

TOWN COUNCIL MEETING

April 5, 2010 – 6:00 p.m.

Present: President Raymond Spear, Glen Shibley, Kenneth Cloutier, Frank Hyde

Town Manager Thomas Hoover

Absent: Laura Flanagan

Superintendent DiPietro gave overview of School FY 2011 proposed budget. The School Department is requesting \$62,720,777, an increase of \$524,588 in town tax contribution over FY 2010.

He explained the steps that were taken to reduce the impact of salary increases. The proposed increase to salaries is \$274,081, being offset by the elimination of four teachers at the high school, consolidation to one superintendent and one assistant superintendent, resulting in total salary and benefit savings of more than \$500,000.

The most significant cost increase is WB Health. Our budget includes only a 4% increase and we will work to keep the utilization down by working with our staff and looking at some of the health initiatives we have. Plus, with a reduction of staff, there is a little bit of reduction in some of our health care costs. The highest cost in this budget is a \$320,000 increase due to health care.

The only other increase is \$90,000 for student materials and supplies.

When you look at salaries and wages, you will see that \$274,081 represents less than $\frac{3}{4}$ of 1%. When you look at fringe benefits you see \$318,000, of which the majority is health insurance costs. For supplies you see \$98,000, of which \$90,000 of that is student supplies. We are less than level funded on capital and dues. Some things can't be changed, like our bussing contract, but the rest of the numbers are basically level funded.

Outside factors that may affect financial support to schools would be a funding formula that would re-allocate State Aid, where Coventry may receive increased state aid. We will continue to fight over mandate relief. This budget does not anticipate any reduction in State Aid.

Funding limitations cannot affect student achievement. We are struggling now to stay ahead. For the first time in eight years, the district faces two schools (Coventry High School and Blackrock School) in need of improving services to students.

In summary, as you see the budget in front of you, we have attempted to take out as much of the salary costs as possible. Health insurance costs, which are pretty much regulated by WB Health, have come down to 5%, of which we budgeted for 4%. The only other significant cost is \$90,000 for student materials.

Discussion:

President Spear asked if Superintendent DiPietro had any considerations for potential cuts in State support? He replied that if this happens as late as May, he would have to make adjustments in staff, supplies, non-regulatory such as custodial, teaching assistants, reduction in hours of specialists.

There was further discussion regarding a fair funding formula for education, the need for roofing at the high school (an application is being filed with FEMA), although right now the money is needed more in the operating budget. It is difficult to keep getting level funded.

Councilman Shibley realizes that a lot lies with the state regarding mandate relief and a funding formula. We're into the last quarter and still don't know what the General Assembly is doing. Don't think we'll get the supplemental budget until the 2011 budget is passed. Coventry deserves the money from the fair funding formula. I would anticipate the worst coming from the state. Suggested School Committee consider cutting personnel, think it behooves the School Committee to go to the teachers, look at longevity and steps. Seventy-five percent of our budget is the School Department; last year we cut over a million on the town side. I can't see a tax increase for the town. If there is no tax increase and the state doesn't do what it should, it's up to the School Committee and the Town Council to do what we have to do. Suggest the schools renegotiate steps and what they get.

School Committeeman Hetherman remarked that by law, you have to accomplish these steps in ten years.

President Spear asked Finance Director Warren West what a \$500,000 increase would be in the tax rate. Mr. West replied about 1%, maybe a \$30.00 tax increase on \$200,000 home.

Manager Hoover advised that he is speaking with different brokers regarding health care and price.

Barbara Foehler, 359 Fairview Avenue and Ron Gizzarelli, 50 Harrington Road not in favor of raising taxes.

Nancy Sprengelmeyer, Coventry School Committee, expressed concern regarding the critical condition of the high school roof. She also thanked Councilman Frank Hyde for assistance during the recent flooding in her district; commended Mr. Spear on his efforts on Tillinghast Road

(See Superintendent DiPietro's presentation in Town Council file).

Motion made by Frank Hyde seconded by Glen Shibley to adjourn work session. All voted Aye.

Town Clerk