

**New Milford Board of Education  
 Operations Sub-Committee Meeting Minutes  
 June 11, 2024  
 Sarah Noble Intermediate School Library Media Center**

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 NEW MILFORD, CT

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| Present: | Mr. Eric Hansell, Chairperson<br>Mrs. Wendy Faulenbach<br>Mr. Tom O'Brien |
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| Absent: | Mr. Brian McCauley |
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| Also Present: | Dr. Janet Parlato, Superintendent of Schools<br>Mr. Jeffrey Turner, Technology Director<br>Mr. Matthew Cunningham, Director of Facilities<br>Mr. Anthony Giovannone, Director of Finance<br>Mrs. Teresa Kavanagh, Director of Human Services<br>Ms. Holly Hollander, Assistant Superintendent of Schools |
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| 1. |    | <b>Call to Order</b><br>The New Milford Board of Education Operations Subcommittee was called to order at 7:30pm by Mr. Eric Hansell, Chairperson.  | <b>Call to Order</b>   |
| 2. |    | <b>Public Comment</b><br>There was none.  | <b>Public Comment</b>  |
| 3. | A. | <b>Discussion and Possible Action</b><br><b>Monthly Reports</b><br><b>1. Budget Position dated May 31, 2024</b><br><b>2. Purchase Resolution D-783</b><br><b>3. Request for Budget Transfers</b><br><br><b>Budget Position dated May 31, 2024:</b><br>Mr. Giovannone stated the budget position summarizes the general ledger as of May 31, 2024. He stated he wanted to point out two items. The first item is the Operating Capital being overdrawn by \$42,426. That will be resolved with the transfer. The other item is for excess cost. It reflects receiving the 2nd payment from the state of Connecticut, and that is broken out in item 4D. It is directly related to fewer students being outplaced, and not hitting the threshold. The excess cost is reimbursable for 4.5x per pupil expenditure.<br><br>Mr. O'Brien pointed out it was good news, because excess cost is only a partial reimbursement. Dr. Parlato agreed. Mr. Giovannone noted the district | <b>Discussion and Possible Action</b><br><b>A. Monthly Reports</b><br><b>1. Budget Position dated May 31, 2024</b> |

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|  | <p>cannot claim reimbursement on dollars not spent. He had provided an update after February's first payment. The payment has since come in and is roughly short \$312,000, which was more than expected.</p> <p>Mr. O'Brien asked if the board has made the contribution to the turf field yet for this year. Dr. Parlato stated that contribution, as well as the capital reserve deposit, are pending the final audit.</p> <p><b>Purchase Resolution D-783:</b><br/>Mr. Giovannone stated the items at the bottom were put forward for consideration to use End of Year funds, and he has already checked that the vendors can complete the work before 6/30/24. When the full board approves the Purchase Resolution 783, it will include these vendors.</p> <p>Mr. Hansell asked about the quarterly transfer for the nurse at the school based health clinic and asked if it will end in September. Mr. Giovannone stated that it was paid for by the ESSER 3 fund and the district will pick up the cost when that fund is done in September. Mr. Hansell asked if it is a full time secretary and noted when the school based health clinic was started it was meant to be a self sustaining program. Dr. Parlato stated the district agreed to pay for the secretary and it will be paid for out of the general fund. It was agreed for them to pay for the secretary because the secretary does the billing for the school-based health center's clinicians.</p> <p>Mrs. Faulenbach stated she remembered when they agreed to provide the structure of the secretarial piece and the district agreed it would be willing to contribute once ESSER ran out. Mr. Hansell noted that the district is also covering the utilities and other costs for the school based health center's space. Ms. Hollander stated that there is no cost to our families for the services. There are 4 social workers supporting students and hoping to add another full time employee in all buildings because there is a waitlist right now for the families. Dr. Parlato noted the district does not pay for the clinicians.</p> | <p><b>2. Purchase Resolution D-783</b></p> |
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|  | <p>Mr. Hansell added that the school based health centers were supposed to support issues that came because of covid and it sounds like it's expanding. Mrs. Faulenbach replied that it is not expanding and the secretary was the one component the district agreed to pay for. The district does not pay for the clinicians. Dr. Parlato stated it is hard to quantify the benefit for the families that wouldn't otherwise receive the mental health care. There is great need for it. Mr. Hansell agreed there is a need, but that it should be outside of the school and should be the family's responsibility. The district cut full time school employee positions that could be the equivalent in pay as the secretary position, which is not a school employee. This is essentially a position that could otherwise be going to secretary support for one of the offices in the schools, instead it is now going to the health clinic.</p> <p>Mrs. Faulenbach asked what the salary is for the position. Mr. Giovannone replied, looking at hours and benefits, it's roughly \$45,000 - \$60,000 per year.</p> <p><b>Request for Budget Transfers:</b><br/>     Mr. Giovannone stated there is one request for a major object code for capital. He explained when the fiscal year comes to an end, for the general ledger in MUNIS, there cannot be a major object code overdrawn. It is essentially a clean up for the fiscal year end. One example is for VR headsets, roughly \$42,000 will need to be transferred because the 23/24 budget did not originally include it.</p> <p><i>Mr. O'Brien moved to approve the Operations Subcommittee monthly reports to the Board of Education, seconded by Mrs. Faulenbach. The motion passed unanimously.</i></p> <p><b>B. Energy Systems Group Projects and Bank of America Payment 2023 &amp; 2024</b></p> <p>Mr. Giovannone stated it summarizes a multi-year project that would be offset by energy savings they intended to generate. He included information</p> | <p><b>3. Request for Budget Transfers</b></p> <p>Motion passed to approve the Operations Subcommittee monthly reports to the Board of Education Motion passed unanimously.</p> <p><b>B. Energy Systems Group Projects and Bank of America Payment 2023 &amp; 2024</b></p> |
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|  | <p>dating back to 2021 to give historical information. Page 5 of the memo is the final acceptance letter signed by the Director of Public Works. Mrs. Faulenbach stated the purpose of the motion is to make a recommendation to the board to request from the capital reserve the payments that are expected of the board. Mr. Giovannone agreed and stated the information, verified with the town Finance Director, is \$895,443 dollars. Dr. Parlato added the town fronted the money for the 2023 payment.</p> <p>Mr. Hansell asked if the benefit will lag by a year. Mr. Giovannone stated yes.</p> <p>Mrs. Faulenbach stated they can work with those involved to identify the savings and work within the budget. Mr. Giovannone stated with the NV5 agreement, there are built in numbers to offset prices of commodities to hit benchmarks. Those come from the Director of Public Works. Mr. O'Brien asked how the numbers are generated. Mr. Giovannone stated he was not sure. Mrs. Faulenbach stated, if you budget for \$1,000,000 and you capture \$400,000 in savings, that \$400,000, once captured, falls to the bottom line and becomes part of capital reserve. Mr. Giovannone stated that is true. The Eversource payment is not managed on a quarterly basis and does not fall to the bottom line until the end of the year. Mrs. Faulenbach suggested setting up a new MUNIS line item to demonstrate electricity savings. Mr. Giovannone noted it would have to be done in conjunction with the town.</p> <p>Mr. Hansell noted that this is a milestone with the signoff from the Director of Public Works. Dr. Parlato added that the construction phase of the project is complete and now there is measurement and verification. Mr. O'Brien asked if everything is working properly. Mr. Cunningham stated he believes they are looking to do work on the CoGen system.</p> <p>Mr. O'Brien asked why the Board of Education (BOE) was responsible for <math>\frac{2}{3}</math> of the lease payment. Mr. Giovannone stated that was</p> |  |
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|  | <p>determined at the onset of the project, the amount of projects that benefited the BOE was roughly 67%. Mr. O'Brien asked if it is still 67%. Mr. Giovannone stated a few energy savings initiatives at East Street were not pursued but everything else is the same.</p> <p>Mr. O'Brien asked how budgeting for energy will be done for next year. Mr. Giovannone stated he was given an escalator of 3.5% from the Director of Public Works. Dr. Parlato noted the town and school district will both increase at that amount, and will continually do so. Mr. O'Brien noted that constrains the savings.</p> <p>Mrs. Faulenbach pointed out the payment is almost \$900,000 of the capital reserve.</p> <p><i>Mrs. Faulenbach moved to send a recommendation to the full Board for a capital reserve withdrawal for the purpose of the Bank of America payments for 2023 and 2024 for the Energy Systems Group lease payments to Bank of America, seconded by Mr. O'Brien. The motion passed unanimously.</i></p> <p><b>C. Two Percent Education Cost Sharing (ECS) Program Grant Set-aside</b></p> <p>Dr. Parlato explained there is a memo included in the agenda from the State Department of Education. The ECS two-percent set-aside is a program that would allow the district to capture 2% of the \$14,000,000 that goes to the town. It is not part of the capital reserve account and the amount for the upcoming year is \$231,092.</p> <p>Mrs. Faulenbach noted this has been available, but it is the first year the district is pursuing it. The town is aware we are applying for it. It is a yearly thing and she assured the mayor the board will vote on every financial aspect. The Superintendent will come with recommendations or needs. It would require a separate MUNIS account.</p> <p>Dr. Parlato stated it could be used to pay for materials, programs, and a variety of projects. Mr.</p> | <p>Motion passed to send a recommendation to the full Board for a capital reserve withdrawal for the purpose of the Bank of America payments for 2023 and 2024 for the Energy Systems Group lease payments to Bank of America. Motion passed unanimously.</p> <p><b>C. Two Percent Education Cost Sharing (ECS) Program Grant Set-aside</b></p> |
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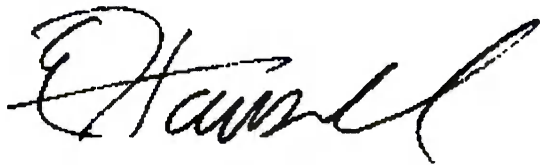
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|  | <p>O'Brien commented stating he does not see a downside. Mrs. Faulenbach agreed and noted it does not have to be done every year if they chose not to.</p> <p><i>Mr. O'Brien moved to submit the application for the Two Percent Education Cost Sharing (ECS) Program Grant Set-Aside, seconded by Mrs. Faulenbach. The motion passed unanimously.</i></p> <p><b>D. Projected End of Year Balance Refresh</b></p> <p>Mr. Giovannone stated this is a refresh of the memo provided last month. It captures end of year projects that were approved and the change in excess cost. The memo is a vehicle for the board to identify where the district will be at the end of fiscal year. Next step would be to make a motion, pending final audit, for Town Council and Board of Finance to put that remaining balance, after the audit in January, into capital reserve, turf field or the ECS set aside. If there is a portion the town would like for compensation, this would be the place to do it.</p> <p>Mrs. Faulenbach stated, regarding the motion for the two percent set aside, they were transparent with the town because that is \$232,000 less that goes to the town. The plan is to reimburse the town for the amount of the two percent set aside from the end of year balance. The town isn't losing \$232,000. It's being funded out of what is left over at the end of the year balance. It allows the district to have some budgeting flexibility.</p> <p>Mrs. Faulenbach stated they have let the town know they are applying for the grant. This is the district's first time doing it and the intent is to reimburse the town. Mr. O'Brien asked what happens if the district ends up with a small end of year balance. Dr. Parlato stated she is more comfortable with submitting the application with the budget being approved.</p> <p>Mr. Giovannone stated this can be addressed year by year. As we apply for the 2% ECS set aside in May, he will provide in June, the end of year</p> | <p>Motion passed to submit the application for the Two Percent Education Cost Sharing (ECS) Program Grant Set-aside. Motion passed unanimously.</p> <p><b>D. Projected End of Year Balance Refresh</b></p> |
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|                  | <p>balance refresh. If the board wants to reimburse the town, they can and they can carve out the amount for the ECS portion from the fiscal year end fund balance.</p> <p>Mrs Faulenbach stated there are currently two funds where the board can ask to place their year end balance: turf field and the capital reserve. The other would be to reimburse the town the 2% ECS portion. Mr. Giovannone stated if he projects the fiscal year end balance to be low, the district can simply not apply.</p> <p>Mrs. Faulenbach stated it gives flexibility because it's a choice every year, and any financial impact the board would vote on. Mrs. Faulenbach asked Mr. Giovannone that at the full board meeting, possibly there would be an expectation for the \$232,000 as a capital pull out. Mr. Giovannone stated yes, a motion can be crafted to pull out \$231,092 towards reimbursing the town for the ECS set aside, an amount for turf field replacement and the remainder to go to capital reserve. Pending final audit.</p> <p><i>Mrs. Faulenbach moved to send to the full Board a request that the Board's end-of-year balance be transferred to the Board's capital reserve account pending final audit. Seconded by Mr. O'Brien. Motion passed unanimously.</i></p> | <p>Motion passed to send to the full Board a request that the Board's end-of-year balance be transferred to the Board's capital reserve account pending final audit. Motion passed unanimously.</p> |
| <p><b>4.</b></p> | <p><b>Items of Information</b></p> <p><b>A. Employment Report - June 2024</b><br/>       Mrs. Kavanaugh stated they have two confirmed new hires for next year and are in good shape for the 24/25 school year.</p> <p><b>B. Enrollment Report - June 1, 2024</b><br/>       Dr. Parlato stated the difference from projected 58, and actual 73, is not a big differential.</p> <p><b>C. June Fundraising Report</b><br/>       Dr. Parlato stated there were a variety of activities at the high school and through Hill &amp; Plain PTO.</p>   | <p><b>Items of Information</b></p> <p><b>A. Employment Report - June 2024</b></p> <p><b>B. Enrollment Report - June 1, 2024</b></p> <p><b>C. June Fundraising Report</b></p>                        |

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|    | <b>D. Excess Cost Update</b><br>Mr. Giovannone stated the document outlines what the district thought was going to be received, which is less than anticipated. Mr. O'Brien noted the \$60,000 shortfall was because the district saved more in the budget. Mr. Giovannone explained the district did not expend enough dollars to get the reimbursement and cannot expect a reimbursement on dollars unspent.<br><br>Mrs. Faulenbach asked if there is a recommendation for turf field reimbursement. Mr. Giovannone stated it has been discussed if it should be a set amount or a percentage. This year he recommends \$100,000 | <b>D. Excess Cost Update</b>   |
| 5. | <b>Public Comment</b><br>There was none.   | <b>Public Comment</b>  |
| 6. | <b>Adjourn</b><br><i>Mr. O'Brien moved to adjourn the meeting at 8:19 pm, seconded by Mrs. Faulenbach and passed unanimously.</i>  | <b>Adjourn</b><br><i>Motion made and passed unanimously to adjourn the meeting at 8:19 pm.</i> |

Respectfully submitted:



Mr. Eric Hansell  
Chairman, Operations Subcommittee