

**Coventry Board of Education**  
Coventry, Connecticut

**Fiscal Committee Meeting**  
Approved Minutes of April 07, 2020  
Electronic Meeting

Committee Members Present:  
William Oros  
Mary Kortmann  
Barbara Pare (joined 6:12 p.m.)  
Jennifer Beausoleil

**I. Call to Order**

W. Oros called the meeting to order at 6:01 p.m.

**II. VOTE: Approve Fiscal Minutes of March 12, 2020**

**MOTION: Approve Fiscal Minutes of March 12, 2020**

**By: M. Kortmann                      Seconded: W. Oros**

**Result: Motion passes unanimously**

**III. Diesel Fuel Contract**

Mr. Carroll said we contracted to purchase 35,000 gallons of diesel and right now we are approximately 6,300 gallons short of that agreement. He said he was working on options for this remaining amount, which include having the fuel purchased by the Town and delivered to the Department of Public Works (DPW) or possibly getting a key from M&J so DPW could access the fuel. Mr. Carroll said he needs to confirm with Dime Oil if they will allow the town to Town purchase the remaining gallons on the contract.

M. Kortmann asked about storage of the fuel. Mr. Carroll said the tank at the bus yard is full.

The Committee talked about various scenarios regarding what to do with the remaining contracted gallons.

The Committee talked about concerns the oil company might have with the Town using the fuel.

M. Kortmann said she was fine with letting the Town purchase the remaining amount or getting a key from M&J and letting DPW fill up. W. Oros agreed.

Mr. Carroll said he would follow up with fuel company to be sure they would allow the Town to purchase.

B. Pare joined meeting at 6:12 p.m.

**IV. Out of District Placements**

Dr. Petrone said as part of the Governor's Executive Order, the district has to negotiate regarding any tuition for out placed students we have. He continued and talked about compensatory services required, and it would be the responsibility of the facility to provide those.

Mr. Carroll said the district submitted the second submission for the excess cost grant. He said whatever is negotiated lower won't be communicated to the state until the end of school year report is completed and it is audited in December. He said adjustments would then need to be made and the Town may end up with a reduction in ECS funds.

Dr. Petrone talked about how this process may work regarding who owes what to who. He said this will be a long process as this is only the third week.

J. Beausoleil said there is a worse case that we will owe 100%. Dr. Petrone said that is a good point, but you have to ask what realistically can these facilities provide under these circumstances.

Dr. Petrone talked about compensatory services.

J. Beausoleil asked if the Executive Order gave any indication by when negotiations needed to be complete. Dr. Petrone said the belief is by June 30. The Committee talked about the timeline.

Dr. Petrone said his guess is there will be a 90% settlement, if not 100%.

J. Beausoleil talked about place holders. Dr. Petrone said they put 90% in the Management Report and we will know by the next Fiscal meeting better where we stand. J. Beausoleil said that 90% is a reasonable number.

R. Carroll said there may be a group negotiation, involving multiple districts with the same vendor.

Dr. Petrone said 90% is realistic for the outplacement number.

M. Kortmann suggested we calculate the amount of the adjustment that could be made, that will be held out of ECS, if we negotiate to 90%.

## **V. Contractual Obligations - Governor's Executive Order**

Mr. Carroll said, regarding the Governor's Executive Order, our largest item is all of our employees who are covered by a bargaining unit. He said salaries and benefits are being honored. Dr. Petrone said, the intent of this order is that so everyone is ready and willing to get back to school as soon as it is ready to reopen.

Dr. Petrone said most everyone is covered here, except for a few positions.

W. Oros asked about coaches. Mr. Carroll said he does not believe any of the spring coaches were hired, but he would double check.

J. Beausoleil asked about folks who have filed for unemployment, like bus drivers, and what happens if the contract with M&J is honored and those drivers are then paid. Dr. Petrone said as a district we are not exposed because they are not our employees.

## **VI. Office of Early Childhood - Grant Funding**

Dr. Petrone said the Smart Start grant was extended through June 30. He said this decision was made so the program can be back up and running as soon as school starts again.

Mr. Carroll said the School Readiness Funds are to be spent by June 30 and he is waiting to hear from the State if this can be extended beyond June 30. Dr. Petrone said some of this money can be used for professional development on Wednesdays.

W. Oros asked about the Title I federal stimulus funds and if Coventry will qualify.

Mr. Carroll said the state will get two federal stimulus funds for the schools. He said it will be distributed like regular Title I and will be favored to the larger urban schools, based on need.

## **VII. Financial Reports for March 31 2020**

### **A. Management Report**

Mr. Carroll said the Management Report has been adjusted to reflect finances through the April 20 closure.

Dr. Petrone said the thought is, the Governor will make a decision on Friday whether to close schools for the rest of the school year. He said the guess is, he will.

Dr. Petrone said there are still a lot of question marks and unknowns on the Management Report.

M. Kortmann asked if we had anyone on unemployment. Dr. Petrone said there may be less than 5 people who will apply for unemployment, due to the current circumstances.

Mr. Carroll reviewed the color coding on the report.

J. Beausoleil asked if Legal could be made orange or red due to the probable use of those services during the next few weeks/months.

Dr. Petrone believes the contract negotiations timelines will be extended due to the COVID-19 challenges.

W. Oros said much will depend on the Governor's announcement regarding schools closure.

J. Beausoleil said we will need the attorneys for negotiating the out of district placement costs and also any other contracts negotiations, such as transportation contracts, etc.

### **B. Encumbrance Reports**

M. Kortmann verified that the grant fund carry overs have been spent. Mr. Carroll agreed.

### **C. Food Service**

Dr. Petrone said there are about 170 meals a day being provided.

W. Oros asked about the reimbursement.

Mr. Carroll said the federal program reimbursement amount is at about \$3 per meal. He added, while Food Service is losing daily sales, the reimbursement makes up for some of

the loss. He said overall, Ms. Pratt estimates, projecting out to the end of the year, the program will be \$40,000 in the hole.

Dr. Petrone said we have also added weekend meals.

B. Pare asked why we added weekend meals as well. Dr. Petrone said, because we have the ability to provide and we are reimbursed by the government for those as well.

B. Pare said this isn't done during the year, and asked why are we doing it now.

Mr. Carroll said this federal program is called the "Summer Seamless" program, which allows for 7 days a week meals. Dr. Petrone reiterated that the district is reimbursed for each meal.

J. Beausoleil asked if the reimbursement covers labor too or just food. Mr. Carroll said yes, he believes it covers labor as well as the per meal price.

B. Pare said it seems like an excessive provision and it is unusual.

J. Beausoleil said this is the right thing to do and there is no cost disadvantage to the district

M. Kortmann explained, this program will allow us to cover our labor costs. She said, due to the current conditions, we have to pay the salaries for these employees, so this program will cover that cost. She said we have a fixed cost of labor and benefits for this program and the federal program will reimburse the district and will cover our costs.

B. Pare thanked M. Kortmann for the explanation and said this makes sense now.

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

Mr. Carroll said the special education bottom line differs from the Management Report and that is because this was before COVID-19. He said there are still some things to shake out in regard to student placement in Coventry. He said there was one new addition - a student showed up on February 29, but the report was filed on February 27. He added that we will not get the reimbursement until December audit.

Mr. Carroll said there will be changes all across the state and the "pot" will be effected because of the current situation.

W. Oros said this is a wait and see game.

J. Beausoleil asked if we have to negotiate with each and every outplacement school/agency. Dr. Petrone said yes.

J. Beausoleil asked if area M&J transportation contracts were similar enough to join in negotiations. Mr. Carroll said there are some variables, noting one of the biggest difference is who is paying for fuel. He said it might be possible.

#### **E. Preschool Fund**

Dr. Petrone said refunds are going out to parents because we cannot provide services. He said we are looking at a significant loss. He said, yes we are able to carry the grants, but there is no tuition for most of March and probably all of April at this point; and that is just the beginning.

J. Beausoleil said because the teachers are part of the bargaining unit we still have to provide salaries and benefits.

Mr. Carroll said there were facilities projects planned, but they have been put on hold.

Mr. Carroll said they are projecting a loss of revenue of \$118,000. He said the profit was only projected to be \$25,000. He added that it will be taken out of the reserve amount.

M. Kortmann said, in reviewing the report, it looks like if we use up this year's reserve we are only going to hit the savings for \$26,000. She confirmed we are bringing our savings from \$210,000 to \$183,000. Mr. Carroll said yes, if these numbers track out. He said we freed up \$25,000 from the repair account and moved the reserve for capital improvements line to the available column as well. He said that is \$50,000 to offset the \$118,000 that is lost.

Dr. Petrone said we aren't receiving income for the before and after school care and it is a big ticket item. He added that the summer program income is also impacted.

J. Beausoleil noted the Governor's Executive Order which allows some flexibility to daycares. Dr. Petrone said his does not apply to HEEC as it is a school program.

### **VIII. Adjournment**

**MOTION: To Adjourn the Fiscal Meeting at 6:59 p.m.**

**By: M. Kortmann**

**Seconded: B. Paré**

**Result: Motion passes unanimously**

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Respectfully submitted,

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Kimberlee Arey Delorme  
Board Clerk

Approved: May 21, 2020