

**Board of Finance
Regular Meeting Minutes
March 24, 2015**

1. Call to Order: Chairman Michael Dougherty called the meeting to order at 7:00pm.

2. Roll Call: Michael Dougherty, Ronald Cabana, Frederick Chmura, David Hosmer, Glen Lessig, George McCoy, David Fortin, David Richardson and Mark Shamber.

Also present: Members of the Board of Selectmen, Members of the Board of Education, and approximately 25 interested citizens.

3. Seat Alternate if Necessary: Not needed for this meeting.

4. Approve minutes from the March 10, 2015 Regular Meeting: George McCoy, seconded by David Hosmer, motioned to approve the minutes.

Corrections suggested by Dave Fortin:

- Item #5, Paragraph 8: David Fortin was informed that the \$15,000.00 in the Tree Warden's line item was for removing dangerous trees at the recommendation of the tree warden, *not just for marking them for removal.*
- Item #5, Paragraph 9: after ...State is decreasing money to the Towns. *Dave Fortin wondered why year-to-date expenditures in the General Government budget for the current year did not more closely correlate to figures in the previous year; why the proposed funding in the Transfer Station Refuse Hauling Account in FY 14-15 did not more closely match FY 13-14's request less the amount transferred at year end; and why the FY 13-14 Transfer Station Refuse Hauling expended budget was \$159,272, which was greater than the amount originally budgeted, and had experienced a transfer at year end?*
- Item #8, Paragraph 2: after ...each Board is prepared to do the hard work to make necessary cuts. *Various BoF members discussed the process of budget submissions by the BoS and BoE, and the necessity that they comply with legal and allowable levels before being forwarded to Town Meeting. These members also suggested that creating realistic and affordable budgets throughout the year should be an objective, rather than waiting for the BoF to announce their final numbers.*

Corrections suggested by David Richardson:

- Item #5, Paragraph 10: ...necessary cuts after they have been given hard numbers. *David Richardson stated the \$25K being spent per Town Hall employee and \$12.5K being spent on the stipend for those who waive coverage, is excessive and more than the cost of private insurance on the healthcare exchange. He said the Town Hall's health insurance costs are greater than BoE's health insurance costs.*
- Item #5, Paragraph 11: ...were presented by the Board of Selectmen and the Board of Education. *David Richardson raised concerns about the lack of communication with the public and the need for the Boards to get information out.*

George Mc Coy, seconded by Glen Lessig, moved to approve the minutes as amended. **Motion passed unanimously.**

5. Suspense List – Tax Collector Linda Bernardi: David Hosmer, seconded by George McCoy, moved to accept the Suspense list as presented.

Ms. Bernardi briefly explained that the Suspense List is a list of taxes that are deemed uncollectable.

There are four small strips of real estate on the list. The taxes due on these properties are deemed too little to go to tax sale. Some of these properties are land locked and not property that the Town would wish to acquire through foreclosure.

Most of the people on the Motor Vehicle list are people who have moved out of state or they cannot be found.

There are three Personal Property accounts on the Suspense List. Two of them are businesses that are no longer in business, and one is an abandoned trailer.

Ms. Bernardi further explained that these accounts can still be collected at any time, should someone step forward to pay them.

The motion to accept the Suspense List as presented passed unanimously.

6. Combine Budgets & Revenues: Chairman Michael Bernardi explained to the Board of Finance that there have been no cuts made to the Board of Education budget at this point. However there will be Finance Committee meetings and a regular Board of Education meeting coming up in the next few days and work will be done on the budget at that point. He quickly went over the BoE's budget power point presentation from the March 3, 2015 meeting, highlighting some of the increases and decreases to this year's budget.

David Richardson asked Mr. Bernardi if the full time teacher aids salaries were in the budget at this point. Mr. Bernardi stated that they were.

David Fortin asked if the \$572,610.00 increase included the new staff being added. He was told that it did.

David Richardson asked what the cost was to hire new teacher assistants. The Board of Education's Business Manager Karen Munroe stated that the salary was approximately \$18,000.00, plus a single person's insurance. This would bring the total amount to approximately \$33,000.00 per teacher aid.

David Richardson asked if the Math Intervention instructor's salary was included in the budget at this point. Karen Munroe and Michael Bernardi stated that it was. It was explained to the Board of Finance that one teacher has agreed to take the early retirement incentive, and that teacher may not be replaced. The total increase to the budget for the new Math Intervention teacher and the Teacher Assistants is approximately \$264,000.00 or about half of the Board of Education's 2015-2016 budget increase.

However, Mr. Bernardi explained to the Board of Finance that Dr. Baran recently informed the Board of Education there are three students who are potentially candidates for outplacement services. He believed that one has a 90% chance of receiving outplacement services, and the other two are at a

50% chance of receiving outplacement services. This will affect the current budget, as well as next year's budget. If these outplacements occur it will increase the special education budget in the range of \$150,000.00 to \$175,000.00. He promised to keep the Board of Finance informed as new information becomes available.

David Richardson asked about State Reimbursements for outplacement students. Karen Munroe explained that there will be no reimbursements for this year's budget, and they cannot predict what the reimbursement from the State will be with regard to next year's budget.

Being no further questions on the Board of Education budget, First Selectman Allan Walker presented the General Government budget to the Board of Finance and the audience.

Board of Finance member Glen Lessig asked if questions could be held until the end of the presentation. The other Board members agreed.

Mr. Walker explained that the Board of Selectmen has made some changes to the budget since the March 10, 2015 meeting. At this time the proposed General Government budget is \$5,420,539.00, an increase of \$67,325.00, or a 1.26% increase from last year. The redemption of debt is \$498,128.00 and the General Government budget is \$4,922,411.00. Mr. Walker then quickly reviewed the significant increases in the budget.

George McCoy and Glen Lessig questioned the \$19,925.00 decrease in the Town Beach line item. Allan Walker explained that this cuts out the salaries for the lifeguard positions. The beach will be open, but at a swim-at-your-own-risk policy like last year. There is still \$5,000.00 in that line item which will include having constables at the beach on the weekends.

There was discussion with regard to health insurance. David Richardson feels the \$15,313.00 stipend that Town Hall employees receive for not participating in the insurance is excessive. He feels that a single person could purchase insurance from Access Connecticut for approximately \$8,800.00, and have more than enough money for out-of-pocket expenses. He feels that the stipend should be at the "employee only" rate. Mr. Richardson also stated that the Selectmen should consult with the Town Attorney to see if this stipend is legal under the new labor laws.

He also stated that \$25,000.00 the General Government budget contributes to the health insurance taken by Town employees is too high. He feels that the Town employees should be covered by the School's insurance. He said the Board of Education pays \$14,200.00 per employee. This would save approximately \$100,000.00 that could be used toward funding lifeguards, libraries or capital projects at the schools.

First Selectman Allan Walker explained to the Board of Finance that every year the Board of Selectmen carefully investigates different health insurance plans to provide the employees. The HSA that is currently being offered has decreased costs for the Town, and the employees still have a \$2,000.00 deductible with this HSA. Dental and vision coverage for Town employees has also been eliminated. It would cost the Town approximately \$332,000.00 to insure all fifteen employees if they all took the insurance. First Selectman Walker also pointed out that the stipend has been calculated in the same way it has always been, and is part of the Union contract. He wondered whether the \$14,000.00 was really the total cost for an individual covered by the BoE health plan.

Board of Finance member Mark Shamber cautioned about “savings” in health insurance. He reminded people that one year there could be savings because it was a low claim year, and the next year there could be an increase in claims, causing the premiums to increase, eliminating any savings. David Richardson still believes that there would be a significant savings.

Glen Lessig suggested that the Board of Education and the Board of Selectmen, and perhaps a member from the Board of Finance should form a subcommittee and look into combining the health insurances. The savings in the insurance might save enough money to pay for a teacher assistant.

George McCoy stated that it seemed David Richardson had done a lot of homework on this issue, and this might be a way to save money.

Long-time Board of Finance member David Hosmer reminded people that there were several different unions at the school, a different union at the Town Hall, and the Teamsters at the Highway Department. He reminded people that it will be hard to get all of the unions to agree to changes to the health insurance.

David Richardson stated that the Teamsters do not get the stipend. He also stated that the Town Hall’s union contract said that a high deductible insurance plan would be provided but it could be any other high deductible plan.

Being no further questions on the budget, the Board of Finance turned their attention to the Revenue packet provided by Treasurer Donna Stefanik.

David Richardson asked if the Annual School Transportation grant falls under the Proposition 46 calculations. Ms. Stefanik directed them to the letter received today from Town Attorney Robert DeCrescenzo that stated that it was allowable.

Ms. Stefanik stated that at this point the Proposition 46 calculations could change due to the letter received from Superintendent Dr. Baran in regard to the possible outplacement of several special education students. At this point, the total allowable increase under Proposition 46 calculations is \$134,998.00.

David Richardson stated that changes should not be made to Proposition 46 until the Board of Education gets firm numbers from the State on reimbursements.

Michael Dougherty is concerned about what the State will do with reimbursements to the Towns. There are talks about changes in the Motor Vehicle tax collection laws, how the Pequot and Mohegan funds will be distributed to the towns, and the Town of Voluntown is negotiating with the State to increase what they receive from the State for money in lieu in taxes that it receives for the Patchaug Forest. If the State changes how it reimburses Voluntown, that money will probably be taken from the small towns and not the cities.

David Fortin agreed that the State is in a desperate situation. There is talk of increasing the “sin taxes” and bringing back tolls. The Education Cost Sharing Grant should be flat funded until 2017. The State is backing off on this because of steadily decreasing enrollment.

David Hosmer reminded the other members of the Board of Finance that firm numbers had to be in place by the time of the Public Hearing on April 7, 2015.

Glen Lessig, seconded by George McCoy, moved to bring a budget of \$21,979,978.00 or a .2 mil increase to referendum. This includes the maximum allowable increase of \$134,998.00.

Ms. Stefanik cautioned the Board members about putting the mil increase in the motion.

Glen Lessig, seconded by George McCoy moved to amend their motion. Motion was made to bring a budget of \$21,979,978.00 to referendum. This includes the maximum allowable increase of \$134,998.00.

There was more discussion on the State reimbursement for the Special Education outplacement. David Richardson calculated that the reimbursement from the State will not be more than \$120,000.00.

Chairman Dougherty asked for a vote on Mr. Lessig and Mr. McCoy's amended motion. **Motion passed unanimously.**

Chairman Dougherty asked the Board members how the \$134,998.00 should be divided.

Glen Lessig, seconded by George McCoy motioned to give the Board of Education 75.5% of the \$134,998.00, and the General Government 24.5% of the \$134,998.00. **Motion passed unanimously.**

Michael Dougherty then stated, based on the previous motion, that the Board of Education's share of the \$134,998.00 would be \$101,924.00 bringing the Board of Education budget to \$16,593,690.00. The General Government budget's share of the \$134,998.00 is \$33,074.00 making that budget \$5,386,288.00. This makes the combined budget \$21,979,978.00.

7. Adopt the Call for the Public Hearing: Chairman Michael Dougherty read the following call for the Public Hearing:

**TOWN OF WOODSTOCK
NOTICE OF PUBLIC HEARING
APRIL 07, 2015 7:00 P.M.
WOODSTOCK TOWN HALL**

The Board of Finance of the Town of Woodstock will hold a Public Hearing at the Woodstock Town Hall on Tuesday, April 07, 2015 at 7:00p.m. In accordance with section 7-344 of the Connecticut General Statutes.

Itemized estimates of the expenditures of the Board of Selectmen and Board of Education will be presented and the Board of Finance will hear all persons who wish to be heard in regard to any appropriations which they are desirous that the Board of Finance shall recommend or reject for the fiscal year ending June 30, 2016.

Dated at Woodstock, CT. This 24th day of March, 2015.

Michael Dougherty, Chairman, Woodstock Board of Finance

Ronald Cabana, seconded by Fred Chmura, moved to accept the call for the Public Hearing as presented. **Motion passed unanimously.**

8. Old Business:

A. By-Laws: This will be tabled until after the budget process is finished.

9. New Business: None.

10. Citizens Participation:

Michelle Woz, a member of the Board of Education wanted to clarify her statements from the March 3, 2015 meeting. From 2008 through 2015 the student enrollment at the Woodstock Public Schools has decreased by 6%, and the decrease in certified staff is 7%. Teachers who are retiring or move on to other places are not being replaced. She also wished to remind the Board of Finance that there is no longer a Gifted and Talented program or Life Skills program at the Woodstock Middle School, and that there is not a librarian or a language arts coordinator at the Woodstock Elementary School. She also understands that returning the teacher aids back to the classroom will probably not happen this year, but the Board of Education felt that they should be returned to the classroom, because the teachers requested this.

Ernest St. Jean stated that in Connecticut there is no such thing as a land locked piece of property. There is always a right of way to the property.

Preston Shultz believes that at the end of the year that any money that is in an individual's HSA account must be returned to the employer. He also asked for the names of the employees who are receiving the stipend.

Michael Dougherty felt that this question could be answered at the Town Hall, but he also felt it was not necessary for people to know this.

David Richardson felt that since this is a public meeting that the questions should be answered.

Michael Bernardi believed that answering this question could be a HIPAA law violation. Michael Dougherty agreed. Also, neither Mr. Dougherty nor First Selectman Walker had that information available.

11. Correspondence & Announcements: A letter had been received from Victoria Despres asking for the librarian to be restored to the Woodstock Elementary School. Mr. Hosmer suggested that this letter be forwarded to the Board of Education.

Mr. Dougherty announced that the Public Hearing will be on April 7, 2015 and the final budget meeting will be held on April 21, 2015.

12. Adjournment: David Hosmer, seconded by George McCoy motioned to adjourn at 8:29pm. **Motion passed unanimously.**