

Town of New Hartford
Board of Finance – Special Meeting
April 1, 2015

Present: Chairman Jim Fitzgerald, Member Dan Charest, Reggie Smith, Jr., Steve Tuxbury, Ben Witte, Maria Moore, Alternate Bill Coates, First Selectman Dan Jerram, BOE Chairman Josh Adams, Roy Litchfield, Denton Butler, Pat Spaziani, Kathryn Boughton (Rep-Am Reporter), Bob Moore, members of the public, Recording Secretary Penny Miller.

Absent: Steve Roth

Chairman Fitzgerald opened the meeting at 7:02 p.m.

Seating of Alternates: None

Approval of meeting minutes from the March 24, 2015 Board of Finance Special Meeting

MOTION: by Smith, second Witte to table the March 24, 2015 minutes to the next meeting.

Unanimously approved

Motion carries

To correct motions from the Board of Finance Special Meeting of March 24, 2015 pertaining to the New Hartford Board of Education operating and capital budget

Chairman Fitzgerald said this is an area of where we need to be clearer. There were a couple of motions passed on the 24th and one was to accept the capital budget that was adjusted by \$31,340. Later on there was a motion to accept as presented the BOE operating budget and capital and I guess that contradicted it because we accepted it as presented but we didn't accept it as amended. We need to go back and correct that motion or have a new motion to override it.

Discussion followed with no further action taken.

2015-16 New Hartford Budget discussion (take any action on the town, schools, capital, or revenue), and take any potential actions on proposed budgets.

Mr. Fitzgerald said the Board of Education met last night and made a few changes. In the end their increase is only 0.77% so their budget number for operating for 2015-2016 is \$7,994,225.60. Their increase is \$61,105.60. Superintendent Murphy summarized in a memo to Chairman Fitzgerald some of the changes they had made to the budget. Preschool was identified as \$1,100/each for a total of \$4,400.00 along with some detail information about special education. The challenge is when there is a reduction in special education whether it is in- or out-placement we are not seeing the numbers accurately reflect those reductions. If we are going to be asked every year to come up with money to allocate for special education then as a Board of Finance we need the details. There was a document/form presented 3 or 4 months ago by Ms. Moore and if you agree then maybe we should bring that document back up to the surface, take a look at it and send it to the Board of Education.

Ms. Moore agrees and, if possible, either one of us could sit down with Ms. Morabito to review what Barkhamsted uses and make sure it is applicable. It could be modified to meet our needs. Mr. Fitzgerald went on to say we need to get through this budget process and referendum. As soon as we finish he is not opposed to having it ready for the next budget cycle.

Ms. Moore would like to bring up again – the fact that we follow state statute for the Board of Education. Whenever there is ever a Spec. Ed. need they come to us and we increase where we need to. On the other side of that balance the state also allows towns to decrease the amount of the budget based on the number of students where the student enrollment is declining. According to the state we can use the same budget as last year and then decrease that number by \$3,000 per student that we lose. Every year we keep leaving money on the table. At this point we have another decline of 33 students and if you do that calculation it is \$99,000. It is our right on behalf of the taxpayers to ask for that cut in the budget. As of July 1st there is a house bill that is proceeding very well from the Committee on Education. That bill will allow the towns to deduct 50% of the cost per student as it decreases. We have never asked for this reduction before.

MOTION: by Witte, second Smith to approve the New Hartford Public School operating and capital budget dated March 31, 2015, which has a total of \$7,994,225.60 in operating and \$95,461.42 in capital.

Discussion followed. Mr. Coates said if you are going to do that type of analysis then you need to take it further to see what is the variable and fixed costs per student. He suggested that we look at it further during the next cycle. Mr. Charest is fine with the budget. Mr. Smith commented there are a lot of big raises going around in private companies. And if he could get away with it he would make a motion to eliminate all increases for salaries for both union & non-union. Mr. Tuxbury said at some point we need to change the way we are headed. He was looking at a zero increase. Ms. Moore said if faced by a reduction like \$99,000 this year and knowing that next year there is a possibility of \$231,000, not that we are going to ask for it, that may help propel the conversation to start again about closing one of the schools.

Mr. Fitzgerald said the population of the children has been going down dramatically since the study was done on the consolidation of Barkhamsted about 4 years ago. We have the hearing next Tuesday and based on that hearing the Board of Finance has an opportunity to review the budget on April 13th. If there are any other changes to the budgets it will be done at that time.

Aye: Charest, Smith, Fitzgerald, Tuxbury, Witte; Opposed: Moore; Abstained: none

Motion carries

New Hartford Town Budget

Mr. Fitzgerald has plugged in the new education number and the bookkeeper has plugged in the capital change. Mr. Charest asked has there been any change on the special ed. Mr. Fitzgerald said that the only missing number he has received was for the pre-school - \$1,100 each for 4 students for a total of \$4,400.

Discussion was opened for the town budget. Mr. Smith asked on the town budget general government worksheet under education is that our local BOE - \$8,013,000. Mr. Fitzgerald said yes it is but that it has been changed to \$7,994,225.60

Mr. Tuxbury said the Administrative Assistant Line we should leave at the 2.75% increase and continue to pay the Administrative Assistant overtime instead of increasing her hours through that line item.

MOTION: by Tuxbury, second Moore to cut the Administrative Assistant Line Item from \$60,445 to \$52,881.

Discussion followed. Mr. Witte doesn't have a problem the way that it was. The question now is if she is being paid overtime now? Mr. Jerram said that overtime kicks in after 40 hours. Right now it is straight time. Half the time she doesn't charge for the extra hours she works. She is there 50 hours or more. Mr. Smith asked if the position has any managerial aspects to it. Mr. Jerram replied – she is me when I am not here. Mr. Jerram would like to pay her for what she works. Ms. Moore said she assumed a lot more work since Dennis isn't here. Now that we have a part-time rec. director kayak rentals and other things those items can be handled by other people. Mr. Jerram understands but it is a constant barrage when people call and want an answer and the part-time rec. director isn't there Christine handles it.

Aye: Moore, Tuxbury, Fitzgerald; Opposed: Charest, Smith, Witte; Abstained: none

Motion fails

Public Safety – Police

MOTION: by Tuxbury, second Smith - to cut the overtime line under Public Safety - Police from \$12,000 to \$6,000.

Mr. Charest asked if this line item is customarily over and a transfer done on it. Mr. Jerram said the justification on this is the 3-year rolling average is showing roughly \$3,000 per constable beyond the events we run – like Light New Hartford, the Race around the Lake – but there are those late night stops and unforeseen things that require work to be done toward the end of their shift.

Aye: Smith, Tuxbury, Fitzgerald; Opposed: Witte, Charest; Abstained: Moore

Motion carries

Planning and Development

MOTION: by Tuxbury, second Smith to increase the Zoning Officer salary from \$51,155.94 to \$53,831.00.

Mr. Jerram said we were paying Karl \$61,000 when he left seven years ago. If we cut the Zoning Officer's pay then he will leave us. When questioned about the Zoning Officer's pay, Mr. Jerram said that he has adjusted his pay from what is currently shown - \$51,155.94.

The meeting was adjourned at 8:00 pm so that Mr. Jerram could obtain the Zoning Officer's current hourly rate of pay.

The meeting resumed at 8:09 p.m. by Chairman Fitzgerald laying the motion on the table pending information from the First Selectman.

On page 7 Ms. Moore wants to bring up the **Ambulance Association**. She had gone on-line and looked at the increase for Barkhamsted and they are showing 1.94% over last year's budget. Our increase is \$60,000 to \$100,000. She doesn't feel comfortable with this huge increase. Mr. Fitzgerald said they used to do 70+ calls with Winsted and those have dropped off. Mr. Tuxbury said that Barkhamsted might not use them that much. Ms. Moore said without documentation she finds it very difficult to give such large increases. Mr. Smith is in support of getting the information and to ask them to come to the public hearing for justification. He would like to know why it is going up \$40,000.

MOTION: **by Smith, second Witte that the First Selectman invite the Ambulance Association representative to come to the Town of New Hartford Board of Finance Public Hearing April 7, 2015 to explain the \$40,000 increase in their budget.**

Unanimously approved

Motion carries

Parks & Recreation

Mr. Tuxbury said originally he thought we were going to use the Wash Account to fund increases in Recreation. Mr. Fitzgerald said bottom line is - it is a \$9,000 increase – 11.7%. The recording secretary was coming out of contracted services so that's an addition plus the increase. Mr. Smith asked what the \$5,865 increase was for. Mr. Jerram said the 3-year rolling average is spot on. Last year we used about \$50,000 - one roofing or foundation job can cost \$10,000 and it skews the whole line. Mr. Tuxbury asked what the Wash Account is used for. Mr. Jerram replied that the Wash Account takes in money from fees and pays all of the hourly kids that are camp counselors and any associated costs. The whole reason the fee account was put into place was to try to make the move toward self-sufficiency. They are a long way off from that goal.

Planning and Development (continued)

Mr. Jerram said that the former employee left us at \$25.61/hour and the new person came in knowing the budget constraints at \$25.61/hour – this is a 40 hour position. On the cycle change of the fiscal year this went to \$26.25 at which point he upon a recommendation from the chairman of the P&Z that we need to keep this guy and he bumped his pay \$1.75/hour. Currently he is making \$28.00/hour and he will be going to \$28.77/hour with the new budget.

Motion withdrawn by Tuxbury, Smith withdrew his second

Health, Sanitation, Welfare

Mr. Jerram reported that the RRDD line needs to be adjusted to \$124,139 for a 10.3% increase. This increase is done per capita. The footnote for this increase was that there will be 27 pay periods next year. This is not something we negotiate with them.

Mr. Jerram continued that he has been working with Foothill Visiting Nurses and discussing the nature of their services they have agreed to reduce their request to \$26,000 – a reduction of \$3,070.

Mr. Fitzgerald went back to **Public Safety** to let Mr. Jerram know that the board unanimously requested that a representative from the Ambulance Association attend the BOF Public Hearing on April 7th. Mr. Jerram said that Christine received something late today from the Ambulance Association and it was an explanation that the most recent fiscal year is not complete yet. There was nothing tangible for him to bring to the meeting tonight. Mr. Smith would like to hear from them as to why they need this increase.

Highway

Mr. Fitzgerald said it is an \$118,870 increase which includes highway wages, overtime, highway supplies, equipment maintenance & repair, tree removal, etc. Mr. Jerram said sand & salt is up \$10,000, the accumulative on the paving is up about 10%. We have had two terrible winters in a row. If it wasn't for one of those education lines he would be asking for an additional \$400,000.

Under **General Administration** Mr. Jerram reported the final number on Probate Supplies is \$5799.60, up from \$5154.00.

Commissions and Other Agencies

Mr. Tuxbury thought we had money for West Hill Lake Association last year. Is this the entirety? Mr. Jerram said this is the entirety. This will cover our participation in the West Hill Lake weed removal and water quality testing. The town is not paying for all of it. They are raising the rest of the money through private donations and fund raising.

Mr. Fitzgerald said going back to the Senior Director and supplies. For supplies you had \$700/month for 12 months (\$8,400/year) and this was bumped up to \$900/month (\$10,800/year). The increase in the salary line item is 5.971%. Mr. Jerram said you are seeing the old salary at \$27,237.60 (implied salary with \$700/month for supplies). It is showing \$28,864 and he thinks it may be an allowance for postage/mailings. She has not received an increase in her salary. He said that he would double check with the Bookkeeper and that information will be brought to the BOF special meeting on April 13th.

Ms. Moore asked about the sewer study for \$30,000 that was taken out. At what point will it come to a town meeting. Mr. Smith replied what he would like to see is the board agreeing to come back to the Board of Finance for a motion to approve the \$30,000. It will be borrowed out of surplus pending revenue coming from a state grant.

Debt Service

Mr. Charest said it went down \$6,100.00 and he is not quite sure why. He asked Mr. Jerram to double-check the figures.

Capital

Mr. Fitzgerald commented we are seeing the previous years and the upcoming year but we would probably like to see what we are looking at for the full 5-years.

MOTION: by Smith, second Tuxbury that the Capital Summary Sheet include the 5-year plan projected out.

Discussion followed. Ms. Moore feels it would be more meaningful for people to see what is coming up. Mr. Smith would like to see an assignment sheet that shows what the five year forecast is.

Aye: Moore, Smith, Tuxbury, Fitzgerald; Opposed: Charest, Witte, Abstained: none

Motion carries

Mr. Coates will obtain the remaining 4 years from the Board of Education for their projected capital.

Mr. Fitzgerald said there was some discussion on the pavilion going out because of the truck but now it is staying in at \$70,000. There would be other line items that would be changed but so far no changes

have been seen. Ms. Moore said if the pavilion is \$104,000 then it should say \$104,000 not \$70,000. It shows an asterisk - offset by \$104K revenue. Mr. Jerram said the selectmen for the downtown improvements would earmark the \$30,000 in this year of the \$35,000 toward this effort. The discussion was they would take \$5,000 out for repair of the lights in back of the town hall.

Mr. Fitzgerald asked to change the BOE note from \$31,000 to \$31,340 on the Capital Expenditure sheet.

Mr. Tuxbury suggested adding a note stating: town using \$30,000 from prior year capital expenditure – downtown improvements. Mr. Witte suggested adding the note - 2014/15 downtown improvement money will be diverted to pavilion cost.

MOTION: **by Smith, second Tuxbury that the note entitled ‘Potential overages in individual line items may be covered by savings from other line items on the above schedule’ be amended to include ‘with authorization of the Board of Finance.’**

Discussion followed. Mr. Witte said this is adding another step in the operation. Mr. Charest said he doesn’t think it is necessary. Ms. Moore feels better with it there. It makes for transparency. Mr. Fitzgerald said looking back at the Board of Education with their capital. Money is budgeted and authorized by the taxpayer, you took the money and spent it someplace else. This is capital whether it is Board of Education or town capital. Capital is capital.

Aye: Smith, Moore, Tuxbury, Fitzgerald; Opposed: Charest, Witte; Abstained: none

Motion carries

Mr. Fitzgerald asked is there anything else on the Board of Education capital to even it out. We don’t see any of the detail. Do you want to see the detail for the \$95,461.41? Mr. Smith feels that a second page be included for the Board of Education capital. Mr. Coates said they do have a five-year capital.

Projected Revenue

Mr. Fitzgerald plugged in the student tuition for \$4,400. Change from prior year - \$997,793. Total revenues without current taxes \$61,401 is the change.

Mill Rate Calculation

Total expenditures change from last year of \$997,798 showing a 4.3% increase less the other revenues change from last year \$61,401 that is a 1.1% increase on that revenue - equals a tax revenue required \$936,397 which is a 5.3% increase.

If we look at a mill rate percent increase of 1.42 or a 5.12% increase the tax per 100K valuation would be \$2909.70. That is with a .975 collection rate.

If you go to .98 collection rate it changes it to 1.27 mill rate percent increase. The tax per 100K would be \$2894.85.

Mr. Coates asked would it make sense to show where the majority of the percent increase is going to – R #7. It makes sense to disclose the percent increase by budget on this summary sheet.

Mr. Fitzgerald said on the Summary Page the Total General Government Budget for the town is \$4,924,224.08 an increase of \$186,219.32 the percent is 3.9%.

With all the education and capital expenditures the total combined budget is \$24,081,310.10 total increase of \$997,798.34 increase percent 4.3%.

MOTION: by Tuxbury, second Smith to decrease the Foothills Visiting Nurses to \$26,000 and to increase Regional Refuse Disposal Dist. to \$124,139 and to increase Probate Supplies to \$5,799.60.

Unanimously approved

Motion carries

Total Budget

MOTION: by Smith, second Tuxbury to approve the Town of New Hartford General Government Budget including General Government, both Education (Region #7 & local Board of Education) & capital - \$24,081,310.10 for a 4.3% increase.

Unanimously approved

Motion carries

MOTION: by Charest, second Moore to adjourn at 9:39 p.m.

Unanimously approved

Motion carries

Respectfully submitted,

Penny Miller
Recording Secretary

Attachments:

Town of New Hartford General Government Budget – March 25, 2015
New Hartford Board of Education – March 31, 2015
Budget memo from Brian Murphy, Supt. of Schools
Special Education Outplacement Students