

Woodstock Board of Finance

Finalize Budget, Appoint Auditor

Room 1 - Town Hall Tuesday, April 10, 2018

MINUTES

1. The Call to Order was by Chairman of the 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; Selectmen Chandler Paquette Frank Olah; School Superintendent Victor Toth; Board of Education Chairman Megan Bard-Morse; Treasurer Karen Fitzpatrick; Tax Collector Linda Bernardi; Former Treasurer Barbara Rich; Board of Education Member Joan Fortin; IWWA Member Marla Butts; IWWA Chair Mark Parker; Board of Education Member Julie Woodland; 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; Arboretum Committee Chair Bill Brower; IWWA Member Bill Rewinski; Former Selectman Mitch Eaffy

Members of the public: Katie Fortin, Kevin Withers, Jane Newell, Preston Schultz, Steve Smock, Ernest St. Jean, Ed Munroe, and others

Recording Secretary Dotti Durst

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

4. Motion F. Chmura/D. Fortin to approve the minutes of the March 20, 2018 Regular Meeting as presented carried unanimously.

5. Public comment: S. Smock - called upon the Board to take the budget forward for a vote at the full limit of Proposition 46.

6. Old Business:

A. Update on State Budget: Chairman M. Dougherty commented that no additional updates have come in. M. Alberts noted that he has also heard nothing new.

B. Review Fund Balance Policy: M. Dougherty - the policy has been suspended for several months awaiting action from the state; the current budget is \$2.1 Million behind with three months to go in the fiscal year. **Motion D. Fortin/G. Lessig to continue the suspension on the fund balance policy on the Unassigned Fund carried unanimously.**

C. Finalize FY18-19 Budget Requests: G. Lessig - at the Public Hearing, the citizens made it clear that they want a budget at the maximum permitted under Proposition 46 for FY 2018-2019. J. Kelleher - concurs that the public did so indicate.

Motion G. Lessig/D. Fortin to recommend funding the Fiscal Year Budget, ending June 30, 2019, at \$23,560,650 which is the maximum permitted under Proposition 46.

D. Richardson - commends the Board of Selectmen for their leadership and fiscal responsibility. Hard choices had to be made and tough decisions; he feels they deserve credit. This is the first time in memory we recall the operating General Government budget going down and that's with debt service for the school roof factored in.

D. Richardson - felt the school district budget to be irresponsible to a high degree. Even with the increase in enrollment at the Academy, there is still an 8% increase in the *public* school budget. The Education budget is misleading because over \$300,000 is planned to be drawn out of the Healthcare Fund. This may raise issues about 10-222 and about Proposition 46 legal issues - it is not an emergency; it is a planned situation. This increase is not in compliance with the real limits. Enrollment is down 5% and yet the budget is up 8%. Next year 19-20 looks even worse on the state level. This bubble in student enrollment will pass through in three years. We have to keep the bigger picture, on the state level, in mind.

M. Bernardi - we had 60+ new students in K-12; declining enrollment over previous years. I have a different use of "irresponsible" - instead I commend the school administrators- they do the best they can with as little as they have - **we** would be irresponsible to not support the budget that reflects what they need. The budget itself is responsible; *saying* it is irresponsible is irresponsible.

R. Cabana - Due to revenue shortfalls, we will have to go back to the BOS and the BOE for further cuts. If we go to an 80/20% split or a 90/10% some changes are going to have to be made.

D. Fortin - we are here to express opinions, there is no harm when Board members do. The BOF has two responsibilities: To set the mil rate and to fund the two budgets including debt service, roads and the rest. We ask ourselves: Is the need of the BOE real? I think it is. I have a compromise to propose: Looking back at the BOF Minutes September 12, 2017, we see that the

BOF transferred funds in the amount of \$294,960.16 that the BOS turned in to the Unassigned General Fund and it has been there ever since.

I propose we fund the budget to the maximum under Proposition 46, and then utilize \$110,000 of the \$294,960 to provide tax relief. The tax rate increase would be .566 mils if the budget were to be fully funded through taxation, but with my compromise, it will be .407 mils. If Woodstock does receive the hoped-for \$111,000 from the State, this would create an overage and could be used to fund the Capital Non-Recurring Fund. I believe it is OK to use these funds from a previous year to support the mil rate. We could fund the budget at the max while still doing our best to lower or lessen the impact on the tax rate. This matter will be dealt with later in the budget approval process.

F. Chmura - I agree to fund the budget at the maximum of Proposition 46. The Education budget seems fair. The General Government budget demonstrates creative and serious cuts. I do not favor the traditional splits as done in the past.

R. Bradrick - Yes, fund to the limit of Proposition 46. Yes to the Selectmen's budget; we can't ask them for more. The proposed overage has to come out of the BOE budget to stay within the limit.

G. Lessig - Supports funding the budgets to the maximum of Proposition 46. Again the State is in shambles. Education is funded exclusively through the personal property tax with no other recourse. The school system is in part why people want to move to Woodstock. If we continually under-fund K-8, this does not prepare the students adequately for high school. Citizens should realize: property tax may have to go up...it is just the reality.

J. Kelleher: I support funding the budget to the maximum allowed by Proposition 46. Nobody wants taxes to go up. School programs are being cut. Put the maximum amount allowed to the voters and let them decide.

Call the Motion to approve the dollar figure of \$23,560,650 for the combined budget for FY 2018-2019: Motion carried unanimously. M. Dougherty - this funds the budget to the maximum permitted under Proposition 46.

D. Combined 5-Year capital Plans: Proposed: BOE \$1,278,672. BOS \$6,342,200. Total amount: \$7,629,872. This is required by the State - a wish list, not a plan. **Motion D. Fortin/ F. Chmura to approve the 5-Year Capital Plans carried unanimously.**

6. New Business:

A. Arboretum Request for CNR Funds: Bill Brower, Chairman of the Arboretum Committee, reviewed the necessity for improving the access and paths within this town-owned park, as they are in poor condition and present a liability issue for Woodstock. The park, founded in 1914, is one of the two oldest Arboretums in Connecticut and a gem Woodstock should be proud of. The normal budget cannot cover a more permanent solution such as a curtain drain and

stone dust paving. Town-owned equipment is too large in size to be of assistance, but some volunteers bring in their own equipment for temporary repairs. The Arboretum is soliciting bids in hopes that at the end of the fiscal year, funds remaining in the Capital Non-Recurring account can be available for between \$6,000 and \$7,000 in permanent pathway and a curtain drain installed. The Selectmen support the project. M. Eaffy - looking for funding up to a certain amount from Capital Non-recurring for permanent or semi-permanent repairs. He reiterated the Town's liability. Chairman Dougherty thanked B. Brower for the report. He stated that a decision could possibly be reached in May. M. Alberts reiterated the BOS support.

B. BOE CNR Request: V. Toth- the listed items were extracted from the original budget proposal, which are critical and in need of completion. Since the schools budget is currently in a deficit, they cannot cover these items. D. Fortin asks the balance in the CNR. K. Fitzpatrick - just under \$44,000. D. Richardson - this should be coming from the Education CNR account; at some point, using funds from the Non-Lapsing Account will be on the table. M. Dougherty - no action can be taken at this time. And the balance in the account is less than the requested amount.

C. Tax Suspense List (Tax Collector): Tax Collector Linda Bernardi - the Suspense List, mandated by the State, is considered to be uncollectible taxes, such as for people have passed away; note that those who have moved out of state is the largest category for motor vehicles this year. She announced that on this day, a member of the public who has returned to Connecticut came in to pay his taxes. Thus a revised Tax Suspense List has been prepared and just distributed. The Tax Suspense List as of April 10, 2018 totals \$19,184.93. This is a lower amount than has been seen for several years. **Motion D. Fortin/R. Bradick to accept the Tax Suspense List as presented carried unanimously.**

D. QTR Reports as of March 31 for OPM: K. Fitzpatrick - the town is still short \$2.1 Million from the State; Town Aid Roads has not come through. K. Munroe - no additions.

E. Appoint auditor: Mahoney Sabol 5-year Contract: this is the final year of the Five-year contract, which is required to be ratified annually for OPM. **Motion D. Fortin/ G. Lessig to appoint Mahoney Sabol for fiscal 2018-2019 carried unanimously.**

F. Allocate funds between the Board of Education and the General Government Budgets:
Motion D. Fortin/R. Bradrick to allocate \$23,560,650 thusly:

-\$5,366,297 to the General Government Budget and to debt redemption

-\$18,194,353 to the Education budget

-General Government (\$4,817,683) plus debt redemption (\$548,614) = \$5,366,297

-That means \$249,648 will be required to be removed from the Education budget in order to fund to the maximum permitted under Proposition 46, which is \$23,560,650.

- D. Fortin -The increase in the Education budget was \$911,000.

Motion carried unanimously.

8. Public Comment: P. Schultz – we are seeing a failure by the school system to adjust to the current situation.

Question from audience– were additional students in the past, resulting in an unanticipated tuition increase, viewed as an “emergency” under proposition 46? M. Dougherty – no, it is not an “emergency” BUT there is no definitive answer yet from the Attorney about if the costs of the additional students at the Academy constitutes a State Mandate. S. Smock – Thanks to the BOF, and especially Mr. Fortin for a fiscal idea to be considered. M. Butts - encouraged the Board of Selectmen to look more broadly for consulting engineering work. K. Fitzpatrick – the budgeted \$19,000 is a compilation of engineering needs, previously scattered in the budget.

9. Other from Board: none

10. Correspondence and Announcements: M. Dougherty - the town meeting to consider the proposed budget will be on Tuesday, May 8 at 7 PM at the Town Hall. If a referendum is called, it will take place on Tuesday, May 15 from noon to 8 PM. After the tally, the Board of Finance will meet to set the mil rate for FY 2018-2019.

11. There being no further discussion: **Motion to adjourn by G. Lessig / D. Fortin at 8:14 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).