

**New Hartford Board of Finance
Special Meeting
March 29, 2024 @ 6 pm**

Present Chairperson Kerry Guilfoyle, Members: Dan Charest, Lou Helt, Ben Witte, Alternates: Camille Buford, Steve Seltzer, First Selectman Dan Jerram, BOE Chairman Tim Klepps, Supt. of Schools Jeff Sousa (on Zoom), and Recording Secretary Penny Miller

Absent Paul LeClair, Charlie Neale, Ryan Bingham

Call to order Chairperson Guilfoyle called the meeting to order at 6:03 pm.

Seating of Alternates Camille Buford was seated for Paul LeClair and Steve Seltzer was seated for Charlie Neale.

Communication to the Board

Ms. Guilfoyle said a letter was received from Kathleen Worthington & Greg Gongaware, 22 West Hill Rd, in support of the Beekley Library budget request.

A letter was received from Tim Klepps, BOE Chairman, outlining their concern about the removal of the Excess Cost Grant Reimbursement from the BOE proposed budget. Ms. Guilfoyle said it was double booked in part. The Town fund represented last year's excess cost and the BOE represented their full estimated cost that was net of \$85,000 difference. They are asking that the Excess Cost be placed back in the BOE line. They cited CT. General Statute 16410-76GB. They indicated their increase would be 4.2% if the \$130,000 was applied to their budget. Without that credit the increase is 5.8%. If you would compare last what was budgeted in the town at \$45,000 adding in the difference, it would be a 4.42% increase. If you are comparing budget to budget. Copies of both letters are available for viewing in the Town Clerk's Office.

Public Comment

Mr. Klepps said that the BOE members asked that he write the letter to the BOF as to where the Excess Cost Grant should reside based on the statute. The statute says it is not revenue to the town but should be applied to the expenditure account where the costs reside.

2024/2025 Budget- Discuss and take action on budget

Mr. Jerram distributed an updated budget and informed the Board of Finance that the Selectwomen had agreed to restore the line items that had been previously reduced.

Ms. Guilfoyle began the discussion of the Board of Education proposed budget. She informed the Board that cuts made to the budget included a Kindergarten teacher and a .6 world language teacher. Mr. Klepps explained that the .6 language program is the Intro to Spanish Class at Antolini. New Hartford and only one other feeder school provide Spanish to 6th graders. When these students get to Regional, they basically have a review of what they did in 6th grade. The kindergarten enrollment numbers are best guesses. There are currently 35 children projected to be enrolled for next year. However, the average actual enrollment over the last five years is 47 children and that is the projection figure being used for this year at this point. The original budget projection was 60 possible students. Per Board of Ed policy, there can be a maximum of 18 students per class. Mr. Sousa has reviewed birth certificate information

and feels confident that the lower enrollment projections is ok. Ms. Helt commented that at one of the previous meetings, Mr. Sousa was quite pointed in saying the projection for kindergarten students was right on target. Her concern is that the BOE is cutting a Kindergarten teacher instead of cutting a position that was hired with COVID grant money. Ms. Helt said that when she was on the BOE, and when they were asked to cut a budget, the first place that was cut were things that would affect children and the parents because it causes turmoil. We are cutting a kindergarten teacher and now you will have parents concerned about larger class sizes. She questioned if there was special ed staff that was hired with grant money and if so, was there consideration given to cutting some of those positions. Mr. Klepps answered that he thought that if special education was cut, there would be more turmoil. He stated that out of 436 students, there are over 110 that are in special ed. Grouping. Ms. Helt asked if there is over identifying. Mr. Witte agreed that this seems like a high number of students qualifying for services. He wondered if the criteria for identification had changed. Ms. Buford stated that the sooner we understand the need to have smaller class size in kindergarten, the sooner you don't have to worry about 6th grade having a fully funded special education program because issues will have been handled in kindergarten.

Mr. Klepps understands the concerns and commented that the special ed department concentrates on providing services within the district rather than having expensive outplacements. Giving extra support to the classroom through special education helps regular education. Because we do have such a high special education cost, he looks at outplacement which far exceeds our cost to keep them in district. Outplacement students are expensive. Our goal is to keep as many children in our district.

Ms. Helt is concerned about the cutting of the kindergarten teacher. Mr. Klepps said that he and Supt. Sousa went through the budget and that cut was strictly based on what we could substantiate.

Mr. Jerram said listening to the presentation there are no contractual issues with bargaining units for next year. Mr. Klepps said currently we are in negotiations. The legal fees previously cut were added back in as there will be additional negotiations to prepare for in our administrative units.

Mr. Jerram said in your budget how would this board or the public know how the calculation of the excess cost budget is derived. Mr. Sousa said the public can simply read the letter provided to the Board of Finance. It's been part of our conversations publicly. Schools are reimbursed by the state for expenses associated with educating special education students with a cost above 4-1/2 times the per pupil expenditure.

When the audit is done, Mr. King, from King & King Associates, looks at the Capital budget, Operations budget and Pass-through Grants. When you put the number in there that applies to the spending authority and the grant comes in higher, Mr. King said the BOE should come to the Board of Finance to obtain a supplemental appropriation. If it is over \$20,000 you are supposed to have a town meeting.

For the record, Ms. Guilfoyle said when she was listening to a recent Board of Ed meeting there was some confusion about the \$130,000. It wasn't clear to the Board of Ed that we didn't take that money away. From the conversation it was said if they took the \$130,000 and they want us to cut \$100,000 – why don't we just call it a day and not do anything. We put that \$130,000 back in your budget so we could then offset from the town. She wants to make sure that the

Board of Ed is clear. She said that comment bothered her and in terms of the public it is very confusing. If she heard it as a parent or teacher listening in, it sounded like the Board of Finance took \$130,000 and also asked them to cut \$100,000. That adds up to \$230,000. It was doubled booked in the budget.

Ms. Guilfoyle thinks it needs to be changed and we need to communicate with the Board of Education fairly on how to do this. Ms. Helt asked what type of reporting will we see. Will the Board of Finance see more information from the Board of Ed on using these grants, will we see anything else or will we just wait until we see the budget next year.

Ms. Guilfoyle said this will not be resolved by the Public Hearing. There needs to be a way to communicate to the town what the true increase is to the Board of Ed line item. When they town votes it is still all be in the town budget and it doesn't change the budget.

Motion by Mr. Witte to approve the New Hartford Town Budget dated March 29, 2024 with total expenditures of \$29,223,329.01 with revenues specified within the document and a 98.5% collection rate to take this to the budget hearing. Second by Ms. Helt.

Unanimous

Motion by Mr. Seltzer to adjourn at 7:47 pm. Second by Mr. Charest.

Unanimous

*Respectfully submitted, Penny Miller, Recording Secretary
Letter from Kathleen Worthington & Greg Gongaware
BOE Chairman Tim Klepps letter on Excess Cost Grant*