

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

**MINUTES OF SPECIAL JOINT MEETING,  
Board of Selectmen, Board of Finance and Board of Education  
September 6, 2011 at 6:30 p.m.**

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

Board of Selectmen

Members Present: Denise Menard, Mark Simmons, John L. Burnham, Gilbert Hayes,  
and Richard P. Pippin, Jr.

Members Absent: None

Board of Finance

Members Present: Jack Mannette, Danelle E. Godeck, Robert Little, Marie DeSousa,  
Jason Bowsza, and Kathleen Pippin

Members Absent: None

Alternates Present: Jerilyn Corso

Alternate Absent: Jamie Daniel

Board of Education

Members Present: John Pica-Sneeden, Leslie Hunt, Kathleen Bilodeau, William  
Raber, Judith Rajala, William Schultz, Catherine Simmonelli,  
Lynn Stanley, and Terri Willingham

Others: Dr. Theresa M. Kane, Linda Giuliano, Laurie Slate, Catherine  
Cabral, Dale Nelson, Len Norton, Lois Noble, Alan Baker, Joseph  
Sauerhoefer, Robert Slate, William Lyke, and others

Press: L. Smith (Patch.com) and C. Garfman (Journal Inquirer)

**I. Call to Order**

First Selectwoman Denise Menard called the Special Joint Meeting to Order at 6:30 p.m., in the East Windsor Town Hall.

**II. Discussion of Options regarding New Minimum Budget Requirement Calculation for the Board of Education**

Ms. Menard thanked all who were in attendance. She introduced Ms. Catherine Cabral, Treasurer to the group to explain the reason why the Special Joint Meeting was called. Ms. Cabral indicated that a letter was received from the Mr. Brian Mahoney, Chief Financial Officer, Division of Finance and Internal Operations of the State of Connecticut Department of Education dated August 22, 2011. Copies of the letter and attachments

were given to all who were in attendance for their review. The letter indicates that all districts were asked to provide 2010-2011 and 2011-2012 budgeted appropriation information in order for the Department to determine the 2011-2012 Minimum Budget Requirement (MBR). Based on the information which was certified by the East Windsor Board of Education on August 15, 2011, East Windsor is currently in noncompliance by \$105,812. The information which was attached to the letter was a detailed summary of both the MBR determination, as well as East Windsor's lack of compliance and the detail of the reduction to the MBR based on declining resident students.

Ms. Cabral remarked that this Special Joint Meeting was called to discuss the options the Town has, and to come to an agreement on how to communicate to the State of Connecticut, Department of Education regarding action the Town is planning to take. The recommended action will be forwarded to the next Board of Selectmen and Board of Finance Regular Meetings for approval.

Ms. Marie DeSousa, Board of Finance Member, inquired why it has taken the State of Connecticut such a long time after the budget has been passed to review the status of the MBR. Mr. Jason Bowsza, Board of Finance Member, indicated that during the budget process, he had inquired about the MBR and cautioned everyone about being in compliance with same.

Ms. Cabral indicated she understood the concerns of the Board of Finance Members; however, according to the State of Connecticut, East Windsor presently is currently not in compliance and if the Town does to rectify the noncompliance, it will be considered noncompliant for two years. Ms. Cabral then explained the two options the Town can consider to respond to this letter.

The first option is to appropriate funds from the fund balance in the amount of \$105,812. She reminded everyone that the monies have to come from outside the budget. The second option is to file for a waiver until budget for fiscal year 2013-2014. However, if a waiver is requested, a penalty will be a reduction in the ECS grant in the amount of \$211,624. Further, under this option, the State Board of Education may waive such forfeiture if the Town appropriates to the Board of Education in 2013-2014 an amount in excess of the MBR that is at least equal to the penalty, which is approximately \$388,000. Ms. Cabral's opinion is that the Town should try to get the monies from fund balance and try to stay in compliance.

Ms. Denise Menard, First Selectwoman, asked the members of the Board of Education if they had any comments regarding this issue. No comments were made; however, Mr. John Pica-Sneeden, Chairman of the Board of Education introduced to everyone in attendance the new Superintendent of Schools, Dr. Theresa Kane.

Mr. Jack Mannette, Chairman of the Board of Finance, commented about the issue. He has looked through the history of the MBR. He believes a mistake has been made in the

figures. The MBR is based upon the 2009 budget figures. Ms. Cabral indicated that the on July 13, 2011 the legislature changed the formula in figuring out the MBR. Mr. Mannette continued to explain how the Town has treated the ECS monies and has always treated those monies as grants and the Board of Education budget has always been increased and not decreased. He is against capitulating and giving the State of Connecticut the monies at this point. He would like to indicate to the State that there are a number of questions regarding the calculations before any commitment can be made. Mr. Jason Bowsza, Board of Finance Member, inquired if there was a process to appeal this decision by the State Department of Education. Ms. Cabral indicated that the Town must tell the State tomorrow, September 7, 2011, what the Town intends on doing regarding this problem. Dr. Kane indicated that her contact with the State Board of Education may be flexible. Originally, when this issue was raised, the deadline for a response was August 31, 2011; but due to the Hurricane, an extension was granted. Mr. Bowsza inquired if the Town is considered noncompliant in September and the issues are resolved by November, does the Town still have noncompliant status? Ms. Cabral reiterated that the State Department of Education wants the intent of the Town by September 7, 2011.

The discussion continued about obtaining a waiver due to the fact there are reasonable questions on how the figures were calculated. Mr. Mannette questioned that the Town has never decreased the budget for the Board of Education and why the State Department of Education is penalizing the Town. Ms. Marie DeSousa, Board of Finance Member, inquired who supplied the State Department of Education with the figures which are found on the Attachment 1. Ms. Slate, Board of Education Human Resources, had supplied the figures for that attachment. After reviewing that document, Ms. DeSousa commented that she believes the figures supplied by the Town are incorrect. Ms. Cabral indicated the figures reported are correct. Ms. DeSousa questioned Line 3 of the form indicating the figure should be inclusive of the \$782,109 (SFSF funds). Ms. Cabral explained she has spoken to the State Department of Education several times regarding the figures on that Attachment 1 and she has been told those figures are correct. Ms. DeSousa indicated that in the past the ARRA monies were never included in the budget and were kept separate. Ms. Cabral commented that the formula of how this is configured has changed. Ms. Menard indicated that the Town wants to be in compliance with the State and suggested that a meeting be scheduled with herself, Ms. Cabral, Dr. Kane, Mr. Mannette, and Mr. Brian Mahoney from the State to discuss the matter further to clarify any questions which the Town has. She has also suggested contacting State Senator LaBeau and asking for his assistance in this matter.

Mr. Mannette insisted the figures that have been reported and they way they were reported are incorrect. Ms. Cabral reiterated that the legislature changed the rules on July 13, 2011 and this is how the numbers will be reported for the next three years. Mr. Mannette remarked the State is looking for ways not to fund the ECS grants and will be trying to do so for the next two years. Ms. Menard asked Mr. Mannette if he would be available to meet with the representative from the State Department of Education. He said he would but he would like Dr. Kane, Ms. Cabral, Ms. Slate and the principals of the schools to meet and discuss the figures with the State. Dr. Kane indicated that Ms.

Cabral has spoken to the State numerous times and the State is still indicating the Town is noncompliant. Mr. Mannette commented that the Board of Finance standpoint is that the Board never gets involved with the Board of Education budget and the SFSF grants were always treated separately. This was explained to the Board of Finance by the previous Superintendent Timothy Howes on many occasions. Ms. Menard indicated the Town is in a hard spot at the moment and again suggested a meeting with the State to discuss the formula and ask for a waiver of the noncompliance until questions can be answered. Mr. Mannette commented that the State is not being reasonable of their requests only giving the Town two days to answer, and maybe the Town should ask for a stay until such time the proper research can be done.

Ms. Cabral asked those in attendance what was their consensus on the options given. Mr. Pippin agreed with Mr. Mannette and Ms. DeSousa. He would like a letter of protest to go to the Governor's Office due to the fact the budget was passed in May and everything is set to that budget, now in August and September the State Department of Education is asking for the Town to comply. He inquired as what are the other ten towns which have received this noncompliance letter and how they are responding to same. It was unknown which towns were of the ten.

Mr. Mannette inquired if the formula that Mr. Tim Howes used was correct and was it followed. Ms. Cabral indicated that in 2009, the Town was in compliance; however, the State is using a different formula than was used in 2009.

The discussion continued focusing on the figures given to the State Department of Education from Attachment I. Ms. DeSousa and Mr. Mannette indicated there must be a mistake in Line Nos. 1, 2, and 3 and therefore, the reason for the confusion and noncompliance issue. Ms. Cabral again indicated the formula has changed and when speaking with the State, she has been told those figures are correct.

Mr. Bowsza inquired what accounts would the funds of \$105,812 come from. Ms. Cabral explained the funds would come from fund balance. She believes due to the recent revenue from the collapsed barns and excess tax revenue, the fund balance will have enough funds over and above what would be necessary for payment. Mr. Bowsza questioned that appropriating these monies to the budget would increase the budget, a budget which was voted in by the taxpayers. He questioned the legality of the added appropriation, due to the fact it is outside of the budget which was approved by the voters. Ms. Menard reminded Mr. Bowsza it would have to go to a Town Meeting for approval. Mr. Mannette, Mr. Little and Mr. Pippin believe it would have to go to a referendum. Mr. Bowsza and Mr. Mannette both suggested getting a legal opinion regarding this issue either from the Town Attorney or the Board of Education Attorney.

The discussion continued discussing the figures used on the Attachment I, how the figures were arrived at. Dr. Kane addressed everyone indicating she was not here during the budget discussions. However, she believes what the State Department of Education is reporting. She does not recommend asking the State for a waiver and to have the noncompliance status on the district. She would recommend asking for a waiver until

such time the Town could have further clarification. There are too many questions regarding the accounting and the State Department of Education should be able to answer questions that the Board Members may have.

Mr. John Pica-Sneeden, Chairman of the Board of Education, commented that he agrees with Mr. Mannette and Ms. DeSousa in that the Board of Finance, Board of Education, and Board of Selectmen were all blindsided about this latest development from the State Department of Education. During the Budget Workshops, there were discussions regarding the MBR and always keeping on top of that information. He would also have to question the figures. Dr. Kane indicated that due to the lingering questions, Ms. Menard can contact the State Department of Education and let them know of the intent of the Town; however, there are lingering questions which need to be answered. A question among those in attendance was how does noncompliance affects other grants, such as special education. Ms. Cabral indicated it affects the Town negatively. Dr. Leslie Hunt, Board of Education Member, agreed with Dr. Kane in that the Town should tell the State Department of Education that it intends on complying; however, certain questions regarding the numbers and calculations need to be addressed.

A discussion was held regarding the figures and how they are reported and what would be the actual sum which would be lost if the Town does not comply with the State Department of Education.

Ms. Menard asked what the consensus of how to proceed was. Ms. Danelle Godeck, Board of Finance Member, suggested that Board Members of the Board of Education, Board of Finance and Board of Selectmen should compose questions which they want answered and get those questions to either Ms. Menard or Ms. Cabral so they can be addressed with the State Department of Education. Ms. Menard agreed so the process can move forward. Ms. Menard indicated she would meet with Dr. Kane to draft a response to the State Department of Education. Ms. Jerilyn Corso, Alternate Board Member of Board of Finance, indicating she would like all three Boards work together to resolve this issue because the Town does not want to be in noncompliance with the State Department of Education. Dr. Kane indicated they will try to do their best to get an extension in responding, due to the lingering questions by the Board Members. Ms. Godeck also suggested contacting the Town Auditor to research if the Town appropriately reported the figures given to the State.

Ms. Menard asked each Board if they were in agreement with these suggestions. No objections were heard. Ms. Kathleen Pippin, Board Member of the Board of Finance, who should be receiving her questions. Ms. Menard commented that the Board of Finance send all of their questions to their Chairman, Jack Mannette; Board of Selectmen to the First Selectwoman, and the Board of Education to Dr. Kane. Those questions will then be brought to Ms. Catherine Cabral. She would like to have all the questions by the end of the week, Friday, September 9, 2011.

**III. Adjournment**

A motion to adjourn was not entertained. The meeting ended at 7:35 p.m.

Respectfully Submitted,

Denise M. Piotrowicz  
Recording Secretary