

**CITY OF NORWALK
BOARD OF EDUCATION
FINANCE COMMITTEE
SPECIAL MEETING
NOVEMBER 23, 2015**

ATTENDANCE: Bryan Meek, Chair; Erik Anderson Mike Barbis (6:15 pm)
Sherelle Harris (Non-committee Board member).
STAFF: Thomas Hamilton, Chief Financial Officer.

Call to Order

Mr. Meek called the meeting to order at 6:05 p.m. and stated that members in attendance were as listed above, and there was a quorum.

Budget Workshop Session (to discuss various topics surrounding FY 2016-17 Budget)

Mr. Hamilton provided an overview of the budget process and explained that at this point the budget is being developed based on the following key drivers:

Major Budget Drivers:

- Salary & Wages is major element with the most negotiated contracts being settled. The NFT is less than a 3% increase with steps, NASA and NFEP are settled, and remaining unsettled are the Custodial Union, Executive Service Group, and Technicians.
- Health Benefits is a moderate 3.5% increase with a potential surplus of \$1million in the insurance fund. He reviewed the history of the 2012 \$4 million deficit and highlighted changes to high deductible H.S.A. plans that have transitioned this budget category to a positive asset. He noted that he will meet with the City's Finance Director to go through a draw down discussion.
- Special Education continues to be a major problem with budget overages due to increase in number of students requiring services (27%) and an increase in services for Occupational Therapists, Physical Therapists, etc. He noted that there was an increase in the ABA Therapists based on the CREC recommendation and the number of out of district placements, and (SPED) account will come in more than \$2 million short. There was discussion on measures to address these costs with an increase in Behavior Therapists and a consolidation of services for the Pre-K program.
- Plan for Alliance District Grant and Priority Schools District Grant – Mr. Hamilton reviewed the Superintendent's concerns with proper usage of these grants for Tier III and Tier IV interventions. He noted that the resulting re-allocation of costs of K-3 aides and Briggs staff from these grants to the local operating budget. Alliance grants are intended to help close the achievement gap and Norwalk Public Schools are in many cases not doing the Tier II and Tier III interventions that are needed because there is no funding assigned to that category.

Discussion of Board Priorities

Transition of Student Based Budget – Implications for budget submission and approval process

There was discussion on the timing involved to bring the building Principals up to speed on requirements to establish the SGCs and how they will be involved in the school budgeting process.

Mr. Barbis explained that this will be a very difficult budget year due to challenges is fund about \$1.5 million in expenses that have been covered by the state’s Alliance grant, and moving to a student-based budget model that will be difficult to maneuver with the Building Principals.

With a per-student allocation, the schools and School Governance Councils will decide how the money is spent, within parameters set by the district, but there are only eight schools of 19 with school governance councils and a policy has not been written, so this would take time. The Policy Committee will probably tackle the school governance council issue in January, which means it gets to the Board in February, he said. Then there has to be an election for teachers to be on the Council, and parents need to be recruited. By then the budget is done, he said. “When will there be period for parental involvement? All of this is going to happen, almost happen behind closed doors, and parents are concerned about programs being funded.

Mr. Hamilton explained how the internal budget would work:

- The district covers building expenses, transportation costs and central office expenses.
- The schools get a per-pupil allocation.
- In year three, the English Language Learners (ELL) and SPED costs will be handled by the schools, and we’ll need a formula for that.

Mr. Barbis explained that in the initial year in transitioning to a student-based budget there are going to be some accommodations. He added that switching to an eight-period block in the high schools will mean more teachers are needed. When during the budgeting process will the teachers union or the Parent Teacher Organizations (PTOs) be able to weigh-in-- this all needs to be thought out a little more. He added that this is going to be a very, very difficult budget year as we deal with this Alliance grant mess, the SPED mess, as we try to provide funding for Tier II, Tier III interventions.

There was further discussion on the timing of the new methods of budgeting. Mr. Barbis added that there’s a lot of moving pieces here and how we are going to rationalize assets, and rationalize funds, especially newly established programs that need to move to the next level. That includes the International Baccalaureate program at Brien McMahon High School and Chinese classes at the middle schools.

Review and Discuss 2016-17 Budget Development Process.

There was discussion on student allocation and funding costs that are worthy of Alliance Grant and Title I appropriations. Mr. Hamilton explained the strict guidelines and how free/reduced percentages determine the funding allocations. He then described the funding needed for interventions and those are not supposed to be using Title I funds.

Mr. Meek requested analysis of the current practices and how this will compare to Student Based Budgeting and prior formulas and ratios of student/teacher with funding comparisons.

Mr. Barbis asked that public workshop sessions be added to the above timetable so that parents will have an opportunity to comment and to have in depth input into the budget development recommendations in addition to those that are compiled by the Governance Councils.

There was discussion on timing needed to establish the Councils in schools where do not exist. He noted that only eight schools have SGCs, and there needs to be time set to vet through Policy Committee and there is a lot of work to do to change the procedures.

Mr. Meek stated that this is the first step in the preliminary workshop stage and as further budgeting details proceed, that would be the place for specific questions on details. Mr. Meek referred to the clerical efficiency study that was done by the personnel consultant group and asked members to review recommendations on job description consolidations.

Receive Budget Transfers

There was discussion on the budget transfer for ELL funding at Norwalk High School. Mr. Hamilton noted that this will come to the full Board for approval at the next meeting.

Review of October 2015 Financial Report

Mr. Hamilton distributed the report and it was agreed that independent review would occur and questions can be addressed by e-mail or brought up at the full Board meeting.

Public Comments – (None)

Mr. Meek noted that there will be a public comment portion at the end of each Committee meeting agenda. He asked if there were members of the public who wished to speak, they would be given three minutes to comment.

Next Meeting

There was discussion of the date and time of the next meeting, which was on the calendar for December 9. It was decided that based on the agenda, Mr. Hamilton will notify the members by December 4 if the meeting will be on or re-scheduled.

Adjournment

**** MR. ANDERSON MOVED TO ADJOURN.
** MOTION PASSED UNANIMOUSLY.**

The meeting was adjourned at 7:07 p.m.

Respectfully submitted,

Marilyn Knox,
Telesco Secretarial Services