

TOWN OF EAST HADDAM
Board of Finance
Regular Meeting
March 14, 2016
Grange Hall

The regular meeting of the East Haddam Board of Finance was called to order at 7:00 pm by Chairman Ray Willis at the Grange Hall.

The Pledge of Allegiance was recited.

In attendance:

Board of Finance Members:

Raymond Willis, Chairman
William DiCristofaro
Bruce Dutch
Harvey Thomas

Others:

Mark Walter, First Selectman
Susan Link, Selectman
Ernest Malavasi, Selectman
Deb Denette, Town Clerk and Recording Secretary
Bryan Perry, Chairman, Board of Education
Brian Reas, Superintendent of Schools
Cindy Varricchio, Finance Director
Approximately 50 individuals were present in the audience

APPROVAL OF AGENDA

Motion was made by Mr. Dutch to approve the agenda as presented. Mr. DiCristofaro seconded the motion and it was unanimously approved. Motion carried.

APPROVAL OF MINUTES

Motion was made by Mr. Dutch approve the minutes of the February 8, 2016 regular meeting amended as follows:

Replace the word inventive with incentive on page 4 of 8.

Also on page 4 of 8 "It" should be lower case, in the second paragraph.

Lombardo should be replaced with Leonardo in both instances where it occurs, on page 4 and 5.

Mr. DiCristofaro seconded the motion and it was unanimously approved. Motion carried.

CORRESPONDENCE

Nothing noted.

CHAIRMAN'S REPORT

a. Tax Collector's January and February Reports:

Mrs. Dill reported that collections are tracking nicely and that she is slightly ahead of total collection percentage in comparison to this time last year.

b. 2016-2017 Budget:

Mr. Willis noted that the Board will meet on Saturday March 26, 2016 beginning at 9:00 am to begin its review of the budget. He advised that the meeting will be held at the Senior Center and he encouraged the public to attend.

Budget Presentations:

Board of Education:

Mr. Willis invited the Chairman of the Board of Education to present its budget. Mr. Perry thanked the Board of Finance for its consideration of the schools budget and he introduced Brian Reas, Superintendent of Schools.

Mr. Reas also thanked the Board of Finance for its consideration and the Board of Education for its work in bringing forward the present budget. He noted that the process began last year. Mr. Reas reviewed recent accomplishments, including having a Merit Scholarship semi-finalist, mock trial team winners, logo team winners, being named to the college board advanced placement honor roll, and that the elementary school was recognized as a school of distinction. He also reviewed the Strategic Plan for the school district.

Superintendent Reas reviewed the following highlights of the 2016-2017 proposed budget:

- Implements new curriculum
- Expands the world language program for elementary school students
- Expands opportunities for special needs students
- Increases in-house support for students
- Continues textbook renewal cycle
- Enhances the k-3 reading program
- Improves the library/media program

To accomplish these goals, additional staff is necessary, particularly, one full time world language teacher, 1.8 paraprofessionals to support the media and reading centers at the elementary school, and one full time psychologist so that one is located in each building.

Superintendent Reas noted that enrollment has been a concern, not only for East Haddam, but State wide. He reviewed enrollment over the past six years and stated that over that time period the schools have seen a decrease of 167 students. He added that next year, however, the elementary school and middle school enrollment is projected to remain flat, while the high school is expected to see a decrease of approximately 25 students.

Mr. Reas stated that the school district has been working to bring home more special education programs and is working to refine and increase program effectiveness. He

stated that this helps to stabilize the budget. He reviewed a graph demonstrating the financial impact of East Haddam special education programs on salaries, tuition and transportation.

Mr. Reas also reviewed a graph relating to Health Insurance Offsets and added that the 2016-2017 health insurance premium may be \$100,000 less than previously anticipated. Mr. Reas noted an intent to work with neighboring districts to find savings from regional collaborations. He also noted the intent to conduct a proactive study of the facilities and enrollment. And to obtain cost projections of future projects with more specificity. Mr. Reas also stated that he is hopeful that the districts electricity costs may decrease by \$25,000.

The presentation brought forward indicates a 1.98% increase (or a \$384,140 increase) over the 2015-2016 budget. He noted that with the reduction regarding health insurance premiums it brings the proposed increase to 1.46% over the current budget.

Mr. Willis stated that he toured the three schools recently and that he felt that they were very well maintained. He stated that in his observations, the class sizes were quite small. Mr. Reas stated that being so small makes class size more difficult to manage. Mr. Willis stated that he was concerned that our schools were over staffed and that it was too much to put on the backs of the community. Mr. Reas stated that he respectfully disagreed that the school system was overstaffed.

Mr. Thomas stated that he will formulate questions for the March 26th workshop, as he will need time to study the proposal. He stated that it was his understanding that the Shared Services portion of the Board of Education budget is not included in the figures presented. He was advised that he was correct. He stated that he would like to know what part of Shared Services is allocated to education.

It was further suggested that Board of Finance members email Mrs. Varricchio (with cc to Selectmen or Board of Education) questions that they may come up with during their review of the materials provided so that they can be answered at the workshop on the 26th.

Mr. DiCristofaro inquired about the cost savings in special education budget. Mr. Reas responded that in house programs at the elementary school and in the program for students aged 18-21 were implemented.

There being no further questions for the Superintendent at this time, the First Selectmen presented his budget, substantially in accordance with the PowerPoint presentation prepared.

Town Government:

Mr. Walter reviewed the vision statement, goals and objectives, recent accomplishments and next steps.

Mr. Walter stated that the proposed budget includes funding for professional engineering and marketing services to facilitate economic expansion in the two villages and industrial areas, increased police, fire and ambulance coverage and continued effort at restoring appearance and pride in our parks, greens and infrastructure.

Mr. Walter highlighted the following regarding the numbers:

- Health insurance savings.....\$56,000
- Increases associated with 9-1-1 services\$10,000
- Increases to maintain fire equipment\$28,500
- Increased cost of Resident State Trooper Program\$40,000

Mr. Walter noted concern with funding that is anticipated from the State. He stated more and more the State cuts back on what it sends to the municipalities. He stated that we have budgeted conservatively in anticipation of those cuts.

Capital Improvement Plan, Debt Service and Reserves were also reviewed.

Responsive to inquiry from Mr. DiCristofaro, Mr. Walter reviewed the increases made by the State regarding the Resident State Trooper program. The additional shifts undertaken and the impact that has made on lowering crime in town was discussed. Mr. Walter reviewed the enhancements to shifts and also discussed community policing. This led to discussion regarding fire coverage and career fire fighters and volunteers along with costs associated with training and equipment.

Responsive to a comment made by Mr. Willis that Shared Services represented a 70/30 Board of Education/Town split, Mrs. Varricchio responded that technology is likely a 70/30 split but that the Finance and Facilities Directors are more 50/50.

Mr. Thomas inquired how confident Mr. Walter was with the revenue projections. He replied that East Haddam is fairly conservative in its projections.

FIRST SELECTMAN'S REPORT

a. Shared Services Report:

The Shared Service Report was noted to have been included in the board packet. Mr. Walter noted that staff has been very busy, he encouraged Board members to read the summary.

FINANCE DIRECTOR'S REPORT

Mrs. Varricchio had no report.

LIAISON REPORTS

Nothing noted.

GUESTS AND AUDIENCE COMMENTS

Patricia Stricker stated that she believed the Board of Education presented a thoughtful budget and she encouraged the Board of Finance to not make cuts. She stated that because so much of the programming is mandated, the areas that continue to be cut are the ones that impact the average kids.

Melanie Kolek stated that she felt a budget increase of 1.46% was very reasonable and she encouraged its support. She noted her experience as an education attorney and stated that she is quite proud of East Haddam's educational system and she encouraged the Board of Finance to continue with what is working.

Nicole Hendry, Terry Dickinson and Tammy Spurgeon also encouraged support of the Education budget presented.

OLD BUSINESS

Nothing noted.

NEW BUSINESS

a. Emergency Management Performance Grant (EMPG)—Grant Approval and Acceptance:

Mrs. Varricchio stated that this item is an annual grant that is provided to all Connecticut Municipalities upon application. The grant is utilized to offset the stipend for the Emergency Management Director and the Assistant Emergency Management Director.

Motion was made by Mr. DiCristofaro to recommend to the Board of Selectmen the acceptance of the State of Connecticut, Department of Emergency Services and Public Protection, Division of Emergency Management and Homeland Security grant, entitled FY2014 Emergency Management Performance Grant in the amount of \$4,579 (revenue budget 10542-43000 and expense budgets 10541810-51510 - \$4,000 and 10542070-51590 - \$579) and to ask the Board of Selectmen to schedule a Town Meeting for approval. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

Mr. Willis again encouraged those present to attend the budget workshop on March 26th. He requested a motion to adjourn.

Motion was made by Mr. Dutch to adjourn at 8:30 pm. Mr. DiCristofaro seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,

Deb Denette
Recording Secretary