

**New Milford Board of Education
Special Meeting Minutes
October 19, 2023 - 6:00 pm
Sarah Noble Intermediate School Library Media Center**

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Present:	Mrs. Wendy Faulenbach, Chairperson Mr. Pete Helmus Mrs. Tammy McInerney Mr. Tom O'Brien Mrs. Leslie Sarich Mrs. Sarah Herring Mr. Brian McCauley Mrs. Olga I. Rella Mr. Eric Hansell	2023 OCT 23 A 10:58 NEW MILFORD, CT
Absent:		
Also Present:	Dr. Janet Parlato, Superintendent Ms. Holly Hollander, Assistant Superintendent Mr. Anthony Giovannone, Director of Fiscal Services and Operations	

1.	Call to Order The special meeting of the New Milford Board of Education was called to order at 6:00 p.m. by Mrs. Wendy Faulenbach, Chairperson.	Call to Order
2.	Public Comment None	Public Comment
3.	DISCUSSION A. Presentation: Chart of Accounts & Overview of the 3 Monthly Financial Reports by Mr. Anthony Giovannone. Mr. Giovannone presented a guide of accounts and an overview of the three monthly reports. Mr. Giovannone stated on page two, one budget position listing is divided into board policies 3160 and 3432. The green sheet comes from appendix A and the budget book. Account segments are part of what the state of CT established into a uniform chart of accounts. New Milford adopted these uniform charts when the town adopted the MUNIS system. It's used as a basis to have a level playing field when reviewing grant approvals, and how the state approves what to supplement the local budgets. The headers include original budget, encumbrances,	A. Presentation: Chart of Accounts & Overview of the 3 Monthly Financial Reports by Mr. Anthony Giovannone.

revised budget, and more. Mrs. Faulenbach stated what is spent is what is actual money out the door vs. what is encumbered. Mr. Giovannone stated, yes.

Mr. Helmus asked if actuals are in purchase resolutions. Mr. Giovannone stated yes, but not every purchase appears in the purchase resolution.

Mr. Giovannone explained that encumbrances are tied up money in anticipation of future expenses. Mrs. Faulenbach stated encumbrances are not just payroll. Encumbrances try to capture everything that is anticipated going out.

Mr. Giovanone explained that the district encumbers for future expenses and makes plans to reappropriate the money if needed, depending upon the amounts of those expenses during the course of the year.

Mrs. Herring asked what is included in Other Services. Mr. Giovannone stated he will break that down going forward.

Mr. Helmus stated salaries are almost fully encumbered now, and asked if that is a reflection of certified salaries of people on staff or what should be on staff. Mr. Giovannone stated it is currently-employed staff. Mr. Helmus asked if the balance can indicate shortage in a position. Mr. Giovannone stated it can be a reflection of open positions.

Mr. Giovannone stated on page 3 of 12 the salaries are almost 60% of the total budget. Mrs. Faulenbach asked if it is reflective for the whole fiscal year. Mr. Giovannone stated yes. Mrs. Faulenbach stated that salaries in this line item are the largest piece of the budget.

Mrs. Rella asked if the district pays a teacher for covering a classroom in their prep time, where do those funds come from. Mr. Giovannone stated it comes out of the \$647,000 in the salary line. Mrs. Rella mentioned teachers staying late because of school buses and asked if it was included in this. Mr. Giovannone stated yes. Mrs. Rella asked if the district is going to be looking for reimbursement for that

	money because of late buses. Mrs. Faulenbach stated yes, and that will be discussed. Mrs. McNerney asked Mr. Giovannone if he used last year's payouts as projected amounts. Mr. Giovannone stated yes, he uses full year captures from prior years. Mr. Helmus asked for unplanned encumbrances, how does the district know the unplanned expenses. Mr. Giovannone stated once payroll has been encumbered, large changes are brought up through subcommittees. If properly encumbered, the \$647,000 should remain constant with the exception of positions that are unfilled and then filled. Mr. Giovannone stated on page 4 of 12 the benefits are the next largest cost at 76.54% of the total budget with salaries and benefits combined. Mrs. Faulenbach asked to clarify about encumbrances. Mr. Giovannone stated the district looks at encumbrances at the six and nine month mark and compares it to actuals. This helps to project where they would land, and freezes spending as necessary. Mrs. Faulenbach stated some of it is timing, depending on when they receive bills. Mr. Giovannone stated yes, and if it has been encumbered it is at the end of the prior month. Many things are based on historicals. Speaking to page five, Mr. Giovannone stated it comprises 5.93% of the budget. The first bullet includes negotiations. Security and medical includes SRO and SSO, and safety and security at the schools. Mr. McCauley stated the legal services were at 100%. Mr. Giovannone, explained legal is under a retainer provided to the main law firm and the district draws off of that throughout the year. Mrs. Faulenbach stated that in the past the district has had to transfer funds into the legal line. One year there were 4 bargaining units in negotiations, more expulsions, and they were constantly using the firm during covid. It is one line item that is hard to get 100%. Mrs. Rella asked about line item 53200 and if it can be broken down into departments. Mr. Giovannone, stated yes. Mrs. Faulenbach acknowledged an amount of \$2 million makes you wonder what it is for. Mrs. Faulenbach asked Mr. Giovannone to give an example	
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	of professional services. Mr. Giovannone stated consultants are included and can go through specifics in that line at the next Operations meeting. Mr. Helmus asked where MUNIS is represented. Mr. Giovannone stated it is in line 53200, part of the \$2.4 million. Mr. Helmus asked if MUNIS is good until this year. Mr. Giovannone stated it is good until 2025. The district pays 50% of the MUNIS bill and shares with the town. Mr. Helmus wondered why it was so difficult for the town to download into MUNIS for the state audit, if it is the same software. Our Finance department had no problems. Mr. Giovannone confirmed the Finance department had no problems. Mr. Giovannone stated for improvements and maintenance, the sewer fee is to town, water fees to Aquarion. The lease line is used for a multitude of things. Right now it's for copiers and things related to copiers. Mrs. McInerney asked about the line item for trash and if they collaborate with the town. Mr. Giovannone stated yes, it includes BOE and town. Mrs. Faulenbach added the district collaborates with the town on insurance, fuel, and other items. Mrs. Faulenbach asked regarding maintenance fees, repairs and more. Mr. Giovannone stated this line item is for outside vendors. Mrs. Faulenbach stated it is not only repair fees to outside contractors but actual equipment. Mr. Giovannone confirmed it is, but there's maintenance repairs, boiler cleaning, etc. Mr. Helmus stated those are usually bids and put before the board for vote. Mr. Giovannone stated yes, some no longer require a bid as they are part of state consortium pricing or below the bid threshold, like grease traps. Mrs. Rella added, regarding a computer security breach, what would be a line item for that. Danbury recently paid \$200,000 because of that. Mr. Giovannone stated it would be under technology related repairs. Mrs. Faulenbach, looking at the line item stated, if it happens, then we would have to pull the funds from somewhere else. Mr. Helmus asked if this line item is used to repair chromebooks. Mr. Giovannone stated yes.	
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	On page seven of 12, Mr. Giovannone pointed out transportation. This does not include Special Education. It is used for students who require special vans, such as a student with a broken leg, etc. If a transportation case goes to a hearing, it's coded under pupil transportation other. Mr. Helmus asked if it included students in distress, such as needing an ambulance. Mr. Giovannone stated no. Student transportation is the normal bus contract, athletic transportation and the VOAG school. Others are Special Education transportation and out of district placements. Mrs. McInerney asked if there was price gouging in special education runs. Mr. Giovannone stated yes and also especially for athletic transportation as well. Mrs. Herring asked if our insurance is a liability type policy. Mr. Giovannon stated, yes. Mrs. McInerney asked if it included coach buses. Mr. Giovannone stated yes. Mrs. Rella asked if it is under public out-of-district placement, what is it. Mr. Giovannone stated it is for out-of-district students who have needs the district cannot service. They are placed in public and private schools. Dr. Parlato gave an example of a specialty school in Easton as a private out-of-district school. Mrs. Faulenbach asked if funds are reimbursed for out of district placements. Mr. Giovannone stated there's a \$1.7 million portion that could potentially be reimbursed. On page eight of 12, Mr. Giovannone stated it is for all supplies for the district, and housed here are also utilities. Other than trash, water and sewer, a lot of utilities here are supplies. These are actual commodities being purchased, and they fall under supplies. Electricity and text books are both supplies and very different. Mrs. Faulenbach asked how the district quantifies \$495,000 for payment for NV5. Mr. Giovannone stated it is predominantly from the electricity, oil and natural gas budget lines. Mrs. Herring asked what the difference is between general instructional supply and instructional supply. Mr. Giovannone replied, not much and can cover that in the November meeting. Mrs. Faulenbach asked if dues and fees are district	
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	wide. Mr. Giovannone stated yes. Capital lines in the general fund budget are separate from the five year capital plan. Mr. Giovannone stated on page 10 of 12, the local district bears cost for out of district placement, and caps the district's portion at \$81,810. Finance budgets conservatively regarding potential state reimbursement, and the district should find it beneficial for when new guidelines come down from the state. He may look to ask the Superintendent to move up from budgeting for 62% reimbursement for excess cost. Mrs. Faulenbach noted that there were a few years where there was a large gap between excess cost reimbursement and what was budgeted for. Mr. Giovannone agreed and said there is not a lot of time to pivot for it when that happens. Mrs. Herring asked what is the medicaid reimbursement. Mr. Giovannone stated that some services are medicaid eligible that the district receives revenue back. Mr. Giovannone stated that on page 11 of 12, there is an example from this month's report. For example, the district did not cut a check for Evan Hack. The district has promised \$5,000 to Evan Hack and then he draws down on it when services are rendered over time. On page 12 of 12, Mr. Giovannone stated the Finance Department does budget projections on the sixth and ninth month. That is when the department identifies a need for a transfer. Mrs. Faulenbach stated, when talking about \$70,000,000, there's lots of questions and appreciated the overview. Dr. Parlato thanked Mr. Giovannone, and noted New Milford is a very transparent district.	
4.	Adjourn <i>Mrs. McInerney moved to adjourn the meeting at 6:55 p.m., seconded by Mrs. Rella.</i>	Adjourn <i>Motion made and passed unanimously to adjourn the meeting at 6:55 p.m.</i>

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Page 7

Respectfully submitted:

A handwritten signature in black ink, appearing to read 'Tammy McInerney', with a stylized, flowing script.

Tammy McInerney
Secretary
New Milford Board of Education