

**TOWN OF NEWTOWN LEGISLATIVE COUNCIL PUBLIC HEARING
WEDNESDAY, APRIL 2, 2014
NEWTOWN MUNICIPAL CENTER, NEWTOWN, CT**

PRESENT: George Ferguson, Ryan Knapp, Neil Chaudhary, Mary Ann Jacob, Phil Carroll, Dan Honan, Anthony Filiato, Joe Girgasky, Paul Lundquist, Dan Amaral, Bob Merola, Lisa Romano (arrived at 7:50).

ALSO PRESENT: First Selectman Pat Llodra, Finance Director Bob Tait, Board of Education members Debbie Leidlein, John Vouros, Kathy Hamilton, Michele Ku and Laura Roche, Board of Finance Chair John Kortze, Assistant Superintendent Linda Gejda, Business Director Ron Bienkowski, 8 members of the public and 2 press.

Ms. Jacob called the meeting to order at 7:30PM with the Pledge of Allegiance.

VOTER COMMENT: Board of Ed Chair Debbie Leidlein shared the Board of Education fully supports this budget as presented. It is a collective work of the BOE and Superintendent and addresses the educational needs of the district and the declining enrollment. It is a fiscally responsible budget. They agree with the Board of Finance adding the needed \$300,000 for the self-insured health fund. Please move budget to taxpayers as is.

MINUTES: MR. FERGUSON MOTIONED TO APPROVE THE MINUTES OF THE MARCH 19, 2014 COUNCIL MEETING. MOTION SECOND AND APPROVED.

MR. FERGUSON MOTIONED TO APPROVE THE MINUTES OF THE MARCH 26, 2014 COUNCIL MEETING. MOTION SECOND AND APPROVED.

COMMUNICATION: Ms. Jacob received 2 letters today. Attached.

COMMITTEES: Mr. Knapp reported the ordinance committee had discussion and a motion regarding the state statute on deferrals for residents whose property taxes exceed 8% of their income. Members had concerns it would negatively impact the town. The committee rejected the idea and voted to send it back to the council. Discussions continue on senior tax relief and reviewing language with the attorney and will review revised language at their next meeting. Mr. Lundquist reported the Charter Revision Committee has placed an ad in the Bee for the next two weeks for people to serve on the Charter Revision Commission. Deadline is April 25 for submitting resumes. They plan is to seat the commission in June and it will run through August 2015. Plan to have the vote on Election Day, November 2015. Resumes can be emailed to Lundquist.Paul@gamil.com

FIRST SELECTMAN: NO REPORT

NEW BUISNESS: BOARD OF SELECTMAN BUDGET

MR. FERGUSON MOTIONED TO APPROVE THE BOARD OF SELECTMAN BUDGET AS PRESENTED BY THE BOARD OF FINANCE FOR \$39,720,900. SECOND BY MR. MEROLA.

Mr. Ferguson reports the Administration and Finance committee met on March 27 and reviewed Revenues and other Financing Sources, General Government, Contingency, Debt Services, Reserve Capital and Non-Recurring Expenses. They are unanimously recommending the Council approve the sections they reviewed. There were a number of questions that were answered in detail as reflected in their minutes.

Mr. Merola reports the Municipal Operations Committee met on April 1 with 5 of 6 members present. The budget areas they discussed are Public Safety, Public Works, Health and Welfare, Land Use, and Parks and Rec. They unanimously approved to recommend the Council approve these sections of the budget as presented by the Board of Finance.

Mr. Amaral said the budget is well done this year. He expressed concern in future years regarding items such as security. He sees the budget going up. How can we address without increasing the budget. We need to be more efficient, which is a full time job. We would have to hire a purchasing agent, for combined town and school purchasing. Would be worth considering if costs could be cut.

Mrs. Llodra stated they identified hiring a Purchasing Agent as a critical step in the town plan a few years ago. It will benefit community. Currently, department heads are taken from their duties to write bid specs and research and other work a purchasing department would do. We may not always be making the best use of our dollars. They have done research and are confident a position like that would pay for itself. When revenues have stabilized and there is an uptick in our grand list, will be asking for the position.

Mr. Tait said there is a purchasing department in the budget, with no funds, as a place holder. He thinks next year would be good time to hire a Purchasing Agent to work for the entire town. Believes an experienced person would be able to show savings that would pay for the position.

Mr. Ferguson thinks this is a solid, good budget and fully supports it.

Mr. Carroll said Mrs. Llodra and Mr. Tait worked along time on this detailed budget. Concerned the Selectman's budget has been lean for several years and there is no wiggle room.

Mrs. Llodra stated every year she has shared the area most needing attention is roads. Our standard has been until revenues are stable and growing, could not make big changes on expenditure side, trying to maintain stability with taxation. We have done a good job with expenditures with BOS and BOE. We have to now grow our revenues. We have been very lean and will need to address infrastructure.

Mr. Chaudhary supports the motion. Consider this a lean and responsible budget. Thanked everyone who worked on it.

Mr. Girgasky is in favor of budget. The Board of Selectman and Board of Ed did a great job. It is a fair and transparent budget. The increased revenue covering the increased spending with a

lower mill rate is fantastic.

Ms. Romano supports the Selectman's budget and agrees we need to look at other side of equation. She would like to hear what the Economic Development dept. is doing to attract businesses.

Mr. Merola supports the budget. His committee had so few questions; it reflects the amount of work that went into the budget.

Mr. Honan supports the budget and hopes the citizens of Newtown will support.

Mr. Amaral asked if money is left in the Selectman's budget from this fiscal year, where does it go.

Mrs. Llodra said it goes into the fund balance. Most surpluses come from positions we do not fill, people out on leave or workman's comp.

Mr. Amaral asked if surplus funds could it be put towards roads. Mrs. Llodra said yes that is a conversation for another time.

Ms. Jacob spoke in favor of budget. The First Selectman has demonstrated year after year willingness to keep spending in check. She is in favor of the SSO model as presented. Thanked the Board of Finance for inviting the Council to table while working through the details. The process of checks and balances really does work. If the Board of Ed budget had gone straight to the voters, the Board of Finance would not have been able to add the additional funds. The SSO model has flexibility to change as we grow and become more secure such as with building hardening. The SSO's give us security without adding Police Officers. Ms. Jacob spoke to the detail Mr. Tait puts in the budget, and how it is self-explanatory.

Mr. Filiato was impressed with the professionalism on both sides of the budget and the amount of detail. He agrees there are some line items, like roads, that are going to need addressing.

MOTION UNANIMOUSLY APPROVED.

BOARD OF EDUCATIAON BUDGET:

MR. CHAUDHARY MOTIONED TO APPROVE THE EDUCATION BUDGET AS PRESENTED BY THE BOARD OF FINANCE FOR \$71,345,304. SECOND BY MR. LUNDQUIST.

Mr. Chaudhary reported the Education Subcommittee had a few questions which the Board of Ed answered. The committee approved presenting the budget without change.

Ms. Romano said this budget does not invest in the future of our schools and hopes it will be moved to referendum without removing additional funds. Ms. Romano asked if additional funding could be found elsewhere to allow the Board of Ed to restore teaching positions. She spoke to her concerns on class sizes and stated the budget cannot be determined on enrollment alone. Cutting the budget would be dangerous.

Mr. Chaudhary is in favor of this budget. He considers the Superintendent most knowledgeable person when putting the budget together. The budget that came to the Council from the Board

of Ed is almost exactly what superintendent requested. But sources of income changed, such as grants that would cover some costs. Some items were moved to this year's budget. Any reductions were less than .14%. The budget includes everything the Superintendent requested. Mr. Knapp supports the Education budget but qualifies if he were not involved as closely and walked into the referendum, seeing not a flat budget but a flat mill rate, he would have voted no. He thinks there are many people in town who think similar. It is a flat tax rate but taxes are still high. The budget is not going down. We are at tipping point. He knows of several families who have moved out of town because they can receive a good education for less money in neighboring towns. As a first time home owner, it is tough in Newtown. Need to make tough decisions in future if we want to fill empty houses around town.

Mr. Carroll supports the Board of Ed budget with reservations. He has questions regarding transportation and the increase in the number of buses, why there is an increase of 9 buses when enrollment has decreased 900 students. He thinks there could be further savings with shared services with personnel.

Mrs. Llodra encouraged the council to support the Education budget. She has been working with Dr. Reed since he came to the district. Dr. Reed has served us at a high level for many years. He was the longest serving superintendent in CT at the time of his retirement. She is confident if Dr. Reed thought this budget did not address needs of students he would not have supported it. He would have fought for more. Dr. Reed said he supports the budget and it will meet the needs of our students. Please understand the value of his comment. He would not have said it otherwise.

Mr. Lundquist supports the Education budget. This is an unprecedented year in a few ways: a 0% Board of Ed budget, the Board of Finance funding extra money while not increasing mil rate. This is a good, positive, strong budget. It deserves our endorsement and support of public.

Mr. Ferguson supports this budget and reflected this has been the most collaborative, transparent smooth budget he has experienced.

Mr. Amaral supports the budget. He asked if excess fund would go to the CIP. Mrs. Leidlein replied surplus funds would go into a non-recurring account that recent legislation has allowed and is in the process of being set up. Funds could be earmarked for projects.

Mr. Merola said he has some concerns but is confident with the collaboration and cooperation with the Board of Ed; they can be addressed in the future. When looking at the budget from an overall taxpayer view, it is a terrific budget and he will enthusiastically support it.

Ms. Jacob said this budget process has been most cooperative and comprehensive she has experienced. The number of meetings is unprecedented. We are seeing the results of the comprehensive review in the few questions the council has. She thinks the Board of Ed is taking undo criticism for the 0% motion. She thinks it was a good move that had little to no impact. She supports this budget because it provides services that are appropriate, we have a great education system and the notion that we are dismantling our education system is false. This

addresses the declining enrollment in a responsible way with staff reductions that are fair and balanced. Class sizes are not increasing. The space needs study is important. Ms. Jacob noted the Charter is very clear the Council does not have the authority to add money to requested budgets. The only options are to pass the budget forward as presented or reduce it. If the budget fails, the only options will be pass as is or to reduce it. She doesn't remember ever having a 0% tax increase. We are continuing to provide what we need to provide for. There is increased funding for roads and health insurance. This budget reflects one part of our goals which include increasing revenue, closing a school, growing the commercial base, continuing to address the needs of the community, the community center and senior center.

MOTION UNANIMOUSLY APPROVED.

MR. CHAUDHARY MOTIONED TO ACCEPT THE TOTAL BUDGET OF \$111,066,204. SECOND BY MR. FERGUSON. MOTION UNANIMOUSLY APPROVED.

ANNOUNCEMENT:

Next meeting will be April 9th. There will be no meeting on April 16th.

VOTER COMMENT: Karyn Holden, 68 Berkshire Rd., thanked the Council, Board of Finance and Board of Ed for their effort and support of budget. Agreed budget was collaborative and smoother and loved fact they all worked together and hopes it continues. Cutting education won't attract families. Town needs to look for revenue, not just budget cuts. Look to the town and Board of Ed together to share services. Enrollment is declining because families are moving. Need to determine why are people leaving own.

Kings Walsh, 21 Horseshoe Ridge Rd., thanked everyone for their hard work and collaboration. She requested the council work together with advocacy groups to pass the budget. Need to identify why people are moving from town and figure out a plan of action.

Richard Fenaroli, 63 Tomahawk Trail, thanked everyone for their effort and time. He had some examples of how tax dollars could be spent. Privatizing Parks and Rec. We have NYA and large landscaping companies that could eliminate staff and equipment. Addressing enrollment, management could be reduced. Believes school system is having trouble with diverse needs of children is due to dysfunction in families and tax dollars could be used to address problem. He doesn't see any great growth in office or industrial revenue. Thinks tax dollars could be better used.

ADJOURNMENT: There being no further business, the meeting was adjourned at 8:38

Respectfully Submitted,

Carey Schierloh
Recording Secretary

ATTACHMENTS: Letters from public.

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.

April 2, 2014

To the members of the Legislative Council:

I would like to elaborate a bit on the comments I made at last week's public hearing regarding the budgets for the upcoming year.

I request that the district education budget be moved to referendum without any reductions by your council. Dr. Reed presented a lean and responsible budget which appropriately addressed reductions in enrollment in the district while attempting to maintain the quality of education for our students and give district staff a bare minimum of necessary resources. I believe the BOE's reduction to Dr. Reed's proposal with the apparent sole purpose of achieving a 0% change was not in the best interests of the district, and it means that there is already over \$100,000 in reductions that need to be made to this budget. I believe this budget doesn't allow for significant improvements to education in our district and should have been approved without changes by the BOE, but I realize the charter doesn't permit you to add those funds back now. Budget numbers should not be adjusted just for the sake of achieving a certain percent change (especially one stated by representatives before a budget was even presented), or certain dollar amount, or a perceived appropriate ranking of per pupil expenditure.

Providing a quality school system is the key to our town's economic viability and the ability for residents to prosper and thrive. We are surrounded by towns in southwestern Connecticut with outstanding school systems – if Newtown wants to attract people to move here (and stay here) instead of a few miles away where there is a better, more well-funded school district, we need to support that effort with dollars in the budget. I believe this budget does little to improve the school system for the coming year, but it will hopefully maintain the district's current quality and enable us to move forward over the next few years to funding improvements and progress in our schools. The upcoming NEASC accreditation process at Newtown High School must also be considered when determining funding resources for the high school, so that a warning status is not reissued.

This budget should be moved to referendum as is, without any reductions.

I thank each of you for your service to the town; your time and efforts are much appreciated.

Respectfully,
Lynn Edwards
3 Sand Hill Road
Sandy Hook, CT 06482

Dear members of the Legislative Council;

I hope that you will find some creative way to improve the Education budget currently under review either by adding to its bottom line or by making a commitment to increase the net financial condition of the Education budget by leveraging the many financial tools and policies at your disposal to do so. The currently proposed zero % increase is based solely on unsubstantiated claims and misinformation that taxpayers will not invest in education.

Education supporters and school parents were dealt serious blows this budget season.

1. First, with the seating of five rather than the allowed maximum of four BOE members from the same political party in violation of the Town Charter and the public trust, the representation on the Board by proven education supporters has been diluted even further.
2. Second, with unsubstantiated arguments by the Board of Finance and some BOE members, the public has been misled to believe that taxpayers would not support anything more than a zero percent increase in the education budget.
3. Third, with the Board Of Education putting politics before education by succumbing to outside government pressure for a zero percent increase, they have discarded the .75% request of the Superintendent which was based on real District needs. The Superintendent's request was the lowest ever proposed in recent history.
4. And the final blow, adding insult to injury, by ignoring the needs of the District and voting in lock step with the Board of Finance, the BOE has deliberately removed any opportunity for school supporters to leverage the Advisory Questions in the same way that has successfully led to increased education funding in the past.

If you cannot make any adjustments to improve the net financial condition of the proposed Education budget, I will be voting "No, Too Low" this budget season. In Voting No and Too Low I intend to send a message that I'm dissatisfied with the BOE's actions, and that I want to empower the New Superintendent to "vigorously pursue successful learning". I am sending a message that I don't approve of the BOE acting in lock-step with an outside governmental "advisory" council rather than support the needs of education or the request of the District Superintendent. I don't support arbitrary cuts to a Superintendent's budget based on nothing more than unsubstantiated claims by a handful of party loyalists that taxpayers will not invest in education. I want Dr. Erardi to know that he should be confident that he can put forward the budget he believes is good for Education. I won't stand for having our right to this important conversation usurped by a BOE that is motivated by an arbitrary reduction, rather than a passion for Education. By voting "No, Too Low", I am making clear that I believe educating our children is so important that no parent, no Superintendent and especially no BOE member, should ever make funding decisions out of fear.

Thank you for your consideration and your service to Newtown,

Kevin Fitzgerald
24 Old Farm Hill Road
Newtown, CT 06470

I believe that within the combined budget, there are ways in which financial tools and policies would allow for the education budget to be funded to the level required to meet the needs as stated by Dr. Reed in the Superintendent's requested budget. Please consider every resource at your disposal to properly fund education.

Kevin Fitzgerald
24 Old Farm Hill Road
Newtown, CT 06470
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