

NEW MILFORD BOARD OF EDUCATION
New Milford Public Schools
50 East Street
New Milford, Connecticut 06776

BOARD OF EDUCATION
SPECIAL MEETING NOTICE

DATE: May 7, 2020
TIME: 6:30 P.M.
PLACE: By Zoom Virtual Meeting

RECEIVED
TOWN CLERK
2020 MAY -5 A 10:13

NEW MILFORD, CT

To join the meeting:

<https://us02web.zoom.us/j/87270063179?pwd=NIQxUDBlbWcrclFvdnMvWVpCb2VPUT09>

Meeting ID: 872 7006 3179

Password: 9zUmwU

AGENDA

New Milford Public Schools Mission Statement

The mission of the New Milford Public Schools, a collaborative partnership of students, educators, family, and community, is to prepare each and every student to compete and excel in an ever-changing world, embrace challenges with vigor, respect and appreciate the worth of every human being, and contribute to society by providing effective instruction and dynamic curriculum, offering a wide range of valuable experiences, and inspiring students to pursue their dreams and aspirations.

1. **CALL TO ORDER**

2. **PUBLIC COMMENT**

An individual may address the Board concerning any item on the agenda for the meeting subject to the following provisions:

- A. A three-minute time limit may be allocated to each speaker with a maximum of twenty minutes being set aside per meeting. The Board may, by a majority vote, cancel or adjust these time limits.
- B. If a member of the public comments about the performance of an employee or a Board member, whether positive, negative, or neutral, and whether named or not, the Board shall not respond to such comments unless the topic is an explicit item on the agenda and the employee or the Board member has been provided with the requisite notice and due process required by law. Similarly, in accordance with federal law pertaining to student confidentiality, the Board shall not respond to or otherwise discuss any comments that might be made pertaining to students.

3. **DISCUSSION AND POSSIBLE ACTION***

- A. Discussion of records concerning strategy and negotiations with respect to collective bargaining with CEA New Milford. *Executive Session anticipated.
- B. Discussion of draft proposals/responses and written attorney-client privileged communications concerning bus contract vendor payments. *Executive Session anticipated.
- C. Discussion of written attorney-client privileged communication concerning unexpended education funds account. *Executive session anticipated.

4. **ADJOURN**



146 Huntingdon Avenue, Waterbury, CT 06708
203-573-0555 *phone* 203-573-9750 *fax*

New Milford Public Schools
Anthony Giovannone
Director of Fiscal Services
50 East Street
New Milford, CT 06776

Dear Anthony,

We have received the FAQ's from the State Department of Education on Executive Order 7R dated April 14, 2020. This provides better clarity on the spirit of the order. All-Star is asking our customers to pay a good faith negotiated amount that will ensure our employees are re-instated to full pay status as well as our fixed costs paid. All-Star is in no way looking to make a profit off of these days that COVID-19 has forced school districts to close. The company has suffered a huge loss with the largest season of sports and extracurricular trips being cancelled.

Attached is a breakdown of costs and credits based on our daily expenses to operate the fleet in your school district. Below are questions and answers that some districts have asked that we would like to address for every customer.

How are school districts billed each month?

Our base contract billing on a normal school year is billed over ten (10) months of equal payments based on the number of scheduled school days. The contract bill is due by the 15th of each month. Additionally, you may also be billed for special dedicated routes to out of district schools as well as school bus monitors at the end of each month.

What were the daily costs derived from?

We took our average costs for the months that we have operated prior to COVID-19 to determine these costs.

How will the school district be billed for the remaining days of this school year?

We have determined a cost per day, which will be billed on actual days that school should have been operating for the months of April, May and June. A new bill will be issued upon agreement from both parties.

Will the school district receive a credit for the days that we not operated in the month of March?

Yes, a credit will be issued if the school district paid the month of March in full. We will issue a credit for these days once an agreement of payment based on daily costs is agreed upon.

Has All-Star received any insurance credits on the vehicles?

All vehicles have been taken out of service effective March 16th. The liability and collision have been taken off the vehicles although we were required to keep fire and theft on them. This is reflected in the insurance cost.

What is the fixed cost for bank payments for new vehicles in service as of 8/2019?

Depending on the school district, this is the bank payments for any vehicles purchased in the summer of 2019 for the 2019-20 school years.

What is license and taxes?

All-Star accrues over 10 months the income it needs to pay the vehicle taxes in July as well as the registration fees for the renewal of vehicle registrations due to the DMV in August.

What is revenue vehicle depreciation on vehicles prior to the 2019-20 school years?

The vehicles all have a loan payment on them. To help our customers with cost, the company has chosen to use the lower cost of the depreciation value on the vehicles which is lower due to the depreciation being spread over 7 to 10 years depending on the original cost of the vehicle. The loan payments are over 5 years which makes them higher. Our goal is helping our customers with the least amount of cost.

What are facility costs?

These are the fixed costs that we have to keep the doors open and the lights on. Rent, utilities, insurance on the buildings, and taxes to name a few.

What is encompassed in operations wages?

This is the terminal manager, dispatcher, safety staff as well as the local operational staff. This also includes the payroll taxes as well as the benefits to these employees.

Why does a bus need maintenance if it is parked?

Per the state of CT statute every bus needs to have an intensive preventative maintenance inspection every 90 days regardless if it has moved or not. Brake inspections are also done every 12 months or 12,000 miles, whichever ever comes first. Over 200 vehicles were moved to our three maintenance shops before the insurance was removed from the vehicles so that we may stay compliant with State statute for the next few months. Maintenance staff are starting vehicles every few days to ensure the batteries don't wear down. Over long periods of time, brake shoes will adhere to the drums, which causes a safety issue when the drivers roll them out in the future. We are continually checking them to eliminate any safety issues. The dollar amount is generated from an average from the first 6 months of school. All-Star will review all the actual costs in July. School districts will be issued a credit for any unused dollars for maintenance.

Maintenance Wages?

This is the cost of our maintenance employees to service the vehicles. Our three shops are open and operating.

What are administrative expenses?

These are the costs to operate our local office, which is our payroll processing fees, copy machine leases and office utilities. Our regional office as well as our main corporate office expense is also included in

this figure. All-Star is crediting the costs of regional and main corporate overhead which you will see as a credit on the schedule.

All drivers and monitors that were on our payroll for your school district will be reinstated upon your approval. We need these employees when school resumes. The Department of Labor will be notified so the benefits that any employee potentially was receiving will be cancelled. All-Star will supply a copy upon request.

Please review the attached schedule and billing information. It is our goal to work together with each customer to resolve this in a timely manner. Please call or email me with any questions or concerns. All-Star anxiously awaits the day we can get our fleet back on the roadways to provide safe transportation for the students.

Regards,



Leslie Sheldon
Operations Manager

New Milford

	<u>Per day With Drivers</u>	<u>Per day Without Drivers</u>
Driver and Monitor Wages	\$ 10,860	\$ -
Vehicle insurance (fire and theft)	343	343
Operating Expenses		
Licenses & taxes	519	519
Phone/internet	112	112
Capital costs on vehicles	2,244	2,244
	2,875	2,875
Facilities costs	590	590
(Rent, utilities, insurance, taxes)		
Operations Wages	765	765
(managers, dispatcher, payroll taxes, benefits)		
Maintenance Costs (vehicles)	804	804
Maintenance Wages	828	828
Total Direct Costs	17,065	6,205
Administrative Expenses	1,167	1,167
Less: Corporate overhead expenses	(1,107)	(1,107)
Net administrative expenses	59	59
Other Expenses/Income	(23)	(23)
Total Indirect Costs	37	37
Total direct and indirect costs	\$ 17,102	\$ 6,242

	<u>Days</u>	<u>Dollars</u>
Total contract invoices prior to credit based on 10 equal installment bills of 18 days/month		\$ 3,854,225.10
Per day cost per contract	181	21,294.06
Actual cost from August to March 12th	120	2,555,287.36
Payments received through March installment bill		(2,697,957.57)
Overpayment from actual days operated prior to closing March 12th		(142,670.21)
March nonoperating days (no drivers)	13	81,146.00
Pre April 27th nonoperating days (no drivers)	12	74,904.00
Post April 27th nonoperating days (with drivers)	4	68,408.00
May non operating days (with drivers)	20	342,040.00
June non operating days (with drivers)	12	205,224.00
Total owed through June 2020		629,051.79