

**Special Meeting Minutes
Fairfield BoE, January 20, 2015**

NOTICE: A full meeting recording can be obtained from Fairfield Public Schools. Please call 203-255-8371 for more information and/or see the FPS website (under Board Meeting Minutes) for a link to FAIRTV.

Call to Order of the Special Meeting of the Board of Education and Roll Call

Chairman Philip Dwyer called the Special Meeting to order at 7:35PM. Present were members Eileen Liu-McCormack, John Convertito, Donna Karnal, Jessica Gerber, Philip Dwyer, Paul Fattibene, Jennifer Maxon-Kennelly, John Llewellyn and Marc Patten. Others present were Superintendent David Title, members of the Central Office Leadership Team, Board of Finance Chairman Mr. Flynn and First Selectman Mr. Tetreau.

Business Items

Budget Section: Health and Benefits

Chairman Dwyer thanked First Selectman Michael Tetreau and Board of Finance Chairman Tom Flynn for attending. Dr. Title added that the Board of Education makes every effort to budget within the Town's expectations. Ms. Munsell reviewed pages 158 and 159 and Aon's projections using the November 2014 experience.

Mr. Tetreau thanked the Board for the invitation and said he and Dr. Title collaborated to ensure the Board of Education and the Town used the same assumptions and trend. He explained the Internal Service Fund is comprised of 3 separate silos: General Liability, Town Medical, and BOE Medical. The rating agencies look at the fund as a whole; when necessary, steps may be taken to address issues so that a favorable rating is maintained. For example, this was done last year; 500K was moved from a reserve debt fund to off-set the declining balance in the BOE medical fund.

Mr. Flynn thanked the Board of Education for their hard work on the budget process; he also thanked Dr. Title, Ms. Munsell, and their team for the quality budget presentation and budget book, and for being so responsive to requests. He commented on the statewide general ledger standardization that is in process and hoped that a chart of accounts could soon reflect program expenditures. Mr. Flynn felt, speaking on his own behalf, that he views the BOE medical insurance in the context of the Town as a whole. Mr. Flynn appreciated Dr. Title's invitation early on in the budget process to share his expectations which he summarized as follows: (1) cover expense and liability with contributions from the BOE budget (2) any surplus should improve the balance, and (3) the \$160,000 security infrastructure monies, once approved for bonding by the Town, be applied to the Internal Service Fund.

Dr. Title clarified that page 159 shows the cash balance in the account stays the same. Mr. Flynn also recognized that the number has improved by \$700,000.

Mr. Llewellyn asked about the cash balance of June 30, 2014, the frequency and use of AON reports to the Town, and the medical retention fund. Ms. Munsell directed him to the balance sheet, columns 4 and 6 for the cash balance. Mr. Tetreau and Mr. Flynn said they both receive frequent AON updates; Mr. Flynn said AON reports are reviewed more often before setting the mill rate. Mr. Tetreau added that there are 3 silos within the Internal Service Fund: (1) General Liability, (2) Town Medical, and (3) BOE Medical; each are budgeted individually but the rating agencies look at all 3 as a whole; good progress has been with the \$700,000 and the \$160,000, so the fund is well on its way to correcting the 1.5M shortfall. Mr. Flynn said he was pleased with the approach the BOE has taken but he views the fund as a whole. Mr. Fattibene asked about the effect of the 500K transfer from BoE to general liability, and offered that it is also advantageous for the Town to balance the BOE Medical Fund. Mr. Tetreau and Mr. Flynn said the 500K was transferred from the debt service fund to the BOE Medical Fund by the BOS, and the next day transferred to the General Liability Fund by the BOF; the deficit was due to a worse-than-expected experience and the use of different assumptions by the Town and BOE; the transfer gave the BOE time to improve. Mr. Fattibene said that in previous years the BoE had helped out the town side, so now hopefully the town would help out the BoE side.

Mr. Convertito asked whether the accounts will trend equally, now that both are using the same trend. Mr. Flynn said that is the expectation based on the actuaries, but the experience level is a factor. Mr. Tetreau said the numbers will always fluctuate.

Mrs. Maxon-Kennelly asked about the trend rate; Mr. Dwyer said a national trend rate is used.

Mr. Patten asked the length of time needed to build up the medical insurance fund and was told it depends on the experience. Dr. Title said he is committing \$860K to balance the fund and get the problem solved in one year. Mr. Tetreau and Mr. Flynn both agreed that a large surplus is not in the best interest of the taxpayer or employee.

Mrs. Liu-McCormack questioned what the right range was for the net balance, in terms of rating agencies – where do you feel comfortable; Mr. Tetreau said that is what the IBNR is used for – it shouldn't be negative, but should not be excessively positive either; the biggest driver is past experience. Mrs. Liu-McCormack asked what the amount was in dollar terms. Mr. Flynn said 0 or a little above 0. Mrs. Liu-McCormack said that the number we are at now is not optimal but is within reason. Mr. Flynn said that he looks at all of the numbers, and the greater context of the fund as a whole.

Mrs. Maxon-Kennelly asked whether the BOF and BOS would inform the BOE if more was needed and was told yes.

Mr. Llewellyn clarified the aforementioned expectation that any surplus would go towards this fund and Mr. Flynn confirmed that it was his expectation. Dr. Title added that this is the biggest budget driver.

At 8:30 PM, Mr. Tetreau and Mr. Flynn left to attend other meetings.

Mr. Patten asked about surplus use; Mr. Dwyer said surplus use is decided by the BOF.

Mrs. Maxon-Kennelly asked about the projected savings from the administrators' contract; Mr. Dwyer said the contract has not yet been settled.

Mr. Llewellyn asked about page 39 regarding teacher contract savings; when referring to page 78, under 201 Health Insurance, asked that dental and retiree numbers be broken out and provided separately both now and in the budget book going forward and asked why it had been done this way, saying he would like to make a motion to change that – he wondered why numbers are being combined; and asked for a 3 year history of retiree revenue vs. expense. Dr. Title said AON had to build in increases for expenses beyond the claims – this was provided to the BOE in previous documentation; as presented by AON in a recent BOE meeting, retirees pay 100% of the rate; retirees also get a state subsidy. Ms. Munsell said an arbitrary number has been assigned to retirees due to the difficulty in breaking out the Affordable Care Act and administrative fees; projections can be found on page 159.

Mr. Dwyer asked Mr. Llewellyn asked to submit a request by email as to what he would like to have done and what his questions were, and reminded Mr. Llewellyn that Board members were asked to submit complicated questions in advance.

Mrs. Liu-McCormack asked about using arbitrary numbers regarding the retirees and asked if somewhat arbitrary numbers appear elsewhere in the budget. Dr. Title said there weren't any others, but estimates are used; Ms. Munsell clarified that the allocation is arbitrary but the number is not.

Budget Section: Historical Data, Income

Dr. Title provided information on DRG A and B, as requested by Mrs. Liu-McCormack, and reviewed the revenue beginning with page 21.

Mrs. Liu-McCormack noted that Fairfield was low on the PPE for Southern Fairfield County and falls within the middle of DRG B. Dr. Title said PPE is controlled by DRG and location; the cost of doing business in Southern Fairfield County is higher than other DRG B towns.

Mrs. Gerber mentioned, in terms of DRG B, Fairfield has the second lowest increase in PPE from last year.

Mr. Patten asked about non-public transportation and PK tuition. Dr. Title said the non-public transportation monies go to the Town and do not impact our budget; the PK tuition was not raised but there are more full-pay students.

Mrs. Liu-McCormack asked for more information on the PK program including transportation and racial imbalance success.

Mr. Patten questioned the increase in allocations; Ms. Leonardi responded that this supports Child Find activities for non-resident students.

Mrs. Gerber requested a timeline for the security grant funding; Dr. Title responded that the first round of funding has been approved; a portion was used to pay for 2 private security duty personnel at the high schools, parking revenue will be used to off-set costs.

Mr. Convertito mentioned the Whitsons contract and the guaranteed profit; Ms. Munsell said that will go into a separate budget.

Mr. Fattibene requested an explanation of a bullet point on page 8, related to the Accounting Dept. Dr. Title responded that the Fairfield Public Schools assumed the BOE accounts payable responsibility from the Town, allowing the Town to reduce a position.

Mr. Llewellyn requested the food service budget, a PK student breakdown for full/reduced/free and racial imbalance, the number of new FTE's added to implement items on pages 17-19, a software cost breakdown for page 11, magnet transportation costs, and revenue for field rentals. Mr. Dwyer said the food service budget would be added to next week's agenda. Dr. Title responded that the items on pages 17-19 are performed by existing staff, however, a .6 position in the Business Office was increased to a 1.0 FTE position to address Obamacare and reporting requirements; the Dyslexia mandate is having an impact on professional development; a state subsidy is received for magnet students; field rental fees are now payable to FPS; the pay to participate fee is eliminated.

Mr. Patten asked for some examples of unanticipated rental events. Mr. Dwyer said that it might not be a new rental, but rentals are now coming to FPS rather than to the Town.

Mr. Fattibene asked if page 28 referred to income; Dr. Title said it shows where the revenue is spent.

Mr. Convertito, referring to page 27 asked if #5398 is a combined number; Dr. Title said yes it was and is expensed to custodial overtime.

Mr. Llewellyn asked about the placement of rental revenue; Ms. Munsell said it gets placed in the 'other' revenue fund and then is offset to the general fund.

Budget Section: Executive Summary

Mrs. Gerber requested more information on page 36, #133, Staff Replacement. Dr. Title said this includes two turnover accounts, one for non-retirement certified turnover and one for non-certified staff turnover; the current estimate for retirees is at 14.

Mr. Patten asked about page 37, regarding the increase in teaching staff; and lines 113 and 105. Dr. Title said the amount reflected on page 37 is budget to budget comparison not budget to actual; grants can also affect the bottom line; for budget purposes, line 105 includes the projected increase; line 113 does not.

Mrs. Liu-McCormack referred to page 35 and asked about (1) the increase in staff salaries and benefits from this year to last and fixed vs. variable costs, (2) actual fixed costs for this budget and additional FTE, (3) the increase noted on page 37, and (4) a breakout of line 131, the wage and benefit reserve. Dr. Title referred to page 140 to provide more detail and said the net on all salaries is up 2%, the savings on the teacher contract does not account for the 9% trend; there are a number of contract settlements that have major retro-pay. Ms. Munsell explained that when contracts aren't settled, the old rate is carried in the wage and benefit reserve.

Mr. Llewellyn requested an explanation for additional teachers at FWHS and RLMS, and would also like a copy of high school students by section, as provided last year. Dr. Title said the enrollment at FWHS is projected to increase; some new positions are for the autism program.

Mrs. Liu-McCormack requested a listing of teachers by section.

Mr. Llewellyn expressed concern for hiring an administrator and eliminating a teacher for the Walter Fitzgerald Campus (WFC); Ms. Leonardi explained that the WFC requires full time instructional leadership for its at-risk students; this would help avoid crisis and greatly assist the staff. Dr. Title referred to page 155 for a Special Education staffing comparison with other districts, and shows how Fairfield is understaffed in this area.

Mr. Llewellyn asked for a description of an instructional data analyst, and whether data mining is done in-house. Ms. Byrnes responded that the instructional data analyst supports the high demand for student performance data and other instructional requirements. Dr. Title mentioned that data will be collected for the District Improvement Plan, Ms. Byrnes said other than using a company-prescribed assessment, outside sources are generally not used.

Mrs. Liu-McCormack asked if anything in the budget allowed for the compiling and sharing of data with parents. Dr. Title said this is planned for, but standard iReady reports are not yet usable.

Public Comment

Suzanne Miska, Ryegate Road: Support for BOE consulting with other Boards.

Mrs. Liu-McCormack and Mr. Llewellyn asked when rubrics will be posted; Mr. Rafferty said they are currently shared during conferences and will be posted when final, after consultation with curriculum leaders.

Mr. Llewellyn asked about student transportation and fuel savings on page 45, conference and travel for new mandates on page 47, cost of students using color printers, World Language on page 49, and whether electrical and natural gas rates are locked in for the fiscal year. Dr. Title and Ms. Munsell responded that the fuel savings is \$80K, with the balance being excess cost reimbursement. Ms. Leonardi said the Dyslexia mandate is ongoing professional development for the next 3-5 years and costs are on page 152. Dr. Title said World Language costs can also be found on page 152, and he will check on the fiscal year rate lock.

Mrs. Maxon-Kennelly referred to page 53 and asked if any sacrifices were made in terms of the technology plan. Dr. Title referred to page 160-161; extra money was added to get the matching grant.

Mr. Convertito requested a breakout of accounts 305 and 315 on page 43. Mr. Coyne responded that boys swimming needed an additional rental. Dr. Title said legal expenses continue to increase.

Mr. Patten referred to page 47 and items 319 and 321. Dr. Title said it was a general PD account and Dr. Boice added that previously, a large portion was spent on Marzano training; this has now shifted to teaching in block style.

Mrs. Liu-McCormack referred to page 45 and requested detail on the number of buses and actual riders; additional information on the gifted program such as how many are accepted into the gifted program in the last 3 years; how many are accepted into the program who don't meet test criteria; and the cost to reinstitute 2nd and 4th grade testing. Dr. Title and Mr. Dwyer responded state law requires bus seats for all qualified riders, regardless of whether they take the bus.

Mr. Dwyer asked Mrs. Liu-McCormack to formulate her specific questions and send to Dr. Title. Dr. Title added that many information requests have been discussed this evening and he will do his best to respond to all of them by next Tuesday.

Mrs. Maxon-Kennelly asked Board members to cc the entire Board when emailing to the Superintendent to avoid duplication.

Mrs. Maxon-Kennelly moved, Mrs. Gerber seconded to adjourn.

Motion Passed 8-1

Favor: Mrs. Liu-McCormack, Mr. Patten, Ms. Karnal, Mrs. Gerber, Mr. Dwyer, Mr. Convertito, Mrs. Maxon-Kennelly, Mr. Llewellyn

Oppose: Mr. Fattibene

Meeting adjourned at 11:00PM

Respectfully Submitted
Jessica Gerber
Fairfield Board of Education
Secretary