

RTM Finance Committee

Report on 2013-2014 Budget

May 6, 2013

As stated in the Town Code, the RTM Finance Committee studies Town revenues and financial policies and practices, exclusive of individual department budgets. The Committee works with Town officials to secure adequate reports for the Representative Town Meeting. The Finance Committee further studies the current financial position, the financial aspects of the annual budget, capital requirements and long term financial planning. While individual department budgets have been reviewed by appropriate RTM Committees, the RTM Finance Committee met in two separate sessions to discuss the budgets that we will be reviewing. After a preliminary session reviewing various elements of the Town and BOE Budgets, Schools Superintendent Elliott Landon and Board of Education members, including Chair, Elaine Whitney; First Selectman Gordon Joseloff and Finance Director Gary Conrad were present on April 25th to review the BOE and Town budgets. On behalf of our committee, I thank all of the individuals for their patience in helping us deal efficiently with the many intricacies of the budget process.

This is the first of two budget reports prepared by the Finance Committee. The second report covering the 2013-14 Education Budget, will be presented tomorrow, Tuesday, May 7, 2013 during the discussion on that document.

BACKGROUND

The preparation of this year's budget was similar in many respects to that of the previous few years. All involved were striving to reach a budget increase that was as modest as possible. The discussions have been very responsible, with all parties aware of the need to keep expenditure increases to a minimum. The main reasons for this discipline remain the need to make progress in funding the shortfall of the pension and OPEB obligations that the Town's labor contracts require.

Our deliberations in committee meetings approved the adoption of the Town Budget as presented and approved by the Board of Finance (BOF) in its April 10 Meeting. The question of restoration before the RTM Finance Committee is often a broad and contentious issue. This year, although no department requested restoration through the BOF, we were asked for two such requests, one by Earthplace and another by the Westport Transit District.

Earthplace, for the past few years, has received an allocation from the Town of \$85,000. This year they requested \$95,000 largely as a show of support that the Town is invested in what they characterize as a turnaround. The RTM Finance Committee agreed that we should adopt this restoration as a sign that we believe Earthplace provides a valuable service to the Town, and as they are fulfilling a newly revised strategic mission, we should assist them in that move to the more relevant mission. They impressed us with their renewed financial discipline, which is evidenced by the rental of the main house on their

property (annual income \$45,000); a first contract by the EPA; and the renewal of their educational store on the premises. After a motion by Gil Nathan and a second by Dick Lowenstein, we approved the restoration unanimously 6-0.

We then considered the restoration of funds cut from the budget of the Transit District. That entity asked that we restore their proposed \$20,000 marketing budget which will assist them in studying various aspects of the transit ridership, and then responding to those constituents. Rather than go to the BOF for each small request, the RTM Finance Ctee agreed that the certainty of the funds and the ability to mobilize them when needed would be helpful in fulfilling the goals of the Transit District throughout the next year. After a motion by Lee Arthurs and a second by Allen Bomes, the six members present voted unanimously to recommend this restoration.

BUDGET RECOMMENDATION

Following these restorations, on a motion by Dick Lowenstein and a second by Allen Bomes, we voted unanimously 6-0 to adopt the \$75,618,367 Selectman's Budget for fiscal year 2013-2014. This is the total amount recommended by the Board of Finance plus the \$10,000 restoration of the Earthplace request and the \$20,000 restoration to the Transit District. In other actions, the Finance Committee voted unanimously to approve the BOF recommended budgets to the Sewer Fund (\$5,096,598); the Railroad Fund (\$1,892,977) and the Wakeman Town Farm Fund (\$116,555). (Voting: Jeff Wieser, Chair; Lee Arthurs; Allen Bomes; Richard Lowenstein; John McCarthy; Gil Nathan. Absent: Arthur Ashman; Lois Schine; Cathy Talmadge).

TAXATION IMPLICATIONS

Once the final Town of Westport budget is adopted by the RTM at its last budget meeting, the Board of Finance will set the mill rate for the 2013-14 fiscal year based on the Selectman's Budget of (1) \$75,618,367 and an overall Board of Education Budget of (2) \$117,382,406 for a total Town of Westport budget of (3) \$193,000,773. (1) and (3) above include the BOF Approved budgets as well as the \$30,000 that the RTM Finance Committee proposes in this report to restore to Earthplace and the Transit District Budget. These amounts represent increases to last year's final revised budgets of: Town Budget (1): 2.43%; Education Budget (2): 2.45% and Total General Fund Budget (3): 2.44%.

There are certain adjustments before the amount needed to be raised by taxes can be determined. There are non-budgeted expenditures estimated at \$692,514 consisting of pending labor and litigation settlements, which will be somewhat offset by an estimated \$200,000 in turn backs (unchanged from last year) from the current fiscal year.

The total amount to be raised in taxes is reduced by \$19,307,429 in non-tax revenue items (e.g., state grants, user fees, education revenues and collection of prior years' taxes.). This number is \$103,257 higher (net of last year's Contribution from the Fund Balance of \$2,800,000) than the current 2012-2013 fiscal year, with a slightly reduced contribution from Licenses and Permits and Parks & Rec revenues offsetting slight increases in the other areas of revenue generation. It is still uncertain if there will be a contribution this year from the General Fund balance, but it is expected that that Fund should equal

approximately \$20,400,077 at June 30, or 10.57% of the anticipated expenditures for 2013-2014. This is still in line with the BOF stated objectives of keeping the undesignated fund balance within a range of 9-11%, and this range is deemed to be satisfactory with the ratings agencies for keeping our superior bond rating safe. The level of undesignated fund balance is an important feature in the Town's discussions with the ratings agencies. It needs to balance a level of available "rainy day funds" with an undertaking by the town to keep tax rates as low as possible so that the balance does not grow to an excessive amount.

There are still a few more adjustments before we can calculate the tax rate. We next need to add \$1,625,000 for senior tax relief (deferrals and abatements) and another \$225,000 for net Certificates of Errors over Certificates of Additions (Assessor's corrections.) We finally need to reduce this amount by an estimated \$600,000 for supplemental motor vehicle taxes and \$100,000 projected for additional unscheduled revenue.

PROJECTED TAXES 2013-2014

After considering these adjustments, the net amount to be raised by taxation is \$176,035,858. Presuming a tax collection rate of 98.4%, the Board of Assessment Appeals is expected to propose a net collectable Grand List of \$9,799,580,760 (Adjusted for the Gross Grand List of \$9,804,698,690, as of Oct. 2012, signed Feb., 2013.)

This will result ($\$176,035,858 / \$9,799,580,760$) in a 2013-2014 tax rate of approximately 18.26 mills which, compared to a current rate of 17.91 mills will result in a tax increase of 1.95%.

Therefore, with the total taxation to be raised of \$176,035,858, determining individual taxes requires taking a property's value and multiplying times .01826 to determine the tax on that property

What does that mean to the taxpayer?

The difference in tax dollars on a \$700,000 assessed valued home is as follows.

2010-2011 taxes were \$11,844

2011-2012 taxes were \$12,201

2012-2013 were \$12,537

2013-2014 taxes would be ($\$700,000 \times .01826 =$) \$12,782

The increase is \$245 or 1.95%.

The proposed mill rate and the application of available surplus are still subject to the final approval of the Board of Finance.

OTHER FINANCIAL CONSIDERATIONS

Taxes, and the increase in the tax rate, are always a principle consideration of the RTM Finance Committee at this time of the year. There are other issues which are important to mention here, however.

The Town of Westport currently may issue \$11.8 million bonds in the 2013-2014 fiscal year. This represents \$5.0 million for the Town's share of the Library, \$2.4 million in sewers which will be assessed to the individual users, \$1.1 million for Town projects for culverts and Bridge Design and the renovation of the Longshore Pool. The Town's debt service over the last few years and cautious borrowing plan have produced a reduced debt burden on the town. Total Debt outstanding reached a high of \$177,120,000 at Fiscal Year End (FYE) 2006. At FYE2014, it is anticipated to be \$135,765,760 down \$2,600,000 from the year earlier.

Funding for employee pensions are reevaluated every year. The pension funds in the aggregate were reported to be under-funded as of June 30, 2012. Total funding is approximated at 79.5% of future liabilities. The recovering markets since 2009, however, have improved the outlook for the pensions. For the fiscal year ending June 30, 2012 the market value of the pension plans of the Town of Westport was 201,161,146 up 3.6 % from 6/30/2011). As of April 30, 2013 the market value of the pension fund was approx. \$228,685,000.

The request for the Annual Required Contribution (ARC) to the pension budget is \$8,022,000, compared to the contribution in the 2012-2013 budget of \$9,430,000. Retiree medical costs are now funded, per Governmental Accounting Standards Board statement No. 43 and 45, through the OPEB (Other Post Employee Benefits) Account. There will be \$18,489,000 million by 6/30/2013 in the OPEB Account and the budget this year calls for a contribution of \$6,665,000, as the town continues to build the balance to reflect the actual unfunded liability. This account has, of course, received much attention and as we transfer actuarial firms, the actual liability of this human resource benefit to our town's employees will be more closely and correctly monitored.

The medical insurance fund balance in the 2013-2014 fiscal year will increase the reserve to a more acceptable level and the General Fund budget for Health Insurance will remain flat due to favorable claim levels, reduced prescription utilization in addition to increase co-pays, premium share and plan design changes. This same reason will keep our 2013-2014 budget flat with an increase in the Fund Balance.

The Committee appreciates the assistance it has received in this budget cycle from the Administration, the Board of Education and the Board of Finance.

Respectfully submitted,

Jeff Wieser, Chair & Reporter

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TO: Patricia H. Strauss
Town Clerk
Westport, CT 06880

Re: RTM minutes

May 2, 2013

RTM Public Protection Committee: Richard Lowenstein, acting chair; Hope Feller, Velma Heller, Jimmy Izzo, Melissa Kane, Louis Mall, Stephen Rubin. Absent – Sean Timmins.

Attendees: Fire Chief Andy Kingsbury, Deputy Chief Bob Kepchar, Assistant Chief Robert Yost, Union President Nick Arsan, Lt. Brett Kirby, and Assistant Chief Michael Kronick for the Town of Westport Fire Department.

The committee met on Tuesday, April 30, 2013 at Town Hall in Room 309 at 6:00PM.

The purpose of the meeting was to discuss the Fire Department's portion of the Town of Westport Board of Finance Recommended Budget for the Fiscal Year July 1, 2013- June 30, 2014.

Fire Chief Andy Kingsbury presented along with Deputy Fire Chief Bob Kepchar. The fire department budget for 2014 is \$10, 014,926 an increase of \$284,074 or 2.9% from 2013 revised budget. The increase is attributed in large part to technology needs.

Key accomplishments: reduced fuel consumption by 6%, cell phone and data expense by 22%, switched emergency shelter from Long Lots to Staples High School. Revenues generated by the Fire Marshal are up 150% above 2012 and already exceed 2013 projections. Concern was expressed about workload and major upcoming projects.

Discussion focused on regionalized Fire Dispatching Center and IT needs. RTM members were made aware of the need for more IT support and the problems with virtualization software.

Future concern is to address capital infrastructure facility needs.

Committee members and the fire department expressed the need for more frequent discussions and planning prior to the budget process.

Action taken: Public Protection Committee voted 7-0 to approve the budget. Meeting adjourned at 7:00PM.

Respectfully submitted by Louis M. Mall RTM Public Protection Committee

Cc: Dick Lowenstein

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TOWN CLERK

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TO: Patricia H. Strauss
Town Clerk
Westport, CT 06880

Re: RTM minutes

May 2, 2013

RTM Public Protection Committee: Richard Lowenstein, acting chair; Hope Feller, Melissa Kane, Velma Heller, Jimmy Izzo, Louis Mall, Stephen Rubin. Absent – Sean Timmins.

Attendees: Police Chief Dale Call for the Town of Westport Police Department.

The committee met on Tuesday, April 30, 2013 at Town Hall in Room 309 at 7:00PM.

The purpose of the meeting was to discuss the Police Department's portion of the Town of Westport Board of Finance Recommended Budget for the Fiscal Year July 1, 2013- June 30, 2014.

Police Chief Dale Call presented the department budget. The police department budget for 2014 is \$9,563,396 an increase of \$243,490 or 2.6% from 2013 revised budget. The major increase is attributed to the addition of one position. The police department has NOT been fully staffed for the last 5 or 6 years.

Key accomplishments: Negotiated union contract, yet to be signed, with a 2% increase. Generating revenue by providing outside services to Board of Ed and other towns. Not reflected in any line item. RTM members would like to see revenue generated in the future. EMS virtually pays for itself. They need more volunteers.

Discussion focused on combined dispatch - police and fire. Chief is pushing hard for this. One of the biggest obstacles is dealing with multiple unions.

RTM members were made aware of the need for more IT support and the problems with virtualization software. Chief Call made it clear for the need for an IT person. Doesn't know if you can get both a techie and a police officer all in one. RTM members on the IT Committee offered to raise this issue at their meeting.

Also, future concern is to address capital infrastructure facility needs.

Committee members again expressed the need for more frequent discussions

Action taken: Public Protection Committee voted 7-0 to approve the budget. Meeting adjourned at 7:30PM.

Respectfully submitted by Louis M. Mall RTM Public Protection Committee

Cc: Dick Lowenstein

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RTM Public Works Committee

BACK UP MATERIAL
RTM ITEM # 4

pg 156

Date; April 24, 2013

Location; Town Hall, Room #309 (7:30 – 9:00 PM)

Purpose; Review 2013/14 Department of Public Works/WPC Budgets

Steve Edwards, DPW, outlined the Public Works/WPCF Sewer Budgets for the 2013/2014 fiscal year; overall budget, salaries, fuel costs, road paving, capital projects and 5 year capital forecast were all reviewed. The overall funding increase for the fiscal year is 2.7%. Mr Edwards explained that the major increases within his budget were within the storm allocation portion of the Highway budget (increase of \$90,000) due to the recent history of severe storms, Road maintenance increase of 2.5% due to the increased cost of asphalt, Part time custodian at Senior Center (4.6%), and Tree Maintenance (175%) due to the hiring of a full time Tree Warden and additional tree maintenance funds. Mr Edwards explained the difference in the types of road resurfacing and rebuilding projects scheduled for the upcoming Summer. There were savings within the solid waste budget of 3.5% due to the increase in recycling. With the exception of previously negotiated salary increases and some capital purchases the remainder of the budget items is basically flat or slightly increased from 2012/2013 fiscal year.

Mr Edwards pointed out that there is nothing within this budget to reflect any current or ongoing contract negotiations.

Mr Edwards explained the WPC budget has increased by 3.4% mainly due to increased costs in sludge removal. These costs are passed directly to the property owners on the sewer system through a sewer use fee.

Mr Edwards reviewed the 2013/2014 capital projects and purchases; office computers, GPS Positioning system, Chain saws, Asphalt hot box, Transmission flusher, Utility truck, Platform lift, Town hall bathroom renovations, Carpet at Town Hall and Police HQ, Duct cleaning at Fire HQ, Golf maintenance roof, Replacement of two VFD's at Sewer Treatment, Shop tools

The committee had several questions and clarifications then voted unanimously (5-0) to recommend the budget for approval to the full RTM as approved by the Board of Finance

In attendance;

David Floyd
Wendy Batteau
Cornelia Olsen
Jack Klinge
Jay Keenan (chair/reporter)

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To: Representative Town Meeting
From: RTM Health and Human Services Committee
Re: 2013-14 Budgets for the WWHD and the Department of Human Services
Date: April 15, 2013

Appropriation Requests: WWHD: 486,698; Health Services and HD passthrough:\$3700 DHS: \$1,017,844

Background and Budget Discussion:

WWHD:

While the Westport Weston Health District works closely with both towns, it is not an agency of either; rather, it is the "action arm" of the Connecticut public health system and operates under the state General Statutes. The town is mandated to fund the budget created by the WWHD, though this year as in the past, the Director has operated within town guidelines.

The '13-'14 budget is nearly flat, asking for an increase over last year of \$14,176., Until '12-'13 the state also subsidized the HD, but since last year's implementation of a policy requiring health districts to represent a minimum of 50,000 residents or 3 towns, (we fall some 4,000 residents shy and had near-misses for consolidation with nearby towns,) the state withdrew its funding (\$77,000.00) for the WWHD, which has had to deal with that deficit.

Effects of the current unstable financial situation had been mitigated by significant HD efforts (26% staff reduction, 4-year salary caps, aggressive expenditures reductions). The department was also successful this year in establishing a billing relationship with Connecticut's primary insurance companies, making it easier for residents to utilize HD services. It also (among other accomplishments) established pilot Saturday morning clinic hours. Environmental and nursing/clinic fees (other than flu shots, now offered by local retailers) have been recovering this past year, and grant funding increased despite reductions in available federal Homeland Security monies. Budgeted expenditures and revenues were almost balanced but increased emergency response funding and responsibilities (eg for storm Sandy) arose. In addition costs of operations rise: such as health insurance by 7% (est.), contribution to the state retirement plan. These factors account for the increase in requested funding. No new capital expenditures are planned for this year.

Committee members were impressed by the HD's management, efficiency, and the scope of services supplied to the community, and by its efforts to obtain outside grants and other resources.

DHS:

The Department of Human Services (encompassing Youth Services, Social Services and Senior Services) has this past year faced such challenges as high demand - particularly during emergency situations, while other agencies, such as the Red Cross, have left town. This year's establishment of longterm shelters at Long Lots School (81 higher-need residents) and the Senior Center (20 at-risk

seniors) during storm Sandy required a complex interaction of service workers. In the recent economic uncertainty DHS has handled a large and diverse caseload with about 1150 households receiving significant aid (exclusive of one-time requests, Senior Center visits, and the like) though the number of "graduates" approximately equals the number of new cases. THE DHS also implemented a cost-effective credit card system at the Senior Center, took over and improved efficiency of the application/intake process of the Energy Assistance program, and extended several outreach programs, among other accomplishments.

In the past year the DHS raised approximately one million dollars (roughly the same amount as the town's contribution) in donations, grants and in-kind services though the actual number of donors decreased. Efforts to maintain expense levels and to partner with community groups for new programming continue. Lack of space precludes detailing the scope of services and partner groups. (It was suggested that the department look into increasing some "optional" program fees in order to provide the first raises ever for Senior Center instructors.) This year's requested budget represents a 1.7% increase over '12-'13. Preliminary benchmarking analyses reveal that in a cohort including Westport, Wilton, New Canaan, Darien, Fairfield, Greenwich, Trumbull, Newton and Ridgefield, Westport ranks fifth in the amount each citizen invested in human services (1.30% of the municipal budget at \$37.44 per citizen. The requested increase is attributable largely to the facilities maintenance, the need for a new air handler at Toquet Hall (\$7,000), the 3% rent increase on a 10-year lease for that facility negotiated by the town attorney's office, and the need for updating unusually outdated database software. Initiatives for the coming year include the implementation of the Early Childhood Learning Collaborative with school and community partners, including referrals, childcare scholarships and parent education.

The RTM HHS Committee was extremely impressed by the scope of services provided by DHS as it maintains a relatively stable budget..

The RTM Health and Human Services Committee voted unanimously to recommend that

the 2013-14 budgets for the Weston-Westport Health District in the amount of \$486,698.00, a Health Services passthrough budget of \$3,700.00 and the Department of Human Services budget in the amount of \$1,017,844.00 be approved.

Respectfully submitted,

Wendy Batteau, Chair and Reporter
Diane Cady
Jonathan Cunitz
Stephen Rubin

Absent: Catherine Calise
Bill Meyer, Jeff Wieser

Also present: Mark Cooper, Director WWHD, Susan Heath Cocker, Interim DHS Assistant Director, ; Kevin Godburn, Director Toquet Hall

TO: Wendy Batteau, Chairman
RTM Health & Human Services Committee

FROM: Barbara H. Butler, Director

RE: DHS FY 2013-14 Budget

DATE: May 1, 2013

In response to Steve Rubin's request at the H&HS committee meeting we looked first at the direct services provided by casework staff and calculated the cost to Westport taxpayers of casework services delivered by the Department, The salaries of the DHS staff (six positions, five of which are part time) providing casework services to Westport residents total \$252,968.00. This cost divided by the number of households served averages \$223.00 per household served. In addition we considered the funds allocated in the Department budget (520 and 530) for emergency financial assistance, a total of \$27,000.00, and the total cost per household served is \$246.00.

I think it is worth noting that the value of the goods and services delivered to income eligible households as a result of the casework services provided averages \$696.00 per household, almost a threefold return on the town's investment. It is also important to note that a household represents between one and six people, and the majority of the households served have incomes below the Westport Warm Up Fund guidelines, i.e. 60% of AMI (Area Median Income). This means that a majority of the households receiving financial assistance have incomes between 0-\$90,000.00.

Other residents included in our caseload numbers who may not need financial assistance would include Westport residents needing assistance with issues such as Medicare Prescription Drug Plans, disability issues (themselves or a parent or child), and mental health referrals or short term counseling provided by our Department social workers/ counselors.

And of course it is important to note that these numbers are an average; some cases are much more complicated and require more staff time than others, and some are simpler and may need only occasional attention and/or a relatively brief consultation.

I'm not sure if the committee wanted a similar analysis of the use of the Center for Senior Activities and Toquet Hall, or if you were primarily interested in the cost to the taxpayer of social work services. Please let me know if that is something you would like me to work on and I will try to get it to you as soon as possible.

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To: Representative Town Meeting
From: RTM Library, Museum & Arts Committee
Date: May 3, 2013
Re: 2013-2014 Budgets for The Westport Public Library and Earthplace

The RTM Library, Museum & Arts Committee met on Wednesday, May 1, at 7:30 PM.

The purpose of the meeting was to consider the 2013-2014 Westport Public Library and Earthplace Budgets as recommended by the Board of Finance, as well as to consider the request by Earthplace to reinstate \$10,000 to its budget, and to make recommendations to the RTM.

Appropriation Requests:

The Westport Public Library has requested \$4.2M from the town for their operating budget. This is a .4 % decrease from the 2012-2013 allocation.

Earthplace has requested \$95,000 for their operating budget. This is an 11% increase over the 2012-2013 allocation.

Observations and Discussion:

Library

- Assistant Library Director Paul Mazzaccaro presented on behalf of the WPL.
- Recent investments in technology (RFID/ILS appropriations) will save approx.. \$44,000 in fiscal year 2013-14, with a recurring savings of close to \$60,000 each year after, and has also resulted in a reduction of 1.6 full time employees.
- Comparisons to area libraries show WPL providing great value in tax-dollar-per-transaction, among other positive statistics.
- Committee members acknowledged the continued efforts of Library staff and board members to serve Westport efficiently and with excellence, and especially the impressive value the town gets from the institution despite operating in an older physical structure with multiple inefficiencies.

Earthplace

- Interim Executive Director Marie Dalton-Meyer and Board President Julia Malley presented on behalf of Earthplace.
- Earthplace is seeking the \$10,000 restoration to put toward technology and infrastructure upgrades - specifically an upgraded phone system - in order to help 'get its house in order'
- Presentations were shown on the Harbor Watch program and the 83 acres of open space and wetlands that Earthplace oversees/stewards on behalf of the Town of Westport.
- Earthplace projects that their preliminary 2014 budget will break even.

- All present agreed that Earthplace would benefit from increased communication and regularly scheduled meetings with the RTM Library, Museum & Arts Committee.
- The Committee feels the Town receives very good value for the multiple services it receives from Earthplace and acknowledges its efforts to reorganize, increase fund raising revenues and modernize while keeping costs low.

Recommendation:

Members present voted unanimously in favor of recommending:

- That the RTM approve the Westport Public Library budget as recommended by the Board of Finance (motion made by Ms. Batteau, seconded by Ms. Olsen)
- That the RTM approve the Earthplace budget as recommended by the Board of Finance with the addition of the \$10,000 restoration requested by Earthplace. (motion made by Ms. Feller, seconded by Ms. Olsen)

Present

Wendy Batteau
Cornelia Olsen
Hope Feller
Melissa Kane

Respectfully submitted,

Melissa Kane

RTM PUBLIC WORKS COMMITTEE MEETING

BACK UP MATERIAL
RTM ITEM # 9

DATE; April 24, 2013

TIME; 7:30 PM, Room #309

PURPOSE; Review requested expenditure by Public Works Director (Steve Edwards) for an appropriation of \$492,000 to fund various projects resulting from damage related to Storm Sandy.

PRESENTED BY; Stephen J. Edwards, Director of Public Works

Mr Edwards requested the appropriation of \$492,000.00 to cover the necessary work required to repair the damage caused by Storm Sandy. Mr Edwards explained where the damage occurred and how the funds would be allocated;

Harbor Road Seawalls - \$222,000 (1,670 lf of stone seawall, gutterline and repave)
Hendricks Point Stabilization - \$250,000 (1,150 lf of slope pavement, stabilize, topsoil)
Herbert Baldwin Culvert - \$20,000 (Reset stone adjacent to culvert)

Mr Edwards stated that the Town would be reimbursed for 75% of the repair costs by FEMA (\$369,000 FEMA/\$123,000 TOW). Mr Edwards explained each project and how FEMA determined the eligibility of each project. Mr Edwards felt that this would be the last of the appropriations necessary from his department for Sandy repairs. The previous repairs (approved in February) were for \$335,000.00 bringing the total for repairs from PW department for Sandy to \$827,000.00.

Motion was made to approve the appropriations, and it was unanimously passed to recommend approval to the full RTM.

In attendance;
David Floyd
Wendy Batteau
Cornelia Olsen
Jack Klinge
Jay Keenan (chair/reporter)

To: Representative Town Meeting
From: RTM Education Committee
Re: Board of Education Budget: 2013-2014
Date: May 7, 2013

BACK UP MATERIAL
RTM ITEM # 1

Appropriation Request:

The Board of Education proposed Operating Budget of \$104,181,513.00 for the 2013-2014 school year was reviewed and recommended by the Board of Finance.

Background:

The 2013–2014 BOE Operating Budget went through a lengthy review process. The Superintendent’s proposed budget request was discussed over the course of many BOE meetings and after intensive scrutiny by board members was then reduced by \$1.2 million before being presented to the Board of Finance.

The BOE Budget request represents a 3.95 % increase over the 2012-2013 budget. It is important to note that increases in this budget are the result of Contractual Salary and Benefit increases up 3.61% (comprising 82% of total budget costs), Special Education cost increases of .20 % and Program Enhancements of .14%. Enrollment across the system for 2012-2013 is projected at 5813 with an overall reduction of 12 students compared to the current school year. The breakdown of enrollment by level projects elementary enrollment at 18 fewer students; middle school will increase by 14 and high school levels will drop by 8 students. The 3.95% budget increase still puts Westport second to lowest in total rate of budget increases over the last five years within our DRG, second only to Weston. Staffing is projected at 887 FTE, up 7.75 over this year’s figure based on targeted program improvements at the elementary and middle schools, special student needs and the inclusion of 3 reserve teachers. Average per pupil costs of \$17,636 are in the middle range of comparable districts as defined by the State of Connecticut. Structural changes related to program provide for a reduction in the class size guideline for second grade (from 25 to 22) and for the introduction of a STEM Program in the Middle Schools. The cost of these program enhancements (\$171,000) is more than offset by the negotiated savings in the new Teacher Contract of \$497,000.

Discussion

The RTM Education Committee has met with the Board of Education and Administration during the budget deliberation process. A variety of questions addressed items with implications for future budget decisions including: space needs at the middle school and high school, potential savings to be achieved in collaboration with other town bodies such as the Town wide Maintenance Committee and progress on school bus parking solutions and potential increased revenue to be generated through the rental of school facilities. Committee members have attended BOE Meetings and monitored the

process of budget review and revision. This process was characterized by detailed and candid public discussions and reasoned decision making. In their presentations to the BOF and the RTM committees, the BOE clearly demonstrated a commitment to maintaining an excellent school system while simultaneously addressing the financial constraints facing the town through structural changes that resulted in aggregated cost savings of over \$3,000,000 over the past 5 Years.

The BOE has acknowledged their commitment to participate in achieving cost saving efficiencies for the town as a whole, including continuing discussion with town officials and offering opportunities for consolidation of overlapping functions. At the same time, it is critical to note the challenges facing our school system with its outstanding record of achievement, excellent staff, visionary program and commitment to maintaining high standards. Clearly the current climate of economic uncertainties produces pressures that impact the schools, i.e., the increased cost of special education outplacement due to reduced state funding and increases in the cost of outplaced facilities, enrollment uncertainty with its pressure on class sizes, capacity constraints at Staples putting pressure on classroom space and course availability and the need for infrastructure spending to maintain our building assets. These challenges will no doubt frame ongoing discussions in planning for the future of our schools. The committee acknowledged the efforts of the Board of Education to balance fiscal responsibility and educationally sound decisions in the 2013-2014 Budget.

The RTM Education Committee voted unanimously to recommend that the full RTM approve the 2013- 2014 BOE Operating Budget of \$104,181,513.00 as recommended by the BOE.

Reporter: Velma Heller

Members Present: Eileen Flug, Velma Heller (Chair), Jack Klinge, Paul Liebowitz, Bill Meyer, Lou Mall, Paul Rossi, Steve Rubin

Absent: Clarissa Moore

Board of Education: Elaine Whitney (Chair), Michael McGovern, Michael Gordon, Jennifer Tooker, Brett Aronow

Administration: Elliott Landon (Superintendent), Nancy Harris, Marge Cion

***Please note:** In addition to the Operating Budget addressed above, the total BOE budget presented to the RTM includes funds for mandated private school services and debt service.