

UNAPPROVED

MINUTES

SPECIAL SELECTMEN'S MEETING

@North Haven Memorial Town Hall Conference Room #1

MARCH 27, 2008

10:00 a.m.

A special meeting of the Board of Selectmen was called to order at 10:00 a.m. by First Selectman, Janet M. McCarty. Also present were Stephen A. Fontana, Second Selectman, and Michael Freda, Third Selectman.

Ms. McCarty explained that this meeting's purpose was to call for a Special Town Meeting, to be held on April 8, 2008, at 6:30 p.m. in the auditorium of North Haven High School, 221 Elm Street, North Haven, CT. for the following purpose:

RESOLVED, that the Board of Selectmen call a Special Town Meeting to consider and act upon the recommendation of the Board of Finance to appropriate a sum not to exceed \$250,000 for Special Education expenditures; and, be it further resolved, that the Town authorize that the cost of this appropriation be defrayed by the expenditure of a portion of the unappropriated fund balance. Said appropriation shall only be used for Special Education expenditures.

Sara Querfeld, Superintendent of Schools, explained the main reasons for the request. The Department of Children and Families outplaced seven students in North Haven at an average cost of \$50,000 per year. Also, two 20 year olds were placed in group homes in North Haven and towns are required to pay for education costs until age 21.

The 2007-2008 budget included an allocation to fund 44 special education student outplacements but the additional outplacements brought the number to 53. The Superintendent explained that the number of students outplaced by DCF had never been this high in the past. Also, state statute does not allow the Board of Education to overspend its budget or borrow money. It cannot have a contingency fund for unanticipated expenses.

According to the Superintendent, two actions compounded the problem. After the 2007 budget referendum, the Board of Education budget was cut an additional \$150,000. She met with Michael Peterson, Chairman of the Board of Finance and Kevin Kopetz, First Selectman, and explained that, because of this reduction, she would have to cut three positions, high school electives or all day kindergarten. The solution offered by Mr. Peterson and Mr. Kopetz was to only budget for the 44 special education students even though there was a good possibility that more students would be outplaced based on past history. She was told by them that if the Education Department faced a deficit, the Board of Education could request a special appropriation to defray the costs.

The other issue that led to this problem concerned the amount budgeted for health insurance. The Superintendent initially was told that an 11% increase would be necessary. It was reduced to 8%, and the number was finally reduced to 3% in the budget as presented by the Board of Education to the Board of Finance. This created an additional deficit of \$250,000 in the budget.

The Superintendent explained that she put a freeze into effect when the magnitude of the problem was realized. However, it has now been determined that the deficiency is too large to absorb through cost-savings. It was concluded that it was necessary to ask the Town for the additional appropriation. When asked what would happen if the appropriation was not approved, the Superintendent noted that the following would have to be considered: layoffs, including long term subs, which could lead to grievances because of contracts, and cutting spring sports and other extra curricular activities.

Mr. Fontana asked if this will be an ongoing problem in this coming and future years. The Superintendent explained that DCF most likely will be outplacing more children in the coming years, and that the group home situation is always an unknown problem since we have 24 group homes in North Haven. We are required to provide the funds to educate to age 21 in group homes and there is no reimbursement under the excess cost sharing formula. She stated that the special education portion of the budget is getting larger every year, now at about 23%, and that 50 outplacements were in the budget for the coming year. She also noted that other towns were experiencing the same problems with DCF outplacements.

Mr. Freda asked if these costs are mandated. The Superintendent explained that the town has no choice but to fund the DCF outplacements. Mr. Fontana explained that it is a complicated process involving federal, state and local governments. Special education is driven by federal law; the local school system identifies children with special needs; and placements by DCF are made under state law. He also noted that advocates for special education have a very powerful lobby in Hartford and Washington D.C. The Superintendent added that 90% of the legal costs from the Board of Education budget are special education related and identification of children with special needs is the result of mediation in many instances.

A motion was made by Mr. Fontana to approve the resolution.

Voted: McCarty-yes, Fontana- yes, Freda- yes

Ms. McCarty announced that the next meeting of the Board of Selectmen would be on Monday, April 7, 2008, at 7:00 p.m. in the North Haven Memorial Library Community Room.

The Board entertained comments from the public.

Robert Johnson, 839 Middletown Avenue, said that he opposed the motion since he felt that the State should be responsible for these costs and not the property owners in the town.

Miriam Brody, 500 Elm Street #15-4, asked why placements are made out of state and aren't these placements more expensive? The Superintendent answered that DCF and hospitals determine the placements and the town cannot question them.

There being no further business to come before the Board, Ms. McCarty moved for adjournment at 10:35 a.m. Voted: McCarty-yes, Fontana-yes, Freda-yes

