

# **September Financial, Facilities & Operations Committee Meeting**

Friday, September 15, 2023 9:00 AM

Remote Session

**I. Update of Facilities and Grounds Maintenance**

**II. Capital Projects Update**

**III. FY23 End of Year Financial Report**

**IV. FY22 Update on Unliquidated Encumbrances**

**V. Approval of June Financial, Facilities and Operations Committee Minutes**

**VI. Other Business**



September 15, 2023

**TO:** BOE Finance Committee

**FROM:** Michael DelMastro, Facilities Director

**SUBJECT:** Capital Projects Update

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Following, please find a status report on capital projects from FY22 – FY24.

## WESTON PUBLIC SCHOOLS CAPITAL PROJECTS

9/15/2023

### Description of Project

### Status

#### FY22 Projects

WHS: Replacement of Old Gym Air Handler Units	Complete
WIS: Window Sill Repairs	Complete
HES: Replace or Rebuild North House Gym Air Handler Unit	On hold until complet analysis of North House HVAC completed
WHS: Cut In an Operable Window to the Nurse's Office	Waiting on windows contractor - contractor ordered wrong size window
Facilities: Replace Grounds Pick Up with Plow Truck	Complete
HES: Replace VCT Floor in South House Cafeteria	Complete

#### FY23 Projects

WHS: C-5 Air Handler Replacement	Demo complete, waiting on equipment
District-Wide Security Initiatives	Complete
WHS, WMS, WIS, and HES Core Building: Duct Work Cleaning, Tri-annual	Complete
WIS: Add Double Extension Door to Gym	Complete
WHS: Tennis Court Repairs	Complete
WMS: Replace/Rebuild as New 16 Heating and Cooling Pumps Feeding Entire School and Pool	Waiting on two heating pumps
WIS and WHS: Fire Panel Replacement	New monitoring company assured 10-15 years of life left on panels
WHS: HVAC for Weight Room and Dance Studio	Weight room demo complete, waiting on equipment. Dance studio complete
HES: Reline Chimney, North House and Core	Inspection/pricing beginning now
HES/WMS: Hire Consultant for Bathroom Renovations	To begin in late '23
WHS: Hire Consultant to Mirror C & D Wings to E Wing	To begin in late '23
HES: Hire Consultant for North House HVAC	To begin in late '23
WMS: 7th and 8th Grade Student Locker Replacement	Complete
HES: Repoint Brick, North House	Complete (North House waterproofing -foundation)

#### FY24 Projects

WHS: Track Replacement	Pushed to 6/24
WHS: Auditorium Light and Sound Upgrade	Pushed to 6/24
WHS: Paving of Main Parking Lot	Complete
Grounds: Low Boy Mason Dump Truck with Plow	Ordered
HES: South House Bathrooms (11) Renovation	Pushed to 6/24



September 15, 2023

**TO:** BOE Finance Committee

**FROM:** Phillip Cross, Director of Finance and Operations

**SUBJECT:** Fiscal Year 2022-2023 Unaudited Financial Report

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For the fiscal year, ended June 30, 2023, actual expenditures were \$54,589,143 and unliquidated encumbrance \$696,638 for a total of \$55,285,779 or 98.04%. This will result in a budget surplus of \$1,105,402 or 1.96%. The surplus will fund an approved \$350,000 capital appropriation for security initiatives.

<b>FY 22-23 SUMMARY BALANCES (UNADUITED)</b>			
<b>Description</b>		<b>Amount (\$)</b>	<b>%</b>
Budget FY 2022-2023		56,391,182	
Actual Expenditures	(54,589,143)		-96.80%
Open Encumbrances	(696,638)		-1.24%
<b>Total Actual &amp; Open Encumbrances</b>		<b>(55,285,781)</b>	<b>-98.04%</b>
Gross Surplus		<b>1,105,402</b>	<b>1.96%</b>
Less:			
Capital appropriation for Security Initiatives		(350,000)	-0.62%
<b>Net Surplus to Town's Unassigned Fund Balance</b>		<b>755,402</b>	<b>1.34%</b>

The unaudited surplus includes items that we have discussed during the course of fiscal year 2022-23. Among them are salary savings resulting from turnover, family medical leave (FML) and unfilled positions. We also discussed that there was an increase in out-of-district placements, primarily for mental health and behavioral challenges that could not be supported in the district, and also that the type of placement for certain students has changed. In addition, there was a decrease in our settlement costs due to changes in students' needs and students exiting the district.

Below is a summary of both favorable and unfavorable balances:

FY 23 - Surplus Analysis		
Description	Amount	
<b><u>Unanticipated Savings</u></b>		
Salary Savings	795,918	
Health Insurance	160,587	
SPED Tuition & Settlements	378,483	
LAP Insurance - CIRMA Equity Distribution	17,935	
Other Insurance Savings	17,208	
Transportation Fleet reduction	76,212	
Transportation Credits	89,987	
Security System Lease Paid in Full in FY 22	46,247	
Pre-K & Non-resident Tuition	115,534	
Excess Cost reimbursement	116,513	
Electricity & Natural Gas	273,520	
Medicaid Reimbursement	8,336	
Total unanticipated Savings		2,096,478
<b><u>Offsets</u></b>		
ERIP (Shift from Non-lapsing account)	(130,080)	
Transportation	(128,163)	
K-2 Reading Core Reading Program	(323,390)	
Athletic Uniforms & equipment	(44,287)	
Professional Services	(13,568)	
Equipment	(90,804)	
Electric Vehicle Charging Station	(23,140)	
Pavement Analysis	(26,600)	
LED lighting replacement	(42,816)	
HES South House Fence	(12,750)	
Other Repairs & Maintenance	(21,000)	
Other Employee Benefits	(29,390)	
Other unfavorable balance	(105,089)	
Total Offsets		(991,076)
<b>Total</b>		<b>\$1,105,402</b>

**Salaries - \$795,918**

The main driver of the favorable salary variance is turnover savings of \$668,067. There were several positions that were either vacated during the course of the year and not filled, or positions that could not be filled. These positions accounted for a significant portion (\$451,216) of the turnover savings. A combination of internal coverage, daily substitutes, long-term substitutes or a third party provider covered these positions. The substitute accounts were unfavorable by (\$251,600). Also contributing to the favorable salary variance FML savings, salaries that were paid from the sick bank line (in the benefit category), and workers compensation reimbursement.

<b>FY 23 Salary Variance</b>	
<b>Description</b>	<b>Amount (\$)</b>
Net Turnover Savings	668,067
Substitutes	(251,600)
Workers Comp Reimbursement	35,085
FML/ Payment Transferred to Sick Bank	122,294
Transferred to Grant	28,468
Other Salaries	199,460
Net Degree Level Change	(5,858)
<b>Net Salary Savings</b>	<b>\$ 795,918</b>

**Benefits- \$1,117**

- Actual dental claims were \$54,694 less than budgeted.
- Health insurance premium - Actual census was less than budgeted resulting in a \$119,305 savings
- Employee & Retiree premium cost share was slightly higher than budgeted - \$41,282
- Payroll related cost (FICA & Pension) – (\$62,330)
- Early retirement incentive program was previously budgeted to be paid from the non-lapsing account – (\$130,800)
- Sick bank expenditures were over budget by (\$11,400). Salary savings offset this variance.

**Professional Services – (\$13,568)**

To ensure continuity of services there was a need to contract with third party providers to provide related services as outlined in students IEP. Although the contracted services object code had an unfavorable balance, there were savings in other object codes that offset a significant portion of the balance. In total the professional services category had an unfavorable balance of (\$13,568).

**Property Services – (\$84,509)**

This year our special projects included the installation of a dual port, self-pay EV charging station at the high school, LED upgrade at the high school and Hurlbutt, a parking lot paving analysis, and the addition of a security fence at the south house playground where it abuts the sidewalk. The total cost for these projects was (\$109,755).

Other districtwide repairs resulted in unfavorable balances of (\$21,000).

As a reminder, the final payment for the security equipment upgrade installed several years ago was paid in FY 22. This prepayment resulted in a favorable balance of \$46,247.

**Other Services - \$373,310**

The favorable balance in this category is due in part to savings in out of district tuition and settlement agreements \$378,483. These savings resulted from a change in the type of placement for certain students and a decrease in our settlement costs due to changes in students' needs and students exiting the district.

Also contributing to the favorability were transportation fleet reduction, savings for liability, auto, property (LAP) and athletic insurance. LAP insurance was reduced by an equity distribution from CIRMA totaling \$17,935.

In addition, the shortage of bus drivers necessitated using an additional transportation provider for athletic charters. The final cost for these services was \$110,015.

**Supplies – (\$115,703)**

- Supplies include the purchase of material for our new reading initiative \$323,390 and uniforms and a wrestling mat for athletics – \$44,287.
- Electricity -\$196,175 – Year over year electricity usage was relatively flat. There was a 13% or 364,031 KWh generation increase from our three solar virtual net metering contracts. In addition to the increased generation, because there was an increase in the EverSource generation rate, there was a corresponding increase in the kWh credit we receive. Combined, that contributed to a \$196,156 favorable balance in the electricity object code. It should be noted that at year end there were approximately \$85,000 unapplied credits. These credits will be applied against our usage charges in FY24 until they are exhausted.

Further, as of August 2023, we have received the maximum credit allowed under the current contracts. This means that for the period September to December of 2023, we will not receive any credits. The historical average credits for this period is approximately \$70,000.

- Natural gas - \$77,345 - This past winter was warmer than usual resulting in relatively flat natural gas use.

**Equipment - (\$90,804)**

In addition the ATV for the grounds department, a scrubber and a HVAC compressor needed replacement. This amount also includes the purchase of a golf cart and other technology related items.

**Revenue offset - \$233,709**

A majority of the line items in the revenue offsets category had better than anticipated results. Among them are:

- Excess Cost Reimbursement – Our total reimbursement was higher than budgeted because of an increase to the state's reimbursement rate. - \$116,513.

Please note the following:

- The Town received \$50,621 less than anticipated from the state for FY23 education cost sharing (ECS) because the final FY22 expenditures (updated in August) were less than the amount reported in February 2022.
- End of Year Adjustment - At this time, we do not anticipate that the State will make any FY23 end of year adjustment when they conduct the annual review in April of 2024.
- A credit of \$89,986 was received from First Student. This represents credits for runs/routes that were combined for the second half of FY22.
- Pre-School & Non-resident tuition - \$115,534.

**Grants**

In addition to the operating budget expenditures there were expenditures totaling \$1,354,954 in grants.

<b>FY 22-23 GRANT EXPENDITURES</b>									
	<b>FEDERAL COVID RECOVERY GRANTS</b>				<b>RECURRING GRANTS</b>				
<b>EXPENDITURES</b>	<b>ESSER II</b>	<b>ARP ESSER</b>	<b>SPED ESSER II &amp; ARP ESSER</b>	<b>TOTAL</b>	<b>IDEA</b>	<b>Title I,II,III,IV</b>	<b>OEPN CHOICE</b>	<b>TOTAL</b>	<b>GRAND TOTAL</b>
Personnel		323,678	42,230	365,908	491,457	65,147	81,014	637,618	1,003,526
Professional Services	23,441	117,184	75,000	215,625	-	32,211		32,211	247,836
Materials		19,984	-	19,984		1,360		1,360	21,344
Transportation			82,248	82,248	-			-	82,248
<b>TOTAL EXPENDITURES</b>	<b>\$ 23,441</b>	<b>\$ 460,846</b>	<b>\$ 199,478</b>	<b>\$ 683,765</b>	<b>\$ 491,457</b>	<b>\$ 98,718</b>	<b>\$ 81,014</b>	<b>\$ 671,189</b>	<b>\$ 1,354,954</b>

**Internal Services Fund**

The fiscal year ended June 30, 2023 had dental claims and fees of \$379,637. The total claims and fees were \$54,694 less than budgeted. Following the pandemic, claims have realigned to historical claims.

This past fiscal year we resumed funding from the operating fund. As a result, the ending balance in the internal services fund remains unchanged at \$418,446.

**WESTON PUBLIC SCHOOLS  
INTERNAL SERVICES FUND  
FOR HEALTH BENEFITS PROGRAM**

Fiscal Year Ended							2023
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>							
Fund Balance -July 1, 2022							\$ 418,466
Revenues:							
General Fund							\$ 379,637
Reimbursements							\$ -
Total Contributions							\$ 379,637
Total Revenues (A)							\$ 379,637
Actual Claims:							
Delta Dental:							
Claims							\$ 356,769
Administrative Fees							\$ 22,867
Total Dental Claims (B)							\$ 379,637
Net Change (A-B)							\$ -
<b>Fund balance June 30, 2023 (Unaudited)</b>							<b>\$ 418,466</b>
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<b>Dental- Actual Claims &amp; Fees</b>							
<b>Month</b>			<b>Claims &amp; Fees</b>				
July			33,427				
August			37,066				
September			32,761				
October			24,270				
November			31,692				
December			26,440				
January			37,027				
February			29,722				
March			35,649				
April			27,632				
May			30,683				
June			33,267				
<b>Total</b>			<b>\$ 379,637</b>				
Actual YTD Spend Rate			87.4%				
Theoretical YTD Spend Rate			100.0%				
YTD Theoretical variance %			-12.6%				



September 15, 2023

**TO:** BOE Finance Committee

**FROM:** Phillip Cross, Director of Finance and Operations

**SUBJECT:** Fiscal Year 2021-2022 Unliquidated Encumbrance

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At the end of fiscal year 2021-2022, there were encumbrances totaling \$715,459. We have liquidated \$483,833.82; leaving \$231,625.18 unliquidated to be returned to the town.

These unliquidated amounts represent settlement contracts that were either unsigned or we did not receive backup documentation to support payments.

FY 2021-2022 Encumbrance	
Open Encumbrance as of 6/30/2022	715,459
Liquidated	(483,834)
Unliquidated	231,625

**Minutes**  
**Financial, Facilities & Operations Committee**  
**June 9, 2023**

Present:

Steve Ezzes, Committee Chair  
Melissa Walker, Committee Member  
Peter Gordon, Committee Member  
Phil Cross, Director of Finance and Operations  
Mike DelMastro, Director of Facilities

Absent:

Lisa Barbiero, Superintendent of Schools

The meeting was called to order by Mr. Ezzes at 9:04 a.m.

The Committee discussed the following items regarding an update of facilities and grounds maintenance:

- Mr. DelMastro reported that the maintenance department has been busy preparing for all the summer projects that are planned. Regarding the track replacement project, he reported that three contractors have reviewed the track and he should have pricing by the middle of July. The project itself will begin in June of 2024.
- Regarding the poor air quality that the region is experiencing due to the Canadian wildfires, Mr. DelMastro informed the Committee that all the fresh air that could be shut down has been. Some areas, such as cafeterias, gyms, libraries, etc. can't be shut. Once the air quality has improved, the systems will be opened back up and run overnight to clear out the buildings. Filters will also need to be changed sooner than normal.
- Mr. Cross reported that all approved district-wide safety improvements will take place over the summer.
- Mr. DelMastro informed the committee that he doesn't have any concerns with the sidewalk installation project that's currently being done on campus. It shouldn't interfere with traffic on School Rd., and the project should be completed before school starts back up again in August.

The Committee discussed the following items regarding the monthly financial update (through January) including internal services fund (for dental):

- Mr. Cross informed the Committee that the current end-of-year balance is \$495,068, which represents \$128,973 more than what was reported in May. This increase is due to several factors, including \$72,924 savings in the salary account, \$36,046 savings in the professional services account, and \$46,009 in the revenue offset account. The savings in the salary account is due to turnover savings, unfilled positions and FML absences, as well as a reduction to the anticipated bus aide salaries. The benefits account was over budget by \$21,853. This is due in large part to the sick bank being over budget by \$71,380 because of several staff members currently out on FML who have used all of their sick time. These employees are currently being paid from the sick bank line. FML savings will be used to offset the over budget sick bank line item.

- Regarding the Internal Services Fund, Mr. Cross reported that dental claims are within range, and trending to be under budget.

The Committee discussed the following regarding approval of the May minutes:

- The Committee approved the May minutes without any changes.

There being no further business to discuss, the meeting adjourned at 9:35 a.m.

Respectfully submitted:

Andrew Galli

Administrative Assistant to the Director of Finance and Operations