

**EAST HAVEN TOWN COUNCIL
PUBLIC HEARING MINUTES
TUESDAY, APRIL 15, 2014**

In accordance with Chapter III, Section 6 of the East Haven Town Charter, the East Haven Legislative Town Council held a Public Hearing meeting on Tuesday, April 15, 2014, at 7:00PM at the East Haven Senior Center, 91 Taylor Avenue, East Haven, CT 06512.

Chairman Richard Anania calls the meeting to order at 7:02PM.

Item #1

Roll Call for Public Hearing #1 - 13 present – 2 absent (Santino and Mansi).
A quorum is present.

Item #2

To conduct Public Hearing #1 to discuss the 2014-2015 Budget Ordinance – Board of Education Side.

Public comment:

- Donna Richo-67 Drive, East Haven, CT- Ms. Richo states that the Board of Education budget is increasing substantially. The proposed staff requirements and the Superintendents proposed budget are off by \$700,000. She is wondering if anyone knows how many new positions there were.
- Superintendent Dr. Bonner asks what the \$700,000 difference is in.
- Ms. Richo says the difference is in what is reported as payroll. She states that in last year's budget there was \$1.5 million unallocated with payroll, so this budget is inflated by \$1.5 million from last year. She asks how many new positions there are.
- Dr. Bonner explains that there are 4 new teacher positions; Ell Instructor, Elementary Music Teacher, Physical Education Teacher, Elementary Attendance Officer.
- Ms. Richo asks if Director of People Services is a new position to which Dr. Bonner says it is not. It was budgeted for last year as well as this year. There were additional requests that were not put into the budget.
- Ms. Richo asks about the 8 psychologists; this calls for an \$85,000 increase.
- Dr. Bonner says that those are not new positions. She explains that they just finished negotiating contracts so there was an increase in salary of 1.5%.

- Ms. Richo says that if there is not a new position, this seems like a rather large increase when the average salary is between \$57,000-\$87,000.
- Dr. Bonner explains that currently there is a school psychologist at Deer Run which gets \$57,000, Overbrook psychologist which is also 20% at the High School gets \$67,000, High School psychologist gets \$87,000, one that shares Ferrara and Deer Run gets \$87,000, Momaugin gets \$87,000, the Academy gets \$57,000, DC Moore gets \$57,000 and the Middle School gets \$57,000. Then we have one that shares 50% Momaugin and 50% Tuttle which gets \$35,000.
- Ms. Richo says for the speech and language teachers, there is a \$75,000 increase there too.
- Dr. Bonner explains this this is all part of support for the school psychologists.
- Ms. Richo says her point is that there is an \$85,000 increase in psychologists.
- Finance Director Paul Rizza asks if Ms. Richo is working off the 5% request from the Board of Education.
- Ms. Richo says no, she looked at positions and wants to find where the new positions are.
- Dr. Bonner says she did go over the four new positions plus there were some additional requests that are not in the proposed budget.
- Ms. Richo says that last year it was \$473,000 and this year it is \$559,000 that they are asking for and there is not a new position.
- Dr. Bonner explains that she went through the school psychologist positions and they are true people, there is no one new there.
- Ms. Richo asks how the budget is different from last year by \$85,000; the 5% increase doesn't make \$85,000.
- Dr. Bonner states that this year she has made changes in terms of position control, location of individuals as well as accounting for different individuals. She can't speak for a misalignment from last year because of how they may have accounted for that person.
- Ms. Richo says language teachers also show a \$75,000 increase.
- Dr. Bonner says there are quite a few individuals who are over \$75,000. She says she can only speak for this year, and the request is to clean up some of these lines, but they are not creating new positions the positions were already there.
- Ms. Richo asks what the total expected payroll is.
- Dr. Bonner says that the total payroll includes everyone; the athletic director, paras, custodians, stipend positions, coaches, math, secretaries, etc., the number is \$26,391,290.
- Ms. Richo asks the cost on the 4 new positions.
- Dr. Bonner says it is approximately \$140,000, they are not all full time.
- Ms. Richo says at a 3% increase for teachers, it would be \$618,000.

- Dr. Bonner explains that it is not a 3% increase; it is a 1.5% increase.
- Ms. Richo says her point is that they are asking for a lot more money and she can't see where it is needed, just looking at payroll, not the expenses or anything else. She states that we need to control spending.
- Dr. Bonner explains that in this budget they did allocate for all positions for live bodies, there are no floating bodies. She explains that she put her trust in the Finance Manager in how she has placed things in terms of the payroll, but there are also benefits. The insurance is not calculated yet; it is a proposed allocation. There are also 2 or 3 contracts still in negotiation. There is money put aside right now for whatever those impacts will be.
- Dan McCann- 137 Mansfield Grove Road, East Haven, CT- Mr. McCann asks what the cost per student is.
- Dr. Bonner says it is roughly \$15,000 including special education students.
- Mr. McCann asks the population of students and if it has been going up or down.
- Dr. Bonner says it is just under 3,000 and it has been declining.
- Mr. McCann asks how we are justifying raising the budget if our population is declining.
- Dr. Bonner explains that enrollment has been declining over the last decade, but we are now educating students who are coming into schools with no foundation, they are coming from homes that do not support home education. This requires additional support. Secondly, they do bargain with employees, so in good faith they support increases in benefits and salaries. Regardless of whether or not enrollment is decreasing, those things do increase. In order to have a 1st rate type of education, they want to be able to provide the best type of education. They are losing students to the Magnet Schools because of their competitiveness and programs they are able to offer. She would like to provide those programs and keep the kids in our schools.
- Mr. McCann states that his kids went to St. Vincent's and now Laurelton Hall. Laurelton Hall costs \$17,000. He explains that he did this mainly because when looking at the school systems and looking at the tests scores, East Haven never got it right. Test scores have been below state average every year since 2007; CAPT and CMT. He says he is lucky he was able to do that and able to afford it, not everyone can. He explains that he is not criticizing, he understands what the Superintendent is trying to do but for the taxpayers at \$15,000 per student, they can pull their kid out and send them to Laurelton Hall, Sacred Heart, or anywhere else. He says we have to hold the education system accountable because these scores are the reason why students are leaving for Magnet Schools. When he sat as a Councilman and looked through the budgets he would ask the Superintendents what money is being spent to help the parents understand the value of education. He hopes there is still a program for that. What doesn't make sense is that there is a school which is performing well above State

average and that's the Academy. He asks why we are not taking that model and putting it into the school system, because if we did he would have saved a lot of money. He asks what the game plan is, because the Academy is fantastic and is doing terrific but the rest of the school system is falling apart and below State average.

- Dr. Bonner explains that there are many goals that have been set forth, and she has only been here 8 months. The scores did not decline overnight. The plan is to work with the teachers in terms of professional development and changing the instructional style they are offering. Teachers need to have higher expectations of students and hold them accountable. They have given them a lot of support in the classroom but now the culture has to change. The classroom teacher is responsible for every child within its classroom. They are meeting with the parents and trying to work with them more and more. They have had many workshops at various schools; there have been math and literacy workshops to bring the parents in. The more they do the more money it takes. There are after school programs as well as before school programs. She says the more time they are with these students; the more they can work with them. There is a lot of work ahead and it takes a community to raise a child in terms of changing the culture. Education has to be put in the forefront and for some families it is not important and they don't see the value in it. She explains that they are using the model that is in the Academy but even they are not performing as high as they should. We have other schools that are making great strides such as Tuttle School and there are some others that may not be making as many strides such as Ferrara School. They look at the data and go into classrooms to determine the needs of students. Again, all of this comes with the need for support. The group of students has changed, there is now a high number of special education students- about 500 in the district, and ELL population is also growing. There are a lot more needs and that is why they are asking for the money they are with this budget.
- Mr. McCann says that we have one score that went up last year, which was writing. If that is an indicator that we can do something different, it's great. As a taxpayer he is concerned about the cost, he's hoping the money they are spending is going to the right places to address these issues. He knows things go up, but we have to look at the administration and where the money is going and hopefully save some money.
- Donna Richo-67 Charnes Drive, East Haven, CT- Ms. Richo states to the Council that she went over the percentage change for each class of teachers. It is an 11% increase from last year on average in this budget. The budget is inflated, she urges the Council to make the right decision and flat budget the Board of Education that has less students this year than it had last year.

- Chairman Anania thanks Dr. Bonner for her patience in answering questions, which enlightened the public and the Council.
- Vice Chairman Robert Parente asks Mr. Rizza if there is any fluff in the salary account for the Board of Education.
- Mr. Rizza says there are some estimates in the area of benefits. There is money within the budget to cover the contracts that are in negotiations, one especially which is a brand new union. There are still some question marks around the cost of medical. When talking about medical, both the Town and the Board of Education are in one pool, so when medical costs go up for the Town they are also going up for the Board of Ed. The split is roughly 2/3 to 1/3. Benefits are going up, there is a shortage in the worker's compensation accounting that both the Town and Board of Education are trying to address. There is also an increase in electricity, higher usages of natural gas, building insurance, gasoline and all the things that everyone is facing including the Town, the Board of Ed. and the taxpayers. There are some estimates in there for some of these things; we won't get our renewal from Anthem which is over \$15,000,000 for the Town and Board. Coming up short is not an option with medical benefits; they are withdrawn out of the account on a monthly basis. Same thing with worker's comp and various other "have to" things. There are estimates but they are accounted for. A budget is an estimate; it is a living document that changes day to day. Will all the money be spent as far as what is given to the Board? He hopes so because there is a lot that they have to do. He thinks it is a good budget, a good starting point and the Board of Education will continue working through it once they get their allocation.
- Councilman Parente says the inherent problem with the Board of Education as far as public opinions is that once the Board gets their check, the Town has no say as to how they spend it. He asks what would happen if the Council reduced their allocation and during the course of the year it looks like they would run out of money. What happens at that point, would they come back to the Council with their actual numbers verses an estimate? What would be the procedure?
- Mr. Rizza says that he has seen instances like that, not in East Haven. One thing that could happen is that they first document where the shortfall is. The Town doesn't have enough money within its budget to cover that without hurting the Board and the Town. The only option they would have at this moment is to utilize the fund balance. Right now we have \$1.6 million, we are supposed to have \$4.6 million. It would wipe out most of the fund balance. The repercussions of that would be that the bond rating agencies would call and ask what is going on. They would unilaterally drop our bond rating which would bring us to a BBB+, which is commonly referred to as "junk bond status". If we went to sell a bond or note, we would probably pay 1 to 1.5% higher than the A3 level we are currently at. The taxpayers would lose out.

- Councilman Parente says people who are not familiar with procedure say to let them come back when they need money and give them a cut now.
- Mr. Rizza says they have already reviewed the budget on the Town side line by line and Department after Department. Where would they take money from, would it come from police, fire, and public services? The Town doesn't have this mythical amount of money either if the Board was to come back for it.
- Councilman Fred Parlato thanks the two members of the public who came and spoke tonight. With a Town population of 29,000 and a budget that is spending almost \$90,000,000, only two people show up to discuss the Board of Education budget, which is one of the most important things we can do for the Town. He said this is his 19th budget; he was there when the budget was \$20,000. It was built up, and then the fund balance was depleted. He says that he is optimistic about the future with the new superintendent; he thinks it is a step in the right direction. Education doesn't cost it pays. He says where would they cut their budget to take away from the Board of Education, it is a complex thing. The professionals who know what they are doing, with the cooperation of Mr. Rizza, requested this budget. He doesn't see any gross misspending of taxpayers dollars, he has no problem supporting the budget both on the Town side and the Board of Education side. His message to the public is to get involved, fight for or against something.
- Councilwoman Beverly Gravino says she is concerned that all of the Board of Education members are not here. If they want the Council to support the budget, the members should show their support of the budget and the superintendent. We expect parents to come out, but they are setting the example.
- Councilman Nicholas Palladino asks Dr. Bonner if she was able to get the cost.
- Dr. Bonner said she will send it to him, Ms. Lewis sent her a break down but it is not enough to answer his question.
- Councilman Robert Sand states that in yesterday's workshop he recommended that the Council cut from the budget, \$700,000. He explains that he did that because going back with these budgets, the student population has declined and the teacher population has declined. The budget has never declined; it has flat lined but has never declined. He keeps asking where the difference is, why wouldn't the budget decrease to some degree in that whole process when the ratio is declining for about a decade. Some of the years it stayed the same, some years it increased. He has asked for this numerous times with the other administrators who asked for an increase. There were things that were supposed to change and things that were going to happen. This doesn't, in his mind, sit right. It has been too long at this level. He thinks something needs to happen, whether we have too many schools and need to reduce that or whatever else. In this budget, he thinks that the increase of \$1.2 million does not have justification and he recommended a \$700,000 reduction.

- Dr. Bonner explains that over the past 4 or 5 years there has been very limited increase in terms of this budget. Within those 5 years, the district had to respond to that lack of funding. There was merging of schools, closing of buildings. There was movement and there was change. When you keep impacting and causing that change, something has to give. They can't consolidate buildings just yet. The Board of Education has 5 goals and one of their goals is a long term plan in terms of what they will do with their buildings; they eventually want to consolidate there is no reason in a Town this size to man 9 buildings. They are working on a master plan on how to rectify that long term. Everyone keeps saying that enrollment is decreasing, but they are not looking at the child we are now educating. Ten years ago, the population was less diverse. There were probably very few students who had special needs, very few students who are ELL students that need to be taught English. There is a population change that is occurring and the needs must be addressed or the CMT/CAPT scores will never be at the level we want to be at. We are always behind, and don't want to be, we want to give our students the best. In this budget, it is not just an addition to payroll, they are asking for additions to prepare teachers to be stronger in the classroom in terms of professional development, our technology so the students can be able to meet new standards, etc. This budget is trying to catch up to get the students to where they need to be.
- Chairman Anania states that it's often said that scores are always down and students don't do well and the Board of Education is always hiring different people. He used to have the same feeling until it was explained to him. The Assistant Superintendent said something during one of the budgets which explained that what happens is tomorrow we may have 10 students come into Town that have special needs. By law, we have to teach them, we must have teachers for them to educate them despite whatever disability they may have. They may have to go out and hire 3 more teachers just for that. This is one of the reasons they have to hire so much, this happens a lot in time.
- Councilman Parente says after serving on the Board of 14 years he was always amazed that on June 30th, every penny was spent of millions of dollars; nothing was turned back to the Town. He asks Mr. Rizza if there was every any money that was turned back to the Town.
- Mr. Rizza says yes, in the year ending June 30, 2011. The Board of Education underspent their allocation by \$657,000, which was turned back to the Town. It took about a year because there was a lot of discussion as to whether or not it was spent. The remedy to that was to close the two general fund accounts on the Board side; accounts payable and the salary account. They opened two brand new accounts and started the following year 2012-2013 with two new accounts for the general fund. They let all the checks clear and what was left in the account was \$657,000, which was brought back into the general fund.

- Councilman Parente asks Mr. Rizza if we were to get back \$100,000 of last year's budget, would it be allocated to the next year. He asks what he feels we will have encumbered to finish out the next few months.
- Mr. Rizza says it is fairly easy for him to estimate where they will be. They have been on a hiring and purchasing freeze since December 13th. A review was done based on the projections at that time. The freeze slows down the rate of expenditures. Eventually everything catches up; all the bills get paid. At the end of the year, payroll can be projected; on average is it \$1.2 million on the Board of Education side. You know the benefits for the next three months, and you know the light, heat, water bills, etc. Some other things such as replacement of books/curriculum development that get put off, you buy it then. You can always give it to Anthem for the medical fund because the Town/Board are together.
- Councilman Parente asks if he is projecting this year's budget to be spent down.
- Mr. Rizza says yes, and the goal is to spend out to the dollar. It could be moved to a medical or worker's comp fund if it wasn't.

Item #3

Adjournment of Public Hearing #1.

Councilman Nicholas Palladino makes a motion.

Councilman Sand seconds the motion.

Voice vote: all in favor-none oppose-none abstain. Motion carries.

Item #4

Roll Call for Hearing Committee - 13 present – 2 absent (Santino and Mansi).

A quorum is present.

Item #5

Hearing Committee report to the full Town Council to recommend action on Public Hearing #1.

Councilman Parente makes a motion.

Councilman Ken Mckay seconds the motion.

Roll call vote: all in favor-none oppose-none abstain. Motion carries.

Item #6

Adjournment of Hearing Committee.

Councilman Mckay makes a motion.

Councilman Joseph Badamo seconds the motion.

Voice vote: all in favor- none oppose-none abstain. Motion carries.

Meeting adjourned at 8:02PM.

Respectfully Submitted,

Danelle Feeley, Clerk, East Haven Legislative Town Council