

THE FOLLOWING MINUTES ARE SUBJECT TO APPROVAL BY THE BOARD OF FINANCE

The **Board of Finance** held a regular meeting on Wednesday, March 12, 2014 in the Council Chamber of the Newtown Municipal Center, 3 Primrose Street, Newtown, CT. John Kortze called the meeting to order at 7:00pm.

PRESENT: John Kortze, James Filan, Jr., John Godin, Michael Portnoy and Harry Waterbury

ABSENT: Joseph Kearney

ALSO PRESENT: First Selectman E. Patricia Llodra, Finance Director Robert Tait, Legislative Council members Mary Ann Jacob, Anthony Filiato, Phil Carroll, Dan Honan, Dan Amaral, Paul Lundquist, Joe Girgasky, Neil Chaudhary, George Ferguson, Ryan Knapp, Interim Superintendent Dr. John Reed, Assistant Superintendent Linda Gejda, Business Director Ron Bienkowski, Board of Education members Debbie Leidlein, Laura Roche, Michelle Ku, Kathy Hamilton, Keith Alexander, District Security Director Mark Pompano, eight members of the public and one members of the press.

VOTER COMMENTS: **Karen Holden**, 68 Berkshire Road, Sandy Hook stated the Board of Education delivered a flat budget and asked that the Board of Finance adopt that flat budget. **Kinga Walsh**, 21 Horseshoe Ridge, Sandy Hook asked to allow the time need for proper review, planning and assimilation by new administrators to minimize possible compromises to the educational quality in town. She talked about enrollment and staffing at the high school and asked that the board table the Council members request for a serious and immediate look at the staffing at the high school, until reviewed during the 2014-15 school year. Ms. Walsh asked the board to pass the budget to the council as proposed.

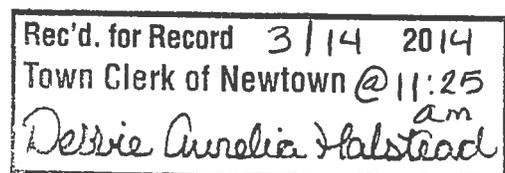
COMMUNICATIONS: Mr. Kortze submitted three items of communication for the record (Att.)

MINUTES: Mr. Godin moved to accept the minutes of the regular meeting of March 6, 2014. Mr. Waterbury seconded. All in favor.

FIRST SELECTMAN REPORT: none.

FINANCE DIRECTOR REPORT: none.

EXECUTIVE SESSION: Security – Mr. Filan, Jr. moved to enter executive session to discuss security. Invited to attend were First Selectman Llodra, Finance Director Robert Tait, members of the Legislative Council, members of the Board of Education, Mark Pompano, Dr. Reed, Dr. Gejda and Ron Bienkowski. Mr. Waterbury seconded. All in favor. Executive session was entered into at 7:10pm and returned to regular session at 8:05pm with no action taken. The conversation continued with Dr. Reed stating that First Selectman Llodra, Chief Kehoe and Dr. Reed are in agreement that there will be a clause that states if the school determines a person is not appropriate to work at the school it will be reviewed by the town but the ultimate decision to dismiss will be up to the school administration. First Selectman Llodra said that the hiring decisions will be collaborative between the school and the Town. School Resource Officers (SRO) are police officers who demonstrate dispositions that are appropriate for the school setting and take their lead, very often, from the school administrator. Mr. Pompano will be the primary liaison. First Selectman stated



the function and purpose of the School Security Officer (SSO) is a safety function, they are not instructional, they are armed personnel. She is very confident this will work. Mr. Pompano agreed saying the SSO's are not police officers, with no power of arrest; they are armed personnel to neutralize any threat to the school should anyone come in with a weapon. They will not be involved with students, and will be mobile throughout the school.

NEW BUSINESS

Discussion and possible action:

- 1. Board of Education budget deliberation and possible overall budget adoption:** Dr. Reed, Ms. Leidlein and Mr. Bienkowski were present to answer question on the Board of Education budget. Transportation aid dropped because it has been folded into the excess cost grant and because transportation costs have gone down. Excess cost is reported to the state in December and in March. 75% was estimated for the current budget, 81.99% was received reflecting roughly a \$200,000 difference. Mr. Bienkowski and Mr. Tait collaborate regularly on operations, insurance and CIRMA. Improvements on monthly close outs are continually discussed. All but one item has been added to the general ledger relative to the audit. There is a rationale behind salaries of coaches and it is part of the teacher negotiations. Mr. Kortze asked about the idea of taking the total amount expected to be spent in the next five years and dividing it by five allowing for a comparable amount each year. Mr. Bienkowski said there is a five year detail but when building the budget there was the obligation for the doors/locks that was in the operational budget. Mr. Bienkowski thinks \$500,000-\$600,000 in the budget each year for building and site project to allow them to make headway on the projects. Most iPads were donated, only about six were purchased at \$500 each. Money involving Phoenix is operational costs necessary for consultants to design special reports, such as tracking employees for eligibility for the affordable care act and the uniform chart of accounts which will be a state requirement for all school districts. Mr. Bienkowski said that there are adjustments in salaries when someone retires. Mr. Portnoy pointed out retirees are not replaced with new teachers because teachers within the system are reassigned. Full time equivalents were discussed; positions were not filled this year due to need and class sizes, not cost. Dr. Reed said five positions will be reduced at the elementary schools plus two, three at the intermediate school, four at the middle school and one art position at the high school for a total of fifteen positions. Electricity and oil were discussed. Mr. Bienkowski explained that there is an increase in special education transportation both in district and out of district. Students are also bussed to Frasier Woods, St. Rose, Abbott Tech and Housatonic Valley. MTM provides wheelchair vehicles. Mr. Bienkowski agrees it is wise to put \$400,000 into the fund balance for the self insured fund. Mr. Portnoy suggested the graphs on all district staff and only certified staff are misleading because of the scale. Dr. Reed noted that if there are significant reductions to the SERV grant the first place to turn would be the operational budget. Ms. Leidlein stated the Board of Education voted unanimously on the budget and believes it is fiscally responsible. She would like to see it passed on to the Legislative Council. The board will continue to look for cost savings as they move forward.

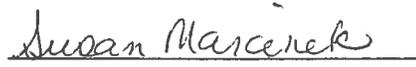
Mr. Kortze said the Board of Finance has passed the budget to the Legislative Council two out of the last three years. He believes the boards should come together to have a dialogue about important issues. He said we are embarking on a path and is hopeful the public will understand the reasons for the timeline. Mr. Kortze said the Board of Education should be commended and he thinks the budget is good. His goal is to try to work with what is presented, deal with the insurance issue, the senior tax

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issue and balance that with increase of revenues and do something about roads if there is anything left over.

ANNOUNCEMENTS: none.

ADJOURNMENT: Having no further business the Board of Finance adjourned their regular meeting at 9:20 pm.



Susan Marcinek, Clerk

Attachments: email from M. Assante; letter from BOE

From: Michele <>

Date: March 12, 2014 at 3:52:18 PM EDT

To: jkearney19@aol.com, John Kortze <jkortze@mac.com>, harrison.waterbury@sbcglobal.net

Subject: Add Funds To The BOE Budget

Board of Finance Members,

I am struck by how difficult it is to begin this message. It would be easier if there wasn't so much wrong with what is going on this budget season. So I will be brief and to the point.

You need to restore funding equal to that originally requested by Dr. Reed (\$550K + the Insurance claim). And by that I mean, I will vote yes so long as any adjustments made are due to changes in amounts needed because of difference between quotes and actuals and so long as you not only restore the BOE Budget to the Superintendent's original amount but also cover the short fall created by the insurance issue that was presented after Dr. Reed provided his budget.

Several months ago Dr. Reed was asked by our Town Government to take the reigns after a horrible tragedy that took place in one of our Elementary Schools. At the time, Dr. Reed was touted as an Extraordinary Leader, An Expert, etc. etc. He put forth a meager budget because he knew you, the BOF, would not allow him to move the district forward - even to just a level ground on par with the rest of our DRG. Even that didn't satisfy. Last month, his own Board of Education under pressure from your board, moved against him when they voted to achieve the Board of Finance's (BOF) goal of a 0% budget increase instead of voting to achieve Dr. Reeds goal of providing for the Children. Disgraceful.

In order to get to that 0% increase several assumptions/bets had to be made:

1. That there will be turnover greater than the amount of turnover last year (totaling \$325K)
2. That Grants worth approx. \$400K would come in to off-set other reductions made by the BOE
3. That no additional SPED students would be Id'd (in the last 2 years we've had additional expenses of over \$200K for new students not identified earlier) YOU MUST RECALL THAT THIS WAS THE REASON DEBBIE LIEDLEIN GAVE FOR NOT BEING ABLE TO IMPLEMENT FULL DAY KINDERGARTEN 2 YEARS AGO
- 4 An Additional \$110K be cut from somewhere else - possibly by cutting any additional 2 teachers from Elementary for a total of 10

So as anyone can see - the current amount of the BOE Budget will Necessitate More Cuts than have already been made and relies on other savings that MAY NOT OCCUR.

As if that wasn't enough, I understand that the BOF might actually decide to cut more. In looking over the minutes from your last meeting I see that yet again, that Bob Merola (who isn't even on the BOF) quoted as if he is an expert on Education, "He has been tracking staffing at the high school". Seriously? Now he knows more than Superintendent Reed does about what goes on at the High School and what it takes in 2014/15 to provide an adequate and competitive education for the student there? It seems Bob Merola and Kathy Fetchik Hamilton are on the same page these days as she also made a motion to cut the High School Budget by \$350K.

If you do not simply restore Dr. Reed's budget and make the district completely whole with your decision I will vote NO. When it comes to trusting a Board of Finance or an "Expert Educator" for providing for our Children's Education, I'm going with the Educator.

Michele Assante

March 11, 2014

Dear Newtown Community:

The Board of Education would like to share a statement with you that we are sending to the Board of Finance regarding the Board of Education's requested operating budget for the 2014-15 academic year. Our letter to the Board of Finance is below.

We would also like to remind you there are two important Board of Finance (BOF) meetings this week we are hoping you can attend.

BOARD OF FINANCE

Council Chambers, Municipal Center -7:00 p.m.

March 12 – Board of Ed budget, overall budget, possible adoption

March 13 – overall budget, adoption

Please consider joining us at the BOF meetings in support of the requested budget.

Warm regards,

Newtown Board of Education

Debbie Leidlein, Laura Roche, Kathy Hamilton, Keith Alexander, John Vouros, David Freedman & Michelle Ku

March 11, 2014

Dear Board of Finance,

We, the Board of Education, fully support the Board of Education budget as presented to the Board of Finance. We believe this budget addresses both the educational needs of our district as well as the declining enrollment. It is the collective work of the Superintendent and the Board of Education to present a fiscally responsible budget. We realize that there may be necessary adjustments to the budget due to realized differences in costs and we would support any mutually-recognized adjustments due to findings during the review by the Board of Finance. As we move forward, the Superintendent and the Board of Education will continue to examine the school system for efficiencies, as stated in our board goals, along with a continuous review of the effects of declining enrollment.

We respectfully ask the Board of Finance to collaborate with us to support this budget.

Warm regards,

Newtown Board of Education

Debbie Leidlein, Laura Roche, Kathy Hamilton, Keith Alexander, John Vouros, David Freedman & Michelle Ku