

**Board of Finance
Regular Meetings**

January 21, 2014
(Tuesday)

February 18, 2014
(Tuesday)

March 17, 2014

April 21, 2014

May 19, 2014
7:30

June 16, 2014
7:30

July 21, 2014
7:30

August 18, 2014
7:30

September 15, 2014

October 20, 2014

November 17, 2014

December 15, 2014

**TOWN OF EAST HAMPTON
EAST HAMPTON, CT 06424**

BOARD OF FINANCE

Regular Meeting
Tuesday, February 18, 2014
7:00 PM

Location: Town Hall Meeting Room

1. Call to Order
2. Pledge of Allegiance
3. Approval of Minutes of Meeting(s) *
 - a) January 23, 2014 – Special meeting
4. Public Remarks
5. Special presentations - June 30, 2013 Audit
6. Correspondence
7. Status Reports (Financial)
8. Financial Transactions
9. New Business *
 - a) Fire Department - New Fire Tanker Request
 - b) New Fuel Island request
10. Continued Business *
 - a) High School Renovation project update
 - b) Capital Policy / Capital Improvement Plan
 - c) Fines/Penalties
 - d) FY 2014-2015 Budget
 - e) Special Revenue Funds
 - f) Purchasing ordinance
 - g) Citizens Guide to the Budget
11. Liaison's Reports
 - a) Town Council
 - b) Board of Education
 - c) Economic Development Commission
 - d) Lake / Conservation
 - e) Fire Commissioners
 - f) Brownfields/Redevelopment
 - g) Park & Rec. Advisory Board
12. Public Remarks
13. Town Manager's Report
14. Adjournment

* - Potential action item

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TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT

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FOR 2014 13

	ORIGINAL ESTIM REV	ESTIM REV ADJSTMTS	REVISED EST REV	ACTUAL YTD REVENUE	REMAINING REVENUE	PCT COLL
01 GENERAL FUND						
40 Property taxes	-30,223,054	0	-30,223,054	-29,181,639.39	-1,041,414.61	96.6%
41 Investment income	-32,000	0	-32,000	-7,679.23	-24,320.77	24.0%
42 License, permit & FEES	-382,980	0	-382,980	-278,313.38	-104,666.62	72.7%
44 STATE & LOCAL GRANTS	-8,492,254	0	-8,492,254	-4,358,772.56	-4,133,481.44	51.3%
45 Local gov. payments	-11,800	0	-11,800	-6,674.09	-5,125.91	56.6%
46 Charges for services	-16,000	0	-16,000	-8,902.85	-7,097.15	55.6%
47 Other revenue	-79,887	0	-79,887	-45,489.77	-34,397.23	56.9%
49 Other Fin. sources	0	-260,000	-260,000	.00	-260,000.00	.0%
TOTAL GENERAL FUND	-39,237,975	-260,000	-39,497,975	-33,887,471.27	-5,610,503.73	85.8%
GRAND TOTAL	-39,237,975	-260,000	-39,497,975	-33,887,471.27	-5,610,503.73	85.8%

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TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT

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FOR 2014 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
01 GENERAL FUND							
01010000	Town Manager's Department	319,684	0	319,684	184,018.84	3,750.00	131,915.16 58.7%
01020000	Town Council/Special Progr	24,957	0	24,957	13,852.30	.00	11,104.70 55.5%
01030000	Facilities Administrator	96,963	0	96,963	314.02	.00	96,648.98 .3%
01040000	LEGAL FEES	150,000	0	150,000	102,374.13	.00	47,625.87 68.2%
01050000	Town Hall/Annex	266,717	0	266,717	161,078.11	21,497.11	84,141.78 68.5%
01060135	Finance and Accounting	416,805	0	416,805	242,191.46	653.60	173,959.94 58.3%
01060136	Collector of Revenue	161,690	0	161,690	87,042.19	97.60	74,550.21 53.9%
01060137	Assessor	177,801	0	177,801	91,959.14	288.64	85,553.22 51.9%
01060138	Board of Assessment Appeal	1,282	0	1,282	629.01	.00	652.99 49.1%
01070000	Town Clerk	175,663	0	175,663	94,635.75	11,142.89	69,884.36 60.2%
01080000	Registrars/Elections	44,633	0	44,633	21,405.06	.00	23,227.94 48.0%
01090000	General Insurance	282,300	0	282,300	244,787.00	.00	37,513.00 86.7%
01100000	Probate Court	13,957	0	13,957	13,957.00	.00	.00 100.0%
01110000	Employee Benefits	1,467,820	0	1,467,820	662,541.00	.00	805,278.96 45.1%
01120000	Contingency	65,000	0	65,000	.00	.00	65,000.00 .0%
01150000	Information Technology	72,402	0	72,402	51,904.89	.00	20,497.11 71.7%
01210211	Police Administration	285,521	0	285,521	146,854.61	4,465.36	134,201.03 53.0%
01210212	Regular Patrol	1,343,333	0	1,343,333	685,296.55	5,138.54	652,897.91 51.4%
01210213	Lake Patrol	3,706	0	3,706	2,565.46	47.29	1,093.25 70.5%
01210214	Animal Control	39,556	0	39,556	25,025.80	.00	14,530.20 63.3%
01220221	Firefighting	277,818	0	277,818	113,730.26	24,152.31	139,935.43 49.6%
01220223	Fire Marshall	46,455	0	46,455	25,002.49	725.00	20,727.51 55.4%
01220225	Town Center Fire System	14,150	0	14,150	3,512.54	.00	10,637.46 24.8%
01230000	Ambulance	6,910	0	6,910	1,119.13	.00	5,790.87 16.2%
01240000	Civil Preparedness	16,200	0	16,200	2,875.53	.00	13,324.47 17.8%
01250000	Communications	121,158	0	121,158	89,147.14	29,881.75	2,129.11 98.2%
01260000	Street Lighting	59,000	0	59,000	28,467.09	.00	30,532.91 48.2%
01310000	Health Department	110,407	0	110,407	82,805.25	27,601.75	.00 100.0%
01320000	Human Services	110,993	0	110,993	66,220.37	200.00	44,572.63 59.8%
01330000	Senior Center	108,244	0	108,244	51,738.02	3,037.35	53,468.63 50.6%
01340000	Transportation	54,100	0	54,100	47,850.00	4,750.00	1,500.00 97.2%
01350000	Community Services	4,500	0	4,500	4,650.00	.00	-150.00 103.3%
01360000	CEMETERY CARE	5,000	0	5,000	4,315.51	.00	684.49 86.3%
01410000	Building, Planning & Zonin	332,218	0	332,218	183,499.25	.00	148,718.75 55.2%
01420000	Econ. Development Commissi	10,827	0	10,827	2,238.54	.00	8,588.46 20.7%
01430000	Conservation & Lake Commis	20,682	0	20,682	1,029.82	.00	19,652.18 5.0%
01460000	Redevelopment Agency	3,167	0	3,167	389.06	1,920.70	857.24 72.9%
01470000	Middle Haddam Historic Dis	1,770	0	1,770	381.30	.00	1,388.70 21.5%
01510000	Public Works Admin.	1,265,670	0	1,265,670	611,478.72	4,052.60	650,138.68 48.6%
01520000	Engineering	60,000	0	60,000	8,051.52	.00	51,948.48 13.4%

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TOWN OF EAST HAMPTON
YEAR-TO-DATE BUDGET REPORT

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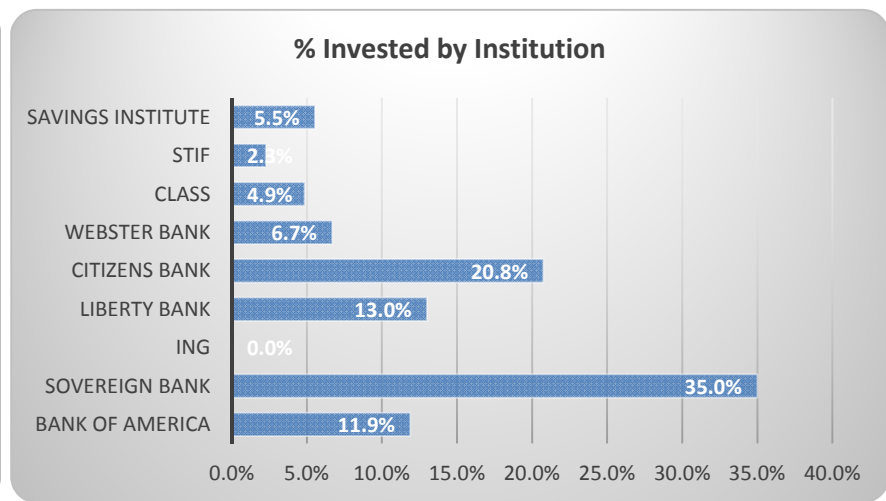
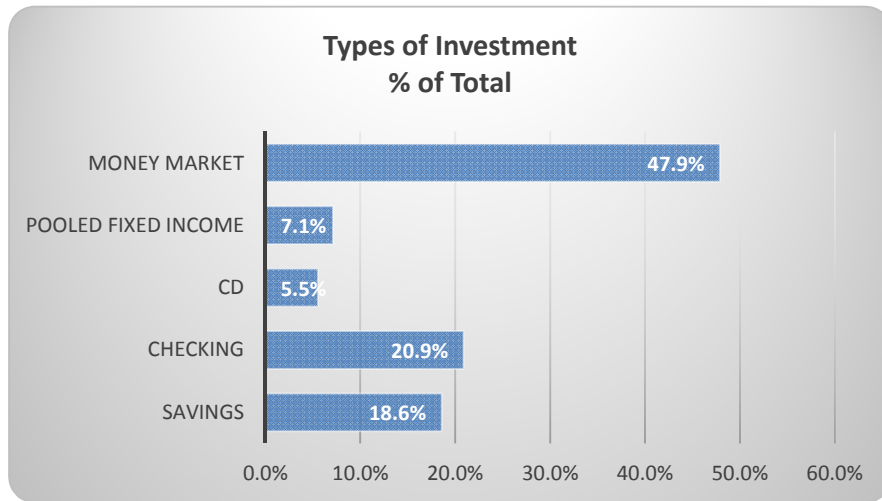
FOR 2014 13

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENC/REQ	AVAILABLE BUDGET	PCT USED
01530000 Town Garage	59,731	0	59,731	25,480.26	4,320.00	29,930.74	49.9%
01540000 Townwide Motor Fuel	187,880	0	187,880	83,780.71	145,000.00	-40,900.71	121.8%
01550000 Road Materials	325,500	0	325,500	210,023.95	120,185.69	-4,709.64	101.4%
01560000 Transfer Station	134,823	0	134,823	69,491.26	.00	65,331.74	51.5%
01570000 Septage Disposal	2,400	0	2,400	2,232.00	.00	168.00	93.0%
01610610 Park & Recreation	371,516	0	371,516	197,783.87	3,579.00	170,153.13	54.2%
01660000 Arts & Cultural Commission	2,350	0	2,350	224.14	.00	2,125.86	9.5%
01670000 Community Center	158,637	0	158,637	81,423.58	1,177.69	76,035.73	52.1%
01680681 E Hampton Public Library	433,023	0	433,023	225,645.09	2,443.00	204,934.91	52.7%
01680682 Middle Haddam Library	20,000	0	20,000	20,000.00	.00	.00	100.0%
01710711 General Obligation Bonds-P	510,000	0	510,000	510,000.00	.00	.00	100.0%
01710712 School Bonds-Prin	325,000	0	325,000	325,000.00	.00	.00	100.0%
01720721 General Obligation Bonds-I	223,657	0	223,657	221,406.28	.00	2,250.72	99.0%
01720722 School Bonds-Int	43,620	0	43,620	19,620.00	.00	24,000.00	45.0%
01810000 Operating Transfers Out	869,916	260,000	1,129,916	.00	.00	1,129,916.00	.0%
TOTAL GENERAL FUND	11,707,112	260,000	11,967,112	6,153,045.04	420,107.87	5,393,959.09	54.9%
GRAND TOTAL	11,707,112	260,000	11,967,112	6,153,045.04	420,107.87	5,393,959.09	54.9%

** END OF REPORT - Generated by Jeff Jylkka **

Investment & Deposit Report for the month ended December 31, 2013

Bank	Date Opened	Maturity Date	Days to Maturity	Type	Amount	Rate
Bank of America			-	Checking	2,076,562	0.00%
Bank of America			-	Savings	61,533	0.02%
Sovereign Bank			-	Checking	848,714	0.20%
Sovereign Bank			-	Money Market	5,443,489	0.20%
STIF			-	Pooled Fixed Income	408,556	0.15%
CLASS			-	Pooled Fixed Income	872,503	0.01%
ING			-			
Citizens Bank			-	Checking	454,001	0.00%
Citizens Bank			-	Savings	3,276,846	0.01%
Webster Bank				Checking	360,522	0.00%
Webster Bank				Money Market	843,029	0.14%
Liberty Bank			-	Money Market	2,322,383	0.15%
Liberty Bank				Checking	13,669	0.00%
Savings Institute				CD	995,268	0.81%
TOTAL					17,977,075	



Tanker Description	Price
EHvFD Built to Spec. 9-10 months	\$310,264.00
26210 Manufactured June 2013, 2013 emissions	\$262,785.00
26209 Manufactured March 2013, 2010 emissions	\$258,636.00
24243 Manufactured July 2011, 2010 emissions	\$237,957.00
<i>Deductions</i> applicable to 24243:	
Performance Bond, (truck is built)	-\$2,000.00
Inspection Trip for (2), Truck is in CT for Insp.	-\$3,000.00
Tool Mounting Work, this out after purchase, If Req.	-\$2,500.00
Total for 24243 Truck is available for immediate delivery.	\$230,457.00
 Net savings over spec. built Tanker	 \$79,807.00

#24243 Peterbilt Tanker

Pricing for Components and Installation:

- (1) Exhaust Extension for a Nederman System.
- (2) 1 - 2.50" Gated Direct Tank Inlet on Drivers Side Rear.
- (3) ON SPOT Chains.
- (4) Water Level Indicator mounted on Rear of the Body and in the Cab of the truck.(Whelen Preferred)
- (5) 1 – Vertical Grab Handle mounted on the passenger side Pump Panel.
- (6) 2 – 10' Lengths of 6" Corrugated Hard Suction with NST Couplings.
- (7) 2 – Aluminum Hard Suction Racks on Adjustable Tracks mounted on the driver's side body.
- (8) 1 – Standard HUSKY 3000 gallon Portable Pool (Yellow) with an Aluminum Frame.
- (9) 1 – HUSKY Stainless Steel, Manual Portable Pool Rack for a 3000 gallon Portable Pool mounted on the Passenger Side Body.

Budget Calendar Fiscal Year 2014-2015

Date	Description
January 30, 2014 (Thur.)	Submit budget requests to Finance Department
February 06, 2014 (Thur.)	Submit budget narratives to Finance Department
February 25, 2014 (Tues.)	Press Release on Budget workshop
March 04, 2014 (Tues.)	Press Release on Budget deliberations
March 14, 2014 (Fri.)	1:00 PM to 4:00 PM - Budget workshop
March 17, 2014 (Mon.)	5:00 PM - Board of Education Budget Workshop (High School Library)
March 17, 2014 (Mon.)	Board of Finance regular meeting – With invitation to Town Council and Board of Education (Review deliberations and gather input from public and other boards) Time: 7:00 Location: High School Library
March 24, 2014 (Mon.)	Board of Education budget workshop – 5:00 PM Middle School Library Board of Finance special meeting – Budget deliberations 7:00 PM Middle School Library
March 31, 2014 (Mon.)	Board of Finance public hearing (High School Library - 7:00PM)
April 02, 2014 (Wed.)	Board of Finance Special Meeting 7:00 P.M. (Middle School Library)
April 08, 2014 (Tues.)	Submit Board of Finance budget to members of Town Council
t/b/d	Town Council Special Meeting 6:30 P.M. – Adoption of Annual Budget
April 28, 2014 (Mon.)	Town meeting (Town Hall – 7:00 P.M.)
April/May 2014	Rivereast advertisement on budget
May 6, 2014 (Tues.)	Town VOTE (High School)
June 2014	Set mill rate

Note: All meetings to be held in the Town Hall meeting room except as noted above.
For more information call 860-267-4468.

CITIZENS' GUIDE

to the East Hampton Town Budget

2013 –
2014



MESSAGE FROM THE BOARD OF FINANCE

Where is East Hampton headed? Our town is facing many challenges and opportunities as we approach our next budget. Capital investments such as a new fire truck, fiber optic lines to all town buildings and a high school renovation project are being considered. We will have a new Superintendent and new Police Chief joining our recently hired Town Manager. These professionals guide us in our day-to-day town business activities and in planning East Hampton's future. **The Board of Finance requests your input to help us shape our next budget and to plan ahead.**

This document will give you a quick summary to understand the Town's fiscal position and the budget process. It also will help you review and understand the budgets that will be presented by the Town Manager and Interim Superintendent. If you want more details, there is much more information readily available on our town website.

Please review this guide in considering and understanding the proposed 2013-14 Town Budget. Feel free to contact any member of the Board of Finance with your thoughts or questions and we will address them at a future meeting. If you can, please attend a meeting and share your knowledge or expertise.

The Board of Finance is a volunteer board of seven members trying to fairly represent our 13,000 residents. Our Board will work hard to present you a budget that maintains and improves our dedicated town staff and facilities, plans for the future and is fair to all taxpayers. We can only do this with your feedback. **So get involved and let us know what you're thinking!**

Matthew Walton, Chairman
mw Walton@easthamptonct.org

Tim Csere, Vice Chairman
tcsere@easthamptonct.org

Patience Anderson
panderson@easthamptonct.org

Mary Ann Dostaler
mdostaler@easthamptonct.org

Ted Turner
tturner@easthamptonct.org

Tom O'Brien
tobrien@easthamptonct.org

Dave Monighetti
dmonighetti@easthamptonct.org

EAST HAMPTON BY THE NUMBERS

Population (2010)	13,000
Registered voters	8,245
Households	4,734
Median household income.....	\$91,770
Miles of Town Roads.....	91
Number of town employees (full time)	63 ½
2012 Revenues.....	\$38,544,503
2012 Expenditures	\$38,314,002
2012 Fund Balance	\$4,581,155
2012 Outstanding Debt	\$6,414,338
% of Debt Service to Expenditures (2011).....	3.1%
% Unassigned Fund Balance to Budget.....	11.4%
Outstanding per capita debt	\$494
State average outstanding per capita debt.....	\$2,253
Rank among CT towns for per capita debt.....	22 nd out of 169

UNDERSTANDING THE BUDGET

Each year the Town of East Hampton spends millions of dollars to operate Town Government and the Board of Education as well as perform necessary capital projects. During the budget process critical decisions are made about all public services.

The annual budget is a dynamic document that has four primary functions:

- **A policy document** that sets priorities
- **A financial plan** of resources & spending
- **A communications device** that informs about fiscal issues
- **An operations guide** that describes town services & functions

In East Hampton, the method we use to determine our town budget is an open process. **Every adult citizen who is registered to vote – property owners and those who rent – is welcome to participate in determining the town budget.**

The town budget is broken down into two categories:

Revenues (Income)	Expenses (Spending)
Property Taxes	Education
Investment Income	Public Safety
Licenses, Fees & Permits	Public Works
Federal Grants	Administrative & Finance
State & Local Grants	Health & Human Services
Local Government Payments	Regulatory
	Culture & Recreation
	Debt Service

There are certain expenses that must be included in the budget at some level. For instance, we must have police service and schools. The question is the level of service delivery that our residents have a right to expect. There are other "fixed" costs in the town's budget that continue to rise, such as fuel and energy that must be paid for. Balancing the budget is about making choices.

East Hampton has worked hard to keep tax increases low. Below is the annual tax increase (not including revaluation). On average over the past 6 years East Hampton's tax increase has been just 1.89%; inflation over the same period was approximately 2.3%.

2008 – 3.65%	2011 – 4.04%
2009 – 2.19%	2012 – -0.50%
2010 – 0.84%	2013 – 1.13%

CITIZENS' GUIDE

to the East Hampton Town Budget

2013 –
2014



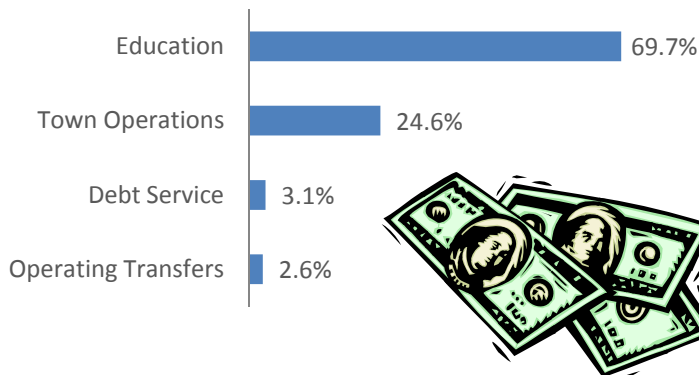
WHAT GUIDES THE BUDGET?

The Town Council for East Hampton drafts a Budget Policy Statement every year as a way to foster collaboration with the Board of Education, the Board of Finance and the Capital Expenditure Committee while offering guidance to Town staff as they develop the budget. A few of the policy priorities in this year's Budget Policy statement are:

- Implement financial policies to ensure the long-term fiscal health of the community;
- Provide adequate capital investment to maintain and improve our existing town infrastructure;
- Seek cost savings, improve efficiencies and identify new revenue sources to offset any additional expenditures;
- Review and enhance programs to in the areas of public safety, IT/technology, organizational effectiveness and economic development; and
- Create a budget that will work within the community's economic resources.

The BOF will keep priorities identified in the Budget Policy Statement in mind when reviewing the budget during workshops with the Town Manager, departments and BOE. To read the full budget policy statement, go to the Town's website at www.easthamptonct.gov.

2012-13 APPROVED BUDGET WHERE YOUR TAX DOLLARS ARE SPENT



THE MILL RATE: Calculating your taxes

One "mill" produces one dollar for each \$1,000 of property assessment. For example: If your house has a current fair market value of \$200,000, the assessment is 70% of its current market value, or \$140,000. The current Mill Rate is 25.97. Therefore $140 \times 25.97 = \$3,636$ in tax

THE BUDGET PROCESS

PREPARING THE BUDGET JANUARY - FEBRUARY

- Town Departments submit budget requests to Finance Director
- Town Council adopts Budget Policy Statement
- Town Manager consults with Department heads and develops annual budget
- Superintendent develops School budget and presents request to BOE
- BOE deliberates and approves proposed School budget



REVIEWING THE BUDGET MARCH - APRIL

- BOF holds budget workshops with Town Manager, department heads, Superintendent and BOE
- Town Manager and Superintendent present proposed Town and School budgets at public hearing
- BOF holds a public hearing to solicit and gather citizen input
- BOF deliberates and approves budget to be presented to Town Council for adoption



ADOPTING THE BUDGET APRIL - MAY

- Town Council holds a special meeting to adopt proposed budget and schedule Town Meeting
- Town Meeting sets the date for referendum by taxpayers
- Taxpayers vote on proposed budget
- BOF sets mill rate

CITIZENS' GUIDE

to the East Hampton Town Budget

2013 –
2014



THE CAPITAL IMPROVEMENT PLAN



The budget adopted by taxpayers at referendum is the annual **Operating, Debt Service and Transfer Budget** for the town, which includes the School Budget. As part of the annual budget process, the Town Manager and Finance Director also prepare a Capital Budget as part of the Capital Improvement Plan (CIP).

The CIP is developed by the Capital Expenditure Committee, which is made up of the chairs of the Town Council, the Boards of Finance and Education, the Town Manager and the Finance Director. The CIP provides an effective means of preserving as well as adding to the physical assets of the town. It is also vital for a growing community like East Hampton to maintain the level of public safety, welfare and quality of life that taxpayers expect.

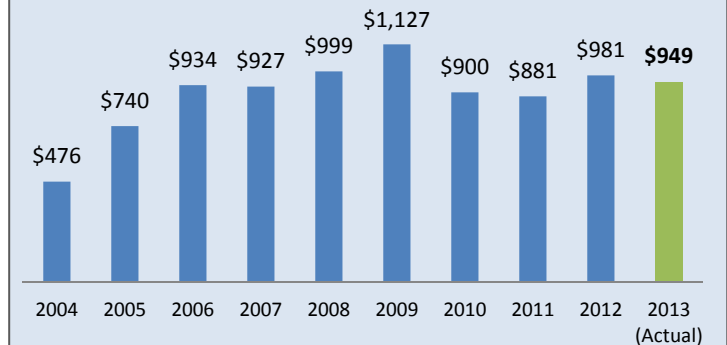


Each year the town allocates funds to the Capital Reserve Fund to defray costs of items such as equipment, vehicles and facilities improvements that may be financed over more than one year. During the fiscal year, the Town Manager will request the Board of Finance to approve appropriations for capital items. These appropriations are considered and implemented consistent with the CIP, the town Purchasing Ordinance and Town Charter.



Recent capital improvement projects include the Senior Center expansion and renovation, Memorial School roof and the three-year road improvement program.

CAPITAL RESERVE FUND GENERAL FUND CONTRIBUTIONS (IN THOUSANDS)



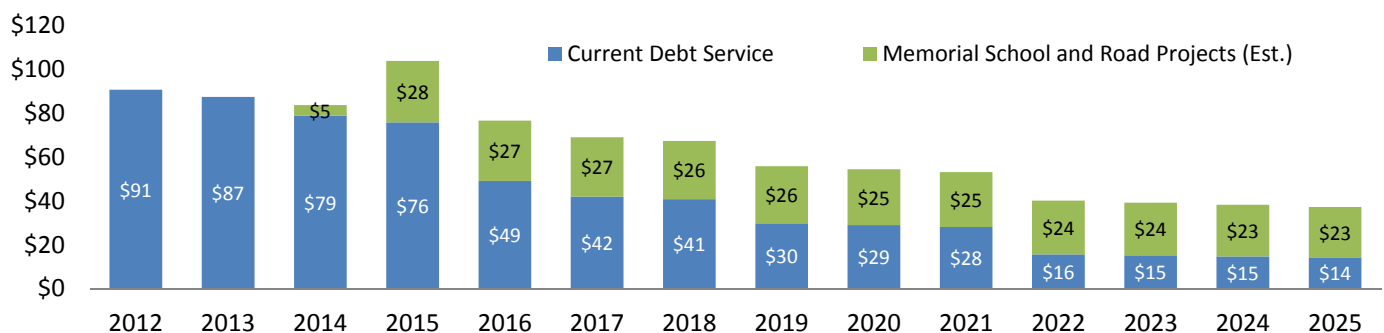
FINANCIAL POSITION

The 2012 annual audit of the town's finances showed that East Hampton is well positioned to accept and meet the challenges posed by the 21st century. The Town continues to maintain its "AA" rating from Standard & Poor's Ratings Services and "Aa3" rating from Moody's Investor Service based on their assessment of the town's historical trend of financial stability and continued maintenance of a favorable debt profile. The town's total outstanding debt decreased by 13% during the 2011-2012 fiscal year thanks to scheduled debt service payments.

DEBT CAPACITY

Major capital expenditures are financed over a period of years by issuing bonds. The amount of bonds issued by the town collectively represents the level of debt service that the town must repay. The Town's debt capacity is subject to borrowing limitations set forth by Connecticut General Statutes and by you, our taxpayers, to authorize expenditures. The Town's current debt per capita is low compared to the State average. East Hampton currently ranks 22nd out of the 169 Towns.

DEBT SERVICE PER CAPITA STATE AVERAGE: \$272



CITIZENS' GUIDE

to the East Hampton Town Budget

2013 – 2014



GRAND LIST

The October 1, 2012 East Hampton Grand List is \$1,128,365,076 (subject to adjustment by the Board of Assessment Appeals). It grew by approximately \$2.7 million or 0.24% over the prior year. The Grand List is made up of 89% real estate, 9% motor vehicles and 2% personal property.

BUDGET CALENDAR

IMPORTANT DATES

- March 8..... **MEETING*** 1-6pm @
Town Hall
Board of Finance
budget workshop with
Town Manager,
Departments, Interim Superintendent & BOE
- March 19..... **PUBLIC FORUM** 7:30pm @ High School Library
Town Manager and Interim Superintendent
budget presentations
- March 25..... **BOF MEETING*** 7:00pm @ Middle School
Library Board of Finance special meeting –
budget deliberations
- April 1..... **PUBLIC HEARING** 7pm @ High School Library
Board of Finance public hearing
- April 3..... **MEETING*** 7pm @ Middle School Library
Board of Finance action to approve budget
- April 9..... **TOWN COUNCIL MEETING*** 6:30pm @ High
School BOF approved budget submitted to
members of Town Council
- TBD..... **TOWN COUNCIL MEETING*** 6:30pm @ High
School Library Special Meeting to adopt budget
- April 29..... **TOWN MEETING** 7pm @ Town Hall
Schedule referendum
- May 7..... **REFERENDUM** 6am-8pm @ High School
Town vote
- June..... Board of Finance sets mill rate



BUDGET REFERENDUM HISTORY

Will you vote? The Board of Finance will work hard to present you a budget that maintains and improves our dedicated town staff and facilities, plans for the future and is fair to all taxpayers.

The average voter turnout for the past 12 budget referendums is 23%, a majority 77% of voters did not participate in the budget process. The cost of holding a budget referendum is approximately \$3,000. If a budget fails at referendum, it is sent back to the Board of Finance for reconsideration. This process is repeated until the budget is approved by voters at referendum.

Ultimately, the decision to approve the budget is up to you as a taxpayer. So, live the American dream and exercise your right - please vote in the budget referendum!

Fiscal Year	# of Referendums	Total Voters	% Voting	Margin
2007-08	1	1,716	22%	266
2008-09	1	1,240	16%	22
2009-10	2	1,446	17%	-104
		1,974	23%	78
2010-11	1	1,807	22%	87
2011-12	2	1,166	14%	-4
		1,917	24%	341
2012-13	2	1,828	22%	-274
		1806	22%	182

FINANCIAL LEADERSHIP

Last year, the Town of East Hampton Finance Department received the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA). This is the highest form of recognition in the area of governmental accounting. Receiving this award represents a significant accomplishment by a government and its management.



*Meeting agenda to include public comments.

WANT MORE INFORMATION?

A glossary of terms, the past two year's approved budgets and the past 5 years' audited Comprehensive Annual Financial Reports (CAFR) are available on the Town website: www.easthamptonct.gov



CITIZENS' GUIDE 2013 – 2014

to the East Hampton School Budget

MESSAGE FROM THE BOARD OF EDUCATION

The East Hampton Board of Education is a volunteer board of nine elected members with a unique role of serving the needs of our children. Our mission is to strive to provide a 21st century education so that our students can compete statewide, nationally, and globally for their future education and work goals. Additionally we endeavor to prepare and inspire our students to be innovative, responsible, contributing members of an ever-changing global society.

We work in partnership with our community to develop knowledgeable, responsible, productive citizens who effectively demonstrate problem-solving and communication skills, make informed decisions, and respond appropriately and confidently to life's challenges.

The Board of Education has always focused on realizing efficiencies and reducing spending while preserving educational services. In addition new and costly state requirements and the state's failure to fully fund its statutory commitment weigh heavily on the budget. By law, we are also agents of the State of Connecticut responsible for implementing the educational mandates from the State.

Recently adopted education reform by the Legislature places new and significant burdens on this and every other district in the state. This is without accompanying funds for the implementation of these mandates. Thank you for your interest and investment in the educational opportunities our community provides our children

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BOARD OF EDUCATION

PRIORITIES FOR 2013-14

- Update Technology
- Restore teacher at Memorial School to add an All Day Kindergarten classes
- Restore English teacher at High School to add electives
- Add music teacher at high school to address program deficiency
- Add mandated Special Education teacher
- Budget funds to support football team and to reduce parent fees for "pay for play"

WHAT INFLUENCES THE BUDGET?

Each year the East Hampton Public Schools offers programs to meet diverse needs for nearly 2,000 students from ages 3 to 21, ranging from the developmental needs of preschoolers to the needs of students soon to enter the labor force. The program spectrum includes:

- Rigorous college preparation
- Special education
- Technological literacy in a fast changing world
- Social and emotional support
- Extracurricular athletics and clubs
- Activities to support creative endeavors (music, arts, and theater)
- Tuition and/or transportation for students attending certain outside educational programs

Evaluation of our programs continues year round and is results oriented. The Board of Education fulfills state mandates and responds to and is committed to serving broadly defined community needs.

BUDGET PROCESS

Fall	Principals worked with staff to develop budgets
January	Superintendent presented his 5.94% budget to the Board of Education for its scrutiny
February	Board of Education adopted a revised budget with a 5.19% increase
March	The Board of Education presented its budget to the Board of Finance
April	The Board of Finance can endorse or reduce for consideration by Town Council, who can endorse or reduce
May	The citizens vote

EHPS BY THE NUMBERS

2012-2013 Approved Budget.....	\$26,710,840
Number of students obligated to educate 2012.....	1,961
Total certified employees	173.6
Total non-certified FTE all educational funds	124.4
Total square feet of EH Public Schools facilities	324,251
Acres of land facilities occupy.....	95
Number of bus & small vehicle routes.....	67
Number meals served each school day	590
Per pupil expenditure East Hampton 11-12.....	\$13,446
State average per pupil expenditures 11-12.....	\$14,475
Percent of students who graduate	93.4%
Percent of graduates entering post graduate education.....	75.5%
Number of Advanced Placement exams taken 11-12.....	129



CITIZENS' GUIDE

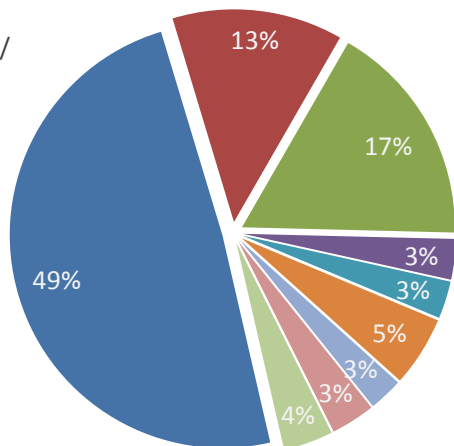
to the East Hampton School Budget

2013 – 2014

WHERE YOUR MONEY GOES

2011-12 ACTUAL SPENDING BY MAJOR CATEGORY

- Salaries of Teachers & Administrators
- Classified Salaries and Wages
- Health Insurance/ Payroll Taxes
- Outside services
- Utilities
- Transportation
- Supplies
- Tuition
- All other



WORKING TO CONTROL COSTS

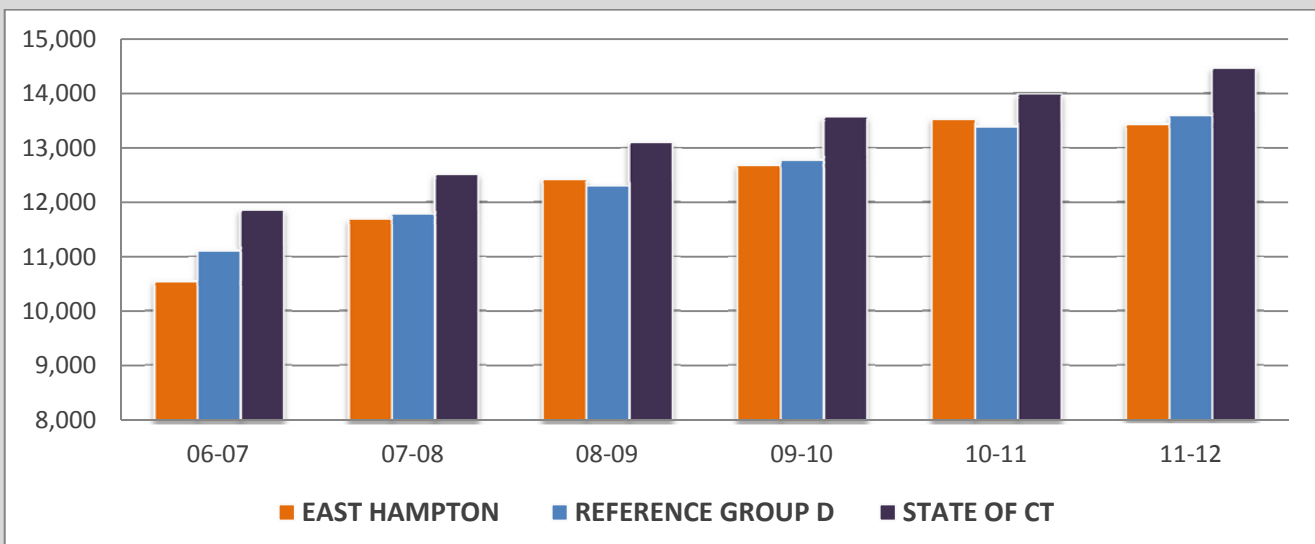
Providing educational services efficiently, the East Hampton Board of Education has:

- Successfully negotiated high deductible health care programs for our teachers and administrative saving over \$750,000 and annually increasing savings from future insurance cost escalations.
- Modified local special education programming to maintain appropriate students in district, yielding annual savings (net of grant reimbursement) of nearly \$600,000, and reducing future escalating costs of tuition and out of district transportation.
- Regionalized special education transportation with neighboring districts when appropriate and available.
- Competitively bid the transportation contract and realized fuel efficiency savings as Nichols Bus Company updated their vehicle fleet.
- Negotiated wage freezes/givebacks with teachers and administrators in recent years earned an initial savings of \$635,000 and created a reduced future wage base.
- Maintained lean administrative staffing.
- Made purchases with regionalized buying groups for items including paper supplies and heating oil.

DELIVERING VALUE FOR EAST HAMPTON TAXPAYERS

EAST HAMPTON PER PUPIL SPENDING COMPARED TO TOWN PEERS AND STATEWIDE AVERAGE

Spending has been consistently below the state average per pupil and consistently approximates the average of demographically comparable towns (Reference Group D)





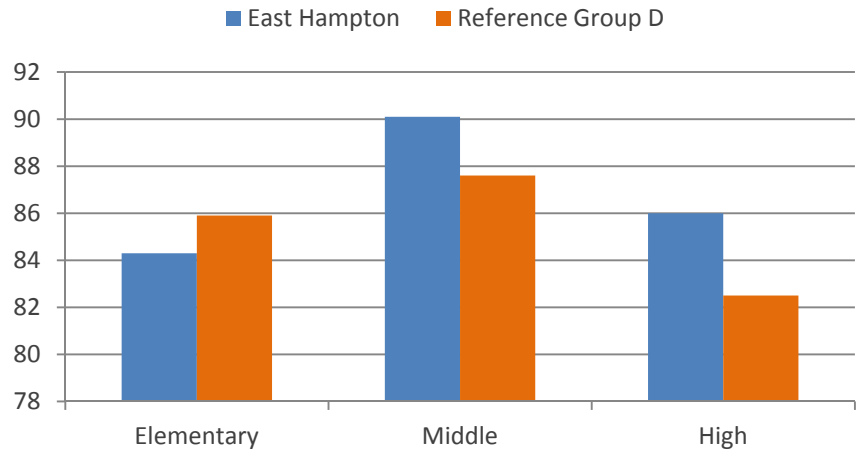
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ACADEMIC RESULTS STUDENT ACHIEVEMENT MEASURES THE CONNECTICUT SCHOOL PERFORMANCE INDEX

The School Performance Index (SPI) was released by the Connecticut State Department of Education in December 2012. It is an average of student performance in all tested grades, subjects and performance levels on the Connecticut Mastery Test (CMT) and Connecticut Academic Performance Test (CAPT).

East Hampton's results compared to our reference group:



BUDGET CHALLENGES: RESPONDING TO EVOLVING FEDERAL & STATE MANDATES

Common Core State Standards: The Connecticut State Board of Education adopted new National Standards known as the Common Core State Standards (CCSS) that establish what public school students should know and be able to do as they progress through grades K-12. Teachers, parents and students will now have a common understanding of academic expectations from grade to grade. Although the CCSS state what is to be learned, the responsibility for interpreting and implementing these expectations are up to local districts and thus require extensive training and curriculum revision for East Hampton Schools. In the spring of 2015, a new comprehensive, computerized assessment, to help determine how students are doing with regard to the new standards, will replace the CMT. CCSS assumes that full day kindergarten is offered to all students.

Teacher Evaluation: Connecticut has adopted a new system for Educator Evaluation and Development (SEED) involving extensive professional learning requirements for teachers and administrators. The new guidelines evaluate teachers based on observing classroom practice, student achievement, and feedback from students and parents.

Magnet Schools: Schools (many created in settlement of the Sheff vs. O'Neill case) designed for students within

participating geographic areas with thematic instruction or special curriculums while also reducing racial, ethnic, and economic isolation of certain student groups. Students from our town who attend schools (other than those sponsored by the Hartford Board of Education) do so at the expense of local taxpayers.

Negotiation and Binding Arbitration: The East Hampton Board of Education has successfully negotiated contracts with all employee bargaining groups for many years. The State of Connecticut prescribes a collective bargaining negotiation process for our bargaining units administered by the State Department of Education for teachers and administrators and the Department of Labor for non-certified bargaining units. The process for certified staff provides strict deadlines and limits the Board of Education's flexibility in teacher and administration negotiations.

Reporting: The state and federal government requires numerous annual and monthly reporting of extensive data types requiring various specialists to manage the data projects. These rule or "red tape" mandates are the same for our small community as any large city in our state. Additionally the town and Board of Education incur audit costs to validate the costs on various state reports (such as the End of School Year Cost Report).

Scientific Researched-Based Intervention (SRBI): Response to Intervention (RTI), called Scientific Researched-Based Intervention (SRBI) in Connecticut, is a state mandated; regular education initiative intended to provide early



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academic support for struggling students. The goal is to combat the rising proportion of students identified with learning disabilities. Universal Screens are administered to all students three times yearly to determine need for support. Three tiers of support exist. Data teams are in place to monitor student needs and progress, since the tiers are fluid. Additional classes, staff members and materials are needed to address these changing needs.

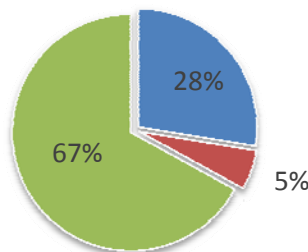
High School Accreditation by New England Association of Schools and Colleges (NEASC): Accreditation is a necessary process whereby the accrediting agency examines the school's academic programs, resources, and student achievement, plus other factors. It provides assurance to our community, parents, and students that courses and programs offered are of high quality and value, by comparison to regional standards.

Student Success Plans: The Student Success Plan (SSP) is an individualized student-centered plan that engages every student based on their unique interests and strengths helping them to understand the relevancy of education to achieve postsecondary educational and career goals. The Naviance software program now is utilized by East Hampton schools to support Student Success Plans for all Middle and High School students. It provides the student support and assistance in setting goals for academic, career, social, emotional, and physical development that meet rigorous high school and postsecondary expectations.

WHERE DOES SCHOOL FUNDING COME FROM?

In addition to local property taxes, East Hampton taxpayers receive funding assistance for our public schools from state and federal governments. This aid comes in the form of different grants intended to address public policy goals and priorities.

- State education cost sharing
- Various state and federal grants
- Local taxpayers



DID YOU KNOW?

- **East Hampton is one of only 26 school districts in Connecticut and 539 school districts across the U.S. and Canada to make the AP Honor Roll.** That status is given to schools for increasing access to Advanced Placement coursework while maintaining or increasing the percentage of students earning scores of 3 or higher on AP Exams.
- **In 2012, for the second time in four years, East Hampton High School was one of 18 schools in Connecticut presented with the Michaels Achievement Cup Award for exemplary athletic programs.** Schools are selected based on their achievement in the seven distinct areas of sportsmanship, participation, athletic scholarship, athletic personnel, equity, chemical free initiatives and athletic achievement.
- **This school year two Memorial school students received awards from the Connecticut Association of Schools for outstanding citizenship, leadership and visual & performing arts.**
- **Center Elementary School hosts an annual Invention Convention.** In 2012, 12 students participated in the state wide competition at UCONN; one student achieved the top statewide honor: the Patent Award.
- **In 2012 the East Hampton High School French Club's Haiti Brick Project was one of 14 projects in Connecticut to be recognized and receive an award from the State Student Advisory Council on Education** through their Challenge to Educational Citizenship Award Program which focuses on service to school, community or those in need. The club's project was selected from over 130 entries submitted from across the state.
- **Students enthusiastically participate in music offerings made available,** examples: 52% of Center School students study a musical instrument and 22% of Middle School students sing in the chorus.