

**Board of Finance
Town of East Windsor
11 Rye Street
East Windsor, CT**

**MINUTES OF BUDGET WORKSHOP – SPECIAL MEETING
Tuesday, April 27, 2010 at 7:30 p.m.**

These minutes are not official until approved at a subsequent meeting.

Members Present: Jack Mannette, Danelle E. Godeck, Robert Little, Kathleen Pippin, Jason Bowsza, and Marie DeSousa
Members Absent: None
Alternates Present: Jamie Daniel and Thomas Baker
Alternate Absent: None
Others: Denise Menard, Gilbert Hayes, Mark Simmons, Richard Pippin, Cathy Cabral, and a few other townspeople
Press: None

Chairman Jack Mannette called the Budget Workshop Special Meeting to Order at 7:31 p.m., in the East Windsor High School, Board of Education Meeting Room, 70 Main Street, East Windsor, Connecticut.

Chairman Jack Mannette indicated that Board Member Jason Bowsza is not in attendance and will probably arrive late, and Ms. Jamie Daniel is in attendance and should be appointed as a voting member until said time that Mr. Jason Bowsza arrives.

It was **MOVED** (Little) and **SECONDED** (Pippin) and **PASSED** (U) that Ms. Jamie Daniel be approved as a voting member until such time Mr. Jason Bowsza arrives. .

Chairman Jack Mannette explained to the Board that tonight was an important night because the Board will recommend a budget to referendum. Last night was the public hearing and a lot of input from the public was heard. The notice for referendum is due in the Town Clerk's Office no later than noon on Thursday, April 29, 2010. Mr. Mannette indicated tonight he would like to talk about the Board's options regarding proposing a budget to referendum. He would like to hear from each and every Board Member, including alternates, as to their opinion of the proposal and last night's hearing.

Ms. Kathleen Pippin was asked to start the conversation and indicated she would like to speak last after she hears from the other Board Members. Ms. Jamie Daniel was asked her opinion. She indicated that in light of the hearing last night, she believes the Board should move forward and recommend the proposed budget to referendum. She feels the budget is not inflated and it fits the needs of the town. Ms. Marie DeSousa remarked she believed the hearing went well last night. She commended the public for attending the hearing and it is estimated approximately 300 people attended. According to her notes,

thirty-two people spoke, nine voiced no, two did not have an opinion and the others agreed with the proposed budget. She felt there were more people there in favor of the budget proposals due to the amount of the applause that was heard after someone spoke in favor of the budget. Looking at the charts over the last ten years, and noting the percentage increase of last year, she feels unless the people who approve of the proposed budget come out in full force and vote at the referendum, she doesn't believe the proposal has a chance to pass. She wanted to inquire with Superintendent of Schools, Timothy Howes if there were any cost savings for the health insurance premiums and early retirement packages on the Board of Education aspect of the budget. He wasn't present in the room and he was walking down the hallway towards the meeting room. While waiting for him to come into the room, Ms. DeSousa remarked about the Journal Inquirer article which was in this evening's edition. She thought the article was written well but was a little upset about the finger-pointing at the school's salaries, particularly the comparing of the Superintendent's salary. She indicated it has to be understood that Mr. Howes has been doing two jobs within the school system. Mr. Howes entered the room. Ms. DeSousa agreed with Ms. Daniel's opinion

Mr. Mannette asked Ms. Menard and Ms. Howes to answer the questioned posed to them later in the meeting. They agreed.

Mr. Thomas Baker commented he listened to all the comments and paid attention to what people had to say. People cannot afford higher taxes due to the overall economy is so bad and may get worse. He believes the 2% budget is the best the town is going to be able to do.

Mr. Robert Little remarked that he does not think the 16% tax increase has a "snowballs chance to pass". A double digit increase will not pass in this town. There are too many families and households in town which are hurting financially and cannot afford it. He understands that the town has to make up for shortcomings of the past; however, due to the economy this is not the year to do so. His opinion is to shoot for the 2% budget, save \$4000 for the additional referendums, and notify all department heads no overruns to the budget can be had and a strict budget is in place. If the departments have overruns, it will be considered a serious situation. The general fund balance cannot afford to take any more hits.

Board Secretary Danelle Godeck indicated that she also took notes at the hearing. According to her notes, thirty-two people spoke; twenty-one yes, seven no, two agreed with an increase, and two others did not take a position. She commented about the Journal Inquirer article saying she was upset because the first paragraph indicates the comments were split and in her opinion, it was not split. Once again, taxpayers came out and had different opinions of the 16% if it is good or not. She understands the percentage is high at 16%; however, when economic times were good, the town did not allow small tax increases and now the town is feeling the effects. She inquired with Board Members and Board of Selectmen if the federal government has any type of program to help or aid homeowner who has fixed incomes pay or get exemption for taxes. She would like to get to that information available to the citizens and business owners. Another problem the

town is faced with is all the assessments that were recently taken. Businesses should be able to get assessments done yearly due to the changing property values. She indicated it is clear from the Charter that the residents of East Windsor will make the decision about the budget through automatic referendum. It is her opinion the 2% budget should be put forth. Although, she indicated, maybe the budget can be looked at little more and more cuts can be made to get under the 16% to show that the Board listened to all sides at the hearing.

Ms. Kathleen Pippin indicated she was pleased with the crowd turnout at the hearing. She listened to all the comments and there were more in favor than not. However, when the citizens go to the polls and vote, it may be a different outcome.

Chairman Jack Mannette commented he also listened to all the comments the citizens made at the hearing. He agrees with Mr. Little and Mr. Baker and believes the 16% will be very difficult to pass at the referendum, due to the past budget history of the town. He believes the 2% budget at the 10% tax increase may be a viable alternative to the 16% tax increase. The taxpayers have seen increases in their taxes every year and question how the money is distributed throughout the town. The Charter calls for three referendums before the default of 2% increase. He does not believe the budget will pass on the first referendum. If the Board puts forth the 16% at the first referendum and it fails, the second referendum put forth the 2%.

A lengthy discussion among Mr. Mannette, Ms. Godeck, and Ms. DeSousa regarding the referendum process and which budgets should be put forth at the first, second, and if needed, third referendum.

Mr. Timothy Howes, Superintendent of Schools, indicated to the Board the health insurance premiums were estimated high. Those premiums will be a little lower since the insurance carrier has given the exact numbers. Those figures have not yet been approved and/or authorized by the Board of Education; therefore, Mr. Howes cannot give the actual savings to the Board at this meeting. Mr. Mannette indicated the Board cannot wait any longer due to the time constraints in place by the new Charter. He indicated the figures that are in place, will have to do for the time being.

A discussion among Board Members was held regarding what budget to present to the taxpayers for the second referendum. Mr. Mannette indicated the Charter calls for a public hearing by May 13, 2010 and a workshop has been already scheduled for May 12, 2010. Mr. Mannette read from the Charter indicating that a failure of the budget at either the first or second referendum, the budget is returned to the Board of Finance following a public hearing. The Board of Finance will then resubmit the budget for the next referendum. First Selectwoman Denise Menard agreed with Mr. Mannette's interpretation of the Charter. Discussions continued about what options the Board has to reduce the budget for the second referendum, if the budget does not pass on the first try.

Mr. Jason Bowsza arrived to the meeting at 8:05 p.m.

The discussion continued among Board Members regarding different ways the budget could be cut. Some thought adding back the .5% tax shortfall expense of \$135,000 was an option; others seemed nervous about doing so because of shortfalls which maybe experienced and the only money to make up for those shortfalls would be the general fund. Having the general fund balance decrease below the 5%, could jeopardize the town's bond rating and with an upcoming sewer project, the town will need to have a good bond rating to get the best possible loan terms.

Ms. Maire DeSousa asked Mr. Jason Bowsza if he could give his comments of last night's meeting. Mr. Mannette gave him a brief review of what other Board Members said previously in the meeting. Mr. Bowsza said he took three pages of notes at the hearing. According to his note taking, a lot of people were in favor of services. He understands the hard economic times and doesn't want to shortchange the voters and wants to let them make the decision. A lot of the services in the budget are status quo. He would entertain any ideas of trying to reduce the budget in any areas, but believes the proposed budget is still very fair. It will be up to the voters to voice their opinions.

Mr. Mannette asked if the Board would entertain a Motion to put forth a budget for referendum. Ms. DeSousa indicated she wasn't sure if people would support the budget or not, but was concerned with disagreements Board Members may have with each other and feels the Board needs to stand together and put forth a budget. Ms. Godeck agreed and indicated she would like to see what the voters have to say on May 11, 2010.

Ms. DeSousa moved to that the proposed budget as presented at the Public Hearing on April 27, 2010 in the amount of \$33,733,853, which equates at 5.03% increase, a mill rate of 25.27 and a tax increase of 16.17% be put forth at a referendum to be held on Tuesday, May 11, 2010. The Motion was seconded by Mr. Jason Bowsza.

A discussion was held. Mr. Bowsza felt to give the voters an opportunity to voice their opinion. Mr. Little indicated he did not believe the budget will pass. Ms. DeSousa indicated commented on the emails she received. Mr. Mannette wanted to see the emails. Ms. Daniel indicated she had copies of same. Ms. Little began speaking about the businesses being nailed on the re-assessments and how they cannot afford any more taxes. Ms. DeSousa commented how the Board heard comments from business men and women at the Public Hearing and asked for some insight from the Economic Development Commission after the public hearing to try to help the business owners. Ms. Godeck also commented how she understood how hard it is for the business owners in the town and would like to attract businesses to the town to help with the tax base. Mr. Mannette voiced his concerns about the budget and businesses.

The vote was taken:

In Favor – Mr. Jason Bowsza, Ms. Marie DeSousa, and Ms. Danelle Godeck

Opposed – Mr. Robert Little, Ms. Kathleen Pippin, and Mr. Jack Mannette

Mr. Mannette indicated his vote would tie the vote. Ms. DeSousa was upset with the actions of Mr. Mannette and left the room at 8:28 p.m.

Mr. Jason Bowsza indicated that Board Member Marie DeSousa is not in present and will probably return, in the interim; Ms. Jamie Daniel is in attendance and should be appointed as a voting member until said time that Ms. Marie DeSousa returns..

It was **MOVED** (Bowsza) and **SECONDED** (Godeck) and **PASSED** (U) that Ms. Jamie Daniel be approved as a voting member until such time Ms. Marie DeSousa returns.

Mr. Mannette then decided he would reverse his opposing vote and would abstain.

Ms. Marie DeSousa arrived back to the meeting at 8:32 p.m.

It was **MOVED** (DeSousa) and **SECONDED** (Bowsza) and **PASSED** (3 In Favor – Mr. Bowsza, Ms. DeSousa and Ms. Godeck to 2 Opposed – Mr. Little and Ms. Pippin and 1 abstained Mr. Mannette) that the proposed budget as presented at the Public Hearing on April 27, 2010 in the amount of \$33,733,853, which equates at 5.03% increase, a mill rate of 25.27 and a tax increase of 16.17% be put forth at a referendum to be held on Tuesday, May 11, 2010.

Mr. Mannette asked Ms. Catherine Cabral if she could supply to him a few documents pertaining to the budget and revenue projections. She indicated she would do so.

Mr. Mannette then wanted to discuss the issue of the Special Meeting notice for the May 12, 2010 meeting to accept the mill rate or to discuss a second referendum. He indicated the meeting had to be on the evening of May 12, 2010 or in the morning of May 13, 2010 because the notice will be due by noon on May 13, 2010. He indicated the public hearing could take place at the middle school on May 12, 2010 and right after; the Board of Finance can have a workshop meeting to discuss the second referendum. If the budget passes, the public hearing would be cancelled and the Board of Finance would still meeting on May 12, 2010 to set the mill rate.

It was **MOVED** (Little) and **SECONDED** (Pippin) and **PASSED** (U) that the Board of Finance adjourns the April 27, 2010 Budget Workshop Special Meeting at 8:40 p.m.

Respectfully Submitted,

Denise M. Piotrowicz
Recording Secretary