

March 23, 2004
Board of Finance Meeting with
Board of Education
Marlborough Town Hall
Marlborough, CT

Chairman Mike Gut called the meeting to order at 7:35 p.m.. Present were Mike Gut, William Secord, Brian Breeden, Cathi Gaudinski, Carl Cavaliere, and seated for Joseph LaBella was alternate Donna Mosher. Also present were members of the BOE, including Joseph Reardon, Superintendent of Schools, Bradford Buck and Joseph Farrell.

To explain the submitted budget for FY2004-2005, Bradford Buck started by discussing the 100 series, Salaries Certified. The Superintendent's position shows the first half of the fiscal year on the extended contract with Mr. Reardon at a reduced rate as Mr. Reardon is taking his retirement this year. The second half of the fiscal year shows a full-time position, and he further explained that a decision has yet to be made regarding the hiring of a full-time or part-time superintendent. Mr. Reardon's contract has been extended through the end of December, 2004. In the custodial area explained Mr. Buck, a supervisor will be shared with the Town and the only new position in the 100 section, besides that shared supervisor, is the day custodian.

Mr. Reardon explained that a contractual agreement exists with the teachers in which they receive a 4.28 percent increase overall, including steps. The non-certified staff (paraprofessionals) salaries are increased by 6 percent, although not finalized. Mr. Farrell added that this total amount is not significant overall due to the fact that this group does not receive a salary much higher than \$6 or \$7 an hour. In terms of benefits said Mr. Reardon the paraprofessionals now have the availability to purchase health insurance at 100 percent of their cost. Office support salary increase is about 3 to 4 percent. The nurses' salary has been eliminated from the bargaining unit of the contract and the increase of approximately 3-3/4 percent reflects a new person hired at the lowest rate possible.

In the 200 section, Employee Benefits, is by contract. The biggest increase is in the group insurance area. In the Blue Cross portion the increase is 11.7 percent, varying a bit in other areas and is net of premium cost-sharing. Retirement contributions are separate from teacher retirement contributions as the teachers fund this themselves. The number referred to as \$49,905 is for non-certified and administrative staff. The teacher contract co-pay is new and rises to 13 percent in the last year but in this year the raise is 12 percent. The prescription drug rider has been changed and is reflected in the rates, and the co-pays have doubled.

In the 300 section, Purchased Professional Services, the largest increase is in consultant fees. The reason for this increase is that a consultant may be hired in a search for a superintendent. The use of consultants in the school will need to be cut back. In the area of computer technology, developing strategic planning for the BOE, curriculum

development, and conflict resolution, Eastconn has been used as consultants. The amount of \$27,500 broken down consists of \$5,000 for Eastconn for technology and \$5,000 for strategic planning, \$5,000 into conflict resolution, \$5,000 into curriculum development and \$7,500 for the superintendent search. Consultants' services will be bought as needed in the future said Mr. Reardon thus the total amount may be reduced.

The 400 series, Purchased Property Services, Mr. Reardon brought attention to the fact that repairs have been reduced due to the existence of the new school. A subcommittee is working on a new school lunch program which is to begin at the start of the next year. Seed money is needed said Mr. Buck to encourage nutritional meals. This money protects the vendor from a loss and may or may not be needed in this way. Participation in the program, said Mr. Reardon, may be very high at first but will probably be reduced as time goes by. Because there has been no experience with this type of enterprise, it is hoped that this program will operate in the black or at break-even.

Water testing is another area that was discussed in the 400 series. The Board is working with the Town trying to affiliate with the Chatham Health District. There may not be cost involved initially however a licensed operator is needed for testing the water and fees may be involved. There is about an 11 to 12 percent increase in electricity rate as new areas of the school come into existence, however the purchase of cooperative electricity is being investigated by the Board.

In the 500 section, Other Purchase Services, the largest increase is in transportation and liability insurance. Regarding internet services, said Mr. Reardon, every classroom has between two to four computers and the lab has twenty-two stations, along with a portable lab with twenty-four stations. Throughout the building wiring is complete and wireless access is available.

Two out-of-district special education placements occurred, initially projecting a \$75,000 deficit due to a move. The NEXUS (financial responsibility) has passed to another district and it has been adjusted. This reflects one student's cost for tuition and transportation.

In the 600 series, Supplies and Materials, Mr. Reardon informed the members of the BOF that a projection of just under \$50,000 is a deficit situation that is being run this fiscal year due to restricted spending in supplies. A cut of \$15,000 was made in this area and is general overall. Mr. Buck explained that the drop in the textbook item is that curriculum renewal occurred last year and a major purchase was made in Language Arts.

In the 700 series, Capital Outlay, Mr. Reardon said that in the technology area, twenty-year funding is being sought if a life cycle of an item is of more than ten to twenty years. The question arose about computer switches and Mr. Reardon explained that they are replacements and have the ability to expand because of renovation, and the number of drops in each room has increased.

In the 800 series, Other Objects, Mr. Buck said that a cut has been made in Meetings and Conferences from what was initially proposed.

Joseph LaBella entered the meeting at 8:30 p.m.

Referring to the Adjustment Sheet, Mr. Reardon stated that initially the Board proposed a 9.58 percent increase and with staff's proposals and certain adjustments it has been reduced to 5.76 percent and then the Board reduced it further to 5.40 percent. Careful consideration must be given to the Board's budget versus the Town's budget which might impact greatly and adversely the Town. Credit was made for the BOE's budget to reflect education and the Town's portion to reflect maintenance. The question was asked how much the Board is able to send back to the Town as income. The Medicaid reimbursement can be as high as \$30,000, said Mr. Reardon depending on the excess costs for Special Education and pursuing grants aggressively. About \$5,000 worth of training in partnership with the School District of Union, CT is also sent to the Town.

The Board of Education members left the meeting at 8:40 p.m.

Discussion followed about the jump of the retirement contributions, the paraprofessionals' salaries, the decision next week about the hiring of a part-time or full-time superintendent and the issues involved in that regard, as well as the cost of fuel oil for heating.

Mr. LaBella reported that he felt the BOE used a very sensible approach to working on this budget, and had no significant increases in programs this year. Costs of the various contracts under negotiation are some of the reasons that any increases are present. The target goal of approximately five to six percent seems to have been achieved said Mr. LaBella. Mr. Gut added that this budget appears reasonable in total.

However, it was decided that details of the retirement contribution plan be requested by this Board in order to more fully understand Mr. Reardon's plan for his contract and a vehicle, if any, for this money.

The final, bottom line increase in this proposal appears to be 4.4 percent, taking out for the present time, the building and grounds supervisor's position and all related expenses.

In an attempt to obtain more information regarding the RHAM BOE budget, Mr. Gut will give this Board updated bond information estimates and operating costs so that the upcoming mill increases for the Town might be calculated as soon as possible.

The meeting adjourned at 9:30 p.m.

Respectfully submitted,

Ann Preissner
Board Clerk