

WEST HAVEN BOARD OF EDUCATION MINUTES
January 28, 2008
Special Meeting Bd. of Ed. as a Whole For Finance and Budget

The Special Meeting of the Board of Education as a whole for Finance was held at the Blake Building, 25 Ogden Street, West Haven. The meeting was called to order by Gerald A. Calabritto, Chairman of the Finance Committee at 6:00 p.m.

BOARD MEMBERS PRESENT: Mark Palmieri, Chair
Gerald Calabritto
Andrew DePalma
Patrick O. Egolum
Howard Horvath, Jr.
T. Sean Maher
Eric Murillo
M. Toni Paine
Robert Saley

BOARD MEMBERS ABSENT:

ADMINISTRATORS PRESENT: Dr. JoAnn Andrees, Superintendent of Schools
Neil Cavallaro, Assistant Superintendent
Gary Miller, Interim Director of Finance

Mark Palmieri, Chairman called the meeting to order at 6:00 p.m. with a pledge of allegiance to the flag.

Mark handed the meeting over to Jerry Calabritto, Finance Chairman. He stated items on the agenda tonight are: Budget Transfers and the 2008/09 Operating Budgets. There will be four budgets. He then turned the meeting over to Dr. Andrees who highlighted areas in the Power Point Handout Presentation. Some of the areas discussed were the budget transfers from the 2007-08 budgets and the recommendation of the new budget for the 2008/09 school year which reflects the vision of this board of education. We will also present a recommendation for the rink, stadium and food service this evening.

Dr. Andrees addressed the Board about the timeline for this budget. She stated we are on schedule to submit our requested budget to the Mayor by February 1, 2008. The Mayor submits the recommended budget to City Council no later than March 17. The City Council adopts an operating budget no later than May 5th. The Board then receives its bottom line and adopts an operating budget by June 30th.

The baseline budget continues services at current levels in 2008-09 and anticipates increases in utilities and rising health benefit costs resulting in a 3.12% or \$2.4 Million increase. The Administration is asking the Board to approve an increase of 4.82% or \$3.75 Million. This is less than what the board requested a year ago.

Mid-Year Transfers – We will ask the board to approve mid-year transfers totaling \$599,000. This amount came from primarily two areas salary savings and electricity savings.

Budget Distribution – 78% of our budget consists of salaries and benefits.

Special Education costs continue to rise and we are looking at possible increases of \$455,000. We are also looking at an increase in transportation of \$33,000. The overall student transportation represents a 1.5% increase or \$47,000.

Personnel Costs – contractual salary increase for current personnel is slightly more than \$1Million or 2.22%. The requested new personnel include 12 teachers that will be needed for All Day Kindergarten for next year. Other requests for personnel and increases for lunch aides and substitutes as well as an increase in hours for elementary clerks were listed in the handout as well. Neil Cavallaro stated the need for the requested new personnel.

Dr. Andrees stated that the demographics of our town have changed. Our ESL population has changed, our poverty rate has gone up, 46% of our students are on free or reduced lunch in this community at this time and growing. All Day Kindergarten will prepare students for an ever changing world and middle class students must compete with wealthy students whose education may be a bit more advanced. No student should be left out of the process of having an opportunity for All Day Kindergarten.

Employee Benefits – Health Insurance represents 1% of the total budget increase or \$780,000. Health benefits constitute 15% of the total budget. Other increases in Employee benefits are 0.1% or \$71,000 (Life Insurance, Workers' Comp and Unemployment Insurance)

Student Enrollment – There is a decrease of 508 students from the year 2005 and this trend may continue in our town.

Instructional Staff - Over the last three years staffing has been adjusted for declining student enrollment; the total reduction is 36.5.

As we decline in the population we have also cut our staff.

Dr. Andrees thanked Gary Miller, Neil Cavallaro and the administrative team and their staff in helping to get information to everyone tonight.

Gary Miller, Interim Director of Finance, passed out a memo giving highlights of the following areas and showing where the amount of **\$599,070 will be transferred:**

Salaries – As a result of staffing changes after the 2007-08 budget was adopted, we have saved \$482,605 along with \$100,000 budgeted in the severance account that was not used do to less staff leaving than expected.

Maintenance & Utilities – the electricity account has had a better performance than budgeted and he proposed reducing this account by \$266,216 and transferring funds to: heat for buildings (\$64,751), custodial supplies (\$35,000) and repair to buildings (\$150,000)

Transportation – The amount of \$62,470 will be transferred to this account to cover the anticipated deficit.

Other Purchase Services – Shortfalls continue in Food Service, Bennett Rink and the Fitzgerald Sports Complex. They will be covered now rather than at the close of the year by transferring a total of \$410,000 to keep them solvent.

Equipment - \$120,000 will be transferred to Instructional Media Supplies (\$15,000), Non-Instructional Equipment (\$25,000), and Technology Equipment (\$80,000).
Jerry Calabritto, Chairman of the Finance Committee.

The revised 07/08 Budget will come from the above changes.

Jerry requested a motion to approve the 07-08 Transfers
Mark Palmieri made a motion to accept the 07-08 Transfers
Andrew DePalma seconded the motion

Discussion: Mayor John Picard stated he has concern with the Food Service, Rink and Sports Complex shortfall and the \$410,000 that is required to cover the shortfall. If he was on this board he would be looking at how to do these things better because the \$80,000 that is going to technology and \$25,000 that is going to non-instructional equipment is money spent that we are actually doing things with. The \$410,000 spent to keep the Food Service Rink and Sports Complex solvent is a concern to him and he would like to see some sort of explanation and as the Mayor he is asking for an explanation; if the Board of Education does not require this.

There was no further discussion

All board members were in favor
None were opposed
No one abstained
Motion carried.

2008-09 Operating Budget Food Service, Rink and Stadium

Food Service

Gary Miller passed out a packet which included the Food Service 2008/09 Budget Worksheet and stated that every year we have been supplementing these programs because it is hard with the revenue and some of the limitations that these programs operate under.

Alan Belchak, Director of Food Service stated that there are ways to lessen the burden to the Board of Education but it will take planning innovation and change. One of the changes to help the Food Service would be the All Day Kindergarten where we will have more students that we can feed breakfast and lunch to. We basically serve on the average 50 children a day and if you multiply those figures out at the end of the year that is a large piece of change. His staff is down about 10% because the enrollment figures are down. The Healthy Food Initiative Contract restricts the sale of snacks (French fries, potato chips, and ice cream (except Blue Bunny which is made out of ice milk) and these articles were big sellers. The elementary school seems to be fine. We must look for other revenues and West Haven is approximately 46% free and reduced price meals to students and these are guaranteed sales every day. We have learned to turn the menu around to make it a little bit more enhancing so that we are serving at least 60% of the children in West Haven everyday. The POS Service System has made our schools more accountable for the type of meals being served.

We will have savings from the Department of Defense which will allow the purchase of fresh fruit and produce that will be shipped to the schools for the cost of only \$3.00 a case total cost. This is a big savings for us rather than paying \$30.00 a case.

Alan further clarified the benefits and disadvantages of being part of the Healthy Food Initiative. An example was French fries which cost us .18 cents to make and sell for \$1.25. We can no longer sell fries and this is a big loss.

There is not enough revenue generated by doing the Healthy Food Certificate and I will probably recommend to the board to not take the added 10 cents from the State under the Healthy Food Certificate.

The government will be passing a set of standards possibly this week which will be mandatory for the whole country. Connecticut has the strictest nutritional guidelines other than Texas. When it comes down to maintaining our income we can't make it on just selling the lunch we also have to sell healthy foods.

Mayor John Picard stated this board is presenting a budget with a perceived modes increase and status quo is sometimes something to get used to and that is not something that this administration is about. He wants to find ways to do things better with an 80 million dollar operating budget for the Board of Education how do we do it better there has to be various ways to do things better and to work within the budget that we have and go forward. We must work collectively and if you need help keep reaching out.

Howie Horvath asked if we were able to access other school systems, the programs they used and what their bottom line was. Alan Belchak said it is hard to compare as there are some very successful programs out there and some look successful but when you look at the bottom line they are not. Neighboring towns actually pay all the employee's benefits and in my department that would be \$250,000 alone. All of our budget expenses for the food department are right here and presented to my budget. We have tried to do more

catering and have tried to increase our summer lunch programs. We tried to bring in Living World but couldn't because they were not recognized by the State Board of Education and can not be a school until they are certified. Milk alone went us 20%. the cost of milk has risen 6 cents a container and how do we offset this. A further discussion ensued.

Jerry stated that Food Service has never and will never turn a child away for a lunch. Yes we make sure the child eats and will worry about the money later.

Rob Saley asked if Healthy Food doesn't sell. Alan responded not as well as popular food.

Eric Murillo asked how many children are we talking about whose application should have been received in October. Currently 12 but in September and October it can be 100. Eric asked what we are doing to make sure these applications are being processed. There is a lot of revenue here that we are losing. The principals have been very good in getting them to his office on time but the timeline is October 1st and everything is crazy then. Some parents assume when you fill out a lunch application it is good for the lifetime of the student but it is not it is a yearly procedure. Eric asked when the applications were sent out. Alan stated the first day of school and we have a 30 day window to work on the application. The year coming in works on last years applications. Neil said it is a better process now because it is all centralized and it is now one form a family.

Toni Paine said that for expenditures for this school year the state reimburses you but you don't get that reimbursement until in the fall. The board advances you the money and what happens when you do get reimbursed does it come back to the board or where? Gary Miller said this is already projected into the closeout for the year and we know how much the last two checks will be. We have already anticipated the checks and the revenue is already included. A further discussion ensued

There were no further questions on the Food Service Budget.

Jerry Calabritto asked for a motion to approve the Food Service Budget for 2008-2009.

T. Sean Maher made a motion to approve the Food Service Budget for 2008-2009

Mark Palmieri seconded this motion

No discussion

All in favor

No one abstained

No one was opposed

Motion carried.

Edward L. Bennett Rink

Gary Miller passed out the Rink 2008/09 Budget Worksheet and stated that Harry Conlan is here for discussion regarding declining revenue and will be able to answer any questions.

Harry Conlan, Manager of the Edward L. Bennett Rink greeted everyone and welcomed the new board members.

Jerry Calabritto stated the Rink at one time operated 12 months a year but this created more problems than the revenue it generated as the floor buckled etc. It was not designed to operate 12 months a year.

Harry stated that the Milford rink may be closing as Subway owns the property and may take it over. He went on to state that his customer base is falling away as other rinks get built in the surrounding areas. He mentioned a new rink that was just built in Wallingford. His revenue is declining due to these new rinks. He lost revenue from CHC Connecticut Hockey Conference as they moved up North and this will be a loss to us of approximately \$24,000. He is still working to try to save this revenue but is something he has no control over. Perhaps we will generate income by selling space.

Howie Horvath asked if revenues and usage are down are there any variable costs that will also go down. Harry stated there is a drop off in public skating we had averaged 135 and are now averaging 100. There is not the same crowd coming to the rink any more. Flyers have gone out to all the schools but the town is not in good shape and you don't see people going out to restaurants or events. There are no crowds here anymore. That doesn't mean we can't try to generate more revenue I think about it all the time.

Howie was wondering about the flip side. Is there a way to reduce costs if the usage is down; or is it not related as it may be a fixed cost situation? Harry stated electricity is the main cost for the rink. Most of the costs are pretty much fixed as far as salaries and the little overtime we have because we do have a senior league coming in at night until 12:00 PM and I have to pay people to stay there. We basically have people on the ice from 6:00 AM to 12:00 PM at night now for the nine months we are opened.

Patrick Egolum asked what types of activities are held in the rink. Harry stated that Girls' Hockey, Boys' Hockey and skating classes there all day long from 8:20 AM to 2:00 PM. Patrick asked if Ice Dancing was available or some time of activity like that which would bring in crowds. Yes, there are public skating sessions every Friday and Sunday night which is open to the public. He has hired a DJ to generate interest for the younger kids. This has worked and the people who are coming are enjoying this but it hasn't increased the attendance over all.

Eric Murillo asked if we could get another ice skating sport involved with the rink perhaps curling which would draw more people. Harry stated he tried three years ago to see if there was any interest in street hockey but it didn't work kids were doing other things. Gary Miller stated with curling you need a special pebble finish to the ice for traction and you wouldn't want to skate on it. A further discussion ensued.

Howie Horvath asked if there was an analysis done of surrounding rinks so we can see where things are different. He can't imagine all rinks are in the deficit. Let's understand why some break even so we can decide whether or not to use this as a model for

something we will do at some point. Let's take a look at three or four rinks and see what they offer. All budgets are public so let's look at them. Harry said most of their customers are paying and most of our customers are not such as the students, teams, classes etc.

East Haven is one of the few surrounding schools that have their own rink. Hamden's Rink is owned by the Park Rec. Howie stated it may cost half as much for the Board to rent someone else's rink lets get a cost comparison to see what is going on. I don't want to continue to do this every year.

Rob Saley asked how our fees were in comparison and Harry said last year the fees were increased 20% to bring us current with other rinks. We are right in line. We receive \$220 an hour for Youth Hockey. A further discussion ensued.

Eric asked what happens in the two months the rink is closed. Harry stated repairs and maintenance are done.

Mayor Picard stated we should continue to try new ideas and see where they take us as well as looking at other schools to see what they have done and will be doing.

Jerry Calabritto asked for a motion to approve the Rink Budget for 2008-09.

Mark Palmieri made a motion to approve the Rink Budget for 2008-09.

Eric Murillo seconded this motion

No discussion

All in favor

No one abstained

No one was opposed

Motion carried

Frank Fitzgerald Sports Complex

Gary Miller passed out the Frank Fitzgerald Sports Complex 2008/09 Budget Worksheet and stated that Chris Everone, Working Foreman of the Stadium, is here for discussion and questions associated with the running of the Frank Fitzgerald Sports Complex. He has direct oversight of all the figures associated with the Frank Fitzgerald Sports Complex. We are projecting that we may need \$76,500.00 to cover the Complex for next year. There are some real variables here.

Chris stated the revenues are down some of them aren't added to the worksheet as the City has not yet posted them. My rentals therefore are a little higher than shown but are down. There are more synthetic fields going in across the state that other high schools are using and therefore they don't come to West Haven any longer. High school events are off. He is guaranteed the football championships in December through CIAC. He just locked in softball and baseball semi finals so this is more revenue we will be receiving. The cost for supplies and freight has gone up. It costs more to ship the articles than the cost of them. He has piggybacked the orders with the Parks and Rec Department to save on freight over the past year. This has saved a lot.

Rob Saley stated that in terms of maintenance the budget was cut can you live with this. The actual is \$11,042 and the request is for \$7,000 will you be able to do this? Chris is trying and he foresees no major repairs only tune-ups for equipment in the spring.

Rob stated that concessions went from \$2,000 to \$12,000 what happened. It was definitely more than \$2,000 in 2005- 06 and I don't know why it was posted at that back then but we dropped the rent down to \$10,000 because we figured the complex was closed two months out of the year. This past year we had more in that account than shows up but the problem is that the concession stand will probably be condemned. The fire department stated they need to talk. We will probably need a new building.

Rob asked if the new concession stand is on the five year capital plan. Yes was the response. A further discussion ensued.

Rob was told that Madison, Guilford and Cheshire have the state paying a percentage of their turf. Chris said we are working on this and have spoken with Steve Dargen about this.

Toni asked if repairs to the floor come up are we responsible. Yes but that is in the operating budget not this budget.

Toni asked if the pool has been checked out this year. Yes nothing out of the ordinary is expected.

T. Sean Maher asked if any thought has gone into using space at the stadium for advertising. Yes, but the Board of Education has a policy of no advertising and that is one way to bring in far more revenue and I am for this.

Patrick Egolum asked why there is no advertising. He was told it was a board policy. He stated we can change it and all board members echoed the same thought. They spoke of revising it or changing it.

Jerry Calabritto stated that this was the wish of the prior board; they did not want advertising. If this board chooses to change that policy it has the authority.

Chris stated this would help us and we could probably do away with transferring funds and all of that with this extra revenue coming in.

Jerry stated this will be directed to our Policy Chairman, Eric Murillo.

Jerry Calabritto asked for a motion to approve the Rink Budget for 2008-09.

Mark Palmieri made a motion to approve the Rink Budget for 2008-09.

Eric Murillo seconded this motion

No discussion

All in favor

No one abstained
No one was opposed
Motion carried

Jerry Calabritto asked for a motion to approve the Stadium Budget for 2008-09.

Mark Palmieri made a motion to approve the Stadium Budget for 2008-09.

Toni Paine seconded this motion

No discussion

All in favor

No one abstained

No one was opposed

Motion carried

Board of Education

Dr. Andrees stated we are requesting the following increases:

Tuition	\$ 455,002	7.5%
Transportation	\$ 80,033	2.11%
Salaries	\$ 2,148,607	4.67%
Maintenance	\$ 151,932	3.18%
& Utilities		
Travel &	\$ 825,702	5.73%
Benefits		
Other Purchased	\$ 91,500	6.04%
Services		
Supplies etc.		Closed for next year

We are asking you to approve a budget totaling a 4.82% increase \$3,752,776 which takes us to \$81,574.502.

Jerry stated that this is an estimate of what this board feels we would like from the City. Our real work will begin once we get a bottom line from the City. This is our wish list an estimate to do what this administration feels is necessary to continue the education of the children of West Haven.

Toni Paine stated we need this amount it is not a wish list. Jerry stated you are right I stand corrected it is an estimate of what we need.

Eric stated that this budget is well put together and we have been very conservative and fiscally responsible this past year. I don't think it is unreasonable to request an 4.82% increase considering that beyond the ECS that the City receives they have come across more money from the State that has not been passed over to the Board of Education which was allocated by the State to the Board of Education and was not given to the Board of Education because the budget was approved before the money came in. The City of West Haven inherited an additional two to four million dollars that was supposed to be allocated to the board of education but the city kept it. Next year the state will

come up with more money which can give us what we need to help educate the children of West Haven.

Mark Palmieri commended Dr. Andrees, Neil Cavallaro and Mr. Miller for their communication to each board member in explaining this budget and making it so much easier to understand.

Jerry thanked Dr. Andres, Mr. Cavallaro and Mr. Miller for their hard work and dedication. He thanked his colleagues for taking the time to come in and get an understanding of the budget process. Our request for an increase is really only 1.72% over what a continuing service budget would be. What we are asking to continue the education of our children above and beyond just continuing what we are doing now is only 1.72%. You see in the paper towns coming in at 7% and 8% and I strongly believe that this board realizing the financial condition of the city sharpened its pencils and did the best it could to supply the children with the best education possible. He commends the staff for the fact that they have placed All Day Kindergarten for every child. Dr. Andrees has been an advocate of that and if it could not be for everybody it wasn't going to happen. It is here it our budget and we will see where it goes it is up to the City Council now.

Jerry Calabritto asked for a motion to approve the Board of Education 2008-09 Budget.

Toni Paine made a motion to approve the Board of Education 2008-09 Budget

Patrick O. Egolum seconded this motion

No discussion

All in favor

No one abstained

No one was opposed

Motion carried

Jerry stated at this point we can't vote on the capital plan. Mr. Palmieri will place it on the next board meeting agenda. We actually have until April to submit our Capital Plan.

Jerry asked for a motion to adjourn.

Mark Palmieri made a motion to adjourn

T. Sean Maher seconded the motion

Meeting adjourned at 7:25 p.m.

Respectfully submitted,

Marylou Amendola
Board Clerk