

**WOODSTOCK BOARD OF FINANCE
REGULAR MONTHLY MEETING
WOODSTOCK TOWN HALL, MEETING ROOM 1
TUESDAY JANUARY 08, 2019 AT 7:00 PM**

Minutes

1. Call To Order:

M. Dougherty called the meeting to order at 7:00 pm

2. Roll Call:

Michael Dougherty (Present)
Fred Chmura (Present)
David Fortin (Present)
Ronald Cabana (Present)
Roy Bradrick, Jr. (Absent)
Glenn Lessig (Present)
Michael Bernardi, (Alternate) (Present)
Jeffery Kelleher, (Alternate) (Present)
David Richardson, (Alternate) (Present)

Others Present:

M. Alberts, K. Fitzpatrick, T. Lasota, Mr. & Mrs. Durst, (and 2 others)

3. Seat Alternates if Necessary:

D. Fortin **MOTIONED** to **SEAT** M. Bernardi; R. Cabana **SECONDED**; **MOTION CARRIED UNANIMOUSLY**

4. Approve Minutes from December 11, 2018 Regular Meeting:

F. Chmura **MOTIONED** to **APPROVE** the 12/11/2018 meeting minutes as **AMENDED**;
R. Cabana **SECONDED**;

D. Richardson requested the following adjustments:

- 1) agenda item 6 on page 2, paragraph 4, an addition of a third sentence: "D. Richardson and M. VanDeventer agreed that it appeared \$30,000.00 had been transferred to the non-lapsing account came from the Healthcare Reserve service account; the legality of which needs to be addressed."
- 2) agenda item 7.E, page 4, addition of a new third paragraph: "D. Richardson commented on the School Business Manager's written response to the issue of the \$50,000.00 surplus in the unemployment account for 2018 and its discrepancy with the FICA account."
- 3) agenda item 7.E, page 4, now fourth paragraph, adjust the last sentence to read: "V. Toth said he had decided to make an adjustment to the business manager salary and add it to the budget last year and added the work of the business manager was worth that amount and that it would help in recruiting in the spring."
- 4) agenda item 6, page 2, paragraph 6: "10-2-22 violation" should read "10-222 violation"

G. Lessig requested the following adjustment:

- 1) agenda item 6, page 2, paragraph 5: "hangover costs" should read "holdover costs"

MOTION CARRIED UNANIMOUSLY

5. Public Comment: None

6. Old Business:

A. Budget Update:

K. Fitzpatrick said she had not yet received ECS for January, but some monies had been received from Mashantucket Pequot.

B. Update on Local Bridge Project:

M. Alberts said there is a possibility for some assistance from Rep. Pat Boyd in the form of getting some additional help in advancing of a bridge, adding that he has proposed adding a bridge to the bond initiative which may fund it 100%. M. Alberts briefly explained how the 2 step process of bond initiatives work.

M. Alberts said from his perspective, the most expensive bridge currently is the Butts Bridge which is not fully engineered, but if the bonding route is used it may mean not being able to participate in the Local Bridge program since both can not be used. He added CME may have some ideas regarding going forward with another bridge rather than one of these 4 bridges, but are looking to maximize dollars.

F. Chmura and M. Alberts discussed the timing of the bonding agenda; M. Alberts noted various past governors were supportive of shovel-ready projects but was not sure of how the new governor would look at things.

M. Alberts said the Board of Selectmen did vote to move forward at their last meeting, and set a Town meeting for January 22, 2019 which will adjourn to a referendum on January 29, 2019 with voting between Noon and 8:00 pm. He also noted the need for the Board of Finance formal approval, and Planning and Zoning approval at their meeting on January 17, 2019.

K. Fitzpatrick said in this BOF meeting there is a resolution that must be read and voted on to move forward before any appropriation can take place officially.

7. New Business:

- A. To consider and act on a resolution recommending an appropriation and borrowing authorization for costs related to replacement of the Peake Brook Road bridge over Peake Brook (Bridge No. 169017), replacement of the Hopkins Road bridge over Stafford Brook (Bridge No. 169003), replacement of the Butts Road bridge over Peake Brook (Bridge No. 169018), and renovations to the County Road culvert bridge over Gravelly Brook including a related increase to the turning radii at the intersection of State Route 169 and County Road, and related work and improvements, and for costs related to the financing of the projects.**

M. Dougherty read the resolution record:

RESOLVED, That the Board of Finance recommends that the Town of Woodstock appropriate \$2,500,000 for costs related to replacement of the Peake Brook Road bridge over Peake Brook (Bridge No. 169017), replacement of the Hopkins Road bridge over Stafford Brook (Bridge No. 169003), replacement of the Butts Road bridge over Peake Brook (Bridge No. 169018), and renovations to the County Road culvert bridge over Gravelly Brook, including a related increase to the turning radii at the intersection of State Route 169 and County Road; and related work and improvements, contemplated to include, but not limited to, related roadway, approach and traffic protection improvements. The First Selectman is authorized to determine the scope and particulars of the project, and to reduce or

modify the scope of the project; and the entire appropriation may be spent on the project as so reduced or modified. The appropriation may be spent for design, construction, acquisition and installation costs, land and easement acquisition, equipment, materials, site improvements, consultants, engineering fees, grant application and acceptance costs, legal fees, net interest on temporary borrowings and other financing costs, and other expenses related to the project. The Town anticipates receiving reimbursement under the State of Connecticut's Local Bridge Program for eligible costs of the project in the estimated amount of \$432,700, to be applied to defray in part the appropriation.

F. Chmura **MOTIONED** to **APPROVE** the resolution; M Bernardi **SECONDED**;
MOTION CARRIED UNANIMOUSLY

B. Quarterly reports for quarter ending 12/31/2018: No Discussion

C. School Cost Comparison:

G. Lessig talked about PreK-8 costs and Woodstock Academy costs, and the education budget which includes some expenses that are spent by the Academy but do not reflect in the budget, specifically transportation and special education. He thought it was time to begin a conversation regarding this to have an understanding of what the different schools are costing, and noted in general we can take those transportations costs from our budget that are being spent by the Academy and assign them as an expense we are incurring for those students. G. Lessig said we do have this unusual situation in Woodstock where a majority of the high school students are being tuitioned to the Academy, and how they actually show their expenses.

D. Fortin thanked G. Lessig for the work he has done; he suggested to strip all transportation and special education costs, and start looking at the maintenance education side of the charges for each of these 2 facilities. Other high school students such as VoAg and Ellis Tech need to be removed from the totals before doing calculations, but added that this is a great start. G. Lessig said there are some costs in this budget that are not related to the Academy and we need to appropriate them.

D. Richardson had passed out page 7 of the financial statement noting the highlighted item "Education" under Program Expenses, commenting on the \$21,623,400 vs. the \$17,282,000 which is what the budget was, and questioned the other \$4.3 million dollars. D. Richardson said he did have a breakdown for \$4.2 million of it: pension expense \$1.9 million, post retirement benefits \$200,241.00, changes in BOE OPEB plan \$252,000, depreciation \$309,000, gross up of excess costs \$494,000, cafeteria fund \$312,000, education grants fund expenditures \$693,000. D. Richardson said these are additional monies that are being spent on education in the Town that most of us never see, and they pass by because they are not part of the budget. D. Richardson said when you start comparing Woodstock Academy to WPS, a lot of these things don't apply to the Academy but they do apply to the elementary and middle schools, and if you take out the pension expense and post retirement benefits you end up with close to \$2600 per student. He also added that we spend almost 40% more on WPS special ed than on Woodstock Academy special ed, and added if you really dig into it WPS costs about 88% of what it costs us at Woodstock Academy. D. Richardson also said if there were no changes on the budget, there is 5.4% increase per student spending due to enrollment drop.

D. Richardson also commented about Gov. Malloy's pension deal.

G. Lessig said they will have to dig into some of these other costs and assign them properly, but wasn't sure about the 88% as it didn't appear to be close based on the numbers at this point. He also commented on special ed, and talked briefly about special ed programs in other towns and how they are addressed. G. Lessig and D. Richardson discussed further.

D. Fortin said a different level of resolution was needed to do a proper analysis, agreeing with G. Lessig that the majority of special ed would be in the earlier developmental and scholastic years, and the special ed charges would be greater in WPS than at the Academy level. D. Fortin, G. Lessig, and J. Kelleher discussed tuition costs further. G. Lessig said he would like to get the numbers out there and try to compare them “apples to apples” as much as possible, and have a firm grasp on them so they can make the decisions as they support budgets.

D. Fortin thought G. Lessig was on the right path in gaining some resolution and understanding of the costs. M. Dougherty said there is only a certain amount of money to spend; K. Fitzpatrick noted Prop46.

M. Dougherty suggested to table the discussion for now and look over the numbers allocated for the different accounts.

8. Public Comment:

M. Alberts said K. Fitzpatrick has sent out the budget requests for the various departments, and also said they are following up on discussions from the TriBoard meeting about having Attorney R. Roberts meet with members of the various boards. He added they are exploring the revenue theme that had come up and anything within Prop46 that allows that. Information has been sent to Attorney Roberts and the meeting is set for next Tuesday (01/15/2019).

M. Alberts thought there were not a lot of projects the new budget would allow them to move forward with, however the Selectmen have not yet discussed their individual priorities. They are aware of the 2.5% contractual increase on the union side, and are aware of other employee compensational adjustments that need to be made, but seek BOF guidance.

M. Dougherty said the certified numbers for the tax base were needed for a starting point, without that number it is not known what Prop46 allows.

D. Fortin suggested starting with a zero base, then preparing another budget that would accommodate making certain changes. M. Dougherty noted there are some costs that can't be controlled, so unless you cut somewhere else then there will be an increase in the budget. D. Richardson said the cuts should be placed in priority order, so you can see the cost cut and its effect.

D. Fortin, D. Richardson and M. Dougherty briefly discussed Prop46.

W. Durst said he has trust in the way the finances are run in Woodstock, in the direction the Town has taken, and liked tonight's discussion, and added that he is also very happy with the minutes as they are more than the legal minimum. Mr. Durst also said a complaint he hears from various boards and commissions is that the public never comes in or are not interested, but if they are interested, the minutes are complete if they want to go back and check anything.

P. Shultz was concerned about the \$650,000 in grants, noting if the schools lost its grant money you may not be able to get it back via Prop46 in tax increases if you're up to the limit. D. Richardson that wasn't part of what has been in there because it's not on the books, it's not part of the \$17 million.

D. Richardson said in the last meeting they talked about the \$30K that showed up in the non-lapsing account; but as mentioned to the auditor there was actually \$74K that was taken from the reserve account, questioning where is the other \$44K? D. Richardson said the BOE and school administration

needs to provide a written explanation of what happened to that money. He added between June 12 and June 30 we went from a \$22K surplus to \$74K out of the reserve account, and asked where is the \$44K; he also said someone was needed to find it, such as a forensic accountant.

M. Dougherty asked D. Richardson to draft letter to be sent to the BOE.

9. Other From Board:

G. Lessig commented on the use of the overhead projector.

10. Correspondence and Announcements:

M. Dougherty noted the next meeting is February 12, 2019

11. Adjournment:

G. Lessig **MOTIONED** to **ADJOURN**; M. Bernardi **SECONDED**; **MOTION CARRIED UNANIMOUSLY**

The meeting was **ADJOURNED** at 8:09 pm.

Respectfully submitted by Terri Lasota, Recording Secretary

DISCLAIMER: These minutes have not yet been approved by the Board of Finance.

Please refer to next month's minutes for approval/amendments. Please note that the audio record is the legal record of the meeting.