

Town of Newtown Legislative Council Special Meeting
Wednesday, June 6, 2012
3 Primrose Street, Newtown, CT

PRESENT: Jeff Capeci, Mary Ann Jacob, George Ferguson, Joseph Girgasky, Paul Lundquist, Daniel Honan, Kathy Fetchick, Bob Merola, Dan Amaral, Mitch Bolinsky, Phillip Carroll **ABSENT:** Dan Wiedemann

ALSO PRESENT: First Selectman Pat Llodra, Finance Director Bob Tait, BOF Chairman John Kortze, BOF members Harry Waterbury, Jim Kearney, Schools Superintendent Janet Robinson, Schools Business Manager Ron Bienkowsk (9:45) , BOE Chairman Debbie Leidlein, BOE members Laura Roche, John Vourus, Keith Alexander, approximately 50 members of public, three members of press

Chairman Capeci called the meeting to order at 7:05 p.m. with the Pledge of Allegiance.

VOTER COMMENT: Lisa Wallace, 43 Mile Hill South, spoke on behalf of the PTA Presidents, requesting that no further reductions be made to the education budget. There is nothing to move the school district forward. The current money will not be enough to provide the students and schools with the same services they now have, in the upcoming school year. "Please invest in our school district."

Fern Paes, 5 Teachers Ridge, owns two businesses in town. Over the past 4 years, almost every business in town has been struggling. They have done a lot of sacrificing to cut their bottom line, including terminating an employee. People cannot afford Newtown and are leaving. She will continue to vote NO until there is a real effort to cut costs. The budget is not being "cut", there is a decrease in the increase. Cut administrative costs, not things that affect students. We need to decrease more.

George Bennett, 17 Oak Ridge Drive, believes that now there should be a minimum of a \$1 million reduction in the town budget. We also need a commercial real estate consultant to analyze the best use for the Fairfield Hills campus.

Chris Powers, 75 High Rock Road, voted YES the first time but voted NO the second and third time because the \$1 million reduction was in education only. He understands that referenda cost money and he hates to cause that to happen but he cannot support the reduction. The 8% increase in the education budget over the past several years does not even address inflation.

Matt Steinbrenner, Patriot Ridge, is a newcomer, who moved here for the education system. Many are concerned with the education budget and would like to maintain or improve it.

Dan Kormanik, 178 Hanover Road, was living on Obtuse Rocks Road but had to give the house back to the bank due to economic circumstances. We are a community, but nowhere in the Constitution or the Town Charter does it guarantee anyone an automatic pay raise each year, while others in the community have less and less. We overbuilt the high school by 64% but that is the fault of the taxpayers for approving.

Joanna Rosen, 60 Sugar Lane, is pro-education and supported the budget at all three referenda. She believed the Council was working to strengthen the town and schools. She is concerned about the quality of education and does not want the

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Town Clerk of Newtown 1:00 PM
Debbie A. Aurelia

schools to suffer. She sent an e-mail to a Council member that started an unwelcome series of interchanges until she stopped replying and notified Pat Llodra. Council members are in no position to allow personal emotions to cloud the decision making process. Use constraint when responding to concerned residents. She does not support the Council.

Gordon Palmer, 14 Vining Road, feels that the problem is that the Council does not know why people voted NO. He suggests having questions on the ballot.

Michelle Assante, 16 Wendover Road, voted YES the first time and NO the second and third. She cannot support a budget that does not adequately provide for the children. At the second referendum, many education supporters voted against the budget because they felt the reduction was unfair and put the education system at risk. The education budget proposed at this point is far below a "same services" budget. There is a lack of trust in town that led to the latest budget referendum failure. The budget will never pass without education supporters on board. She feels that \$450,000 should be restored.

David Nanavaty, 28 Currituck Road, voted YES at the first referendum and NO at the following two referenda. As a former BOE member, he knows that dealing with reductions made to a proposed budget is very difficult. This \$1 million reduction is untenable. He asks that \$1 million be restored and money taken from the town side of the budget.

Kinga Walsh, 21 Horseshoe Ridge Road, moved here 12 years ago for the education system. We don't know what the YES or NO votes meant. She feels that a significant number of people voted NO because they could not support the \$1 million reduction. Please restore \$450,000 to bring back a "same services" education budget by taking funds from the \$700,000 gleaned from refinancing. It seems we are more concerned with Moody's than with the town overall.

Donna Monteleone Randle, 4 Erin Lane, education has always been important in her immigrant family. We have to make sure our children get a good education. She moved here for the good schools.

Michelle Ku, 28 Platts Hill Road, will continue to vote NO until the education funds are restored. We need leadership and vision, to be a town known for supporting quality schools, programs for all ages, and where citizens feel they are part of a community.

Hillary Lewis, 1 Patriot Ridge, asked if Council members read her e-mail and if anyone needed a copy.

Sally McDonald, 5 Beetle Trail, did not vote at the first two referenda. She received an e-mail from two Council members saying that 92% of the people not heard from must support the budget reductions. That caused her to cast a NO vote at the third referendum.

Casey Reagan, 12 Meadow Road, is a teacher and her husband is a teacher (in other towns). They have never voted NO for a budget but are leaning toward it as it continues to be reduced. She suggests putting the original budget back out to a vote and there might be a better result.

George Schmitt, 12 Old Castle Road, sent an e-mail to Council members. "NO means NO." He wants the BOE budget left as is now and the town side reduced so that there is a 0% increase. It was a mistake for the previous Council to put money

back into the budget (last fiscal year) and set a precedent. That encouraged NO votes again this year to have money put back. The BOE Chairman and Schools Superintendent stated that they could manage with this money. He believes that the majority has said for the third time that there should be no increase.

Po Murray, 38 Charter Ridge, has lived here for 13 years and is an avid education supporter who served on the Council for two years. The problem is that we don't have a bifurcated budget with advisory questions. The last four years, the Council and BOF have reduced the BOE budget by a significant amount. What is the vision for Newtown? We need a strategic plan for the town. The \$1 million reduction is difficult to understand. "We have proven that people do not have to vote YES out of fear anymore." She submitted a petition with 300 names, but admitted that there are some who signed more than once.

Janet Robinson, Schools Superintendent, represents 5,300 students. The BOE recently met the top 5% of Newtown's graduating class and the valedictorian and salutatorian, who are all going on to excellent schools. That is what parents expect for their children. Our kids are successful due to phenomenal teachers with few resources.

Paul Ludany, 40 Old Bethel Road, asked why we can't hand out a questionnaire to voters? Ms. Llodra answered that it could be done but only outside of the 90' perimeter of the polling place.

Robin Fitzgerald, 24 Old Farm Hill, supports education. People are unhappy with the budget proposals so far. Many voted NO because they believe the budget is too low. Funding should be restored. She believes the \$1 million reduction was too much so it was voted down. She guarantees that restoring \$450,000 to \$500,000 to the education budget would be perceived as "good leadership". "Personal or party agendas should be left at the door." If significant funds are not restored, the budget will be defeated again.

Charles Hepp, 4 Winter Ridge Road, supports the schools. He wants to see the education budget restored to "same services" or more. He is asking for a budget that at least keeps up with the rate of inflation.

Debbie _____, 4 Chipmunk Trail, is an education supporter. She voted YES three times because she was one of the "scared" voters – that the budget would be reduced further. She will not vote YES again until the education budget is restored.

Christine Rowan, 22 Poorhouse Road, was hoping for full day kindergarten. She will now vote NO after voting YES out of fear of further reductions. She would like to see money restored to the budget.

Kevin Fitzgerald, 24 Old Farm Hill, asks that \$500,000 be restored to the education budget. The \$1 million was far more than the Council has ever reduced before. Last year, the \$775,000 reduction took 20 EAs from the classrooms. "If it takes many more referenda, it will be the Legislative Council's fault. It is necessary to put your pride aside and do what is best for the town." He would have accepted a \$500,000 BOE reduction if the town side was equally reduced.

Lisa Connor, 6 Pond Brook, asked to return the BOE money to the budget. She is a fifth generation Newtown resident and did not move here for the schools.

Barbara O'Connor, 36 Littlebrook Lane, urges not to restore any funds to the budget. She voted NO at the first referendum and YES after that. She is not willing to

pay whatever the town asks and cannot afford to keep paying more. She urged the Council members to stand their ground.

Gael Lynch, 72 Mile Hill Road, believes it is still "Nicer in Newtown" and not as bad as people are saying on-line. She attended the recent trip to China where she saw 50 students in a classroom and only the top are being educated. It takes a lot of resources to educate all kids. When funds are reduced, kids lose services.

Keith Alexander, 8 Fawnwood Road, BOE member, sent his personal suggestions via e-mail. Last night, the BOE began discussing the budget reduction. He urged no further reductions to education as "we are already looking at things people don't want us to look at."

Brad Paynter, 182 Hanover Road, supports the education budget. He has voted YES for every budget since he moved here for the schools. He feels that the town has broken faith and he will start voting NO until money is restored to education.

Mike Portnoy, 14 Winding Brook, pointed out that in the last decade, enrollments have gone up and are now going down. At the peak, five years ago, there were 5,668 students. Next year the projection is for 5,209. Ten years ago, there were 5,201 students. Ten years ago, the education budget was \$46 million and today it is \$69 million. No BOE budget from year to year has ever been "reduced", only requested increases have been reduced. He supports education and his two children have gone through the Newtown system. Most people here are asking to restore funds at least for a "same services" budget. He suggests not putting it on the backs of the taxpayers but have the school system look at their facilities. As enrollments have come down, we have more capacity than students. We need to consolidate and eliminate overhead. Then take that savings and put it back into programs.

Bonnie Voegeli, 2 Hitfield Road, is a school psychologist. She requests enough funds be restored for a "same services" budget.

APPROVAL OF MINUTES: Ms. Jacob moved to approve the minutes of the 5/16/12 meeting. Motion seconded. Mr. Lundquest requested that the remark on page 3, second paragraph, third sentence be stricken, as he does not recall what he was trying to get across at that time. Ms. Fetchick stated that the motion made by Mr. Wiedemann on page 3 should read Mr. Wiedemann moved to amend by reducing the BOS Budget by an additional \$75,000. Minutes unanimously approved as amended.

COMMUNICATIONS: Council members received numerous e-mails communications which were all read and appreciated.

COMMITTEE REPORTS: None noted. At this time (9:05), the meeting was recessed and returned to order at 9:14 p.m.

OLD BUSINESS

FY 2012-2013 Budget - Ms. Llodra reported that due to the significant circumstances we are facing, she and Mr. Kortze have identified and would like to present possible concepts as a starting point for discussions tonight. Mr. Kortze pointed out that he has not yet met with the BOF and is speaking on his own behalf.

The Capital Non-recurring Fund holds a substantial amount of money –in excess of \$1 million. These funds are ear-marked for capital expenses, such as revaluation and large equipment purchases that are funded over more than one fiscal year to avoid borrowing. There are \$240,000 in "unassigned" funds from 2008. These funds can only be accessed by a special appropriation, therefore, one option could be to appropriate \$140,000 of these funds for a large capital item in the BOE Budget which would then free up some funds there. Ms. Llodra distributed possible options for the Council's consideration (attached), noting that this is very difficult option for her to offer since it reduces the town budget funding to the 2008 level, forcing the BOS to consider structural changes and reductions to services and programs. Mr. Kortze pointed out that this option does not affect the General Fund which is a concern of the BOF, but it would reduce the Board of Selectmen by \$220,000 from the last referendum, resulting in a 0.86% increase over the last fiscal year.

BOE Chairman Debbie Leidlein and Vice Chair Laura Roche distributed draft copies of reductions that have been discussed by the BOE based on the \$700,000 reduction by the BOF and the \$1 million reduction by the LC (attached). She stated that she is pleasantly surprised to see this option being presented by the First Selectman and BOF Chairman. Mr. Bienkowski was asked if there will be any surplus from the current BOE budget and he replied that it will not be significant.

Ms. Jacob moved to reduce the Board of Selectmen Operating Budget by \$240,000 and to allow \$100,000 of Unassigned Capital and Non-Recurring Funds to be used by the Board of Selectmen and to allow \$140,000 of the Unassigned Capital and Non-Recurring Funds to be used by the Board of Education. Motion seconded.

Mr. Bolinsky moved to amend by reducing the Board of Selectmen Budget by an additional \$180,000 from Highway Department Capital. Motion seconded and amendment failed unanimously.

Ms. Llodra again stressed that this will cause a significant impact on town services and the consequences will be severe. In the future, we will have to address the areas that are underfunded.

After lengthy discussion and debate, the main motion was withdrawn and the following actions were taken.

Mr. Lundquist moved to reduce the Board of Selectmen budget increase to -0- by a reduction of \$119,685. Motion seconded and unanimously carried.

Ms. Jacob moved to authorize the use of \$40,000 of Unassigned Capital and Non-Recurring Funds by the Board of Selectmen and to allow \$200,000 of Unassigned Capital and Non-Recurring Funds to be used by the Board of Education. Motion seconded and carried: 8 YES – 3 NO (Capeci, Fetchick, Merola)

Ms. Jacob moved to reduce the Board of Selectmen budget by an additional \$40,000. Motion seconded and unanimously carried.

Mr. Lundquist moved to look at \$200,000 in the Fund Balance and consider moving \$50,000 to the Board of Education. Motion seconded and failed: 10 NO – 1 YES (Lundquist)

Ms. Jacob moved to send the FY 2012/2013 Budget in the amount of \$106,246,838 in expenditures and \$106,446,838 in Revenue to the voters. Motion seconded and unanimously carried.

Ms. Jacob moved that the Legislative Council charge the Board of Selectmen with setting the date/time of the Town Meeting required by Charter for action on the budget after a third failed referendum. Motion seconded and unanimously carried.

Ms. Jacob moved that if the Board of Selectmen decides to send the budget vote to a referendum, the hours for voting be set as 6:00 am to 8:00 pm. Motion seconded and unanimously carried.

NEW BUSINESS

Resolution - Ms. Jacob moved to approve the RESOLUTION FOR A SPECIAL APPROPRIATION IN THE AMOUNT OF \$150,000 FOR THE REPAIR/RESTORATION OF PART OF THE MIDDLE GATE SCHOOL ROOF (\$140,000) AND THE INSTALLATION OF STAIRWELL GATES AT NEWTOWN HIGH SCHOOL (\$10,000) TO BE FUNDED FROM THE CAPITAL NONRECURRING FUND. Motion seconded and unanimously carried.

Transfers – This item will be on the next agenda.

OLD BUSINESS

Charter Revision – Chairman Capeci announced that a committee to prepare and recommend a Charge to a Charter Review Commission to include looking at the budget process will include Mr. Honan, Mr. Weidemann, Mr. Ferguson and Ms. Fetchick. A committee to interview and recommend the appointment of Charter Review members will include Mr. Merola, Ms. Jacob, Mr. Lundquist and Mr. Carroll. These committees should meet asap in order to have a commission seated by 8/1/12.

VOTER COMMENT: Michelle Assante, Wendover Road, still cannot support this budget when the education budget is not fully funded.

Robin Fitzgerald, 24 Old Farm Hill, is happy to see the Council working so hard but they still "did not hit the mark". They did not hear the people speaking in this room so she is disappointed they did not work harder. The \$700,000 going into the Fund Balance this year should have been tapped. She will vote NO again and will work to get everyone she knows to vote NO.

Po Murray, 38 Charter Ridge, asked why this town cannot approve 2% - 3% increases like other towns. We won't be able to move our school system forward.

Kinga Walsh, 21 Horseshoe Ridge, asked that everyone avoid using "fear mongering" to get the budget passed.

Having no further business, the meeting adjourned at 11:55 p.m.



Jan Andras
Clerk

attachments:

Llodra/Kortze handout
BOE reductions (2 pages)

These are draft minutes and as such are subject to correction by the Legislative Council at the next regular meeting. All corrections will be determined in minutes of the meeting at which they were corrected.

For your consideration...

Reduce Board of Selectman budget to zero - \$119,685

Send 'bottom line' to Board of Selectmen

Budget Modification Process:

Structural changes

Programs/services

Equipment

Board of Selectmen budget will stand at \$27,861,255 (approx level of funding in fiscal 2008)

AND

Plan to use the **Unassigned** Capital Non-Recurring fund to offset costs in proposed budget - \$240,000

- a) Allow \$100,000 of that usage to BoS - **To be shown as a reduction in BoS budget**
- b) Allow \$140,000 of that usage to BoE

Bottom Line: Reducing the operational budget by an amount that is later to be accessed through cap non-recurring has the effect of reducing taxation.

Taxation reduced by another \$220,000

BoE has access to \$140,000 in capital costs

There are various iterations of this approach...

- a) Do not reduce the BoS budget all the way to 0
- b) Do not use all of the Unassigned Cap Non-Recurring
- c) Reduce BoS by some fraction of the amount planned for use from Cap Non-Recurring
- d) Reduce BoE budget by amount comparable to planned use of Unassigned Cap Non-Recurring

This approach can be used as a stand-alone or in combination with other strategies.

2012-13 BUDGET REDUCTIONS RELATED TO ALL DAY KINDERGARTEN

<u>ALL DAY KINDERGARTEN</u>	<u>ELIMINATE PROGRAM</u>	<u>REVISE PROGRAM *</u>
		<u>BUDGET</u> <u>CUT</u>
<u>PROJECTED COSTS</u> TEACHERS EDUCATIONAL ASSISTANTS CLASSROOM FURNITURE TECHNOLOGY EQUIPMENT - SMARTBOARDS COST SUBTOTAL	8.5 7.28 3 1 1	\$424,809 \$85,886 \$101,160 \$21,677 \$9,840 \$928 \$3,547 \$7,094 <hr/> \$539,356 \$115,585
<u>PROJECTED SAVINGS</u> TRANSPORTATION NO MID-DAY KINDERGARTEN RUNS 11 OWNER OPERATORS / ALL STAR 6 MTM TRANSPORTATION BUSES ESTIMATED FUEL FOR MID-DAY RUNS SUBTOTAL ALL DAY KINDERGARTEN BUDGET *** RELATED MTM TRANSPORTATION RATE REDUCTION ** TOTAL POTENTIAL BUDGET REDUCTION	\$510,695 \$122,837 \$10,768 REMOVE 2 TEACHER DESKS & CHAIRS \$10,641 <hr/> \$654,941 (\$78,540) 170 DAYS @ \$42/MID-DAY RUN (\$99,450) 170 DAYS @ \$52/MID-DAY RUN ** (\$20,289) (\$198,279) <hr/> \$456,662 \$56,610 <hr/> \$513,272	(\$78,540) (\$42,840) (\$20,289) (\$141,669) <hr/> \$397,687 <hr/> \$115,585

* REVISION BASED ON CURRENT REGISTRATIONS FOR 2012-13, REDUCES TEACHERS BY 1.5 AND EDUCATIONAL ASSISTANTS BY 1.28
 ** RATE REDUCTION FOR MID-DAY KINDERGARTEN RUN FROM \$97.50 TO \$42 PER DAY PER RUN
 *** BOARD OF EDUCATION BUDGET 1/31/12

NEWTOWN BOARD OF EDUCATION

DRAFT

CUTS with ADDITIONAL NEEDS

DRAFT

<u>2012-13 Budget Development</u>		<u>Amount</u>	<u>Adjustment</u>	<u>Percent</u>	<u>Balance</u>	
Total Finance & Legislative adjustments to date		-1,700,000		-2.45%	0.57%	
1	<u>Adjustments Required Due to Changes since budget developed</u>					
1	4 Additional Magnet School Tuition Students	-12,845	-1,712,845	-2.47%	0.55%	
2	3 Additional Out of District Tuition Students	-173,872	-1,886,717	-2.72%	0.29%	
3	2 Additional Out of District Transportations	-50,044	-1,936,761	-2.79%	0.22%	
4	HOM Nurse for special needs student	-53,527	-1,990,288	-2.87%	0.14%	
					-290,288	
2	<u>Positive Adjustments previously Identified</u>					
5	Medical benefits funding	195,689	-1,794,599	-2.59%	0.43%	
6	OPEB Funding	100,000	-1,694,599	-2.44%	0.57%	
7	Diesel Fuel	39,168	-1,655,431	-2.39%	0.63%	
8	Electricity	40,000	-1,615,431	-2.33%	0.69%	
					374,857	
3	<u>Technical Adjustments currently identified</u>					
9	Natural Gas	40,000	-1,575,431	-2.27%	0.75%	
10	Professional & Liability insurance 1.5% to 0%	3,773	-1,571,658	-2.27%	0.75%	
11	Dental benefits program (excellent claims -23%)	79,080	-1,492,578	-2.15%	0.87%	
12	Copy machine contract	6,346	-1,486,232	-2.14%	0.88%	
13	Transportation - in and out of district	199,588	-1,286,644	-1.86%	1.17%	
14	Athletic trip contract	13,065	-1,273,579	-1.84%	1.19%	
15	Additional Teacher Turnover	150,000	-1,123,579	-1.62%	1.41%	
16		0	-1,123,579	-1.62%	1.41%	
					491,852	
4	<u>BOE Specific budget cuts - non-instructional</u>	<u>FTE</u>				
17	Transportation Coordinator & OT	1	44,879	-1,078,700	-1.56%	1.48%
18	Magnet School bus aide (part of tier 2 regular bus)		12,060	-1,066,640	-1.54%	1.50%
19	Pre-school program bus aides		69,130	-997,510	-1.44%	1.60%
20	HS Pay to Participate for athletic trips		21,500	-976,010	-1.41%	1.63%
21	HS Textbooks - lost book funds - activity funds		22,761	-953,249	-1.37%	1.66%
22	Transportation bond		16,500	-936,749	-1.35%	1.69%
23			0	-936,749	-1.35%	1.69%
24			0	-936,749	-1.35%	1.69%
					186,830	
5	<u>BOE Specific budget cuts - Instructional Program Items</u>					
25	Elem after school activities \$9,379 per school		37,516	-899,233	-1.30%	1.74%
26	RIS after school activities		41,671	-857,562	-1.24%	1.80%
27	MS after school activities & sports		73,925	-783,637	-1.13%	1.91%
28	Professional development		40,000	-743,637	-1.07%	1.97%
29	All schools - Instructional supplies		100,000	-643,637	-0.93%	2.12%
30	High School program reduction		30,700	-612,937	-0.88%	2.16%
31			0	-612,937	-0.88%	2.16%
					323,812	
6	<u>BOE Specific budget cuts - Instructional Staff</u>					
32	Middle School Guidance Specialist	1	59,093	-553,844	-0.80%	2.25%
33	Kindergarten Teachers	3	171,768	-382,076	-0.55%	2.50%
34	Kindergarten Aides	2.57	43,354	-338,722	-0.49%	2.57%
35	SH Asst principal to Lead Teacher		75,245	-263,477	-0.38%	2.68%
36	RIS Cluster teachers	2	114,512	-148,965	-0.21%	2.85%
37	Dir of Music to classroom	1	61,715	-87,250	-0.13%	2.94%
38	SHS Library clerk typist	0.43	11,010	-76,240	-0.11%	2.95%
39	RIS Library clerk typist	0.79	21,087	-55,153	-0.08%	2.99%
40	SHS Music teacher	0.2	21,264	-33,889	-0.05%	3.02%
41			0	-33,889	-0.05%	3.02%
42			0	-33,889	-0.05%	3.02%
43			0	-33,889	-0.05%	3.02%
44			0	-33,889	-0.05%	3.02%
45	Benefits: FICA, life, LTD, dental, medicare, medical, unemp - TBD		40,000	6,111	0.01%	3.08%
46	Balance Factor		-6,111	0	0.00%	3.07%
					612,937	

Total 12

1,700,000

6/5/2012