

**REGIONAL SCHOOL DISTRICT NO. 17
BOARD OF EDUCATION
SPECIAL MEETING
2014-2015 Proposed Budget Presentation to
The Boards of Finance
and
Selectmen of the Towns of Haddam and Killingworth
March 12, 2014**

A meeting of the Regional School District No. 17 Board of Education was held on March 12, 2014 in the Student Commons of Haddam-Killingworth Middle School. Board of Education Chair, Sue Twachtman, called the meeting to order at 7:07 PM.

***Members Present:** Amy Jacques-Purdy, Susan Dean, Kathy Brown, Becky Valenti, Joel D'Angelo, Brian Gamache, Dan Chase, Jeannie Young, Michele Amendola, Karen Perry and Sue Twachtman*

***Members Absent:** None*

***Also Present:** Superintendent of Schools, Howard Thiery, Director of Finance Martha Vaughn, Haddam First Selectwoman, Melissa Schlag, Selectmen Robert Duval, Haddam Board of Finance Chairman David Kapitulik, Haddam Board of Finance members Harlan Fredericksen, Marjorie DeBold, John Bosco, Joanne Nesti, John Tabak, and Joseph Centofanti, Selectman Fred Dudek and Selectmen Louis C. Annino, Jr., and Killingworth Board of Finance members Carolyn Anderson, John McMahon, Mark Williams, Shawn O'Connell, and Interim Board Clerk Dawn MacLeod.*

***Visitors:** 5*

Call to Order/Opening of Meeting

Board of Education Chair, Sue Twachtman called the meeting to order at 7:07 PM. The Pledge of Allegiance was recited.

Joint Meeting of the Haddam and Killingworth Boards of Selectmen, Boards of Finance and Board of Education - Presentation of the Superintendent's Proposed Budget 2014-2015

Superintendent Thiery presented his Proposed Budget for 2014-2015 with a 2.35% proposed increase. An interactive discussion between the three boards followed.

Haddam Board of Finance member John Tabak asked how confident the Superintendent is in the revenue figures. Superintendent Thiery responded that they are very confident in the revenue figures. Karen Perry added clarity of the set up of the power point presentation from this year to last year's presentation stating that it looks different but has the same information and vocabulary as last year's presentation.

Killingworth Selectman Fred Dudek asked for clarity on the amount of the increase in the town assessment. Superintendent Thiery stated that the proposed budget has a 1.2 million dollar increase in the town assessment.

Haddam Board of Finance member Marjorie DeBold inquired about projected class size information for next year. Superintendent Thiery explained how the enrollment for this year will project the enrollment for next year by using the push forward model of making this year's 1st grade next year's 2nd grade and so on.

Superintendent Thiery will send the Town Boards of Selectmen and Finance an updated 2014/2015 projected enrollment report tomorrow. Thiery stated that the reduction of 3 FTE's (full time equivalent) at the elementary schools and 1.5 FTE's at the high school is not factored into the projected enrollment report for next year but can be clearly seen when looking at the report.

Haddam Board of Finance member Harlan Fredericksen asked about the Early Retirement Plan and the concession by the Teachers union that allows the district to take sick leave over the next four years. Superintendent Thiery states that the early retirement program is not a savings in one year but is a savings in the salary line in multiple years and nets out to a budget plus. It would smooth out accrued liability over four years and reduce the salary line in four years. Harlan Fredericksen also requested that there be caution in the aggression of the Special Education tuition share as districts don't receive large reimbursements from state or local funds.

Killingworth Board of Finance member John McMahon asked Superintendent Thiery where we purchase diesel fuel at such a low cost. Superintendent Thiery stated that we are locked into Harbor rates less fuel taxes.

Killingworth Selectmen Louis C. Annino, Jr. inquired about the reduction to the Capital Fund and the ability to maintain the buildings. Superintendent Thiery responded that there were enough funds currently in the capital maintenance fund to keep the buildings maintained for next year. Thiery invited people of interest to a Facility subcommittee meeting as the topic is ongoing. Becky Valenti stated that the district keeps costs down by putting repairs out to bid and to get the maximum out of the funds.

Haddam Board of Finance member Joanne Nesti asked if there was any progress made at the state level to change the statue of the Capital fund of 1% to a greater percentage. Superintendent Thiery stated that a portion of the statue is unique to Regional School Districts as the districts own their own buildings and have the capital responsibilities. The legislature lost momentum due to other regional school districts that weren't able to come to an agreement of a different percentage rate with their towns.

Haddam Board of Finance member Joanne Nesti asked if staffing will return on the retired positions. Superintendent Thiery stated that all but 4.5 FTE's will return next year. Sue Twachtman stated that the Board is looking into staffing concerns brought forward by the community.

Haddam Board of Finance member Marjorie DeBold asked about the Health Insurance Reserve account. Superintendent Thiery explained that the district has a new Health Insurance Broker and they are in the process of looking at the districts reserve account. Sue Twachtman added that the Health Insurance Broker will be attending a Budget Workshop to further discuss the health insurance with the Board. Thiery stated that the Health Insurance fund is adequately funded. Thiery also stated that the amount suggested is reflective of the projected renewals. John McMahon inquired about the fees for Health Insurance. Director of Fiscal Operations explained that there will be several new fees from Health Care Reform. Karen Perry stated that the increase is 6.55% of which 5% is the renewal and 1.55% is the Affordable Care Act fees.

Haddam Board of Finance Chairman David Kapitulik asked the Killingworth Boards if the population in Killingworth was decreasing. John McMahon stated that Killingworth families were taking alternate routes for education going from 8th grade to 9th grade. Howard Thiery stated that the biggest reduction was in the Kindergarten enrollment and not in the 8th grade entering 9th grade transition.

Suzanne Sack, a member of the audience suggested that actual numbers be used in the budget when comparing budget years. Superintendent Thiery stated that they do use actual numbers when the budget is in the budget process and at the budget workshops, and they look at budget verses expenditures over multiple years. If the proposed budget had all of those analyses the book would be quadruple the size. Suzanne Sack asked if last

year's budget came in over or under budget. Thiery stated that the district can never come in statutorily over budget.

A member of the audience, Ed Schwing questioned why the district consistently has had a surplus at the end of each year and every year the towns get money back. Superintendent Thiery responded that a typical organizational standard is to run your budget within 1% of the projected budget, then you are projecting it fairly accurately. He also stated that some years you over project some of the budget lines and the following years you under project some of the budget lines. Thiery gave an example to the towns when the towns are over in one year for snow removal then under in snow removal for the next year. The town's stated that they carry contingencies and the district doesn't carry any contingencies.

Ed Munster, a member of the audience stated that an increase in the budget forces an increase in spending. He suggested keeping the budget at a 0% increase. Munster asked what the percentage of the budget was to fund the cost of the Common Core and the cost of training teachers for the Common Core. Superintendent Thiery explained that the curriculum development and curriculum coaching is a focus on the curriculum that will continue to be an improvement. He also states that improving the district's curriculum is not new work. The district abides by state standards and is always improving the curriculum to meet state standards. Sue Twachtman stated that the district has had to make improvements to continue the support of the Common Core, as an example Thiery mentioned the fiber optics that was upgraded last year to support the SBAC testing.

A member of the audience, Suzanne Sack suggested a zero based budget and that the district could go to the towns for additional appropriations when needed. Superintendent Thiery responded that a zero based budget is legal and that the district could go back for additional appropriations from the towns based on things that happen through the school year. The Towns Boards commented that communication would have to be in place with the towns but it probably wouldn't create harmony between the school district and towns.

Board Chair Sue Twachtman thanked everyone for coming.

Adjournment

Board of Education Chair, Sue Twachtman called for the meeting to adjourn at 8:31 PM.

Respectfully submitted,



Dawn MacLeod
Interim Board Clerk

Approval: Becky Valenti Date: 4-1-14
Becky Valenti, Secretary