

Town of Hampton
Board of Finance
Regular Budget Meeting
Thursday, April 18, 2013
7pm
Hampton Town Hall

Meeting Minutes

Call to Order: The meeting was called to order at 7:06pm by Chair Rheo Brouillard.

Members present: Rheo Brouillard, Stan Crawford, Margaret Haraghey, Penny Newbury, Luciann Norton, Paul Wakely.

Alternates present: Jeff Clermont, Dan Meade.

Members/alternates absent: None.

Others present: 1st Selectman Al Cahill as ex-officio member, Selectman Bob Grindle, Treasurer Ellen Rodriguez, HES Superintendent Paul Graseck, HES Principal Elise Guari, HES Business Coordinator Sally Lehoux, HES Board of Education (BoE) Chair John Burnham as well as several BoE members, Recording Clerk Kathi Newcombe, and several audience members.

Citizen Comments: Dayna Arriola stated that taxpayers would not pass a school budget at greater than zero percent increase. She claimed that cutting a bus should come off a 0% budget, and that other towns have gone below their Minimum Budget Requirement (MBR) then filed an appeal with the State. Jeff asked if any other town has successfully appropriated less than the MBR; Ms. Arriola said that Columbia was still in the appeal process.

HES Board of Education presentation: Several questions had been submitted to the Superintendent for review prior to the meeting; these included:

1. Can you separate the expenses for the Pre-K and K-6 out of the total budget? **Response:** The proposed budget contains \$56,747 in costs for PreK, mostly special ed, some field trips and supplies. The \$107,000 School Readiness Grant pays for staff.
2. What are you expecting for the student census in the 2013-2014 fiscal year for Pre-K? K-6? **Response:** The Superintendent distributed a sheet outlining enrollment statistics for the current year effective 4/12 and projections for the next fiscal year (see attachment).
3. Looking at K-6 only, what is the estimated cost per pupil for 2013-2014? **Response:** This is included in sheet previously distributed, broken out by grade level (see attachment).
4. What is the 2012-2013 staff to student ration? The student/teacher ratio? **Response:** For 2012-13, the classroom teacher/student ratio is 1:14.1 for K-6, 1:14.8 for PreK-6, the certified staff/student ratio is 1:7.6 for K-6, 1:8.6 for PreK-6.
5. What do you expect each of those ratios to be in 2013-2014? **Response:** In the proposed 2013-14 budget, the classroom teacher/student ratio is 1:15.1 for K-6, 1:15.6 for PreK-6, the certified staff/student ratio is 1:7.8 for K-6, 1:8.7 for PreK-6.
6. Do you expect to end the current fiscal year with a surplus or a deficit? How many dollars are you expecting (positive or negative)? **Response:** A surplus of .25-.5%, equating to \$5,000-11,000, is anticipated; if required to reduce the proposed budget, some of this surplus will be used to purchase materials in advance of the next school year.

7. Last year, the Chronicle did a survey of Windham county schools and showed that Hampton school had the highest cost per student at over \$20,000. How does Hampton compare in the 2013-14 budget with Pomfret, Brooklyn, Canterbury, Scotland, Chaplin, and Eastford? **Response:** The Superintendent distributed a sheet comparing per pupil expenditures for a variety of small towns (Sharon, Cornwall, Canaan, Washington, Roxbury, Bridgewater, Chaplin, Salisbury, Scotland and Hampton) from 2009-10 to 2011-12. Hampton went from a State ranking of 9th highest in the state in 2009-10 at \$17,791 to 7th in 2010-11 at \$19,316 to 6th in 2011-2012 at \$21,338. Also listed on the sheet was a comparison with surrounding towns such as Chaplin, Scotland, Pomfret, Eastford, Brooklyn & Canterbury for the same period of time showing Hampton as having the highest per pupil cost for the last two years (see attachment).
8. Many line items have been reduced and many have stayed level, which is a good start and I applaud the school for it. However, I think the BoE should work with staff and administration to either make further reductions, eliminate increases, or find funds from other line items for those expenses that they deem priorities. Unfortunately, it is not a year to ask for salary increases or COLs, except in those cases where it's mandated by a contract. The \$35,000 proposed increase is arrived at after the BoE learned of a \$40,000 surplus, which surprisingly is not applied here, or it would leave a \$5,000 surplus; instead there seems to be an additional \$40,000 in expenses, which when the \$5,000 remaining surplus is used leaves the additional \$35,000 that the BoE is asking for. **Response:** A higher increase budget had originally been submitted; the Superintendent was able to bring down the budget with REAP funds and using undesignated activity funds that the auditor had suggested be used; these will go toward the purchase of 50 iPads for grades 4-6 this year instead of having that expenditure in the budget for next year. Unexpended funds currently go back to the general fund at the end of the fiscal year; those funds could be placed into a Capital and Non-recurring fund or an unexpended funds account set up by the Board of Selectman/Finance. Penny asked as a follow-up if such a fund would be an incentive to be more frugal. **Response:** No, not necessarily. Margaret and Sally then provided some background on how and why the current school Capital and Non-recurring fund had been set up (Anthem health insurance settlement and half-day, PreK tuition).
9. Also, in something not on the budget, and in re: the drainage problem at the school—it has come to my attention that the selectmen have found, with much research and by calling in other well and drainage professionals, that the issue can be appropriately addressed for a few thousand dollars, as opposed to the more than \$60,000 that the BoE is proposing via a contract with a well driller that would necessitate the destruction and reconstruction of a portion of the parking area. I propose that the BoE take the Selectmen's suggestion and ask the Board of Finance (BoF) for the \$1,000 to cover it, to be removed from the same account from which they requested funds to make the new server room. **Response:** The Superintendent is addressing the well/water issue with the Board of Selectmen (BoS), the Plant & Physical Operations Committee (PPO), an engineer, and a certified water system operator to come up with a plan that is fiscally responsible. Everyone is in the loop.
10. Line 102 the principal's salary is going up because "she is also the special ed teacher." (that's what I was told.) However, she was hired at 93,500 and the lower amount this year reflects that she did not start at the beginning of the year. 93,500 is to me an appropriate salary. It does not need the \$3,000 increase—it should stay at 93,500 and the increase would be about 5%, not 10%. **Response:** It was the previous principal who received \$93,500 as a salary. Principal Guari was hired at \$95,000, but the salary was pro-rated in the current fiscal year to reflect her start date of July 30th. She provided several days of work prior to her start date. She also serves as the Special Ed Director, saving \$8,000-12,000, and supplies much Professional Development which was previously contracted from EastConn at a cost. Her salary is in line with those in the surrounding towns.

11. Line 109: "Other Certified Staff" went up 953%--what is this for? There is already a line in for occupational therapist. **Response:** This line item provides stipends for Nature's Classroom, after school clubs, summer school teacher compensation (the latter moved from line 104). Line 104 Certified Staff now represents salaries for only the regular school year. Adding the two lines together reflects the replacement of a retiring teacher with one at a lower salary level, plus the contracted increase per the certified staff contract, effective through the 2013-14 fiscal year.
12. Line 111: Paraprofessionals: I do not understand an \$11,000 increase if there is not a significant increase in students. **Response:** The paraprofessionals line item is going up \$11,878. The non-certified staff used to get 100% health insurance; most of the increase in this line item is offset by a decrease in the health insurance line; the change is because the BoE has instituted for next year a 13% employee premium share, so they also raised the salaries of the non-certified staff so they would not lose ground, plus this line item includes a 2% increase. The 13% is the maximum the non-certified staff could be charged because the law states that no more than 9.5% of an employee's salary can be charged for their share of health insurance premium.
13. Line 302 Legal services have doubled to accommodate the contract negotiations next year. I am assuming that this can go down the following year without the MBR thing kicking in. Right? **Response:** The amount added to this line item is \$12,000 less that for the previous round of negotiations. There is no direct impact on the MBR but it does increase the bottom line which determines the MBR. The additional \$12,000 will not be needed for the subsequent fiscal year but by adding it in for next year, it will impact the MBR for future years as well. Jeff asked if the increase in this item due to negotiations could be added to the five-year plan wherever it occurs on the cycle. **Response:** Yes, this could be added to the five-year plan.
14. Total technical services (300) have gone up \$6,000. This should be cut to 0. **Response:** This category encompasses seventeen line items including those with significant increases: 302 Legal services due to negotiations, 312 Contracted enrichment for field trips, assemblies, 330 Other professional services for nurse's CPR training & increase in medical waste disposal, 332 Psychological services due to increase in PPT mandated services, 338 Physical Therapy services due to State requirements to support SRBI which helps prevent movement of students into special ed, 340 Technical services due to increased need for technical support given the purchase of the iPads previously referenced. Other line items in the category were decreased.
15. In the 38-page budget by section, I do not understand why many of these departments have "0" in their budgets and yet the %increase is listed as "100%." What am I reading wrong? **Response:** This is a glitch in Excel having to do with dividing by zero.
16. Every so often there will be a Total Expense Line item. Total Expense for which department(s)? Since it does not appear at the bottom of every department (preschool, guidance, etc) I don't know what the total is totaling. For example, the Health office has a total of 47,000 but the expenses do not total that. **Response:** This is a misread of the budget document. Each group of line items has a total which agrees with the sum of the lines above it.
17. Line 312 regular instruction: what is "contracted enrichment?" **Response:** This line item is for field trips, assemblies, and cultural events.
18. Guidance line 104 Certified staff: this position has gone up \$10,000. I have heard various bits of information regarding this position. I'm not going to outline them here because they are confusing. It should stay the same as it is. There should be a 0% increase. (that will in turn lower the benefits line item). **Response:** The Guidance Counselor position was increased from a .8FTE by .1FTE bringing it up to .9FTE, at the request of the Principal. The position, previously full-time, had been reduced by .2FTE in the current fiscal year, but the Principal feels that it was a mistake to have done so. There are student support needs, increased security concerns now and an extra pair of hands is needed in an emergency. When the Principal is the disciplinarian, the Guidance Counselor is needed

as a counselor. When the Guidance Counselor is absent, the Principal must serve in both of those roles.

19. 611 Guidance instructional supplies went up 81%--bring it back down. **Response:** The increase is only \$407 and is offset by a decrease by the same amount in 641 Textbooks.
20. There are two clumps of instructional supplies—one for the library (11,000) and the other for general (14,000) 24,000 is a lot of instructional supplies for not a lot of kids—and every year????
Response: These numbers could not be found in the budget. The grand total for supplies is \$11,620. The money goes toward, among other items, ink & toner, smartboard replacement items, pens, pencils, book covers (library) plus classroom supplies (general) plus many other items.
21. Superintendent office line 101—sorry, I can't see getting a 2% COL this year. Maybe the teachers have to because of the contract, but suck it up and stay at the 65,800. That plus a principal's salary of 96,000 for a school of less than 200 kids is more than adequate. **Response:** The salaries are competitive for schools this size in this area; the Principal works more than forty hours per week, and the Superintendent works more than twenty hours per week, performing a lot of duties that in a bigger school system would be delegated to others. It's a problem of economy of scale. HES Chair Burnham pointed out that the Superintendent receives no other compensation besides the salary – no health insurance or retirement per the agreement negotiated.
22. 3.98% of Exec Secretary/Admin Asst—and why 3.98? COL is COL—has to be the same across the non-union board, or zero. I vote for zero. **Response:** This position received a 2% increase plus an offset for the new 13% health insurance premium share.
23. Line 103 Business office - The Business Coordinator got a salary increase, not a COL, of 15%. Again, it needs to go back to 0%. **Response:** This position received a 2% increase plus an additional four hours per week. A cost comparison and work comparison was done with other districts and the person in this position is a bargain.
24. Every single department has a "supplies" line item. I would like to know how much \$\$ there is total, in "supplies," and what exactly these "supplies" are. **Response:** Line 601 General supplies at \$11,620 include such things as copy paper, envelopes, data management software, etc Line 611 Instructional supplies at \$26,328 include ink, toner, apps for iPads, pencils, etc. Line 615 Maintenance/Repair supplies at \$12,000 include toilet paper, trash bags, paper towels, ice melt, light bulbs, etc.
Luciann asked a follow-up question concerned the planned purchase of iPads. **Response:** That purchase falls under line 731, but REAP funds and activity funds which must be spent are going to be used for the purchase. iPads will be purchased for students in grades 4-6 this year; by 2015-16 there will be an iPad available for each student. The iPads will only be used for educational instruction and testing.
25. 2600 Building and Grounds: Housekeeping is 89,000 - The town does lawn maintenance. **Response:** This line item covers a contract with ServiceMaster: one person during the day and two at night to clean. It covers such duties as lawn maintenance, painting, shoveling, light maintenance, unplugging toilets, cleaning up spills, etc.
26. Equipment maintenance is \$5,000 (an increase). **Response:** This line item covers such things as servicing the tractor and maintaining law equipment.
27. The "building and grounds" person gets \$45,000, with a proposed \$1,000 increase. Why? What does this person do? They do not do the lawn. They do not shovel snow. Do they repair toilets? Is the person a certified plumber/carpenter/electrician? They do not clean the school. **Response:** This line encompasses grass seed, mechanical and other contracts, trash removal, tiling, plumbing, lock installations, water testing, small carpentry projects, etc.

28. There is a \$12,000 maintenance repair/ supply budget also, so there are other things that the position does not do. **Response:** This line item is for supplies used for maintenance and repairs such as hinges, wood hooks, flashlights, paint rollers, sponges, mops, switch plates, etc.
29. If a teacher retires while the student to teacher ratio is about 7:1 and the BOE is asking for a 1.82% increase, why would they not make a change to class sizes, and not hire a replacement? **Response:** The student to teacher ratio cited includes guidance, special ed, reading specialist, etc. There is only one teacher per grade. The school is making an investment in an assessment tool in order to explore the feasibility of multi-age classes in the future.
30. Why not reduce the MBR by the allowed 1%, meanwhile this could also churn additional savings into improved curriculum, which, in turn, would attract more families to send their children to HES? **Response:** Reducing the MBR by 1% is not permitted; can only except for reducing .5% by pre-approved new, documentable savings through shared resources or by \$3,000/student up to .5% due to reduced census total in the town. Supt. Graseck said that the MBR allows the administration to plan long-term.
31. Has there been a study as to why some residents send their children to other schools? How many are we losing out on? **Response:** Several families were interviewed by the Superintendent, and two families have returned their children to the school. They are both pleased with their children's return. The Superintendent feels that fewer children will opt to send their children elsewhere as the reputation of the school improves.
32. How many students are in each grade? **Response:** This was provided in the sheet previously distributed (see attachment).
33. How many special Ed students are there? **Response:** Eighteen, which represents 15% of the total school census; the State says the average is 12-20%.
34. What are paraprofessionals in the school office? **Response:** A paraprofessional gets paid extra for arranging for substitutes early every morning.

BoF members then asked additional questions/comments.

Luciann:

Is the budget for health insurance was accurate. **Response:** Assumptions were made that with a retirement, a new teacher might opt to take the maximum health insurance (employee plus family) so the budget reflects that.

Why was health insurance lowered for the health office? **Response:** The stipend for opting out of health insurance coverage was removed as a benefit for the coming fiscal year.

Why did health insurance go up in the business office? **Response:** with additional hours added to the work week, this position is now eligible for health insurance, a benefit totaling almost \$11,000).

Margaret:

Can the School provide for individual insurance, then if an employee wants family coverage, they can pay for it themselves. **Response:** the certified staff contract guarantees the health insurance benefit. That's not the way it works in the real world. There's no guarantee that a future contract will contain that provision.

Rheo:

What is the reason for the \$3,000 in line 235 Retirement? **Response:** it is anticipated that two retirements will occur; this represents the maximum sick time buyout for each of these anticipated retirees.

As far as the bus contract, would it be possible to eliminate a bus? What would happen to the Pupil Transportation line item if you did? **Response** by BoE member Donnelly: Keeping in mind the Shared Services Committee and its charge, the bus contract was signed for one year so that Hampton could

possibly join Scotland, which has one year remaining on their bus contract, in a “shared” transportation contract.

There are 120 students in the school. The other towns that were compared to Hampton as far as cost per student have a per capita income significantly higher than Hampton and can afford more. The BoE should think in terms of what the town can afford. I’m not challenging the cost of education or the per pupil cost. What’s the future of education in Hampton? If scores were terrific, would the school still be viable according to the taxpayers? When does the benefit of having our own school become outweighed by the costs? What about hooking up with another town or closing the school and tuitioning the students to school in another town? When the numbers are so small, the school can’t offer the depth of education. When does the BoE start to look at doing things a different way?

Response by BoE Chair Burnham: that’s one of the reasons the Shared Services Committee was formed, to see if we could share costs in different areas, some small and some larger. The BoE has taken a step back while dealing with the budget process. The idea had been presented to not only combine education in the towns but government as well. Hampton needs partners and the BoE is not sure who those partners will be. BoE Principal Guari agrees that at the high school level, sending the students to a larger school has benefits, but feels that it’s very important for elementary students to have a local school in order to bond. It’s hard to integrate into another community at the elementary level and she feels protective of the students and their experience.

At some point the economics become an incredible burden on the taxpayers. We have no other revenue, no business to help homeowners with the tax burden. People who grew up, lived here and retired here can’t afford to live here.

Dan:

Some people can’t afford to leave here because the property values have dropped so much, they’d take too much of a hit. They’re trapped here.

Luciann: This has nothing to do with how the great the school is. This is a business perspective, it’s like running a restaurant. You have to have a certain number of people coming in the door or you have to close. A lot of chatter around town is that the taxes are too high – it’s not just the town, the whole state. We have no idea what is going to happen at the state level. At what point do you say, it’s enough, it’s time to go to another restaurant.

Response by BoE member Ann Gruenberg: Last year there was legislation proposed that would mandate collaboration among towns. It did not go through because it’s not right for the state to tell the towns what to do and how to do it. The Shared Services Committee is a way to voluntarily collaborate. This is not limited to Hampton.

Response by BoE member Donnelly: This is not the venue for this discussion, it’s for a larger venue. BoE members are charged with running the schools, they can’t do anything about the lack of a business base, that’s for Planning & Zoning.

Stan: I suggest a proposal to tuition students to other schools and bank the savings for their college education.

Response by BoE member Donnelly: That would not be legal. **Response** by Supt. Graseck: The school attorney says that tuitioning out may be more expensive – there are hidden costs, for special ed, for example. He hopes to increase property values because of the attractiveness of the school; more people will want to come here. The small town has benefits of as much value as the offerings in a larger school that can’t be quantified in the economic sense.

Rheo: I’m trying to encourage “out of the box” thinking. Is the budget at its level just because of the MBR? If we’re spending money that we don’t need to meet the MBR, that’s wrong. Maybe it’s time for someone to step up, Columbia is already in the process. I don’t know what we’re going to do about this budget. What do you do, what do we do if/when this budget gets voted down? **Response** by BoE Chair Burnham: We need to have an overall town conversation about increasing the tax base; can we do something to encourage growth? There has never been a mention of MBR in the crafting of the budget.

If I thought there were things in this budget to cut, I'd advocate for that. If we have to reduce the budget, we'll find the least harmful way to do that. We are a very hardworking group and we know you get that.

Rheo: We've gone through both the town and the school budgets, and we need to decide what the process is going to be. Shall we decide what to do about these budgets or do we wait to hear from the taxpayers? We are not an elected Board, so I have a hard time telling anyone what to do. In November, the elected Board would be empowered to make those decisions. It's not known how the rest of the BoF feels but it's a conversation to be had at the next meeting on Tuesday.

2013-14 Budget Worksession: There was discussion of the scheduling of the public hearing and the town meeting. The BoF will present the two budgets as they are at that point at the public hearing, tentatively scheduled for May 2nd.

Date, Time and Place of next meeting: The next meeting will be another budget worksession meeting on Tuesday, April 23rd at 7pm in the Town Hall Community Room.

Adjourn: Meeting was adjourned at 10:10pm.

Respectfully submitted,
Kathi Newcombe,
BoF Recording Clerk

Attachments follow:

Enrollment Statistics

Hampton Elementary School Enrollment (April 2012-2013)

Grade	April 2013 Enrollment
Preschool	20
Kindergarten	19
One	11
Two	15
Three	14
Four	14
Five	16
Six	10
Total	119

Projected Elementary School Enrollment at Hampton Elementary School For Fiscal Year 2013-2014

Grade	Projected Enrolment 4/8/13
Preschool	20
Kindergarten	17
One	19
Two	11
Three	15
Four	14
Five	14
Six	16
Total	126

Cost Comparisons

Per Pupil Expenditures: Comparisons of Small Districts 2009-2010 → 2011-2012 (only official data available)

District	FY* 9-10	Rank	District	FY 10-11	Rank	District	FY** 11-12	Rank
Sharon	\$20,777	1	Canaan	\$22,106	1	Cornwall	\$24,881	1
Cornwall	\$20,673	2	Cornwall	\$22,051	2	Sharon	\$22,815	2
Canaan	\$19,959	3	Sharon	\$21,298	3	District 1	\$22,308	3
Washington	\$19,781	4	District 1	\$20,735	4	Canaan	\$21,395	4
Roxbury	\$19,781	4	District 12	\$20,469	5	District 12	\$21,681	5
Bridgewater	\$19,781	4	Salisbury	\$19,670	6	Hampton	\$21,338	6
Chaplin	\$19,355	7	Hampton	\$19,316	7	Salisbury	\$20,038	7
Salisbury	\$18,541	8	District 11	\$19,305	8	Scotland	\$18,961	8
Hampton	\$17,971	9	Chaplin	\$19,002	9	N. Canaan	\$18,746	9
Scotland	\$17,463	13	Scotland	\$18,959	10	Chaplin	\$18,509	10

Estimated Per Pupil Expenditure: 2012-2013 (Budget = \$2,256,188)

PreK-6 Estimated Cost Per Pupil: \$18,960
 K-6 Estimated Cost Per Pupil: \$22,790

Estimated Per pupil expenditure: 2013-2014: (Based on Proposed Budget = \$2,297,167)

PreK-6 Estimated Cost Per Pupil: \$18,231
 K-6 Estimated Cost Per Pupil: \$21,671

Per Pupil Expenditures: Comparisons of Local Small Districts 2009-2010 → 2011-2012 (some significantly larger than others)

District	FY* 9-10	FY 10-11	FY** 11-12
Hampton	\$17,971	\$19,316	\$21,338
Chaplin	\$19,355	\$19,002	\$18,509
Scotland	\$17,463	\$18,959	\$18,961
Pomfret	\$12,891	\$13,593	\$13,835
Eastford	\$15,560	\$14,960	\$15,466
Brooklyn	\$11,629	\$12,196	\$12,207
Canterbury	\$13,917	\$14,759	\$14,711