

February 10, 2022

To: MERSD School Committee

From: Avi Urbas, Director of Finance & Operations

Copy: Pam Beaudoin, Superintendent of Schools

Re: Financials/Warrants for 2/15/22 School Committee Meeting

Greetings, MERSD School Committee.

Attached please find financials for Tuesday's 2/15/22 School Committee meeting. Here is an overview of the vouchers and a few highlights to bring to your attention.

Voucher 1036:

This is a standalone voucher totaling \$142,497, for Phase 3 of the Green Communities Grant partnership with the Town of Essex. Under this grant, MERSD gets reimbursed 100% for the cost of energy efficiency upgrades that are part of our broader mission to extend the useful life of Essex Elementary School (EES). This 3rd phase, through vendor Guardian Energy, completes the upgrade of the EES heating controls, which now cover the entire building. HVAC controls provide our facilities team with a software platform to more efficiently manage heating and fresh-air intake in the building. In addition to annual cost savings from lower energy bills, the controls have also been a part of our COVID response, by helping us to maximize introduction of outside, fresh air into school buildings. Phase 1 of the grant was an LED lighting and steam trap replacement (i.e., heating mechanical componentry), and Phase 2 installed the same heating control system in the first 50% of the building. In total, all three phases comprise an amazing \$475K of grant funding for MERSD that the Town of Essex has committed to EES over three years.

Voucher 1037:

This is the main Accounts Payable (AP) voucher for the meeting, totaling \$475K. Of note:

- Curriculum & Technology
 - \$15K to Culture7 Coaching for work with Administrative leadership team on preparing for professional development with staff on Diversity, Equity & Inclusion. Prior invoices totaling \$12K were paid out of the Essex Community Learning Collaborative (ECLC) regional grant.
- Facilities & Operations
 - \$20K to Jeffrey's Creek for snow removal and ice treatment at all 3 facilities in January, bringing total spending to date to \$27.7K. Prior year costs tend to range from \$40-85K depending on snowfall (\$100K+ in 2015 – a record year) so we are so far in good shape on the budget, but February tends to be a big month for snow.
 - \$81K to National Grid for electricity going back to September at MMES and EES. The backlog for EES relates to our Accounts Payable transition, which is now mostly caught up. The large majority (\$71K) relates to MMES, since the meter was turned on, with all invoices just received over the past month. We are working with WT Rich and our OPM to ensure that any amount owed by contractors for on-site work will be paid back to MERSD.

- \$50.9K to Kompan for closeout of the Essex Elementary Playground project. \$9K represents final payment on the \$300K contract for equipment, surfacing and installation. \$42K represents final payment for the separate site preparation contract, of which \$22K was the original quote, and \$20K represents change orders related to managing excessive ground water on the site and excavating and removing 3 feet of deteriorated, unsalvageable buried wood chips across the site (the typical depth expected is 1 foot). Recall that MERSD also had to bring in a specialty drainage contractor to install \$24K of piping under the site, bringing total site costs for the project to a higher-than-expected \$60K. School Committee members that joined the MMES SBC at this past week's EES walkthrough can attest to the challenges of water on site, and the Habeeb Report also recommended a stand-alone engineering study if we ever want to redo the soccer field adjacent to the school and playground site.
- \$60K in monthly, mandated special education out-of-district (OOD) transportation through multiple vendors (Action Ambulance, Nick's and VSP).
- Athletics & Activities:
 - \$5.2K for 50 payments (\$100 avg.) to referees in January and \$14K for transportation through January
 - \$5.9K to Mass DECA to for the state competition (\$265 each for 52 students and chaperones). Approximately \$10K of DECA (and Debate) expenses are paid by the HS budget with the remainder fundraised by students and paid through the HS Student Activity account.

Voucher 1038:

Monthly required employer contribution of \$442 to the federal Medicare program for legacy retirees that joined after their initial eligibility. MERSD saves more than \$14K per retiree per year, by requiring them to enroll in Medicare as their primary insurer. MERSD's mandated contribution is thereby only to retirees' Medicare supplement plan, for which the cost is just \$3.5K per retiree per year.

Voucher 1039:

Transfer request from the HS to replenish their student activity checking account. By School Committee policy, the maximum balance in the checking account is limited to \$50K for the high school. By law, deposits of fundraised amounts may not go into the checking account, but rather are deposited into a separate savings account. These amounts may only be transferred into checking after funds have been spent down, with Central Office and School Committee (SC) approval. This ensures that building access to spendable funds (i.e. checking account) only occurs with detailed oversight. As part of this oversight, Central Office reviews each invoice and sends a listing of checks paid since the last transfer to School Committee along with the AP materials (see attached). Per MERSD SC policy, maximum balances are \$10K for MS and \$5K for each elementary school, reflecting far fewer clubs and student activities. Student Activities funds, which are codified in MA General Laws are the only example of building-level access to spendable funds, with all other checks being processed by the Central Office, via the AP process with School Committee sign off on all vouchers.

Voucher 1040 and V1041:

Invoices approved at the 2/8 monthly School Building Committee meeting for the Memorial School (MMES) project, including:

- Monthly payments for January to project team of \$17K to Dore & Whittier (OPM), \$53.8K to JCJ Architects including continued charges for work with the Conservation Commission and \$219K to WT Rich (Construction Managers).

- Other invoices include \$2K to Playground Medic for inspections, \$6.4K to Maestranzi for 2 snowblowers and \$1.2K for Promethean Board componentry for PreK and Music classrooms that opened this fall in the Gym/Admin wing.

Please let me know if you have any questions.

Best regards,

Avi Urbas