

**Town of New Hartford
Board of Finance – Special Meeting
Town Hall
Tuesday, April 8, 2014**

Present: Board of Finance Chairman Ben Witte, BOF Members: Jim Fitzgerald, Reggie Smith, Jr., Dan Charest, Steve Tuxbury, Maria Moore, BOF Alternates: Bill Coates, Steve Roth (in at 7:05 pm), First Selectman Dan Jerram, Selectmen: Alesia Kennerson & Jack Casey, Bookkeeper Annie Witte, Town Treasurer Gordon Ross, Supt. of Schools Dr. Philip O'Reilly, BOE Chairman Josh Adams, BOE members: Martha Busemeyer, Mike Linnetz, BOE Reg. #7 Rob Jerram & Molly Sexton Read, Reg. #7 Supt. of Schools Dr. Judy Palmer, Reg. #7 Business Manager Rich Carmelich, Constable Dan Janco, Recording Secretary Penny Miller, and members of the public.

BOF Chairman Witte opened the meeting at 7:00 pm with a brief overview of the budget.

On the revenue side there was minimal growth in the Grand List of 0.25% from new properties. State revenues \$75,187 above prior year due to a municipal projects grant. On the expenditure side: (0.2%) decrease from the Town Government (initial request was 2% increase), (0.1%) decrease from New Hartford Board of Education (initial request was 1.4% increase) and 68% or \$195,800 increase in capital projects (\$144,000 of increase funded by infrastructure reserves surplus vs new taxes).

The Northwestern Regional #7 School District has requested a 3.4% increase in assessment to the Town of New Hartford. The initial request was a 4.3% increase. The NH Board of Finance voted against supporting the Northwestern Regional #7 budget request. The local Board of Finance is not authorized to change their budget.

All in all a 0.85% increase in taxes is required to support the budget – 0.23 mill increase.

The real estate values are re-assessed every 5 years. On average our overall grand list declined 8.9%.

What's next? Tonight we have a hearing. On the 14th we will have a meeting where we consider what was said here tonight. The annual town meeting is set for April 22nd. May 5th is the Regional #7 school annual district meeting at Regional #7. The New Hartford budget referendum will be held on May 6th with two separate votes on the budget. One vote will be for the town and New Hartford Board of Education budget combined and the other for the Regional #7 budget.

Presentation of 2013-14 New Hartford Board of Education Budget:

BOE Chairman Josh Adams outlined the steps the board took to arrive at their budget. Dr. O'Reilly said that he starts the process in November with the local board starting in January. They start with a list of priorities what they need to continue the same level of teaching to our children. They also have assumptions – including oil cost, insurance, etc. They started with a 3% increase and looked at what made that increase up. The BOE then asked Dr. O'Reilly to go back and bring it down to 1.5%. After a presentation to the Board of Finance they were asked them to come back with a 0% increase. The BOE looked over their budget and made some more cuts.

The 2014-2015 Proposed Budget Highlights showing Reductions & Increases and the 2014-2015 Board of Education Budget is attached to these minutes.

Kelly Howard, Bee Mountain Road, asked about the projected IDEA grants. Are we receiving federal grants? Dr. O'Reilly responded that yes we are but we don't always know how much we will receive.

As the board will enter into negotiations next year there was an increase in the legal costs. This typically requires legal services and the board felt strongly that they needed to put more money into this line.

Central Office – some modest increases. Dr. O'Reilly's salary increase will be based on his performance review and will not go over what is shown.

Dr. O'Reilly has made some cuts in his office. He anticipates a retirement of the current bookkeeper and feels he will be able to hire another person at a lower rate.

School Offices – Mike Luziotti, elementary school principal has submitted his resignation. The Board of Education has endorsed Roxanne Pangallo as the new principal.

Brian Zelasko, Turkey Hollow Road, asked when there is a salary line listed here does it include the benefits? Dr. O'Reilly responded that it didn't that is shown under *Employee Benefits*.

There was a slight increase in Pupil Transportation.

Capital expenditure request – this is below our usual request. This request is generated in part by the principals.

Presentation of 2013-14 Northwestern Region #7 Board of Education budget

Molly Sexton Read, chairman of the BOE at Region #7, presented their budget by saying this is the current budget and the board continues to work on it. At the final budget hearing on April 21st they will finalize what will go to the referendum. Their handout is filed with these minutes.

Ms. Read said that in the past 6 years, budget appropriations have been kept below levels needed to maintain current services. They have engaged in a number of cost containment measures to address these minimal increases including switching health insurance providers, installing a new gas line and through staff attrition. What they were presenting is a 3.78% increase. The pie chart shows that most of the increase goes to salary. The salary increase is 2.5%. A math teacher who is currently teaching part time will be made into a full-time. This additional staff is needed to help those students that are at risk for failing. The increases in Social Security & Workers Comp are reflective of those increases in teacher's time. There has been increase in water & sewer. They have 10 students that attend magnet schools and anticipate an additional two students for an added cost of \$11,510. There is a notation that reads: “*We are using all of the anticipated \$340,000 in Excess Cost funds to reduce Special Education expenditures”.

Under Supplies it was noted that the school has converted to Natural Gas to heat the school.

The original budget came in at a 4.5% increase which they recognized was not a number that would be approved by the towns.

Jeff Peltier, Dings Rd, asked: What is the responsibility of the School Resource Officer (SRO). Will he be a police officer and operating under their auspices? The response was he will have received training and the cost is not shared with the town.

Sarah Peltier, Dings Rd, asked will they be on from the beginning of school and during the course of the year. Response: the hours will be from 7-3 with the understanding there will be some call-back for the evening programs. Will there be a SRO at the basketball & football games and theater operation? Not necessarily. We are not responsible for football that is Gilbert. At the big games – tournament games – we will call in for additional help. The point of the SRO is to have a presence during the school day and helping the students make good decisions. There will be police presence at some of the school games. This is an hourly position and the SRO will be a retired police officer.

Kim Grustas, Meadow View Lane, asked are they going to spend time in the classroom. Response: the SRO has been through the training – such as DARE and there is training available for middle & high school. Dr. Palmer said she isn't sure there is a written curriculum for the SRO.

Brian Zelasko asked on Line 122, Salaries, it says the part-time athletic director salary is going up. Rich Carmelich responded currently they are in negotiations. Previously the athletic director received a stipend. On line 105 is the corresponding reduction.

Presentation of 2013-14 Town Government budget:

First Selectman Jerram stated that the general government is the smallest. In developing the budget – they have considered all the departments and everyone was asked to work within the existing budget.

In the 2011/12 – the entire budget was \$4,624,440. This coming year the proposed budget is \$4,680,763 – a difference of \$56,323.

In developing the budget they also took into consideration that this is a contract re-negotiation year. The contracted raises of 2.5% are not set.

There are several bridges in town that need to be taken care of.

Mr. Jerram touched briefly on the Health Insurance Cost saying this is an estimate. He also covered the increases for the Registrar of Voters saying this is an election year. They need to forecast for what might happen with the primaries for both parties and for all possible contingencies.

Health, Sanitation, Welfare – the folks that run the transfer station at RRDD#1 haven't seen an increase in sticker price until last year. They raised the sticker price and ended the subsidy to the haulers.

Parks & Recreation – this position has been moved into a part-time seasonal position. During the fall and winter months only \$1,000 has been generated. Going forward the Recreation Program Director will be working full-time for 4 months during the summer, in the two months before and after only a couple of days a week and then in the winter months only 1 day a week.

We paid off the mortgage payment for the Bakerville School.

Commissions & other agencies – under the Senior Director, this line item includes her salary plus \$750/month to cover supplies, postage, etc. Due to increases this has been kicked it up to \$1000/month.

Robert Penzero, East Cotton Hill, stated his opinion that he felt that much could be done to improve the town roads and bridges.

Constable Dan Janco, who previously served the town as a state trooper, endorsed the hiring of an additional constable. He spoke about the fringe benefit recovery fee which goes up every year. It appears that the towns are being double charged for fringe benefits. He has asked for an additional \$12,000 to hire an additional full-time constable.

BOF member Smith asked if we add this person in - what is the car situation. Constable Janco said we would be looking for a car in the next year or two.

Dan LaPlante, Stedman Rd, stated you are making a big mistake not getting the 4th constable. He is the Animal Control Officer (ACO) for the town and recently has gone to 244 doors. He has been threatened, attacked by dogs, etc. Not everyone in the town is nice. He wants to know that one of the constables will be at his back within minutes if needed.

Sarah Peltier is in favor of having an additional constable. Jeff Peltier also feels the same way. Heroin is here and it is here to stay.

A letter from Janet Terenzi was read and filed with these minutes supporting the hiring of a fourth constable.

The increased Mill rate is roughly 27.629.

Nancy Butler, gym teacher at the elementary schools, said instead of cutting a portion of the PE you should add in the ½ so that the children will have two days of gym.

Meeting adjourned at 9:27 p.m.

Respectfully submitted,

Penny Miller
Recording Secretary

Attachments:

Budget Summary

New Hartford Board of Education Budget

2014-2015 Proposed Budget Highlights outlining Reduction and Increases

Regional School District #7 Budget

New Hartford Town Budget

Letter from Janet Terenzi

Letter from Constable Dan Janco