

BOARD OF FINANCE

BOARD OF EDUCATION

SPECIAL MEETING

CITY HALL AUDITORIUM/ZOOM

APRIL 23, 2024

A **SPECIAL JOINT MEETING** of the Board of Finance and the Board of Education was held on Tuesday, April 23, 2024. Present at City Hall were Mayor Carbone, Corporation Counsel Michael Magistrali, City Clerk Carol Anderson, Torrington Public Schools (TPS) Superintendent Michael Wilson, TPS Assistant Superintendent Susan Fergusson, Board of Education Director of Finance and Operations Scott Petruzzelli, Comptroller John Monks, Manager of Budgets and Planning Erika Johnson, Treasurer Dan Farley, Board of Finance Members James Wright, Christopher Anderson, Wendy Traub, Laurene Pesce, Deborah Iannacito, and Board of Education members Ed Corey, Susan DePretis, John Kissko, Ellen Hoehne, Jeff Putnam, Glenn Burger, William Knight, and Kristen Conway. Deputy Fire Chief David Tripp joined via Zoom. Board of Education Members Gary Eucalitto, Patrick Cronin, and Board of Finance Member Chris Beyus were absent.

Mayor Carbone called the meeting to order at 6:00 p.m. beginning with the Pledge of Allegiance.

BOARD OF EDUCATION TRANSFER REQUEST

On a motion by Mr. Wright, seconded by Mr. Anderson, the **Board of Finance** voted unanimously to authorize the transfer of \$33,893.97 surplus from the Board of Education's General Budget into their Capital Reserve Account. Mrs. Traub asked if the funds were restricted to IT or if it was for general use, Ms. DePretis said that it would be for IT.

REVIEW HEALTH INSURANCE – INTERNAL SERVICE FUND

Mayor Carbone provided the Boards with a packet that reviews the Health Insurance and the Internal Service Fund, which the Board of Education requested in a March 28, 2024, email to the Mayor. Mayor Carbone stated for the record that she never received this initial email from the Board of Education requesting information, as it was sent to an old Board of Education email address that has been dormant since leaving the BOE 17 years ago. She stated that the Internal Service Fund was established in 1992. Mayor Carbone explained that in the packets there is a history of the health claims and administration expenses over the six years covering FY19 through FY24. Mayor Carbone said under the first tab they would find a summary of the process used to review Claims Utilization and to develop Claims Costs Projection and administration costs. The summary identifies the team members (including BOE staff) together with a spreadsheet showing the dates that the team members met to review documents. In the second tab, there is the total health insights claims utilization analysis, which is delivered to and reviewed with the BOE staff, to be inclusive and transparent. The third tab is a summary of cost projection calculations for each year requested by the BOE. The fourth tab is the Fiscal year-end balances. The fifth tab contains the proof of the City of Torrington trying to work with the BOE to establish the self-insurance review committee. Mayor Carbone said that there are no governance documents, policies, or procedures in place for how to handle these accounts. Mr. Corey apologized for mistyping the email address, he also thanked the Mayor for the prompt response in getting the documents together, however, he would have liked the BOE to have them before the meeting for review. He explained that this has been an issue for quite some time, and the BOE has concerns for employees who contribute to this fund. He explained that the BOEs position is to make this process work, and the main concern is the flow of money. The BOEs interest is to protect the employees and to ensure that the funds are being spent on what they should be. Mayor Carbone said there is a lot to talk about and moving forward to have clear guidance and governance documents. Mr. Anderson thanked the Mayor for putting the documents together and would like to see a formal policy put together with both Boards to have clear directions to follow. Mayor Carbone said that she has reached out to several municipalities for sample governance documents, which will be a good start to set expectations going forward. Mrs. Traub said that she understands the frustration, however, the packet covers in detail how the fund is calculated and funded. Mr. Putnam asked to see how the funds were spent after they were transferred, Mayor Carbone said that any funds transferred go towards BOE line items that have been overspent. She also said that the portion of funds

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contributed by the employees is only 10%. Mr. Corey said that the BOE transfers the amount of funds into this account by the number it receives from the City and the insurance consultant. The funds come from the operating account, which is annually \$1,000,000 on top of the money the insurance fund receives from the BOE operating account. Then the City transfers the money out of that account, and that's where the BOE would like to see where those funds go. Mayor Carbone said that the revenues offset what the taxpayers would have to absorb. Mr. Corey added that he would like to see how the money flows because he watches the money go up and down as the City transfers funds.

TPS PROPOSED OPERATING BUDGET: 2024 – 2025

On a motion by Mr. Anderson, seconded by Mrs. Pesce, the Board voted unanimously to open the meeting for discussion on the proposed Operating Budget for Torrington Public Schools for the fiscal period from July 1, 2024, to June 30, 2025.

Superintendent Wilson presented the proposed budget for the Torrington Public Schools for the fiscal period from July 1, 2024, to June 30, 2025. He highlighted some of the major factors driving the proposed budget increase, including salaries, benefits, supplies, purchased professional services, and property services along with other miscellaneous expenses, which is a \$3,897,316 (4.95%) increase from last year's budget.

Mr. Wright asked if the 11 teachers who are retiring would all those positions be filled, Mr. Wilson said that they would be filling all the positions, and with losing some veteran teachers, they will be replaced with the newer contract. Mr. Wright asked what costs are associated with the new reading program, Assistant Superintendent Susan Fergusson said that the cost would be \$90,000 to support the program, which includes textbooks and computer programs. Mrs. Traub asked if the BOE knows or guesses what funds they would be getting from the Alliance District, Mr. Wilson said that the state gives out three different numbers that the Alliance District funds could be. Mrs. Traub asked if the BOE sets the Budget with the Alliance money, and what happens if they get less, Mr. Corey said that they are conservative with the Alliance District money and set the budget with those funds. He added that they have never received less than what was budgeted for. Mrs. Traub asked if they budget to shift staff members to Alliance or add new staff because the Alliance funds go up every year, Mr. Wilson said that they concentrate on target areas, for instance, reading. Once those target areas are achieved, they meet with an Alliance representative to discuss the next steps. He explained that the BOE cannot do whatever they want with the funds, and they are closely monitored. Mrs. Traub asked if the Alliance funds in the budget were the same as this fiscal year, and Ms. DePretis said that they were. Mrs. Traub asked if there was an exit strategy from the Alliance District, Mr. Wilson said that the State monitors the district by the targets that it is hitting. Mayor Carbone said that the ECS funding was frozen in 2013, and when they are out of the Alliance District the State will release the ECS funds, so there will not be a major adjustment losing the Alliance funds. Mrs. Traub asked if the other grants that the BOE receives have expenditures coming from them, Donna Labbe, Grants Writer, said that the grants are a part of the regular budget, and a lot of the staff was transferred to the Alliance. Mrs. Traub said that if these grants are not available or go down, would staff be let go, and what supplies are being paid for with those funds, Ms. Labbe said that the grants have been multiple years, but they have had to slowly move positions to the regular operating budget when grants were going to be ending. Mr. Wilson added that any grant which is funding a teaching position has been noted in the budget. Mrs. Pesce asked if all ELL students require ELL services, and Mr. Wilson said that it is a mix. There are some ELL students directly from another country who need a lot of help, and then there are other students who don't need as much. Mrs. Pesce asked if it was across all grade levels, Joanne Creedon, the EL Coordinator, said that ELL is across all grade levels, some come in with high needs and other students come in needing little support. Mrs. Pesce asked how many different languages are spoken in Torrington Schools, Ms. Creedon said that there are currently 40 different languages spoken in the schools, however, 85% are Spanish-speaking. Mrs. Pesce asked about the special education programs, Laura Klimaszewski,

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Assistant Superintendent of Student Services, said that they have gotten children back from outer placements and that they are trying to get things done properly, meaning they are evaluating and teaching children correctly. Mrs. Pesce asked if they are keeping students in town, Mr. Wilson said that they are hoping that the new middle school and high school will attract students and keep them from technical schools. Mrs. Traub asked why the substitute teacher line item was going up, Kim Schulte, HR Director, said that with teacher and paraprofessional absences going up, they need to hire qualified substitutes. Mr. Wright asked if there were any benefits for the retirees, Ms. Schulte said that if teachers who retire come back and substitute for 30 days, they are provided with their benefits paid for by the BOE. Mrs. Iannacito asked where the BOE was going to end for FY 23/24, and Mr. Wilson said it would be very close to the actual budgeted amount. Mrs. Pesce asked why the HSA contribution line was up, are all employees in an HSA now, Mr. Petruzzelli said that yes everyone is contracted into an HSA. Mrs. Pesce asked why there was an increase in behavioral therapy, Mr. Petruzzelli said that the behavioral tech had been paid for through a grant, and now is coming from the general fund. Mr. Corey said that they have leeway because the Alliance number comes late, and with that, they can add programs and staffing with those funds. He said that when the City budget number comes in and it's lower than expected, they can transition new positions to the Alliance funds, but it is difficult because they are restricted and monitored by what they can use those funds for. Mr. Anderson said he would like to approve the budget based on expenditures and not revenues, which are based on grants that will eventually be coming in. He would like to see the budget without the grants. He explained that he would like the approach to be consistent with prior years. Mr. Corey said that the budget request would be substantially larger if they didn't include the grants. He did say that the process is the same as years past. Ms. DePretis said that if the BOE didn't include the grants they would be coming to the Board looking for a 14.4% increase instead of a 4.95% increase over last year's budget. Mr. Anderson said that if the City can't meet the 4.95% increase, he would like to see a 0% increase and a 2% increase for the BOE Budget. Mr. Anderson asked if the 18 positions that they are hiring for are in addition to the 12 positions that people are retiring from, Mr. Wilson said that the 18 are in addition to the 12 retiring. Mr. Corey added that when they were cutting the school custodians, secretaries, and cafeteria workers, they had people complaining about the school's conditions. He said that these positions have been cut so thin that they weren't able to meet even the basic demands. He explained that cutting any teachers would be detrimental to the students.

TPS PROPOSED CAPITAL BUDGET: 2024 – 2025

On a motion by Mr. Anderson, seconded by Mrs. Traub, the Board voted unanimously to open the meeting for discussion on the proposed Capital Budget for Torrington Public Schools for the fiscal period from July 1, 2024, to June 30, 2025. Mayor Carbone said that this is a revision of the previous plan that was presented at a prior joint meeting with the BOE. Mr. Petruzzelli said that the only revision was taking the turf field for \$1,000,000 out of the request. The current Capital request is \$1,552,960.

TPS PROPOSED GENERAL FUND & GRANT FUND REVENUE PROJECTIONS BUDGET: 2024 – 2025

On a motion by Mr. Anderson, seconded by Mr. Wright, the Board voted unanimously to open the meeting for discussion regarding the Board of Education's General Fund and Grant Fund Revenue projections for the fiscal period from July 1, 2024, to June 30, 2025. Mayor Carbone told the Boards that this year's legislative session should end in early May so it will give a better idea of revenue than in years past.

ADJOURNMENT

On a motion by Mrs. Iannacito, seconded by Mrs. Pesce, the Board voted unanimously to adjourn at 7:44 p.m.

Respectfully submitted by
Heather Abraham, Asst. City Clerk

ATTEST:


CAROL L. ANDERSON, CITY CLERK