

**MINUTES Special Meeting: Public Hearing
Woodstock Board of Finance**

Room 1 - Town Hall Tuesday, April 3, 2018

1. The Call to Order was by Acting Chairman of the Public Hearing Michael Dougherty at 7 PM

2. Roll Call Michael Dougherty (Present)

Fred Chmura (P)
David Fortin (P)
Ronald Cabana (P)
Roy Bradrick, Jr (P)
Glen Lessig (P)
Michael Bernardi, Alt (P)
Jeffrey Kelleher, Alt (P)
David Richardson, Alt (P)

Present: First Selectman Mike Alberts; Chandler Paquette; School Superintendent Victor Toth; Board of Education Chairman Megan Bard-Morse; Treasurer Karen Fitzpatrick; Highway Foreman John Navarro; Collector Linda Bernardi; Former Treasurer Barbara Rich; Tax Board of Education Member Joan Fortin; Recreation Director Crystal Adams; IWWA Member Marla Butts; IWWA Chair Mark Parker; Board of Education Member Julie Woodland; Conservation Commission Member Jean Pillo; IWWA Member Wayne Durst; Board of Education Member Adam Keser; School District Business Manager Karen Munroe; Planning and Zoning Member Doug Porter; Registrar Suzanne Woodward; IWWA Member Bill Rewinski

First Selectman M. Alberts noted that Selectmen Frank Olah is out of state.

Members of the public: Katie Fortin, Jane Newell, Preston Schultz, Vanessa Lafferty, Robert Puchalski, Michelle Salvas, Jenna Demers, Ken Magee, Linda Frazer, Mary Jane Dougherty, Kevin Withers, Steve Smock, David Drake, and others

3. Seat Alternate if necessary: all members present, alternate not seated

4. Call to the Public Hearing: Acting Chairman M. Dougherty read the Notice of the Public Hearing, per CGS 7-344.

5. Call for Nominations for Moderator of the Public Hearing: Board of Finance Chairman M. Dougherty asked for nominations for Moderator.

Motion D. Fortin seconded by F. Chmura to elect Barbara Rich as Moderator carried unanimously.

6. General Government budget proposals: Moderator B. Rich asked First Selectman Mike Alberts to present the proposed General Government 2018-2019 Budget.

M Alberts: The General Government Budget proposal for FY 2018-2019 is \$4,817,683. This represents a proposed budget reduction of 3.75% compared to FY 2017-2018 which will offset the increase in the Redemption of Debt, \$548,614, which allows compliance with the request by the Board of Finance to present a zero-increase budget proposal.

Changes have been made to the first draft of the proposed FY 2017-2018 budget and a handout is provided. For clarity it is dated at the top March 29, 2018. Both small increases and decreases are enumerated. The Board of Education also had some changes, resulting in a new document dated April 3, 2018 at the top, which is available in the back of the room.

In answer to an inquiry: training for an individual who could be our next building official, ytd is \$15, 779 including all related expenses. Contract proposals are drawn up and a meeting will take place next week to try to move ahead in this department.

A meeting in two weeks has been set up with the Head of School at Woodstock Academy to find ways to work together in planning for future budgets.

Changes compared with FY 2017-2018:

- The proposed budget includes significant personnel changes with accompanying budget reductions. The proposal for closing the town hall on Fridays mirrors nearby towns.
- Line items which have been reduced include Social Security, Pension, and Health insurance which result from personnel reductions, as well as a reduction in postage costs, Recreation and Open Space (State will take some responsibility for expenses)
- There are two areas of increase: CCM dues& conferences (a professional organization in which membership will benefit the town), and a revitalized Emergency Management Department
- Salary freezes are proposed for all elected officials; no insurance stipend is planned for the First Selectman

7. Public Comment: After the presentations of the budget proposals, Moderator B. Rich opened the floor for discussion:

- Question to M. Alberts clarify your hours at the Town Hall: I am in the town hall three days each week. In addition, there are NECCOG and other meetings. I will meet all my statutory responsibilities; that includes meetings or duties in the evening or on weekends
- Suzanne Woodward- reviewed roles and responsibilities of Registrars of Voters at each election and referendum; noted statutory staffing requirements

- Mark Parker- pointed out the role of the Building Office Administrative Assistant in IWWA duties; asks if more duties will be shifted to this position should the proposed changes play out regarding moving to part-time planner; outlined major role of the Inland Wetlands agent who is moving to part-time
- Marla Butts- following a question, correspondence about sharing a Building Official with Thompson was discussed. NECCOG's proposed responsibilities/contractual services were enumerated and the places in the budget where these items appear were listed. Engineering services for NECCOG is over \$19,000 which seems to be an increase. Response K. Fitzpatrick: various departments need engineering services and they were not previously enumerated. M. Butts suggestion: another engineering firm should be sought beyond NECCOG because of the needed breadth of services.
- Question Zoning Enforcement Official: changes in the position are to be worked out because of statutory changes
- Question about over-budgeting. M. Alberts- there are no hidden factors in this budget; we are cutting staff and salaries because there is no other place to cut. The State is not to be counted on to honor its commitments to the communities in funding promises.
- Question: how was the situation with a building official trainee integrated into the budget, as well as the stipends, without the BoF being aware? This reflects a lack of transparency. M. Alberts-there had been some flexibility in how items had been placed in the budget.
- Doug Porter: building fees came in lower than anticipated this year, even though the building environment seems to be increasing. K. Fitzpatrick noted that actually a multi-year time span is used to forecast, in order to be cautious.

Proposed Five-Year Capital Improvement Plan: There has been no change in the Five-Year Plan. It is not a binding commitment but rather goals and hopes. FY 2018-2019 includes the annual \$150,000 for resurfacing and replacement guardrails, with the major project for the year work on English Neighborhood Road at \$325,000, for a total of \$675,000. A bridge on lower County Road is being examined and we are awaiting state grant information.

8. Education budget proposals: Moderator B. Rich asked Superintendent of Schools Victor Toth to present the proposed Education 20178-2019 Budget.

V. Toth: Education Budget Proposal for FY 2018-2019:

Since the last meeting, changes had to be made to the proposed budget; new special education students from out of state caused an increase from the preliminary proposal. The proposed total budget is \$18,444,001, an overall increase of 6.72% over FY 2017-2018, with some unknown pending factors which could have an impact such as the heating oil contract and the health insurance contract renewal.

- The proposal includes new cost reductions: technology plan, security staff, supplies, and removal of additional 1st and 5th grade teachers.

Significant increases/pressure points:

- Woodstock Academy tuition- \$537,992 (Tuition rate increase of 1.59% = \$93,522) and enrollment increase over FY 2017-2018 of 32.5 students = \$444,470). Note: Woodstock Academy tuition is proposed at \$13,395 per student. Any reduction from the proposed budget will have impact on the Woodstock Public Schools exclusively: the proposed budget results in a tuition rate of \$9,294. If there is a zero percent increase compared to FY 2017-2018, the resulting tuition rate will be \$8,142 per student.
- Special Education- \$404,860 including the students at Woodstock Academy
- Contractual obligations-\$136,365

Additional notes:

- Teacher contract: Teachers accepted a Step (pay increase) freeze for FY 2018-2019 and held their wage increase to 1.5%
- Diesel fuel price increases (bus fuel) = increase of \$15,042 or 23.5%
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Note CGS 10-220a requires adequate staffing and supplies for its students, properly maintain the facilities and have an equitable allocation of resources among its schools. There is a significant difference (40%) in the funding/tuition rates between the School District and the Academy.

They have looked at several other possible cuts if they become required, including deferring tuition payment to Woodstock Academy, with their agreement, until July 15 and considering reducing the increase in the Health Insurance Account and instead utilizing the reserve fund.

Note: The Board of Education and Woodstock Academy will meet in 2 weeks, April 17.

V. Toth also presented the Proposed Five-Year Capital Improvement Plan: projects totaling \$225,181 include \$85,000 for a generator for the Middle School.

Board of Finance Chairman M. Dougherty thanked V. Toth.

9. Public Comment: After the presentations of the budget proposals, Moderator B. Rich opened the floor for discussion.

- Question: Waiting for a decision from the Town Attorney? Yes, we are awaiting a decision whether the increased enrollment for FY 2018-2018 may, all or in part, be considered and “Emergency/State mandate” in the language of Proposition 46. Citizen comment: there is the possibility that a parent may challenge whether we are meeting the requirement of 10-222a, and that would be expensive for the town.
- Suzanne Woodward: requests, in budget planning, referring to expenses over a longer time period rather than just a one-year lookback, maybe 8-10 years
- Member of the audience rises to support funding the proposed Education budget to the maximum permitted under Proposition 46, as there is a community-wide impact through the school system’s success. Another: there is reliance on the Education Foundation to

round out the school offerings, supports funding the budget to the total amount possible. Another: Woodstock should find new revenue sources, maybe an admission tax for the Woodstock Fair, or other ways. M. Alberts noted that the State severely limits sources for local budget funding. Other members of the audience: advocated for full funding. Some parents make taxing commutes to work so their children can attend schools here.

- Preston Schultz: Question about Green Energy raising the cost of energy used. M. Bard-Morse: investigation of energy costs is underway
- Comment: School budget has had a surplus over 4 years, of several millions, placed into various accounts; everyone should learn what was not spent for students (\$1.4 Million over 4 years). At the close of the budget, these are seen.
- Call for accurate information about how there can be a surplus when there is reportedly a deficit: V. Toth: funds were transparently deposited in the Healthcare Insurance Account as a reserve, which may need to be used this year. BOF member D. Richardson commented; to find evidence of this, look in the town audit reports for the last 4 years. Look at balance sheets, specifically \$813,000 the BOE Healthcare Fund. This fund was supposed to be built up to \$500,000 over a 5 year period but they were already there in only 3 months. The extra \$300,000 over the 5 year target could have been returned to the town and placed in the Capital Non-recurring Account making it available to the town or to the school district. 2010 Legislation allowed for the creation of a Board of Education Non-lapsing account which could be opened in 2011; up to 1% of unspent education budget funds could go into this rollover account. Prior to 2011 this was not allowed. Add them all up over 4 years, there's \$1.4 million. This was not wasted money; much in Non-lapsing was effectively used, but it could have been in the CNR account. What is in the Non-lapsing Account is what was not spent, therefore it is not a budget line item. The audit is public, on the town website. M. Bernardi reviewed some of the history of these funds.
- Michelle Salvas: questions the process of a Board or Commission challenging Proposition 46 or who does it? M. Alberts noted that it is the responsibility of a citizen to change an Ordinance. The town clerk can provide paperwork. Prop 46 did not come from a municipal board but rather from the population/town meeting/referendum process.
- J. Newell: Should continue to fully fund special education and general education from the state level. Continue to advocate: all students must be educated to the best of each's ability.
- Comment: A Stop Loss policy for Health Insurance is in place. The school budget has not ever been cut by the Town, in my 20 years. Parents may want to sue the Town regarding the disparity between the Tuition rates, to be able to demonstrate that the actual per student expenditure is different (higher) than put forward. Maybe Woodstock Academy manages its money well and provides excellent education for the value.
- Comment: Is Woodstock Academy being encouraged to take over the public school system?

- **M. Butts:** Request that the BOF remove NECCOG specifically as the engineering provider (Budget p. 25) in order to obtain the best engineering services specific to each situation.

BOF Chairman M. Dougherty noted that the Final Budget meeting will be on April 10, with the Annual Town Meeting on May 8.

If a referendum is decided upon, it would be held on May 15 from noon to 8 PM.

Chairman M. Dougherty thanked B. Rich for serving as Moderator.

10. Correspondence and announcements: none

11. There being no further discussion: Motion to close the Public Hearing by D. Fortin, seconded by G. Lessig carried unanimously.

Motion to adjourn by G. Lessig, seconded by R. Cabana at 8:35 PM carried unanimously.

Recording Secretary Dorothy Durst

Minutes submitted by David Fortin, Woodstock Board of Finance Clerk

These minutes have not yet been approved by the Board of Finance. Please refer to next month's meeting minutes for approval of and/or amendments to these minutes. A video recording of this meeting is available on the Town of Woodstock website (see Boards and Commissions/Finance).