

The Regional School District 13 Board of Education Educational Resources Committee met on Wednesday, January 3, 2018 at 5:30 PM in the Library at Coginchaug Regional High School, 135 Pickett Lane, Durham, Connecticut.

Committee members present: Mr. Augur, Mrs. Boyle, Mrs. Geraci, Mr. Moore and Mr. Yamartino.

Other board members present: Dr. Taylor

Administration present: Dr. Veronesi, Superintendent of Schools, Mrs. Neubig, Business Manager and Mr. Francis, Buildings and Grounds Supervisor.

The meeting was called to order at 5:30 PM.

### **Pledge of Allegiance**

The Pledge of Allegiance was recited.

### **Public Comment**

None.

### **Approval of Agenda**

*On a motion made by Mr. Augur and seconded by Mrs. Geraci, the agenda was unanimously approved.*

### **Approval of Minutes – December 13, 2017**

*On a motion made by Mr. Augur and seconded by Mrs. Geraci, the minutes of December 13, 2017 were unanimously approved.*

### **Infrastructure and capital planning**

Kim Neubig reviewed the packet of information that included district wide capital needs and associated costs including what we will fund through capital planning and what can be bonded.

Mrs. Neubig explained that she has ongoing meetings with Mr. Francis regarding identified priority areas. Mrs. Neubig re-distributed the capital plan, noting that it is the same document handed out in December. The priority items should not be part of any bonding as they will need to be done soon. The priority items for 2018-2019 totaling \$312,000 would be added to the \$127,000 capital plan funding from prior years, bringing the funding for the capital reserve to \$439,000.

Mrs. Neubig went on to explain that the document is inclusive of the capital reserve fund and district needs, as well as items that can be bonded.

Mrs. Neubig also explained that John Lyman and Memorial's critical services will need attention very near the same time. Mr. Moore commented that a factor would be if the District closes Lyman before 2019-2020, those costs would be avoided (~\$2.39 million). Dr. Taylor asked why Lyman was being proposed to close as opposed to Memorial. Mr. Francis explained that there are bigger limitations at Lyman as far as space and parking and Memorial has a gymnasium and a separate cafeteria. There is also more space to expand at Memorial as well as larger square footage.

Mrs. Neubig reviewed that bonding items at Brewster total \$1.7 million and other needs are \$3.6 million, but they are not immediate. Mrs. Geraci asked why the field house is marked for potential bonding and Mrs. Neubig explained that when it was presented, it was going to be bonded. She also commented that this item was on the original capital plan and she has not changed the amount for that item or removed it without Board direction.

Mrs. Neubig reviewed a spreadsheet showing existing bonding and two options for bonding of \$4.5 and \$9.2 million. Option 1 would be level principal payments of \$225,000 for \$4.5 million that would increase the debt service to 2039. Option 2 would be 18 level principal payments of \$500,000 beginning in 2021-2022 with debt service to 2039. Mrs. Neubig suggested keeping the level funded debt service so that the fall-off amount can be used toward the bonding.

Mr. Moore reviewed that most of these costs are infrastructure equipment that is anticipated to fail or exceed its life expectancy. He also explained that a lot of the things at Brewster could be part of an anticipated renovation. Dr. Veronesi felt that the committee should talk about level funding and the relationship between items identified here and what's being discussed in Utilization as well as immediate needs.

Mr. Yamartino asked about the current debt service and Mrs. Neubig stated that 2017-2018 debt is \$1.693 million that will be dropping down \$344,695 in 18/19. The operating capital reserve was cut to \$164,500 in the 2017-2018 budget but it is recommended that \$439,000 be funded in the 2018-2019 budget. Dr. Veronesi emphasized the importance of the full Board realizing the priorities that are included in the capital reserve fund. She also felt it was important to have a strategy for funding those priorities.

Mr. Yamartino summarized that this would mean an increase to the budget of \$270,000 and felt that a decision could not be made in isolation of the other moving pieces of the budget. He did feel this was a sound approach. There was also a discussion about vehicles that are currently leased.

Mrs. Boyle also asked about the field house and Mrs. Neubig explained that she did not remove it without direction from the Board. Mrs. Boyle did not want to see the field house get moved into a bond and asked that it be removed. Mr. Moore also pointed out that the work on Pickett Lane would all be done at the time that the water main is brought in. Dr. Veronesi also pointed out that this is a working document for the Committee.

Mr. Yamartino also asked about the lights at the tennis courts and the field and Mr. Francis explained that the conduit is in, but no poles or fixtures have been installed.

Mr. Francis also reviewed that the high school had been surveyed for ADA compliance and several items had been put off. Mrs. Boyle suggested that a smaller group be formed to go through the list.

Dr. Veronesi asked the committee members for their opinion on level funding and bonding.

Mr. Francis explained that some of the systems at Memorial and Lyman are 21 years old and they are doing their best to keep them running, but it is only a matter of time before major things start happening. Mrs. Boyle also suggested that the committee tour all of the buildings to see the infrastructure.

Mrs. Boyle also stated that she would be in favor of going to bonding, but would not want to necessarily continue with level funding. She would like to bring the amount down just a little bit.

Dr. Taylor commented that he also felt that the entire budget will have to be looked at to see where this can be absorbed. They are already aware that teachers' salaries will go up and ECS funding will go down and there will be almost a million dollar difference.

Mr. Augur would not be in favor of the second option of bonding \$9 million and felt that the \$4.5 million would be the sensible approach. He too would like see the number come down. Mr. Moore suggested

that Silver Petrucelli be contacted and the Utilization Committee be consulted to see what the actual number needs to be and what would be eligible for assistance.

Mr. Yamartino asked why they would bond when most of the items are needed in 2020, with only a small amount in 2019, and Mrs. Neubig explained that that would be to keep the debt service somewhat level. He asked what would be needed for all 2018-2019 items and Mrs. Neubig explained that that would be \$682,550, with the \$312,000 being absolutely critical. Mr. Yamartino didn't see why the District would want to bond this year for systems that will be necessary in 2023. Mr. Moore clarified he had asked Mrs. Neubig to compile a list of all possible projects that could be bonded and that is where the list came from.

Mr. Yamartino summarized that the District can spend \$515,000 next year without impacting the budget, with another \$530,000 the following year, up to \$550,000 and then almost \$1 million in the 2022 budget year. Mr. Yamartino also commented that he will put this information in the Town of Middlefield's spreadsheet for capital reserve funds. He also reported that the Town of Middlefield found that TD Bank had incredible lending rates.

Mr. Moore also suggested that the District should have a line of credit to cover these types of things. Mr. Yamartino also suggested the District look at leases and also reiterated that he does believe the District has been under-budgeted in the capital area for a long time.

Dr. Veronesi suggested that IBIC meet with administration for a discussion about the possible bonding, and bring options from IBIC to bring back to the ERC. Mr. Moore also suggested that a meeting date be set for the Utilization Committee to review these lists as well. Mr. Yamartino also asked if a 20-year forecast can be done.

### **Finance Committee**

Mr. Moore had sent out some information from CAFE regarding the finance committee as well as a draft of what he thought a good role would be. Mr. Yamartino had also sent a draft.

Mr. Moore thought that the committee would be an advisory committee that would be given assignments to provide information on town budget issues through the chairman. That report would then go back to the full Board, again through the chairman. They would be tasked with providing local budget financing issues, including shared services, insurance, etc. Mr. Moore was not sure how this committee would be funded as far as minutes and necessary reports. He also stated that there is a policy for boards which dictates that they have to follow Freedom of Information, even as advisory boards. Mr. Moore stated that this issue will have to go to the full Board but wasn't quite sure if it needed to go to the Policy Committee. Dr. Taylor stated that it would have to be a bylaws change if it were to be a permanent committee which means it would have to go to the Policy Committee first.

Dr. Veronesi asked if it was possible to form the Finance Committee as a temporary committee from now until June and then take the time to make it a permanent committee. This would allow the committee to be formed faster.

Mr. Yamartino felt it might be better to morph the ERC into the Finance Committee to avoid additional time commitments. Mr. Moore agreed that, if they were to try to get it done this year, it would be best to form a temporary committee and it may be tricky to make it anything more than advisory.

Mrs. Geraci stated that the information states that it is advisory only and does not provide voting rights to committee members. Mr. Augur felt that having a standing member is also a good idea.

Mr. Yamartino also mentioned having the committee co-chaired to provide an opportunity to help lift the load off Board members and that the chairmen be voted in by the members of the committee, with one being from the Board of Education and one from one of the towns. He felt it might also be possible to have Mr. Moore appoint the chairman representing the Board of Education. Mr. Augur commented that a committee can meet without a chair present and that co-chairs aren't necessary.

Mr. Yamartino also commented that removal of a disruptive individual could be accomplished by way of the existing policies. He explained that appointment to the Finance Committee would be done at a town meeting. Mr. Moore stated that Laura Francis had told him she was appointing two people and it was made clear that those people would have to be nominated and then voted on. Mr. Yamartino reported that he and Ed Bailey had spent 45 minutes interviewing a person that they would like to nominate to the finance committee.

Mr. Moore did not feel co-chairmen were necessary, but did not have a problem with it. Mr. Augur and Mrs. Geraci felt it should be taken out. Mr. Augur did like the chairman to be voted on by members of the committee and it was agreed to leave that in. It was also agreed to leave the language about the code of behavior. Mr. Yamartino was also in favor of the Finance Committee members, but that those votes are non-binding on the Board of Education.

Dr. Taylor didn't understand the mechanism of the Finance Committee on the budget process and asked if the initial budget would be funneled through the Finance Committee that would then make a recommendation to the ERC and then on to the full board. He would like to see that type of language in the document regarding the function of the Finance Committee. He would like to make sure that the Finance Committee cannot taint the budget process with the ERC or the full board.

Dr. Veronesi felt that the meetings that were intended to happen with the Selectmen and Boards of Finance were basically the type of function that is being discussed through a Finance Committee in terms of an advisory function. Mr. Augur asked if the people from Middlefield would, in fact, be from the Board of Finance and Mr. Yamartino suggested that they would be. Dr. Taylor reminded everyone that it will be done at town meetings and anybody can be elected.

Dr. Taylor wanted to be sure that the Finance Committee will not be able to vote on the budget nor did he want them to come out in support or not in support of the budget. He did not want this to drive a wedge in the divisions of people in town. Dr. Taylor generalized that people with children in school are more in favor of education funding. Mr. Yamartino felt that that was not the case and that that type of language tends to make the division worse. Dr. Taylor reiterated that it was just a generalization. Mr. Moore asked Dr. Taylor to write his ideas down for discussion at the full board meeting.

Mr. Yamartino also suggested that the Finance Committee get a monthly review of the actuals vs. budget. Mrs. Geraci asked if the two towns would provide the same information to the Finance Committee because she felt that it should go both ways. Mr. Yamartino stated that one of the concerns that the town has is when the school budget is approved at \$38 million, there is no obligation that the Board of Education spends even \$1.00 on teachers. There was a discussion about teachers moving from school to school and line items transfers in the budget. Mr. Moore did not agree with Section C of the draft.

Mr. Moore reviewed that the Board of Education goes through all of the line items of the budget, but only approves a total budget as do the towns. He did not feel that a committee should look at that level until the Board decides to look at that level. It was agreed to remove that from the draft language. Mr. Moore will edit the draft language and send it to Dr. Veronesi.

**Public Comment**

Jim Irish believes that if someone is elected to the Finance Committee that is not a current member of a Board in town, they would certainly be schooled in town issues. Mr. Irish also stated that both Boards of Finance have done 10- and 15-year models of ECS funding based on formulas and declining enrollment and that would be valuable information for the Finance Committee. With regard to capital, Mr. Irish has toured the facilities in Middlefield and encouraged Board members to do the same in the District. Mr. Irish also commented that Middlefield would like to see the combination of debt service and capital reserve remain as flat as possible.

**Adjournment**

*Mr. Augur made a motion, seconded by Mrs. Geraci, to adjourn the meeting.*

*In favor of adjourning the meeting: Mr. Augur, Mrs. Geraci, Mr. Moore, Dr. Taylor and Mr. Yamartino. Motion passed unanimously.*

The meeting was adjourned at 7:45 PM.

Respectfully submitted,

Debi Waz

Debi Waz  
Alwaz First