

**New Hartford Board of Finance
Special Virtual Meeting via ZOOM
June 2, 2020 – Following the Public Hearing**

Present (Virtually): Chairman Regina Wexler, Members: Dan Charest, Kerry Guilfoyle, Reggie Smith, Jr., Steve Tuxbury, Ben Witte; Alternates: Bart Baxter, Lou Helt, Paul LeClair and Recording Secretary Penny Miller

Also Present (Virtually): First Selectman Dan Jerram, Selectman Alesia Kennerson, David Rosengren, Supt. Of Schools Brian Murphy, BOE Chair Tim Goff and members of the public.

Chairman Wexler called the meeting to order at 7:38 pm.

Seating of Alternates None

Board Discussion Regarding Budgets and discussion of possible interim budget

MOTION by Smith suggests that we lower the Region #7 assessment number by the recommended amount of \$75,000 that First Selectman Jerram had mentioned in the previous meeting. Second by Guilfoyle.

First Selectman Jerram thanked the board for their patience. For the record he really dislikes ZOOM. He likes having the nine members of the Board of Finance around the table so that he can see everyone in person and get a feel for what is going on with you and trying to sometimes read between the lines. You are my neighbors; you are my friends and you are volunteers who do tremendous work for this town. He is very uncomfortable with this budget.

He asked what do we do with the \$75,000. If we lower the Regional assessment that payment is not going down. We still have to pay. We are passing two budgets. We are passing a budget that is funded in three ways. It has a lot of Education increases; we are funding it with \$850,000 of our savings. We are also funding it with savings from the General Government budget and Capital and we are raising taxes by 1.8%. What happens next year when we don't have the \$850,000. We will have contract increases next year. He knows that New Hartford residents like to vote on the budgets and he is sorry they can't do this year.

If we take Mr. Smith's recommendation, we are looking for savings to reduce cost. If we lower the assessment it doesn't mean that the bill goes away it is a bigger jump next year. He is concerned about what will happen after the November election and the state realizes that they need more money. Before the election they won't touch the ECS and the Town Aid Road. There will be consequences and you won't be able to get it out of the General Government Budget without changing staff. He knows that is alot but he wants everyone to understand the impact.

Ms. Wexler said she shares his discomfort. The last thing we want to do is ask folks in financial distress to pay more taxes. The difference between the budget workshop on March 14th and now is like a lifetime. None of us know what to do as this hasn't happened before. Our regional assessment went up \$750,000 by virtue of the kids we have in that school. We took a big chunk out of surplus to cover part of it but we can't absorb the whole thing. In the local school budget, each kid is undergoing a huge upheaval in their lives. Looking at this budget she doesn't think that anyone will be happy with it. In terms of our local board what this budget does is it tends to float the schools for another year. This time next year if the economy hasn't recovered what she hears Mr. Jerram saying is that it will be catastrophic. If our ECS money is cut in future years, we currently get 2.9 million, if that is how the state decides to plug their budget, we can't absorb that in taxes and ask our taxpayers to float that. On the BOE side you will have to prepare for the worst and hope for the best.

Mr. Tuxbury said we are in a hole already and he doesn't feel we should take it at this point. There are too many unanswered questions and we have taken way too much surplus. He is not in favor of going in this direction. His vote on the budget shows where he stands.

Mr. Charest asked if the \$75,000 would go into the General Fund. Mr. Jerram said it depends on how you book it. Mr. Smith recommended to reduce the assessment by \$75,000 and we would have some short-term savings. But the underlying is that we need to see what happens to their budget next year and we may have to make up that \$75,000 next year.

Mr. Witte said he thought he heard the savings for Region 7 was \$200,000 and our share would be about \$100,000. Mr. Smith replied that Mr. Jerram had suggested taking \$75,000. Mr. Smith thinks we should take the savings now.

Mr. Tuxbury said that we are thinking of taking Region 7 savings but we aren't taking the local school board savings of \$100,000.

Aye: Wexler, Witte, Smith, Guilfoyle. Opposed: Tuxbury, Charest

Motion passes

Mr. Witte said on the local school board he penciled in that they said the Spec Ed reimbursement was about \$80,000 in this coming budget year. If that is the case, we should change the \$45,000 to \$80,000. Supt. Murphy said this is how much Excess Cost Reimbursement they should get for next year, that is the projection and it is a conservative estimate. Mr. Witte said possibly at the budget workshop he heard, that based on the people you are projecting to have year the reimbursement rate would be \$80,000 not \$45,000. Mr. Murphy said this is a projection. Mr. Witte asked if he knew roughly where they stood with the \$45,000 that is budgeted. Mr. Murphy replied for this year it is under \$30,000. He said that he anticipates that outplacement will go up.

MOTION by Witte to increase the Special Ed Cost Reimbursement in the current year budget from \$45,432 to \$80,000 based on the projections from the Superintendent. Second by Guilfoyle.

Mr. Smith asked if in this current fiscal year, we have taken in \$30,000. Mr. Murphy said that is the number. Mr. Murphy said the out-placement costs for next year are going up. The reimbursement goes directly to the town. Mr. Jerram said we forecasted \$45,432 and year-to-date we have taken in \$28,776 and we just received payment for \$6,004 and we are still shy about \$16,656 with a month to go.

Aye: Wexler, Guilfoyle, Witte, Smith, Tuxbury, Opposed: Charest

Motion passes

Board of Finance recesses to allow Board of Selectmen to call BOS meeting to order to take action regarding authorization of approval of Fiscal 20-21 budget and setting of Mill Rate

Recess called at 8:15 pm

Board of Finance reconvenes and Pursuant to Governor's Executive Order 71 and 7HH (pending authorization of Board of Selectmen) Board of finance vote to approve Fiscal 2020-2021 budget and set Mill Rate

The Board of Finance reconvened pursuant to the Governor's Order 71 and 7HH at 8:30 pm

Motion by Witte that we approve an amended budget as amended tonight for a total of \$25,489,884.87 with a total revenue excluding current taxes of \$5,335,793, at a collection rate of 96.5%, with a mill rate required of 30.63. Second by Smith.

Aye: Wexler, Smith, Guilfoyle, Charest. Opposed: Witte, Tuxbury

Motion passes

Ms. Wexler said the budget has been passed and the mill rate set.

Adjournment

By unanimous consent the meeting was adjourned at 8:36 pm

Respectfully submitted,

Penny Miller
Recording Secretary