and construction is expected to begin during the 2020-21 school year. The amount appropriated for workers compensation insurance and liability was increased by \$50,000 to cover to the cost increase of premium.

Debt Service

Debt service for the 2020-21 school year is \$6.3 million excluding debt service aid. July 2019, the financial plan projected a \$5.8 million inclusive of debt service aid. The district is expected to receive state aid notices at the end of February. Once the amount of debt service aid is received, the amount of funds from remaining prior bond proceeds will be calculated and applied to debt service to manage the tax impact according to the financial plan.

CHS Boiler system

Payment has been withheld from the vendor as the heating control systems were not functioning and other items on the punch list were not completed. Completion of the project is continuing under legal guidance. Once the control system and major punch list items are resolved, credits owed to the district will be negotiated and the project will be closed. Payment will only be released for product and services that are delivered according to the bid specifications.

Capital Plan Update

A meeting was held with the district Architect and Construction Management Company the day after the scheduled FFT committee meeting. The items discussed during the FFT meeting also include an updated information resulting from this meeting.

Code review

The district received confirmation from the Department of Community Affairs (DCA) that the South Orange Building Department can perform the code review for proposed projects on the South Orange Elementary Schools.

Environmental Reports

Environmental bulk sample reports have been completed and the results shared with the architect and construction management company. It is anticipated that in the spring bids will be issued for summer asbestos abatement projects. Some areas will not be abated until the time of construction (for example, asbestos coating under the roof cannot be touched until the old roof is removed). Most of the abatement can be bid separately from construction and renovation projects.

Geothermal

The engineering report to determine the cost to install geothermal systems and energy savings is almost complete. Once complete meetings with the board and green team committee will be scheduled.

Bathrooms

The draft architectural drawings discussed with the board were updated. Faculty bathrooms were further increased in some elementary schools to meet code and a single use student bathroom was added to each elementary school.

Common space

December concerns were raised about common space issues. Business Office staff met with an elementary school PE teacher to discuss concerns regarding space for PE. These concerns were forwarded to the architect. A follow-up meeting with elementary school PE teachers and the architect is scheduled for 2/18 to address the concerns as much as possible.

Legal Review

The district's construction attorney completed the legal review of the construction specification. Changes were noted and specifications were updated. The legal review ensures compliance with prevailing wage, affirmative action, bonding, etc.

Time Line

The following is a sequence of actions leading up to advertising for bid.

- Follow-up meetings with Technology Director, PE Teachers (scheduled on 2/18), Green Team, Historic Society
- Second round of design meetings with School Administration.
- Second round of design meetings with the Board of Education.
- Final design meeting. Sign-off on design to move forward.
- Final schematic submission the DOE
- Code review and Comptroller review
- Advertise for Bid