

TOWN COUNCIL
Town of Trumbull
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TOWN HALL
Trumbull

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FINANCE COMMITTEE
BUDGET HEARING MINUTES
MARCH 09, 2015

Vice-Chairman Cindy Penkoff called the meeting to order at 7:06 p.m. at the Town Hall. All present joined in the Pledge of Allegiance.

PRESENT: Cindy Penkoff, Vice Chairman, Tony Scinto, Bethany Llodra Gilman, Vicki Tesoro, and Mary Beth Thornton.

ABSENT: Mark LeClair, Lori Rosasco Schwartz, and Daniel Marconi, Alternate.

ALSO PRESENT: Superintendent of Schools Dr. Chialfi, Assistant Superintendent of Schools Dr. Michael McGrath, BOE Chairman Deborah Herbst, BOE Business Manager Shawn O'Keefe, BOE Facilities Director Mark Deming, THS Principal Marc Guarino, Madison Middle School Principal Valerie Forshaw John Annick of BEI and Kate Donahue of TCT, Town Council Chairman Carl A. Massaro, Jr., Town Council member Edna Colucci.

BEI / Business Education Initiative - 01060600

Mr. John Annick of BEI and Kate Donahue of TCT (Trumbull Community Television) were present. This line item includes both BEI and Trumbull Community Television. Mr. Annick distributed the BEI newsletter, the 2014-2015 Job Sharing work-sheet and the THS Internship worksheet. The students have formed a BEI Club at THS. At their first meeting 35 students were in attendance. There was one line item with a major increase, 567703 TRNSP-TRV (bussing). The job sharing worksheet supports this increase. The business community has welcomed the student to come to their businesses. Bussing is necessary for the students going to the businesses. The BOF brought this line item back to the 2016 Dept. request of \$2,600.

Ms. Donahue explained Trumbull Community Television had received a grant from the State and focused on continuing to improve the quality and quantity of programming on the channel. Next year they will continue to focus on the same by adding additional hours for the supervising manager. Additional money was requested for videographers, they have been working hard to get student videographers from the high school, there are 3-4 additional student videographers in this budget. They are continuing to expand their connection in the high school, advanced video production curriculum and the traditional election night coverage. The video-on-demand feature serves two purposes one for those who do not have time to watch the program at its scheduled time and also for the grandparents who are not local and are able to watch the children's school programs. Ms. Donahue hopes the committee supports their budget this year.

EDUCATION - 01060000-522205 - Program Supplies

Dr. Chialfi distributed and reviewed a hard copy of the BOE 2015-2016 Power Point Budget to the

committee (Attached). The BOF recommended the First Selectman's reduction of a 2.34% increase. The BOE request was a 2.94% increase. This budget is about positioning all students for success. The CT State Core has raised the bar. Teachers are the most important resource in the business of education. The teaching positions in this budget are based on what is needed. The Facilities Dept. was restructured with provisions for performance based contracting and district efficiencies. Last fiscal year there was an unprecedented \$3.6 million dollar savings by going to a self insured medical/dental plan. The district goal is to strengthen student learning and development. The priority that supersedes everything is the safety and security of staff and students. The BOE is continuing with that commitment by making sure portables are not used, implementing full time security guards in all of the schools and performing residency verifications. Mental Health is also a priority and is part of security. The district is working toward reducing and phasing out "Pay to Participate" fees over a three-year period for certain programs. Salaries are 1.67% of the 2.94% increase, benefits are .24%, transportation is .40%, energy is .21%, text books are .15%, partial phase out of pay to participate is .12% and all other is .15% of the overall increase request at 2.94% for the FY 2015-2016 Budget. 93% of the budget is contractual and mandatory expenses of the budget leaving 6.64% for all other categories.

The upper half of page 10 of the attached power point refers to positions added after the 2014-15 FY budget was adopted. There were some unexpected needs but they have been offset by the teacher adjustments delineated in red (\$270,000). The remaining half of the page 10 is a list of new proposed positions for the 2015-2016 FY budget. Dr. Chialfi feels strongly for the need of these positions. These positions provide equity for all students across the board. Pages 11,12,13,14 and 15 outline the academic staffing recommendations in detail. Five (5) elementary positions are no longer needed as a result of declining enrollment. There are 149 less students. They are proud of the high school college and career readiness programs. The internships and job shadowing are very successful programs. Pages 16 and 17 speak to the needs of professional development. Page 18 represents the elementary school analysis and enrollment projections. A total of 5 teaching positions are being reduced.

Dr. Cialfi reviewed the budget summary as follows: The budget objective is balance and focusing on preparing students for success. Mental health intervention supports student connection, and rationales for new teacher positions support all students in transitioning to elementary, middle, high school, higher education and career. Everything and anything will be done not to affect the students' success in learning. It is still early. The BOE has asked that a specific reduction list not be made available until a final vote on the budget is taken. Dr. Cialfi indicated that reductions would not look to reducing anything that would affect the students directly. Transportation, specifically fuel will provide anticipated savings. Facilities will also have savings in fuel and well as chemical and paper savings. They may be able to delay some text book purchases. The five (5) elementary position reductions are accompanied by FTE's and fragments of other such as RTI, students' performance data base. Nothing that directly impacts students will be reduced. The fragments and the accompanied FTE's are directly related to declining enrollment, the students are no longer there that would need to go to physical ed., art or music. The students will not be hurt because those students and classes are not there due to declining enrollment. The fragments reduced are part timers.

Dr. Cialfi stated the BOE needed an in depth analysis with regard to the prescription insurance coalition plan. Mr. O'Keefe stated they had their insurance advisor do a comparative analysis of the insurance pharmacy plan v. the coalition plan. The results were a best case savings of \$72,000 v. the \$420,000 anticipated savings presented by the Town's Director of Labor Relations. The Town's savings estimate was \$140,000, the BOE is approximately 3 times the size of the Town's hence the \$420,000 savings estimate. The BOE would like to have more information with regard to the Town's potential \$140,000 savings and has decided to look at this further after the Town has been in the coalition for 90 days. Mrs. Herbst stated the Town had been in the coalition for approximately 5 weeks at the time this was presented to them, the board did not feel that was enough data for them to make a decision. Another consideration is the pharmacy piece, regular drugs v. the specialty drugs. There could be a wide variety from what they do now. Their population could be negatively impacted. The \$420,000 number has not been reconciled to date, when the BOE has more data they will be closer to knowing what they will do. Dr. McGrath

confirmed the \$420,000 reduction is part of the reduction from the 2.94% to the 2.34% increase. Dr. Cialfi clarified the reduction had not been made by them. Dr. McGrath explained the number has to be validated. After the 90-day period is over, if the number is validated they would need to go to the bargaining units. This would involve legal fees as well. Mrs. Herbst did not speak for the whole board but agreed it is risky opening a contract. Dr. McGrath stated all contracts are in place with the exception of one. They would have to one by one open each contract. This could take months and would put the BOE in a position of vulnerability. March 31st is the end of the 90-day period. Dr. Cialfi stated there is a possibility of going to a HAS, splitting the pharmacy/medical plan could preclude them from going to a HSA. The HSA has the potential of substantial savings.

Mr. O'Keefe explained for the committee Project Catapult is an ongoing project and will never be complete. The equipment is leased over a 4-year period. At the end of the 4-year period there is an automatic replacement. The project used last year's 1% and will be completed by the end of this year. The tech department currently employs 6 technicians and 1 network administrator. That is the same staff since 2006. Since that time they have doubled their equipment, maintenance responsibilities, desk tops and laptops. They support 8,000 users; have 200 security cameras and more. Technology is now at the core of the school days. There are projects that have been let go due to the lack of staff such as, the out-bridge transportation server, MUNIS upgrade, remote HVAC controls for facilities and the Windows 8 upgrade. Mr. Deming stated he believes the UPS's have been upgraded to provide a bridge when/and if the power is lost. They will confirm this and report back to the committee.

Dr. Cialfi stated past practice was not to provide a list of reductions until the vote has been accomplished at the Town Council level. Mrs. Herbst stated in the past they have started the process at the BOE's April meeting after the final adoption of the budget. Mrs. Herbst spoke on behalf of herself not the board stated existing programs will stay in place. The board will have to decide what can be eliminated.

Discussion took place with regard to equity of pay-to-participate fees. The phasing model was done to make sure the academics were not compromised. Dr. Cialfi stated high school sports and elementary band and strings seem to be the most extraordinary compared to what other school districts charge. This will be debated at the board table.

Dr. Cialfi spoke in favor of the support of this committee for the Middle School Intervention Specialists. There are 50 Trumbull students attending the Magnet school and there are 30 more seats available. There are no SAT prep classes at the high school at this time, there were at one time. Prep courses for both the SAT's and the ACT's are needed. The intervention specialists will be supporting those students in preparation off the tests.

Dr. Cialfi distributed a hard copy of the Facilities Dept. Efficiencies power point to the committee (Attached). Mr. Deming stated they are striving to achieve efficiencies through improvements. The boilers in the middle and elementary schools are on average over 55 years old, and need to be addressed. Energy costs and use in the district is excessive. The efficiencies will save the money the district needs to invest in the facilities. Spending controls and centralized approvals are necessary. All purchases come through his desk now. Overtime controls are in place and now have to be justified. Bringing down the cost of their everyday supplies is part of this process. Cost of electrical utilities will be realized soon. 50% efficiency is easily achievable. The Trumbull district is an 8.3 million kwh district, this is huge. The first project is Hillcrest school which is a \$1.2 million project that will yield an annual savings of \$145,000. \$120,000 of those savings will be a payment but it will not be a bond. The responsibility will be on the BOE and he to ensure the payment is made out of the existing utility budget. The BOE Facilities Dept. has secured two 250 kw ZREC's (zero emissions renewable energy credits). We now can drive how much we pay for power. Mr. Deming reviewed the retro commissioning process. The process has begun at THS, TECEC, AG and Frenchtown. Very few people have the right to override the systems as compared to before he came to the district, only himself, the HVAC mechanic and the Maintenance Supervisor. Dr. Cialfi stated Mr. Deming was chosen for this position because he had 10 years experience with proven results. Mr. Deming confirmed the Hillcrest analysis includes the Hillcrest pool. The energy use of the pool will be improved. Additions can be applied to the HVAC

system at THS which would adapt to what is there now. This can be accomplished with performance contracting so there is no bonding.

Mr. Deming stated they have not been able to quantify the utility cost savings for this year because he had just seen an increase from U.I. The numbers in the budget are based on a three-year average. Any savings will come from the solar rays, any of the efficiency work done and from the third party supplier. He has not lowered the budget based on the hopeful savings. The third party supplier contract will begin in March 2015. Mr. Deming explained to the committee if all of the boilers were to be addressed the total anticipated cost is \$7-\$8 million. The HVAC mechanic had 300 hours in overtime by December 30, 2014. If this is passed they will begin in April and the Hillcrest project will be done before the start of school.

Mr. O'Keefe stated \$2.25 million had been put into reserve for the self insured dental and medical plan. They are currently running \$400,000 under budget. They had planned to add \$250,000 to the reserve this year but there was enough money last year to do that upfront. The cost of the stop loss insurance premiums is \$1.3 - \$1.4 million. To reduce the premium further it would cost \$500,000 in additional reserve contributions. Mr. O'Keefe stated that he is just about to begin his work with the rate run experience with the overall budget. It will take approximately 2-3 days to do, and expects it to be done in the next week or so.

Mrs. Herbst reiterated for Ms. Tesoro what she had said at the BOF meeting, we all have to be resolved to the fact that we have to spend more on mental health and security, helping those who need help and keeping kids safe. Dr. Cialfi stated if the budget is supported at the 2.34% there is a better chance to be able to address the missing piece at the high school Ms. Tesoro referred to, an additional social worker. Dr. Cialfi was able to do this last year with regard to security guards.

There being no further business the Finance Committee of the Town Council adjourned by unanimous consent at 8:52 p.m.

Respectfully Submitted,

Margaret D. Mastroni, Town Council Clerk