


**EAST LYME BOARD OF FINANCE  
SPECIAL BUDGETS REVIEW MEETING  
TUESDAY, MARCH 28, 2017**

**PRESENT:** Camile Alberti, Chair  
Beth Hogan  
Lisa Picarazzi  
Pete DeRosa  
Bill Weber  
Jason Pazzaglia

FILED

*Mar 30* 20 *17* AT *11:05* AM/PM  
  
EAST LYME TOWN CLERK

**ALSO PRESENT:** Jeffrey R. Newton, Superintendent of Schools  
Maria Whalen, Board of Education  
Timothy Hogan, Chair of the Board of Education  
Anna Johnson, Finance Director  
Mark Nickerson, First Selectman

**A. CALL SPECIAL MEETING TO ORDER**

Ms. Alberti called the East Lyme Board of Finance Special Budgets Review Meeting of March 28, 2017 to order at 7 p.m.

**B. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was observed.

**C. DELEGATIONS**

Jennifer Murray of 7 Tabernacle Avenue, Niantic, Connecticut stated she supports the Board of Education budget and felt it is doing more with less. Test scores in our district show East Lyme students are doing well. She felt the Board of Education is fiscally responsible.

**D. NEW BUSINESS**

a. Budget Reviews.

Historic Properties. Mr. Nickerson reported the Board of Selectmen restored \$2,000 to the Historic Properties budget. The Historic Properties Commission oversee the Samuel Smith House. In May we should be able to see what the state is proposing to the towns.

Board of Education. Ms. Hogan reported our Public Hearing is normally held at the end of April. The Referendum is normally the third Thursday in May.

Ms. Johnson felt the mill rate will be impacted by the Governor's budget. If the Town is required to contribute towards the teachers' pension, our budget will be impacted.

Dr. Hogan stated he appreciates the efforts the Board of Finance puts in during its review of the budgets. In the past the Board of Education budget has been very well managed. In 2013 we added all day kindergarten which has been a real bonus. It required five teaching positions. Last year we had a 3.3% increase which was approved by the Town. This allowed us to catch up on teachers' salaries. We had discussions on the state's budget. We have a school project being voted on tonight.

Jeffrey Newton reported teachers, parents and board members have been working on plans for the district. For this year in order to keep the budget flat there were no changes to the budget and we allowed coverage of contractual obligations. The two areas we need to address is security and special education requirements. Everything else in the budget will remain the same. Special education enrollment is increasing. We have identified 425 students this year. We would like to have security staff. Our salaries, staff and benefits are 79.4% of our budget. We have saved \$137,000 in insurance. For special education we are trying to maintain the same level of service even though there is an increase in special education students. We have minimized outsourcing. We have offered early retirement and sixteen individuals have taking advantage of it. We are sharing transportation in the area. We have reduced our legal fees. A printer is needed for the High School Print Shop.

Mr. DeRosa felt the Board of Education has brought forth a lean budget. He noted contractual services have decreased. Mr. Newton stated there are a large number of special education students in the district. Mr. DeRosa asked how is placement in the district? Mr. Newton replied at this time we don't know what it will be.

Ms. Hogan stated there are allocated amounts from individual schools, and they were transferred to the district. She noted supplies are in a different line item. Ms. Whalen stated supplies and materials are in the 600 category. It was moved into a better category.

Ms. Hogan referred to special education transportation. Mr. Newton stated we have less need for special education transportation.

Ms. Hogan approved of the savings in the Board of Education budget because of regionalization and a ten-year maintenance program. She felt the Board of Education did a very good job on its budget. We need to know what will happen in the state budget.

Ms. Picarazzi noted the elementary school budget is increasing. Mr. Newton stated the High School remains the same, the Middle school has gone down and the primary schools will increase. Salem enrollment has decreased. Ms. Picarazzi asked when do we negotiate a tuition rate? Dr. Hagen replied every year there is a 5% increase.

Every year we reconcile the amount, and if we were not paid enough they pay over a monthly schedule.

She noted there is an increase of 40 special education students. That accounts for a \$316,000 increase in that line item. Mr. Newton replied we are not increasing staff. She asked for an explanation of the need for 15.5 administrators. Mr. Newton replied these are mandates from the state. The work is becoming more complex. With a reduction there will be less contact with the parents.

Ms. Picarazzi observed school busses that are not filled to a reasonable capacity. She asked are the routes being revisited? Many parents are not using the bus. How can we be more efficient. Mr. Newton replied a few years back we reduced a bus. It costs \$70,000 per year for one bus. We are mandated to provide transportation. Parents are requesting more stops. We don't know when and if they will use it. At the present time it is not feasible to reduce a bus. Ms. Picarazzi felt at the High School many students drive to school. She suggested asking parents if they plan to have their youngsters use the bus. Mr. Newton replied parents have every right to change their mind about that. When we redistrict at the elementary level, we will review that. If we cut a bus it takes longer to get to school.

Ms. Picarazzi asked about maintenance for the Turf Field. Mr. Newton replied it will cost \$500,000 to replace that field. We have ten years left before we have to replace it. We need to generate more revenue. Mr. Newton stated we have \$6,000 in revenue saved for the field. Ms. Picarazzi suggested asking parents of youngsters who use the field to contribute.

Mr. Weber felt the \$9,000 for security personnel was not much. Mr. Newton stated we are using the hourly rate for greeters. These individuals may have had security background. They will monitor who comes and goes at the beginning and end of the day. At the Middle School they can deal with any behavioral problems.

Mr. Weber noted administration costs and raises for each school's administrators increased. Mr. Newton replied administration personnel received the same increase as the teachers. Administrators are salaried employees.

Mr. Weber was pleased to see a decrease in utilities.

Mr. Weber asked if there would be an increase to copiers? Mr. Newton replied we are streamlining our copying practices to avoid having multiple printers in classrooms.

Mr. Weber asked if consideration has been given to e-books. Mr. Newton replied that will be considered in our long-range plans. Mr. Weber felt youngsters are carrying very heavy books.

Mr. Weber referred to 901 for salary improvement. Ms. Whalen replied this year contracts have been negotiated.

Mr. Weber noted many decreases in equipment. He felt the Board of Education is doing a great job in driving down costs.

Ms. Whalen referred to 700 Equipment line item. It has been reallocated to the appropriate line items. When we file reports it has to be clarified in a certain way.

Mr. Weber noted that item 400 Cleaning Services doubled. Ms. Whalen agreed to check on that line item.

Mr. Weber observed the Administration budget has a 600% increase. Mr. Newton replied salaries increased and some individuals are in different categories. Ms. Whalen added most of this is housekeeping. Next year we will have a better comparison of the two lines.

Ms. Picarazzi asked for the Board of Education's long-range plan. Mr. Newton replied we surveyed the district and came up with what we are good at and what we need improvement on.

Mr. Pazzaglia asked about the Board of Education's long-range maintenance plan. Mr. Newton replied we need to work with the architect and construction managers.

Mr. Pazzaglia noted there is \$38,000 savings in health benefits. He was informed we enrolled the teachers in a less costly plan.

Ms. Alberti noted under 200 Benefits there is a 65% increase in retirement severance. She was informed there are 16 anticipated retirements next year. Ms. Whalen stated what is reflected in that is at the present time everybody that has retired and is still receiving benefits. We are looking to save money on retirement incentives which is not fully reflected in this budget.

Ms. Alberti asked if the payments are retirement severance? Ms. Whalen replied it is based on who retired at the time this budget was prepared. Ms. Alberti felt this is a continuing obligation. Ms. Whalen stated this changes every year.

Ms. Alberti stated based on the high amount is this amount out of the ordinary. Ms. Whalen replied we have to cover a retirement plan and maintain it for the next couple of years. Mr. Newton added two retired administrators are included. Next year another administrator is retiring. Ms. Alberti asked will you hire personnel at a lower amount? Mr. Newton stated this includes vacation time and benefits. Ms. Whalen added these individuals have been grandfathered.

Ms. Alberti referred to 520 Property Liability and noted a 12% increase in insurance. The town has a decrease of 3.6%. Ms. Whalen stated based on a negotiated

contract it has risen 10%. She has spoken to CIRMA. Mr. Nickerson added we renegotiated that contract at 3%. Workers Compensation has also gone down.

Ms. Alberti thanked the Board of Education for the many hours of work that went into this budget. She is proud to live in a Town that values education. She felt there is a real disparity at the cost per pupil at the elementary level. We are a small community trying to work together.

We will be building the school project. We have a shortfall in the Governor's budget. We have an increase in capital for the schools and hope we can fine tune the numbers. She knows downsizing is painful. We are asking town employees to take on more responsibility.

Ms. Hogan feels strongly that we need to see what's happening on the revenue side. Mr. Newton stated we are in the midst of hiring staff members. We need to do this early in order to get the best people.

#### **E. PUBLIC DISCUSSION**

Diane Swan of North Beach Road complimented the Board of Education, Board of Selectmen and Board of Finance on working together.

She invited all present to an Outdoor Storm Water Program to be held on May 16 at 9:45 am. to 1:00 p.m. in Hole-in-the-Wall parking lot with third grade East Lyme and Salem students.

#### **F. BOARD COMMENTS**

Mr. Weber stated everyone in the Board of Education did an outstanding job.

Ms. Picarazzi felt the Board of Education did a nice job on the budget. She added its a hard time for us, and she hoped we will have public support and understanding. She thanked the Board of Education for its team work.

Mr. Pazzaglia stated it is difficult to decide what we will cut. He was pleased to see the Board of Education budget streamlined. He has children in the school system and he feels the school is doing a good job.

Ms. Hogan felt we all have to work together.

Mr. DeRosa stated he is very pleased with the cooperation between the Board of Education, Board of Selectman and Board of Finance. His children attended East Lyme school, and appreciated the quality of education they received when they went on to Boston.

#### **G. ADJOURNMENT**

**MOTION (1): Ms. Picarazzi moved to adjourn the East Lyme Special Meeting Budget Reviews of March 28, 2017 at 9 p.m. Seconded by Mr. Weber. (6-0) Unanimous.**

Respectfully submitted,

Frances Gheri, Pro Tem