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Patricia B. O'Sullivan
TOWN CLERK



Board of Finance Special Budget Meeting

Town Hall Meeting Room
Thursday, March 5, 2020 6:00 p.m.

(Unapproved)

Attendance

Board Members Present: Chairman Kevin Houlihan, Vice Chairman James Leahy, Kevin Moffett, Patricia Romano, P. J. Shanley, and Joseph Nuzzo

Staff: John Cifarelli, Finance Director; Audrey Geer, Assistant Finance Director; Art Williams, Treasurer; Deborah Satonick, Recording Secretary

Guests: Dr. Vince Scarpetti, Superintendent of Schools; Ms. Christine Koch, Business Administrator for OBOE

1. Call to Order

- Chairman Houlihan called the meeting to order at 6:02 p.m. and asked the Board members to introduce themselves.

2. Public Participation

- There was no public participation at this time.

3. Presentation of the Orange Board of Education 2020-2021 Budget

- Dr. Scarpetti introduced the members of the Orange Board of Education and thanked them for their attendance at the Board of Finance meeting. He proceeded by highlighting their Mission Statement and continuing goals for 2020-2021.
- Dr. Scarpetti discussed the growing population of children in grades K-6 in Orange. The projected number of children in this age bracket is 1116 for next year. This growth has prompted the need for two additional teachers next year. However, the budget increase of 7% is primarily due to high insurance claims that have occurred over the last two weeks. The proposed 2020-2021 budget is \$22,365,477, an increase of \$1,462,928.

- Dr. Scarpetti pointed out that 80-85% of the budget is contractual, comprised of salaries and Health Insurance. There has also been an increase in the proposed budget for legal fees, as four contracts, Administrative, Central Office, Custodial, and Paraprofessional, will be negotiated next year.
- Dr. Scarpetti reviewed the entire budget by going over each line item and answered all questions from the Board of Finance members. In explanation for the increase in line item #130 Interns and Substitute Teachers, Dr. Scarpetti explained that the school district is hiring permanent substitutes in attempt to provide quality teachers for students. Savings were realized in line items #121 Summer School, #169 & #170 Special Education, #182 Copier & Printing, #178 Network Service, and #201 & #202 Custodial Services. A question arose as to line item #217 Municipal Energy Program UI, and Ms. Koch will investigate what this line item is and will report back to the Board members.
- Mr. Leahy made a brief presentation regarding the impact of compound annual tax increases and explained all of the factors leading to the Town's AAA credit rating. Mr. Leahy also discussed the effect of Governor Lamont's budget and the decrease of \$98,122 in State revenue as reflected in the ECS Grant. He noted that the Orange Board of Education and Amity has offered residents decades of outstanding education.
- Ms. Romano inquired about PTE positions. Ms. Koch stated that these are the number of part time employees, under thirty hours, who do not get benefits.
- Mr. Leahy discussed classroom student size, noting that the Town of Orange continues to maintain a lower class size than neighboring towns within the same DRG. He presented a future "roadmap" to save taxpayer dollars for everyone. Class size has varied throughout the years and yet Orange has maintained excellence in education for decades. He suggested for consideration increasing class size to match other towns within the same DRG.
- Chairman Houlihan inquired about the Capital items within the Orange Board of Education budget. He thanked Dr. Scarpetti and Ms. Koch for their presentation.

Mr. Shanley made a motion for a five minute break, seconded by Ms. Romano. All were in favor and the motion PASSED.

4. Amity Update

- Mr. Nuzzo reported that Amity's current surplus is \$779,396. Their medical claims are up by 4.64% at \$188k. Mr. Nuzzo proceeded to give a brief overview of their current budget.

5. Discussion and Approval of Minutes - February 24, 2020

- The Board members reviewed the minutes and Mr. Leahy requested that additional information regarding Amity be included in the minutes. This additional information was noted and added to the minutes, as requested.

Ms. Romano made a motion to approve the revised February twenty-fourth, 2020 minutes, seconded by Mr. Shanley. All were in favor and the motion PASSED.

6. Budget Discussion for 2020-2021 Fiscal Year

- Mr. Cifarelli distributed updated budget handouts to all of the Board of Finance members. The current mill rate is 32.59 and the proposed mill rate for next year is 33.54. Mr. Cifarelli looked closely at the Town's Capital items in attempt to reduce the general budget. He located a total of \$605,623 in Capital cuts and presented these items to the Board members. After careful review, the Board members agreed to these adjustments.
- Mr. Shanley inquired about the teachers' contract and their salary increases over the next three years. Mr. Cifarelli advised that he will supply Mr. Shanley with this information. Mr. Cifarelli added that the New Haven Register, under the Freedom of Information Act, has requested the salaries of all Town and Police employees, as they wish to write an article and publish this information.
- Mr. Cifarelli reported that revenue is favorable at \$952k. The next scheduled Board of Finance Special Budget meeting is March eighteenth at 6:00 p.m.

7. Adjournment

Mr. Shanley made a motion to adjourn the meeting at 9:16 p.m., seconded by Ms. Romano. All were in favor and the motion PASSED.

Respectfully Submitted,

Deborah Satonick
Recording Secretary