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BOARD OF FINANCE SPECIAL BUDGET MEETING MINUTES

Board of Education District Office Conference Room
40 Field Street, Pawcatuck
Thursday, February 29, 2024
7:00 PM

A special budget meeting of the Board of Finance was held on this date at the Stonington Board of Education Conference Room. Members present were Lynn Young, Deborah Norman, Chairman Tim O'Brien, Bill Sternberg, Chris Johnson, Michael Fauerbach, and David Brown.

Chairman O'Brien called the meeting to order at 7:03pm.

Pledge of Allegiance was recited.

The Chairman advised the meeting attendees that the meeting is for the presentation of the Education general and CIP budgets.

Board of Education Budget Presentation:

Presenting for the Board of Education were Farouk Rajab, Chair of the Board of Education, Mary Anne Butler, Superintendent, Timothy Smith, Assistant Superintendent, Stephen Carroll, Director of Facilities, Alisha Stripling, Finance Director and Chris Williston, Director of Technology.

Mr. Rajab began by providing an introduction and overview on behalf of the Board of Education. He thanked for the Board of Finance for their dedication to the Town and schools. This budget focuses on what is important for the children. The BOE is in the process of bargaining with four unions and the results are not yet known. Our focus is for the kids to get what they need for next year; we want to maintain the same services from the current year.

Katie Gauthier, Board of Education member was also in attendance in support of the budget. Kevin Agnello, Board of Education member was unable to attend but Mr. Rajab read a statement on his behalf in support of the proposed Board of Education budget; he provided support for the budget and in closing his statement indicated "we are asking to help the administration provide the same level of services that were provided this year – things are just more expensive." It is important to understand that any decrease in the proposed budget will mean a reduction of staff and imperative services.

CIP Requests (Technology):

Mr. Williston began reviewing the CIP projects. The goal of the Technology department is to provide a level funded budget and to project ahead of the replacement needs across all technology line items. Most of what is in the CIP is replacing outdated equipment and

services and not new requests. Mr. Williston provided an overview of each technology CIP line item. Board members asked questions for clarity and understanding. Mr. Williston indicated that a few line items were increased from prior years as cost projections a year later have increased. Computer Systems at \$250,000 includes \$150,000 for Phase II of the aerial fiber-optic cable (these cables run information from school facility to school facility). The remainder of this line item is for building the account for server back-up appliances and storage arrays. Staff computers went up as the refresh of the computers needs to be done sooner; this line item will then drop back down to level funding. Audio-visual systems are seeing a big increase as we did not get the grant funding they had applied (Department of Justice grant) for. \$525,000 of the \$565,000 request is for phase II of the Telecom system which includes emergency alert system, panic buttons, and speakers for the middle and high school PA systems and intercom systems and the district office. \$40,000 is for interactive flat panels. Phase II is for all of the common areas and replacement of all speakers; they are currently running on 20-year-old technology. Hoping to complete Phase II this summer. Mr. Williston has asked for information (FOIA) on why the BOE did not get approved for the grant – they did get a grant for round 1 of the grant but did not for round 2 and still waiting for a response back. Value of first grant was over \$300,000. Mr. Fauerbach asked if the project could be broken down into smaller projects that could be phased in over multiple years. Mr. Williston responded that Phase II is the highest need to finish out the schools. Phase III is for the District Office which could be put off to FY2025 – 2026 which would be \$285,000 of the requested \$565,000. This would be for the entire building as it needs a complete redo. Staff computers is increasing as the hardware is phasing out faster than planned, so devices need to be refreshed sooner but this will then go back to level funding in future years.

CIP Requests (Facilities):

Mr. Carroll presented an overview of the facilities CIP line items. He is still very new in the job and inherited the CIP proposals and plans from his predecessor. Mr. Carroll is going to take a broader look at all line items, conditions of equipment, and wants to perform a detailed review of all assets. Special education mini-van replacement is urgent as these vans, by law, have to be put out of commission after a set number of years. BOE will consider using out of commission vans for other things like courier or transporting equipment. Chairman O'Brien asked that if any vans can't be used for transporting students or repurposed by the BOE, then please hold for the Town. Mr. Carroll noted that the High school roof is starting to have moisture issues and that its at the end of its 20-year life, and would be a big project and would likely be something that is bonded in the future. High school turf replacement; the turf was tested in July and passed testing but they need to start saving now to replace as this will be needed in the coming years. With cost escalations of the turf replacement, Mr. Carroll will review and provide an updated total cost estimate. Question arose whether the BOE charges outside groups for use of the fields; this was looked at years ago and it was decided not to charge outside groups. The Chairman cautioned that this is not something for the Board of Finance to decide. Mr. Carroll indicated this line item is for turf only; not the track replacement. For the High School gym upgrade, this is the final piece of the gym upgrade; it is replacing mats on the side of the gym walls where the walls are very close to the basketball court, which is a safety issue. Middle school and High School library carpet repair is needed; includes replacement for 18 to 20 rooms. We are looking to set aside enough money to repair the

rubberized flat roof in 4 years; while some of this expense can be cost shared with a state funding, the BOE needs to put up the initial money. The Middle School cafeteria doors have already been replaced in this year's operating budget; the \$12,000 for this request is no longer needed for FY 2024 – 2025. James Sullivan, Finance Director for the Town, inquired about the replacement of a maintenance truck for the district. It was in the original submitted budget. The BOE confirmed this was changed and no funding is needed for this line item.

BOE Operating Fund Budget Request:

Ms. Stripling led the review of the BOE operating budget along with Ms. Butler. A slide deck overview was provided to Board of Finance which outlined three iterations of the budget, which Ms. Stripling and Ms. Butler reviewed. Board members asked questions for clarity and understanding throughout the review. The first budget iteration had a 6.29% budget increase and would maintain current services, takes current year's budget and increase all areas we know will increase (collective bargaining agreements, vendor increases, etc.). The second iteration is 6.92% which includes improvement requests from building or central office administration; these are improvements the leadership team feels are needed to adequately service the students and staff. The final iteration is what is being proposed which is a 5.65% year over year increase. This demonstrates the work and effort the BOE and Administration exerted to come up with a fiscally responsible budget. The primary budget drivers are wages, they leveraged ESSER funding for substitute teachers over the past three years, but this funding won't be available in FY 2024 – 2025. While absenteeism of teachers is being managed and is coming down, the BOE is still using COVID quarantine requirements for absenteeism so projections for substitutes continues to be high. Ms. Stripling indicated the BOE is currently bargaining with four of the non-certified staff unions so final salary numbers are not yet known; however, projections have been provided. Health care continues to go up and they will continue to look at ways to help mitigate the rising cost of healthcare in the future. In addition to losing ESSER funding, Title I and II funding continue to drop.

Ms. Butler indicated the BOE has unfunded mandates due to legislative changes at the State; the legislative impacts can have a significant impact on costs and budget. Ms. Butler also indicated that a lot of these mandates are approved by the state legislature after municipal budgets have been finalized. Ms. Stripling indicated there are line items in this budget that cannot be changed due to the state mandates. They have to provide funding to some of the private schools since they are based in Stonington; we're the pass through on those funds. They have to provide transportation to students attending the tech schools. They have to pay for a half time nurse including benefits at two private schools in Stonington (based on them being located in Stonington). Special education expenses are declining but the amount of reimbursement the BOE gets from the State is also going down by at least that amount. The BOE is seeing an increase in special education students starting at the age of 3. Ms. Allison Van Etten, Director of Special Services, discussed the Special Education programs, needs and budget impacts. Ms. Van Etten indicated the Town has approximately 300 students across the district in special education programs and services. There is a high threshold of what needs to be spent before getting reimbursement from the State and even then, there is a finite amount of funds available, the more districts that request funding, the less for everyone else. The

challenge is trying to project what our reimbursement from the state will be next year when we don't even know what it will be this year.

We won't know until October 2024 what our Title I and II funding will be for the current fiscal year but as previously mentioned, it is significantly decreasing. Title I funding is used for salaries and Title II is used for staff training. The Education budget as a percentage of Town budget continues to decline. The question whether reduced enrollment will impact future budget was asked. A decrease in enrollment does not necessarily mean a reduction in teachers as it is not in one class, school or grade so it doesn't impact the overall needs and expenses at this time. The impending future housing developments in Stonington will impact future enrollments but what this impact will be is not yet known.

Improvement requests account for .4% of the overall budget; improvement requests were submitted by the District Administration totaling \$173,820 driven by SHS ELA Tutor, .5 of an SHS Science teacher and a part-time Public Relations position. The Public Relations position is to help with emergency situations/personnel matters to get project-based help with communications in these situations. Given social media, this has been a big challenge. Mr. Rajab emphasized the Board pushed for this addition which would be a contracted position. Board of Finance members asked questions on this request. Mr. Rajab also highlighted the importance of eSports. Ms. Butler indicated the BOE is in discussions with Three Rivers on enrolling 10 students in the CNA (Certified Nurse Assistant) Program to provide credits to our students and help our students be more employable following graduation.

To get to from budget Iteration 2 to Budget iteration 3, there were contractual reductions, reductions in existing vendor accounts and reductions in special requests; total reductions of \$528,633; this demonstrates the work done by Administration to reduce the budget to get to the final proposed budget. There was a question on the changes to get from iteration 1 to iteration 3; Ms. Stripling will review the numbers but the final total proposed budget (Iteration 3) of \$43,993,577 is correct. Additional questions on a few specific line items from Board of Finance members were addressed by Ms. Stripling, Ms. Van Etten, Mr. Smith, and Ms. Butler. A question was asked how much in ESSER funded positions was being converted to operating expense; Ms. Stripling responded this totaled \$368,388 for 6 half time positions, which is just salaries.

Chairman O'Brien thanked the Board of Education members and Administration for their time and presentations.

The Board of Finance took a 5-minute break at 9:23pm and reconvened at 9:28pm

Discussion of hearing/meeting dates:

The Chairman indicated there are no changes to budget meeting dates. The agenda for the Monday, March 4, 2024 meeting has been circulated. The regular Board of Finance meeting scheduled for Wednesday, March 6, 2024 will be cancelled and any agenda items from that meeting will be added to the end of the Police Budget meeting on March 4, 2024.

Discussion of budget communication:

The Chairman noted the next item on the agenda is discussion of a Board of Finance (BOF) communication to taxpayers. The Board discussed different edits and corrections to the language in the current draft of the communication. There was discussion about how this will appear on the Town website and, Facebook vs. other ways. Interest was expressed in including how to calculate your taxes by linking to a hyperlink to the tax calculator. Mr. Sullivan was asked to double check to ensure the budget numbers in the communication are correct. Mr. Sullivan confirmed he checked the numbers earlier in the day. Some other typos and dates were corrected as well. The language at the end of the communication was pulled directly from the legal language in the ad for the Public Hearing. A motion was made by Mr. Johnson, seconded by Mr. Fauerbach to accept the amended letter to taxpayers. All were in favor; the motion was approved.

Correspondence:

No new correspondence.

Approval of Minutes:

None

Adjourn:

There being no further business, a motion to adjourn made by Mr. Brown, seconded by Ms. Norman; all were in favor. The meeting adjourned at 9:50pm.

Respectfully submitted,

James Sullivan, Director of Finance