

Town of East Haddam  
Board of Finance  
March 12, 2007  
Special Meeting

**1. CALL TO ORDER**

The Special Meeting of the East Haddam Board of Finance was called to order on Monday, March 12, 2007 at 6:39p.m., at the Town Office Annex, by Chairman Matthew Budzik.

In attendance were Matthew Budzik, Bob Bennett, Tony Shetensky, George Giesey and David Meade-arrived 7:15pm.

Absent was Mark Fortier.

Also in attendance were First Selectman Brad Parker, Selectman Pete Govert, Stephanie Tatro, Fred Thumm, Bob Carroll, Dr. Steve Durham, Pam Gourlie, Bob Mather and Nick Iacovelli.

The Pledge of Allegiance was recited.

**2. Presentation of Public Works**

Mr. Thumm reviewed the Public Works budget in great detail. This document is filed at the Finance Director's Office.

Mr. Budzik questioned if the engineering line item figure was correct. Mr. Thumm replied affirmatively and that projects this spring would use the remainder of this year's budget amount.

Mr. Giesey and Mr. Meade informed Mr. Thumm that they were pleased with the improvements to the transfer station. Mr. Thumm explained the staff prior to the current was not performing some job duties as reflected in the higher gas consumption item in the budget.

Responsive to a question by Mr. Giesey, Mr. Thumm responded road related products line item was for money spent, which went into the roads. Mr. Thumm stated it was in the operating budget instead of in the capitol budget. Mr. Meade questioned if there was inventory reports to which Mr. Thumm responded affirmatively.

Mr. Bennett questioned if road improvements for the Middle School was in the budget. Mr. Thumm replied road improvements to Clark Gates Road were in the capitol budget. Mr. Thumm stated he would be performing some of the engineering for the project.

Mr. Bennett questioned why the dog van gas, police gas and senior fuel was included in the highway budget and not in their individual budgets. Mrs. Tatro speculated it was included in the highway budget because that was where they went to fill their vehicles. This item will be reviewed for next year's budget.

Mr. Bennett stated it would be helpful to included mechanical time into line item 753 Machine Equipment/Repair to get a better indication of over all cost.

Responsive to a question, First Selectman Parker replied work on fire trucks is in the fire department budget.

Mr. Thumm explained Line item 754, snow budget, was different than past budgets because treated salt will be used verses a sand and salt mix. Currently the cost for sodium chloride is about \$47 a ton. The current bid for the treated salt is \$60.80 a ton. The salt will be treated with liquid calcium.

Responsive to a question by Mr. Budzik, Mr. Thumm replied the cleaning of catch basins was contracted out. There are approximately 1700 basins in town. Mr. Thumm stated the use of salt verses sand and salt mix will reduce the cost of cleaning the basins by about half the price. Mr. Thumm stated opportunities to dispose of the sweepings and catch basin cleanings were disappearing. The DEP takes the position it is hazardous waste. Mr. Thumm stated they were currently disposing of the sweepings and catch basin clearings to people requesting clean fill. Mr. Thumm stated if someone requests clean fill; he determines with Mr. Ventres if the area is not near wetlands prior to delivering it.

Responsive to a question by Mr. Giesey, Mr. Thumm replied averaging of the costs for snow removal over the past several years was not an accurate way to determine overall average cost, due to increases in fuel costs, trucks etc. First Selectman Parker stated hourly wages could be accurately averaged. Mr. Thumm stated averaging dollars was not accurate but that averaging quantities was.

Mr. Bennett questioned if propane under item 755 Town Garage Maintenance was for all of the town buildings. Mr. Thumm replied no it was only for the garage.

Responsive to a question by Mr. Bennett, Mr. Thumm responded the scale at the transfer station was ready to go to bid and once it is installed; there will be an increase in revenue. This was not built into the budget.

Mr. Bennett questioned if the compactors and containers at the transfer station were rented to which Mr. Thumm responded affirmatively.

Mr. Thumm will review the budget to determine where the trucks and town vehicles are located within it and that there is no duplication in line item 753 and the transfer station.

Mr. Shetensky questioned if repairs to Landing Hill Road was in the budget to which Mr. Thumm responded no. Mr. Shetensky questioned if line maintenance was included in the budget. Mr. Thumm replied affirmatively.

Responsive to a question by Mrs. Tatro, Mr. Thumm explained the budget would benefit from the new salt program by reduced basin cleaning in next years budget.

Mr. Bennett asked if there was consideration to changing the hours at the transfer station. Mr. Thumm replied they were considering a change in which the transfer station would be open all day Saturday and a ½ day on Sunday with reduced hours during the week.

Mr. Thumm informed the board the new scale would provide new capabilities in that the haulers could be weighed and charged accordingly.

### **3. Board of Education**

Dr. Durham reviewed and discussed the following document:

- East Haddam Board of Education, Itemized Estimates of Education Expenditures for 2007-08. The document is filed at the Finance Director's office.

Dr. Durham explained that the Board of Education's budget had been predicated upon all of the board's long-range plans, specifically the strategic plan containing all of the educational initiatives. The original strategic plan has expired, making this budget different than last years. The board is currently collecting data this year and into the fall of next year to determine the effectiveness of the strategic plan. The ten-year New England Association Accreditation document has been received and will be made public soon. Dr. Durham stated the high school during the past Accreditation had not done well. The commendations of the most recent Accreditation are exemplary.

Dr. Durham explained part of the strategic plan was the development of a 5-year curriculum development cycle. This determined where the educational initiatives were coming from and had a significant impact on the budget (books, supplies, structural equipment). A long-range maintenance plan has been completed.

Mr. Budzik questioned if there would be a new strategic plan. Dr. Durham replied affirmatively, but it would not be immediate so that they could collect data to determine the effectiveness of the plan. They are currently in a data collection phase, which will last until next fall. A new strategic plan will be developed for the 2008-2009 school year.

Mr. Budzik questioned Dr. Durham's confidence that the new high school science and reading positions would be candidates with Masters Degrees. Dr. Durham replied the candidates would most likely be individuals making career changes through the ARC program. Dr. Durham was fairly confident the candidate for the science teacher would have a Masters Degree but that it may be difficult to get a dual certified teacher in biology and chemistry. Dr. Durham stated it was less likely the reading teacher would have a Masters Degree. Dr. Durham stated if an experienced teacher was hired the budgeted amount \$63,188 would need to be higher.

The strategic plan has increased the graduation requirements of 2001-02 of 22 credits to 2007-08 of 28 credits. This is a 25% increase in credit graduation requirements. Dr.

Durham informed the Board that the Board of Education believed the school system was just as good an option as some parochial schools, increasing the school population. Dr. Durham stated staff size has not increased significantly in 7 – 8 years yet educational experience has increased by 25%.

Mr. Carroll informed the board the non-certified personnel contract was currently in binding arbitration, which has a placeholder in the budget. The contract expired June 30, 2005. Mr. Giesey questioned when they projected a resolution. Dr. Durham replied he had been working to get both sides to get last/best offers in so the arbitration panel could rule before he left his position to take care of all of the details and not leave them to the new Superintendent. Dr. Durham stated he was not optimistic it would be before the summer. Mr. Giesey questioned if the anticipated settlement was included in the budget. Mr. Carroll replied affirmatively.

Referencing the Summary by object page, salary item #120 Temporary, Mr. Carroll explained the category was in place for unforeseen instances such as this year with an employee that is active in the military reserve. This person has been activated. His salary was built into the budget, but the temporary salary was utilized to hire a temporary replacement (his salary was not used).

Referencing the summary by object page item #430 Repairs, Mrs. Tatro questioned if the allocated amount had been decreased from what was originally proposed. Mr. Carroll responded it had been decreased by \$100,000.00. When the referendum was successful, nearly all of the middle school expenditures for repairs were removed. Dr. Durham referred to the repairs appropriations of July 01, 2006 for the amount of \$97,930. Dr. Durham pointed that the appropriation for July 01, 2007 was \$160,400. Dr. Durham stated the account was not large enough to begin with given the conditions and age of our schools. The projected expenditures June 30, 2007 are \$206,051. A board member questioned where the additional funds came from. Dr. Durham replied they were distributed from the over estimated health insurance line item.

Responsive to a question by Mr. Budzik, Mr. Carroll responded the contract bid with Nichols Bus was a 5 year contract with an option for a 2 year extension at they were currently on year 3 of 7.

Mr. Carroll informed the Board that item 530 Communications was currently a T1 communication system through AT&T and they would be changing to a fiber optic system. The fiber optic system is contingent upon consideration of an E rate grant that would offset the cost for approximately \$30,000. This fiber optic system will increase Internet capabilities. Mr. Giesey questioned if the \$7,000 increase was due to the fiber optic option. Mr. Carroll replied that the grant money was put into the budget and that the \$7,000 increase was the total cost including the fiber optic option.

Mr. Budzik requested an explanation of item 595 Planning Services. Dr. Durham explained the Planning Committee was developing a community-based survey. The survey will be finished in the spring and implemented in the fall. The implementation will

require funds to disseminate the survey, collect the data and collate it. Mr. Budzik questioned if there would be any other instances. Dr. Durham explained another instance would be if the board decided to hire a facilitator to work on a new strategic plan.

Item 623 Electricity has been locked in at 10.1 cents per kilowatts/hour. Mr. Shetensky questioned if there would be benefit if prices go down to which Mr. Carroll replied no because the price is locked in and it was not likely that electricity prices would go down.

Responsive to a question about item 626 Diesel Gasoline by Mr. Shetensky, Mr. Carroll replied although the budget expenditures to date were \$34,810 and the appropriation was \$80,000, the BOE will spend the additional funds. Mr. Carroll explained there is limited expense during July and August when buses are not used and there was a period of time in which the town was absent a Finance Director in which billing was not received in a timely fashion. Mr. Carroll stated the figure was only for September and October.

Responsive to a question by Mrs. Tatro, Dr. Durham explained there was a decrease in item 640 textbooks and an increase in item 641 workbooks because when the new foreign language program was implemented, workbooks were not used in the 8<sup>th</sup> grade. Dr. Durham stated they had created as part of the curriculum initiative a more advance Spanish program. The new Spanish teacher is requesting the corresponding workbooks to go with the textbooks. Workbooks at the high school must also be replaced.

Mr. Shetensky questioned the difference between item 730 equipment and item 735 instructional equipment. Mr. Carroll explained instructional equipment would be supplied in the classroom and equipment would be for items outside the classroom such as the office.

Mr. Shetensky questioned if the allocations for new musical instruments was for instruments, which students could not rent to which Dr. Durham replied affirmatively. Mrs. Tatro questioned if the BOE anticipated the purchase of a significant number of instruments in next year's budget to which Dr. Durham replied no the majority of the instruments had been purchased during the past two years.

Mr. Shetensky questioned if the projected student population of 400 was approaching capacity at the high school. Dr. Durham stated it was expected to go over capacity next year and the long-range projections demonstrate a decrease in the population.

Dr. Durham stated the request for the science teacher had to do with space in the lab and class size. Mr. Shetensky questioned if there was space for a new science teacher in the building to which Dr. Durham replied affirmatively.

Mr. Carroll stated the estimated revenue from ECS was not based on the governor's numbers.

Mr. Carroll explained the elementary school replacement of water supply well for \$400,000 under the Capitol Improvement Plan. The water supply has been cited by the Department of Public Health that the system is not up to current recommendations. Mr. Carroll explained they had challenged them because it was grandfathered because it was in place prior to 1972. The DPH has not pursued it. Responsive to a question by Mr. Bennett, Mr. Carroll explained the issues are that the fuel tank is too close to the well (within 75 feet), production of a significant amount of water (50 gal/min), the well is land locked in the courtyard (inaccessible) and there should be more than one well. Mr. Budzik questioned if there was anything wrong with the quality of water to which Mr. Carroll replied no.

Mr. Carroll explained the elementary school replacement unit ventilators for \$155,000 under the Capitol Improvement Plan. The classrooms have air conditioning/heating units under the windows; they do not air condition. They are noisy and disruptive. The replacement plan will be phased in over 4 years.

Responsive to a question by Mr. Meade, Mr. Carroll replied the mold issues had been resolved. Mr. Budzik questioned if the middle school window replacement in the gymnasium for \$100,000 was a one-time cost to which Mr. Carroll replied affirmatively. Mr. Giesey questioned if the high school chimney had been resolved to which Mr. Carroll replied no. Mr. Bennett questioned if the middle school roof patch had been holding up. Mr. Carroll replied yes, it even did well during the most recent rainstorm.

Mrs. Tatro questioned if the middle school window replacement of the gymnasium would be state reimbursable. Mr. Carroll replied it would be pro-rated over a 10-year period for school use.

Mr. Shetensky questioned if there had been discussions with the parents of the children needing the remedial instruction, that parental support was needed. Mr. Shetensky questioned if hiring someone was going to help the situation. Mr. Shetensky questioned if the parents were doing everything they could to help these children. Dr. Durham replied that the parents of these particular students are not involved at all, which was a part of the problem. Mr. Budzik questioned how many students it involved to which Dr. Durham replied 25 kids, most of which were juniors. There are 87 students in the junior class, 25 of which are in need of remedial attention. Dr. Durham stated the remedial position would be temporary. Mr. Bennett questioned if the problem was resolved in two years, where the teacher would be placed. Dr. Durham replied future positions would become available (retirements etc.) for placement of the teacher within the district.

Mr. Giesey questioned if the long-range budget for insurance was a projection to which Mr. Carroll replied affirmatively. Mr. Giesey questioned if they were negotiated to which Mr. Carroll replied no. Mr. Giesey questioned how they got authorized. Dr. Durham replied they were entitled to the insurance program through negotiations.

Mr. Budzik questioned the Building and Repairs line reserve of contingency of \$25,000. Mr. Budzik questioned if it was in past years budgets to which Mr. Carroll replied affirmatively. Mr. Carroll explained it was for unexpected expenses such as this year's boiler replacement at the middle and high school.

Mr. Budzik questioned if the Equipment, Music line allocation for \$10,000 was for the middle school to which Mr. Carroll replied affirmatively.

Mr. Budzik questioned the funds allocated for the System Wide Equipment. Mr. Carroll replied it was for the 5-year technical replacement of items such as routers.

Mr. Budzik questioned page 1.4c, Repairs Budget of an increase of \$62,000. Mr. Carroll replied it was for the replacement of dugouts (for one field) and plastic mulch at the elementary school. The teams cannot fit all of their players in the dugouts and this is a safety issue.

Mr. Budzik questioned page 3.9, Instructional Equipment, Building Custodial budget. Mr. Carroll explained the funds were for a \$2,300 carpet extractor at the middle school and approximately \$450 for a HEPA vacuum cleaner.

Mr. Budzik questioned page 6.2, Legal Services \$20,000 increase for legal services. Mr. Carroll stated it was for next year's negotiations of the teacher's contracts and the unsettled non-certified contracts.

Mr. Budzik questioned page 6.5, Building C & U Grounds for \$27,000 and \$31,000. Mr. Carroll replied the care and upkeep of the grounds, where the dugouts are located that \$18,000 of the increase was for the dugouts and that grounds also included the plastic mulch. Mr. Carroll stated the repair and maintenance under the buildings was for renovations to the elementary bathrooms.

Mrs. Tatro questioned page 4.4, Purchase Services new line for Science in the amount of \$11,500. Dr. Durham explained it was for Project Oceanography. Historically, the Ray Board of Trustees has paid the dues. The value of the Ray Board Fund decreased. Mrs. Tatro questioned on the same page the Principal Office decrease. Dr. Durham replied it was the dues, which were paid this last year to the New England Association of Schools to conduct the evaluation. This evaluation occurs every 10 years.

Mrs. Gourlie commented this would be the last time in which Dr. Durham would be presenting to the Board of Finance. Mrs. Gourlie stated that the Board of Finance's experience with Dr. Durham's had been one with high integrity, good communication and a nice relationship.

**4. Adjournment**

**Motion by Mr. Gieseey at 9:20 to adjourn. Second by Mr. Bennett and unanimously passed.**

Respectfully submitted,

David Meade  
Secretary