

**Coventry Board of Education  
Coventry, CT  
Approved Minutes  
Fiscal Committee Meeting  
Thursday, February 10, 2011  
Administration Building Conference Room**

Members Present: Mary Kortmann, Fiscal Committee Chair  
Jennifer Beausoleil, Fiscal Committee Member  
Mark Malcolm, Fiscal Committee Member

Also Present: Dr. Donna Bernard, Superintendent of Schools  
Gregg Blackstone, Business Manager

The meeting was called to order at 6:12 p.m. by M. Kortmann.

**I. Approve Fiscal Minutes**

**MOTION: Approve Fiscal Minutes from January 13, 2011**

**By: M. Malcolm**

**Seconded: M. Kortmann**

Discussion: M. Kortmann asked on page 1, first paragraph, change the words move out to spend.  
M. Malcolm asked for the last sentence before Adjournment to be removed.

**Result: Motion passes to approve the minutes as written 2-0-1. J. Beausoleil abstained.**

**II. Financial Reports for January**

**A. Food Services P&L and Cash Flow**

G. Blackstone reviewed the Food Services pension information document he received from the town. J. Beausoleil asked how close the pension number was for Food Services to cover the cost for this year. G. Blackstone answered he just receive the Food Service information and it is not known yet. M. Kortmann stated she was not sure if she wanted to have Food Services pay for their pension. Dr. Bernard stated Food Services did not have a good month in January. M. Malcolm stated the biggest issue for Food Services in January is food spoilage. He asked if food could be donated to a local food bank. Dr. Bernard said she didn't know if that could legally be done. J. Beausoleil stated the USDA sent out new guidelines on what you can and cannot do with food and what will be reimbursed. G. Blackstone stated the Food Services department is clever about the reduced price meal for someone who has not paid for two meals. A meal was created that conforms to the nutritional guidelines.

J. Beausoleil suggested some revenue generating ideas that could help Food Services such as food kiosks and catering.

G. Blackstone stated Food Services had a down month due to snow days. He does not have specifics on the number of days. J. Beausoleil stated it should settle out by the end of the year because the food service days will be added on the end of the year. G. Blackstone said that is true except for the food spoilage. Dr. Bernard stated that the Food Services budget cannot take on pension and the capitol improvements that are needed this year. She suggested that the Food service goal for this year should be the capitol improvements. The committee agreed.

M. Malcolm asked G. Blackstone if he had Food Service figures from last year. G. Blackstone answered he did not. Dr. Bernard stated she thought Food Services budget was up by \$30,000.00. M. Malcolm stated it would be helpful to know historically how much Food Service makes each year to determine the trend of funds available. G. Blackstone stated he could try to get this information as we come closer to the end of the year. M. Kortmann said that right now Food Services budget is almost breaking even.

## **B. Encumbrance and Management Reports**

G. Blackstone stated he had a correction to the January 2011 Expenditure Reports memo. The graph he modified should read Expended vs. Remaining to the End of the Year instead of Appropriated. Dr. Bernard asked if this was sent to the Town already. G. Blackstone answered it was and he will need to change it.

G. Blackstone spoke about the Expenditure Report All Activity and noted the Certified Salaries – 111 will change as long term leave time is taken. He estimates the negative balance will decrease by approximately \$60,000.00. He stated that Non-Certified Temp Salaries – 121 will increase, once the long term leaves begin, by about the same amount. G. Blackstone noted that Non Certified Salaries -112 is currently positive.

M. Malcolm asked why the Certified Salaries is negative by so much. He asked if there were more staff hired than expected. M. Kortmann said the previous business manager would subtract salaries and benefits from this line when staff was reduced instead of subtracting only salaries. She stated that is why benefits budget was over-budgeted so much in the past. G. Blackstone stated that they also budgeted for a 9% increase in benefits budget and the number came in at 7% instead. M. Malcolm stated that the benefits budget was adjusted down from 9%. M. Kortmann stated that the benefits budget was adjust down but not to 7%. M. Malcolm asked if the current 3.4% is correct. Dr. Bernard stated this number keeps changing. She asked G. Blackstone if he had the current number. G. Blackstone answered he did not, but he knew the benefits package would be going out to bid. The results of the bid will not be known until March which is after the budget deadline. M. Malcolm asked if the plan is to budget the benefits at 3.4% and hope that the bid comes in lower. G. Blackstone answered when he spoke with the insurance broker; they said they think the number will be 3.4%.

Dr. Bernard asked G. Blackstone if he was using new numbers for budget discussion with the Board of Education tonight. G. Blackstone answered he is coming in with a lower number because he re-based it, and not because he changed the percentage. J. Beausoleil stated that we will not have areal number until we are almost at the point of the hearing. G. Blackstone stated the Town will have the number and then the Town may change the budget. M. Kortmann stated that we typically get to keep the money if the budget flies through the first time and is not

defeated. Dr. Bernard asked G. Blackstone to confirm that he found the benefits figure not by reducing the percentage but by reducing his calculation. G. Blackstone answered yes it is based on this years expected expenditure levels.

Dr. Bernard stated that the management report does not reflect snow removal. She said the Town Manager asked her to let him know if money is needed for snow removal costs. The Town Manager needs to know this as soon as possible and not in May. M. Kortmann asked if it was possible to create a budget line item for snow removal for this year. G. Blackstone answered he could create a function code. J. Beausoleil stated this line item would be higher than any other year. M. Kortmann stated that the funds would come from other budget line items. G. Blackstone stated the funds would come from contracted services and he has already received two bills for snow removal. He expects to receive more bills since most of the snow removal has been completed.

M. Malcolm suggested scheduling a post snow removal assessment meeting to discuss what went right and wrong during the snow removal process. He asked if there are snow removal procedures that can be created. M. Malcolm would like to ask Mr. Noel is there is going to be a problem with the amount of snow in the high school courtyard. Dr. Bernard stated that egress paths were created for the exits and window exits. She agreed that there will be issues when the snow melts. Dr. Bernard stated that further snow removal will be needed and that discussion will need to occur. M. Kortmann said that the problems with snow melt will depend on whether the snow melts gradually or a warm rainstorm melts the snow all at once.

G. Blackstone spoke about the costs of snow removal. He stated that an insurance adjuster will be coming out on Friday 2/11/2011. He and Mr. Noel will be walking through GHR and Captain Nathan Hale Middle School with the adjuster to show where water and wall damage occurred. His understanding is that the damage caused by snow removal may be reimbursed. Other fund for snow removal can be found by transferring from other budget items and from the town. Dr. Bernard wants to be sure not to ignore the towns offer for snow removal funds. M. Kortmann stated that if we determine the costs within the next month, we should know if we will need town funds and be able to send them a memo. J. Beausoleil stated she would not like to state we should be able to cover the snow removal costs. She would like to say this is our current costs and we are uncertain that we can cover the costs. M. Malcolm stated that if we are put into the position where paying for a snow storm is going to reduce our academic capacity, he wants the Town to be aware of that. He said he doesn't want to not fund educational needs because funds are needed for snow removal. M. Malcolm stated he would like the Town to be a part of the decision.

Dr. Bernard stated that funds may be used from labor. J. Beausoleil stated that there are a number of things that are held together with duct tape that would save money in the long run if they are fixed and maintained now. M. Kortmann stated we can't spend more than \$20,000.00 for any one item. M. Malcolm said he thought they could spend over \$20,000.00. Dr. Bernard asked G. Blackstone to check on it. G. Blackstone stated he doesn't know if the State had this restriction. He stated he would check. J. Beausoleil said it is too early to determine what funds will be needed for the rest of the year for substitutes and additional contract services.

The committee continued to discuss the Expenditure reports. G. Blackstone mentioned the changes in the Expenditure reports from last month to this month. One change is in Health Insurance – 210 balances went up and Tuition – 560 now has negative \$50,000.00. M. Kortmann asked why the heat went up as she thought the price was locked in. G. Blackstone answered we pay a rack price meaning whatever the price is in New Haven plus \$.05. The committee was surprised to hear that the oil price is not a locked price. M. Kortmann had a copy of the contract and reviewed it. Dr. Bernard asked G. Blackstone if he was sure that the oil price was not locked in. G. Blackstone answered he will check again. G. Blackstone stated that he has worked on the degree day calculation and should have something for the committee by the next meeting.

### **C. Excess Costs Report**

G. Blackstone reviewed a new Excess Cost report and stated there was a new placement. He said there was a person who exited in December and another who came on in Community Child Guidance and that reduced the surplus amount by \$30,000.00. M. Malcolm asked why there were three DCF and last time there was one. G. Blackstone answered it should be two. He said he will obtain more information for the next report. G. Blackstone stated he did find out additional information on how the State makes the payment. He said it is based on the PSIS submittal that is made in October. The February payment is based on the October data. Another PSIS submittal is made in March and that is the basis for the May payment. If there is any change in placements after March, the cost needs to be rolled in to the next October submittal.

M. Kortmann asked G. Blackstone if he figured out if it would be fair to take the excess cost of the DCF and not take the percentage. M. Kortmann stated that in statute, not necessarily in practice, the excess cost associated with a DCF person shouldn't be capped and we should always receive 100%. G. Blackstone answered he would speak with someone at the State to get a better answer. M. Kortmann stated how we send the information to the State to categorize each person might be incorrect. Dr. Bernard stated that the staff who does the categorizing does not know the financial impact of how the categories are paid by the State.

M. Malcolm asked if the total costs changed from last month. G. Blackstone answered one of two of them probably did change. M. Malcolm asked why there were two people showing in Community Guidance if one person left and one person came in. G. Blackstone answered he needed to show the costs for both. G. Blackstone also stated that the new person is on the last line on the report, and should not be DCF. M. Malcolm stated he was uncomfortable in budgeting for more placements than what is current now. G. Blackstone said he believes there is another placement that is not on the outplacement report. M. Malcolm mentioned on the Grant report, it looks like there is an outplacement being paid out of a grant. The committee reviewed the Grant report and under ARRA IDEA, Part B-611-7105 there is student transportation and tuition listed. G. Blackstone stated he will check into this.

M. Malcolm wanted to make sure Dr. Bernard was aware of a question he has reconciling our actual outplacements with what we are budgeting for next year. The number of outplacements is either 24 or 21 which is a gap of 3. Dr. Bernard stated the last she heard there were a couple of outplacements pending. M. Malcolm is wondering if we are paying for an outplacement with a

grant this year and if we are budgeting to put it under excess cost for next year because IDEA Part B is running out. Dr. Bernard stated she will need to find out.

M. Kortmann asked G. Blackstone to rerun the budgeted vs. actual report. She wants to be sure that the excess cost is actually spent on special education and not gym floors or panels. M. Malcolm stated he didn't have an issue with spending budgeted money where it was needed. M. Kortmann stated this was a cushion that is used at the end of the year to cover unexpected expenses.

### **III. Transfers – Discussion**

G. Blackstone is proposing a transfer of some of the funds from Health Insurance – 210 to cover the negative balances in Student Transportation – 501, Athletic & Field Trip – 513, Tuition – 560, Custodial Supplies – 612, Maintenance Supplies – 613, and Heat Energy – 620. Dr. Bernard stated we typically waited until April 15<sup>th</sup> and asked G. Blackstone what is philosophy is. G. Blackstone answered it is always better to wait, but this is a large number and he is confident enough to suggest making the transfer now. Dr. Bernard stated that a vote would need to be placed on the agenda. G. Blackstone stated this was a discussion only. M. Kortmann stated that the vote would occur during the next Fiscal meeting and possibly need to be voted on by the Board. She stated her interested in doing the transfer and in addition adding some funds to Maintenance Supplies so Mr. Noel has funds to make repairs. Dr. Bernard stated there is a transfer form that needs to be completed. G. Blackstone stated he is aware of the transfer form and used it last year.

### **IV. Adjournment**

**MOTION: To Adjourn the Fiscal Meeting at 7:20 p.m.**

**By: M. Malcolm**

**Seconded: J. Beausoleil**

**Result: Motion passes unanimously.**

Respectfully submitted,

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Terri Lessard, Subcommittee Clerk

Approved: March 10, 2011