

June 7, 2018

Town of East Windsor
Special Town Meeting
June 7, 2018

A Special Town Meeting of the Town of East Windsor was held at the Town Hall, 11 Rye Street, Broad Brook, CT on June 7, 2018. The meeting was called to order by First Selectman, Robert Maynard at 7:30 P.M. Motion was made by Paul Anderson and seconded by Kathleen Bilodeau to nominate Robert Maynard to preside as Moderator. Motion was made to have nomination cease by Paul Anderson and seconded by Rebecca Talamini. Both motions passed. Assistant Town Clerk, Kimberley Midyette-Wing read the Town Meeting Public Notice. First Selectman Robert Maynard read the Eligibility to Vote requirements.

Item 1: To consider and approve a supplemental appropriation in the amount of \$219,414.48 from the Fund Balance to the Board of Education for the purchase of computers.

Kathleen Bilodeau moved that the foregoing resolution be adopted, seconded by Catherine Simonelli.

Two letters were read aloud regarding the benefits of adopting this resolution. Kathleen Bilodeau read a letter written by Cindy Herms, a member of the Board of Finance, who was not present (see attachment A). Catherine Simonelli, Chairman of the Board of Education, also read a letter which she had prepared (see attachment B).

There was some discussion by several members of the community.

The resolution was adopted.

William Loos made a motion to adjourn the meeting, seconded by Rebecca Talamini. The meeting adjourned at 7:55 PM.

Respectfully Submitted,

Kimberley Midyette-Wing
Assistant Town Clerk

Attachment A

The General fund is the accumulated unassigned balances of money remaining unspent in the budget. The town's policy is to maintain a fund balance between 5 and 17% of operating expenses. As of the end of 2017, the fund balance was at 21.6%. Sound business practices, and what has been our policy for recent years is to use this money for one-time, non-recurring capital purchases. Using the money this way does not put burdens on future budgets with recurring operating expenses. It essentially exchanges an asset for another class of asset, which is sound fiscal policy.

The current balance is well above what is outlined in our policy. A balance this high actually has negative effects on our finances. It limits our abilities to get grants in some cases and effects contract negotiations. The prudent and fiscally responsible action is to spend down this balance on much needed capital expenditures in a careful and monitored way. We took a step doing this last year where projects were assembled that would be best suited to be funded this way, through the general fund balance. We will be doing this again this year.

In the budget process this year, the Board of Education presented in its plan, an option to lease computers, spreading payments over 5 years. In part of the Board of Finance review of the Board of Education's budget it was discussed that leasing would cost the town 60 to 70 thousand dollars more to lease the equipment compared to the outright purchase we are voting on today. After careful review, including an additional study and presentation to the Board of Finance that included looking at different platforms and models, it was decided that purchasing these computers outright was the prudent and best plan for the schools. The Board of Finance suggested that rather than lease the equipment and cost the town so much more in the long run, it was better to fund the computers through the general fund balance and purchase them outright rather than lease. Again, this plan was carefully vetted by the Board of Education and Board of Finance, as well as the Board of Selectmen who voted to put this purchase before you at town meeting. Many specific and detailed questions were asked and sufficiently answered.

When the Board of Finance recommended the Board of Education fund these computers through the fund balance, the funds were removed from the Board of Education's budget. Due to the required lead time needed to purchase and get these computers ready for September, the project needed to be voted on now, which is why we are here today. I urge you vote yes for this purchase so that we can continue to meet the needs of our students.

Respectfully,
Cindy Herms
Member, Board of Finance

Attachment B

This appropriation replaces about 300 laptops purchased using grant funds. Additional laptops were purchased in the following two years with additional grants until all students in grades 3-12 had a device (~1/3 of the 905 devices district wide). The original purchases each included a 5 year warranty period, the first of which expires at the end of this school year. After 5 years of daily use, these computers are at the end of their useful life.

Maintaining laptops out of warranty will cost more than the annual lease fee for new laptops. The new laptops will start a new 5-year warranty period. There are many good reasons for supporting this added appropriation.

For starters, the students need these laptops:

- Mandated state testing MUST be completed via a computer.
- Computer labs at the schools with antiquated desktop computers have been dismantled and the rooms re-purposed in the 5 years we've been utilizing 1-1 devices.
- Without these laptops, computer labs would have to be reinstated in order to complete mandated state testing. Reinstating these labs would require the purchase of new desktop computers and re-allocating building space. We would still spend a significant amount of money and in the end it would provide a sub-par environment and reduce student access.
- Laptops replace most textbooks. We would have to purchase a lot of textbooks at a significant cost. Textbooks are out of date virtually as soon as they are printed. Electronic teaching materials are more current. Laptops provide both students and teachers immediate access to current information. I should note that due to budget cuts over many years and the high cost of textbooks, replacement of those textbooks had fallen woefully behind schedule and many were significantly out of date. Had we not already disposed of them, they wouldn't be appropriate teaching material now anyway.
- In short, we can't just say "we don't need these". The investment to go back to textbooks and computer labs would be just as costly and wouldn't provide students the current information and the 21st century skills that using a laptop does.

Purchase makes more sense than a lease:

- Outright purchase has the same warranty period of a lease and saves roughly \$60,000.
- Purchasing through an added appropriation doesn't change the budget or the mil rate and therefore, doesn't increase taxes. Remember budget increases compound from year to year.
- East Windsor's fund balance is in an excellent position to fund this purchase.
- In fact, it's important to keep the fund balance from growing too large in order to maintain our ability to obtain grants and avoid increasing the cost of bonding. The best way to do that is to use it to pay for non-recurring costs (buying or doing things, not salary). Keeping these costs out of the budget is the most cost-effective way of funding them and saves the taxpayer money.

School budget vs town appropriation:

- The BOE cut its budget from 8.63% to 5.71% prior to presenting it budget to the BOF. The 5.71% did include money to lease the needed laptops.
- The BOF cut the lease fee out of the BOE budget with the intention of covering the cost through another method.
- The BOF also cut another roughly \$200k more before sending the budget to referendum.
- The increases in the 3 big drivers in the BOE budget: contractual increases, insurance and OPEB (Other Post-Employment Benefits) total more than the budget increase we received.
- As a result, budget cuts were still necessary to balance the bottom line. Examples of some cuts: a MS teaching position, cuts in printing and postage, conferences, professional development for staff, building maintenance, athletic supplies...
- There are many variables in putting a budget together and I hope that those voting tonight understand that although the BOE did receive a generous budget increase, and we are very grateful for the support of the voters, we did still need to make cuts to balance the budget.
- If BOE has to absorb the cost of the laptops, then we'll also have to make more cuts.

In closing, the final, and maybe most the important reason to approve this appropriation: our world is filled with technology. Our students must be comfortable using computers to be successful in today's world and it's our responsibility to give them the tools they need to become educated, responsible and contributing citizens.