The Special Meeting of the Board of Education as a whole for Finance and Budget 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:**
M. Toni Paine, Chairman
Gerald Calabritto
Robert Guthrie
Raymond Collins
George Monahan
Eric Murillo
Howard Horvath Jr.
Krista Pickering
Mark Palmieri

**BOARD MEMBERS ABSENT:**

**ADMINISTRATORS PRESENT:**
Dr. JoAnn Andrees, Superintendent of Schools
Neil Cavallaro, Assistant Superintendent
Garth Sawyer, Director of Finance

The meeting began at 6:00 p.m. with a pledge of allegiance to the flag.

Toni Paine, Board Chairman stated that before beginning the meeting she would ask for a moment of silence for the family of Luciano Henriquez the father of Yania a student at the high school and Melany a student at Washington.

Toni handed the meeting over to Jerry Calabritto, Finance Chairman. He stated items on the agenda tonight are: Budget Transfers and the Operating Budget.

Mr. Esposito is in the midst of negotiations with the fireman and will not be able to present a program to us tonight but will be at our next Board meeting on February 5, 2007.

Jerry Calabritto stated this is a Board of Education meeting of the whole for the purpose of finance and budget.
**Food Service**

Garth Sawyer passed out the Food Service 2007/2008 Budget Worksheet and stated at this point we look from the yellow to blue columns - 2006 – 2007 Operating Revenue (Yellow) – and 2006 – 2007 Projected Revenue (Blue) and look at where we are. Alan Belchak, Director of Food Service stated that most of the adjustments between the yellow and blue at the high school level and middle school level are due to the Healthy Nutrition which restricts the sale of Gatorade or Powerade or anything that has more than 4 grams of sugar per ounce and these articles were big sellers. The elementary school seems to be fine. Our expenses have been held down in the commissary because our staff has been doing a tremendous job. We have been getting a more accurate count and there has been less waste.

There were no questions on transfers so Jerry Calabritto asked for a motion to approve Food Service Budget Transfers for 2006-2007.
Bob Guthrie made a motion to approve budget transfers for 2006-2007.
George Monahan seconded this motion
All in favor
Motion is carried.

Alan looked at the Total 2007-2008 Projected Revenue. On the first page the projected revenue is the same as the requested on the second page. We are hoping to get the same increase in all the elementary schools which is approximately 3% and that 3% is built in on item # 3072 – All Meals Reimbursement. This is increased every year by the USDA so we are hoping to get a 3% increase.

Basically we are in good shape with the equipment and machinery we have currently is operable. We have had very little expense this year because everything is relatively new. If we need anything in the future it will probably be trucks and that will be done with a five year plan.

Eric Murillo questioned the transfer from the BOE and asked that in the past did the Board pick up the benefits for the Food Service Programs? Garth said yes but now the auditors want to show the benefits in the actual food service fund.

There were no further questions so Jerry Calabritto asked for a motion to approve Food Service Budget for 2007-2008.
Ray Collins made a motion to approve budget for 2007-2008.
Toni Paine seconded this motion
All in favor
Motion is carried.

**Edward L. Bennett Rink**

Garth Sawyer passed out the Rink 2007/2008 Budget Worksheet and stated at this point we look from the yellow to blue columns - 2006 – 2007 Operating Revenue (Yellow) – and 2006 – 2007 Projected Revenue (Blue). Everything is basically in line with what was
expected. Electricity is about ¼ of this budget to begin with. Revenues are in line with what was anticipated. We need to increase the BOE contribution due to the cost of electricity.

Jerry Calabritto asked compared to surrounding rinks are we still compatible. Harry Conlan was available to discuss any questions regarding the Bennet Rink. He gave us the charges from the various areas for Youth Hockey.

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<tr>
<th>Rinks</th>
<th>Charge</th>
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<tr>
<td>West Haven</td>
<td>$165</td>
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<tr>
<td>East Haven</td>
<td>$175</td>
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<tr>
<td>Northford /Milford</td>
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<td>Shelton</td>
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Harry contacted the above rinks to get their fees and stated that West Haven Youth Hockey is the lowest. Jerry asked if we would be raising are rate due to the hit we are taking due to electricity. Harry stated that for the first ten days in January the cost of electricity rose $250 more per day than last year. The U.I. rates are up 50% now and by June it will be up to 60%.

Toni Paine asked if the skate shop was still empty. Harry stated this is something he would like to take over two years from now as an income booster. We currently have a contract in place which will expire in two years. The people who have this contract have been there 30 years.

Eric Murillo questioned why this wasn’t mentioned at the last meeting if we have a concession why can’t we manage it.

Garth stated we are under a contract now. Eric stated it was just signed a couple of weeks ago.

Howard Horvath asked what the value of public skate is just estimate it. Harry stated public skating has been down this year because of the warm weather. Now hopefully that it is cold more people will show up. He estimates based on the number of people who come perhaps 150 half of them will rent skates approximately 75.

Jerry asked for the appropriate motion to accept the 06-07 Budget transfers for the Rink. Mark Palmieri made a motion to accept the rink budget transfers for 2006-2007. Toni Paine seconded this motion
All in favor
Motion is carried.

Garth looked at the 07 - 08 Budget. We need to increase the budget due to the extra cost for electricity. We can look at additional rink rental. Harry stated we had extra rental revenue from Hamden Youth Hockey while their rink was being renovated but we will
not have this revenue next year. We lost $14,000 from the CHC (Connecticut Hockey Conference). They had a change in the President and Treasurer and they pulled out and went up North. This constituted a wash. I am negotiating to bring them back next year.

Bob Guthrie asked is this the meeting to approve rate increases? Jerry stated he would believe so yes. Bob asked if the Board would entertain a 15 or 20% increase in rental fees would this help. Absolutely was the response by Harry.

Bob would make a motion to have the Finance Director come back with information showing a 20% increase in rental fees.

Toni Paine seconded the motion.

Jerry asked if there was discussion on this motion and since there was none he asked all those in favor of approving the 07-08 Rink Budget with a 20% rate increase in rental fees say aye.

All board members were in agreement
None were opposed
Motion carried

Jerry asked Garth to re-run the budget and provide us a copy.

**Frank Fitzgerald Sports Complex**

Garth filled in for Chris Everone who was unable to attend. Garth stated that again we are going from the yellow to blue columns - 2006 – 2007 Operating Revenue (Yellow) – and 2006 – 2007 Projected Revenue (Blue). In talking with Mr. Everone while going over this budget he stated we had increased gains this year. The revenue increase allows us to lower the board’s contribution.

George Monahan asked if the salary was $2,000 less than what was budgeted for. Correct.

Eric Murillo asked who the temporary personnel people are. The response was the ticket takers.

Jerry requested a motion to accept the 06-07 Sports Complex Transfers
Ray Collins made a motion to accept the 06-07 Sports Complex Transfers
Toni Paine seconded the motion
All board members were in favor
None were opposed
Motion carried.

Garth looked at the 2007 – 2008 Budget. Electricity obviously is increased but fortunately not as high as the rink.
Bob Guthrie asked if we knew how the rental charges compare with the surrounding schools.

Neil Cavallaro stated they work around the two high school seasons free time as opposed to Harry. This facility is like a back up facility and is not used at all times.

Jerry asked Dr. Andrees to send a note to Mr. Everone and ask him to prepare an analysis for the Board of rates of like facilities in the area.

Eric Murillo asked what the Services Purchased expenditure consisted of. Garth responded the Police and Fire personnel necessary at games. He was also asked about the part time security which are the gate people needed for security along with police and fire personnel.

Bob Guthrie asked that the board be brought up to date regarding the concession stand as the contract ends this year. Jerry Calabritto requested that Dr. Andrees add this into the letter of request to Mr. Everone.

There were no further questions and Jerry asked for a motion to approve the Frank Fitzgerald Sports Complex 07-08 Budget.

Ray Collins made a motion to accept the 07-08 Frank Fitzgerald Sports Complex Budget. Bob Guthrie seconded the motion
All board members were in favor
None were opposed
Motion carried.

**Board of Education Transfers**

Dr. Andrees addressed the Board and wanted to discuss two points one is budget transfers. This is the half way point of this year and I want to remind the board that we still have adjustments to make during the rest of the year in terms of unexpected issues that might arise. At this time we have the opportunity to adjust our budget and provide funds for the health, safety and welfare of our students. It is also important that we stay within the appropriated budget.

One of the decisions that was made in June was to cut instruction by 50% and that money was put into salary account because we wanted to make sure we were not over budget in this area. As a result of this situation it is really not possible to maintain the level of instruction at the $774,000 level therefore we are requesting that adjustments be made to the budget so we may realize the supplies, technology, textbooks and materials.

We have funds in our budget because of the mild winter. We have worked very diligently on holding down our overtime. Staff worked very hard with us and we have held the line. In positions we needed to fill we tried to consolidated these and not fill them to save money and in some positions we used substitutes.
In June when our budget was set and ready 22 teachers resigned after the budget was set.  We did not know in June that these people might leave.  We had 4 to 5 positions we were not able to fill at all.  Senior staff left and we filled their spots with lower step staff.  This also allowed us some savings.  While we may have realized financial benefits for this it is not the way we want to run our schools.  You don’t want to run your schools with substitutes in your classroom nor do you want to loose your mature staff and fill these positions with young teachers just out of college.

The under-funded areas that I would like to discuss are Technology and Instruction (materials and resources).  Had we known in June what we know tonight we would have allocated more money to the Technology Budget.  The other area is instruction and that area is where we have the material we need for resources and we want to appropriate more funds to bring instruction back to a more realistic level.  Lastly, Joe Yacano and his staff are here tonight and they have been holding a lot of our facilities together with bubble gum and duct tape.  We are at a point now where we need to restore and repair these facilities for safety reasons.  She stated that Garth is here to discuss our recommendations for transfers.

Garth stated again we are going from the yellow to blue columns - 2006 – 2007 Operating Revenue (Yellow) – and 2006 – 2007 Projected Revenue (Blue).  The tuition is staying in budget at the current level.  In student transportation we have a small savings as we project that out.  In the contractual increases we did very well less than what we had to increase in the past.  The one area we needed to increase in salaries was that of the substitute teachers because of long term subs and positions that needed to be filled.  We took a lot of this money and moved it out into the Operational of Plant.  Electricity is an area that we need to increase due to a 50% increase for the next six months. We have factored this in.  There are some projects out there that we need to do and bump up repairs to buildings.  Everything else is status quo. We are not looking at any increases for benefits and fixed charges. We need a little extra money in postage as we factor it out from the prior year.  Instruction is where we put the bulk of our money because this is where it affects students directly.  We tried to reinstate as much as we could to a level we feel we could operate under.

Toni Paine questioned the extra postage amount.  Was that to initiate the Pitney Bowes.  Correct.  Is this a one time extra charge.  Basically we are on a lease and pay on a monthly basis. We are looking at saving 10 cents on every item sent out.  Tomorrow we will be starting the residence portion.

There were no further questions and Jerry asked for a motion to approve the Budget Transfers for 06-07.

Bob Guthrie made a motion to accept the 06-07 Budget Transfers.
George Monahan seconded the motion
All board members were in favor
None were opposed
Motion carried

We then moved on to the 2007 – 2008 Budget. Mayor John Picard gave a budget presentation with some very rough numbers.

85 Million is expected to be collected for taxes this year
20 Million is roughly our debt
65 Million is the difference
20 Million for insurance
45 Million is the difference
10 Million for the Police Department
10 Million Public Works and City Government
   Perhaps more than that say
25 Million is the difference

For the Board of Ed we have 25 Million left over. He took half the health insurance because the board pays half and put 10 Million back
35 Million is the new difference
40 Million additional from ECS
75 Million is the total number we are leaning very close to.

The Mayor stated the above is a very rough draft.

The Board thanked the Mayor for his presentation.

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 2, 2007. From February 3rd to the 28th the Board of Finance reviews our requested budget and the Mayor works on the Recommended Budget for City Council and we also submit our Capital Improvements to the Mayor as well. In March the Mayor submits the recommended budget to City Council no later than March 16. If we are on schedule the City holds public meetings no later than April 6th and the City adopts an operating budget no later than May 4th. The Board then receives its bottom line and adopts an operating budget. The bottom line is we are on schedule at this time.

Baseline increase is based on contractual increases and fiscal expenses. We must set goals and determine what new personnel we need. The large size building projects go into capital improvement. This becomes a working budget.

First the combined increase of both salaries and benefits is about 5.2 Million a 6.8% increase over this year’s budget. This doesn’t include increases for Operation of Plant or new personnel.

**Administrative Spending**
We are the second lowest in our DRG for the area of Administration. We are well below where the state average is. We are in the middle of the pack for school based administration.

Instructional Spending – Less than we were over the last three years in instructional expenditures.

Per Pupil Expenditures. We rank 105 out of 169 districts in the state. To improve in this area we must allocate more dollars to instructional expenditures. We have to put more money in our instructional account.

State Funding of BPE Budget – 52% of our funding comes from the state approximately. Unfortunately now at budget time we have no idea of what we are getting next year.

State Federal and Public Grants – There are some entitlement grants we receive. An area of concern is the lack of funding for bilingual education and Title III ESL. Our district no longer gets priority school dollars which was a big help for a five year period.

Mayor Picard stated that we are hoping we will receive more grant money and are lobbying hard. We met 3 or 4 days ago again requesting more money.

Enrollment – The numbers we are sharing with you tonight are pretty accurate. Instead of accepting information given by principals we have looked at trends over the last three years. The Middle School is declining and there is a smaller fifth grade class coming in and a larger 8th grade class is going to the high school. We lose students to magnet schools in New Haven and to private schools.

How Money is Spent. We are not pleased that less than 3.5% is spent on instruction which we consider our discretionary fund. We believe that more resources and funding is needed in this area. If you look at the amount we get it is very small.

Tuition – Special Ed costs consist of 21.08% of the total budget. We can not control this. Parents of special ed children shop cities to see which cities are Special Ed friendly and move to that district. West Haven is a friendly district and our costs continue to increase.

Analysis of DRG - Special Ed. We are in the middle of our DRG this is a fluid budget which we monitor closely. Every district’s percent went up. Annually this is an area of increase as we have no control of where out of district students are placed from DCF.

Special Ed Tuition for Outside Placement – This account represents all outside placement of Special Ed and the Sound School. 3% increase this year and expect 5% next year. We are at the whim of serving the school’s programs and the programs of any Special Ed student. You never know when a Special Ed child with needs will come into your district.

Jerry Calabritto stated when you spoke to Senator Hart didn’t she express her concern regarding the fact that she did not know that if DCF put a child in our district we had to
fund that special ed cost and she is looking for legislation to off set that. Dr. Andrees stated yes that DCF can take a child from outside our district and bring them to West Haven and then this does become our responsibility.

Transportation - minimal increase we negotiated a 0% increase with Greg this year.

Operation of Plant - A $150,000 increase is projected for next year. Within the next 3 weeks we will submit our capital projects budget to address our needs.

Benefits and fixed charges - Already this year a $600,000 increase has been shown over last year. Health Insurance – reinstate 1.8 million reduction taken from unrealized savings. This includes an increase in current year claims. Anthem is projecting a 10% increase. Decrease for plan changes made during contract negotiations should be approximately 500,000.

Other - Goal to keep budget at the level it was last year with the exception of Kindergarten and Middle School Sports. Middle School activities should allow for all children to participate. Any child who wants to play should have the opportunity to play.

Instruction – reinstate this to a realistic operating level back to where it was in 2005/2006.

Miscellaneous
MER is what the state requires us to spend in regular education programs. We back out special ed and transportation.

While we are lower we are doing better since 1995. We increased this by putting more dollars in the total instruction of programs and all staff associated with instruction.

Other Districts
We start off already with a 2.4% deficit because of our benefits being paid by the city last year. Of our current request of 6.99% budget 3.4% is benefits.

Summary

5.89% is status quo budget without all day kindergarten and middle school. 2.4% was restored to the Health Benefits from 2005/06 budget. The Superintendent’s recommended budget is 6.99%.

The Board thanked Dr. Andrees.
Jerry asked for a motion to approve the 2006 – 2007 Budget Transfers
Ray Collins made a motion to approve the 2006 – 2007 Budget Transfers
Toni Paine seconded the motion.
All in favor
Motion passes

Bob Guthrie stated he would like to thank Dr. Andrees, Neil and Garth in preparing the 2007 – 2008 Budget.
He made a motion to accept the 2007 – 2008 budget as presented by Dr. Andrees.
George Monahan seconded the motion
No discussion
All in were in favor
Motion passes

Dr. Andrees thank everyone for their help in preparing this budget and for their support as well.

Jerry thanked Garth, Dr. Andrees and Neil for their diligence.
We will call a special meeting during February for a Capital Gains Meeting.
Jerry asked for a motion to adjourn.
Ray Collins made a motion to adjourn
George Monahan seconded the motion

Meeting adjourned at 7:30 p.m.

Respectfully submitted,

Marylou Amendola
Board Clerk