

**ASHFORD BOARD OF FINANCE
REGULAR MEETING
Ashford Town Hall, Room 104
5 Town Hall Road, Ashford, CT 06278
April 12, 2018
7:00 p.m.**

Present: Charles Funk (Chairman), Judi Austin (Clerk), Jesse Burnham, Gail Zaicek, Esther Jagodzinski (alt.), Carl Pfalzgraf (alt.), and Francine Hodovan (Recording Secretary).

Guests: Ashford Finance Department: Cheryl Baker. Town Treasurer
Ashford School: James Longo, Superintendent; John Lippert, BOE Chairman; Cindy Ford, Student Personnel;
Lisa Dyer, Business Office Manager.
Ashford Volunteer Fire Department: Wayne Fletcher, Fire Chief; Paul Varga.

1. **Call to Order:** Chairman Funk called the Regular Meeting of the Ashford Board of Finance to order at 7:04 p.m.
2. **Seating of Alternates:** Ms. Jagodzinski was seated for Mr. Bean and Mr. Pfalzgraf was seated for Mr. Simpson.
3. **Communications:** The Letter of Contract Agreement was received from Mahoney-Sabol, which was signed by Selectman Zambo, BOF Chairman Funk, and Town Treasurer Cheryl Baker and returned to the Auditors.

4. Approve Minutes of Special Meeting of April 4, 2018:

MR. PFALZGRAF MOVED AND MS. ZAICEK SECONDED A MOTION TO APPROVE THE MINUTES OF THE APRIL 4, 2018 SPECIAL BOARD OF FINANCE MEETING WITH THE FOLLOWING CORRECTIONS. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY, EXCEPT FOR MR. BURNHAM WHO ABSTAINED.

Corrections: Under guests add: Ms. Cheryl Baker, Town Treasurer, Ms. Karen Zulick, Town Clerk's Office, Paul Varga, and Bob Zaicek.

Ms. Cynthia Ford arrived and Chief Wayne Fletcher left on an emergency call at 7:10 p.m.

5. **Hear from Public:** Mr. Paul Varga was present and spoke briefly regarding a letter he'd sent to the BOF in response to the question, "What areas of the budget would you trim to create a zero mill increase?" See attached letter for his response, excerpts of which were read into the minutes. He also stated that the BOE budget Booklet printed in color was pretty, but that it is a perception thing that appears wasteful to him. He noted that from what he gathers the property tax mill rate will be increased by approximately 1.5 mills, but that the motor vehicle mill rate is going to go up by almost 3.9 mills.

Mr. Varga then left at 7:18 to respond to the same emergency call as Chief Fletcher.

6. New Business:

a. Selectmen's Update: None.

b. BOE: Special Education Funding Request: The BOE and Dr. Longo came before the BOF to ask for \$100,539.00 to cover the expenses of special education students who came to Ashford school during the 2017-2018 school year. Confidentiality issues keep the two Boards from discussing specific issues such as, names, ages, specific disabilities, specific needs, prognoses, etc. There was some discussion regarding the inclusion of "anticipated students" versus "actual students" in the Special Education section of the Budget when it is presented, although students can come and go during the school year, something that cannot be foreseen.

Ms. Ford noted that she currently wrote a Special Education Entitlement Grant, which if approved money wouldn't be received for 2 years' time. Dr. Longo told the BOF that the BOE made every effort to minimize dollar amounts before the budget was brought to the BOF per his understanding of the instructions given to the BOE by the BOF. In an effort to minimize dollar amounts before coming to the BOF, the BOE was able to preserve \$18,000.00 to help defray this request. It was also noted that money for Special Ed costs cannot be taken from money that is designated for "regular education student funds." Chairman Funk stated that the BOF would not act on this request tonight as time will be required to see if the State of Connecticut will fulfill its final reimbursement for Educational Cost Reimbursement for Special Education. He feels that the BOE and BOF can in part allocate money from the Unexpended Education Fund to help meet this unfunded obligation. Meanwhile, it was decided that:

- BOF will wait until May to see what the State will do in terms of Excess Cost reimbursement.
- The BOF expects the BOE to have funds remaining at the end of the fiscal year to help offset funds they may receive during this fiscal year from the Unassigned Fund Balance.
- Dr. Longo stated that "we would not object in any way to spending from the Unexpended Education Fund to help with this request."
- Ms. Dyer added "One student just came to us so the individual will have to be added to this year's budget." She also noted that the addition of the \$100,539.00 in special education obligations would put the 2017-2018 BOE budget in the red.
- It was stated that the Special Ed accounts that were frozen would generate approximately \$18,000 + \$23,000 (from the State) + \$52,000 from the Unexpended Education Fund = \$93,000, leaving \$7,539 unfunded which would need to come from the towns Unassigned Fund

c. Expenditure and Revenue Reports: Ms. Baker said that there was nothing remarkable per se to report, but it was advised by Chairman Funk that the BOF continue to watch the numbers. It was verified that Ms. Baker will provide the previous month's reports to the BOF's meeting on the second Thursday of each month.

7. Annual Report Update: Ms. Zaicek said that she hopes that all departments will be more serious about getting the necessary information to her in a timely manner. She believes that she has approximately 80% of her reports back. She will work with Ms. Baker to get missing email addresses. She is working on streamlining this process for next year. A dedication was also discussed.

8. Agenda Items for Next Regular Meeting: None at this time.

9. Remarks for the Good of the Board: Chairman Funk stated that CMM is holding a workshop for BOF Directors that will address the "new" Robert's Rules of Order, how to run a meeting, etc. At Ms. Austin's request he will send an electronic copy to all BOF members. Ms. Zaicek requested that when Chairman Funk speaks with the Town Attorney that he continue the conversation regarding the role of a board member who has a spouse who works at the Ashford School when speaking about BOE budgets.

Ashford School Business Manager, Lisa Dyer also stated that the Ashford School Robotics Program is going to the World Championships in the Middle School category, which is being funded by a grant. Ashford School Principal, Troy Hopkins, won "State of Connecticut Principal of the Year," and 15 students and some teachers will go to NASA to launch 2 cube satellites! Ms. Dyer also noted that Uniform Chart of Accounts is no longer being required for schools, although now it appears to be mandatory for municipalities.

10. Adjournment: MR. PFALZGRAF MOVED AND MS. ZAICEK SECONDED A MOTION TO ADJOURN THE APRIL 12, 2018 REGULAR MEETING OF THE ASHFORD BOARD OF FINANCE. THE MOTION PASSED WITH EVERYONE VOTING AFFIRMATIVELY.

The Ashford Board of Finance Regular Meeting adjourned at 9:12 p.m.

Respectfully submitted,
Charles Funk,

Chairman (for BOF Clerk)

April 12, 2018

Ashford Board of Finance

Mr. Chairman and Board Members,

At the Public Hearing on April 4, 2018, I stated my concerns with the current proposed 2018-2019 budget, which requires a Mill Increase. I believe any increase this year, especially given the current economic situation within the State of Connecticut, is not prudent. Right now fiscal responsibility, which must include funding cuts, is the correct path to follow.

As a response to my statement you asked me what I would recommend, or do, to achieve the zero increase. I replied, "Get creative" when looking at the budget. I realize that some of the ideas I presented that evening may not be popular, and some of them should be presented to specific department or to the Board of Selectmen for action.

In the list below I have identified some areas I think require further review, should the need arise to revisit the current budget proposal, or in the very least, for the 2019-2020 budget cycle. If some of these items have been discussed already, I apologize in advance.

1. **Contracted Services.**

Several times in the general operating budget, under multiple departments, line item 55527-000 Contracted Services, is present. There needs to be better documentation regarding what these services are, and if they can be combined throughout the town to reduce cost. This task most likely falls under the Selectmen's office.

2. **Maintenance of Town Property.**

Again, there is a considerable amount of overlap throughout the general operating budget regarding maintenance of town property. There is an actual section of the budget specifically labeled as such, and then under other departments separate line items exist. Any time services can be combined or operated under one department there is generally a cost benefit. Every department, office, or board that maintains town property needs to get involved and review current practices.

3. **Wage Reporting Differences and Disparities.**

Some departments report only wages, others also report FICA, Medicare, etc. Any position that falls under the Town's Employee Benefits section should be indicated as such, so a taxpayer reading the budget is able to clearly see what positions are afforded health benefits, retirement, etc. Two departments stand out and require further questioning. A: Transfer Station. Does line 51422-000 include FICA, Medicare, etc? The amount appears rather large if that is not the case. B: Recreation Fund Budget. The percentage of benefits cost vs. director wages seems abnormally high at 69%. This needs to be scrutinized.

4. **Areas of Concern.**

Recreation Fund: The Recreation Fund Budget, as mentioned in previous paragraphs, appears to have several overlapping services: Maintenance of Town Property, Mowing, and Contracted Services. The Recreation Department should be carefully reviewed, and the possibility of combining its services within another department considered. The wages and benefits paid, combined with the overlapping expenses, create questions of the departments overall value.

Babcock Library: I was unable to locate any budget information for the Babcock Library, other than the requested amount of \$185,000 under Other Financing Sources/Uses. I am sure this information was provided to the Board of Finance at the time of the funding request. Once again, as this department occupies a town owned building, scrutiny over how the funding is allocated is essential.

Transfer station: A closer look at the wage line for these employees is needed. At face value, the per hour rate seems excessive. This may just be a clerical issue, and possibly already discussed.

5. **Board of Education.**

I understand the Board of Finance has limited influence in how the Board of Education allocates the funding it receives. The Board of Finance should have the right to point out items that seem unnecessary or excessive. For example; During a previous Board of Finance regular meeting several members of the public stood up in support of the Board of Education's initial request, which would have been a 2.9% overall increase. One of the topics of discussion was a spending freeze put in place by the Superintendent, and consequently the lack of crayons in a classroom, according to the parent. Given that information, I find it insulting as a taxpayer that the Board of Education would provide a full color, including color pictures of children, budget proposal for distribution. This seems to be an expense not in line with the current cost saving requirements, or even the Board of Education's previous spending freeze. In addition, historically the Board of Education has ended each budget year with a surplus. This seems to indicate a need for tighter accounting measures by the Board of Education.

The current economic climate in our state is going to require tight budgets and probably service cuts for the foreseeable future. Continually asking the taxpayers to fund programs or projects with repetitive tax increases is not an acceptable solution. Many more ideas will be needed to address projected State funding shortfalls and upcoming capital expenditures.

Thank you for allowing me to present my concerns and ideas to the Board, and thank you for taking your time to serve the Town of Ashford.

Respectfully,

Paul Varga