

**EAST LYME BOARD OF FINANCE  
PUBLIC HEARING MINUTES  
FY 2018-2019 PROPOSED BUDGET  
Monday, APRIL 30th, 2018**

Members In Attendance: William Weber, Chairman  
Lisa Picarazzi, Vice-Chairperson  
Camille Alberti  
John Birmingham  
Anne Santoro

FILED

May 8 2018 AT 9:40 AM/PM  
Karen Malm  
EAST LYME TOWN CLERK

Also In Attendance: Mark Nickerson, First Selectman  
Anna Johnson, Finance Director  
Jeffrey Newton, Superintendent of Schools  
Tim Hagen, Chairman, Board of Ed

Absent: Jason Pazzaglia

**A. Call Public Hearing to Order**

Chairman Weber called this Public Hearing on the FY 2018-2019 Proposed Budget of the East Lyme Board of Finance to order at 7:00 PM.

**B. Pledge of Allegiance**

The Pledge was observed.

Mr. Weber welcomed everyone, and said that they would first hear from the First Selectman, Mark Nickerson then from the Board of Education Chairman, Tim Hagen and Superintendent of Schools, Jeffrey Newton.

**C. Comments by First Selectman**

First Selectman, Mark Nickerson welcomed everyone and said tht he is glad that he was able to come in with the budget that is being presented this evening as they are still able to hold costs flat and to make things work through attrition. He is proud of where they are and that they are able to maintain services. He said that he would be available throughout the evening for any questions they might have.

**D. Comments by Board of Education Chairman**

Mr. Weber said that they would now hear from the Board of Education Chairman, Timothy Hagen.

Tim Hagen, Board of Ed Chairman concurred with Mr. Nickerson's comments adding that they are glad to be able to bring in the budget that they have without any compromise to educational quality. He said that this budget represents doing it 'right' but also as efficiently as possible.

Jeffrey Newtown, Superintendent of Schools thanked everyone for all of their efforts in working on the budget before them. He then reviewed a PowerPoint presentation on the school budget. (Copy attached to minutes) He said that they did not operate under the premise of 'we had it this way last year so we will do it again this year' but rather to be fiscally responsible and cognizant of the economic times that we are in. He noted that 80% of the budget is for salaries and fixed costs. The only proposed addition is for two social worker positions and a psychologist. With the \$200,000 reduction that was made by the Board of Finance their percentage increase over the current year is 2.17%.

**E. Board of Finance Presentation of Proposed Budget for FY 2018-2019**

Mr. Weber introduced the Board members and said that they all worked hard to provide services to the Town while trying to maintain affordability. He explained projects that had been completed in the current fiscal year and synopsised the events that brought them to tonight noting that they have held many budget meetings

prior to this evening. After all was done, they made \$249,000 in reductions - \$200,000 from the Board of Ed and \$49,000 from Town Government.

He went through a Power Point presentation (attached at end of Minutes) noting key items. With the State revenue projections as they have been presented and the proposed budget of \$71,787,140 he said that they are estimating a 1.19 mil increase in the property taxes at this time. He said that he thinks that they are presenting a fiscally responsible budget.

## **F. Public Discussion**

Mr. Weber called for public comments and asked that speakers state their name and address for the record.

Ron Rando, 194 Boston Post Road said that he has been a taxpayer and run a business in this Town for 45 years; he asked what his increase would be for this upcoming year as the taxes always go up. The \$200,000 reduction to the Board of Ed is a disgrace – Mr. Weber said that they had gone through the BOE budget line by line – well, you can't do that – read the Charter – you can only cut the bottom line. People come here for the school and they leave as soon as their kids graduate and they leave us holding the bag. He asked about the pool repair costs –

Mr. Newton said that it was \$367,000 minus the \$100,000 from pool revenues so it is \$267,000 under a five year acquisition.

Mr. Rando continued regarding the Niantic Park property that the Town purchased and asked about the remediation and how much was spent there as he was sure that it was not the \$19,000 –

Mr. Nickerson said that he would be happy to drop off those figures to him –

Mr. Rando said that he should know what they are. He also said that when he went to school that there were 37 kids in the class and now they can't teach with 15 kids in the class. The BOE should be cut \$2M.

Diane Swan, 7 N. Beechwood Road said that she sits at all of these meetings and it amazes her how people pit each other against each other. Her children's heritage goes way back in this Town. She does feel that there are areas in the budget that could be re-visited and that savings could be found in many areas. She said that it is also time to push back on some of the mandates that we just can't afford. We also need to work a bit better and smarter as a community and to stop attacking each other. We need to set a good example for future generations. She said that she would be staying in this community.

John Drabik, 18 Drabik Road said that Mr. Rando is right – every year they put forth numbers and they see that the state has reduced everything coming to us – but – the State has received their tax money from us and still put more on our backs. You are killing us – if you put as much effort into getting Costco here as to the toilet downtown, you would have something. At least we would have that tax revenue. He said that we have to live within our means and that it is unfair to balance everything on the backs of the taxpayers. He also said that they do not need a separate presentation on the BOE budget as we do not bifurcate the budget and we cannot touch their line items – only the bottom line. It is about time to cut more and to reduce services.

Ron Rando, 194 Boston Post Road asked Mr. Newton what the cost was for the survey on the students.

Mr. Newton said that it was about \$22,000.

Mr. Rando asked if it was something that they could have done in-house.

Mr. Newton said no as there was a lot of statistical data needed.

Mr. Rando said to the Board of Finance – the State of Connecticut is \$363M in the red – so if they cut us further – what are you going to do – are you going to make the taxpayers make up the difference? It's time that you started thinking about the taxpayers. You always hear about the BOE, it's time to cut their request to zero. Let them get along with less. He said that in the Board of Finance presentation there was a comparison to other Towns – he does not care about what other Towns do, he cares about our Town.

John Drabik, 18 Drabik Road asked what it is going to be – are they going to worry about Government or the taxpayer – they have to draw a line somewhere so start reducing services.

Ron Rando, 194 Boston Post Road said that they have a big building open in the Industrial Park – he suggested that Mr. Nickerson should go to UPS and let them know about it and ask them to come here. With regard to Costco – he said that was a farce, he knew two years ago that they were not going to come here.

Mr. Weber asked if there were any more comments from the public.  
Hearing no one –  
Mr. Weber thanked everyone for all of their comments.

### **G. Board Comments**

Mr. Weber called for comments from the Board.

Ms. Santoro said that she is a new member to this Board. She thanked everyone for coming and for all of their comments. She said that she would take them under advisement. She thinks that the process so far has been very effective and explained that she has made a concerted effort to make suggestions on where to cut after detailed review of the budget items. She thinks that they are all aware of the State budget woes and is hopeful that we will see some additional revenues.

Ms. Alberti thanked everyone for their comments. She said that she has been a big proponent of the BOE budget but for the last couple of years has warned that things would be reduced and felt that this was the year to do it. With the declining enrollment and other items she said that she did not support the \$200,000 reduction to the BOE and was looking for a larger reduction. She said that she does want to keep the taxes affordable in Town. Also, she said that last year she supported an increase in the mil rate beyond what was first proposed as they were afraid of mid-year cuts from the State and she had said that she would not support a mid-year increase to the taxpayers if that happened; which it did. Further, she said that she would not support a mid-year or other increase to the taxpayers this year either if that issue came up.

Ms. Picarazzi thanked them for coming. She explained that they have been 'looking under rocks' for cuts. To Mr. Nickerson's credit – he came forward with a zero-based budget. She said that she does not think that it is going to get easier going forward however they have to take into consideration the seniors with no children who are not getting increases and the whole gamut in-between. She does not see the BOE coming in with a zero based budget; but does expect them to come in at less than 2% as those times are over.

Mr. Weber thanked everyone for coming. He said that the BOE does share their line items with them even though they do not have to. Because they have this information, they do review it carefully and he feels that it is appropriate to justify the reductions that they are requesting be made to that budget.

### **H. Adjournment**

Mr. Weber called for a motion to close the Public Hearing.

#### **\*\*MOTION (1)**

Ms. Picarazzi moved to close this Public Hearing of the Board of Finance on the proposed FY 2018-2019 Budget at 8:01 PM.

Ms. Alberti seconded the motion.

Vote: 5 – 0 – 0. Motion passed.

Mr. Weber said that they would take a brief break and then commence their Special Meeting and that everyone was welcome to stay and attend that also.

Respectfully submitted,

Karen Zmitruk,  
Recording Secretary

# East Lyme Board of Education

## Presentation of the Board of Education's Adopted Budget FY 2018 - 2019

Presented at the Board of Finance  
Public Hearing on 4/30/18  
by BOE Chair Tim Hagen and  
Superintendent Jeffrey Newton

## ELPS District Mission:

*"East-Lyme Public Schools will inspire, engage and educate each student to become a contributing citizen and a responsible, independent, and critical thinker."*

## ELPS Long Range Goals:

- Goal 1 —> Focus Decisions & System Operations on Student Success
- Goal 2 —> Collaborative Culture
- Goal 3 —> Student Centered Learning

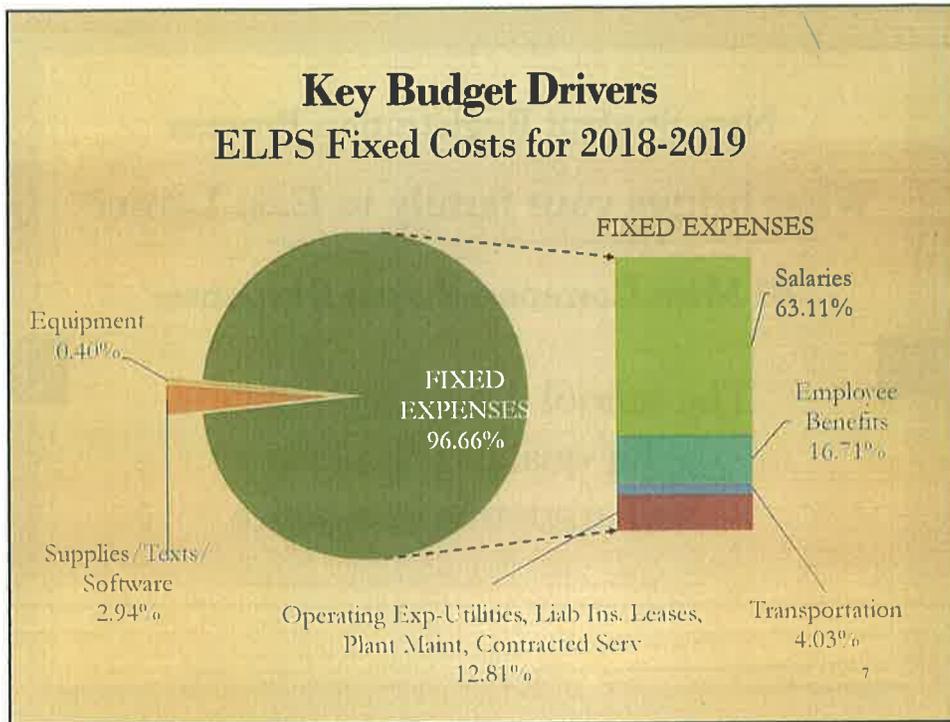
### EL BOE Budget for FY 2018-2019

| FY 2018 – 2019 Budget                | Amount           | Percent Increase Over Previous Yr |
|--------------------------------------|------------------|-----------------------------------|
| Superintendent's Recommended Budget  | \$47,776,943     | 2.59%                             |
| EL BOE Adopted Budget                | \$47,776,943     | 2.59%                             |
| BOF Directed Reduction to BOE Budget | <b>\$200,000</b> | 2.17%                             |

### District Budget Proposal History

Superintendent/BOE/Town Budget vs. Adopted

|                             | 2013       | 2014       | 2015       | 2016       | 2017       | 2018       | Avg          | 2019  |
|-----------------------------|------------|------------|------------|------------|------------|------------|--------------|-------|
| <b>Supt's Rec. Budget</b>   | 3.77%      | 3.31%      | 4.81%      | 4.68%      | 4.56%      | 2.88%      | <b>4.0%</b>  | 2.59% |
| <b>BOE Adopted Budget</b>   | 2.87%      | 3.34%      | 3.34%      | 3.95%      | 3.56%      | 2.88%      | <b>3.32%</b> | 2.59% |
| <b>Town Approved Budget</b> | 1.78%      | 1.76%      | 2.03%      | 2.90%      | 3.30%      | 2.38%      | <b>2.36%</b> | TBD   |
| <b>Adopted Budget</b>       | 41,214,544 | 41,941,731 | 42,792,767 | 44,033,080 | 45,484,605 | 46,568,609 |              |       |



- ### Cost Saving/Avoidance Measures (Present)
- Zero-based budget across district
  - Food service program change
  - High Deductible Health Plan
  - Ongoing software and curriculum contract consolidation
  - Switch from oil/propane to natural gas
  - District-wide professional development
  - District/Town collaboration
  - Medicaid reimbursement

## New Student Registration Process

### What brings your family to East Lyme?

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#### #1 Most Common Parent Response:

The school district's reputation  
for quality education  
and academic excellence

7

## ELPS Districtwide Enrollment Projections by Milone & MacBroom 12/18/17

Projected PreK-12 Enrollment: Scenario Comparison

- Low, medium, and high projection scenarios show growth over ten-year horizon of 5.7% (low) to 18.3% (high), with the bulk of enrollment growth concentrated at the K-4 level in all scenarios
- Medium scenario depicts most probable scenario for future enrollments in ELPS schools

10

**ELPS Districtwide Enrollment Projections  
by Milone & MacBroom 12/18/17  
Medium Scenario**

| School Year | PK-12 Student Enrollment |
|-------------|--------------------------|
| 2017-2018   | 2,751                    |
| 2018-2019   | 2,758                    |
| 2019-2020   | 2,802                    |
| 2020-2021   | 2,815                    |
| 2021-2022   | 2,799                    |
| 2022-2023   | 2,752                    |
| 2023-2024   | 2,790                    |
| 2024-2025   | 2,836                    |
| 2025-2026   | 2,914                    |
| 2026-2027   | 2,946                    |
| 2027-2028   | 3,006                    |

9

**2018-2019 District-Wide Staffing Initiatives**

| Request                        | FTE                               | Increase           |
|--------------------------------|-----------------------------------|--------------------|
| Social Workers (DW)            | +2.7 FTE                          | \$161,733          |
| School Psychologist (Elem)     | +0.5 FTE                          | \$46,951           |
| <b>Total New Initiatives</b>   |                                   | <b>\$208,684</b>   |
| <b>Staffing Cost Reduction</b> | <b>2.0 FTE Certified Teachers</b> | <b>(\$152,320)</b> |
| <b>Total Impact</b>            |                                   | <b>\$56,364</b>    |

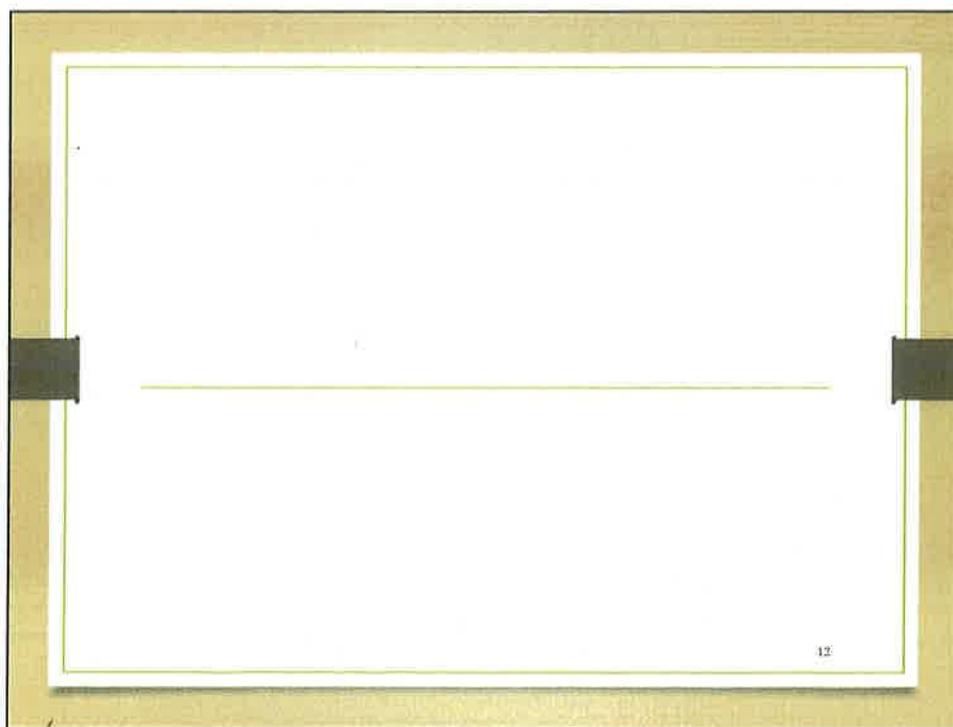
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*Focused on a zero based budget that is clearly communicated, transparent and fiscally responsible; gain support and commitment from all stakeholders*

**We believe this budget is fiscally responsible and respectful to our district, Board of Education, town, and community at large.**



11



12



## East Lyme Board of Finance

Public Hearing on Proposed Town Budget  
April 30, 2018  
Bill Weber  
Board of Finance Chair

### Board of Finance Members

- ▶ Camille Alberti
- ▶ John Birmingham
- ▶ Jason Pazzaglia
- ▶ Lisa Picarazzi
- ▶ Anne Santoro

### Summary of Major Projects Completed in FY 2017-2018

- Paving Hope, Grand, Smith, Lincoln, Beckwith, York and North Washington Avenue
- Improvements to Gurley, Decateur, top of Ancient Highway and McCooks Place
- Cape sealing, paving, crack sealing various town roads consistent with Pavement Management Program
- Installation of Sidewalk between the Middle School and Lillie B Haynes School
- Awaiting final DOT approval to install LED flashing signal crosswalk at East Lyme High School
- East Lyme Community Center improvements to drainage and access to building, boiler replacement and cooling tower
- Acquisition Program
  - BOE Technology
  - Town Vehicles and Equipment
- New Bus for Commission on Aging with DOT 5310 Grant
- Brownfield Assessment work and clean-up at 224 Main Street with goal of completion of Park by early summer
- Peretz Park Basketball Court

### Summary of Budget Process FY 2018-2019

- Submitted by Board of Selectmen - March 7, 2018  
Overall Increase of 1.71% from FY 2017-2018
- Six (6) meetings held to review proposed budget, meeting with Department Heads and the Board of Education.
- Board of Finance proposes \$249,000 in net reductions for an overall budget increase of 1.35% and **an estimated 1.19 mil increase in the current property tax rate with State of Connecticut revenue assumptions as presented.**
- Board of Finance will meet after tonight's Public Hearing to further finalize budget which will subsequently be voted upon at a Town Meeting and referendum.

## Proposed Budget Review and Summary by Board of Finance

- Reduced General Government budget by **\$23,000**, which represents a decrease of .13% from FYE 2018
- Reduced Capital Expenditures by **\$26,000**
- Reduced Board of Education Budget by **\$200,000**, which represents a .42% decrease.

## Major Areas of Revenue Decreases

|                                     |               |
|-------------------------------------|---------------|
| ▶ Education Cost Sharing            | (\$1,066,810) |
| ▶ PILOT State Owned Property        | (\$686,093)   |
| ▶ Tax Relief Elderly                | (\$91,753)    |
| ▶ Pequot Grant                      | (\$49,976)    |
| ▶ OTI - Sewer Assessments           | (\$356,699)   |
| ▶ Tuition - Other Districts (Salem) | (\$181,945)   |
| ▶ Building Permits                  | (\$57,700)    |
| ▶ TOTAL Revenue Decrease for 2019   | (\$2,490,976) |

Equivalent value of 1.16 mil

## Board of Finance Proposed Reductions in Submitted Budget

|                             | Appropriated<br>2017-2018 | Prop By<br>BoS & BoE<br>2018-2019 | %<br>Increase<br>Decrease | BoF<br>Proposed<br>2018-2019 | BoF<br>Reduction   | % Increase<br>Decrease |
|-----------------------------|---------------------------|-----------------------------------|---------------------------|------------------------------|--------------------|------------------------|
| General Government          | \$18,094,025              | \$18,094,025                      | 0.00%                     | \$18,071,025                 | (\$23,000)         | -0.13%                 |
| Debt Service                | 5,373,526                 | 5,369,986                         | -0.07%                    | 5,369,986                    | \$0                | -0.07%                 |
| Education                   | 46,568,609                | 47,776,943                        | 2.59%                     | 47,576,943                   | (\$200,000)        | 2.17%                  |
| Buildings, Capital Equipmen | 791,646                   | 795,186                           | 0.45%                     | 769,186                      | (\$26,000)         | -2.84%                 |
| <b>Total Expenditures</b>   | <b>\$70,827,806</b>       | <b>\$72,036,140</b>               | <b>1.71%</b>              | <b>\$71,787,140</b>          | <b>(\$249,000)</b> | <b>1.35%</b>           |

## Board of Finance Proposed Reductions / Adjustments to Expenses

| Budget Category/Function Description                | Amount             |
|---|--------------------|
| General Government & Misc. (Legal)                  | (\$5,000)          |
| Services to Community (Beautification)              | (1,000)            |
| Services to Community (Brian Daigle Foundation)     | 1,000              |
| Zoning  | (2,000)            |
| Inland Wetlands Agency                              | (3,000)            |
| Dispatch (Part-Time Dispatchers)                    | (5,000)            |
| Police (Foot Patrol/Parade Duty)                    | (2,000)            |
| Niantic Fire Department (Fuels)                     | (3,000)            |
| Fire Marshal (Deputy Fire Marshal)                  | (3,000)            |
| Capital CNRE (Revaluation & Town Projects)          | (26,000)           |
| <b>Total General Government Reduction</b>           | <b>(\$49,000)</b>  |
| <b>Board of Education Proposed Budget Reduction</b> | <b>(\$200,000)</b> |
| <b>Total Net Reductions Expenses</b>                | <b>(\$249,000)</b> |

## Board of Finance Proposed Budget Compared to Prior Years

| Expenditures               | Expended<br>2016-2017 | Appropriated<br>2017-2018 | Proposed<br>2018-2019 | % Increase<br>Decrease |
|----------------------------|-----------------------|---------------------------|-----------------------|------------------------|
| Total General Government   | \$17,189,670          | \$18,094,025              | \$18,071,025          | -0.13%                 |
| Debt Service               | 5,283,233             | 5,373,526                 | 5,369,986             | -0.07%                 |
| Education                  | 45,479,205            | 46,568,609                | 47,576,943            | 2.17%                  |
| Capital Outlay / Equipment | 1,022,865             | 791,646                   | 769,186               | -2.84%                 |
| <b>Total Expenditures</b>  | <b>\$68,974,973</b>   | <b>\$70,827,806</b>       | <b>\$71,787,140</b>   | <b>1.35%</b>           |

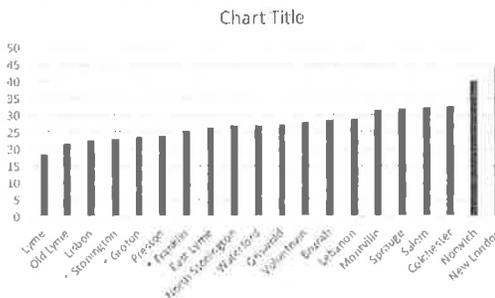
## Bottom Line

Town of East Lyme Proposed Budget has an overall increase of 1.35% or \$959,334 with an estimated 1.19 mil increase in the tax rate as submitted tonight. This is based on State of Connecticut Revenue assumptions as presented in the proposed budget.

## Neighboring Town Mill Rates

2017-18 Municipal Mill Rates in New London County

|                    |       |
|--------------------|-------|
| 1 Lyme             | 18.25 |
| 2 Old Lyme         | 21.75 |
| 3 Lisbon           | 22.5  |
| 4 * Stonington     | 22.98 |
| 5 * Groton         | 23.63 |
| 6 Preston          | 24    |
| 7 * Franklin       | 25.22 |
| 8 East Lyme        | 26.16 |
| 9 North Stonington | 27    |
| 10 Waterford       | 27.03 |
| 11 Griswold        | 27.16 |
| 12 Voluntown       | 28.06 |
| 13 Bozrah          | 28.5  |
| 14 Lebanon         | 28.9  |
| 15 Montville       | 31.7  |
| 16 Sprague         | 32    |
| 17 Salem           | 32.2  |
| 18 Colchester      | 32.37 |
| 19 Norwich         | 40.52 |
| 20 New London      | 44.26 |



Franklin 2017-18 mill-rate not available. 2016-17 millrate shown  
Stonington & Groton have additional Fire district tax

## Scenarios for Mill Rate Increase



Home assessed at \$250,000 paid \$6,540 in Taxes in FY 17/18. Will pay approximately \$6,838 in Taxes in 18/19. Difference of \$298 / yr (\$25/month)



Home assessed at \$350,000 paid \$9,156 in Taxes in FY 17/18. Will pay approximately \$9,573 in Taxes in 18/19. Difference of \$417 /yr (\$35/month)



Home assessed at \$450,000 paid \$11,772 in Taxes in FY 17/18. Will pay approximately \$12,308 in Taxes in 18/19. Difference of \$536 /yr (\$45/month)