

BOARD OF FINANCE
March 7th, 2012
Town Hall Meeting Room 8:00 PM

Approved 4/23/2012

Board of Finance reviews Board of Education Budget

*This meeting was videotaped and is available upon request
Comments and discussions are not direct quotes of the speakers*

Present: Board of Finance members Chairman Jerry Sargent, Vice Chairman Mike O'Brien, members Michael Carter, Melissa Koller, Patty Kopas, Steve Ezzes, David Finkel and Secretary Donna M. Anastasia.

Board of Education: Chairman Philip Schaefer, Vice Chairman Ellen Uzenoff, board members Richard Bochinski, Sonya Stack, Denise Harvey and Dana Levin. School Finance Director Dr. Jo-Ann Keating, Superintendent Dr. Colleen Palmer, Mark Berkowitz Athletic Director; Director of Technology Erik Haakonsen; Director of Pupil Personnel Services Lois Pernice, Intermediate School Principal Patricia Falber, Hurlbutt Principal Joanna Genovese, Assistant Principal Dan Doak and several other staff and administration personnel from the schools.

The meeting was called to order by Vice Chairman O'Brien at 7:36 PM.

Introduction

Mr. Schaefer gave a brief introduction noting that the ¹ School budget was the lowest in the region and it was prepared while keeping the integrity of our schools. All extra-curriculars and activities are still in place and all-day kindergarten has been proposed.

Superintendent's Overview

Mr. O'Brien thanked the school members and staff and said the budget was very well done not only from a cost standpoint but its readability.

Mr. Ezzes questioned the educational spending and the various levels of spending among other comparable towns and why oftentimes it seems these other towns do well also but spend less. Mr. Scarice said there are several answers; for example educational costs are often tied directly into the town budget. Other differences might be the Xenon facility, our specific programs, class size and mile of safety. We've decreased the per pupil cost (PPC) by lowering health insurance and SPED costs. Ms. Pernice added that our SPED costs are just below the average however it is unpredictable each year what needs will have to be met.

¹ Westport, New Canaan, Wilton Redding, Ridgefield, Easton and Darien comparison

There was general discussion regarding the economic climate, home sales and bringing more services “in house” to save money. There was discussion regarding space at the schools due to a decline in enrollment and Dr. Palmer is currently working on a plan with the town for additional space for the seniors at Hurlbutt.

Dr. Keating briefly went over the reduced cost meal plan for those families in need with school aged children.

Dr. Palmer discussed some factors influencing the reduction of the PPC; the ²WTA contract and the reduction in staff. Unique circumstances have allowed us to bring this down without compromising anything. We have seen a decrease in enrollment especially in the lower grades but we have increased the quality in many ways.

There was general discussion regarding the contract and efforts being made to health insurance costs and various claim scenarios. Mr. O’Brien commented on exploring ways to sustain the efficiency. Ms. Kopas noted that the union does not understand that the goal here is to save jobs.

There was general discussion regarding new state standards being put in place which has shifted time away from PE and library adding that time to Math for example. Some FTEs have been cut as a result. Dr. Palmer told the board they will be seeking relief of some mandates.

Dr. Keating noted that part of the challenge is our SPED needs and contracting out for that. We have negotiated HSA for the teachers’ contract which will save 80K over a 3 year period. Dr. Palmer mentioned outreach programs and that we have barely scratched the surface regarding opportunities to access talent and resources in the community. We are looking at mentoring programs and seeking relief from state mandates that require certification.

Mr. Finkel commented on the three year fiscal trend (10-11, 11-12, 12-13) where escalating expenses which will reach a 20K PPC. These costs will make it impossible for residents to retire here. He asked what measures are in place to prevent this rise and how does this fit into the strategic plan. Dr. Palmer explained to the board that in ten years Weston High School will not resemble the high school we all know now. There will be a “hybrid” type of teaching but still a need for a live person to coach. The atmosphere will be highly specialized, currently we are in the middle of technology transformation.

Mr. Carter asked about the decline specifically in the eighth grade where it has fallen from 183 to 171. Dr. Palmer explained that eighth grade in particular declines because many are moved to private schools. Oftentimes this is a legacy issue where the family has attended a particular private school for generations. We are still looking carefully into this issue.

² WTA three year contract impact to salary costs will increase 6.85%; the HSA plan was denoted as the primary plan for the entire bargaining unit. Estimated savings over a 3 year period is as follows: Year 1=reduction of \$272,323. Year 2 reduction of =\$404,288 and Year 3= reduction of \$583,983.

Dr. Keating noted that projections are based on the last three years and there will always be fluctuations.

Ms. Koller asked how low the enrollment would have to drop before considering the closing of a building. Dr. Palmer said it would be a long term decision and most likely common space would be added as a result. We would evaluate all of our facilities should this situation present itself. Also important here is that some children would not be easily transitioned to a different school.

There was general discussion regarding Professional Development and using the summer for a portion of it. Mr. Scarice said the new math standards would be best served during the summer.

Mr. Scarice went over the AIM (Academic Innovation and Measurement) initiative project and its goals i. e. critical thinking, creativity, innovation, character building and carry our students into the 21st century. AIM is the cutting edge educational approach to deliver a program that meets the unprecedented challenges of this era. Through the support of the 2011-2012 Board of Education budget, a philanthropic partnership with the Weston Education Foundation, the four district Parent Teacher Organizations and a partnership with Teachers College, Columbia University the program is underway. The purpose was not to set us apart but it has done so. The program was initiated with our kids' best interests in mind and the program has resulted in unintended positives within the educational community at large.

Ms. Kopas asked about the gifted and talented program becoming obsolete. Mr. Scarice said the program has a two year review and is intended to broaden the opportunity for all of our students.

Mr. Bochinski went over some salary information regarding step schedules, maximum rates for different groups of employees and averages used for those maxed out.

There was discussion regarding the energy specialist, bidding and the energy program currently in place. The board went over monitor positions, custodial personnel and lead positions.

Dr. Palmer stated that 420K cut it very close and that other districts build in a reserve, we operate without that "back up". Mr. Finkel said it was indeed a remarkable detailed job but the tough question here is how we are going to reverse the PPC trend.

Mr. Carter who urged the program get started asked if the Wellness program exceeded expectations or not; Dr. Keating said the program went well with over 25% participating however getting people to participate is difficult. And it is a great program that offers fitness classes (yoga, zumba), open pool opportunities, discounts for therapy and well known programs such as weight watchers.

Mr. Sargent asked what other risks might be out there and Dr. Keating felt that the three risks would be health insurance costs, changes in enrollment and SPED. We have worked on the Kaestel Boos items and have implemented some very good maintenance programs.

Mr. Finkel said he thought we were trying to trend away from salaries and towards contracts but the budget reflects the opposite. Dr. Keating said grounds-keeping is now being done by our own staff and we have changed the method on in-house staffing; hiring more skilled people at a higher rate we in turn save money. Mechanic costs for example saved us 70K on one job alone.

Ms. Koller commented on the five year enrollment down 6%, teachers down 8% but non-certified staff has increased. Dr. Keating mentioned the addition of two buses would require two monitors for instance.

Mr. Sargent once again asked about fees for programs after school, specifically why some programs charge a fee and others do not.

Mr. Schaefer said the board spent time looking at this and looked at other schools and decided it did not make sense to impose fees across the board; the numbers were not enough for us to do that.

Mr. Sargent responded saying at a time when we are looking for every penny the programs should not be subjective. There should be equity of a policy or a very good reason not to do it. It's possible there might be 100K out there and we should look at it closely. Fees should apply to all programs i.e. athletics, clubs, theater. Ms. Koller commented that there are some associated costs with the theater group such as the cost of costumes. Mr. Sargent stated that he feels that a policy should be applied equally because it does have a budget impact.

Dr. Palmer said there is reluctance in doing a cost factor because oftentimes it has backfired and resulted in unintended consequences, we don't want to drive kids away. Although Mr. Sargent agreed he urged the board/school to reconsider.

There was general discussion regarding leasing and equipment. Also discussed was retirement pensions which were down; Dr. Keating explained this was an actuary "catch up" phase. Ms. Kopas commented on the outstanding job that was done on the school's presentation.

There was some discussion regarding the pre-purchasing of fuel at a very reasonable cost making the fuel cell project not so attractive. A savings of 73K in energy was reallocated to SPED.

There was some discussion regarding grant funds and the window of two years to use it. Most grants are tied into cities and urban areas. Grant money had been carried over and will be used for two part time reading positions.

Mr. O'Brien asked about curriculum; Mr. Scarice said the math component will take a little longer than anticipated (most likely the next few years) followed by science. The current curriculum will be integrated with the objectives of the program.

Dr. Keating has spoken to health insurance consultant Mr. Spurgeon and expressed concern beyond next year. Although Dr. Keating stated she tracks the fund carefully there are unexpected lows and spikes. There has been months of low activity and then suddenly a volatile month. 6.126M had been projected however there were additional costs seen in stop loss insurance and administrative fees. Migration of 70 more people into the HSA plan has had a significant reduction in cost which will help stabilize the fund which runs between 2.2-2.6M. Mr. O'Brien suggested that at the top end (3M) an overage could possibly be used to offset some OPEB costs.

Mr. Sargent mentioned that a representative of Milliman should be called back post budget. We have been looking to smooth out our OPEB costs over the next five years so this account will help also.

There was some discussion regarding relief from state mandated budget reductions.

Mr. Sargent thanked the school staff for a super job and added that it gets better each year. Thematically however we are still struggling with a cost problem. There is the PPC issue, achieving a number as this is astounding. At these enormous levels we have to ask ourselves if it's a fixed cost. At this rate in two years we will be well over 20K per child, and that is not sustainable. We must be honest and satisfy all of our citizens. We must address and solve this fixed cost. When this budget process is over we must make this our number one conversation.

Mr. Finkel asked if there was a process for the strategic plan, mile markers for example.

Mr. Schaefer said he expects in the next six to nine months the board will be discussing some hard scenarios. Oftentimes projections do fall apart and unexpected events could change things quickly.

Mr. Finkel said what he was actually looking for was some affirmation that there is a definitive date and plan in place.

Dr. Palmer stated that they are working on it right now and she anticipates a sub-committee be in place by September.

With no further discussion and with none opposed Mr. Sargent adjourned the meeting at 10:33 PM.

Respectfully submitted
Donna M. Anastasia, Town Clerk