

From: SimsburyCT Postings April 8, 2011 10:52:07 AM
Subject: Board of Finance Minutes 04/05/2011 - Public Hearing
To: SimsburyCT_FinanceMin
Cc:

BOARD OF FINANCE
APRIL 5, 2011
PUBLIC HEARING

1. CALL TO ORDER

The Board of Finance Public Hearing on the 2011/12 Operating Budgets was called to order at 7:35 PM in the Simsbury High School auditorium. The following members were present: Chairman/Moderator Paul Henault, Peter Askham, Nicholas Mason, Anita Mielert and

Barbara Petitjean. Member Kevin North was absent due to a business commitment. Also present were First Selectman Mary Glassman, Superintendent of Schools, Diane Ullman, Board of Education Chairman Jack Sennott and other interested parties.

2. OVERVIEW

Mr. Henault introduced himself, the members of the Board of Finance and all others who would be presenting the budgets and answering subsequent questions. He reviewed the Public Hearing agenda, the budget process, the role of the Board of Finance and the purpose of Public Hearings, which are required by Town Charter.

Mr. Henault reviewed the various factors that the Board of Finance considers in arriving at the budget in the current challenging economic environment: a flat grand list, the unsettled status of the State aid (which is currently expected to remain relatively flat), pension obligations and the debt policy.

Mr. Henault stated that the Board of Finance asked both boards to come in with budget scenarios of -1%, 0% and 1% and their respective impacts. Mr. Henault stated that the Board of Selectmen and the Board of Education have submitted operating budget requests reflecting an increase of \$1,023,000, or an overall increase of 1.19%, for a budget totaling \$87.2 million.

The Board of Selectmen's proposed 2011/12 budget reflects a 0.21% increase

over last year's budget and the Board of Education's proposed budget reflects a 1.54% increase. The debt retirement budget would decrease by .45% and the Non-Public School budget would increase by .88%. The resulting projected tax increase would be between 1.04% and 1.33%. Mr. Henault noted that neighboring towns are facing tax increases ranging from 1% to 4.5%.

Mr. Henault also showed a pie chart detailing the percentage of the major sources of revenue for the 2011/12 budget as well as charts comparing the allocations of the total budget between Board of Selectmen, Board of Education, Debt Retirement and Non-Public Schools from 2006/07 to 2011/12.

Mr. Henault showed a pie chart detailing the percentage of the four components of the 2011/12 budget: Board of Education-71% (\$62.7 million); Board of Selectmen-21% (\$17.8 million); Debt Retirement-7% (\$6 million) and Non-Public Schools-1% (\$525,000).

Mr. Henault concluded that the new tax rate (excluding the Fire District) would increase from 30.55 mills to 30.92 mills (or less, noting that this is currently a conservative estimate) if the proposed budget is adopted.

3. PRESENTATION OF 2011/12 OPERATING BUDGETS

Board of Selectmen

Ms. Glassman stated that the budget process first entailed department heads submitting budgets, which initially reflected an increase of \$485,202 (a 2.72% increase). The Board of Selectmen provided the Board of Finance with their requested scenarios (-1%, 0% and 1%), considered the uncertainty State grant funds, the unemployment rate and the increasing number of foreclosures and felt it was important to have no increase on the Town side. For the third consecutive year, the Board of Selectmen is proposing a 0% or below budget. The 2009/10 budget was -3.04% due to a number of give-backs from Town employees (wage freezes, furlough days and increased co-pays) and the 2010/11 budget was 0.27%. The 2011/12 proposed budget is 0.21%. (an increase of \$37,161) for a total of \$17,860,913. The total number of proposed employees (138) represents the lowest staffing level in 10 years; in 2008, there were 146 employees. All pension and OPEB obligations will be met.

Ms. Glassman stated that the Board of Selectmen's budget represents only 20% of the overall town expenditures; 72% of the expenditures are for the Board of Education, 1% is for Non-Public Schools and 7% goes towards Debt Retirement.

Special Revenue Funds proposed budgets, which are self sustaining and are supported by user fees, are:

Sewer Use Fund – 12.35% increase
Residential Rental Fund – 0% increase
Animal Control Fund – 0%
Simsbury Farms Fund – 0.97% increase

Board of Education

Mr. Sennott stated that the Board of Education’s budget process started with reviewing its vision and core beliefs.

The Board of Education’s proposed 2011/12 operating budget is \$62,797,320, which represents a \$954,991 (or 1.54%) increase over the current year’s budget. Mr. Sennott noted that 51 of the 75 major accounts show 0% increase. There will be 0% GWI increase in salaries, although there will be step increases. A Federal Education Job Grant of \$313,843, which was received last year, will be used to offset next year’s budget. Structural changes have been made to the early reading intervention program and the high school will be moving to an 8-period day.

Sources of increases in the Board of Education budget included a 9% increase in medical insurance costs (\$643,816), an additional \$42,711 in pension and OPEB contributions, an allocation for three pending bargaining unit contracts, and a projected loss of \$150,000-\$200,000 in ECS funding. Offsetting decreases included \$166,000 in savings due to staffing changes as well as retirements.

Mr. Sennott showed a chart of historical budget increases in the Board of Education budget over the past few years and how they compare with the proposed 2011/12 budget:

5.07%	- 2007/08
3.5%	- 2008/09
1.25%	- 2009/10
1.6%	- 2010/11
1.54%	- 2011/12 (proposed)

Mr. Sennott noted that the average increase in Board of Education budgets in neighboring towns is 2.31%. The per pupil cost would increase to \$12,660; the State average is \$13,700.

Mr. Sennott stated that the Board is engaged in an ongoing effort to control costs and works collaboratively with the Town on a number of items, such as building upkeep or fields maintenance. Implementation of Phase 2 of the District Management Council Review plan will have some ongoing impact. Facilities and enrollment are being reviewed in light of a

statewide trend anticipating a 10%-15% drop in enrollment over the next 5-10 years. Cooperative bids for heat and electricity are made. It is projected that next year's enrollment will decrease by 67 students.; however, there will be a demographic shift of students moving from the middle school to the high school, where there will be an increase in enrollment.

The proposed budget reflects a net decrease in staffing of 22.3 positions (2.8 increase in certified staff, 25.1 decrease in non-certified staff).

Long-term strategic priorities for the Board include:

- Maintaining current class size within guidelines
- Hiring and retaining quality staff
- Maintaining the investment in classroom technology
- Maintaining programs that further 21st century skills
- Maintaining the social and emotional support systems

The Board also is concerned about rebuilding its base for technology and textbook expenditures and both budgets were increased by \$25,000. The Non-Public Schools proposed budget would increase by \$524,208 (0.88%) and mainly represents mandated busing, nursing and school psychologist services provided to the non-public schools in Simsbury (Ethel Walker, Westminster, Master's and St. Mary's).

Mr. Henault noted that public should be aware that the Town Meeting is on May 3rd and the referendum to vote on the proposed budgets is May 17th.

3. PUBLIC AUDIENCE

Mark Riley, 533 Bushy Hill Road, was concerned about the negative effects that the Board of Education's intention to cut speech therapist hours in half would have on the previous progress his son has made in the "Ready Set Go" program at Tootin' Hills.

[Dr. Ullman noted that the decrease in speech and language therapist time at Tootin' Hills School would not necessarily mean a one-half cut from the "Ready Set Go" program as the cut reflects services provided to the general population in the school as well as "Ready Set Go". She stated that whatever hours were in Mr. Riley's son's IEP would be met next year.]

Joan Coe, 26 Whitcomb Drive, felt that certain items in the Board of Selectmen's budget, such as the Economic Development Commission and the Visitors Bureau should be supported by the Simsbury Chamber of Commerce.

She questioned a \$50,000 budget and an office for Main Street Partnership, which is a private, nonprofit organization that supports Town Center businesses as well as expenditures for the golf course. As such, she could not support the Board of Selectmen's budget.

April Smith, 44 Climax Road, noted that the largest component of the Board of Education \$62 million budget is salaries and only 4% is being allocated towards books technology. She noted that union contracts have provided for more money every three years during the recession while everyone else's livelihood is shrinking.

Glenn Anderson, 19 Hoskins Road, asked how the needs of the special needs children will be met after the paraprofessionals in the Special Services Dept. are laid off.

[Dr. Ullman noted that the changes to the reading program affect the K-3 students who used to receive their services through other programs and do not substantially affect the "Ready Set Go" program.]

Suzanne Sinacori, 1 Stratton Lane, was in support of the Board of Education budget and urged the Board of Finance to understand the stress that they have put the teachers under and asked that they just keep the programs in place as is and not dismantle them.

Trisha Rosenberg, 24 Shadowbrook, noted that the Board of Education has come in with a budget within the guidelines set by the Board of Finance only four times in the past twelve years and questioned whether taxpayers can continue to afford such increases. She asked, if the Board of Finance does not send the Board of Education's budgets back if they are not within their own guidelines, then who is protecting the taxpayers? She also questioned why the implementation of the 8-period day is resulting in an increase in staff when educational studies show that it should result in a decrease in staffing requirements.

[Relative to the 8-period day, Dr. Ullman stated that, if they are going to offer more classes, then they require more staff. Mr. Henault noted that the Board of Finance usually provides guidelines vs. caps to the two boards. The boards are advised to try to meet those guidelines and, if not, provide compelling arguments as to why they must be exceeded. In some years, they did set a cap (such as years preceding the renovations at the high school), which stated that, no matter what the issues, the budget needed to be within that cap. He also noted that the Board of Finance does not have the final word since Simsbury has an automatic referendum in which the voters have the final say.]

Michelle Baker, 18 Talcott Mountain Road, Tariffville School PTO president, stated that she was in favor of the 8-period day and was concerned about the loss of the Media Specialist at Tariffville School. She supported the 1.54% Board of Education budget.

Chet Matczyk, 18 Wooster Road, spoke about an item in the CNR budget pertaining to improvements in Tariffville. He noted that the widening of Main St. in Tariffville will necessitate some changes and that \$36,000 of the \$100,000 requested will have to be spent anyways due to safety concerns (rotting stumps and broken sidewalks). It was felt that it made the most sense to package them up with other improvements. He also noted that the Tariffville Village Association is contributing funds towards this project as well.

[Mr. Henault noted that his prior questions regarding this project had all been answered. Ms. Glassman acknowledged the partnership that has developed between the Town and the Tariffville Village Association and congratulated them on being named "Best Neighborhood" in the country by This Old House.]

Mary Nordstrom, 2 Butternut Lane, was in favor of the budget as well as the 8-period day initiative, but wondered why more teachers are needed.

Leslie Traubert, 16 Munnisunk Drive, Squadron Line School PTO president, stated that she moved to Simsbury because of the school system and that she supported the Board of Education budget.

Sherri Enxuto, 9 Merrywood, was concerned about the class size at Latimer Lane School, noting that she has engaged a private tutor since she felt that her child would not receive adequate attention in such a large class.

Joan Coe had the additional comment that she could not support the Board of Education budget because she felt that it was top heavy administratively while there is diminishing enrollment. She felt that reductions need to come from the top.

Ellen Raposo, 8 Kings Road, was concerned about class sizes at Latimer Lane School.

[Mr. Sennott stated that the Board is constantly trying to anticipate shifts in student population and sometimes some of those shifts are not favorable such as what recently happened at Latimer Lane. The only alternative is annual redistricting, which has its own pain and suffering and most parents and students find to be very stressful.]

April Smith, 44 Climax Road had the additional comment noted that part of

the Board of Education increase was due to an increase in insurance costs and asked why she should have to pay for that when she does not have insurance herself. She also asked why there were furlough days when there are staffing issues and why holidays were not given back.

[Mr. Sennott stated that there are contractual negotiations every three years with teachers and administrators and, if an agreement can not be reached, there is a mediation and arbitration process.

Mr. Henault added that the three Simsbury boards have joined the Consortium for Fiscal Conservatism, who is lobbying the legislature for an end to such things as binding arbitration, prevailing wage and unfunded mandates.]

4. ADJOURNMENT

Mr. Henault brought the Public Hearing to a close at 9:10 PM.

Paul Henault, Chairman & Moderator

Debra L. Sweeney, Clerk