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**TOWN OF NEWTOWN**  
LEGISLATIVE COUNCIL

**TOWN OF NEWTOWN LEGISLATIVE COUNCIL SPECIAL MEETING**  
**WEDNESDAY, MARCH 9, 2016**  
**NEWTOWN MUNICIPAL CENTER, NEWTOWN, CT**

**PRESENT:** George Ferguson, Dan Wiedemann, Chris Eide, Neil Chaudhary, Judit DeStefano, Ryan Knapp, Paul Lundquist, Mary Ann Jacob, Dan Amaral, Tony Filiato, Phil Carroll and Dan Honan.

**ALSO PRESENT:** First Selectman Pat Llodra, Director of Finance Bob Tait, Board of Finance members Jim Gaston, Mark Boland and Kelley Johnson, Commission on Aging member Curt Symes, Employees Medical Benefits Board member Mark Mattioli, Jim Loring and Consultant Joe Spurgeon, Board of Ed members Keith Alexander, Michelle Ku and Andy Clure, Superintendent Joe Erardi, School Business Director Ron Bienkowski, 13 public, Boy Scout Troop 41, 1 press.

**CALL TO ORDER:** Ms. Jacob called the meeting to order with the Pledge of Allegiance at 7:30pm.

**VOTER COMMENT:** Bob Merola, 22 Ashford Lane, spoke on the school enrollment study. He has been tracking single family, non-age restricted homes since 2001. Pages 13 & 14 of the report talks about housing. Regarding housing permits, according to his research the numbers in the report before 2006 are grossly overstated. As this type of housing has an effect on school enrollment and the projections, he challenges those numbers, and asked they be verified. He obtained his numbers from the housing department. Regarding the BOE budget, we have experienced 9 years of student decline, 1180 students and another 115 for next year. In his opinion we have done little or nothing to address this decline. The budget continues to go up; it has not been reduced. Mechanisms to reduce the budget have never been implemented. The MBR allows for greater reductions per student for decreased enrollment. He is not suggesting it be used, but suggested taking \$1 per student from last year's budget and move forward. The high school in 2005-06 had 1688 students, currently there are 1684. In 2006-07 when there were 1716 students, there were 103 faculty. In 2013-14 there were 118. This is a red flag for him.

**NEW BUSINESS**

**Presentation of the BOF Approved 2016-2017 Town and Education Budgets:** Mr. Gaston reports the Board of Finance went through the budget thoroughly. Their multiple questions were answered. For the Board of Ed budget, they discussed declining enrollment, staff reductions, and the drivers for the budget increases. Budget increases are due fixed costs such as health insurance, transportation, employee benefits, and pupil services. Diesel fuel bid came in lower than expected. The Board of Ed is expecting increased tech costs due to changes in technology and they are trying to spread the costs over several years.

Rec'd. for Record 3-15 2016  
Town Clerk of Newtown 12:03  
p.m.  
Debbie Aurelia Halstead

There were several votes by the Board of Finance to arrive at the approved recommended reductions. The increase for the Board of Ed is 3.18%.

For the Selectmen's budget the driving factors are salaries and benefits and roads. There is an offset due to a reduction in debt service. Revenue from a number of sources such as Equalized Cost Sharing, Intergovernmental Revenue, investment income, motor vehicle taxes (capped at 32 mils) are flat or declining. The Board of Finance reduced unemployment, police traffic engineering studies, highway diesel, heating fuel, and bonding. Several members of the Board of Finance recommended increasing the permit fee for the transfer station by \$10 to bring in \$40,000 in revenue. The motion passed 4-2. The Selectmen's budget was reduced by \$504,000. The budget, with recommended reductions will increase the mil rate to 33.84.

Mr. Chaudhary asked for clarification on the recommended \$80,000 reduction to the Board of Ed health care cost. Mr. Gaston explained the New England region is predicting a 6% increase; the reduction was to reflect a 6% increase. He suggested speaking with the Employee Medical Benefits Board for further details. There was discussion on the Board of Ed's technology budget. The technology for the Sandy Hook School is included in the specs. There is a grant for technology which must be used by June.

Mr. Lundquist asked for clarification of Board of Ed non-contractual increase of \$400,000. Mr. Gaston stated looking just at the driving numbers; employee benefits, pension, transportation, special ed, and contractual teacher increases is \$417,599.

Ms. DeStefano asked for clarification on a transfer station permit increase. Mrs. Llodra stated levying of a permit fee is a function of the Board of Selectmen, who will consider the recommendation. The Board of Selectmen is charged by the recommendation to increase revenue by \$40,000 with specific consideration to the increase in the transfer station fee.

Mrs. Llodra clarified they are working hard to increase the grand list which this year increased 6.6%. They were targeting 7%. Impacting the gain, the state ceased reimbursement for untaxable manufacturing machinery & equipment (MME), a law passed a few years ago, the business incentive plan which allows capital investment by new business not being taxed for several years and the state cap of 32 mils on tax for automobiles, a decrease for our town.

Mr. Amaral asked for clarification on the debt savings. Mr. Tait explained reduction in the debt service line item is a result of bonds dropping off the debt schedule, the 20 year bond for the first high school addition. The budget with the Board of Finance recommended reductions can be viewed at this link:

[http://newtown-ct.gov/Public\\_Documents/NewtownCT\\_Finance/BOF%20BUDGET%20DOCUMENT%202016%202017.pdf](http://newtown-ct.gov/Public_Documents/NewtownCT_Finance/BOF%20BUDGET%20DOCUMENT%202016%202017.pdf)

**Employee Medical Benefits Board Presentation:** Mr. Tait stated medical insurance is 10% of the total budget. The nature of claims is they change every year. He shared the history of medical costs. In 2009-10 we were fully insured. In 2010, the insurance company wanted to increase premiums 15%. The town moved to self-insurance. If we were to go back to an insurance company, we would have to pay the company profits and a 5% surcharge due to Obamacare. As self-insured, we add to the budget what we expect claims to be. The fund balance is for incurred, but not yet paid claims. It would also be needed to pay claims for 2 to 3 months should we ever move back to an insurance company. The first year of self-insuring was a 3% increase. An ordinance was written for the fund and creation the EMBB. They meet with the board quarterly and before the budget to determine the number for the self-insurance.

LEGISLATIVE COUNCIL

Mrs. Llodra explained in 2010, when faced with a 15% increase, they began discussion, along with school administration, on self-insurance and wanted an ordinance for protection. We were self-insured in the past. One reason it returned to premium insurance is money was taken from the fund balance. This caused concern for self-insuring again. Under the ordinance, the finance director, business director and the EMBB along with the consultant, work together to make recommendations.

Mr. Tait shared the self-insurance fund analysis for the first year, which ended with a balance of \$1,715,499. He noted we do not budget claims, we budget contributions to the fund to cover claims. He shared the history of the Board of Ed medical costs since 2010. Budgeting is based on the prior years' experience.

Mr. Mattioli explained 25% is the high end for the fund balance. The Boards goal is 20 to 23%.

Mr. Spurgeon noted the town's costs for insurance is the same now as it was in 2010 and the Board of Ed's dental was not included in 2010. He explained Mr. Tait's methodology is spot on. Though he and Mr. Tait arrive at their projections differently, the numbers are similar. His job is to support Mr. Tait and his projections, validate carrier projections and provide input on trends. The town has a stop loss so we only pay up to \$175,000 a year for a claim. He shared some reserve models. Auditors require funds for incurred but not reported claims. Not having reserves for these claims would result in a penalty. The ASO Claim Corridor refers to loss insurance which protects against any one member high claims or the entire group going over 25%; you buy insurance for that. Budget Stabilization covers you in an anomaly year. This year the HSA is an option. In 2017, the HSA becomes the core plan and they expect claims to go down as people will have higher deductibles, alleviating pressure on reserves.

Mr. Chaudhary stated those moving to the HSA will have a smaller contribution but the estimate of premium is about the same for both. He asked for clarification on how they estimated. Do they know how many people will be moving to the HSA in year one? Mr. Spurgeon stated they did not assume any migration to the HSA. Mr. Chaudhary stated those who stay with the PPO will pay 25% while those who switch to the HAS will pay 17%. Why would people not switch? Mr. Mattioli explained it is a different level of coverage. The HSA is a lower premium but a higher deductible.

Mr. Mattioli also spoke to investing in wellness programs to encourage people to address issues and prevention. This saves money down the road.

Mr. Filiato asked for clarification on the stop loss. Mr. Spurgeon stated individual stop loss says if any one person has a claim over \$175,000; Newtown is liable for \$175,000. The aggregate is 125%.

Mr. Tait explained contributions cover claims, consulting fees, administration and the stop loss fee.

Mr. Knapp stated last year claims were low and the Board of Finance made reductions. He asked if there could be policy for the low claim years so the budget is not reduced too much. This would help offset years with high claims. To make it more linear and have less impact on the budget. Mr. Spurgeon stated stabilization could be used. Mr. Knapp stated in a year when claims are low, having a formal policy stating they won't reduce the budget amount more than a set percentage and instead, build up the reserve fund for years when there are high claims would have less impact on the budget.

Mr. Wiedemann asked regarding Mr. Knapp's policy question, if they went over 25% reserves, would they be forced to take money out? Mrs. Llodra stated the research she and Mr. Tait did when writing the Fund Balance Policy and the conditions and metrics included, are guiding current decision making. The same kind of thinking can be used to support the EMBB. Ms. Jacob said they could add it to a future discussion.

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Mr. Ferguson asked about the increase in pharmaceuticals costs. Mr. Spurgeon stated drugs are not the biggest component of our spend, but is the biggest increase. As the cost of drugs increases, you should see offsets on the medical side. For example, Hepatitis C now has a cure. It is 3 pills, but they cost between 250 and 300 thousand dollars for the three pills. (ATT)

**Overview of the November 2014 Enrollment Study by Milone and MacBroom:** Mr. Alexander stated enrollment is an issue when they discuss many topics. They commissioned an enrollment study in 2014, but they often argue whether the numbers are accurate. Reductions we are experiencing are similar across the state. Dr. Erardi gave an executive summary of the study. The Board of Ed commissioned the administration to take the study and move it into Newtown time. The Facility and Enrollment study from June 2, 2015 is the presentation that took place after the Milone MacBroom study and the result of several months of leadership, with advisory from the school board and is the presentation made to the public. Dr. Erardi stated the important piece to the document is it is a direct reflection of what they believe was an appropriate response to the enrollment study. The board voted to put a one year moratorium on closing a facility based on public response. He shared the current charge for the District Facilities Committee and the next level of work. The projected enrollments were spot on. They have chosen to use the median enrollment numbers. They have made class reductions. He believes school safety, security and mental health providers not be tempered for the next school year. He shared staff increases he believes are needed.

Mr. Knapp asked for clarification on how dollars spent per student is used for state reimbursement. Dr. Erardi stated it is more complicated in Newtown because of all the grants received. He explained the larger the per pupil expenditure, the greater responsibility the board has for students, particularly those in an out placed setting. The local contribution is 4.5 times the per pupil expenditure before there is any state reimbursement. Where the number has grown is we have to calculate our large grants. Our local legislators have agreed to look for special legislation during this session that could offer recalculation of the per pupil expenditure without inclusion of the grants. It would take special legislation.

Ms. Jacob is concerned one member of the facilities committee has stated publicly they do not want to close a school under any circumstances. Mr. Alexander stated Dr. Erardi is looking for someone who has the opposite opinion to join the committee to get a full range of ideas. (ATT)

**Commission on Aging Presentation:** Mr. Symes presented his update of 2.5 years of work by the Commission on Aging. Members of the commission are involved with and work with seniors. Newtown began wrestling with the issue of a need for a senior center and programs in 2000. He discussed demographics. Twelve hundred seniors responded to a survey in 2013. He stated they are supporting the community center because it will give seniors access to shared space, aquatic programs and the community center can become the cornerstone for building a new senior center. How do we secure funding necessary for true senior space? The commission's message is there is opportunity for the seniors and seniors need to support the referendum.

Mrs. Llodra stated some of Mr. Symes numbers are out of date. Newtown's population is over 28,000. The demographic for children is wrong. She will get the correct numbers for Mr. Symes. There are 9,800 residences in town. She questioned mold being an unresolved issue at the senior center. There was a past issue, but it was resolved.

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Mr. Knapp noted there are many departments that offer programs and services and asked if there could be more coordination between the senior center and Parks & Rec, the Library, Edmund Town Hall, the Cultural Arts Commission, as examples, for senior programs until they do have a better space. A central hub for information.

Mrs. Llodra noted the Edmond Town Hall and Library are under separate management, not the town, by special act or ordinance. They determine programming for their facility.

Mr. Symes stated they started a pottery class and due to lack of space, have moved it to Brookfield craft center. He has had discussions with the NYA about programs. Mr. Symes is planning senior forums to educate them about the community center. (ATT)

**Resolution Regarding Explanatory Text For Community Center Referendum:** MR. LUNDQUIST MOTIONED TO APPROVE A RESOLUTION TO AUTHORIZE THE PREPARATION OF EXPLANATORY TEXT RELATED TO THE COMMUNITY CENTER REFERENDUM QUESTION SCHEDULED FOR APRIL 5, 2016 BY THE TOWN CLERK AND APPROVED BY THE TOWN ATTORNEY, SUBJECT TO CGS 9-369B (A). SECOND BY MR. FERGUSON. Mrs. Llodra explained this is the process which must be followed in order for a text to be developed to explain the proposed action. The text is subject to review by the town attorney and in collaboration with the town clerk. ALL IN FAVOR.

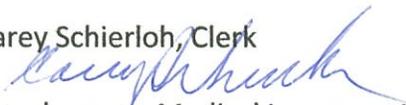
**Resolution To Authorize The Preparation And Printing Of Non-Advocacy Materials:** MR. LUNDQUIST MOTIONED TO APPROVE A RESOLUTION TO AUTHORIZE THE PREPARATION AND PRINTING OF NON-ADVOCACY MATERIALS RELATED TO THE COMMUNITY CENTER REFERENDUM QUESTION SCHEDULED FOR APRIL 5, 2016. SUCH MATERIALS TO INCLUDE MAILINGS, FLIERS, AND POSTERS. CONTENT OF THESE MATERIALS TO BE APPROVED BY THE TOWN ATTORNEY, SUBJECT TO CGS 9-369B (A). SECOND BY MR. FILIATO. Mrs. Llodra explained this is subject to same statutes. It requires a separate action. The town attorney will review. Mr. Lundquist asked who produces the materials. Mrs. Llodra stated it goes through her office. Mr. Lundquist volunteered to help. Mr. Honan asked where the funding will come from. Mrs. Llodra stated it comes from the allocated pre-construction funds. ALL IN FAVOR.

**Senior Tax Relief:** MR. LUNDQUIST MOTIONED TO POSTPONE SENIOR TAX RELIEF TO THE NEXT MEETING. SECOND BY MR. CHAUDHARY. ALL IN FAVOR.

**VOTER COMMENT:** Sushil Gupta, 7 Lincoln Road, spoke to the crowding at the senior center. Would like to see money in the budget for the senior center so people do not have to be turned away.

**ADJOURNMENT:** There being no further business, the meeting was adjourned at 10:20PM

Carey Schierloh, Clerk

  
Attachments: Medical Insurance Information, Facilities & Enrollment Study, Commission on Aging Report

*These are draft minutes and as such are subject to correction by the Legislative Council at the next regular meeting. All corrections will be determined in minutes of the meeting at which they were corrected.*



Compose Mail

Dictionary.com Word of the Day - phantasmagoria: a shifting series or succession of things seen or ima Web Clip < >

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- Inbox (3)
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- Sent Mail
- Drafts
- Follow up
- Misc
- Priority
- 4 more ▾

Contacts

Tasks

Chat

Search, add, or invite

- Ed Arum
- Set status here
- Karen Dugan
- Charles Dumais
- don
- finance.director
- Hayden, Kevin
- Judy Liestman
- junek
- Sharon Epple
- William Bircher
- Wright, Kelli-Ann
- Options Add Contact

**Renewal Split Town/BOE** Inbox x

O'connell, Karen show details 2:49 PM (51 minutes ago) Reply

Ed,

Per your request, here is the split of Town vs.. BOE - please let me know if you have any questions

**Newtown**

	Fully Insured Current	Fully Insured Renewal	Percent change
Town	3,359,650	4,027,848	19.89%
BOE	9,519,595	11,045,140	16.03%
<b>Total</b>	<b>12,879,245</b>	<b>15,072,988</b>	<b>17.03%</b>

**\$800,000 savings**

	Fully Insured Current	ASO Self Insured Quote -total cost	
Town	3,359,650	3,648,940	8.61%
BOE	9,519,595	10,270,707	7.89%
<b>Total</b>	<b>12,879,245</b>	<b>13,919,647</b>	<b>8.08%</b>

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**BOE started with \$11,083,026 (15%); ended with 9,723,569**

*MRO 12 1/2 %*  
*plus 9.6 %*  
*plus 6.6 %*

*175,000*  
*125,000*

Karen O'Connell  
Account Manager  
Municipal & Local Government Markets  
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Fax: 203-234-5347  
[Karen.O'Connell@Anthem.com](mailto:Karen.O'Connell@Anthem.com)

We actually used around 13,200,000 for a 3% increase

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## SELF-FUNDED HEALTH INSURANCE FUND AND COMMITTEE ORDINANCE

### § 1 Title

This article shall be known and may be cited as the "Self-Funded Health Insurance Fund and Committee Ordinance".

### § 2 Creation of Fund and Committee

The Town of Newtown, hereinafter referred to as the "Town", by this Ordinance, authorizes the creation of the "Self-Funded Health Insurance Fund," hereinafter referred to as the "Fund," whose purpose is described below; and also authorizes the creation of the "Self-funded Health Insurance Fund Committee," hereinafter referred to as the "Committee" whose responsibilities are described below.

### § 3 Purpose of Fund

The purpose of this Fund is to hold funds to pay claims made by municipal and School District employees of the Town as required in fulfilling employee health insurance obligations of the Town of Newtown, and other such liabilities relating to those claims and obligations.

### § 4 Partner or Partners

For the purposes of this Ordinance it is the intention of the Town of Newtown to have the Board of Selectman and Board of Education, work collaboratively as "partner" or "partners," in connection with the Fund and the benefits paid by the Fund pursuant to the above paragraph.

### § 5 Responsibilities of the Committee

The Committee Shall:

- a. Serve the interests of the Municipal and Education departments of the Town.
- b. Recommend the level of annual or other contributions to the Fund by the Town and apportionment to each of the Partners, in consultation with the insurance consultant in his work with the insurance provider.
- c. Serve as an information bridge between the town insurance consultant and the Partners.
- d. Work with the Town and the insurance consultant as needed in any matters pertaining to health benefits.

### § 6 Members of Committee; Appointment; Terms of Office

- a. There shall be three volunteer members of the Committee, with a preference for those who have relevant expertise and knowledge in finance, healthcare, and/or insurance.
- b. Members shall be appointed by the First Selectman with the approval of the Board of Selectmen to serve a three year term. Initially, the First Selectman shall appoint one member for a one year term, one member for a two year term and one member for a three-year term.
- c. There shall be two alternates each appointed for a two-year term. The term of the alternates shall run from January 1 of the even year through December 31 of the ensuing year. If a regular member of the Committee is absent, the Chairman of the Committee shall designate an alternate to act in the absent

## SELF-FUNDED HEALTH INSURANCE FUND AND COMMITTEE ORDINANCE

member's place, choosing the alternates in rotation so that they shall act as nearly equal a number of times as possible.

### § 7 Chairman; Clerk.

- a. The Committee shall elect a Chairman, to serve for a term of one year.
- b. The Chairman shall preside at meetings and public hearings.
- c. The Committee shall utilize a clerk whose responsibility is the taking of minutes at all meetings, typing and filing the same, and performing all other clerical or recording services for the Committee.

### § 8 Meetings

- a. The Committee shall meet quarterly and at other times as the Chairman deems necessary.
- b. The Chairman shall prepare an agenda prior to each meeting and distribute a copy to each Committee member.

### § 9 Self-Funded Health Insurance Fund

- a. The Fund exists only to pay healthcare claims and related expenses of the plan and shall not be used for any other purpose.
- b. The Fund will build a reasonable (not to exceed three months of payments) balance to ensure that claims of covered employees can be paid during a high claim year.
- c. Investments of the Fund balance will be made in accordance with the Town's investment policy.
- d. In the event the Fund is terminated, any balance shall revert back to the general fund of the Town (after all self insurance claims have been paid) and shall be used to defray the Partners' future health insurance costs and obligations.
- e. The Fund shall continue year to year without lapsing unless terminated by the Town.

### § 10 Severability

The provisions of this ordinance are declared to be severable and the invalidity of any portion thereof shall not affect the validity of the remainder.

Adopted by the Legislative Council January 19, 2011

TOWN OF NEWTOWN  
 MEDICAL SELF INSURANCE FUND ANALYSIS  
 FISCAL YEAR 2010 - 2011  
 (UNAUDITED / UNADJUSTED)

FUND BALANCE @ JULY 1, 2010

**REVENUES**

EMPLOYER CONTRIBUTIONS:

MUNICIPAL	2,970,936	
EDUCATION	<u>7,731,401</u>	10,702,337

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL	240,564	
EDUCATION	<u>1,512,745</u>	1,753,309

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL	318,494	
EDUCATION	<u>485,805</u>	804,299

INTEREST EARNED ON INVESTMENTS 3,503

**TOTAL REVENUES**

Fully insured =  
\$15,072,988

13,263,448

**EXPENSES**

CLAIMS/NAF:

MUNICIPAL	3,046,602	
EDUCATION	<u>7,671,972</u>	10,718,574 **

ADMINISTRATIVE FEES:

MUNICIPAL	205,147	
EDUCATION	<u>574,227</u>	779,375

CONSULTANT FEES 50,000

**TOTAL EXPENSES**

11,547,949

ESTIMATED FUND BALANCE @ JUNE 30, 2011

1,715,499

25% OF TOTAL CLAIMS = 2,679,644

\*\* Includes claims payable @ June 30, 2011

**Anthem projected 12.3MM in claims**

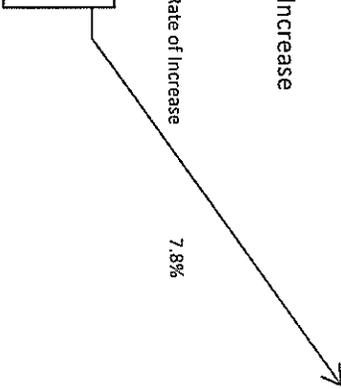
# BOE MEDICAL BUDGET HISTORY

Board of Education:

Budgeted

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
Medical Insurance	9,361,231	9,723,569 (a)	7,560,815 (b)	7,424,472 ©	7,721,451	8,267,309	8,042,309 (d)	8,846,540
Dental Claims	529,599	587,279	556,603	305,716	297,565	269,513		
Employee Contributions	(1,629,828)	(1,555,194)	(169,080)					
Other Offsets	(600,339)	(579,417)						
Total Medical Benefit Cost to BOE	7,660,663	8,176,237	7,948,338	7,730,188	8,019,016	8,536,822	8,042,309	8,846,540
% Increase		7%	-3%	-3%	4%	6%	-6%	10%
Cummulative 7 Year % Increase								15% (Avg. 2% Per Year)
Milliman Medical Index Annual Rate of Increase	7.8%	7.3%	6.9%	6.3%	5.4%	6.3%		

Anthen wanted a 17% increase to premiums



- (a) Year town became self-insured for medical benefits.
- (b) Employee contributions to medical netted against medical insurance account.
- © Employee contributions to dental netted against dental claims account.
- (d) Dental claims included in medical insurance account.



TOWN OF NEWTOWN  
 MEDICAL SELF INSURANCE FUND ANALYSIS @ JUNE 30, 2015  
 FISCAL YEAR 2015 - 2016 FORCAST

FUND BALANCE @ JULY 1, 2015 3,143,967

ESTIMATED REVENUES

EMPLOYER CONTRIBUTIONS:

MUNICIPAL (budget - 2,892,000; grant - 21,284)	2,913,284
EDUCATION (budget - 8,042,000; grant - 130,000)	8,172,000
	11,085,284

EMPLOYEE CONTRIBUTIONS:

MUNICIPAL	337,000
EDUCATION	2,203,000
	2,540,000

RETIREE/COBRA/AGENCY CONTRIBUTIONS:

MUNICIPAL	350,000
EDUCATION	399,000
	749,000

INTEREST EARNED ON INVESTMENTS	5,000
	14,379,284

TOTAL REVENUES 14,379,284

ESTIMATED EXPENSES

CLAIMS/NAF:	
MUNICIPAL	
EDUCATION	
	13,600,000

<<<<<FROM CLAIMS ANALYSIS  
 (prior year = 12,344,000) 10%

ADMINISTRATIVE FEES:	
MUNICIPAL	
EDUCATION	
	1,097,000

CONSULTANT FEES	55,000
	14,752,000

TOTAL EXPENSES 14,752,000

ESTIMATED FUND BALANCE @ JUNE 30, 2016	
	2,771,251

25% OF TOTAL CLAIMS = 3,400,000 20%

TOWN OF NEWTOWN CLAIMS ANALYSIS

		FISCAL YEAR 2012 - 2013													
		Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	TOTALS	
TOWN		247,000	226,000	168,000	198,000	190,000	266,000	242,000	246,000	279,000	262,000	304,000	215,000	2,843,000	25%
BOE		722,000	764,000	611,000	812,000	694,000	799,000	596,000	754,000	677,000	763,000	843,000	709,000	8,684,000	75%
TOTAL		969,000	990,000	779,000	1,010,000	884,000	1,065,000	838,000	1,000,000	956,000	1,025,000	1,147,000	924,000	11,527,000	FEB = 64.8%
		FISCAL YEAR 2011 - 2012													
		Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTALS	
TOWN		213,000	304,000	266,000	171,000	223,000	302,000	298,000	227,000	298,000	276,000	312,000	318,000	3,148,000	28%
BOE		860,000	618,000	742,000	561,000	573,000	621,000	601,000	657,000	692,000	726,000	659,000	802,000	8,112,000	72%
TOTAL		1,073,000	922,000	1,008,000	732,000	796,000	923,000	899,000	884,000	990,000	1,002,000	971,000	1,120,000	11,260,000	FEB = 63.7%

		FISCAL YEAR 2013 - 2014													
		Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	TOTALS	
TOWN		275,000	238,000	389,000	180,000	276,000	280,000	220,000	203,000	336,000	261,000	403,000	462,000	3,523,000	27%
BOE		988,000	865,000	493,000	741,000	649,000	804,000	546,000	721,000	856,000	793,000	623,000	803,000	8,798,000	73%
TOTAL		1,263,000	1,103,000	882,000	921,000	925,000	1,084,000	766,000	924,000	1,192,000	1,054,000	1,026,000	1,265,000	12,321,000	FEB = 63.6%
		FISCAL YEAR 2014 - 2015													
		Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	TOTALS	
TOWN		284,000	221,000	352,000	475,000	307,000	304,000	234,000	385,000	361,000	304,000	340,000	202,000	3,796,000	32%
BOE		655,000	821,000	543,000	599,000	644,000	652,000	603,000	728,000	782,000	801,000	843,000	701,000	8,551,000	68%
TOTAL		939,000	1,042,000	895,000	1,074,000	951,000	956,000	837,000	1,093,000	1,143,000	1,105,000	1,183,000	903,000	12,347,000	FEB = 64.9%
		FISCAL YEAR 2015 - 2016													
		Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	TOTALS	
TOWN		288,000	291,000	258,000	571,000	288,000	228,000	320,000	268,000	-	-	-	-	2,492,000	28%
BOE		1,080,000	817,000	737,000	701,000	655,000	848,000	671,000	753,000	-	-	-	-	6,262,000	72%
TOTAL		1,368,000	1,108,000	995,000	1,272,000	943,000	1,076,000	991,000	1,021,000	-	-	-	-	8,754,000	FEB = 13,747,543

Using 63.7%

TOWN OF NEWTOWN  
 MEDICAL SELF INSURANCE FUND ANALYSIS @ JUNE 30, 2015  
 FISCAL YEAR 2016 - 2017 FORECAST

ESTIMATED FUND BALANCE @ JULY 1, 2016

2,771,251

**ESTIMATED REVENUES**

**EMPLOYER CONTRIBUTIONS:**

MUNICIPAL (37,200 added for new soc svcs positions)	3,218,400 (+10%)	
EDUCATION	8,685,360 (+8%)	11,903,760

**EMPLOYEE CONTRIBUTIONS:**

MUNICIPAL	360,000	
EDUCATION	2,397,000	2,757,000

**RETIREE/COBRA/AGENCY CONTRIBUTIONS:**

MUNICIPAL	350,000	
EDUCATION	392,000	742,000

**INTEREST EARNED ON INVESTMENTS**

10,000

**TOTAL REVENUES**

**15,412,760**

**ESTIMATED EXPENSES**

**CLAIMS/NAF:**

MUNICIPAL		
EDUCATION		14,484,000 (6.5%)

**ADMINISTRATIVE FEES:**

MUNICIPAL		
EDUCATION		1,040,000

**CONSULTANT FEES**

55,000

**TOTAL EXPENSES**

**15,579,000**

ESTIMATED FUND BALANCE @ JUNE 30, 2017

**2,605,011**

18%

25% OF TOTAL CLAIMS = 3,621,000



**Newtown: Town and BOE  
Reserve Modeling**

<b>Reserve Model: Carrier IBNR/ 50% ASO Corridor</b>		<b>8.00% Historical Carrier Approximation</b>					
Medical IBNR:		12.50% 1/2 Corridor to 125%					
ASO Claim Corridor:		5.00% Margin					
Budget Stabilization:							
	<b>Fiscal Year End June 30</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total Actual/Expected Claims (1)(2)		\$ 11,820,024	\$ 11,530,392	\$ 12,162,204	\$ 11,954,113	\$ 13,206,912	\$ 14,252,968
Claim IBNR:		\$ 945,602	\$ 922,431	\$ 972,976	\$ 956,329	\$ 1,056,553	\$ 1,140,237
ASO Corridor:		\$ 1,477,503	\$ 1,441,299	\$ 1,520,276	\$ 1,494,264	\$ 1,650,864	\$ 1,781,621
Stabilization:		\$ 591,001	\$ 576,520	\$ 608,110	\$ 597,706	\$ 660,346	\$ 712,648
<b>Combined Reserve:</b>		<b>\$ 3,014,106</b>	<b>\$ 2,940,250</b>	<b>\$ 3,101,362</b>	<b>\$ 3,048,299</b>	<b>\$ 3,367,763</b>	<b>\$ 3,634,507</b>

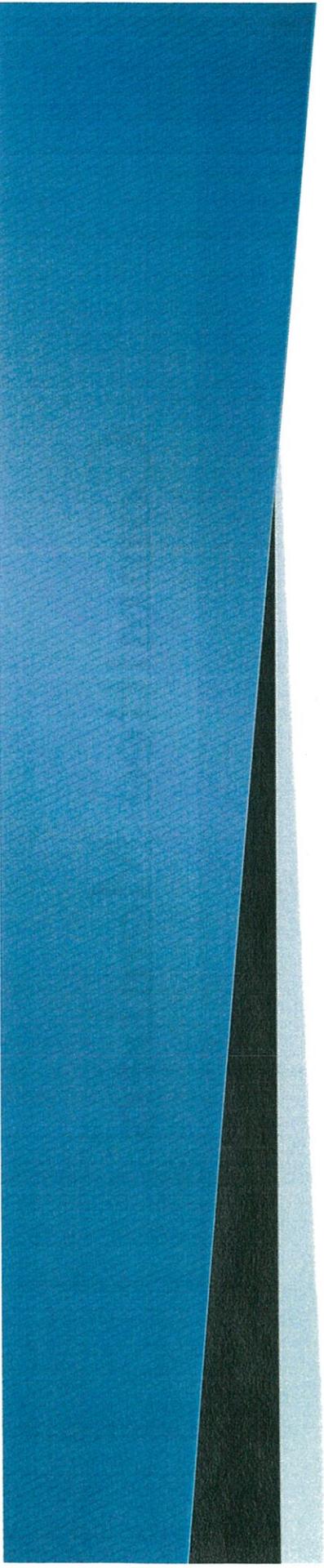
<b>Reserve Model: Carrier IBNR/ 50% ASO Corridor--NO BUDGET STABILIZATION</b>		<b>8.00% Historical Carrier Approximation</b>					
Medical IBNR:		12.50% 1/2 Corridor to 125%					
ASO Claim Corridor:		0.00% Margin					
Budget Stabilization:							
	<b>Fiscal Year End June 30</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
Total Actual/Expected Claims (1)(2)		\$ 11,820,024	\$ 11,530,392	\$ 12,162,204	\$ 11,954,113	\$ 13,206,912	\$ 14,252,968
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ASO Corridor:		\$ 1,477,503	\$ 1,441,299	\$ 1,520,276	\$ 1,494,264	\$ 1,650,864	\$ 1,781,621
Stabilization:		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Combined Reserve:</b>		<b>\$ 2,423,105</b>	<b>\$ 2,363,730</b>	<b>\$ 2,493,252</b>	<b>\$ 2,450,593</b>	<b>\$ 2,707,417</b>	<b>\$ 2,921,858</b>

(1) Fiscal Year End 2012-2015 Actual, 2016 Anthem Projected, 2017 Projected as of March 9th  
 (2) Fiscal Year End 2016-2017 Now Includes BOE Dental Claims



# Facility and Enrollment Study

June 2, 2015



# Committee Members

## Board of Education

Kathy Hamilton – Secretary  
Michelle Ku – Member

## Central Office

Dr. Joseph V. Erardi, Jr., – Superintendent of Schools  
Dr. Linda Gejda, – Assistant Superintendent of Schools

Ron Bienkowski  
Director of Business

Tanja Vadas  
Financial Assistant

Gino Faiella  
Director of Facilities

## Principals

Barbara Gasparine, Principal  
Head O'Meadow

Dr. Kathy Combos,  
Principal  
Sandy Hook

Anne Uberti, Principal  
Reed Intermediate

Thomas Einhorn, Principal  
Middle School

Dr. Lorrie Rodrigue, Principal  
High School

# **Problem of Practice**

**To examine present and projected enrollment and how this study will influence facility needs**



# Assumptions and Projections

Sandy Hook, Newtown High School, Reed Intermediate

The committee took the following information into consideration:

- Sandy Hook Elementary School will open in 2016-17
- Newtown High School will not be considered for school closing
- Reed Intermediate School will not be considered for school closing
- November 2014 recently completed Enrollment Study represents the most accurate information for the committee to make decisions pertaining to the Problem of Practice
- Projections within the enrollment study were based on the “medium growth” longitudinal data
- Decisions pertaining to facilities were based on “best for students.” The opportunity to maintain and/or enhance education must be present in addition to realized cost savings.



# K-3 Options

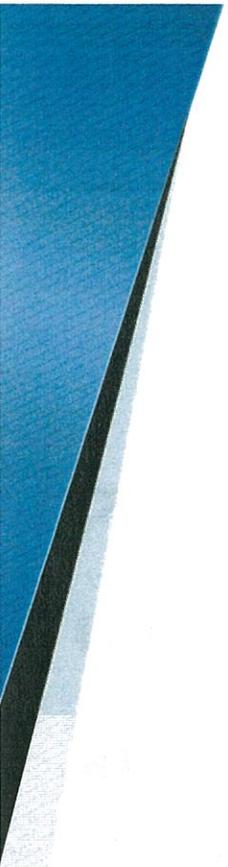
3 Elementary

RIS

MS

HS

- ▶ K-3, 4-6, 7-8, 9-12
- ▶ K-3, 4-5, 6-8, 9-12
- ▶ K-3, 4-5, 6-7, 8-12



# ~~K-3, 4-6, 7-8, 9-12~~

## Eliminates one elementary school

### ▶ Positive:

- Early assembly of cohort grade-level
- 2016-17 projecting 923 students at RIS; attainable without compromising teaching & learning and without the use of portable classrooms (*largest enrollment in 2005-06; 915 students*)
- Projected space constraints are non-existent
- Offers more student opportunity to one of the district's premier school buildings
- Maintains intermediate teaching & learning philosophy

### ▶ Negative:

- Reconfiguration will require redistricting
- Reconfiguration will close an elementary school

# K-3, 4-5, 6-8, 9-12

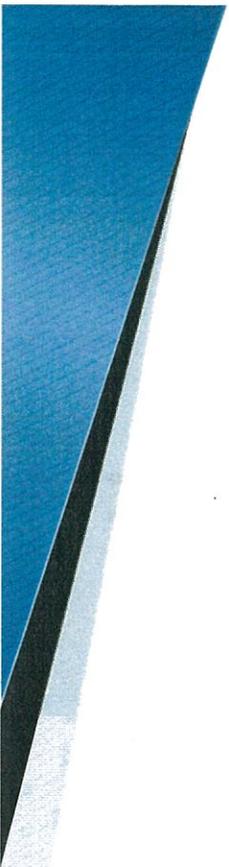
## Eliminates one elementary school

### ▶ Positive:

- Early assembly of cohort grade-level
- 2016-17 projecting 579 students at RIS; attainable without compromising teaching & learning and without the use of portable classrooms

### ▶ Negative:

- Offers fewer students the opportunity to be housed in one of district's premier school buildings (*RIS would be at approximately 60% capacity*)
- Reconfiguration will require redistricting
- Reconfiguration will close an elementary school
- Certification concerns grades 6-8
- 2016-17 grade 6-8 enrollment at NMS; 1,089 requires portable classrooms to appropriately support teaching & learning (*largest enrollment in 2007-08; 930 students*)



# K-3, 4-5, 6-7, 8-12

## Eliminates one elementary school

### ▶ Positive:

- Early assembly of cohort grade-level
- 2016-17 projecting 579 students at RIS and 694 students at Newtown Middle School; attainable without compromising teaching & learning and without the use of portable classrooms
- Possible enhanced opportunities for eighth-grade students

### ▶ Negative:

- Reconfiguration will require redistricting
- Reconfiguration will close an elementary school
- Certification concerns for grades 6-7
- 2016-17 grade 8-12 reconfiguration will increase enrollment to near capacity; 2,057 (*largest 4-year cohort in 2012-13; 1,764 students*)

# K-4, 5-7, 8-12

## Eliminates Middle School

### ▶ Positive:

- Maintains integrity of four elementary schools
- Fewer transitions within the district
- Possible enhanced opportunities for eighth-grade students

### ▶ Negative:

- Projected 2016-17 grade 5-7 enrollment; 989 students which causes instructional concern and the need for portable classrooms
- Certification concerns pertaining to 5-7 reconfiguration
- 2016-17 grade 8-12 reconfiguration will increase enrollment to near capacity; 2057 (largest 4-year cohort in 2012-13; 1764 students)
- Potentially compromises state-funded, school-based health center
- Limited flexibility for future expansion



# K-5 Options

4 Elementary

RIS

HS

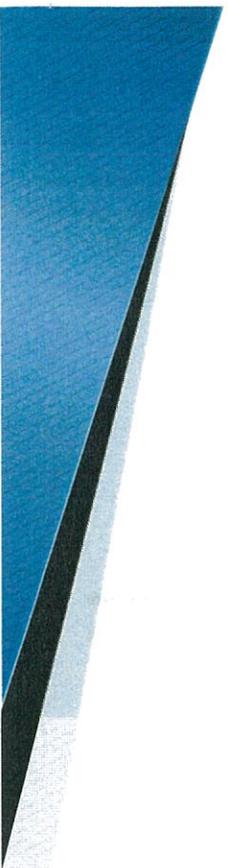
▶ K-5, 6-7, 8-12

4 Elementary

RIS

HS

▶ K-5, 6-8, 9-12



# K-4 Options

3 Elementary

RIS

MS

HS

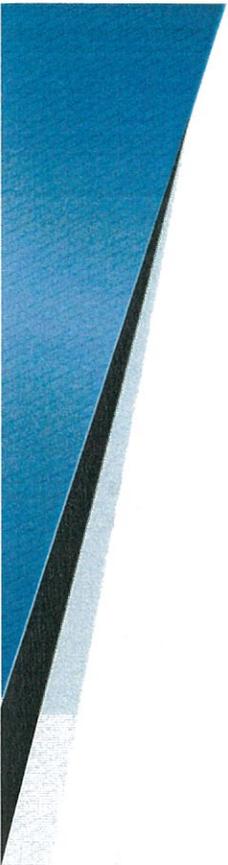
▶ K-4, 5-6, 7-8, 9-12

4 Elementary

RIS

HS

▶ K-4, 5-7, 8-12



# K-4, 5-6, 7-8, 9-12

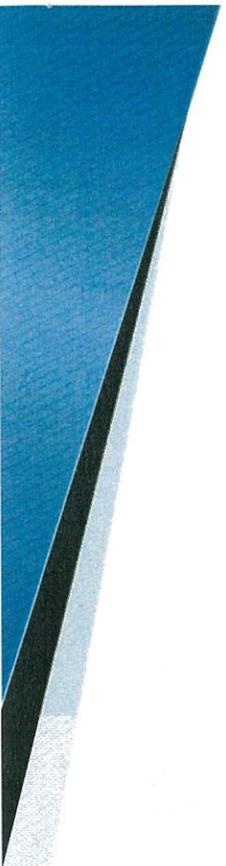
Eliminates elementary school

## ▶ Positive:

- Recognizes declining enrollment
- Greater student capacity at new SHS to consolidate four elementary schools to three

## ▶ Negative:

- This configuration does not support present enrollment projections
- Reconfiguration will require redistricting
- Reconfiguration will close and elementary school
- Immediate space concerns in three existing elementary schools



# K-5, 6-7, 8-12

## Eliminate middle school

### ▶ Positive:

- Eliminates redistricting
- Fewer transitions within the district
- Possible enhanced opportunities for eighth-grade students

### ▶ Negative:

- Certification concerns for grades 6-7
- Grade 8-12 reconfiguration will increase enrollment to near capacity; 2057 (*largest 4-year cohort in 2012-13; 1,764 students*)
- Delays assembly of grade-level cohort
- Potentially compromises state-funded, school-based health center



# K-5, 6-8, 9-12

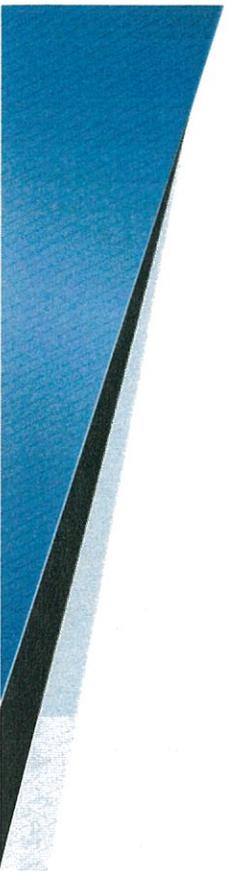
## Eliminates middle school

### ▶ Positive:

- Maintains integrity of four elementary schools
- Eliminates redistricting
- Fewer transitions within the district

### ▶ Negative:

- 2016-17 projected enrollment grade 6-8; 1089 requires portable classrooms to appropriately support teaching & learning
- Certification concerns grades 6-8
- Delays assembly of grade-level cohort
- Potentially compromises state-funded, school-based health center



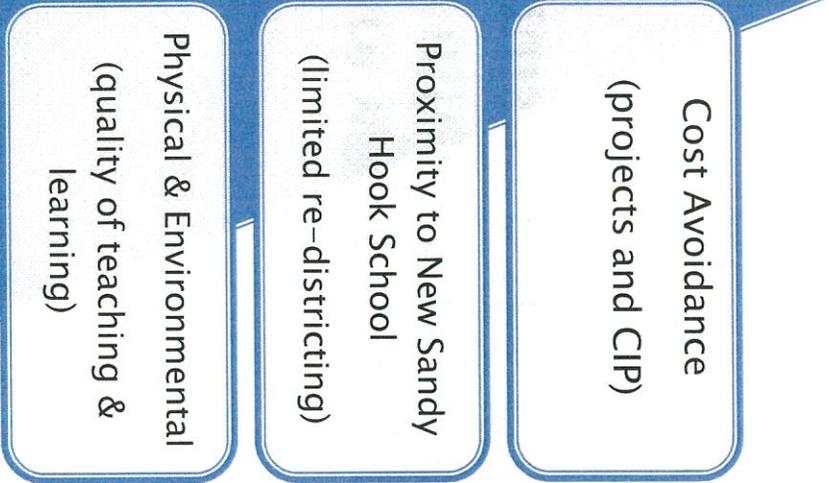


## **COST SAVINGS / COST AVOIDANCE**

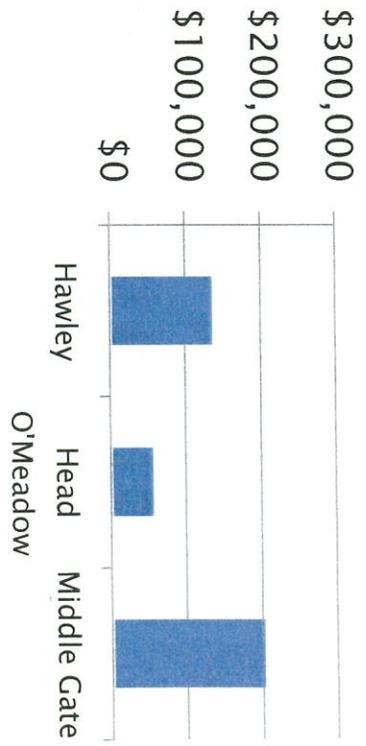
IF there was to be a school closing, THEN the following information represents the BOE completely relinquishing the property back to the Town.



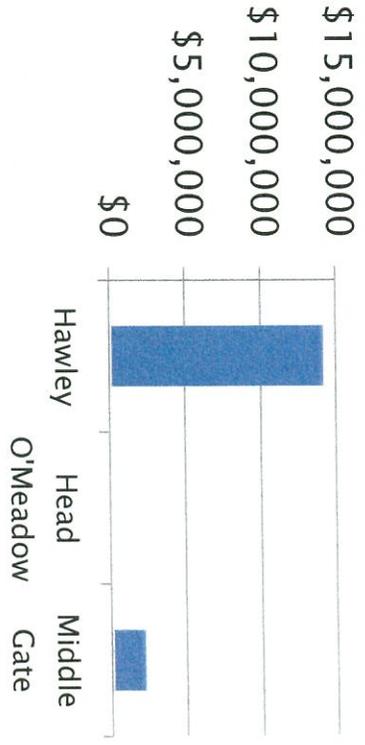
# Elementary School Closing Considerations



2016-17 Projects



CIP



# Hawley Elementary School

## ◆ Cost Savings / Cost Avoidance

### Cost Savings

- Instructional
  - 7.0 FTE classroom savings  
\$514,079
  - 2.6 FTE specialists savings  
\$179,679
- Non-Certified Salaries
  - \$199,772
- Purchased Services & Plant Operation
  - \$219,050
- Transportation
  - Limited potential to reduce vehicles due to HS/NMS combination

### Cost Avoidance

- 2016-17 Projects
  - \$134,500
- CIP Projects
  - 2017/18
    - Roof Replacement
      - \$800,000
  - 2019/20
    - HVAC Phase II
      - \$3,700,000
    - Phase III A
      - \$2,650,000
    - Phase III B
      - \$6,990,000



*\$332,474 will be due to the State if closed and building is not re-purposed. (addition project)*

# Newtown Middle School

## ▶ Cost Savings / Cost Avoidance

### Cost Savings

- Instructional
  - 2.00 FTE classroom savings  
\$146,880
  - 6.10 FTE specialists savings  
\$458,179
- Non-Certified Salaries
  - \$591,637
- Purchased Services & Plant Operation
  - \$619,030
- Transportation
  - Potential to reduce vehicle(s)  
\$62,200

### Cost Avoidance

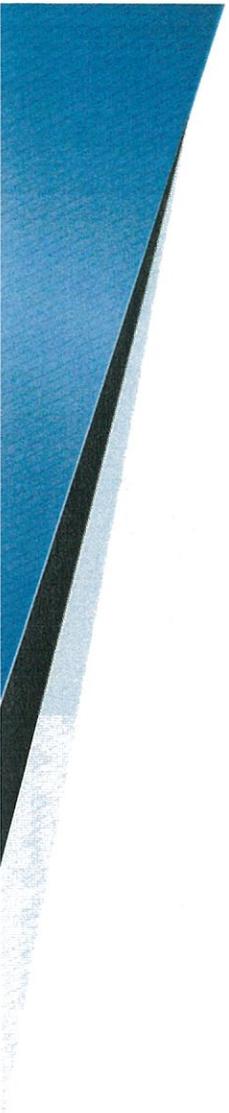
- 2015-16 Projects
  - \$56,000
- 2016-17 Projects
  - \$177,000
- CIP Projects
  - 2017/18
    - Professional services, new boilers & re-piping  
• \$2,200,000
  - 2019/20
    - Ventilation renovations  
• \$4,805,000



*\$855,861 will be due to the State if closed and building is not re-purposed. (roof project)*

# Conclusions

- ▶ Committee endorsement with instructional alignment: (K-3, 4-6, 7-8, 9-12)
- ▶ Committee endorsement with enrollment projection: (K-3, 4-6, 7-8, 9-12)
- ▶ Committee endorsement with projected capital needs: (K-3, 4-6, 7-8, 9-12)



# Next Level of Work

- ▶ Continued BOE Conversation /Costs Associated to School Closing
- ▶ Shared Conversation: Town Officials
- ▶ Shared Conversation: Municipal Building Strategic Plan Committee
- ▶ Community Forums
- ▶ Hawley Fund Fiscal Impact
- ▶ Further Investigation: Hawley Redistrict
- ▶ Further Investigation: Transportation
- ▶ Further Investigation: School Start Time



Board of Education District Facilities Committee  
February 2016

The Board of Education Charges the Superintendent to create a District Facilities Committee to research the use of School Facilities in light of Projected Enrollment Changes in Newtown.

The Board of Education asks the District Facilities Committee to produce a report back to the Board of Education by July 1, 2016. The report should include the following items:

1. Details from 2015 District Facilities study
2. Discussion as to how current program requirements affect space requirements
3. Next steps regarding potential future usage by BOE for existing school facilities/spaces made available due to declining enrollment

Additionally, the report should include a final recommendation and analysis regarding the following facility configurations including an outline of the cost/savings, timing, and educational impact to district and the town for each:

1. No change in number of Facilities used by the District from the 2016-2017 school year to the end of the Enrollment Study.
2. Return of the Middle School Facility to the Town at some point after the end of the 2016-2017 school year
3. Return of an Elementary School Facility to the Town at some point after the end of the 2016-2017 school year

The District Facilities Committee will be facilitated by the Superintendent and should include members of the district staff (chosen by the Superintendent), up to three representatives from the Board of Education (assigned by the BOE Chair), and three representatives from the community (appointed by BOE Chair and Superintendent). Meetings will be open to public but there will be no public participation.



**STAFFING LEVELS PRE and POST 12/14**

<b>POSITION</b>	<b>2012-13</b>	<b>2016-17 budgeted</b>
School Security Officers	4.00	10.00
School Counselors	15.00	16.00
School Psychologists	8.00	9.00
Social Workers	2.00	3.00
Behavioral Therapist	16.37	16.29
Board Certified Behavioral Therapist (BCBA)	2.00	2.50
SPED teachers	39.94	42.40
SPED paraeducators	74.47	78.80
	<u>161.78</u>	<u>177.99</u>



# Commission on Aging (COA) Update to the Legislative Council

Sponsored by the Newtown COA  
Advocating for Senior & Boomer Needs !

Curt Symes, Chairman + 11  
March 9, 2016



# COA Chair

- Appointed to the COA in 2011
- Elected Co-Vice-Chair in 2012
- Elected COA Chair & Leader in December 2012
- Proceeded to Help Heal the Seniors of Newtown, Advocate for their Needs & Transform the COA (a Great Team of Senior, Boomer & Gen X) Newtown Volunteers
- Background - Resident 45 years, Senior, Grand-parent of 3, Professional CSA (Certified Senior Advisor) in CT & NY for 15 years
- Worked with Most Senior Centers/Services in SW CT, WCAAAA, Newtown Continuing Education, Charter CTV-21 now 192 & the Episcopal Church in CT



# Topics

- The Way Forward → It is Now Our Time !
- Newtown “Senior-Boomer” Population of 5,000+
- Newtown Senior-Boomer Demographics
- Newtown Senior Services Needs & History
- Other Town Senior Services
- Evolution of the Elusive Newtown Senior Center & Programs



# Newtown Senior Demographics

- Based on Newtown Voter Registration Records provided by both the Democratic & Republican Registrars of Voters on 2013 & 2015, there were approximately 5,000+ Seniors & Boomers over age 60
- Newtown is a Population of about 27,500
- There are about 10,000+ children/youth
- Thus, the Aging Population is almost 20% of the total and almost 30% of the adults
- There are some 8,000+ Residences in Newtown
- Seniors & Boomers are the fastest growing segment of both the Newtown & CT Populations and we have one of the greatest Senior-Boomer Populations in the US



# Demographic Characteristics

- The 5,000+ decompose into 3 distinct sub-groups
- Age 60 to 69 – Boomers & Young Seniors in denial – about 2,700
- Age 70 to 79 – True Seniors seeking their equilibrium – about 1,500
- Age 80 to 105 – Mature Seniors moving toward Aging in Place – about 900



# Newtown Senior-Boomer Needs

- A Place to Congregate & call their own - a Community & Senior Center Complex - as well as - an Intergenerational Facility
- Exercise - Exercise incl. Yoga, Pilates, Zumba, Stretching, Strength, Balance, Sports Center (NYA), Trails, etc.
- Senior Aquacize & Pickle Ball
- Health & Wellness Programs
- Educational, Informational & Motivational Sessions
- Training Seminars
- A Kitchen, Library & Computer Facilities
- Controlled Access & Generous Parking



# Newtown Senior Services/Center

## History

- NSS started out in the Alexandria Room of ETH prior to the Elevator
- Multi-Purpose Building was constructed in mid-70s to house the CAC & Seniors
- Growth was slow & steady with ups & downs addressed via (cost-effective) Additions vs. a New Senior Center
- Major initiatives were launched/conducted in 2003, 2007, 2013-2015 & now (yet again) 2016 with Projected CIP Fundings



## Other Town Senior Services

- I am not going to address Senior Tax Relief, Senior Discounts, etc. here
- The Focus will be on Daily Services, like Community & Senior Centers, Expanded & Parallel Senior Programs, etc.
- Also, the Organization of both the Senior Services Director & Municipal Agent need rethinking
- Newtown is a “laggard” in stepping-up to & responding to evolving/growing Senior Needs
- The surrounding towns have moved forward 2, 3, 5 and some even 7+ years ago



# Evolution of the Elusive Newtown Senior Center & Programs

- During the course of the 12 Forums that were conducted by the Advisory/Study Group (2013-2015) & the Community Center Commission (2015-2016) – over 28+ months – a single theme resonated by the Seniors:
- I moved to Newtown 10, 20, 30, 40+ years ago, raised my children, supported the schools, paid my taxes and now have or plan to retire & want/expect modern Senior Services - Center, Facilities & Programs similar to what other comparable towns offer
- I plan/hope to stay because I am a Newtown'er and/or my Children & Grand-children are here



# Perspectives on the Senior Center

- A large portion of the “quiet - silent majority” Senior Population has dismissed the idea of ever getting a New Senior Center!
- During the workings of the NCCC a number of Commission Members said they absolutely would not go down to the existing Senior Center on Riverside in Sandy Hook!
- The existing Senior Center has unresolved Safety Issues with Traffic Flow, Parking Area Paving, Mold, HVAC, Drains & potential Roofing Problems



# Next Steps !

- Rally Support for the Community Center Referendum
- Move expeditiously through the Architecture, Design & Construction Phases with adequate Shared Space for all groups as defined by the NCCC
- Support Funding of a New Senior Center with the \$2.5M in the 2017 CIP
- If possible, access a portion of the \$500,000 Senior Center Design 2017 CIP Funding



# Questions ?

- The COA & Seniors of Newtown will listen to and support this rational Community Center Proposal & Referendum
- Overall, this is a Better Proposal/Plan than was brought forward in 2014
- The Community Center is the “Cornerstone & Way Forward” toward a New Senior Center with New & Expanded Programming
- It is NOW “Our Time” for the Seniors of Newtown

