

Town of New Hartford  
Board of Finance Special Meeting  
New Hartford Town Hall  
Tuesday, March 24, 2015 @ 7:00 p.m.

**PRESENT:** Chairman Jim Fitzgerald, Members Steve Tuxbury, Reggie Smith, Jr., Dan Charest, Maria Moore, Ben Witte, Alternate Steve Roth (in at 7:15 pm), Annie Witte, Christine Hayward, First Selectman Dan Jerram, Supt. of Schools Brian Murphy, BOE Chairman Josh Adams, Jenn Benaitis, Pat Spaziani, Melissa Giaconia, Noel Gauthier, Karen Gauthier, Bob Moore, member of the public, Recording Secretary Penny Miller

**ABSENT:** Bill Coates

Chairman Fitzgerald opened the meeting at 7:03 p.m.

**Seating of Alternates:** None

**Approval of Minutes:**

**MOTION:** by Smith, second Witte to approve the March 10, 2015 minutes.

*Unanimous*

**MOTION:** by Tuxbury, second Witte to approve the March 14, 2015 minutes.

*Unanimous*

**Opportunity for the public to speak:**

Chairman Fitzgerald commented that tonight we are going to be going through the three budgets in as much detail as we can as a board. There is a great deal of work to get through tonight and we need to decide if we will take any action on these budgets or send them back to the boards.

BOE Chairman Adams is passing on a concern he has with trying to summarize a fairly complex system of the New Hartford district budget with a single number or singular statistic. There has been a lot of research into expenditures per pupil. While some of the numbers look staggering, he has done some research himself looking at metrics of inflation rates, pricing index, etc. What he found is that if you use heating oil cost the New Hartford BOE budget has gone down by 45%, use gasoline it has gone down by 29%, coffee is down 11%, the Dow Jones/S&P 500 it's gone down about 10%. He is not trying to convince the BOF that the BOE budget has gone down by 50%, 45% or 10% but that single numbers are dangerous sometimes. They don't tell the whole story. He is just trying to point out that the BOE budget has gone down.

Denton Butler – Chairman of the WPCA – received a call from a member of the Board of Finance that afternoon. He wasn't able to return their call and he can't stay for the budget deliberation. He did want to answer the question for the full benefit of the board. The question asked was along the lines that they noted you put in a budget figure for a WPCA clerk. They have put in for a WPCA clerk in their

budget deliberations and he doesn't know if this amount will be approved or not. But the corresponding declaration was in light of this would it be a reduction of the services or replacing the person currently in this position. Neither of those things is impactful to the current situation regarding the general government budget. We are doing this as a planning exercise based on a nearly \$6 million dollar deliberations and that they are currently having a whole host of activities that we would undertake. If we move along through this process and we do the remediation and expansion of the sewer system it is our prospective that we will require services beyond what we already receive. He just wanted to set the record straight.

Mr. Fitzgerald asked if it was moving from the town's operating budget. Mr. Butler responded our budget is separate from the town budget. We are anticipating that we will have requirements over and above what is currently provided by the town's WPCA clerk.

Mr. Smith asked are you hiring a clerk or adding hours. Mr. Butler responded we are talking about hiring a WPCA clerk. Currently we are receiving some services from the town today and it is in the town's budget. That person is not dedicated to us and they provides services on an as available and time available. With what they anticipate coming up they will need the requirements of a dedicated WPCA clerk.

Ms. Moore said that was her question and she wanted to clarify as she had heard it was a bookkeeper or in addition to what the town provides.

Mr. Butler said it is in the working copy of their budget. They are looking just for a clerk for the WPCA.

**Review and discuss documents requested of both Boards of Education and Selectman from the BOF Saturday 3-14-2015 budget workshop**

Ms. Moore asked about the two questions that Mr. Fitzgerald had emailed to Mr. Murphy. Mr. Fitzgerald asked Mr. Murphy if he had a chance to follow-up on the two questions asked at the Saturday workshop. Mr. Murphy responded that he did consult with Shared Services Business Manager to identify what areas would be cost savings and a comprehensive cost analysis study could be completed over the next several months. He did mention that transportation could be an area of savings. As far as outplacement for special education the number of students leaving the district in 2014 – 2015 is 10.

Mr. Fitzgerald said there were some minor changes in the BOE budget. Mr. Murphy explained on Page 22, Central Office, Line item 112 the Fiscal Services Assistant was reduced by \$75.00 and the Administrative Assistant was reduced by \$75.00 for a total of \$150.00.

Ms. Moore asked were there any adjustments made to the Superintendent of Schools line item? There was some discussion of the annuity now being part of the salary. Mr. Adams responded it is my understanding that there is a clerical error in the budget in front of you and there should be \$7,000 less in the tax shelter annuity line. Ms. Moore asked is the annuity being added to the salary and the increases being given on the whole. Mr. Adams responded they have been in the past for the superintendent. Mr. Fitzgerald clarified the question by saying if you have the salary and then you are bundling in the expenses, travel expenses or annuity and then the compounding becomes out of line because the increase is being based on the salary and the annuity and the expenses. They clearly need to be separated. There is no annuity in there.

Mr. Murphy said that the previous superintendent put the annuity number in there for next year's salary for the superintendent. Mr. Adams said it was not caught throughout the budget process. The net reduction will be \$7,000 and is not reflected in the BOE budget yet.

Mr. Tuxbury asked on the Town Revenues, there was student tuition last year of \$14,568. Was that pre-school tuition? Are you still collecting tuition? Mr. Murphy responded that he will need to take a look. Mr. Fitzgerald said that they will need that revenue number to plug it in.

Ms. Moore asked is the revenue for the Shared Services for the pre-school program? It is there as \$17,431. Mr. Adams said it was at Antolini School. Mr. Adams will get that number for the pre-school on the Projected Revenues.

Ms. Moore said when she looks at Special Education and sees a \$40,000 reduction but then when you look at the outplacement numbers and we are losing 10 students where is it reflected in the budget. Mr. Murphy said that the cost variance is because of the different schools these students attend outside the district. He went on to say there are 10 here this year – 6 next year – 4 will be leaving the status of outplacement in our district. Ms. Moore asked where the savings is reflected in the Special Ed budget. Mr. Murphy replied that will be necessary in the future to add a line item for this savings.

Mr. Witte said that this board has properly put the perspective of cost per student increase on the table and it is something that is a classic problem with our downsizing. He suggests that we accept the 1% as is and move on to the bigger areas of the budget that we need to deal with and are much more significance.

**MOTION:** by Witte, second Smith to support the New Hartford Board of Education  
2015 – 2016 budget as presented.

Discussion followed. Ms. Moore commented that we are losing students here at the local level we are accepting them at the regional level. Mr. Fitzgerald said if I am looking ahead if we don't take action on any of the budgets – the increase and the impact on the taxpayers is pretty devastating. My general statement is that I am quite disappointed by all the increases in salaries – not necessarily the contractual fixed costs. The taxpayers are paying the brunt and they are not getting the increases and haven't for years. There is a lot of fixed income in this town. If we are going to treat everybody fairly – we need to cut across the board. The numbers are pretty dramatic in terms of the increase. I encourage the public to look at the items and the line items and get involved – spread the word and say something – it needs to be trimmed across the board. If we do nothing what does that mean? It is an increase of 5.41% or \$300+ dollars per \$100,000 in valuation from a residential standpoint and a possible 1.3% mill rate increase. We can't do much about Region 7 – the local towns take the hit for it. We will leave it up to the board and then to the hearing and then the town referendum. He hates to see us put the money into multiple referendums.

*Aye: Witte, Smith, Charest, Opposed: Fitzgerald, Tuxbury, Moore, Abstentions: None*

*Motion failed.*

Mr. Fitzgerald suggested that they address the capital portion of the BOE budget. The Capital request for 2015 – 2016 is \$126,802.00. We had a discussion at our last meeting with some of the reallocation. The playground was not done and is back again at a cost of \$55,627. Mr. Smith asked what was the money spent on last year that the taxpayers approved for the asphalt playground. Mr. Murphy responded we had a situation with the fire alarm and the boilers. Mr. Adams said there is some money remaining. Mr. Smith said this really is an operational expense not a capital expense. He feels that if you don't have it in your own budget you come back to the town and don't take it out of assigned capital projects.

Mr. Fitzgerald asked on the Antolini kitchen you have \$25,000 plugged in for this year and \$25,000 each year after. Is there a net number for the whole kitchen to be re-done? Mr. Adams said the facilities assessment report had an estimate of \$500,000. And the number you are looking for if you had the \$25,000 would it bring it up to code and modernize it. Mr. Adams replied that it would.

Mr. Witte asked approximately how much is left in the asphalt playground. Mr. Adams said around \$30,000. He hasn't factored in the money they had left into the \$55,000 cost for the asphalt playground. This isn't for a parking lot but for the asphalt playground.

Mr. Fitzgerald said we need to decide what to do with the \$31,000. If those capital items are approved by the town – it is the town's decision to approve it. If it is approved it needs to be spent on those specific projects. Mr. Smith feels we need to postpone the asphalt playground for this year. The fire pump supply tank needs to be done this year. Was this recommended by the fire marshal to be done? Ms. Giaconia, BOE member and Facilities Sub-committee chair, said the pump needs to be replaced but is not designated as an emergency repair. Those items flagged by fire marshal last year have been fixed. She is trying to avoid a large project request for the kitchen renovation. We received a fair rating in our kitchen this past year. The dishwasher shut down and we can't use it. We use disposable trays. We identified \$25,000 to get on top of the problems and to fix and repair wherever possible so that this doesn't continue. The Antolini Condition Report does have the specific kitchen detailed analysis of what should be done. A refrigerator was replaced as an emergency as the one they had was held together with bungee cords. Mr. Tuxbury is 100% behind fixing things. He is in favor of moving some of the playground money to the kitchen. Ms. Giaconia said they haven't identified specific items what would be fixed or replaced. Mr. Fitzgerald suggested that we take the \$31,000 that is left and add it into the Antolini kitchen renovations to bring it up to \$56,000.

**MOTION:** by Smith, second Tuxbury that in the New Hartford Public School Capital Budget Line Item asphalt playground line item be lowered from \$55,627 to \$24,287.

*Aye: Charest, Witte, Smith, Tuxbury; Opposed: Moore; Abstentions: none*

*Motion passed*

Discussion followed with Mr. Witte saying if we are going to do this then the budget needs to be updated to reflect a comment that says an additional \$31,340 is taken from Board of Education unreserved capital balance.

Mr. Jerram asked for the total appropriation for 2015 / 2016 and Mr. Fitzgerald said the new number is \$95,461.42 for total capital expenditure.

**Region 7** – Mr. Fitzgerald said the net assessment to New Hartford is an increase of 8.26% for increase of \$746,400. Our student population dropped but our assessment went up over ¾ of a million. The board can decide what message they want me to send back to their superintendent and chairperson.

Ms. Moore would like to clarify that our numbers have gone down from 536 to 531 but the other towns numbers have gone down also. You need to look at their bottom line and you look at their budget and the cuts they have made.

Mr. Smith thinks we have this discussion each year that their increase is too high. The \$747,000 is the gorilla in the room. Last year the board made a motion not to support and he suggests that we do the same again.

**MOTION:** by Smith, second Tuxbury that the Board of Finance not support the Region 7 2015 – 2016 budget.

*Aye: Witte, Charest, Tuxbury, Smith; Opposed: Moore; Abstentions: none*

*Motion passed*

Discussion followed. Mr. Roth said if we could figure out what the formula was to get the cost per student and we use that to reduce their budget by that number. Mr. Witte said we can't live with an 8% increase. We are looking at 3.17% increase in spending and I am thinking of a 2% increase. The \$619,831 (increase in budget over 2014-2015 expenditures) would be around \$400,000. This doesn't seem like an outrageous request.

Mr. Witte would like to go through the town's budget and then come back to the Region 7 budget.

**Town Budget** – updated copies were passed around.

A 5 minute recess was taken at 8:30 p.m. The meeting resumed at 8:35 p.m.

Mr. Jerram said there are a couple of things in flux. Sometimes there is no perfect way – a dozen things in the operating budget have been tweaked. A couple of big things are not moving downward but moving upward. The resident trooper at the state level the state wants to eliminate the 30% subsidy. Currently we pay 70% and by area standards we have a younger state trooper. If we lose the 30% subsidy we have exposure to about \$40,000. The selectman's recommendation is that we should fund it at 100%. It was \$95,000 in the old budget. We put it back at \$136,000. The second thing is the Ambulance Association. They had requested \$100,000 but they didn't have any input to support this. The information from them is slow in coming. Mr. Jerram did some research with LCD and their information indicates they had a significant decline in revenue and some drop off of volunteers so they are now paying for paid services. They are requesting \$100,000. The selectmen are recommending they fund that with caveats. They used to do 70 - 80 mutual aid calls with Winsted and now it has dropped off 50%.

The Board of Selectmen has looked to see where they can reduce costs. We took money out of EDC, Conservation Commission, Resident Trooper - \$95,000 to \$136,000, Ambulance Association \$40,000

increase to fund request of \$100,000, LCD & Public Safety to \$70,857, Pension – includes the amount of money we fund for retirements – in that line are pension fund, legal fees & actuarial evaluations down to \$15,000, EDC line item down to \$10,000, Conservation & Open Space down \$1,000 between the two, Assessment Appeals some savings seen here, the selectmen are recommending the we reduce the rate of increase to the libraries to 2%, the pavement / highway budget request is \$460,000 and the CIRMA Equity Distribution adjustment of \$7,500 into the revenue side of the budget.

If the state does say we need to fund the state trooper we will need to add in the additional money. If we don't and it passes – then we will have a shortfall.

Mr. Jerram is comfortable on the revenue side for the ambulance. Winsted added in another ambulance instead of paying New Hartford to transport patients. Those are the changes made in the operation side

On the Capital project list more detail has been added on some of the larger ticket items. The 5-year plan was to buy a small truck and off-load the 350's & 550's and maintain two older trucks whose frames were sandblasted and had the hydraulics done. As a result of the long winter – the foreman showed Mr. Jerram the corrosion on the third oldest truck and the cab is floating on the frame. The machine is no longer safe to drive and is being taken out of service. While the plan was to replace a smaller truck – the foreman is suggesting that we get a larger truck. Discussion followed whether the truck be purchased outright or financed for 3 years.

The Capital plan was at \$425,000 and now stands at \$405,000.

Mr. Fitzgerald suggested going through the town's budget starting on page 4 – General Administration. Mr. Jerram said that if all the education was zeroed out the net effect would be ½ of one percent increase.

Mr. Smith asked for the reason for the increase in the salary of the Admin. Asst. Mr. Jerram said the amount of time my assistant works as a confidential employee to him - there are things that can't be shared with other employees about individuals that they work with. It looks like a lot of money but looks at the salary survey and compare similar towns. We are asking to increase her hours from 35 to 40 hours plus a 2.75% increase. Goshen, Litchfield & Morris have an Admin. Asst. and Secretary. They are all basically the same.

OT Subs - when you need to bring someone in when a person is out at a meeting or on extended leave. When the bookkeeper attends a meeting you need to bring in a sub. Ms. Moore said she assumed when the person in the Land Use Office was out on extended medical leave and you had a substitute that the substitute was paid out of the Land Use Office budget. Mr. Jerram said that the substitute was paid out of this line item.

Ms. Moore said if she could take out the Admin. Asst. / Social Services have you considered moving some of the non-confidential responsibilities to other employees. Like the website, certain clerical duties could be moved to the land-use person. Some of the Social Services could be moved to the Senior Director who has a Masters in Social Services. This could bring down some of the hours. Mr. Jerram said that different people contribute to the website. Mrs. Hayward works 40 – 50 hours. During snowstorms she is manning the office when he is out of the office. Mr. Fitzgerald asked what do we do

different from other towns. Do we need to improve the process and the workflow with all of these documents? We have many manual processes. Mr. Jerram said 9 out of the 20 towns are paying for two people. Mr. Fitzgerald asked is there anything that the Board of Finance can do to help facilitate the process. Something we can do this year or next year. Is it storage, an automated time & attendance process instead of manual, a lack of software that we need to automate the paperwork process? Mr. Jerram said it is a thoughtful request that he will consider this as we move through this process and come back to the Board of Finance on this.

Registrar Salaries – page 5 – the salaries has been split out from the referendum work. The Board of Selectman had a discussion about moving them to Salaries. No recommendation has been made.

Under the Assessor – Personal Property Audit – Mr. Smith asked would that be a minus 100%. Mr. Jerram will check on this.

Ms. Moore asked on the Treasurer's salary – is that a stipend or a salary? Mr. Smith said as far as he knew it was a salary. Mr. Jerram will check.

Public Safety – page 7 – Mr. Roth said it if doesn't come to pass with the state will the budget be reduced by 30%? Mr. Jerram said there should be time in the budget process to come back on this. The Board of Selectman thought we should budget for the 100%.

Mr. Smith asked about the increase in the Animal Control Fund. Mr. Jerram said it is because of the educational requirements mandated by the state.

Mr. Witte asked about the Constable overtime and the increase. Mr. Jerram said the 2013/14 Actual of \$9,219 was for 2 men moving to 3. It is about \$3,000 per man. The overtime line item is an estimate.

The probate line is not a final number on the General Government page.

Planning Development – page 9 – Ms. Moore asked on Planning & Zoning if we have a full time person – do we still need a secretary? We added \$4,000 to that department. Mr. Jerram said the Planning & Development Secretary is Recording Secretary taking the minutes for the P&Z and Wetlands meetings. We are paying \$75.00/meeting to write up the minutes for these multiple meetings. This also includes transcripts for court cases and the work is done outside of the office.

Ms. Moore said that is a huge increase for the Zoning officer compared to other towns. Mr. Jerram responded by saying you are not going to get anyone at this rate. We were paying Karl \$61,000. These guys are in the driver seat. Business is picking up.

Health Sanitation Welfare – Mr. Fitzgerald said it has been discussed and he thinks it would be a good idea to take the \$30,000 (WPCA Sewer Study) out of the operating budget and leave it in Revenue but at the town meeting you have it as a question to take it out of surplus.

**MOTION:** by Smith, second Tuxbury to remove the line item WPCA Sewer Study in the amount of \$30,000 on both the expenditure & revenue side of the 2015 - 2016 budget.

*Aye: Witte, Charest, Tuxbury, Smith, Moore.*

*Motion passed*

Parks and Recreation – page 12 – Mr. Smith asked for the Rec. Contracted Services why is it going up 17.2%? Mr. Jerram said the 3 year rolling average is \$42,000. We are trying to put the onus on the fee accounts say for porta-potties. We are trying to move toward self-sufficiency.

Recording Secretary – the person doing the minutes. In the past it was contracted services.

Debt Service – Mr. Jerram said he needs to check with the Financial Advisory Board about the timing and if we need some allocation for short term interest for the bridge and Antolini.

Commission & other agencies- page 14 – Ms. Moore said that the Commission on Aging is not listed on the budget and she would like them added. They haven't asked for anything but in the past they were listed. Even if they were listed with all zeroes – she would be happy with it. She feels the people don't know that we have a Commission on Aging.

**MOTION:** by Moore, second Smith to add the Commission on Aging to the Commissions & Other Agencies page with zero funding.

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

*Motion failed*

Senior citizens – Mr. Fitzgerald said for the next budget before the public hearing can we get it separated out to show what the salary is and the supplies shown separately. On the page there is an asterisk (\*Includes labor & expenses) on that line item and that refers to:

- 10,800 for the supplies @ 900/month
- 28,864 for salary

Mr. Jerram said with full disclosure months 5, 6, 7 @ \$700/month and the BOS is recommending increasing that to \$900/month with the new budget.

**MOTION:** by Tuxbury, second Smith to separate out the senior citizens salary and add a new line to show the supplies.

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

*Motion passed*

Projected revenues – Student tuition – Mr. Tuxbury asked what the tuition was for 2014/15 - \$14,568.00. Mr. Jerram said that a single student paid tuition to come to our school.

Mr. Fitzgerald on the \$518,070 surplus there was a correction on how the auditor calculated the surplus.

If you take a look at the last page, Mr. Fitzgerald said in terms of the projection on the mill rate and the increase 1.51 is about 1.3 and an increase of about 5.45% which is pretty huge. This is based on the expenditures & revenues with some minor changes.



Board of Education – Mr. Fitzgerald is fine with leaving it where it is for now. Mr. Witte thinks that the local school at 1% is okay. We tweak the capital. Region 7 we tell them that we don't support the increase at that level they are asking for. When it comes to local budget at 4.6% if you take out the WPCA loan – which is budget neutral it will bring it to 3.4% which is a sizable number. The only item hanging out there to go after is the highway. Either take the money away or leave it there. That is the place where people recognize value. We need to boost our collection rate by ½ of a percent that will reduce our surplus revenue going into the following year.

**MOTION:** by Witte, second Smith to approve the local Board of Education 2015 - 2016 budget as presented for the Operating Budget and Capital.

Ms. Moore said she can't accept this motion as it doesn't recognize that we are losing students each year.

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

*Motion passed*

**Region 7** – Mr. Witte commented here is the budget and here is the decision that the Board of Finance has made. If Region 7 dropped their 3.17% increase down to a 2% increase they would take an additional \$230,000 out of their budget.

**Town Budget** – Mr. Fitzgerald asked how many constables we had – Mr. Jerram replied we have 4 constables and 1 resident trooper. Following much discussion, Mr. Fitzgerald commented with a .98 and the changes we have made the mill rate comes up to 1.3 and the percent increase at 4.7 and the tax per \$100K is \$2898.02.

**MOTION:** by Charest, second Smith to accept the Town Operating Budget & Capital as proposed for 2015 - 2016.

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

*Motion passed*

Mr. Jerram said that the Board of Selectmen passed a resolution requesting consideration of an appropriation for storm related overages in the Highway Department. They are over \$27,000 in overtime, \$8,800 in sand, \$12,700 in salt, over \$30,000 in equipment repairs for a total overage of \$58,687.73. They are requesting consideration of a \$58,500 supplemental appropriation. They might be able to scrape by but the town guys may not have any money for supplies & equipment there will be no money in the budget. He is just giving the board early notice. Mr. Smith asked can you absorb it into the current budget or can you wait for a line item transfer. Mr. Jerram said that your employees may be standing around because there will not be any money in the budget to buy supplies & equipment. Ms. Witte will do an analysis of the line items. Mr. Witte asked for year-end expenditures of the line items.

The next meeting is the Budget Hearing on Monday, April 12<sup>th</sup>. And from that meeting the C.G.S. form 7-344 Budget Summary needs to be done. Mr. Fitzgerald has the last one that Mr. Witte did and the

new numbers will need to be added after the hearing. There may be additional changes from the meeting on April 12<sup>th</sup>. Mr. Smith said that last year a motion was made last year to allow the BOF chairman and the First Selectman to put in the numbers and get it published in a timely manner.

**MOTION:** by Smith, second Charest to adjourn at 10:57 pm

*Unanimous*

*Motion passed.*

Respectfully submitted,

Penny Miller  
Recording Secretary

Attachments:  
BOE 2015-2016 Proposed Budget  
BOE Capital Projects  
Town of New Hartford Budget dated 3/24/15  
Town of New Hartford Capital Projects  
Regional School District #7 Budget