

GLASTONBURY BOARD OF FINANCE
Amended SPECIAL MEETING MINUTES (see pages 3, 4, and 5)
TUESDAY, FEBRUARY 5, 2019

The Glastonbury Board of Finance with Finance Director, Julie Twilley, and Town Manager, Richard J. Johnson, in attendance, held a special meeting at 4:00 p.m. in the Town Hall Council Chambers, 2155 Main Street, Glastonbury, Connecticut.

Roll Call

Members

Mr. Constantine “Gus” Constantine, Chairman
Mr. Jared Soper, Vice Chairman
Mr. James McIntosh
Mr. Walter Cusson
Ms. Jennifer Sanford
Mr. James Zeller

1. Education Operating Budget 2019-2020 – Council Chambers

Mr. Constantine called the meeting to order at 4:03 p.m. and the Board of Education Chairman, Susan Karp, approached the podium to explain that the Board of Education is responding to the needs of their students and any reductions made to their proposed budget will have a negative impact on teachers and students.

Dr. Bookman, Superintendent of Schools, stated that he watched the BOF’s last meeting and agreed with the Board’s comments on the Self Insurance Reserve Fund. Mr. Cusson explained that the Town may leave that program and asked the Superintendent if that would impact the Board of Education’s side. Dr. Bookman responded that it would not change anything, as the Board of Education expects well over \$6 million in that fund. Mr. Zeller asked if the Board has the staff to administer that, to which Dr. Bookman replied yes.

Ms. Sanford inquired about enrollment, stating that the Board of Education expects it to drop by 50 each year. Dr. Bookman explained that there may be a drop at the elementary level, but not in the middle school level, and if there are further drops in the high school level, they will reduce staff. Ms. Sanford commented that the Superintendent’s proposal to hire 5 full-time (over 10 part-time) nurses and a full-time electrician, combined with the decline in enrollment, means that the Board of Education is taking on liabilities for the future. Dr. Bookman disagreed, stating that many of those decisions were made to save the Board money overall.

Mr. Zeller asked for a follow-up about the special education tuition, which is stated at \$3.9 million, but the Board of Education budget shows \$4.3 million. Dr. Bookman explained that it is \$3.9 million plus the money for Links, so about \$4.2 million in total, leaving the Board about \$500,000 short. Mr. Zeller also noted that the Town is projecting a savings in fuel, but the Board

of Education expects an increase. Dr. Bookman replied that the increase is due to the rising cost of bus drivers' salaries. Dr. Zeller asked if the Board of Education's budget document could be produced on a program that is compatible with Microsoft Excel or some other spreadsheet. Dr. Bookman said no. Education Chairman Karp stated that the Board of Education responded on several occasions to the Board of Finance's requests to answer their questions.

Mr. Doug Foyle, Vice Chairman of the Board of Education, stated that page 16 of their budget fulfils State law/requirements and the Board of Education placed it there for transparency. Mr. McIntosh asked for the state regulations that govern the Board of Education budget, as he cannot imagine that all of the necessary information is covered on just one page. Finance Vice Chairman Soper inquired if the Board of Education conducted zero-based budgeting. Education Vice Chairman Foyle stated that he looked at the needs for next year and what they will cost, and repeated Education Chairman Karp's statement that the Board of Education provided more than what was asked for to the Board of Finance. Mr. Zeller asked why a couple pages (one on GPS Expenditures and Funding, another on Summary by Object/Equipment) that used to be included in past budgets were removed from this year's budget. Education Chairman Karp stated that that was the result of a discussion that happened last year, and that the information was deemed too confusing, rather than clarifying, to include.

Mr. Zeller asked the Board of Education if they have any objective data analysis to support their argument that any reductions in the budget will harm students. Education Vice Chairman Foyle provided some examples of specific harms to specific students, such as cramming 4 students into a 2-person biology lab, but acknowledged that some of the negative effects were mitigated by the Town Council's financial support last year. Mr. Zeller and Mr. Soper stated that there should be some tangible measure of drop-off performance that one could measure, such as standardized testing scores. Dr. Bookman stated that there is more to teaching and education than test scores. Mr. Zeller acknowledged that but maintained that there must be some sort of metric for measuring where performance excels and where it needs more focus. Mr. McIntosh clarified that, according to the Town Charter, the function of the Finance Board is not to make recommendations to the Town Council, but to adopt the budget and then present it to the Town Council. Mr. Soper added that on the bottom of page 3 of the Board of Education budget, it should read, the Town Council meeting is the *recommendation* of the BOF approval of the budget. Mr. McIntosh urged the Board of Education to look at the Town's budget, which is less than half the Board of Education's and has more objective, not subjective, points of measure.

Mr. McIntosh asked about the 4th generation strategic plan, as an example to tie the program to performance. He continued that the 5th strategic plan is the one that the Board of Education just adopted, which is much briefer than previous plans and it contains the statement that the Board of Education understands its fiscal responsibility to the community. Mr. McIntosh inquired as to what that fiscal responsibility was. Education Chairman Karp answered that it is to provide the best education in the most cost-effective manner.

Mr. McIntosh also inquired about the money for the Links program. Dr. Bookman stated that the checks for Links come in and the Board of Education deposits it with the Town, who then applies that money to their budget (either 1% fund). Mr. McIntosh stated that this is not what the Finance Board was told by the Town. He then asked if the Board of Education proposes to

expend the revenue of operating expenses for Eastbury School, as stated on page 92. Dr. Bookman replied that the money goes to several places: one is to general maintenance of Eastbury School (\$50,000) and some goes to special education (\$450,000).

Mr. McIntosh inquired about the Links Revenue Out of District Tuition, listed on page 14 of the proposed budget. Education Chairman Karp stated that the Board of Education took the \$450,000 they would receive from Links and placed \$395,000 of it to offset the special education tuition, \$15,000 went to substitutes, and \$40,000 went to professional development. Ms. Sanford remarked that the \$395,000 is a Links revenue offset and there are 2 other Links revenue offsets that are not described. Mr. Foyle stated that the Board of Education added money to tuition and then, instead of using taxpayers' money in tuition, the Board substituted Links money in that, thereby offsetting the \$450,000 in this program. Education Chairman Karp agreed with Ms. Sanford that there is a better way to represent this, but she wanted to veer towards transparency of exactly where their money was going.

Mr. McIntosh asked if there were two 1% funds stated on page 92. Dr. Bookman stated that there is only one 1% fund but 2 different items that it is going to: one is to save for Eastbury, the other is to save for next year. Mr. McIntosh expressed a desire for the Board of Education to show clarity in future budgets by noting that the 1% fund = Eastbury. Mr. Zeller suggested the Board of Education show the 1% fund with an over and under line. Dr. Bookman agreed. Finance Chairman Constantine asked if there is a special revenue account for that. Ms. Sanford asked if that asset is ever shared. Education Chairman Karp stated that yes, it is done publicly. Mr. Soper asked if there is an annual accounting of the 1% fund. Dr. Bookman said yes. Mr. McIntosh noted that it is not shown in the budget. Dr. Bookman explained that by the time they get to the budget, there is nothing left in the 1% fund, except for Eastbury, which is shown here.

Mr. McIntosh expressed bewilderment at the average salary of teachers, which is stated as \$95,000 in the budget—twice the state average of \$47,000. Mr. Foyle stated that Glastonbury has a specific 12-step system for teachers, where their salaries go up as they progress up the step ladder, and so in the context of that, the \$95,000 average makes sense. Mr. Soper asked what the general wage increase is. Dr. Bookman said that each contract is different. Mr. Zeller said that the Town's budget increase jumped because of pension and the Board of Education's jumped—by a greater proportion—because of wages. He noted that, though teachers work hard, they work on average 22.5 fewer days than the average person, so adjusted for that, their average salary is more like \$122,000, which is quite a lot. Mr. Soper stated that the increase in salaries in Program 2000 seems to be consistently larger than increases in other administrative areas. Dr. Bookman stated there may have been a step increase in staff, combined with a salary increase. Mr. Soper asked about the massive salary increase shown in program 3000. Dr. Bookman explained that, in that case, a younger teacher left so someone was hired with a much higher step.

Mr. McIntosh asked about program 2100: the leased office space, and how much of the \$470,000 is related to this unused space. Dr. Bookman replied \$130,000, explaining that they had a deal to sublease it, but it fell through at the last second, though they are actively trying to sublease it again. Finance Chairman Constantine asked how many years are left on the lease. Dr. Bookman said 2 years. Mr. McIntosh asked about the five-fold increase in the budget for program 2400. Dr. Bookman explained that was because they are using a tech system that tracks the location of

school buses to monitor for the speed of the buses and to increase the safety of students. The Board of Education is looking into reducing the cost of other line items because of this but has not decided on what or how much.

Mr. McIntosh explained that it was suggested that the BOF gets 6 iPads and they have been hesitant because of the expense. He then asked Dr. Bookman if they lease iPads for the approximately 6,000 students of all of their grades. The Superintendent replied yes but noted that this has actually been a money-saver since they no longer purchase textbooks. Mr. McIntosh also suggested the retitling of program 2800, called “Athletics Grade 9-12,” because there are things listed there that are unrelated to athletics and grades 9-12. Dr. Bookman explained that this line item has been there for many years, but it can be changed. Mr. McIntosh commented that there is no explanation in the proposed budget for the jump in program 3600 or how the money is going to be spent. Dr. Bookman stated that the entire plan is in the Superintendent budget plan, which the Board of Finance has not seen. He also explained that the Board of Education trimmed the budget by cutting out \$50,000 from the line item on special projects under operations and maintenance. Mr. Soper noted that the budget for program 3600 seems to vary dramatically, year after year.

Mr. Zeller asked what the tuition rate of each student will be next year. Dr. Bookman said about \$53,000 to \$54,000. Mr. Zeller also asked for a link to the NCEP data that the Board of Education used on page 88, since he could not find it anywhere on their website. Dr. Bookman stated the Board of Education went to each of the towns listed and looked at their budgets. Mr. Zeller replied that those numbers are never the same as the NCEP numbers used.

Mr. Soper commented that the Annual Fixed Costs on page 4 are not fixed but variable costs, as most salaries, benefits, and utilities are. Mr. McIntosh elaborated that the variable component is the number of units one purchases, not the cost per unit, which may be fixed. Mr. Soper also added to an earlier point that the student-teacher ratio is important, but it has been trending lower, as has the ratio of student-administrator, and statistically, class size has remained pretty constant. Mr. Foyle explained that class size has just started to slowly come down in grade 6 but the rest of the middle school grades hover quite high because of the core team system, where, for example, cutting a team of 5 teachers has ballooned class sizes. At the elementary level, there has been a concerted effort to bring down the average class size.

Ms. Sanford asked what the Board of Education’s plan is if the budget is cut—or rather, if they do not get the increase that they want. Education Chairman Karp stated that the Board of Education would have to have a long, difficult conversation with the public about eliminating teachers and from which department(s). Mr. Soper asked the Superintendent what balance he would be comfortable with in the Food Service budget on page 94. Dr. Bookman replied \$600,000 (3 months’ operating expenses), since more students are buying lunches than they have ever before.

Mr. Soper stated that liabilities for the Town is a big concern for him. He returned to the point of the Self Reserve Fund and stated that if the Town were to move off the plan, it may still benefit the Board of Education, but will become a higher cost for taxpayers. He also stated that the regular pension plan that the Board of Education is still on will cost more money, and the Town

is better served moving those employees to the hybrid plan. Dr. Bookman disagreed, saying that his actuaries told him the opposite.

Mr. McIntosh made a point about net pupil expenditure increasing, despite low inflation, declining enrollment, and stagnation in the number of teachers. Mr. Foyle stated that the inflation rate is not relevant because salaries are contracted and that benefits, such as healthcare, are far outpacing inflation, and the cost of education in general has gone up. Mr. Zeller reiterated that large class sizes does not necessarily equate to any harm to students, unless a correlation can be drawn linking larger class size to poor performance.

2. Public Comment – 6:30 pm in Meeting Room A

No one from the public approached to speak.

3. Education Capital Projects 2019-2020 – Council Chambers

The Board of Finance returned to Council Chambers and Chairman Constantine resumed the meeting at 6:40 p.m. Dr. Bookman explained that the Board of Education thinks they are in good shape about the roofs because money has been put aside in the CIP to do a study on them. He also stated that the Board of Education needs \$2.6 million for the locker room (field house) project, in order to meet the needs of the athletic program. Finance Chairman Constantine asked whether closing down the facility would avoid any problems. Dr. Bookman responded that they are required by law to provide a locker room for visiting football teams. Mr. Zeller remarked that Mike Connolly was upset about the field house and the Title 9 issue, and elaborated that last year, the BOF raised this issue but was brushed aside, and this year, it seems like the Board of Education is in crisis mode. Mr. Zeller also compared the pressing nature of the field house with that of the air conditioners. Mr. Foyle stated that the locker rooms have been on the agenda for at least 15 years and that the air conditioning was considered a priority project because an uncomfortable setting for students impedes on their learning.

Mr. Soper asked if the project could be done for \$2 million instead and suggested an alternative plan to put up a structure that is less costly for the storage. Dr. Bookman stated that the plan did not save money by removing the storage. Mr. Zeller expressed discomfort with the way this project was approached and wished that the Board of Education had expressed to the architects from the get-go that they only had \$2 million to spend. Education Chairman Karp stated that a lot of the original plan was whittled down to its bare bones, and the Board of Education hopes to not wait any longer on this pressing issue. Dr. Bookman added that the original plan the architects presented asked for about \$5 million, so they were able to bring down the price by about half by just making the locker rooms functional for their students. Mr. Zeller asked how they would plan on funding this because CIP cannot pay for all of it. Mr. McIntosh noted a semantic problem on page 76, which describes a field house “addition,” rather than demolition **of the existing structure.**

Dr. Bookman stated that the kitchen is a high priority project because it is not handicap accessible, so it violates ADA codes. Mr. McIntosh asked if any thought had been made to financing part or all of the cost of the food that is served there. Dr. Bookman explained that the cost for meals is already very high and a raise in price would decrease the number of meals purchased, thereby not saving any money. Ms. Sanford's summary observations were that this Board of Education budget is too large, and that we are spending beyond our means. Chairman Constantine confirmed final action at a meeting on Thursday, February 21, 2019.

4. Adjournment

Motion by: Mr. McIntosh

Seconded by: Mr. Cusson

BE IT RESOLVED, that the Glastonbury Board of Finance hereby adjourns their meeting of February 5, 2019, at 7:23 p.m.

Result: Motion passes unanimously (6-0-0).

Respectfully submitted,

Lilly Torosyan

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Recording Clerk

For anyone seeking more information about this meeting, a video on demand is available at www.glastonbury-ct.gov/video; click on Public Broadcast Video On Demand, and an audio recording is available in the Financial and Administrative Services Office.