

**BOARD OF FINANCE
TOWN OF EAST WINDSOR
11 RYE STREET
EAST WINDSOR, CONNECTICUT 06088**

MINUTES OF SPECIAL MEETING-BUDGET WORKSHOP

Thursday, March 29, 2012 at 7:00 p.m.

These minutes are not official until approved at a subsequent meeting.

Members Present: Jason Bowsza, Joseph Pellegrini, Danelle E. Godeck, Jerilyn Corso, Marie DeSousa, and Kathleen Pippin
Members Absent: None
Alternates Present: Sharon Tripp and Paulette Broder
Alternate Absent: None
Others: Catherine Cabral, Denise Menard, Dale Nelson, Teresa N. Kane, Catherine Simonelli, Robert Maynard, and George Michna
Press: None

I. Call to Order

Chairman Jason Bowsza called the Special Meeting-Budget Workshop to Order at 7:02 p.m., in the Board Brook Library.

II. Budget Discussions of Proposed Budgets for Fiscal Year 2012-2013

Ms. Catherine Cabral, Treasurer, gave to all Board Members updated budget discussion sheets for their review. Mr. Bowsza inquired where the Board left off from their last meeting on March 27, 2012. It was indicated the last department was Information Technology (8425). Before beginning with the discussion of IT, Mr. Bowsza wanted to discuss his notes from the last meeting. The notes he had was discussing full time drivers for the senior center and what was actually budgeted and inquired if they could go to a half driver. Ms. Cabral clarified that they are currently at a half driver but has been budgeted for three full time drivers. The department is not requesting more money. Since the change of using only two and half drivers, many appointments have had to be turned down. Ms. DeSousa wanted more clarification on this subject indicating that there is one support staff part-time and two full time drivers and one part-time driver, but she believed there was another part-time staff member. The Board Members looked through their sheets looking for the explanation of the Senior Center (1130). Ms. Cabral indicated that the department has made significant progress and was flat for the year. Mr. Bowsza commented on the increase of the part-time salaries. Ms. DeSousa commented that one full time position was cut and a part-time position was created. Ms. Cabral and Mr. Pellegrini commented that the department decreased their budget by

\$21,000. Mr. Bowsza mentioned the decrease came from the full time salary line. Ms. Cabral indicated she would get more information for the next meeting.

Chairman Bowsza indicated that the Board will continue with their budget review and they will begin with the Building Committee.

- **Information Technology (IT) (8415)**

Mr. Bowsza indicated that the department is requesting 15.5% increase in spending. The reasons for the increases were maintenance costs which were originally put into CIP, GIS upgrades, and an addition of an IT assistant. The costs of renewing licenses have also been put into this department's lines. No changes were made.

- **Communications/Phone/Fax (8420)**

Mr. Bowsza inquired with Ms. Cabral if this was a fixed cost. She indicated it was. No changes were made.

- **Miscellaneous Other (8440)**

It was indicated included in this budget category is the Historical Commission which is requesting monies to repair the Barber Hill Schoolhouse, Melrose Schoolhouse which has been budgeted \$500 for year, but has been cut, and American Heritage River Commission requesting \$1,200. No changes were made.

- **Capital Improvement Current (9445)**

Mr. Bowsza indicated that CIP usually takes the cuts when the budgets have to be trimmed down. As Mr. Pellegrini has said in the past, the Town's infrastructure has to be invested in to be preserved. If anyone would need explanations of the projects presented, they could inquire with Mr. Pellegrini. Ms. Godeck inquired about the IT request for software refresh project in the amount of \$130,000. It was explained the project presented will revamp the Town's servers and in the following year, hardware will be requested. This refresh project is planned to be done in two phases. A question regarding the GIS being listed in the CIP however, it is also listed in other departments such as police, building and tax collector. Ms. Cabral explained the CIP request under the GIS is the maintenance of the system and when listed in the departments it is considered purchased services. A discussion was held regarding the dire need the Town is in when it comes to the computer system and the fear of not upgrading could jeopardize all of the records stored in the town's computer system.

Dr. Teresa Kane, Superintendent of Schools entered the conversation giving the Board Members a description of the computer refresh the school district is currently doing. She explained how the refresh is an efficient way of keeping up with technology. The district is using virtualization, which is a cost effective way of upgrading the system and being able to maintain the older hardware. The hardware will eventually have to be replaced, but not at the present time. It was also discussed that back-ups of documents will be able to be performed. During the conversation, it was asked if any grants were available to aid in the funding of these projects. Dr. Kane indicated that the grants that are available and the district has applied for same.

A brief discussion was held.

- **Capital Improvement Reserve (9447)**

Ms. Cabral gave an explanation of the Capital Improvement Reserve lines. No changes were made.

- **Debt Service (9500)**

A brief discussion was held between Ms. Cabral and Mr. Bowsza indicating that a decrease of \$315,700 which is the fire truck payoff.

- **Board of Education (9800)**

Mr. Bowsza invited the members of the Board of Education that were in attendance along with Dr. Teresa N. Kane, Superintendent of Schools to join the meeting when the Board was discussing their proposed budget. He indicated that the Board of Finance has decreased the Town Government side of the budget approximately \$315,000. Given the budget presented to the Board, the proposed budget was originally had a \$1.863 million dollars increase, and with the \$315,000 decrease, the budget now stands at \$1.548 million dollars. Mr. Bowsza briefly discussed the projected revenues and the increase in tax revenue which would be needed to support the budget, as was discussed at the March 14, 2012 Public Hearing.

Mr. Bowsza explained that since the Town side of the budget has been decreased \$315,000, he would like to get a sense from the Board of Education if \$100,000, \$300,000, or \$700,000 was cut from the Board of Education, what affects would this have on the district. He indicated cutting from the Board of Education, the Board has to keep in mind the State of Connecticut funding and the MBR mandates and also the NEASC requirements. A copy of the letter which was sent by NEASC dated April 15, 2010 was given to all Board Members for their review. Dr. Kane indicated at that time, the district was on warning in regards to reaccreditation. There

were two categories which NEASC were concerned about. Those categories were curriculum and community resources/funding. The letter was very specific in regards to the lack of adequate funding for programs and the facilities of the district. The district was given a certain amount of time to make progress on the recommendations before the accreditation was taken away. Dr. Kane read from the letter which gave a list of suggestions and/or recommendations. She indicated that the response to the NEASC letter, the district has made tremendous progress in curriculum. She was happy to report to the Board that the district has been taken off warning status when it comes to curriculum. She commented that the recent article in the *Journal Inquirer* did not report this accurately, and she has requested a retraction from the editor. However, the issue of adequate funding is still keeping the district on the warning list. Dr. Kane commented that how can the district predict adequate funding. The district can show the NEASC Committee that the Town Charter does guarantee a two percent increase if the referendum fails three times, and the committee may interpret this as adequate funding, but she is unsure.

Dr. Kane commented that the district has been very creative in an attempt to stretch out every dollar within their budget and to be more effective. Her biggest concern is people. The staff is very critical in delivering the curriculum to the children of East Windsor. If the Board of Finance chooses to decrease the Board of Education's budget in a major way, the only alternative will be to cut staff. At the present time, the district is already very lean when it comes to staff members. The high school presently only offers one foreign language and minimum of electives. At the elementary level, it is very difficult to keep up with the AYP due to all the supports needed for reading. She indicated if cuts are needed, the first area where the cuts would come from would be materials such as textbooks. The older textbooks could be used again. Other places where cuts could be done would be maintenance projects. Some projects that are not pressing would be held off. Other than that, any cuts would have to be personnel. She reminded the Board, when personnel are cut, the district is still responsible in paying the unemployment.

A lengthy discussion was held regarding accreditation and the NEASC standards. There was also some confusion regarding the letter from NEASC that the Board received. It seemed that Pages 3 and 4 were missing. Dr. Kane commented it must have been done inadvertently during the copying of the letter. She would check on this and make sure all the copies of the letter will get to the Board Members for their review.

The discussion continued revolving around how the budget was presented to the Board. It was indicated that in the past it was presented with a little more detail. It is understood that the Board cannot dictate to the Board of Education how to spend the funds given, however; the Board is used to see the lines and where the money is being spent. It was also mentioned that the

increase which the Board of Education has proposed is very high and unrealistic given the history of the town. The Board of Finance is hoping that the budget will pass at the first referendum. Dr. Kane indicated that a cut of \$600,000 would be devastating to the district. It would mean a cut in staff, programs and quality education. She indicated that the district could handle a \$200,000 deduction and it would not affect the staff, but it would deal with materials and maintenance projects. Mr. Robert Maynard, Member of the Board of Education indicated he has just started with the Board of Education and he agrees with sharing services with the Town. Dr. Kane commented that her office is looking into the State of Connecticut State Health Insurance plan in an attempt to lower the costs of health insurance.

A lengthy discussion was held regarding shared services within the town departments.

Ms. Cabral began discussing the revenues and the special revenue accounts of the Board of Education. She indicated that at a recent telephone conference call with Dr. Kane, Ms. Linda Guillianio, the auditors and herself, it was explained how those special revenue accounts will be reported and used. Ms Cabral commented that the Board of Education is trying to become more transparent. The conversation continued explaining how the revenues were reported in the past and how those revenues will be reported and used in the future. The revenues that are not included in the special revenue account is ECS grant which is dictated by statute.

It was again asked to Dr. Kane, what it would mean to the Board of Education if the Board of Finance cut the budget by \$400,000. Dr. Kane reiterated it would be mean staff. She indicated that 75% of her budget is personnel. It would mean losing people and increasing the funding of unemployment benefits. The discussion continued regarding the increase which is being proposed and actually cutting approximately \$435,000. Dr. Kane commented if that is the recommendation of the Board, staff cuts would have to take place, programs will have to be discontinued, such as music and art, class size in the elementary schools would increase from low 20's to high 20's. Ms. Godeck commented that she has concerns with increasing class size. Ms. Simonelli commented that in the past, there have been significant staff cuts and presently, the district is very lean. Dr. Kane commented that it is very unusual for a high school only to offer one foreign language when typically high schools offer two or three foreign languages.

A lengthy discussion was held regarding the State mandates for special education and choice students pursuant to the Sheff settlement. There was also mention of the great programs which have been recently implemented, such as, all day kindergarten and breakfast program. Within that discussion, a conversation regarding grants and how they are spent was held.

Board Recessed at 8:47 p.m.
Board Reconvened at 8:57 p.m.

A lengthy discussion with Dr. Teresa Kane, Superintendent of Schools and other Board of Education Members was held regarding services, initiatives, staffing, transportation, and special education. In that discussion, Dr. Kane indicated that the reduction of \$200,000 would be manageable, wherein new material purchases such as books and other learning materials could be cut and the older materials would be able to be used. However, she cautioned the Board that if the materials become too outdated, the cost to replace said materials could be costly in the future. When asked about taking a cut of \$400,000, Dr. Kane indicated it would mean that the Board of Education would have to look at cutting staff, which would increase class size and jeopardize the district.

There were three choices which the Board discussed in trying to cut the Board of Education. The general government side of the budget was cut approximately \$315,000. This figure represents the payoff of the fire truck.

The three choices of cutting the Board of Education budget discussed were: \$200,000; \$315,000; or \$435,000. In saying that, it was broken down as follows:

Choice I:

Board of Education cut \$200,000
Town Government cut \$315,000

A difference of \$1,190,047 or an increase of 3.58%

Choice II:

Board of Education cut \$315,000
Town Government cut \$315,000

A difference of \$1,075,457 or an increase of 3.23%

Choice III:

Board of Education cut \$435,000
Town Government cut \$315,000

A difference of \$955,410 or an increase of 2.87%

It was asked to all Board Members which of the three choices they would prefer to present to the public. All members, except on, Ms. Pippin, believed

that the first choice was the one to present. Ms. Pippin's opinion was of the second choice.

It was decided at the end of the meeting that all of the figures which were discussed would be put together in the proposed budget and the Board would review same at the next budget workshop meeting on April 3, 2012 to make a final determine as to what budget will be presented to the public at the Public Hearing on April 11, 2012.

III. Adjournment

It was **MOVED** (Pellegrini) and **SECONDED** (Godeck) and **PASSED** (U) that the Board of Finance adjourns the March 29, 2012 Special Meeting-Budget Workshop at 9:23 p.m.

Respectfully Submitted,

Denise M. Piotrowicz
Recording Secretary