

MINUTES

AMITY BOARD MEMBERS PRESENT: Julie Altman, William Blake, Christopher Browe, Patricia Cardozo, Sue Cohen, Steven DeMaio, Rita Gedansky, John Grasso, Jr., Thomas Hurley, Tracey Lane Russo, James Stirling

AMITY BOARD MEMBERS ABSENT: Diane Crocco, James Horwitz

Staff Members Present: Charles Britton, Richard Dellinger, Kathleen Fuller Cutler, Charles Dumais, Jack Levine, Marianne Lippard, Terry Lumas, Marie McPadden, Mary Raiola

Also Present: James Leahy; other members of the Public

A regular meeting of the Amity Regional Board of Education was held on Monday, March 10, 2014, at 6:30 p.m. in the Presentation Room at the Amity District Offices.

1. **Call to Order:** William Blake called the meeting to order at 6:33 p.m.
2. **Pledge of Allegiance** was recited by those present.
3. **Recognition of 2014 Superintendent's SCASA Award Recipients**
Six award recipients were recognized by the Board. Dr. Dellinger introduced students Edward Criscuolo and Samantha Fleischman. Dr. Britton introduced students Jeffrey Curtin and Mackenzie Stuart. Ms. Fuller Cutler spoke of the accomplishments of students Fady Amro and Jocelyn Eagle.

The Board took a five-minute recess as 6:43 p.m. and returned to session at 6:48 p.m.

4. **Approval of Minutes**
 - a. **Special BOE Meeting, February 11, 2014**
Motion to approve the minutes as presented (Ms. Cardozo, 2d Ms. Gedansky).
Discussion: Several corrections were noted.
Vote in favor: Christopher Browe, Patricia Cardozo, Sue Cohen, Steven DeMaio, Rita Gedansky, John Grasso, Jr., Thomas Hurley, Tracey Lane Russo, James Stirling
Vote opposed: none
Abstain: Julie Altman
Motion passed.

5. **Public Comment**
Mr. Blake said that he wanted to take this opportunity to welcome Mr. Dumais, the new superintendent. The Board is happy to have him here at Amity.

James Leahy, vice chairman of the Orange Board of Finance, said that he came to tonight's meeting to speak about the school budget. He noted that it has been discussed that the Amity budget is going up 3.8 percent. According to his own calculations, the District is currently operating under budget. In doing the math, he determined that the proposed budget is actually 5.1 percent higher than the current budget. The increase impacts the three towns significantly. He added that despite smaller budget increases in each of the last three years, there have been surpluses. He also questioned the timing of how the budget process is unfolding and how it compares with the budget calendar prepared by Mr. Levine. Finally, Mr. Leahy questioned how declining enrollment is affecting the budget. The District currently appears to have no plan for adjusting the budget as the school population declines.

6. Student Report

There was no report.

7. Discussion and Possible Action on 2013-2014 School Calendar

Mr. Dumais noted that a copy of the 2013-2014 School Calendar is in the Board meeting packet. The calendar identifies snow days. The calendar states that make up days will be taken from April vacation. Mr. Dumais recommended reducing the number of school days in order to avoid interfering with the April vacation.

Motion to reduce the school calendar from 182 days to at least 180 days (Mr. DeMaio, 2d Mr. Hurley).

Discussion:

Ms. Cohen asked whether there was a reason that the students can't go to school until June 23, 2014.

Mr. Dumais noted that as it stands now, teachers would report to work until June 23, 2014, not the students.

Ms. Russo said that she is concerned that if the Board doesn't approve the requested reduction, there might be busing conflicts.

Mr. Browe said that other districts do not have 182 school days.

Mr. Dumais noted that having students in school until June 23rd goes further into June than what we told parents. Some people have plans that begin on June 23rd. April vacation begins and ends with holidays.

Mr. Hurley noted that Boys State starts on June 22nd. If Amity moves the last day of school until June 23rd, students from our District can't be there.

Ms. Cohen said that if we aren't going to stick with plans to make up snow days in April, then we might want to take that note off the calendar in the future.

Vote in favor: Julie Altman, Christopher Browe, Patricia Cardozo, Steven DeMaio, Rita Gedansky, John Grasso, Jr., Thomas Hurley, Tracey Lane Russo, James Stirling

Vote opposed: Sue Cohen

Abstain: none

Motion passed.

8. Discussion and Possible Action on Superintendent's 2014-2015 Budget

Mr. Blake noted that there have been changes in the proposed budget due to circumstances beyond our control.

Mr. Dumais said that a memo dated March 5, 2014 identifies the primary changes being recommended. One expense involves the technology server upgrade and consolidation; the other expense is for special education. The special education tuition budget should be increased by \$184,358 and the transportation budget by \$89,300.

It was noted that the Finance Committee approved this budget. Mr. Stirling, chairman of the Amity Finance Committee, said that the committee met earlier and discussed the possibility of adding to the budget. Concerns were raised that additions to the budget would be perceived negatively. He noted that the health insurance account isn't where the committee would like it to be, however, adding costs to the budget would make it difficult for towns to pass the budget. The additional money for special education is required by law.

Mr. Blake said that Amity is very fortunate to have a capable special education staff that finds appropriate placements for students.

Move to approve the 2014-2015 Budget with total expenditures of \$46,160,055 and member town allocations totaling \$44,696,126 (Ms. Cardozo, 2d Mr. Stirling).

Discussion:

Ms. Russo noted that Mr. Leahy felt that the Board is moving forward with the budget more quickly than necessary.

Mr. Blake said that the budget that gets moved forward is the Board of Education's budget. The Board must act and adopt a budget.

Mr. Hurley said that there is no new funding for the OPEB Trust in the proposed budget. This is not good policy, and these types of decisions bankrupt cities. This will cost the towns more money later.

Ms. Russo said that Mr. Leahy made a point about declining enrollment. She would like some guidance on enrollment projections over the next six years. She questioned at what point the declining enrollments result in cost savings. She is from Orange, but wonders how Bethany residents, who are seeing a greater impact in the next budget cycle, are feeling and how concerned they are.

Mr. Blake noted that Bethany residents are concerned.

Motion to table the budget discussion and revisit the discussion on a date to be determined (Mr. Browe, 2d Ms. Russo).

Mr. Blake asked if action on the budget can be delayed.

Mr. Dumais noted that a special meeting would need to be scheduled to take place in two weeks.

Vote in favor: Christopher Browe, Steven DeMaio, John Grasso, Jr., Tracey Lane Russo

Vote opposed: Julie Altman, Patricia Cardozo, Sue Cohen, Rita Gedansky, Thomas Hurley, James Stirling

Abstain: none

Motion failed.

Ms. Altman said that the Board needs to show leadership at this point. We can still get feedback from the towns.

Mr. Blake said that the budget can be adjusted based on new information, but a decision is needed at this time.

Ms. Russo said that she is concerned to see that there is no new funding for the OPEB Trust in the proposed budget. She questioned why this is. She felt the Board wanted money set aside for the trust. This feels that this is irresponsible.

Mr. Stirling said that by not adding to the trust, we are putting this cost off for future taxpayers. In an ideal world, we would fund the trust, but we don't want the budget to fail.

Mr. Hurley said that we are playing catchup with the OPEB Trust.

Mr. Browe said that once the Board votes, the changes made aren't usually drastic. He understands the idea of taking a vote and moving on, but he feels that by voting tonight, we are saying, "this is it, take it or leave it." The new superintendent has only been here for 10 days. We never had a hard discussion with Mr. Nast. He is not ready to vote for this tonight. He does not see it as fair for our superintendent to have little say in this.

Mr. Cardozo said that Dr. Brady had consistently advised the Board that it would come to this point. There are only so many years of cutting and cutting the budget.

Mr. Browe said that the District has had surpluses of over \$500,000.

Ms. Cardozo said that with the size of the budget, that type of surplus represents good budgeting.

Mr. Russo said that she remains concerned about the OPEB Trust.

Mr. Blake said that very few districts fund an OPEB Trust. He does not see the urgency to this issue.

Mr. Hurley said that the OPEB Trust will help balance the health insurance plan this year. He questioned where the money will come from if the District experiences another bad year. Our reserves have dwindled. If no money is set aside, we would have to go to the public and ask for more money.

Mr. Stirling said that he would vote in favor of this budget. It has taken months of work to come up with this budget. We should put more into the budget for the OPEB Trust, but this isn't the year to do it.

Ms. Cohen asked whether or not an end of the year surplus could be added to the OPEB Trust.

Mr. Stirling said that it can. Declining enrollment needs to be addressed, but tonight isn't the night for that discussion. He would like this to be a unanimous budget, with the knowledge that we could modify it later.

Ms. Russo said that she would support this budget with the understanding that if there is a surplus, the money would go to the OPEB Trust.

Mr. Levine noted that the OPEB Trust is different than a pension fund. Amity is one of very few districts with an OPEB Trust. He does not want to minimize its importance as the Amity Board showed leadership in creating this fund.

Mr. Hurley noted that the OPEB Trust is an investment account. More money will come out of future budgets for this purpose.

Mr. Blake noted that the medical expenses looked better in February.

Mr. Levine noted that a spreadsheet spells out four different possible scenarios, best case to worst case. We can budget at the annual expected claims. He is representing different scenarios. The Amity Finance Committee rejected the idea

of adding more money. Mr. Levine noted that if we need the money, that is where the year-end funds could exist. If there is money in the Contingency Fund, that could be used. There are a few sources of funds to help cover a shortfall. The reserve should be kept at least at 18% of our expected costs.

Mr. Stirling said that he would vote in favor of this budget.

Mr. Browe noted that there appears to be no political will to add money for insurance or for the OPEB Trust. We are pushing off items for the chance to get this through instead of taking a hard look at what is driving these costs. It's not fair to ask the new superintendent to have 10 days to look at this budget and make changes. He will vote against this budget.

Ms. Altman said that adding a few days or as much as two more weeks won't make much difference. She is happy with a budget of anything under five percent. She doesn't see any potential cuts that can be made.

Mr. Browe said that even 10 days would provide double the amount of time that Mr. Dumais has had so far to look at the budget.

Ms. Cardozo said that department heads who have worked in the District for years have had input on this budget.

Ms. Russo said that her concern would be to add to the budget. We need from our new leader a long-term plan. She will support this budget, but in the future is looking to Mr. Dumais to provide a long-term plan to further address the needs of the District.

Mr. Dumais said that he feels that the District has a wonderful team of people who have put a very good budget together. At this point, he has a lot of faith in the work that has been done on this budget.

Vote in favor: Julie Altman, Patricia Cardozo, Sue Cohen, Rita Gedansky, John Grasso, Jr., Thomas Hurley, Tracey Lane Russo, James Stirling

Vote opposed: Christopher Browe, Steven DeMaio

Abstain: none

Motion passed.

9. Discussion of 2014-2015 Budget Calendar

Changes to the 2014-2015 Budget Calendar were listed in a memo from Mr. Levine to Mr. Dumais dated February 25, 2014.

10. Correspondence

Mr. Dumais noted that he received a letter from Bethany Superintendent of Schools John Barile regarding moving sixth graders to Amity Middle School in Bethany. The administration will be looking into this.

11. Superintendent's Report

a. Personnel Report

Mr. Dumais noted that the District will be seeking a new volleyball coach. He expects to wait until a new athletic director is in place before filling this position.

b. Other

Mr. Dumais thanked the Board members for their support.

12. Chairman's Report

a. Committee Reports

1. **ACES** – There has been no meeting and there was no report. The next meeting will take place on Thursday, March 13, 2014.
2. **CABE** – There was no report.
3. **Curriculum** – There was no report.
4. **Facilities** – There was no report.
5. **Finance**

a. Discussion and Possible Action on Designating Superintendent of Schools as Authorized Signer of ED-099 Agreement for Child Nutrition Program

A Board Resolution is need to authorize Mr. Dumais as a signer of the Authorized Signatures Change Form.

Move to authorize Charles Dumais, Superintendent of Schools, to sign on behalf of the Amity Regional School District No. 5, as an Authorized Signer of the ED-099 Agreement for Child Nutrition Programs (Mr. Hurley, 2d Mr. DeMaio).

Vote in favor unanimous.

Motion passed.

b. Discussion and Possible Action on Contracts of \$35,000 or More

1. Heating Oil, Diesel Fuel and Gasoline

The Bethany-Orange-Woodbridge Regional Purchasing Cooperative is bidding heating oil, diesel fuel and gasoline. We use heating oil at two middle schools and we supply the diesel fuel for the Amity Transportation Owner-Operators based on the bus contract.

The bids will be opened on Tuesday, March 18, 2014. The award of the bids must be made within two hours of the bid opening. In the past, the Amity Finance Committee and the Amity Board of Education gave the Superintendent of Schools the authority to award the contract to the vendor(s) selected by the Bethany-Orange-Woodbridge Regional Purchasing Cooperative.

Move to authorize the Superintendent of Schools or Director of Finance and Administration to award the heating oil, diesel fuel and gasoline contracts for July 1, 2014 through June 30, 2015, to

the vendor(s) selected by the Bethany-Orange-Woodbridge Regional Purchasing Cooperative (Mr. Stirling, 2d Mr. Browe).

Discussion:

Ms. Cardozo questioned who is in the cooperative.

Mr. Levine said that the three towns and Amity are part of the cooperative.

Mr. Hurley noted that with the current cold temperatures, costs are likely to be up because the prices are up. He noted that the motion should include the authority not to award the contracts if it is felt that they aren't advantageous to the District.

Vote in favor unanimous.

Motion passed.

c. Discussion of Monthly Financial Statements

There was no discussion.

d. Director of Finance and Administration Approved Transfers Under \$3,000

There were no questions.

e. Discussion and Possible Action on Budget Transfers of \$3,000 or More

In a memo from Mr. Levine to Mr. Dumais dated February 25, 2014, Mr. Levine recommends approval of three budget transfers:

OPEB Trust and Self-Insurance Reserve Fund

The 'implicit rate subsidy' has historically been budgeted in the OPEB Trust account. We have learned the 'implicit rate subsidy' should be included in the Medical and Dental Insurance account under a self-insured plan. The 2013-2014 budget was developed under the fully-insured method. We need to transfer \$362,172 into the Medical and Dental Insurance account.

Move to make the following budget transfer of \$362,172 to the Self-Insurance Reserve Fund (Mr. Hurley, 2d Ms. Cardozo):

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
05-15-0000-5860	OPEB Trust	\$362,172	
05-15-2512-5255	Medical & Dental Insurance		\$362,172

Discussion:

The question was raised as to whether this can wait a month.

Mr. Levine said that this could wait, but he would rather move ahead with this transfer. This money will be needed by the end of the year. This money is in the OPEB Trust budget, not the fund itself.

Mr. Stirling noted that the Amity Finance Committee voted in favor of this transfer.

Mr. DeMaio questioned how this would work.

Mr. Levine said that if we don't use the money, it can be kept in the medical/dental line and the Board can decide what to do with the money.

Mr. Browe noted that actual claims are only about \$250,000 over.

Mr. Hurley said that some expenses were higher than expected.

Vote in favor unanimous.

Motion passed.

Special Education:

A budget transfer is needed to pay special education expenditures.

Move to make the following budget transfer of \$25,000 to pay special education expenses (Mr. Browe, 2d Ms. Cohen):

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
04-12-6111-5560	Tuition Expense	\$25,000	
04-12-6130-5560	Tuition Expense		\$25,000

Vote in favor unanimous.

Motion passed.

Snow Removal and Sanding:

Snow removal and sanding expenditures through February 24, 2014 were \$68,425. The budget is \$47,000. The forecast assumes an additional expenditure of \$15,000, or an unfavorable variance of \$36,425 UNF. We are requesting a budget transfer to pay for bills incurred to-date, which are over the budget.

Due to the successful over seeding, fertilizing, and aerating of Stadium Field and the really wet spring, the field is in great shape and the re-sodding was not necessary (\$15,000 FAV). Also, the pricing for painting the lines on the track was lower than the budget (\$2,500 FAV). Some of these available funds were used to pay for air quality testing and dehumidifiers for Orange Middle School (\$10,767 UNF). In addition, the pricing for the

replacement of Siemens MBC panels was under budget (\$3,236 FAV). Mr. Levine recommends the remaining savings be used to pay for snow removal and sanding expenditures.

Move to make the following budget transfer of \$9,969 to pay for snow removal and sanding (Mr. Stirling, 2d Mr. Browe):

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
05-14-2600-5720	Improvement to Sites	\$6,733	
03-14-2600-5731	Equipment – Replacement	\$3,236	
03-14-2600-5420	Repairs, Maint., Cleaning		\$9,969

Vote in favor unanimous.

Motion passed.

f. Discussion and Possible Action on New Funding Requests

In a memo from Mr. Levine to Mr. Dumais dated February 25, 2014, Mr. Levine recommends a transfer of \$11,456 for snow removal and sanding. Snow removal and sanding expenditures through February 24, 2014 were \$68,425. The budget is \$47,000. The forecast assumes an additional expenditure of \$15,000, or an unfavorable variance of \$36,425 UNF. The budget transfer is aimed to help the District pay for bills incurred to-date, which are over the budget.

Move to make the following budget transfer of \$11,456 to pay for snow removal and sanding (Mr. Hurley, 2d Mr. Grasso).

<u>Account Number</u>	<u>Account Name</u>	<u>From</u>	<u>To</u>
05-15-0000-5850	Contingency Account	\$11,456	
03-14-2600-5420	Repairs, Maint. & Cleaning		\$11,456

Vote in favor unanimous.

Motion passed.

6. Policy – There was no discussion.

7. Personnel – There was no discussion.

13. Items for the Next Agenda

Mr. Blake asked that anyone wanting to add items to the agenda to please contact him.

14. Adjournment

Motion to adjourn the meeting at 8:14 p.m. (Ms. Cardozo, 2d Ms. Russo).

Motion passed; meeting adjourned.

**Amity Regional School District No. 5
Regular Meeting**

**Board of Education
March 10, 2014**

Respectfully submitted,

Marianne Lippard, recording clerk
Thomas Hurley, secretary

References/Attachments:

Minutes: Amity Finance Committee, 2/11/14
Board of Education Regular Meeting, 2/11/14

Reports: Amity Regional School District No. 5 Self-Insurance Reserve
Fund Balance, 3/10/14
Amity Regional School District No. 5 Year-to-Date Budget
Report, 3/4/14 and 3/5/14
Amity Regional School District No. 5 Revenues and Expenditures
for FY 2013-2014
Amity Regional School District No. 5 Budget Transfers 2013-2014

Memos: Charles Dumais to Amity Finance Committee and Amity Board of
Education (3/5/14) re: Superintendent's Proposed 2014-2015
Budget
Jack B. Levine to Charles S. Dumais (2/25/14) re: 2014-2015
Budget Calendar
Jack B. Levine to Charles S. Dumais (3/4/14) re: Award of
Contracts of \$35,000 or More
Jack B. Levine to Charles S. Dumais (2/25/14) re: ED-099
Agreement for Child Nutrition Programs
Jack B. Levine to Charles S. Dumais (2/25/14) re: New Funding
Requests for Fiscal Year
Jack B. Levine to Charles S. Dumais (2/25/14) re: Budget
Transfers of \$3,000 or More for Fiscal Year 2013-2014