

**Board of Finance
Marlborough Elementary School - Media Center
Regular Meeting
April 13, 2016
7:00 P.M.**

Call to Order

Chairman Knowlton called the meeting to order at 7:05 p.m. Seated were Doug Knowlton, Cliff Denniss, Ken Hjulstrom and Susan Leser. Alternate Midge Denno was seated for the vacancy.

Additions to the Agenda

MOTION: Mr. Hjulstrom made a motion, seconded by Ms. Leser, to add a RHAM Budget Discussion.

DISCUSSION: Mr. Hjulstrom felt it would be good for the BOF to state if they endorse the RHAM budget. All voted in favor.

MOTION: Mr. Hjulstrom made a motion, seconded by Mr. Hjulstrom, to add the appointment of an auditor for the FY 15-16 audit. All voted in favor.

Public Comments

Rich Storrs, 6 Stage Harbor Road, gave the Board a letter from Dave Porteous about per pupil expenditures.. Mr. Storrs spoke about how the per pupil expenditure is calculated and said that land, debt service, transportation and buildings are excluded in the calculation per state statutes.

Marlborough came in 166 out of 169 and our teachers are not the highest paid in the state.

Evelyn Godbout, Selectman, said that she has attended BOE negotiations and has seen the salaries and she definitely disagrees that our teachers are paid the average salary.

Louise Concodello, 70 Millstone Drive, said she has been on school negotiations also and disagrees.

New Business

Notice of the Public Hearing

The Public Hearing notice has been sent to be published. Today new figures came out from the Governor. He has proposed cutting ECS and MRSA revenue. There is \$188,665 in the proposed budget as MRSA revenue, and it has been cut to \$30,907. ECS was cut by \$133,792. Final numbers may not be available as early as our town meeting. The Board discussed the options for changing the numbers after the public hearing and the impact on taxes. Mr. Denniss suggested the BOS and BOE write to the legislators and the agencies that we belong to. The town cannot afford so many unfunded mandates.

RHAM Discussion

MOTION: Mr. Hjulstrom made a motion, seconded by Ms. Denno, to endorse the RHAM budget as proposed. **DISCUSSION:** Some liked that the RHAM BOE included \$100,000 of capital items in their budget, but others did not. They had some significant savings, such as \$500,000 in health insurance, teacher reductions, heating oil and they did not use any of that to reduce their budget. The non-educational aspect of the school does not seem to be well managed.

VOTE: In favor: None

Against: Knowlton, Hjulstrom, Leser, Denno

Abstained: Denniss

Appointment of Audit for FY 15/16

MOTION: Mr. Hjulstrom made a motion, seconded by Ms. Leser, to appoint Blum Shapiro as the auditor for FY 15/16. All voted in favor.

Unfinished Business

None

Monthly Financial Reports

There were no questions this month.

Liaison Reports

Local BOE – Mr. Denniss said the BOE is having a meeting tomorrow to discuss their budget.

WPCA – There was an agreement made with Mr. Asklar for \$9,000 to be added to the sewer system. He will also have to pay the costs of the grinder pumps, and operating and maintenance fees. Hubble Construction has begun on Phase 3 starting with Pettengill Road. 95 percent of the pump problems are grease related and most of the businesses are not in compliance with FOG requirements. WPCA has used up all the East Hampton credit so they will be discussing three different scenarios for EDU costs at their budget meeting.

Board of Selectmen – Ms. Traversa said the state and town budgets have been a huge learning curve. The wind knocked down trees at Blish Park. They will be grinding the tree stumps and hydro seeding the wetland area. Earth Day is April 23 from 8 a.m. – 12:30 p.m. on the town green.

Approval of Minutes

Ms. Leser made a motion, seconded by Mr. Hjulstrom, to approve the minutes from the **March 17, 2016** budget workshop with the following changes:

- Under Public Comments, **Ms. Leser**, not the Board, requested Mr. Asklar to put something together showing his hours;
- Under John Stimpson, delete ~~he heard on the news and read in the newspaper;~~
- Under the local BOE budget presentation, the following should be changed: One ~~misleading~~ slide in the PowerPoint presentation ~~was~~ showed the history of fund balances the BOE has returned to the town. ~~The amounts may have been correct, but~~ Mr. Denniss pointed out that last year their surplus was around \$110,000, and they only returned \$1,164 **to the Town**. The BOE ~~has identified alternative funding sources for cost savings. They have~~ added a \$29,000 facilities contingency fund ~~put together by~~ with reductions in **the** health insurance savings and cafeteria plan costs, and the REAP technology grant. ~~and the cafeteria plan savings.~~
- ~~The Superintendent presented the BOE first with a budget with a decrease, and then the BOE decreased it more. Then at their last meeting they voted to go forth with this budget.~~ The **BOE** proposed 2016/2017 budget is \$7,422,854, ~~which is an increase of \$26,587 increase or a~~ (.36%). ~~tax impact.~~ Mr. Denniss asked Dr. Sklarz if this budget has over \$100,000 worth of additional spending. **Mr. Denniss said** this budget has fewer teachers and last year's budget had \$71,000 for an out placed child that they did not need and now that money is not included in the proposed budget either.

- The last paragraph of the budget presentation, the REAP grant amount should be **\$52,000**, not \$25,000.
- The first paragraph under Budget Deliberations should be changed as follows: After the BOE left, the BOF began discussing the town budget and asked the ~~BOS~~ First Selectman questions. Mr. Denniss asked which figure is correct for the Registrar's. **In one** place it shows an increase and in another **place** their salaries remain the same. First Selectman Traversa said that they tried to give all the employees the same raise as the union employees, but that she would check on it. There was also an incorrect number within the library budget. Ms. Traversa will also check on that number. Mr. Hjulstrom stated that he would like to see the current contracts for the oil and diesel. ~~He is interested in the terms of the contracts.~~ Field maintenance went down in the proposed budget. ~~and that is most likely due to~~ **The** Town no longer ~~having~~ **has to maintain** the Moose Club field ~~available for use~~. The Board asked the BOS to look into having one Resident State Trooper with more constable hours to compare with the cost for two Troopers. With ~~the next~~ no union negotiations ~~not~~ until 2018, the BOF ~~asked~~ **questioned** if \$75,000 is really needed for legal fees. Ms. Traversa said there is Phase 3 for the sewer system, major road work, and the development of the foreclosed properties, ~~all which will~~ **may** require legal services.
- 3rd paragraph should change to: Ms. Leser asked the First Selectman ~~to figure out~~ the bond **amount** for the school ~~and add it in order to their proposed budget~~ to figure out the real cost of education per pupil. The last sentence should say **Mr. Hjulstrom**, not Ms. Leser also mentioned....

All voted in favor.

Ms. Leser made a motion, seconded by Ms. Denno, to approve the minutes from the **March 24, 2016** budget workshop with the following corrections:

- Under the RHAM BOE presentation, HAS should be changed to **HSA**;
- The second paragraph should have **as a resource officer** added after \$200,000/yr;
- The 8th paragraph, last sentence under RHAM, the word **like** should be added between would and the count;
- Under Budget Deliberations, the 2nd paragraph, the word **original** should be added between Sklarz and budget;
- Under Public Comments, Judy Benson Clark, after \$467,000 add **separate capital line items were** for transparency

All voted in favor of the motion.

Mr. Hjulstrom made a motion, seconded by Ms. Leser, to approve the minutes from the **March 31, 2016** budget workshop with the following changes:

- Under Budget Deliberations, the 2nd sentence should begin a new paragraph;
- The new 3rd paragraph should say that Mr. Knowlton would like to see the budget come down **under** 2 percent, **but** that would mean
- Delete the sentence "~~The debt is growing.~~"
- In the next sentence, add the word **service** after debt;
- In the next sentence, delete the word ~~big~~ before tax increase;
- The last paragraph on page 2 should be changed as follows: ~~There~~ **They noted that would be** approximately **an** \$8,000 savings **would be realized** if the town hall clerical position for a floater is removed. This person is not yet decided but it would be the assistant from either the tax or clerk's office and would not make them eligible for benefits. There could be a savings by not

giving raises to the elected professional personnel (BOS, Treasurer, Tax Collector, Town Clerk) since they are not in a union. There is nothing you can do with the union employees, just like the schools. Mr. ~~Denniss~~ Hjulstrom suggested the registrars receive a 2.5% increase like the other staff because they have had freezes in the past. They questioned the contracted services item in the land use budget which is the Building Official that we share with the town of Hebron with him here 40% of the time and in Hebron the remaining 60%. ~~There is money in the budget to make the~~ The Park & Recreation Director is a full time position with full benefits in the proposed budget.

- The Fire Commissioner's budget paragraph has the following changes: Under the Fire Commissioner's budget, there is \$25,000 for the volunteer incentive program. Fire Commissioner Mike Schadle said that there is a point system in order to retain volunteers. There is ~~new~~ software to help track how many times a volunteer attends a training, responds to a call, etc. They will be getting new software that will do this even better and this is the same software that will produce reports for the fire marshal's activities.
- The LL Bean paragraph should read as follows: A LL Bean representative is coming from Maine to meet with the First Selectman. Ms. Traversa hopes to discuss ways to help defray the costs of treating the lake for the weeds and re-negotiating the contract. Ms. Traversa mentioned sharing services with other towns. ~~She would like to~~ has discussed combining services for senior van usage with other towns as a cost savings and to be more efficient.
- The paragraph beginning with Mr. Denniss, ~~Denniss~~ was misspelled; also in that paragraph delete ~~\$74,000 for the Resident State Trooper;~~
- The paragraph above Approval of Minutes, of MRSA funds should be added after \$188,000;
- Under Public Comments, Doug Knowlton, should read "...and the Paramedic Program has been operating ~~on~~ with a \$1 million loss. Senior citizens are our fastest growing population group.

All voted in favor.

Ms. Leser made a motion, seconded by Mr. Denniss, to approve the minutes from the **April 7, 2016** budget workshop with the following changes:

- Page 2, 2nd paragraph should read: The issue of the BOE's failure to return surpluses in recent years was mentioned by some BOF members. However, Mr. Hjulstrom also noted that last year the BOS had surpluses in the Town Operations budget and pooled those surpluses when they asked the BOF to make transfers to fund replacement computer equipment for the Town Hall.
- Under the motions, DISCUSSION should be a new paragraph so it is easily seen.
- At the bottom of page 2, Mr. Denniss was misspelled;
- CORRESPONDENCE was misspelled.

All voted in favor.

Public Comments

Rich Storrs, Stage Harbor Road, thanked the BOF for what they do and appreciates that the BOF is willing to listen to the public.

Evelyn Godbout, Selectman, said she hopes the budget passes.

Louise Concodello, Millstone Drive, said that she has information from Shipman and Goodwin from 10/2015 and that the teachers received 9.07% increase over the 3-year contract, which is a little below the state average.

Adjournment

Ms. Leser made a motion, seconded by Mr. Hjulstrom, to adjourn at 8:28 p.m. All voted in favor.

Respectfully submitted,

Deborah Rihm
Board Clerk