

**BOARD OF FINANCE
BUDGET DELIBERATIONS
PRESENTATION OF BOARD OF EDUCATION'S PROPOSED BUDGET
FEBRUARY 16, 2011**

The Milford Board of Finance held a budget deliberations session on Wednesday, February 16, 2011 in Conference Room B of the Parsons Complex. Chairman Lema stated they were here tonight regarding the education operating budget.

Board Members Present

Brian A Lema, Chairman
Joseph M. Agro, Jr.
Joseph J. Fitzpatrick, Jr.
Paul Beckwith
Scott Marlow

Also Present

R. Michael Cummings, Acting Supt. of Schools
Philip Russell, Deputy Supt. of Operations
Susan Kelleher, Director Pupil Personnel
Dr. Mark Stapleton, Chairman (BOE)

Mr. Agro and Mr. Beckwith made and seconded a motion to come out of recess at 6:34 p.m. Motion carried unanimously.

Chairman Lema stated they would hear a presentation from the Board of Education and then the Board would ask questions, likely item by item.

Dr. Stapleton, Chairman of the Board of Education asked everyone to be mindful that this is this year's budget. He stated this budget has been impacted by the prior two budgets. He stated education is a business of people, teachers, administrators, and coaches that take up the majority of the budget, then you add in buildings. He stated in this budget, had they not lost the stimulus money, they would be looking at a 1.5% increase. He also pointed out collective bargaining is a part of the budget and those increases have stretched the budget. He also spoke regarding the stimulus funding which he stated affected the cost sharing monies. He stated there is not stimulus money this year, but at the same time there has been no increase in the ECS monies. He stated they are holding out hope these monies will be reinstated.

Chairman Lema noted the governor's budget came out today and that the governor has stated he is going to reinstitute the ECS funding to its prior rate.

Dr. Stapleton stated the overall education budget reflects a 1.5% increase.

Mr. Agro stated it was his understanding the money came from the Federal government, but it went right to the State.

Mr. Russell stated in FY 09-10 the budget was a certain amount. He explained they set up a grant with the stimulus monies received and shifted 30-40 teachers. He stated they still need those positions because the kids are still there. He stated if the monies are funded again they are all set, however, if the monies are not there, it would reflect the 3.84% increase.

Mr. Cummings stated the key word is "surplanted".

Chairman Lema asked if there are 43 positions that are not longer staffed or if they were grant positions.

Mr. Russell stated they were permanent cuts.

Mr. Cummings continued with an explanation of the handout provided by the Board of Education, starting with the Board's priorities and assumptions. He stated board assumption is that the funds will not be back. He continued with a page by page explanation of the handout, explaining Board adopted priorities and assumptions. He stated Board assumption is that funds will not be back. Mr. Cummings continued page by page through the handout. He noted the Board of Education made a cut to the proposed budget of \$50,000 bringing the total budget request to \$86,426,070. He stated they work hard with everything they have control over, such as utilities, fuel, etc. He also stated they are very conscious of the financial condition in the town and believe they have presented a responsible budget. Mr. Cummings continued with his page by page explanation of the budget.

Mr. Agro commented this Board cannot control fixed costs, but what they can control is the number of people working for the City. He stated it is very difficult to approach increasing costs each year. He noted some states have considered some very radical actions, but fortunately Milford is not there yet, but that this Board needed to look realistically at fixed costs.

Mr. Russell stated the .95% next year is asking for no steps.

Mr. Cummings continued with the budget explanation. He spoke of a recent change of the role of a clerical position to purchasing agent, which has proved to be a great savings to the district.

Mr. Agro asked about the creation of the energy position.

Mr. Russell stated the position will change the behavior of all the people in the district. He stated the position could possibly work around the clock. He explained the company has proven they can save as much as 30%. He stated they also guarantee if the district does not save the monies, the company will pay the district back. He also stated the company provides their expertise and knows what to look for.

Mr. Agro asked about the split.

Mr. Russell responded it is a 50/50 split.

Mr. Agro commented the essence of the position was that of an enforcement agent.

Mr. Russell stated they are constantly going through the buildings looking for savings. He stated this company came to them in 2002 and 2006. Mr. Russell stated they decided now was the time to do it. He stated it is a win-win situation.

Mr. Marlow asked what the person will be doing, who they would report to and how it would be enforced.

Mr. Russell stated it would be through policy of the Board and administrative procedure. He stated administrative procedure states they cannot sacrifice comfort, etc. He also noted the Board was part of the hiring process.

Mr. Marlow asked about any potential downside.

Mr. Russell responded there really isn't one.

Mr. Fitzpatrick asked what the custodial staff could not do this.

Mr. Russell stated the person would look at everything. He expressed his faith in the company's record. He also noted a custodian is not in the building at 3:00 a.m.

Mr. Agro recalled going through this in the 1970's, but the problem was they could not accurately measure. He asked if the Board of Education was secure there is a measureable difference.

Mr. Russell stated it is done by NCAR or Energy Cap and that the company was recommended this particular software.

Mr. Marlow asked if there would be anything else required to buy.

Mr. Russell stated only the energy cap software, which he stated is deducted. He stated the company pays salary and benefits of the person and software costs.

Mr. Cummings continued with the explanation of the handout referencing the Board of Education budget book. He stated they were asking for an additional custodian due to the additions at both high schools. He also pointed out a staff 1.5 FTE addition position in the middle schools to help with enrichment. He stated there are 30 coming off the grant and 16.2 paraprofessionals.

Mr. Agro asked if these were former ECS positions.

Mr. Cummings responded yes, the 46.6 positions were.

Mr. Beckwith asked how many teachers they brought back last year.

Mr. Cummings stated 25 teachers lost positions last year. He stated he was not sure how many they brought back, but estimated it to be about 13 or more. He went on to explain the staffing analysis and different positions that were reassigned.

Mr. Beckwith asked about grants from the Federal government.

Ms. Kelleher stated they receive IDEA funding.

Mr. Russell added the custodian position would be one-half at each school.

Mr. Cummings concluded the presentation and stated they would be happy to answer any questions. He referenced p. 6-7 of the handout and pointed out in conjunction with the school closing that one principal position was eliminated and other positions re-assigned as well.

Chairman Lema asked about increases in job positions.

Mr. Russell reiterated they eliminated one principal position, but also had two retire. He also stated they eliminated two custodians, but four retired.

Mr. Fitzpatrick asked the total number of teachers that retired last year.

Mr. Russell replied it may have been around 18, but he believed it was less.

Mr. Cummings stated he believed it was less than 18.

Mr. Fitzpatrick asked how many teachers they expected to retire this year and if they are required to give notice.

Mr. Cummings responded it is 30 days notice, which they generally give. He stated it is generally a personal decision, but with the economy they are currently seeing less.

Mr. Russell referred the Board to p. 35 of the budget book, which he stated explains retirements.

Mr. Marlow referred to p. 10-11 (Special Education) of the budget book and asked about changes in the way kids are identified.

Ms. Kelleher stated numbers are actually down due to SRBI. She went on to give a brief overview of the program.

Mr. Fitzpatrick asked if the six positions were a grant.

Mr. Kelleher responded yes.

Mr. Marlow asked about out of district placement.

Ms. Kelleher stated as of today there are 44, but as of Friday it would drop to 43. She went on to explain the handout and comparison chart.

Mr. Beckwith gave credit to Ms. Kelleher and Mr. Civitello previously, for their hard work. He stated the department does a great job.

Mr. Fitzpatrick asked about the Academy and the number of students attending.

Mr. Cummings replied 65-70 students attend.

Mr. Marlow referred to p. 12-13 of the budget book – Counseling 1111. He asked if the guidance counselors work with the school psychologists.

Ms. Kelleher explained they work with the classroom teachers to help modify the behavior of the student.

Mr. Marlow asked if the work is something the school psychologists could do.

Mr. Kelleher explained how they work with the teachers.

Mr. Beckwith referred to p. 18 of the budget – Substitute Teachers. He asked why the \$20,000 increase.

Mr. Russell explained long term substitute pay goes up with the teacher contract. He explained as an example a long term vacancy, i.e. pregnancy; the substitute is paid at a step 2 level.

Mr. Agro asked if benefits are provided.

Mr. Russell responded no. He stated it is still considered a temporary position.

Mr. Beckwith referred to p. 20 of the budget book and asked if a new program was being added.

Mr. Cummings responded yes. He stated they are looking at indoor track and unified sports. He stated also not in the budget, they are looking at adding lacrosse, which he stated would be parent paid. He stated they have also added an assistant for high school cheerleading. He stated one of the reasons was merely a safety issue. Mr. Cummings stated they were also looking to hire an assistant band director. He explained with increased participation it is becoming a safety issue as well. He stated they would also like to bring drama back.

Chairman Lema asked about the athletic directors.

Mr. Cummings responded they have a teaching load and explained there is a stipend for their time.

p. 22-23 Secretarial Salaries – Mr. Beckwith asked the average.

Mr. Russell stated the contracts across the state were coming in around 2% and they were hoping Milford would come in around the same.

Mr. Beckwith asked about co-pays for insurance increases as part of the negotiations.

Mr. Russell stated teacher co-pays are 16, 17, & 18%. He stated they would remain the same for next year because of an agreement.

Mr. Cummings interjected and stated the numbers were actually 1, 15, & 16%.

p. 24-25 Custodial/Maintenance Salaries – Chairman Lema asked for clarification the new custodial position.

Mr. Cummings reiterated they were looking for an additional custodian because of the additional space at both of the high schools.

p. 28-29 Aides/Assistants – Mr. Fitzpatrick asked how many cafeteria aides.

Mr. Russell replied there are 50 or more. He explained they help with crowd control. He also noted there is a big turnover in this area.

p. 30-31 Salaries – Mr. Agro asked about overtime and how late hours would be affected the new position of Energy Supervisor.

Mr. Russell stated it is a salaried position, which he stated is not subject to FSLA.

Mr. Marlow asked if there were any requirements for a custodian to work alongside this position.

Mr. Russell responded no. He explained there would be consultants from the company working with the person.

Mr. Agro asked about training for the custodial staff.

Mr. Russell stated there would be no formal training. He explained it is designed for behavioral training.

Mr. Beckwith asked if discussion had taken place with the custodian staff regarding this new position.

Mr. Russell responded yes. He stated they had conversations and also spoke with union leadership.

Mr. Fitzpatrick asked if there was any flex time involved.

Mr. Russell stated it has been brought up previously, but they really were not sure it offered any real savings.

Mr. Fitzpatrick asked about comp time.

Mr. Russell stated the union contract dictates what they get when they come in.

p. 32-33 Salaries – Mr. Beckwith commented regarding security guards. He stated he believe this was something that should be outsourced.

Mr. Russell noted for those who were not aware that the security guards recently unionized and that they are currently negotiating a contract.

Mr. Fitzpatrick asked if questionnaires had ever been done about outsourcing security guards.

Mr. Russell stated a number of other districts have tried it and only New Haven has made some in-roads.

p. 36 – Insurance – Mr. Agro asked the Board of Education to define contribution. He asked if it is 5% or matching.

Mr. Russell responded it is 5% of their salary.

p. 40 – Programs – Mr. Fitzpatrick asked how many teachers are involved with the Adult Education Program.

Mr. Russell explained the program offer general interest/enrichment programs as well as community interest programs. He stated they only fund \$40,000, but receive an additional \$35,000 from the state.

Mr. Cummings stated for clarification that the teacher contract has nothing to do with this program.

p. 45 – Contracted Services – Mr. Beckwith asked if contracts could now go out to bid for some of the services since the district had realigned to make a purchasing agent position.

Mr. Cummings stated these types of contract would be on the operational side. He stated the purchasing agent deals with the everyday type items.

Mr. Beckwith questioned moving costs of \$20,000.

Mr. Russell stated that number is down from \$150,000 because of the reconfiguration. He explained each time the building committee does a project there are things that have to be moved.

p. 52 – Utilities – Mr. Agro asked if the school district is required to pay the sewer user fee.

Mr. Russell replied yes.

Mr. Agro asked how it is calculated.

Mr. Russell replied he was not sure about the calculation, but that they paid around \$20,000.

p. 53 Heat-Fuel-Oil – Mr. Cummings stated they could spend about two hours on conversation regarding burners. He stated they have changed over and saving a great deal of money.

p. 54 – Contracted maintenance – 4200 – Mr. Fitzpatrick of those vendors listed are year-to-year contracts.

Mr. Russell stated they vary.

Mr. Agro asked referred to emergency lighting and asked if that line item was for testing and maintenance.

Mr. Russell responded yes, he believed it was for testing and he believed it was done four times a year.

Mr. Beckwith commented he believed it was something that needed to be certified and was possibly required for insurance reasons.

Mr. Marlow asked about Johnson Controls, York Chiller.

Mr. Russell explained they bought this energy management system in the late 1990's and that they are continuously upgrading.

p. 58-59 Repairs – Mr. Agro asked if they anticipated difficulties with the hard winter.

Mr. Cummings stated many of the school parking lots need some work

p. 62 Building Projects – Mr. Marlow asked about the rubber roof maintenance at Jonathan Law High School. He questioned if that work could be put off since the roof was being replaced.

p. 65 Building Projects – Mr. Fitzpatrick asked about the \$100,000 at Joseph A. Foran High School.

Mr. Russell referred the Committee members to p. 62 for the details.

p. 71 Transportation – Mr. Beckwith asked about the gasoline accounts for the buses and also the Durham contract.

Mr. Russell stated they receive the second lowest price in the state. He also stated the contract for Durham comes up in 2012.

p. 74-75 Transportation (district breakdown) – Mr. Agro asked about Vocational Agricultural Program (Vo Ag).

Mr. Cummings stated they are required by Federal law to provide transportation.

p. 76 Insurance – Chairman Lema asked the Board if they have seen an increase or decrease in this field.

Mr. Russell replied neither.

p. 79 Postage – Mr. Russell explained they now have centralized mailing. He noted the increase is due to the projected increase by the post office. He also noted they print their publications in-house.

p. 82 Tuition – Mr. Cummings explained this is for out of district placement and went on to explain the numbers on the handout. He stated they are being very conscious trying to keep students in district, pointing out it is better for the student in the long run and saves on tuition and busing for the district.

Mr. Fitzpatrick asked if the costs for Vo Ag included busing.

Mr. Russell responded no. He stated it is strictly for tuition.

p. 86 Supplies – Mr. Marlow asked if there would be a long term savings with the new purchasing agent position.

Mr. Russell responded yes, it was their hope.

p. 88 – Expenses – Chairman Lema asked if there would be an 8th grade graduation.

Mr. Russell responded yes.

Mr. Agro stated he did not see expenses for the academy.

Mr. Russell stated they budget in-house and explained the student actually graduates from his or her high school.

p. 90 Textbooks – Mr. Cummings stated the account is actually down. He stated they expect a move to electronic books which would be more accessible and less expensive.

p. 94 Testing – Mr. Russell noted the drop in many accounts.

p. 103 Furniture and Fixtures – Mr. Beckwith questioned the purchase of 54 chair/desk combinations at a cost of \$7,992 and asked why it was not a part of the recent project/renovations at the school.

Mr. Russell state these were replacements with a 40% reimbursement.

p. 114 Professional Development – Mr. Cummings explained the development costs were in response to Common Core Standards the district went to and the reason for the increase.

p. 116 Student Activities – Chairman Lema asked if the hockey line item was new.

Mr. Cummings responded yes and stated they are contributing more. He stated he would be meeting with the principal at Platt looking for contribution from that school.

p. 118 Revenue – Mr. Russell touched briefly on the ECS funding. He also pointed out the city pays for the Board of Education's dental benefits and nurses.

p. 120 Grants – Mr. Russell referred the Board members to p. 125 of the budget book and pointed out the top seven grants would likely be gong next year.

Chairman Lema thanked Mr. Cummings, Mr. Russell and Ms. Kelleher for their presentation and comments.

Mr. Agro referred to p. V in the budget book and questioned if the projections could come back to "haunt" them and if they might be underestimating.

Mr. Cummings replied it was a great question. He stated they are trying to be conscientious of this. He stated where the show reductions they are looking for efficiency. He also stated the question always comes up regarding testing, as well as textbooks changing with technology. He stated they are getting close to those efficiencies. He stated long-term health is also a concern.

Mr. Russell commented regarding utilities and pointed out they are seeing a savings. He also stated it is important to put money into your infrastructure or they could find themselves in a difficult position down the road.

Mr. Agro thanked the panel for their responses and thanked Mr. Cummings for his steadiness this year.

Being no further business to discuss, Mr. Beckwith and Mr. Marlow made and seconded a motion to recess at 9:42 p.m. Motion carried unanimously.

Respectfully submitted,

Kathleen K. Huber
Recording Secretary