

Newtown Public Schools
BOE CFF/CIP/Facilities/Finance Sub Committee Agenda
August 18, 2022, 6:00pm
BOE Conference Room

CALL TO ORDER

BUSINESS

Item 1 Approval of BOE CFF/CIP Minutes of June 20, 2022

NEW BUSINESS

- CIP Updates and Discussion
- Buildings and Grounds Operating Projects
- Hawley Update
- EOY financial report
 - Non-lapsing transfer request
 - Policy 3160 (a) (b) (EOY balance and transfer request for non-lapsing account)
- 22-23 Budget
- 22-23 Lunch Program
 - Smart funds
 - Use of Surplus
- Transportation update
 - Fleet reduction
 - Driver retention bonus

PUBLIC COMMENT

ADJOURNMENT

Newtown Board of Education
CIP/Facilities/Finance Sub-Committee Minutes
June 20, 2022 1:00 p.m.
Council Chambers
3 Primrose Street, Newtown, CT

Call to Order: Mrs. Larkin called the meeting to order 1:00 pm.

Participants: Jennifer Larkin, Deborra Zukowski, Don Ramsey, Bob Gerbert, Tanja Vadas, Dr. Lorrie Rodrigue, Chris Melillo, 1 public

Pledge of Allegiance

Item 1: Approval of May 16, 2022 Minutes

Mrs. Larkin made a motion to approve the minutes of May 16, 2022. Ms. Zukowski seconds the motion. All in favor.

Ms. Zukowski made a motion to add Public Participation to the next item on the agenda. Mr. Ramsey seconded. All in favor.

Public Participation None

NEW BUSINESS

Draft CIP

Mr. Gerbert presented a draft of the CIP and stated how he compared this draft to last year's draft and everything has been carried one year forward in terms of the project descriptions and the associated estimates. The only add on is the chiller at Reed (for year 4) as a placeholder. Mr. Gerbert met with the company and they have a "Renewal Program" that rebuilds the machine in place. He will receive pricing in the next week or two. The price will be significantly lower if they decide to take advantage of this program.

Mr. Gerbert said that he also added a replacement generator in year 10 at the Middle School for \$200,000.

Ms. Zukowski asked if the \$8,000,000 price for the Middle School HVAC is subject to change based on what the engineer determines.

Mr. Gerbert said it is possible for that price to change and be lower.

Ms. Zukowski asked what the \$8,000,000 was based on.

Mr. Gerbert said they used Hawley as a baseline.

Ms. Zukowski asked how old the generator at the Middle School was.

Mr. Gerbert said it was about 15-20 years old and by the time it needs to be replaced, it will be 30 years old.

Dr. Rodrigue asked why it is currently on year 10.

Mr. Gerbert said it is in good repair and the estimated life on the generator is about 30 years.

Mr. Ramsey asked if they measure the longevity of the machines by hours as much as they do by years.

Mr. Gerbert said they do. The generators do a cycle once a week for an hour and when there is a power outage. There not an incredible amount of hours on the machines.

Mrs. Larkin asked what the next steps for the CIP are.

Mr. Gerbert answered that the CIP/CFF Subcommittee endorses/approves it and then passes it to the full Board.

Ms. Zukowski added that the Board needs to approve by the beginning of September to move to the Board of Finance by the 3rd week in September.

Mr. Gerbet recommends talking about this in the July meeting to give the final numbers for the chiller.

Ms. Zukowski said we would need to add a special meeting in the middle of July. The subcommittee agreed.

Hawley construction update

Mr. Gerbert reported that the Hawley project has been going smoothly. The moving process started on Friday. The summer custodial help has played a huge part in helping the movers.

Dr. Rodrigue thanked Mr. Gerbert for his hard work. Mr. Gerbert credited this smooth move to the teachers and staff that did a great job packing. They started packing in May with labels which helped tremendously.

Mr. Gerbert said the mechanical contractor has been provided keys and excited to get the job started.

Mrs. Larkin congratulated Mr. Gerbert and his team for how well this project has been managed.

Mr. Gerbert thanked the subcommittee and credited a lot of the success to the movers, Hawley staff and custodians.

Financial Report

Ms. Vadas presented the committee with the financial report. Ms. Vadas started by stating that the eleventh report of the 2021-22 school year continues to provide year to date expenses, active encumbrances and anticipated obligations. Many of the accounts have been forecasted in accordance with actual and anticipated expenditures in order to determine an estimated full year position. These estimates are captured in the "anticipated obligations" column and are adjusted throughout the year.

Ms. Zukowski asked what the impact of the early retirement had in the budget.

Ms. Vadas said that it is included and it exceeded their expectations.

Ms. Zukowski asked how much money was accounted for in the budget.

Ms. Vadas answered that she believed it was approximately \$120,000. Newtown did very well with the early retirement program and hired very well.

Ms. Vadas first reported about the salary line item. The majority of the change is coming from homebound tutors. She stated that this is an area that nothing is encumbered, everything is accounted for and anticipated. The two accounts that were adjusted contained anticipated costs for homebound tutors, in-school suspension tutors and homebound special education tutors. Ms. Vadas added that these are difficult to predict.

Ms. Vadas continued by stating that she released some funds for professional services. These accounts contain costs associated with legal fees, consulting services for central office and building & grounds as well as services for special education. These areas are not typically encumbered. Similarly to last month, the majority of this change was due to the release in anticipated obligations for special education testing services.

Ms. Zukowski asked if the expected and unexpected usage of the services was less than expected.

Ms. Vadas said that unfortunately there were a lot of delays.

Ms. Zukowski asked if we can expect more budgeted next year because of these delays.

Ms. Vadas believes that to be true.

Ms. Vadas stated that the transportation \$68,000 increase to the balance was for the remaining credit.

Mrs. Larkin asked if that is included in the estimated year-end balance of \$521,139.

Ms. Vadas said it was.

Mrs. Larkin asked how much credit we received from All-Star in total.

Ms. Vadas answered \$230,000.

Transfer requests & year end spend

Ms. Vadas met with Dr. Rodrigue, Mrs. Uberti and Mr. Gerbert for months while creating the 2021-2022 proposed spending plan for budget balance.

Ms. Vadas stated that she spoke with Mrs. Uberti regarding purchasing digital & printed materials now in order for teachers to review before the start of the school year.

Dr. Rodrigue continued by stating that this is for the math program. Some of the funding for next year could be used for Foundations (reading program). This would help get the teachers their materials before the school year begins.

Mrs. Larkin asked if this money would reduce the \$300,000 reduction from the budget.

Ms. Vadas said it will not. However, the purchase of digital and printed material now will free up money in next year's budget for other needed programs.

Ms. Zukowski asked if we would receive the materials if we did not pay in full.

Dr. Rodrigue said we are prepaying and will free up that money for next year.

Ms. Zukowski asked if the Board needs to vote at the next Board meeting or can it wait until July.

Ms. Vadas said ordering the materials after July 1 would be an issue.

Mrs. Larkin asked if we could vote for specific line items instead of the entire list.

Mrs. Larkin asked Ms. Zukowski and Mr. Ramsey how they felt about recommending this list to the Board.

Mr. Ramsey said he will support the purchase of the digital and printed materials.

Ms. Zukowski asked what they will hold back if we did not prepay. Ms. Zukowski said she would feel more comfortable knowing what will have the biggest impact if we did not prepay the line item.

Dr. Rodrigue said the only line item that should have an impact is the Curriculum.

The subcommittee agreed to discuss each item before recommending this list to the Board.

Mr. Gerbert said two rooftop a/c units at NMS have been done and two more are included in next year's budget. There will be two remaining and the \$50,000 will cover.

Ms. Vadas said Mr. Gerbert found a box truck that would require an additional \$25,952.00. The box truck needs to be purchased. The committee agrees to bring that to a vote to the Board.

The HS lot lights will cost \$84,000. This replacement will upgrade all the lights to LED and will bring savings in kW.

Ms. Zukowski asked if this was in next year's budget.

Mrs. Gerbert said it was not and it would need to be included in the 5-year operating plan.

Mrs. Larkin asked if this money would go to the non-lapsing plan.

Dr. Rodrigue said that is an option.

Mrs. Larkin said she believes there is still a learning loss and would like to use some of the balance to help the learning loss from the pandemic.

Ms. Vadas said this money needs to be spent now.

Dr. Rodrigue said there is money in the budget dedicated to learning loss.

Ms. Vadas said purchasing the timekeeping solution equipment would benefit us now even though we would not be using it until next year as we did not budget for this.

Ms. Zukowski agreed that this would move us to the 21st century and is in agreement that it is important.

Ms. Vadas continued to the next line item by stating the sewer budget was not fully spent and the balance could be used towards paying off Reed school and Reed irrigation capital water project. The additional cost to the Board would be \$9,509.00. The committee agreed to move both of these line items to the Board.

Ms. Vadas said that for the past several years, they have wanted to purchase interactive boards for Reed. Unfortunately, Reed has a vibration in the building and effects the quality of the Board. Mrs. Larkin asked if Hawley was bringing over their smart boards.

Dr. Rodrigue said it is not possible for them to remove them to bring to Reed.

This purchase would cover the Hawley side of RIS (14 rooms) plus 2 SpEd rooms and 8 RIS cluster rooms.

Mrs. Larkin asked if they were sure that these interactive boards would work with the vibration issue.

Mr. Gerbert said that would be a question for Mr. Colclough. Mr. Gerbert believes there are two ways these can be installed. On a floor mount or on the wall.

Ms. Zukowski suggested ordering half and taking them to various parts of Reed to confirm they worked.

Ms. Vadas assured the subcommittee that they had thorough and thoughtful conversations about everything on this list. She does not believe that Mr. Colclough would suggest ordering over \$100,000 worth of interactive boards if he thought there would be an issue.

The subcommittee agreed to bring the entire list to Board for a vote.

22-23 budget reductions

Ms. Vadas reported that as it stands now, the following will potentially be reduced: one elementary teacher, one math teacher, CREC for the hearing impaired, one custodian, Hawley emergency fund, digital literacy and AP economics book. Ms. Vadas pointed out that these positions are not currently filled and will not have to lay anyone off.

Ms. Vadas needs Dr. Rodrigue's stamp of approval and then can be sent to the Board.

Update transportation contract

Mrs. Vadas reported that the transportation contract is finished but had not received it from the lawyers yet.

Mrs. Larkin asked if the Board was voting on it at the next meeting.

Ms. Zukowski answered that if we do not receive the contract in time then it would allow the Chair or their designee to approve.

Mrs. Larkin asked if the contract would be explained to the Board.

Ms. Vadas said that it is a 45-page contract and does not feel it is appropriate to explain the contract in its entirety at a Board meeting. Ms. Vadas assured the subcommittee that the lawyers reviewed this contract multiple times.

Ms. Vadas will reach out to the lawyer after the meeting to make sure she received the contract by EOD.

Mrs. Larkin suggested that Ms. Vadas bring the Proposed Spending Plan for the Budget Balance to the CFF/CIP subcommittee in May so they have proper time to review.

Ms. Vadas said that the numbers in May can be drastically different than they are in June.

Mrs. Zukowski said they would make it clear to the Board that it is tentative but they have time to review and ask any questions that they may have.

Ms. Vadas said that while Mr. Beinkowski was Director of Finance, this list would go to the subcommittee and then the Board and be approved.

Mrs. Zukowski said that the Board would rubberstamp.

Ms. Vadas disagrees and said there were discussions.

Ms. Zukowski said she believe the Board deserves more time to review this list.

Ms. Vadas said she understands her point of view and will give the subcommittee and Board more time for review next year.

Adjournment:

Mrs. Larkin made a motion to adjourn the meeting, Ms. Zukowski moved the motion, Mrs. Larkin seconded the motion. The meeting was adjourned at 3:23 pm.

Respectfully Submitted,
Sarah Connell

THESE ARE DRAFT MINUTES AND ARE SUBJECT TO THE APPROVAL OF THE BOE CIP/CFF
SUBCOMMITTEE

NEWTOWN BOARD OF EDUCATION SUMMARY - CAPITAL IMPROVEMENT PLAN 2023/24 TO 2027/28

DRAFT

INITIAL FIVE YEARS

CIP Item #	Location	Description of Project	Year 1	Year 2	Year 3	Year 4	Year 5	TOTALS
			2023/24	NO BONDING 2024/25	2025/26	2026/27	2027/28	
	Hawley Elem.	Ventilation, HVAC Renovations Re-roof 1997 wing (BUR, 18500sf)	\$4,000,000				\$ 500,000	\$ 4,000,000
	Middle Gate Elem.	Window replacement Bathroom renovations (2 staff, 2 student) Repave entire parking lot, curbing, sidewalks (69000sf)				\$ 1,100,000 \$ 200,000	\$ 250,000	\$ - \$ 1,550,000
	Head O'Meadow	Replace Condensing Units, Piping, Coils Repave entire parking lot, curbing, sidewalks (90000sf)	\$ 600,000				\$ 300,000	\$ 900,000
	Reed Intermediate	Replace Chiller, Upgrade BMS controls/VAVs, Fence				\$ 750,000		\$ 750,000
	Middle School	Engineering for HVAC Improvements (incl CM) HVAC Improvements Repave entire parking lot, curbing, sidewalks (174000sf)	\$ 450,000		\$ 8,000,000		\$ 575,000	\$ 9,025,000
	High School	HVAC Replacements B-wing (incl VAV upgrades) Replace F-wing chiller HVAC Replacements (Pool area) Re-roof BUR areas (B-wing, Pool, Gym, 17000sf)	\$ 1,200,000			\$ 500,000 \$ 400,000 \$ 450,000		\$ 2,550,000
	TOTAL COSTS OF ALL PROJECTS		\$ 6,250,000	\$ -	\$ 8,000,000	\$ 3,400,000	\$ 1,625,000	\$ 19,275,000
	TOTAL TO BE BONDED		\$ 6,250,000	\$ -	\$ 8,000,000	\$ 3,400,000	\$ 1,625,000	\$ 19,275,000

Eligibility for project inclusion on the CIP is that the cost must exceed \$200,000.

NEWTOWN BOARD OF EDUCATION SUMMARY - CAPITAL IMPROVEMENT PLAN 2028/29 TO 2032/33

DRAFT

SECOND FIVE YEARS

		Year 6	Year 7 NO BONDING	Year 8	Year 9	Year 10		
CIP Item #	Location	Description of Project	2028/29	2029/30	2030/31	2031/32	2032/33	TOTALS
	Hawley Elem	Repave entire parking lot, curbing, sidewalks (80000sf)	\$ 275,000					\$ 275,000
	Sandy Hook Elem.							
	Middle Gate Elem.	HVAC design HVAC Improvements	\$ 200,000		\$ 2,000,000			\$ 2,200,000
	Head O'Meadow	Roof restoration (66500sf)				\$ 400,000		\$ 400,000
	Reed Intermediate	Repave entire parking lot, curbing, sidewalks (162000sf) Replace HVAC Equipment	\$ 525,000		\$ 800,000			\$ 1,325,000
	Middle School	Replace Generator and Transfer Switch					\$ 200,000	\$ 200,000
	High School	Replace Windows (B-wing)	\$ 450,000					\$ 450,000
	District-Wide	Security Camera Upgrade (501 cameras)	\$ 700,000					\$ 700,000
TOTAL COSTS OF ALL PROJECTS			\$ 2,150,000	\$ -	\$ 2,800,000	\$ 400,000	\$ 200,000	\$ 5,550,000
TOTAL TO BE BONDED			\$ 2,150,000	\$ -	\$ 2,800,000	\$ 400,000	\$ 200,000	\$ 5,550,000

DRAFT

Notes:

- 1) Hawley numbers are carried from approved 2022 CIP
- 2) Middle School HVAC design includes an allowance for CM preconstruction to assist with scope, phasing, and budget
- 3) Middle School HVAC budget is using Hawley HVAC as a benchmark
- 4) Middle Gate Window budget includes design
- 5) High School Windows (B-wing) budget includes design
- 6) Paving budgets are based on milling of existing asphalt, 3" of new asphalt, and line striping
- 7) High School HVAC Replacements includes upgrades to VAV and BMS controls

Building & Site Projects FY 2022/2023

	Budget	Actual	Balance	Notes
HAWLEY				
None				
SANDY HOOK				
Bottle Fill Stations	\$15,000.00	\$9,769.32	\$5,230.68	*install by BOE maintenance
Cistern Tank Repairs	\$12,000.00		\$12,000.00	
Classroom Painting	\$20,000.00		\$20,000.00	
Total	\$47,000.00	\$9,769.32	\$37,230.68	
MIDDLE GATE				
Carpet 1986 Wing	\$30,000.00	\$7,946.90	\$22,053.10	*labor only, purchased carpet FY21/22 (\$22,713.60)
Refinish Gym Floor	\$20,000.00	\$14,861.00	\$5,139.00	
Playground Equipment	\$20,000.00		\$20,000.00	
Millwork	\$10,000.00		\$10,000.00	
Total	\$80,000.00	\$22,807.90	\$57,192.10	
HEAD O MEADOW				
Carpet Media Center	\$25,000.00	\$4,511.00	\$20,489.00	*labor only, purchased carpet FY21/22 (\$15,381.96)
Restrooms	\$25,000.00	\$29,326.13	-\$4,326.13	
Concrete Work	\$15,000.00	\$13,050.00	\$1,950.00	
Total	\$65,000.00	\$46,887.13	\$18,112.87	
REED INTERMEDIATE				
Carpet 2nd floor	\$30,000.00	\$11,927.50	\$18,072.50	*labor only, purchased carpet FY21/22 (\$36,342.33)
Duct Cleaning	\$25,000.00	\$28,400.00	-\$3,400.00	
Total	\$55,000.00	\$40,327.50	\$14,672.50	
NEWTOWN MIDDLE				
Carpet/Flooring	\$15,000.00		\$15,000.00	
A-wing Gym Paint	\$15,000.00	\$4,985.00	\$10,015.00	

Brick Repointing	\$15,000.00	\$7,850.00	\$7,150.00
Sidewalks	\$25,000.00	\$32,990.00	-\$7,990.00
HVAC Units	\$50,000.00	\$38,788.91	\$11,211.09
Total	\$120,000.00	\$84,613.91	\$35,386.09
NEWTOWN HIGH			
Duct Cleaning	\$30,000.00	\$31,800.00	-\$1,800.00
Carpet/Flooring	\$40,000.00	\$39,996.50	\$3.50
Diving Board	\$25,000.00	\$20,221.00	\$4,779.00
Total	\$95,000.00	\$92,017.50	\$2,982.50
Total	\$462,000.00		\$165,576.74

**NEWTOWN BOARD OF EDUCATION
YEAR END FINANCIAL REPORT
JUNE 30, 2021**

SUMMARY

The final report of the 2021-2022 fiscal year reflects the unaudited year-end financial position of Newtown Public Schools. The report includes all expenditures, transfers and encumbrance commitments associated with the 2021-22 fiscal year.

During the month of June, the district spent \$13.1M

- \$9.9M in Salaries – includes all accrued summer pay for teachers and final pay for all others;
- \$333K in Benefits – includes accrued Medicare for teachers;
- \$152K in Professional Services – majority in attorney fees;
- \$390K in Purchased Property Services – majority in capital water project and B&G projects;
- \$1.5M in Other Purchased Services – primarily tuition and transportation;
- \$617K for supplies - \$188K for textbooks;
- \$241K in Property - \$65K in technology and \$176K in other equipment;
- \$2K in all other objects.

The Board of Education ended the year with a positive balance of \$237,879, expending 99.70% of the total budget. This amount is classified as an unexpended year-end balance which will be recommended for deposit in the ‘Non-Lapsing account’ in accordance with Section 10-248a of the Connecticut General Statute.

During the year, the Board of Education experienced shortages in our non-certified hourly staff which resulted in the surpluses found throughout our salary accounts. On average, we were unable to fill twelve paraprofessional positions, three behavioral therapists, network specialist and we also experienced an unusual amount of employee turnover in our custodial and secretarial unions. This combined with the bus driver shortage created positive balances not only in our salary accounts, but in our transportation accounts as well. Throughout the year, transfer requests were presented to the Board to cover expenditures in other areas of the budget, reallocating these positive balances.

In accordance with board of education policy #3160, this financial report will include a year-end transfer recommendation in order to bring all major object codes to a positive balance.

Transfers include:

1. \$84,000 from salaries to benefits
 2. \$117,000 from professional services to building, site & emergency repairs
 3. \$56,000 from other purchased services to property
- \$257,000 Total

Details for these transfers can be found in the transfer request, included with the financial summary.

The remaining encumbrances in this report amount to \$870,935 and represent a combination of commitments throughout several objects. The majority can be found in special education out-of-district tuition, building & site, and technology equipment. These balances will remain open in a separate fund and tracked for one year. If they have not been expended by that time, they will be liquidated and

absorbed by the Town's general fund. Encumbrances that were closed from the prior year amount to \$69,477.

Despite the continued challenges we faced in the aftermath of the pandemic, the Board of Education was able to successfully balance the budget, expending 99.70% of the total plan. We also strategically leveraged our resources, enabling us to implement both operational and educational enhancements that would serve both our students and staff. This was achieved by critically reviewing and analyzing our budget and providing detailed information to our board and district leaders.

The list below is a compilation of both business and educational initiatives. Some projects had been in the works for a number of years while others were planned. However, these projects could not come to fruition until we were certain that our budget was in a positive position.

- Final payment was made for our K-5 math program. This will provide us with some flexibility next year as we plan for future reading programs or other student-based learning programs.
- Installed interactive boards for our cluster classrooms at the Reed Intermediate School. This project had been on our "to-do" list for several years. However, due to structural issues within the mechanics of the building, we were unable to install these boards. Now, with new technology, we were able to move forward with this much needed project. Our intermediate school will now share the same technology as all other schools.
- The Business Office was able to get a head start on the implementation of an automated timekeeping system. Again, another project that has been on our "to-do" list for many years. With this system in place, our employees will be able to clock in using several different devices. This technology will not only bring us in the twenty-first century, but it will reduce the amount of paper that flows between buildings. This project will also create efficiencies in our payroll department and other departments throughout the district.
- Replacement of our box truck. This box truck was well beyond its useful life and becoming a road hazard, having a rusted frame and requiring continual repairs. For several years, the box truck had been included in the budget request; however, this line item was repeatedly reduced due to inadequate funding.
- Prepayment of a town-wide capital water project. The two areas that were affected by this project were the Reed Intermediate School and Reed irrigation system. By prepaying the Town for these projects, we were able to save over \$17,000 in interest.
- The purchase of two rooftop a/c units for the Middle School. This school currently has six rooftop a/c units. Having replaced two units this past year and two units budgeted in 2022-23, left us with two remaining units in need of replacement. Like many of our projects, due to funding constraints, these last two units would not have seen replacement for a few years. Purchasing the last two units now will give us the advantage of having all six units replaced within a reasonable time period.
- Replacement and upgrade to our High School parking lot lights. The high school parking lot lights will be retrofitted with LED technology which has monthly cost-saving advantages as well as less maintenance costs. Also, by initiating this project now, Eversource was able to provide us with sizable rebates.

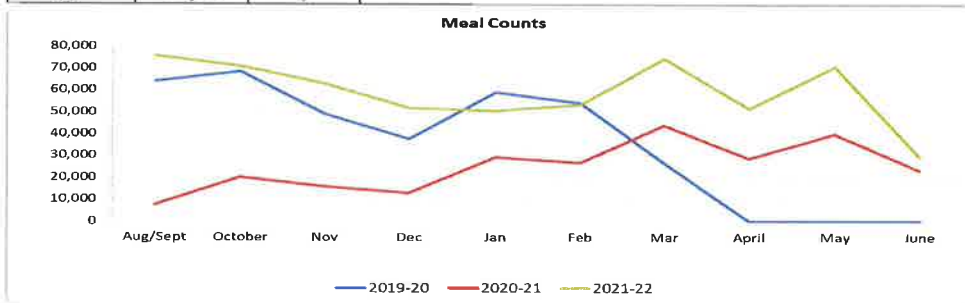
Food Service Update

This past year, our lunch program experienced a windfall of funding from the federal government, as type-A meals were made 100% reimbursable to districts throughout the state. In order for this funding to be available, all districts had to comply with the National School Lunch Program guidelines and participate in the 21-22 Seamless Summer option.

In a typical year, a small portion of the meal is supported by federal funds (as a reimbursement to the district) and the remaining cost is picked up by parents through our paid program. However, full federal funding this year provided free lunches to all students including breakfast at the high school.

Looking at the chart below, you can see that our meal counts soared. It's possible that having federal assistance most likely played a part in this increase. However, our budgeted meal projections were based on a "typical" year and you can see that in 2021-22, our counts were 17.66% above our projections.

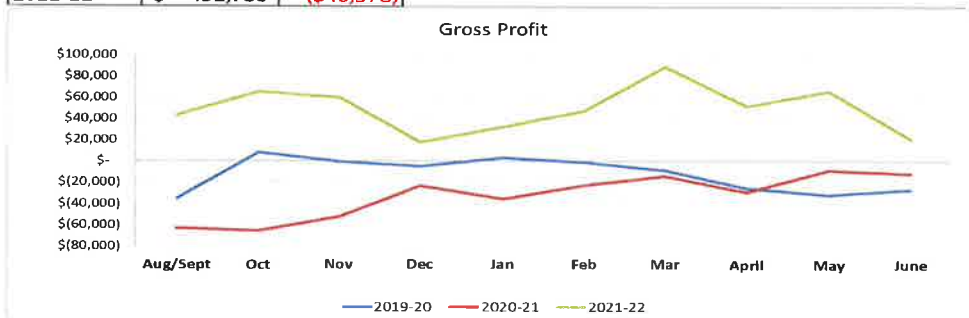
Meal Counts	Total	Budget	% to Budget
2019-20	359,112	515,490	-30.34%
2020-21	248,806	502,462	-50.48%
2021-22	591,689	502,872	17.66%



Looking at our gross profit, again you can see we exceeded our budget by over 1,314%. The rationale for this budget was predicated on the business model that was developed with Whitson's. The contract included factors such as the percentage of free and reduced claims along with a 'la carte revenue at the high school. *Note: the high school was not budgeted to operate under the NSLP.*

Again, it's plausible to make a correlation between the free meals (high meal counts) and the increase in gross profit. However, another contributing factor was the federal reimbursement rates which included an additional .25 cents. The district also received an additional .10 cent reimbursement for our healthy food certification.

Gross Profit	Total	Budget
2019-20	\$ (122,625)	\$7,489
2020-21	\$ (325,708)	(\$10,694)
2021-22	\$ 492,786	(\$40,578)



Revenue

Cash receipts for school generated fees were accounted for as follows:

School Revenue Generated	Approved Budget	Received	Balance	% to Budget
Local Tuition	\$32,430	\$51,510	\$19,080	58.83%
HS Parking Permits	\$30,000	\$30,000	\$0.00	0.00%
Misc. Fees & Deposits	\$6,000	\$3,040	(\$2,960)	-49.33%
Total	\$68,430	\$84,550	\$16,210	23.56%

Other revenue

Budget Offsets & Misc. Receipts	Approved Budget	Received	Balance	% to Budget
Educational Cost Sharing	\$4,495,691	\$4,594,467	\$98,776	2.20%
Health Grant	\$23,000	\$30,512	\$7,512	32.66%
U.S. Treasury – Fuel Credit	N/A	\$114,342	-	-
Total	\$4,518,691	\$4,739,321	\$106,288	4.88%

The Excess Cost Grant revenue has been fully received and allocated as follows:

Excess Cost Sharing Grant	Approved Budget	Received	Balance	% to Budget
Special Education Salaries	\$36,710	\$7,651	-\$29,059	-79.16%
Transportation Services	\$362,617	\$316,609	-\$46,008	-12.69%
Tuition - Out of District	\$1,261,493	\$1,173,663	-\$87,830	-6.96%
Total	\$1,660,820	\$1,497,923	-\$162,897	-9.81%

The Excess Cost Grant budget is calculated using the prior year’s data for existing, upcoming and exiting students. This budget is built six months prior to the start of the new year, making it somewhat difficult to predict.

This grant is calculated based on the high costs associated with the tuition rates for special education students that are out-placed. This grant program was designed to assist districts with the high costs associated with educational services for students that require additional specialized needs that cannot be offered within the district.

The eligible costs are submitted to the CSDE for review in December and March with deposits being made in February and May. The grant provides for roughly 70-75% reimbursement of the costs submitted (the State calculates this % based on the needs of other towns). This year; however, the reimbursement rate was again at an all-time high of 80.0323% (prior year rate was 80.31%).

Despite the increased reimbursement rate, our grant receipts fell short of the budget by 9.81% due to several factors. This year we experienced changes to students’ academic calendars and special services, reducing our eligible cost reimbursement. This combined with students leaving the district and an increase to the board of education’s basic contribution were all contributing factors to the decrease in grant revenue.

The Magnet Transportation Grant provides reimbursement of \$1,300 for local students attending approved Magnet school programs. The 2021-22 budget was for 16 students or \$20,800; however, only 7 students were transported reducing our anticipated revenue to \$9,100.

The excess cost, agency placement, and magnet school transportation grant receipts have all been distributed to the appropriate accounts. In addition, pre-school, transitional tuition and other miscellaneous credits have similarly been captured.

Hawley Fund

The Hawley fund is considered a “permanent fund” and was originally set up by Mary E. Hawley to be used towards the care and maintenance of the school. However, this fund is a legally restricted to the extent that only the earnings, and not the principal, may be used towards the school.

There were no expenditures made against the Hawley fund this year. The following captures the account activities for the 2021-22 fiscal year.

1	Balance as of July 1, 2022	\$16,077.84
2	Reversed encumbrance for sound panels	\$2,000.00
3	(café)	17,003.00
	Full year interest for 2021-22	
	<u>Balance</u>	<u>\$35,080.84</u>

The Hawley fund balance for the period ending June 30, 2022 is \$35,080.84.

Emergency Repairs

The Board of Education experienced one emergency repair during the month. Replacement of a compressor on a condensing unit at Head O’Meadow required, costing \$16,292.38. The work was performed by Trane and is one of our current contractors. Therefore, bids were not required at this time.

NEWTOWN PUBLIC SCHOOLS
GENERAL FUND EXPENDITURE AND REVENUE BALANCE

The General Fund account history and school revenue balances over the last several years demonstrates that the Board of Education has managed to provide the required educational opportunities to the students of Newtown while operating within the budget appropriation approved by its citizens. The unexpended budget funds display the end of the year budget balance. Unliquidated encumbrances are purchase orders (from the prior year) that were “leftover” and closed out at year end. School revenues are made up of BOE fees and charges (as listed in the financial report) along with the health service grant and educational cost sharing. The amount listed here is the variance from the budget.

<u>Year-End</u>	<u>Unexpended Budget Funds</u>	<u>Unliquidated Encumbrances From the Prior Year</u>	<u>School Revenues</u>
6/30/02	\$23,322	\$961	\$42,482
6/30/03	\$32,962	\$0	(\$18,647)
6/30/04	\$26,809	\$4,723	(\$120,145)
6/30/05	\$9,000	\$15,387	\$130,634
6/30/06	\$272,100	\$27,911	\$134,370
6/30/07	\$1,474	\$18,751	\$117,800
6/30/08	\$7,688	\$1,233	\$15,485
6/30/09	\$7,773	\$432	\$51,263
6/30/10	\$155,762	\$12,696	(\$88,921)
6/30/11	\$58,670	\$74,159	\$8,659
6/30/12	\$38,167	\$33,959	\$101,024
6/30/13	\$6,035	\$222	\$51,767
6/30/14	\$47,185	\$12,195	\$6,236
6/30/15	\$12,909	\$16,345	(\$21,056)
6/30/16	\$2,533	\$2,286	\$323,260
6/30/17	\$97,942	\$947	(\$128,840)
6/30/18	\$276,038	\$22,632	(\$389,075)
6/30/19	\$328,772	\$1,088	\$1,454
6/30/20	\$1,362,451	\$30,022	(\$5,980)
6/30/21	\$27,238	\$16,302	\$195,728
6/30/22	\$237,879	\$69,477	\$84,550

Tanja Vadas
 Director of Business
 August 16, 2022

TERMS AND DEFINITIONS

The Newtown Board of Education's Monthly Financial Report provides summary financial information in the following areas:

- Object Code – a service or commodity obtained as the result of a specific expenditure defined by eight categories: Salaries, Employee Benefits, Professional Services, Purchased Property Services, Other Purchased Services, Supplies, Property, and Miscellaneous.
- Expense Category – further defines the type of expense by Object Code
- Expended 2020-21 – audited (or unaudited) expenditures from the prior fiscal year (for comparison purposes)
- Approved Budget – indicates a town approved financial plan used by the school district to achieve its goals and objectives.
- YTD Transfers – identified specific cross object codes requiring adjustments to provide adequate funding for the fiscal period. This includes all transfers made to date.
- Year-To-Date Expended – indicates the actual amount of cumulative expenditures processed by the school district through the month-end date indicated on the monthly budget summary report.
- Encumbered – indicates approved financial obligations of the school district as a result of employee salary contracts, purchasing agreements, purchase orders, or other identified obligations not processed for payment by the date indicated on the monthly budget summary report.
- Balance – calculates object code account balances subtracting expenditures and encumbrances from the current budget amount indicating accounts with unobligated balances or shortages.
- Anticipated Obligation - is a column which provides a method to forecast expense category fund balances that have not been approved via an encumbrance, but are anticipated to be expended or remain with an account balance to maintain the overall budget funding level. Receivable revenue (i.e., grants) are included in this column which has the effect of netting the expected expenditure.
- Projected Balance - calculates the object code balances subtracting the Anticipated Obligations. These balances will move up and down as information is known and or decisions are anticipated or made about current and projected needs of the district.

The monthly budget summary report also provides financial information on the State of Connecticut grant reimbursement programs (Excess Cost and Agency Placement Grants and Magnet Grant Transportation). These reimbursement grants/programs are used to supplement local school district budget programs as follows:

Excess Cost Grant – (Current Formula) this State of Connecticut reimbursement grant is used to support local school districts for education costs of identified special education students whose annual education costs exceed local prior year per pupil expenditure by 4 ½. Students placed by the Department of Child and Family Services (DCF) are reimbursed after the school district has met the prior year's per pupil expenditure. School districts report these costs annually in December and March of each fiscal year. State of Connecticut grant calculations are determined by reimbursing eligible costs (60%-100%) based on the SDE grant allocation and all other town submittals.

Magnet Transportation Grant – provides reimbursement of \$1,300 for local students attending approved Magnet school programs.

The last portion of the monthly budget summary reports school generated revenue that are anticipated revenue to the Town of Newtown. This revenue constitutes a very small part of our budget.

- Local Tuition – tuition payments from non-residents children that attend Newtown Public schools. This revenue is received primarily from staff members.
- High school fees for parking permits.
- Miscellaneous revenue – misc. fees, refunds, rebates, prior year claims, etc.

**NEWTOWN BOARD OF EDUCATION
MONTHLY FINANCIAL REPORT
JULY 31, 2022**

SUMMARY

Information available for the first financial report in fiscal year 2022-23 is limited at this time. This is generally the case as anticipated obligations are not indicated and the account-by-account analysis has not begun. Any event that would negatively impact our budget as the school year begins will be addressed and brought forward as soon as possible. The first major priority is to properly encumber all regular employee salaries which is typically complete sometime in September.

This report does include the budgeted amount of our excess cost grant in the anticipated obligations column. This is included only for reference and will change in December as we submit our first estimate to the state for review.

This July report correlates with the budget as approved on April 26, 2022 by referendum and includes the Board of Finance adjustments that occurred on February 24, 2022 and the Legislative Council adjustments that occurred on April 6, 2022.

During the month of July, the district spent approximately \$4.6M for operations, expending 32.95% of the budget. The largest area of expense occurred in the Employee Benefit object.

- Quarterly payment for Medical and Dental was paid at \$2.2M;
- Pensions paid \$609,915. This includes a one-time payment issued for our defined benefit plan. The remaining balance is for our defined contribution plan will be distributed monthly;
- Quarterly payment for workers' compensation of \$100,468;
- FICA, Medicare, life insurance and other employee benefits paid \$102,577.

All other operational requirements, including salaries, accounted for the balance of approximately \$2.4M in expenditures.

While the 2021-2022 expended is included for reference, it should be noted that these figures are currently unaudited and subject to change. The audit process continues for a number of months into the current fiscal year and the board will be advised when the numbers become final. Having these numbers present helps one observe the expenses of the current budget to the year just completed. The overall budget increase for this year is 3.06% or \$2,436,941 over the prior year.

There were no emergency repairs were required during this month and we did not receive revenue for tuition or other miscellaneous receipts.

The budget will be monitored closely with important and or significant issues identified as quickly as we become aware of them.

Tanja Vadas
Director of Business
August 15, 2022