



**TEMPORARY REGIONAL SCHOOL STUDY COMMITTEE
OF
THE CITY OF ANSONIA AND
THE CITY OF DERBY**



MINUTES

Tuesday, April 27, 2021 – 7:30 p.m.

ZOOM virtual conferencing platform via the Internet

The meeting was called to order at 7:30 p.m. by Co-Chair Jim Gildea. All those present recited the Pledge of Allegiance.

Roll Call:

Derby members:		Ansonia members:	
Jim Gildea, Co-Chair	present	Joe Jaumann, Co-Chair	present
Barbara DeGennaro	present	Dr. Steve Adamowski	present
Tara Hyder	present	Rich Bshara	present
George Kurtyka	present	Christopher Phipps	present
Ron Luneau	*present	Dr. Joshua Shuart	present

*Mr. Luneau arrived at approximately

Others participating:

NVCOG Staff John DiCarlo, Derby Superintendent of Schools Dr. Conway, Ansonia Superintendent of Schools Dr. DiBacco.

Public Session

Mr. Gildea asked three times if any member of the public wished to speak. There being none, he declared the public session closed.

Approval of Minutes April 7, 2021. Discussion/Possible Action

The minutes are still under review.

Jim Gildea, Co-Chair
Joe Jaumann, Co-Chair
Dr. Steven Adamowski, Treasurer
George Kurtyka, Secretary

Rich Bshara
Barbara DeGennaro
Tara Hyder

Ronald Luneau, Jr.
Chris Phipps
Joshua Shuart

Treasurer's Report – Discussion/Possible Action

No expenditures other than minutes.

Review and Discuss DMG Report "Equalization Decision Making." Discussion/Possible Action

We discussed and came up with questions on the Summary of Savings at the last meeting – the thought here is the 30,000, do the figures include insurance, grants. DMG has the questions and are coming to our May 5th meeting to discuss those in greater detail.

Tonight we will discuss the Equalization Decision Making document and will get the questions out there that may exist. DMG and John DiCarlo from NVCOG will come to that May 5th meeting, hopefully prepared to answer the questions from the Summary of Savings and the Equalization Decision Making discussions.

After that, we'll get together on 5/24 to discuss the staffing of central office and begin discussions on the elementary school model.

Questions for DMG:

- the Derby medical being in the City budget and was that taken into consideration,
- clarifying the in-kind services and how they're being accounted for in both municipalities,
- the grants and the spending numbers.
- Check the spreadsheet to be sure there is no issue with the spreadsheet between the leased/contributed columns – some of the numbers seem off as to what actually would be allocated.
- Are the estimates including the additions being put on, and are those being calculated at a different rate.
- When we have a referendum for regionalization, will the dollar figure each town has to pay be included in there? Will each town know exactly what they're paying? Will the regionalization question be more than simply "do you want to regionalize?" When the towns enter into that regionalization agreement with a positive vote, are they in fact authorizing bonding money that they are required to pay?
- This group needs to know and understand each of the cities' budgets and then compare to make sure DMG is interpreting what is actually happening, that the numbers are correct and that we're all on the same page. In addition, looking at the in-

kind services to make sure that those are both being accounted for and properly valued in both scenarios.

- The other question is, as a regional district with an enrollment of 3,000 students, how the insurance is being provided. Would the regional district be large enough to support self-insurance with a stop gap and a reduced expense over the combined total of both communities? Would the regional district be eligible to participate in the State plan at a reduced expense? We also have to look at what would be the savings in medical insurance at a larger scale in the combined district?

I have a simple note here that says revenue side, and both superintendents gave us the update and we're probably status quo for two years if the vote does go to regionalization.

Those were the main points that I had highlighted. If you have any other notes or questions, send them to me or Jim or mention them tonight so I can write them down. I'd like to get as many questions in advance as possible, so we don't have them getting back to us on a lot of questions.

Mr. Gildea continued, we talked about whether it was going to be a contribution or a lease. Previously we thought Ansonia and Derby could lease their buildings to the joint entity rather than selling them, and so they could come to arrangements on how to distribute the cost of renovations. They need to distribute renovations on a per pupil basis and the City that owns the building holds responsibility for the renovations.

We already talked about grade levels, we talked about the buildings would be leased initially, how much each building is renovated. In any of the regional scenarios Ansonia High School remains open while Derby High School closes. In the PK-12 regional scenario where we are now, Derby Middle School remains open while Ansonia Middle School closes. If any elementary school closes it would be Irving Elementary. That decision was made by the ability to add on to accommodate other schools.

Mr. Jaumann stated, with regard to closing Irving, whether or not the schools, the staffing, the level in which they are filled determines in some formula some of the reimbursement costs. In the four-school scenario there might actually be a lower reimbursement rate as opposed to a higher reimbursement if, assuming all goes well and we get to that 95 percent. It may even be below the 85 percent where we are now.

Mr. Gildea added, under the three-school elementary model we would receive greater reimbursement due to more students in each building.

We went through the valuation of what each school was worth, with real estate being contributed. We had questioned the \$11 million, whether Ansonia Middle School would really

get an \$11 million. We had questions about the Alliance School, but for the most part we accepted the valuations.

We looked at code violations, site improvements, future improvements. Each town went through their buildings and decided to what degree they thought they needed to renovate or improve. Renovations could be as simple as being ADA compliant, the door mounts, the height of the water fountain. Some site improvements may have been some of the handles on the doors were rusted. Ansonia High School had the potential for \$5 million worth of work, and the Committee decided to do \$4.3. Derby Middle School needed very little in the way of work. The elementary schools, there was \$6.7 million at Irving and the committee decided \$3.1, there was \$7.7 million at Bradley and the Committee decided \$2.7, there was almost \$5 million at Prendergast and we decided at \$1.6, there was \$4 million at Mead and we decided at \$1.8. Neither town really broke the bank; there was a significant difference between what could have been done and what the Committee decided to do. In the four-school model there is still an addition at the Ansonia High School, and still an addition at Derby Middle School. The code improvements at Bradley School there's an addition. With all of that they came up with the cost to regionalize. This Committee can certainly go back and revisit any decision we've made thus far.

Mr. Gildea then explained that the same choices with the 85 percent reimbursement allocation, the costs are significantly reduced. Basically, it's just adding in the code work that we decided to do with the renovations and the 85 percent factored in.

The per pupil ratio is Ansonia 64 percent, Derby 36 percent. The Legislature has introduced a bill that would raise the reimbursement rate from 85 to 95 percent. It has not passed at this time. Mr. Jaumann reiterated his feeling that some of the numbers on the spreadsheet regarding leased v. contribute are not correct. Ms. Hyder expressed concern that often when looking at DMGs charts and numbers, members of the Committee find errors and there may be some that they don't see.

Mr. Gildea stated, understanding the dynamics of how the math was done, understanding the valuations and the real estate, because in the contributed model [inaudible]. It's a challenging formula, the valuation, the real estate that each town is bringing and then the 64/36 split. That may be that you're not adding certain real estate from Ansonia, the Middle School, and I know you're not adding the high school; that could be the valuation of the real estate versus the 64/36 split. It's another good question for DMG.

Mr. Kurtyka asked, say there's a balance due each town, say it's \$1 million for each town, you have to go to referendum for this \$1 million. Not only do you have to bring the vote for regionalization, but you have to bring the vote, at least in Derby, for the \$1 million. What happens if it doesn't pass? Mr. Gildea replied, I believe that when we have a referendum for regionalization, the dollar figure is included in there. Each town will know exactly what they're paying. The regionalization question isn't simply "do you want to regionalize?" I think the pros

and cons will be there – and when you enter into that regionalization agreement with a positive vote, you are in fact authorizing your town to bond money that they are required to pay. We'll definitely get that question to DMG.

Review and Discuss DMG Report “Summary of Savings Pre-K – 12 Regionalization” – Discussion/Possible Action

Mr. Bshara asked, I know Ansonia's budget and would like to know Derby's. I have questions about where Derby's numbers are so that when Simone and DMG tell us something that we know it to be true. What is the Derby Board of Education budget? I see in Derby budgeting that it's \$18 million, but it has to be way more than that. How does that work within the system there?

Mr. Gildea stated, it is \$23 million. Our operational budget that we go to the City for is not \$23 million. Until we talk to DMG I don't know if that included the grants, or the medical, which our town does. We have a different setup than you. This is one of the questions we've asked Simone.

Dr. Conway explained, the total budget from the town and the State ECS combined for this current year is \$19,076,000. That does not include medical. Medical is in the City budget.

Mr. Bshara stated, the city looks at their cost share as a revenue item as opposed to an offset. If they're showing the gross, we need to be cognizant of that and need to know what the net down is on the cost share. Who gets the Supplemental Educational Grants money? Dr. Conway replied, that is not included in the \$19,076,000 – that is fluid year over year and is on average it's around \$347,000 – it's counted on the revenue side for the city and the expense side when it comes through to us.

Mr. Bshara explained that he is trying to compare apples-to-apples across the two cities' budgets. This group needs to know and understand each of the cities' budgets and then compare to make sure DMG is interpreting what is actually happening, that the numbers are correct and that we're all on the same page for each of these pieces. The regional board would then be handling the medical, so whatever dollars the City of Derby is paying for the Board of Education medical will have to be part of the contribution across to the regional board. I want to know what those numbers are so that when we look at the big picture we know exactly. Ansonia's budget is \$32 million and we do all inclusive in Ansonia – we give the Board of Education everything that's net of excess cost grants and does not include the supplemental educational grant. Those are another \$6- to \$8 million. We're at about \$39 million all in, and a small amount of in-kind services that we do. I want to make sure I know what Derby is paying for, that's their number, and when we do the totals, originally they had \$60 million, then they had \$54 million, and that was confusing. They need to explain what they did, but I also want to make sure that when they do explain it, it correlates to what really is going on between Ansonia and Derby.

Mr. Jaumann added, and in addition, looking at the in-kind services to make sure that those are both being accounted for and properly valued in both scenarios.

Mr. Gildea welcomed the opportunity for Mr. Bshara to meet with the Superintendent and the Business Manager to look at the numbers. Ms. Hyder would be happy if Mr. Bshara would meet with Dr. Conway and possibly even Keith McLiverty because he has the institutional knowledge and background with the City's money over the years. That would be helpful. Ms. DeGennaro noted that Derby is in the process of hiring a new finance director, and suggested making sure that he meets with the right people.

Dr. Adamowski stated, regarding the medical expense, the special education excess cost reimbursement is essentially reimbursement primarily for outside placements that cost over \$65,000. That is a revenue that offsets expenditures for the following year. That is pretty clear in both communities. The key question is the Derby medical expense so that we can have an apples-to-apples comparison. That is something the City should know and the Board of Education should know. The other question is, whether or not as a regional district with an enrollment of 3,000 students, how this insurance is being provided. Would the regional district be large enough to support self-insurance with a stop gap and a reduced expense over the combined total of both communities? Would the regional district be eligible to participate in the State plan at a reduced expense? We also have to look at what would be the savings in medical insurance at a larger scale in the combined district?

TRSSC Next Steps – Discussion / Possible Action

The Chairmen will communicate the questions with DMG. We'll be prepared to discuss the reimbursement rates, the valuation of contributing versus a lease.

Mr. Bshara will meet with Derby to better understand it's education budget.

The last meetings have been a little quicker, be prepared to spend more time at the May 5th meeting.

After that we'll prepare for some fruitful discussions regarding 4-elementary, 3-elementary, staffing models, and start to really do the nuts and bolts. The numbers piece is very important.

We're going to gear up for a pivotal 5/5 meeting with DMG.

Dr. Shuart asked to see a draft of the questions being sent to DMG in case the members think of other questions in the meantime.

Point of Good Order

Public Session

Mr. Gildea asked if any member of the public wished to speak. There being none, he declared the public session closed.

Adjournment

Mr. Kurtyka MOVED to adjourn; SECONDED by Dr. Shuart.

The meeting adjourned at approximately 8:23 p.m.

Respectfully submitted,

Trish Bruder

Patricia M. Bruder
Secretary