

**Town of Preston
Board of Education
Finance Committee & Budget Workshop Meeting
Thursday, February 9th, 2023**

1. Call to Order

Chairman Nugent called the meeting to order at 6:02 pm.

Sean Nugent (SN)
Corky Raymond (CR)
Deb Burke-Grabarek (DBG)
Zach Maurice (ZM) – BoF Liaison
Superintendent Seitsinger (SS)
Cindy Varricchio (CV)
Vicky Schwery (VS)

2. Pledge of Allegiance

3. Public Comment

No public comment was provided either via email or during the virtual meeting.

4. Approval of Minutes:

A motion was made by DBG and seconded by CR to amend the Regular Meeting minutes of January 5th, 2023. All in favor, motion carries.

A motion was made by DBG and seconded by CR to approve the amended Regular Meeting minutes of January 5th, 2023. All in favor, motion carries.

A motion was made by CR and seconded by DBG to approve as amended the Regular Meeting minutes of January 30th, 2023. All in favor, motion carries.

5. Business:

- **FY23 Update:** CV walked the team through the January report and indicated that we are on track overall and highlighted salaries continues to be tracked more closely to ensure accuracy. This tracking is necessary due to the way Infinite Visions estimates encumbrances for our salary line item (especially as it relates to Substitute teachers). Special Ed tuition is tracking well for now. CV also indicated that we have received 58% of the budgeted preschool tuition payments. She indicated that there has been a reach out to parents via both email and phone calls. We are on track to transition to a 100% cashless online system by September of this calendar year. SS and CV shared that legislative action was taken to have Free & Reduced Lunch continue going forward. For the current fiscal year, the costs will be covered via State funding. It is unclear how this program will be funding in FY24 and beyond. We are also aware that the legislature is once again reviewing and assessing funding for the Special Education Excess Cost.
- **FY22 Audit/Encumbrances:** CV indicated that she is working with the auditors to finalize this, and she expects to file it by the end of February along with the District's annual EFS report. She also indicated that she is working to finalize an 'Encumbrance Policy' for both the Town and the District with input from the auditors.
- **Capital Plans/Needs:** CV indicated that she has been working with the BoF chair to have this as an important topic on the next BoF agenda.
- **FY24 Budget Workshop:** CV shared that we have locked into our diesel, unleaded gasoline, and heating oil for FY24. In addition, both SS and CV shared that the District had been awarded a Mental Health Grant

from the State in the amount of \$226,317 which will be phased over three years. Lastly, CV indicated that we received notice that our Dental Insurance would increase by 2% rather than an anticipated 8.4% for FY24. These adjustments were included in an updated version of the FY24 Budget Considerations summary document along with the updated increase projections for Secondary Education Tuition.

- **Review Requested Materials:**
 - **PPS Grants Summary:** CV walked the team through a new document which provides a summary for the COVID grants and our State/Federals grants the district has received.
 - **Contracted Services:** CV and VS walked the team through this new summary document. It was requested that (a) projections for FY24 be added and (b) that Plant Ops be included here too. It was recognized that Plant Ops services are included in that respective packet, but the FC felt that is good to have a high-level summary document to show/explain the full picture.
- **Review Update Materials:**
 - **Student Population:** VS indicated that the notes were reviewed and confirmed. SN indicated that the total number of Teachers and Para-Educators shown here does not match what is presented in the detailed Salary materials. We agreed that, recognizing that things are fluid, that complete alignment needs to be in place when the full packet is presented to the BoE.
 - **Salaries:** Adjustments were made to reflect the new Mental Health Grant and errors were corrected across all of the spreadsheets. A specific request was made by the FC to review and update the MEUI FY23 financials to ensure accuracy.
 - **Health:** This document was updated to provide greater clarity, especially as it related to Waiver and Qualifying Event Costs. The 2% Dental Increase was factored in.
 - **Plant Ops:** The document was updated to reflect adding the Oil Tank Replacement into the Non-Instructional Equipment section.
 - **Transportation:** The document was updated to show the newly locked down prices and overall cost projection for Diesel and Unleaded fuels. We also discussed the need to finalize the business case for the additional two drivers. This should also include a discussion on how this will impact contracted transportation services.
 - **Administration:** VS walked us through the corrections made to ensure this was now accurately reflecting the costs in the different line items. We are still awaiting a final estimate on Cybersecurity which is not reflected in the proposal yet.
- **Review New Materials:**
 - **Budget Summary:** CV and SS walked us through this summary document. This was the first 'total snapshot' look by the FC. Currently it is indicating an overall increase from FY23 to FY24 of 11.6% (an increase of \$1,561,303). It was acknowledged that further scrutiny is required across all elements to ensure this represents 'musts'.
 - **Utilities & Supplies:** VS highlighted that the key drivers to increases here are the mandated "Reading Program", Natural Gas costs, and Electricity. Currently we are projecting \$159,000 for the reading program. SS shared that this may be reduced to \$116,000 and plan for a phased in introduction of the program over the next 2-3 years. Natural Gas is projected to increase by 20% (NPU) while electricity is projected to increase by 40% (Eversource) but we are budgeting 20%.
 - **Special Education:** Due to a reduction in the number of Preston students attending NFA, the Designated High School projection actually reduced by roughly \$248K due to a reduction in the number of students attending NFA (even though NFA tuition increased 7.25%). However, increases are projected for Out-of-District and Ledyard/Vo-AG to align with student needs.

- **Tuition:** VS again highlighted that the overall costs for Secondary Education did not increase significantly due to a reduction in the number of students attending NFA. It was also noted that we are seeing an increase in students attending North Stonington and Griswold.
- **Operational Support:** VS walked the team through this document and two support documents used to explain what drives the cost for Professional & Technical Services and Dues & Fees. The FC requested the FY23 numbers be reviewed as they did not seem consistent with our current plan. For Professional Services, Infinite Visions was reduced to reflect our annual contractual agreement, Newspaper Postings was increased (due to the fact that we now have a post machine at each school), additional of Kinney Management & Kelly Service, and the addition of ClearGov. CV indicated that the External Auditing line has not been adjusted to reflect the potential requirement for Single Audits in the future (i.e., one for the Town and one for the District). The FC asked VS to review the Dues & Fees portion as there seem to be discrepancies in it.
- **Instructional Technology:** VS walked us through the details associated with this bucket. The FC asked that she review the FY23 numbers as there appears to be discrepancies here too.

6. Adjournment

A motion was made by DBG and seconded by CR to adjourn the meeting at 8:29 pm. All in favor; motion carries.

The next FC Budget Workshop will be held on February 16th, 2023, at 6 pm.

Respectfully submitted,

Sean Nugent

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PRESTON. CT.

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PRESTON TOWN CLERK