

Minutes of the Board of Finance Budget Review Meeting

Town Hall – April 4, 2016

Members present: Justin Donnelly, Ryan Anderson, Chris Childs, Eric Harrington, Dr. Ann Huntington Mickelson, alternates Tracy Eccles, John Sullivan and J. Michael Stevens. Brian Kost was absent.

Also present: First Selectman Melissa Mack, Director of Finance Deborah Cerrato.

Chairman Donnelly called the meeting to order at 7:00 p.m.

Correspondence:

Senior Center Director Paula Pascoe sent an email to Chairman Donnelly regarding the minutes of the meeting from March 21. During her presentation she noted that wages for her position were flat not a 2 percent increase. She also reported that kitchen activity is self-sustained with no budget from the Town.

An email was received from Kim Worthington highlighting her concerns over the Board of Education (BOE) proposal to eliminate 20 Special Education (SPED) staff. She also was concerned whether the proposed model for Curriculum Leader/Instructional Coaches was cost effective.

Citizen Comment:

Debra Dudack of 315 Prospect Street spoke against the proposal to reduce the number of peer models and classroom teachers in the Spaulding integrated Preschool program. She added that earlier intervention would help children achieve better outcomes and would help avert costlier special education expenses in the future.

Chairman Donnelly stated that State Rep Zawistowski expected Suffield to maintain its current status for the remainder of the current fiscal year but suggested that the Town should anticipate Payment in Lieu of Taxes (PILOT) cuts in the 2016-17 budget year. Suffield receives about \$2.1 M in PILOT funds currently.

Budget Review – Board of Education

Board of Education Chairman Jeanne Gee thanked the Board of Finance for their participation in the BOE budget development. She praised the work of Superintendent Berasi, Business Manager Bill Hoff and Assistant Superintendent Hendrickson. She noted that the budget was developed by all members at regular board meetings rather than by subcommittees at special meetings.

Superintendent Karen Berasi began her presentation by saying that the proposed BOE Budget contains a 2.34% increase (\$787,421) which is necessary to invest in Suffield's future. The budget will support the attracting of highly qualified teachers, developing competitive students and investing in the Suffield community. Ms. Berasi passed out a document showing how schools can impact home prices.

Projected enrollment for 2016-17 is 2,318 students or a decline of 19 students. This reduction is spread throughout the grades.

Health insurance costs are expected to be 9.6% lower than in the current budget year. The final insurance amounts were received on Friday and not reflected in the budget adopted by the BOE.

The proposed budget includes a reduction of 29.8 Full time equivalent (FTE) staff members, offset by 14.2 FTEs of additional personnel for a net reduction of 15.6 FTEs. Changes highlighted included Technology positions, reductions of 15 paraprofessionals and 5.8 academic support positions and a new Assistant Principal position at Spaulding. The personnel changes are being made to use resources more strategically to directly affect student outcomes. She noted that curriculum must be developed. The district ACT scores are below state average and Suffield SAT scores are in the bottom half of our District Reference Group (DRG). Chronic absenteeism in the high school and middle school also needs to be decreased.

Ms. Berasi noted that without any reductions, the budget increase would have been 5.4%. Increases included a 1.79% contractual salary increase (\$604,398), SPED Purchased Professional Training of \$242,000, new Instructional coaches, curriculum leaders, the assistant principal position, etc. for a total of \$1,831,567.

Proposed Budget reductions of \$409,147 in health insurance, \$526,945 in reduced paraprofessional, certified and academic support staff and \$125,221 for Social Security and Medicare equal a 3.64% decrease (\$1,227,547).

Projected grant revenue was discussed including the Open Choice grant. Ms. Berasi noted that less students will be accepted this coming year since the district didn't have the foundation of resources to support all of the students who came in.

Ms. Berasi passed out a document showing 380 state unfunded mandates to school districts in Connecticut.

Chairman Donnelly thanked Ms. Berasi and asked the board members for their comments and questions.

Mr. Stevens asked about the technology changes and why they were not coordinated with the Town technology activities.

Mr. Childs asked about the role of paraprofessionals and how the elimination of 15 positions would impact education. Ms. Berasi stated that with the reduction there still would be 54.75 FTEs remaining. The paras are non-certified positions who cannot instruct but can reinforce concepts. She said Suffield has more paras than districts twice our size. It was noted that last year's budget had an increase of 22 para positions. Ms. Berasi said that some paras were performing more clerical work rather than directly working with children. She wants to do a time study to see how their time is being used.

Ms. Eccles discussed the development of new teachers and the process for performance evaluations before they become tenured after four years.

A lengthy discussion took place about SPED costs. Ms. Berasi noted that there are more students with emotional disturbances who need psychological evaluations and support. A school psychologist will be added for the High School. A Center for Special Needs will be added to Spaulding School since early intervention achieves better outcomes. The cost of this is around \$300,000. This program will be rolled out to the other grades in the future.

Mr. Anderson discussed the BOF goal of trying to keep tax increases at the same rate as inflation. He noted that the even though enrollment is declining it is across the whole district and doesn't impact a

particular grade. Open Choice students are also spread across the schools as well. He noted the health insurance savings this year may not be available next year and questioned whether the school budget could ever get to an inflationary rate. The Board agreed that there should be more meetings between the BOF, BOE and Board of Selectmen (BOS) to look at assumptions for future years.

Dr. Mickelson asked about cost savings that could be realized between the Town and the BOE. Ms. Berasi noted that the School Director of Technology is a member of the Town Technology Committee and perhaps shared purchasing opportunities may be possible. BOE Chairman Gee noted that a previous Blum Shapiro consultant suggested that Technology and Human Resources may be areas where shared services could work. First Selectman Mack and Superintendent Berasi have had discussions about how this could work for Human Resources.

Dr. Mickelson also asked about Ms. Dudack's comment about peer models. Ms. Berasi said that the pre-school is for SPED students not a public pre-school. By increasing peer models to the program more teachers are needed.

Mr. Harrington asked about adding a vacancy factor to the salaries budget. He noted the Town has built in salary budget reduction of \$55,000 for when positions are vacant. He noted that the BOE budget has no vacancy factor and has a line for substitutes. Mr. Hoff explained that the substitutes are for sick days not for longer term vacancies. He did agree that a vacancy rate should be investigated in the future.

A brief discussion took place about the need for the High school bleacher replacement project in the capital budget.

Chairman Donnelly thanked the Superintendent and the BOE for their clear presentation. He recognized their hard work and said their efforts are appreciated.

Budget Discussion:

Ms. Cerrato handed out an updated Revenue summary with increased revenue expected from the Building Department and updated amounts from the BOE.

Possible transfers from LoCIP and some other capital projects were identified to reduce proposed capital expenditures. Mr. Stevens noted that the project for codification of Ordinances for \$12,000 needs to be added to the Capital project list. A discussion about whether or not to include \$350,000 for fire apparatus replacement also took place without consensus being reached. The reprioritization of the high school bleacher project was discussed too.

First Selectman Mack noted that discussions were taking place with Busway project where the Town would be paid to take more cover soil for the landfill. The concept of having them pay us in-kind with equipment that has been requested by Public Works rather than in cash was well received by BOF members. First Selectman Mack was also asked to provide updated documents based on recent BOF presentations.

Mr. Anderson made a motion to adjourn which was seconded by Mr. Harrington. By unanimous vote the meeting was adjourned at 9:00 p.m.

Respectfully submitted,

Lisa Trase