

EAST LYME BOARD OF FINANCE
PUBLIC HEARING OF MONDAY, APRIL 25, 2022

MINUTES

PRESENT: Denise Hall, Chairperson; John Birmingham, Vice Chairperson; Richard Steel, Peter DeRosa, Paul Maxfield and Lauren McNamara

ALSO PRESENT: First Selectman Kevin Seery, Finance Director Anna Johnson, Superintendent Jeff Newton, Assistant Superintendent Annaliese Spaziano and BOE Finance Director Maryanna Stevens

Ms. Hall called the public hearing to order at 7:00 p.m. and led the Pledge of Allegiance.

III. Comments by First Selectman

Mr. Seery reported that this is a difficult budget year all around with significant increases in maintenance and utilities costs. He outlined the additional staffing that will be added with this year's budget; and he noted that although the request for an assistant is being presented through the Human Resources office, he envisions that this position would support the Town Clerk, as well as the First Selectman's office. First Selectman Seery reported that the Town raised approximately \$1.3 Million in revenue at the tax auction sale last week.

IV. Board of Education

Mr. Newton presented the Board of Education budget; the slides are attached hereto as Exhibit 1, and Mr. Newton noted that all of the information regarding the budget can be found on the webpage. He thanked everyone involved from the initial workshops to the Board of Finance and Board of Selectmen for their discussion and feedback.

V. Board of Finance

Ms. Hall gave her report from the Board of Finance on the proposed budget for fiscal year 2022/2023, attached hereto as Exhibit 2. She stated that the annual town meeting on the budget will take place on Monday, May 9th, and that meeting will adjourn to referendum on Thursday, May 19th where the registered voters will vote on the final budget as presented. Ms. Hall stated that a majority of the proposed increase in the budget of 3.39% is due to contractual salary and benefit increases and cannot be reduced. She noted also that it is revaluation year, and this makes calculating the mill rate all that more complicated; you can check the assessed value of your home at gis.vgsi.com/eastlymect. Ms. Hall stated that it was time for public comments, and she stated the ground rules.

VI. Public Comment

Ms. Andrea Montovani, 41 Seabreeze, Niantic, spoke in support of the Board of Education, the teachers and the students; and she stated that she does not support any cuts in the proposed budget for the schools. Ms. Hall stated that this Board does not have the authority to change the proposed Board of Education budget, they can only make recommendations.

FILED

May 3, 2022 AT 10:20 AM/PM
Brooke Strem ATC
EAST LYME TOWN CLERK

Mr. Mike Schulz, Lovers Lane, East Lyme, stated that he is appreciative of all of the Boards and the Members for their diligent work on the budget. Mr. Schulz feels that too much money goes to the Board of Education as a majority of the taxpayers in our community do not have children in the school system. When considering the salary of a teacher, he noted that it goes way beyond the hourly pay and includes health care and other benefits that bring the costs per teacher to over \$100,000 annually. He also believes that the per pupil cost is somewhere in the area of \$25,000 and not the \$19,000 that is reported.

VII. Board Comments
There were none.

VIII. Adjourn

MOTION (1)

Mr. Birmingham MOVED to adjourn the April 25, 2022, Public Hearing of the East Lyme Board of Finance at 7:54 p.m.
Seconded by Mr. Maxfield. Motion passed.

Respectfully Submitted By:



Sandra Anderson
Recording Secretary

Exhibit #1

EAST LYME PUBLIC SCHOOLS BOARD OF EDUCATION ADOPTED BUDGET FOR FY 2022-2023 PRESENTATION TO THE BOARD OF FINANCE

Presented by:

Eric Bauman, BOE Chairman
Jeffrey Newton, Superintendent of Schools
Annaliese Spaziano, Assistant Superintendent
Kimberly Davis, Director of Student Services
Christian Lund, Director of Facilities
Maryanna Stevens, Director of Finance

March 21, 2022, at 7:00 PM



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

Budget Workshops 2021-2022

Budget Workshop # 1: November 18, 2021

Budget Workshop #2: December 20, 2021

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

Board of Education Goals and Focus

- Goal 1: Recovery

Support and monitor the recovery of the district from the pandemic. Monitor and assess utilization of relief fund support

- Goal 2: Opportunities

Four areas of opportunities are under development in part due to our response to the pandemic (Blended Learning, SEL, DEI, Communication and Engagement)

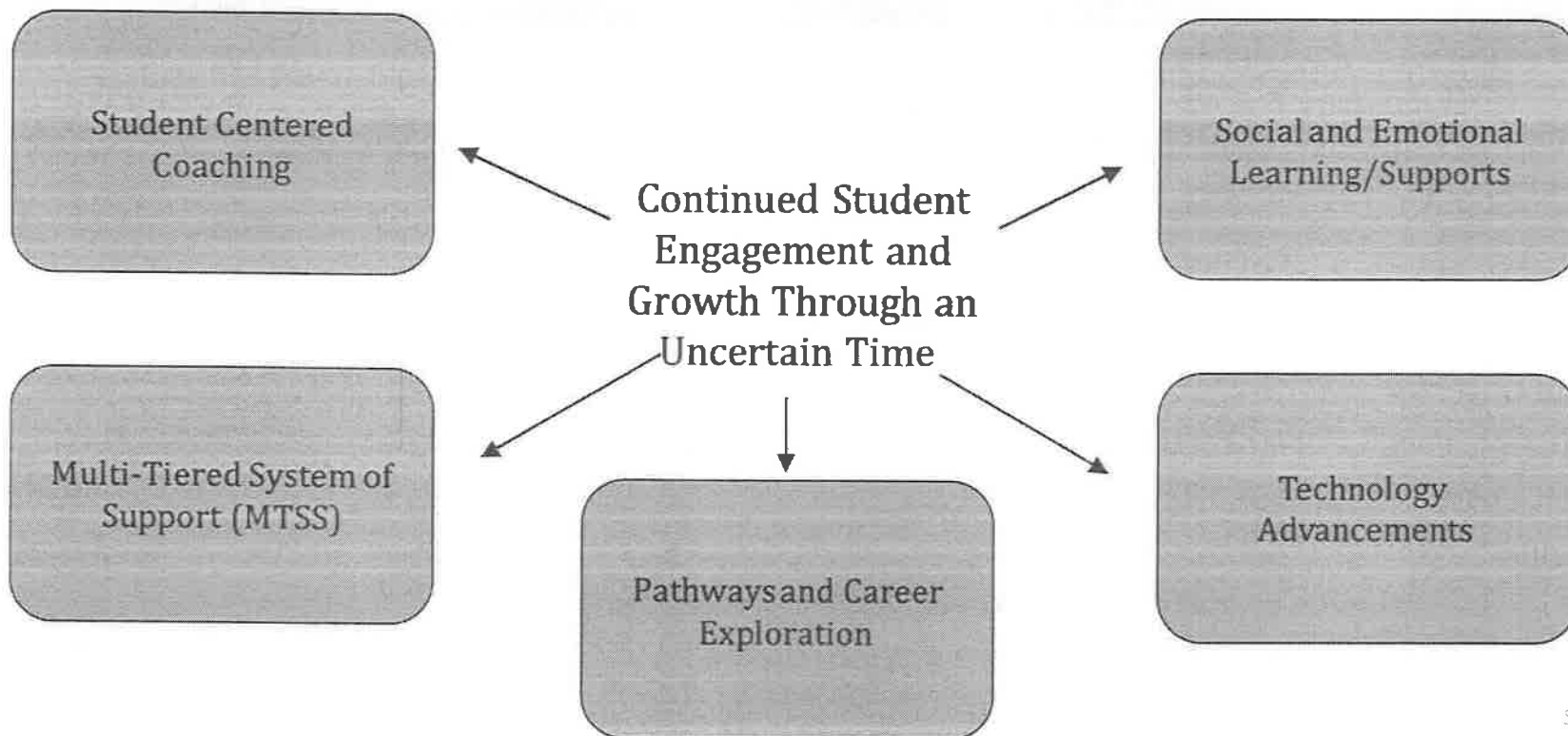
Needs Statement: 2022-2023 School Year

ELPS Students continue to require support due to pandemic disruption. The following concerns remain at the forefront:

- *Student behavioral and emotional issues*
- *Ongoing achievement gaps*
- *Needed student support services*
- *Ensuring adult to student ratios remain appropriate in every classroom going into the 22-23 school year*

Continued collaborative efforts between the Board of Education, the town, administration, staff, and parents will be required to meet the needs of students both academically and emotionally across our schools.

Reimagining Foundational Work of 2021-2022



2021-2022 Grant Funded Positions Supporting our Students

| POSITION | AMOUNT |
|--------------------------------------------------------|---------------------|
| 1.0 FTE - Elementary Math Coach | \$ 90,875 |
| 4.0 FTE - Elementary Teachers | \$ 262,393 |
| 3.0 FTE - Elementary Technology Teachers | \$ 244,933 |
| 1.0 FTE - School Psychologist | \$ 80,136 |
| 1.0 FTE - MS Social Worker | \$ 71,000 |
| .20 FTE - School Psychologist | \$ 16,700 |
| 2.0 FTE - HS - MTSS Intervention Teachers-Math/English | \$ 138,663 |
| 1.0 FTE - Secondary 504/MTSS/Pathways Coordinator | \$ 133,002 |
| .50 FTE - Coastal Connections Program Administrator | \$ 67,663 |
| TOTAL SALARIES | \$ 1,105,365 |
| Benefits | \$ 253,644 |
| TOTAL SALARIES AND BENEFITS | \$ 1,359,009 |

2022-2023 Preliminary Grant Funded Positions Supporting our Students

| POSITION | AMOUNT |
|------------------------------------------|-------------------|
| 4.0 FTE - Elementary Teachers | \$ 274,992 |
| 3.0 FTE - Elementary Technology Teacher | \$ 317,089 |
| 1.0 FTE - Elementary School Psychologist | \$ 85,380 |
| TOTAL SALARIES | \$ 677,461 |
| Benefits | \$ 163,034 |
| TOTALS | \$ 840,495 |

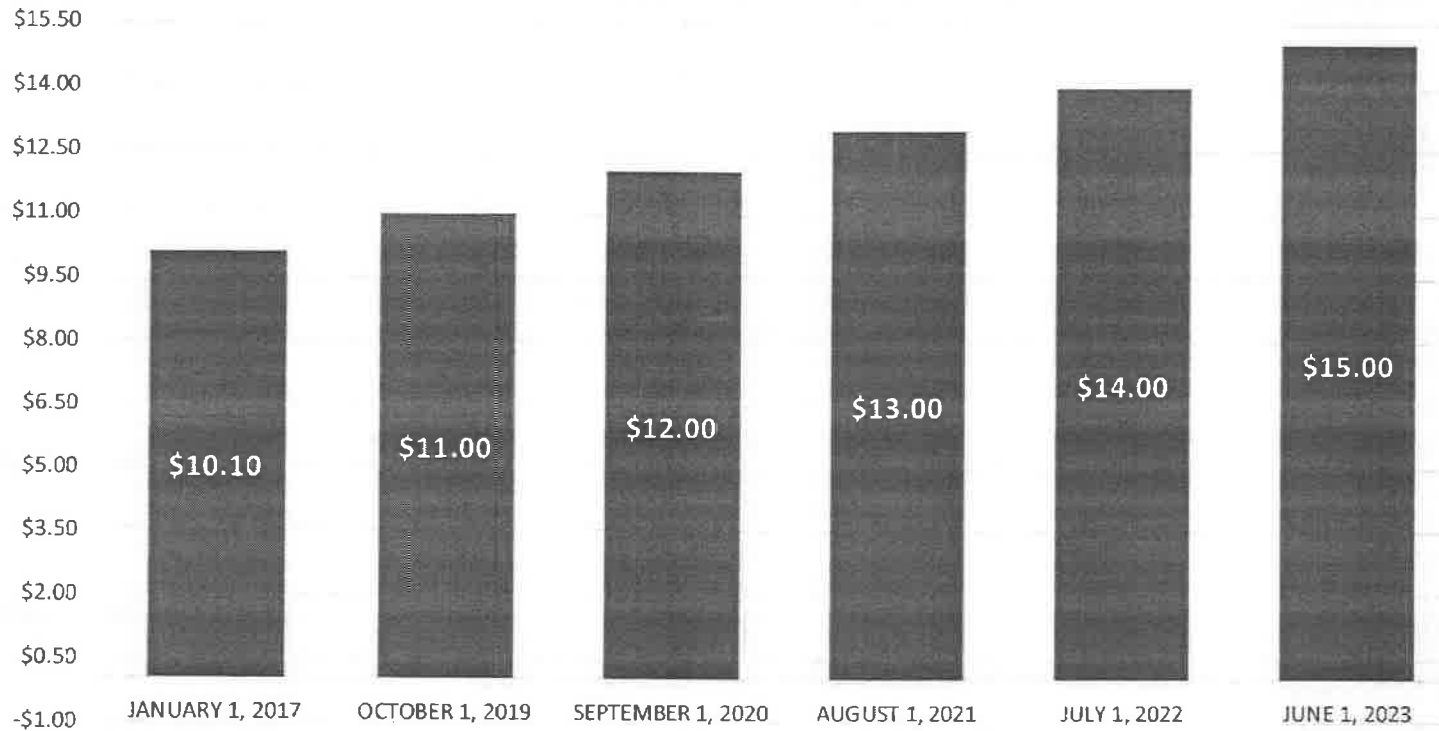
2022-2023 Major Budget Drivers

The major budget drivers listed below make up 92.90% or \$2,228,829 of the budget increase of \$2,399,014

| Salaries 48.51% or \$1,163,769 of Budget Increase | Benefits 17.48% or \$419,412 of Budget Increase | Contracted Services 15.31% or \$367,383 of Budget Increase | Utilities 11.60% or \$278,265 of Budget Increase |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • The increase in salaries is due to contractual increases and the increase in minimum wage • Contractual increases averaged 2.50% • Some staff budgeted using ARP grants in 21-22 are included in the 22-23 operating budget due to continued student needs | <ul style="list-style-type: none"> • The increase in benefits is primarily due to the increase in health insurance and payroll taxes • The increase in health insurance has been budgeted at 5%. • Payroll taxes increase is a direct result of the increase in salaries. | <ul style="list-style-type: none"> • The increase in contracted services is mainly due to the increase in the Technology contract and the Nursing contract. • A portion of the technology contract was funded through the ARP grant in 21/22. • The nursing contract increased due to the addition of a Nurse at the MS and a Health Aid at LBH to accommodate student needs. | <ul style="list-style-type: none"> • Increase in Utilities is due to the market increases in the electric, natural gas and fuel industries • The district electric contract for supply ends November 2022. A 20% rate increase is estimated. |

The 2022-23 proposed budget includes inflationary increases for non-contractual items such as supplies, transportation and insurance of 4%-5%; the CPI-U index for January reflects an annual inflationary increase of 7.5%.

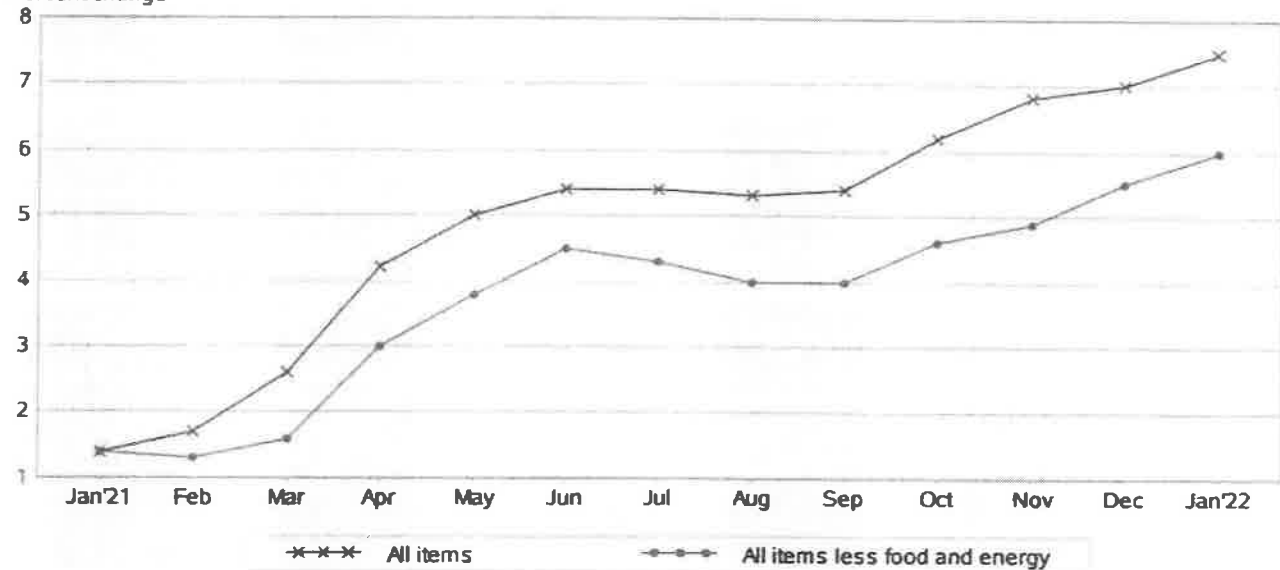
CT Minimum Wage



The aggregate percentage increase in the minimum wage from January 1, 2017 through June 1, 2023 will be 48.50%

Inflation Statistics

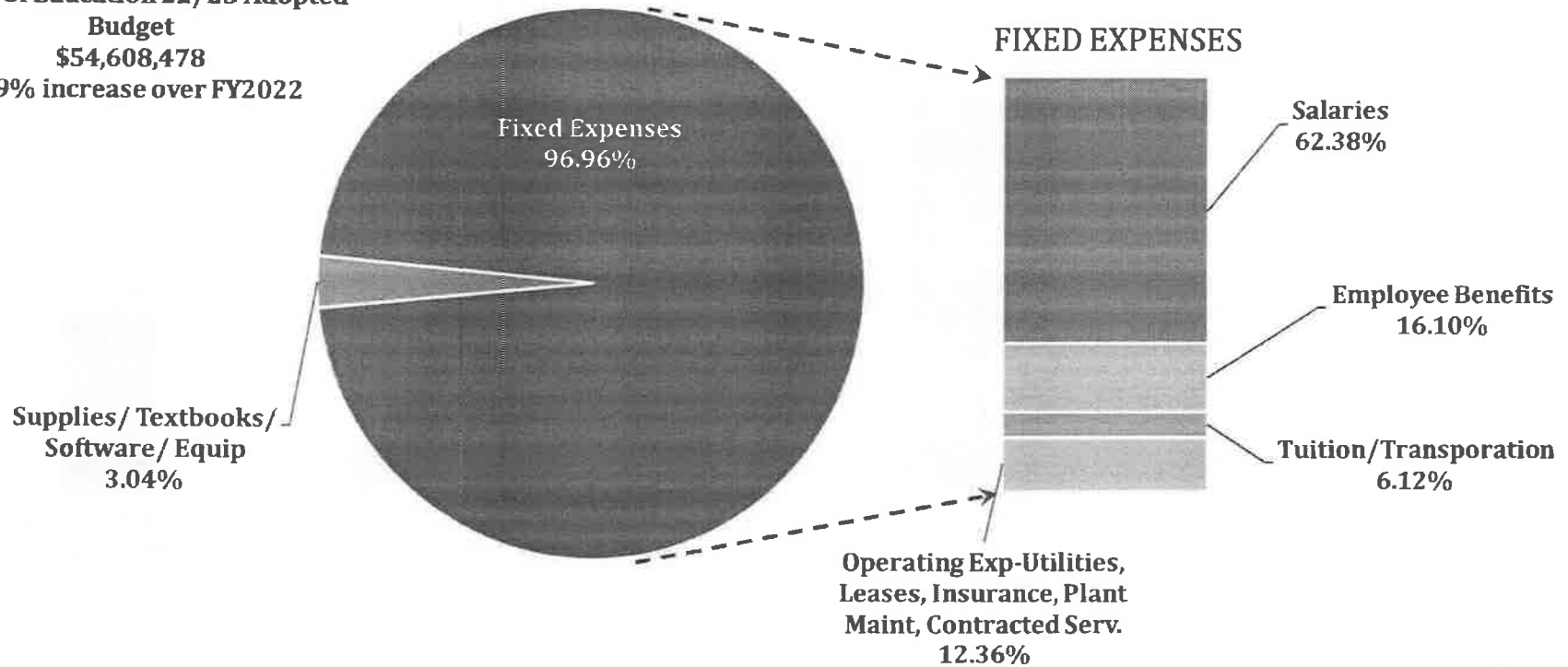
Chart 2. 12-month percent change in CPI for All Urban Consumers (CPI-U), not seasonally adjusted, Jan. 2021 - Jan. 2022
Percent change



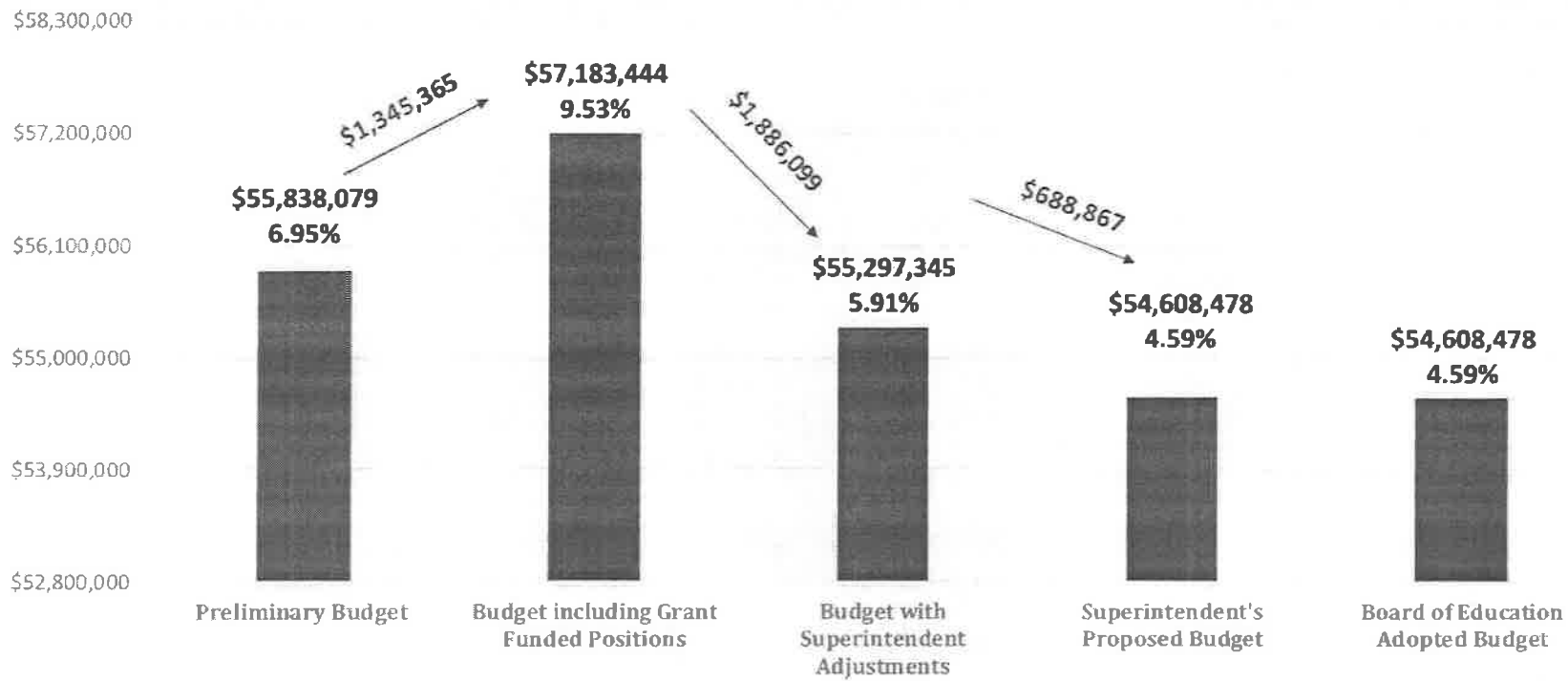
Source: US Bureau of Labor Statistics

East Lyme Public Schools 2022-2023 Fixed Expenses

Board of Education 22/23 Adopted
Budget
\$54,608,478
4.59% increase over FY2022



2022-2023 BOE District Budget Overview



Per Pupil Expenditures

| DISTRICT NAME | PER PUPIL EXPENDITURE | RANKED HIGHEST TO LOWEST |
|------------------|-----------------------|--------------------------|
| OLD SAYBROOK | 24,275 | 23 |
| MADISON | 22,980 | 32 |
| DISTRICT NO. 18 | 22,937 | 33 |
| CLINTON | 21,220 | 62 |
| WATERFORD | 20,208 | 75 |
| NORWICH | 20,105 | 77 |
| GUILFORD | 20,069 | 78 |
| EAST LYME | 19,761 | 85 |
| NORTH STONINGTON | 18,980 | 104 |
| MONTVILLE | 18,587 | 119 |
| SALEM | 18,580 | 120 |
| NEW LONDON | 18,347 | 121 |
| GROTON | 17,693 | 131 |
| GRISWOLD | 17,099 | 140 |
| LEDYARD | 15,739 | 160 |

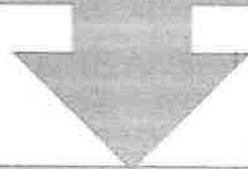
2021-2022 Impacts, Outcomes & Benefits



***Imperative to continue to support these focus areas moving into the 2022-2023 school year**

Coaching Model Outcomes (To Date)

The Student-Centered Coaching Model



Centered Around Student Data

Co-Planning

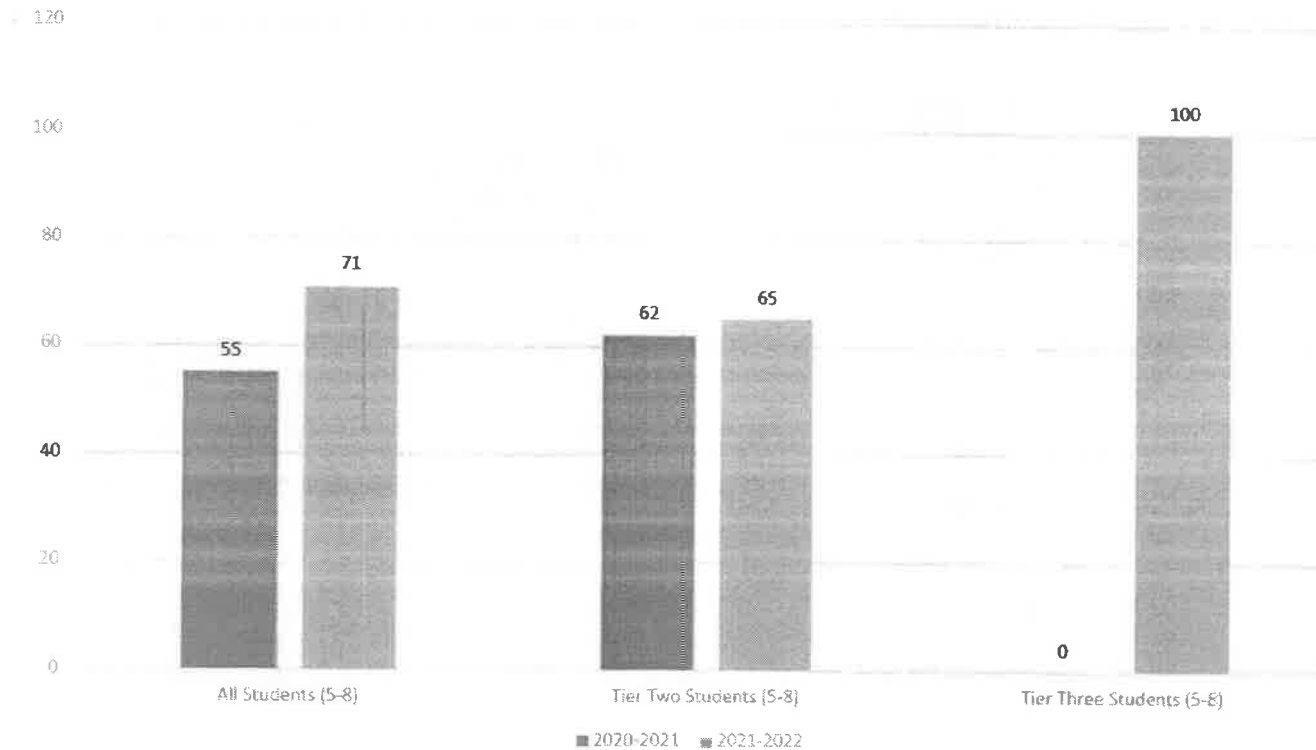
Co-Teaching

Collegiate
Collaboration



Math Coaching Fall to Winter Mid-Year Comparative Analysis

Percentage of Students Demonstrating Growth
Math iReady Assessment



2021-2022 Multi-Tiered Support System Staffing Model

MTSS Teachers at the High School

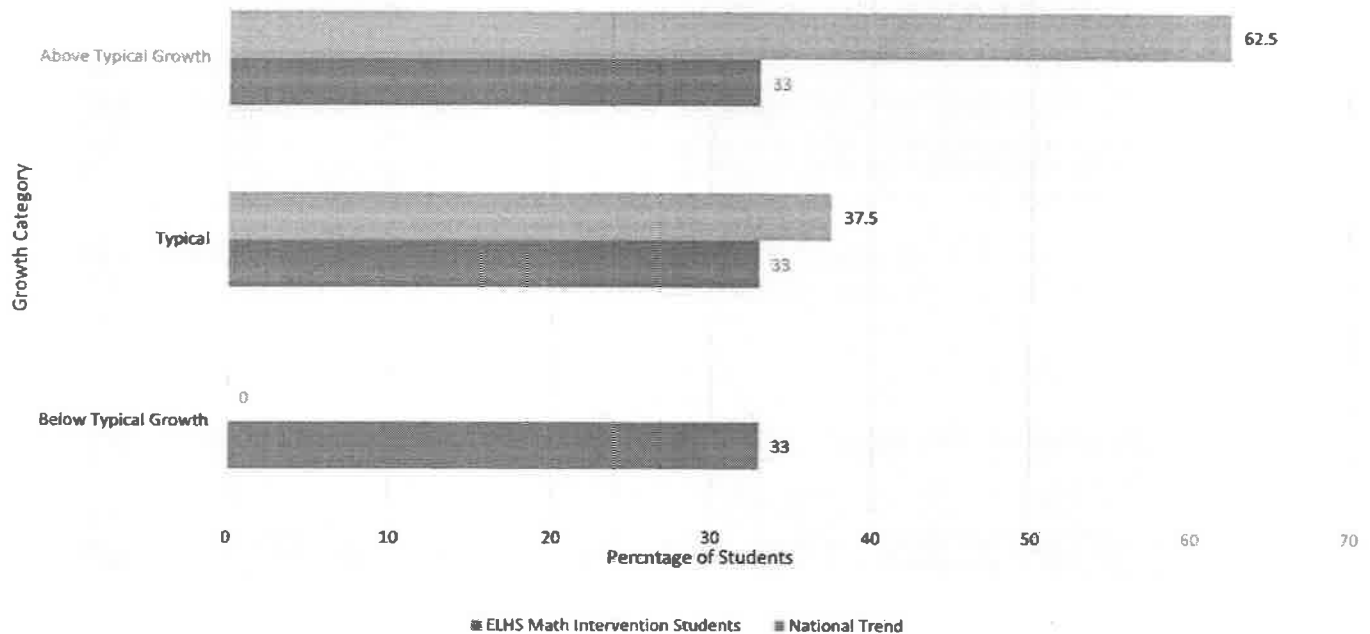
- **ARC (Academic Resource Center)**
 - Math MTSS Teacher
 - ELA MTSS Teacher

Feedback regarding current MTSS/ARC Support Model

- ▶ School counselors are receiving positive reports. "There has been a huge shift. The process is streamlined and much more effective."
- ▶ Parents, during 504 meetings, are conveying positive feedback and greatly appreciate the support.
- ▶ Students report that the support in ARC and MTSS is appreciated.
- ▶ Administrators report that the ARC program is now able to effectively communicate with parents regarding their child's progress.



High School MTSS Math Intervention Cohort Mid-Year Student Growth



- STAR math assessment was administered to all students
- 16 students were identified as in need of *Urgent Intervention*
- *All 16 students have at least met their growth targets. More than half exceeded those targets*
- This indicates that we are addressing math deficits at an accelerated rate

Student Services: Priorities and Needs



| Data & Information | Proposed Support Solutions |
|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <p>23 new students with disabilities/level of need remains high - 6 students in need of paraprofessional/High elementary caseloads</p> | <p>1.0 FTE Elementary Special Education Teacher 0.5 FTE at LBH & 0.5 FTE at NCS</p> |
| <p>82 Multi-Language Learners – up from 56 in SY 20/21</p> | <p>1.0 Certified ELL Teacher</p> |
| <p>Multiple students at ELMS with specific health care needs (non-special education)</p> | <p>Continue Additional Nurse at ELMS – increase in students with significant medical needs</p> |
| <p>449 students on campus at LBH with one school nurse</p> | <p>Continue Health Aide at LBH – to support all students</p> |

**Continue to
Support Social
and Emotional
Learning
& Mental Health**

Maintain 1 Social Worker at the Elementary level, 2 Social Workers at the High School and 2 Social Workers at the Middle School

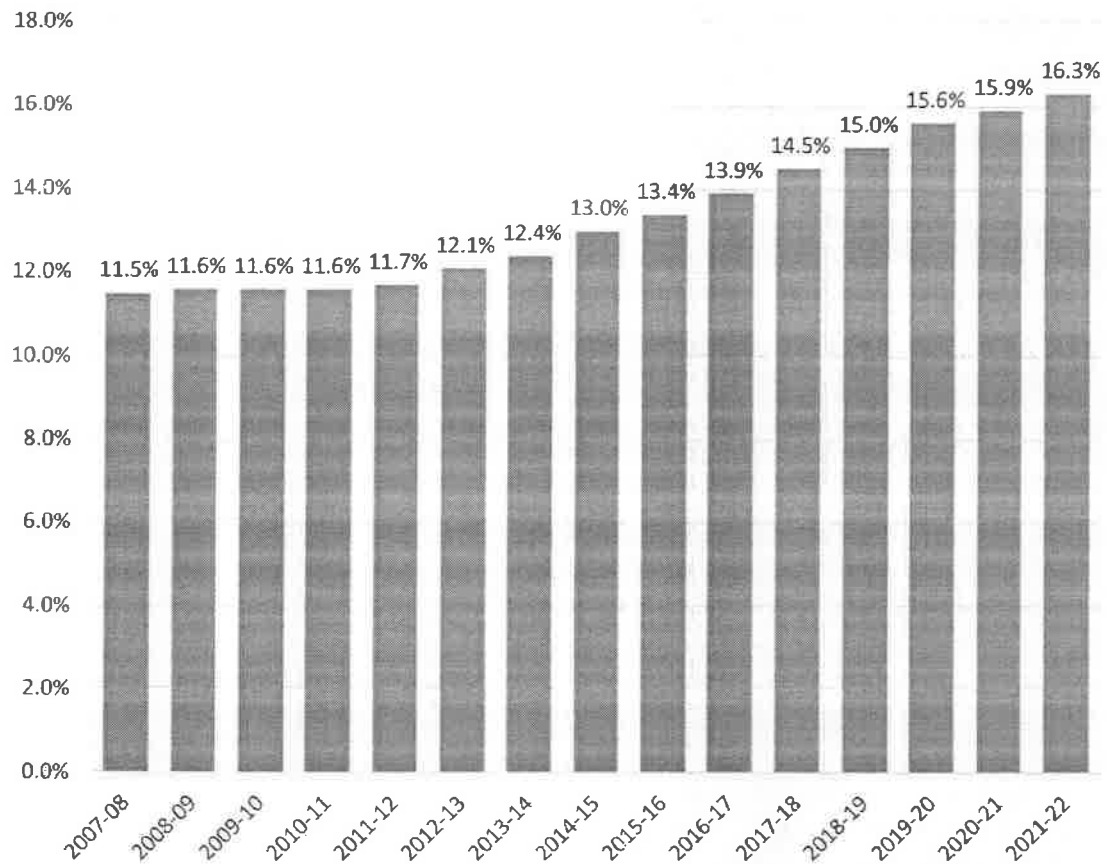
- *MS Crisis Data* – 85 incidents *HS Crisis Data* - 76 incidents

Maintain 4 Full-Time School Psychologists at the Elementary Level

- 1.0 FTE at each building as well as 1.0 FTE for the Specialty Programs & Integrated Preschool
- 70 referrals to special education to date (90 total for SY 20/21)
- School psychologists participate in evaluating students as well as support social skill development and crisis intervention.

Social Emotional Learning continues to be a priority and is supported by ongoing access to professional learning as well as universal screening 3 times per year for all students.

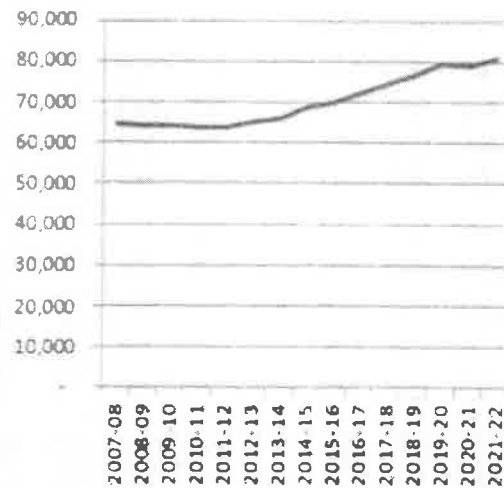
State of Connecticut Special Education Prevalence Rates



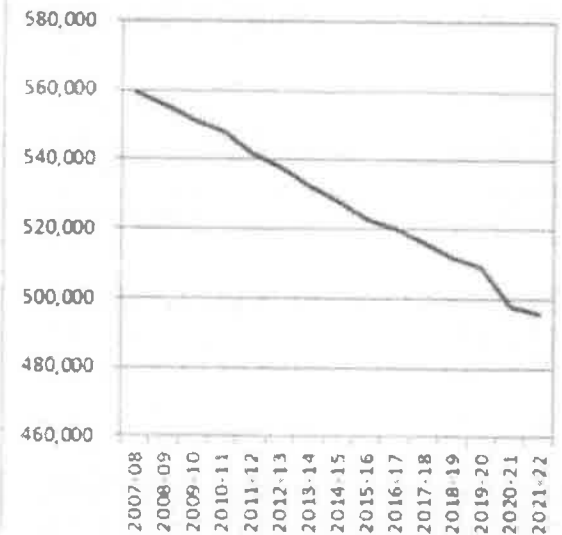
Source: CT State Dept of Education Performance Office

State of Connecticut Special Education Prevalence Rates

Special Education K-12 Student Count



All Student K-12 Count



Out of District Costs

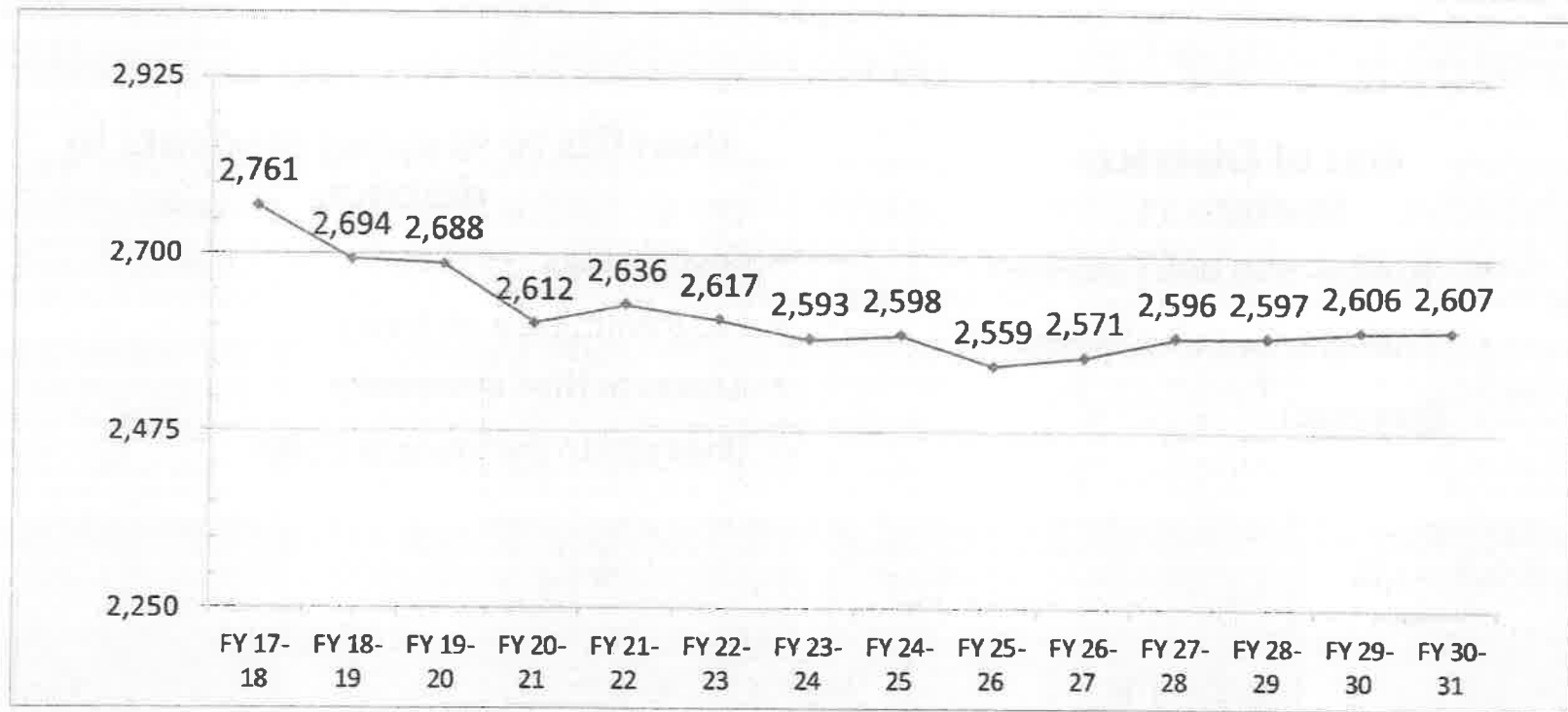
Out of District: Students- 11

- Tuition- \$90,000 (average)
- Transportation - \$25,000 (average)

Benefits to keeping students in district:

- Cost Savings
- Programming with Peers
- Access to the Community
- Diversity in the Student Body

ELPS District PreK – 12 Historical/Projected Student Enrollment



2022-2023 Preliminary FTE Reductions Due to Decreased Enrollment

Decreased Student Enrollment MS/HS



3.0 FTE Middle School Reductions



1.4 FTE High School Reductions

Proposed 2022-2023 Capital Improvement Program

| PROJECT | PROGRAMMED ESTIMATE |
|-----------------------------------------------|---------------------|
| Maintenance - New Multi-purpose Tractor | \$60,000 |
| ELHS - HVAC Air Handlers Recapitalization | \$100,000 |
| ELMS - HVAC Air Handlers Recapitalization | \$200,000 |
| ELMS - Roof Life Extension/Restoration | \$350,000 |
| ELMS - Elevator Recapitalization | \$100,000 |
| ELHS - Gym Parapet Wall Painting | \$30,000 |
| ELHS - A-Wing Ext Doors & Windows Replacement | \$100,000 |
| ELHS - Repave Senior Parking Area | \$100,000 |
| ELMS - Building Envelope Repairs/Sealant | \$125,000 |
| ELHS - Auditorium Stage Floor Replacement | \$75,000 |
| TOTAL | \$1,240,000 |



**2022-2023
Operating Budget
Final Thoughts**

**Thank You For
Working
Collaboratively with
us on Meeting the
Needs of our
Students!**

Exhibit 2



East Lyme Board of Finance

Public Hearing on Proposed Town Budget
April 25, 2022
Denise B. Hall
Board of Finance Chair

Board of Finance Members

- ▶ Denise Hall, Chair
- ▶ John Birmingham, Vice Chair
- ▶ Peter DeRosa
- ▶ Paul Maxfield
- ▶ Lauren McNamara
- ▶ Richard Steel

Summary of Budget Process FY 2022–2023

- Submitted by Board of Selectmen – March 9, 2022
Overall Increase of 4.30% from FY 2021–2022
- Six (6) meetings held to review & deliberate on proposed budget, meeting with Department Heads and the Board of Education.
- Board of Finance is proposing \$705,120 in net reductions for an overall budget increase of 3.39% and an estimated mil rate of 24.14. With the revaluation complete and an increase in the Grand List, this proposed mil rate is a decrease in the current mil rate of 28.51, 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 5/9/22, and referendum 5/19/2022.

Summary of Major Finance Projects Completed in FY 2021-2022

- ▶ Munis Software System selection (shared with BOE)
- ▶ Migration of Retiree Pension from Empower to Fiducient with US Bank providing securities custody and retiree payments
- ▶ Established ordinance for Pension Board, transitioning from Ad hoc Pension Committee
- ▶ \$10,045,000 Million Bond Issuance with Total Interest Cost of 1.817191%

Goals For Fiscal Health

- ▶ Maintain Undesignated Fund Balance equal to 15% of budget
- ▶ Continue to Focus on Pension Liabilities – Fully Funded as of 1 / 1 / 2021
- ▶ Reduce Unfunded Other Post Employment Benefit (OPEB) Debt per Capita from \$507 as of fiscal year end 2020 (currently \$4,033,419 outstanding)
- ▶ Focus on reducing Long Term Debt per Capita from \$5,003 as of fiscal year end 2020 (currently \$74,997,963 outstanding)
- ▶ Achieve Rating Agency Upgrade from AA (Moody's), AA/Stable (S&P)

Board of Finance Proposed Revenues Budget 2022–2023 Compared to Prior Years

| Revenues | Actual 2021 | 2020- Appropriated 2021-2022 | Proposed 2022-2023 | % Increase Decrease |
|--------------------------------------------------------------------------|---------------------|------------------------------------|-----------------------|------------------------|
| Undesignated Fund Balance | | \$307,919 | \$500,000 | 62.38% |
| Current Year Taxes | 62,282,496 | 63,729,685 | 66,394,667 | 4.18% |
| Other Taxes, Interest & Lien Fee | 1,114,109 | 752,700 | 787,500 | 4.62% |
| License & Permits | 1,433,514 | 899,885 | 946,370 | 5.17% |
| Revenue from Other Govt | 7,810,882 | 8,167,123 | 8,387,401 | 2.70% |
| Charges & Other Revenue | 4,162,233 | 4,097,468 | 4,129,104 | 0.77% |
| Interest on Investment | 35,974 | 40,000 | 20,000 | -50.00% |
| Total Estimated Revenues | \$76,839,208 | \$77,994,780 | \$81,165,042 | 4.06% |
| Mill Rate | 28.36 | 28.51 | 24.14 | -15.33% |
| Change in Mill Rate | | 0.15 | -4.37 | |
| ** PLEASE NOTE MILL RATE FOR THE 2022/23 PROPOSED BUDGET IS ESTIMATED ** | | | | |

□

Major Areas of Revenue Changes

| | |
|-----------------------------------------------------------|------------------|
| ▶ Education Cost Sharing | \$218,651 |
| ▶ Use of Fund Balance | 192,081 |
| ▶ Other Transfer In – Capital Project Funds | 69,394 |
| ▶ Ambulance Subsidy Fire Fighters/IT | 51,921 |
| ▶ Building Permits | 27,500 |
| ▶ Taxes – Prior Year Grand Lists | 25,000 |
| ▶ Landfill Deposits | 25,000 |
| ▶ Tipping Fees – Commercial | (23,000) |
| ▶ Tuition Other Districts | (115,920) |
| ▶ TOTAL Revenue Increase for Fiscal Year 2022/2023 | \$470,627 |

Board of Finance Proposed Reductions in Expenses – Summary

| Expenditures | Appropriated 2021-2022 | Proposed by | % | BOF | BOF Reductions | % |
|-----------------------------|---------------------------|------------------------|----------------------|-----------------------|--------------------|----------------------|
| | | BOS & BOE 2022-2023 | Increase Decrease | Proposed 2022-2023 | | Increase Decrease |
| General Government | \$19,381,210 | \$20,361,324 | 5.06% | \$20,220,004 | (\$141,320) | 4.33% |
| Debt Service | 5,720,993 | 5,674,292 | -0.82% | 5,674,292 | \$0 | -0.82% |
| Education | 52,209,464 | 54,608,478 | 4.59% | 54,108,478 | (\$500,000) | 3.64% |
| Buildings, Capital Equipmen | 683,113 | 700,660 | 2.57% | 636,860 | (\$63,800) | -6.77% |
| Total Expenditures | \$77,994,780 | \$81,344,754 | 4.30% | \$80,639,634 | (\$705,120) | 3.39% |

Board of Finance Proposed Reductions in Expenses – Detail

| Budget Category/Function Description | Amount |
|-----------------------------------------------------|--------------------|
| General Government Various Departments | (\$17,600) |
| Health/Dental | (13,314) |
| Payroll Taxes, Workers Comp, Pension | (12,094) |
| | |
| Police Officer & Overtime | (50,222) |
| NFD Firefighter | (28,090) |
| PT Fire Marshal | (5,000) |
| PWD Road Reconstruction/Traffic Calming | (15,000) |
| Capital | (63,800) |
| | |
| Total General Government Reduction | (\$205,120) |
| Board of Education Proposed Budget Reduction | (\$500,000) |
| | |
| Total Net Reductions Expenses | (\$705,120) |

Board of Finance Proposed Budget Compared to Prior Years

| Expenditures | Expended 2020-2021 | Appropriated 2021-2022 | Proposed 2022-2023 | % Increase Decrease |
|----------------------------|-------------------------------|-----------------------------------|-------------------------------|--------------------------------|
| Total General Government | \$17,939,378 | \$19,381,210 | \$20,220,004 | 4.33% |
| Debt Service | 5,747,810 | 5,720,993 | 5,674,292 | -0.82% |
| Education | 50,871,306 | 52,209,464 | 54,108,478 | 3.64% |
| Capital Outlay / Equipment | 817,953 | 683,113 | 636,860 | -6.77% |
| Total Expenditures | \$75,376,447 | \$77,994,780 | \$80,639,634 | 3.39% |

Bottom Line

Town of East Lyme Proposed Budget has an overall increase of 3.39% or \$2,644,854 with an *estimated* 24.14 mil rate as submitted tonight. This is based on State of Connecticut Revenue assumptions as presented in the proposed budget.

Immediately following this Public Hearing, the Board of Finance will deliberate any final actions on budget and Capital Improvement Plan that could influence final mil rate determination.

Scenarios for Estimated Taxes Based Upon Reval Average Increase of 24% for Single Family Homes and Potential 24.14 Mill Rate (Finalized in May)



Home assessed at \$250,000 paid \$7,128 in Taxes in FY 21/22. Estimated reval of \$307,500 will result in approximately \$7,483 in Taxes in 22/23. Increase of \$355/yr (\$30/month)



Home assessed at \$350,000 paid \$9,975 in Taxes in FY 21/22. Estimated reval of \$430,500 will result in approximately \$10,477 in Taxes in 22/23. Increase of \$502/yr (\$42/month)



Home assessed at \$450,000 paid \$12,830 in Taxes in FY 21/22. Estimated reval of \$553,500 will result in approximately \$13,470 in Taxes in 22/23. Increase of \$640/yr (\$53/month)

See <https://gis.vgsi.com/eastlymect/> for Assessed Values