

## FINANCE MEETING MINUTES<sup>1</sup>

New Bedford Public Schools  
Paul Rodrigues Administration Building  
455 County Street, Room 224  
New Bedford, MA 02740  
**Also remote via NBPS website**

Finance Subcommittee Meeting  
May 6, 2021  
6:00 – 7:00 PM

Present: Mr. Bruce Oliveira, Mr. Joshua Amaral, Mr. Joaquim “Jack” Livramento, Ms. Colleen Dawicki (via Zoom)  
Also in attendance: Mr. Andrew O’Leary, Ms. Rachel Bento-Cunha (via Zoom)  
Absent: Mr. Thomas Anderson, Ms. Karen Treadup, Mr. Joaquim “Jack” Livramento, Ms. Theresa Cormier

The meeting commenced at 6:00 PM.

Minutes from the March 2021 meeting were not reviewed. Minutes from the April 2021 meeting were reviewed. Voted unanimously on a motion by Mr. Oliveira to approve the minutes and seconded by Ms. Dawicki.

Mr. O’Leary presented and discussed the April 2021 Finance Reports. Mr. Oliveira questioned the difference between the Health Insurance Report and Function Code Report. Mr. O’Leary explained that it was due to a couple of weeks difference, and Ms. Bento-Cunha added that unemployment was also accounted for in the Function Code Report. Mr. O’Leary also shared that Superintendent Anderson had questioned the Legal Settlements on the Function Code Report, and he explained that Worker’s Compensation has not been a part of it due to Covid-19.

Mr. O’Leary also discussed the unused Transportation budget, as we were unable to transport Special Education students to other districts for a period due to delayed reopening, it resulted in a positive Net School Spending (NSS) factor. Mr. O’Leary explained our strategy to use the ESSER grant to pay for purchases, journaled the expenses, and pay it back through Local, which would turn into NSS eligible (this is also the Healthcare strategy). He expounded that we will present the ESSER grant expenses to the School Committee at their July 2021 meeting, and stated that we will present our strategy for the Transportation savings to the School Committee at their June 2021 meeting, in which we plan to transfer the savings to the Sped Stabilization Fund to be spent for FY22 and FY23 on a portion of the Special Education transportation. The Transportation savings this year (approximately 3 million) help with paying for the increase in spending next year. We also have the option to have the City pay for transportation and we would then be able to spend the budget elsewhere.

Mr. O’Leary presented and discussed the Health Insurance Spenddown, noting that we are going to see a lot of savings in which the ESSER grant would take care of. He also presented the Salary Report and noted that there is no more salary surplus, as any eligible expenses were transferred into NSS.

Mr. O’Leary presented and discussed the April 2021 Transfers. Ms. Dawicki questioned how the psychological evaluations ended up in transfers. Mr. O’Leary explained that every year we pay for about \$3 million in Special Education teachers from the IDEA Grant, and because they are Special Education teachers, the state requires us to send 9% of the federal funds to MTRS for teachers retirement. As such, in October, in order to close the \$6 million gap for the year, we put the teachers on Local, where they have always been, to save \$300K and billing the teachers to the IDEA Grant. Our strategy is trying to preserve as much as possible so that it is available for us to have a great our 3-year plan going forward. Mr. O’Leary expounded that when we received the extra \$6 million in Chapter 70, we presented to the School Committee in January that half of it was Special Education salaries, and the other half was the mix of curriculum and IT (camera replacement) purchases. Ms. Bento expounded that we took from Health Insurance because it had the most pocket; the other accounts are still in process of being closed out, so once those numbers become more finalized, then we will reimburse ESSER as we go. She explained that a lot of the function codes that we are going to reimburse ESSER with are going to be some function codes in Local that have funds in them, so that rather than doing multiple transfers, we are taking from Health Insurance to fund our big projects to ensure that they are taken care of straightaway to meet the June 30<sup>th</sup> deadline. She explained that we can use the cleanup in May and June with ESSER for the other left-over funds. Voted unanimously on a motion by Mr. Oliveira to approve the Transfers and seconded by Ms. Dawicki.

Mr. O’Leary presented and discussed the April 2021 Fiscal Reports. He indicated we are on target and that Title I (Wraparound) and IDEA for next year is projected to be substantial, so spending down aggressively will be challenging. He also mentioned that ESSER has been flagged as a non-substantial audit finding due to \$3-4 million being pulled down. He noted that CvRF is spent out (used to purchase PPE supplies) and that it is currently being audited by DESE which is beneficial for us in preparing our budget for next year.

<sup>1</sup> The **Open Meeting Law** requires public bodies to create and approve minutes in a timely manner. A “timely manner” is considered to be within the next three public body meetings or 30 days from the date of the meeting, whichever is later, unless the public body can show good cause for further delay

Mr. O'Leary presented the Excess Surplus Property Report for March 2021.

Donation Acceptance Request Forms were reviewed. Voted unanimously on a motion by Mr. Oliveira to approve the Donation Requests and seconded by Ms. Dawicki.

Mr. O'Leary presented and discussed the Food Service Capital Projects that are ongoing at NBHS. Mr. O'Leary indicated that traditionally, Food Service is set up as a revolving fund on a cost-reimbursement basis, however, as Food Service has grown and generates more money, the plan is to present it formally as a budget to the School Committee in June. He expounded that Food Service is an \$8-9 million operation per year in costs such as staff, perishables and nonperishables and improvements and accumulates a surplus of about \$7 million per year. He explained that DESE has asked us to spend down the surplus as quickly as possible, and we have thus some improvement projects including the completed NBHS Kitchen project and the projected Central Kitchen project and four elementary school kitchen projects. Mr. O'Leary indicated that Food Service has lost \$1 million due to Covid-19, but that we still have surplus of about \$4.5 million to invest in programs, and the plan is to invest about \$4 million in equipment/renovations of which proposals will be presented to the School Committee at the August/September meetings. School Revolving Account

Mr. O'Leary discussed the FY22 Draft Budget. Mr. Oliveira expressed his concern of the School Committee Meeting agenda not listing an item for voting on the budget and Mr. O'Leary indicated it would be considered. Mr. O'Leary indicated the Budget Book would be available on the NBPS website. Mr. Oliveira questioned a graph on page 7 of the Draft Budget Book which erroneously listed FY20 Budget, to which Mr. O'Leary responded that it had been corrected.

Mr. O'Leary presented and discussed the Net School Spending Update.

Mr. O'Leary presented and discussed the DeValles/Congdon School Massachusetts School Building Authority project. He mentioned that we are anticipating a Statement of Interest (SOI) to be submitted for an Accelerated Repair Project at Hathaway School as well. He indicated that the SOI submissions are due May/June and will update the Finance Subcommittee at that time.

Voted unanimously on a motion by Mr. Oliveira and seconded by Ms. Dawicki to adjourn.

The meeting adjourned at 7:00 PM.



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Andrew B. O'Leary  
Assistant Superintendent of Finance & Operations

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