

Board of Finance Meeting-
Wednesday, November 29, 2017
North Stonington Town Hall @ 730pm
North Stonington, CT

- 1) Call to Order- 730pm
- 2) Roll Call-Members Present -Tim Main, Paul Simmonds, Dan Spring, Carolyn Howell, Mike Anderson, Candis Banks Absent(Mustapha Ratib was not seated but was present by cell phone - Absent -Alternate, Chris Hundt
- 3) Pledge to the Flag- completed
- 4) Public Comments and/or Questions- Peter Nero asked to speak- Provided Hand Outs- Mr Nero states cannot go below zero- can't be underfunded - spoke about PCB problem that they have and has cost already \$33k - Have lost 3 classrooms in dealing with this. \$3.4million is in remediation of the school project. 33 Districts - run #26 (7 from the bottom) - 2 out of 1048 schools in ct were schools of distinction. 2nd - Response to Audit - in writing. Disappointed about report and how it was presented- was supposed to be about prior year. Blank Stock-should have been put in next year's audit - if problems were brought to the attention- they correct them. When former business manager was hired..discussed vetting process - Deb came in middle to end of August. Deb comes with 16 years of prior experience(____ & Stirling) - Mr Nero needs someone from the BOF that he can sit down and talk to. Spoke about prior/last 2 1/2 years- asks that the Chair or someone else as a liaison regarding finances. Spoke with Dan 1 - 2 times a week. "Audits have been spotless" and have given back each year - last year gave back \$120,000 and are not frivolous with tax dollars. Special Education, Special Ed Grants, Payroll, Health Insurance Benefits(stars, MMS, ASPEN) power school- spoke about town using quickbooks - they use Phoenix - everyone in the state uses blank stock and they were never sited on that in the past. Most people interviewed had no experience with Phoenix. Deb- spoke about 16 years experience as account manager and assistant manager- program that she used was both for payroll and accounts payable. They were not made aware that there were any problems with the audit. Deb spoke and referenced other accounting firms that she has worked with over the years.- Mr Nero said Auditor never met with Deb - would like to move forward - 15 minute conversation - himself, Deb and ____ only found out about check issue in October - Board of Ed pays for 1/2 of Audit. - "was not invited to the table" - asks in the future that they be invited. Mike Urgo - Thanks everyone who is serving - met last night- did not discuss any _____. Moving forward - want to try to alleviate some of the things that Peter is talking about so that we can address some of these issues tonight. Shawn Murphy - included in state budget - wording that does away with minimum budget requirements- Mr Nero had not heard of this- Shawn states that- this was confirmed with Diana Urban and ____ - Mike Urgo believes you can cut approximately 160k - unclear. Paul Simonds confirms that he agrees with Mike's statement. (Member of the Public _____) asked to pose a question "Do you believe that there are limits that some people should have a max allowable to pay in taxes?" - would like to have a response to that questions. Tim Main responded- doesn't see change in process. - Mike Anderson -would have to have an ordinance that would be voted on by the people " ask me in 6 months". Carolyn Howell responded that would consider if someone was disabled or had a financial hardship but that it is very complicated. -?#2 ? Is the Board willing to sit and discuss- members indicated that they were willing to listen. Brian Rathbun- congratulating board members - have been to meetings - looking for ways to cut and looking for accountability - conflict between general budget and educational budget - spoke about benefits to people in town and people from out of town - encourage to find a

spot to increase selectmen pay to get more people involved - keeps hearing that everyone wants to move town forward - hoping for accountability with what is done with the money - give backs show that there is more money in the budget - spoke about sr citizens and lack of increase- suggests to look at contractual pay raises. Joe Gross- Board of Finance Responsible for Town Report - Before money is given - tell what is done with money- 2015/16 1mil+ - have to have better communication - Has a lot of questions on audit- TriBoard is best communication that we have. Suggested keep the public out of it. Ask registrars of voters - ask for copy of the vote - Someone asked how many pages the Town Report - 64 pages and 27 are from Board of Education- DanSpring- 1thought- NS qtrly News Letter is effective - (why can't quarterly reports be added into the TownReport)- can be added on an ongoing basis- spoke about minimal increases - and has led to profitable town - town demographics need to be spread and diverse - Laying fabric of well run community- communication- more is being done than ever before. - need to talk up more about what is right in the school - negative bias are the ones that show up to vote - timing - Monday after a Holiday weekend - Human dynamics/element- Mike Uργο- Nick Mullane - missing one thing - above average town... State of CT is dysfunctional - legislative agenda town and city problems and pay attention to the cities- Budget -small margin was reaction to high cost of the school project- easier to educate a child than to fix a broken man.- unfunded mandates - quality of life- not to lose site of who caused the problems(tax and spend) - does not support any cut - would like to educate the people as to why we should support this budget. - Carolyn stated to Mr Nero, in regards to the comment about communication problems, that the Board of Finance had been advised that Mr Nero was out of town and not available for the last Town Meeting and that it was the responsibility of the Selectmen to notify the school about the meeting- Mr Nero- spoke about North Stonington Quarterly - small grant - community conversation - ICONS and community conversation. Asking to work with the BOF on getting behind - vote in May or June -

- 5) Communications - Bill from Sandra Wellwood - Mr. Nero(pass outs) and AuditReport
- 6) BOF Election of Officers - Chairman - Dan Spring, nominated self MA 2nd - approved 5-0-0, Vice Chairman - DanSpring Nominate Paul Simond - CH 2nd 5-0-0. Secretary - Tim Main nominate - CH - ____ 2nd - approve 5-0-0
- 7) BOF 2017/2018 budget - Dan Spring - Mike Uργο- asked Robin to put together a summary of what has happened over the past couple of weeks - supplemental hit that has taken place - \$229,194 - was 113k going into surplus - now taking another hit of an additional \$229k - still not set- things are being negotiated - Dan Spring asked where it was being taken from - some from ECS - still don't know where things will end up - other possibility is to set an arbitrary mil rate and then have supplemental bills in Feb or March - Board of ED budget failed - don't know why - is there a reason why -? Not enough money in the budget - need to consider that we need to get the tax bills out - Selectmen could set a mil rate or go to a Town Meeting- have to decide a budget to take to Town Meeting - don't have to do a hearing - As elected officials of the Town to make decisions for this town - Challenge- need to make decisions to move the town forward. - Board of Ed is contractual - Dan Spring - have a budget that has been approved as it stands by the Towns People - Have short fall offset by money coming in instead of altering budget - Does not see any reason to cut budget- thinks is going to be an educational process - looks as opportunity to strengthen - Mike Uργο - to send out information to whole town to encourage them to get involved. - Joe Gross - suggest cutting sports to get taxpayers to show up to vote - Dan Spring - toPeter Nero - based on budget that was presented - how is the year going to end out being already 1/2 way through - Mr Nero- spoke about CTTeam -State Mandates - pay \$500 per year for mentors to work with teachers - still have to have in place but are not funded - going to run

out of money - Dan Spring asked Mr Nero "What is critical?" - Peter Nero- would have to do a fiscal analysis - Mr Nero spoke about what keeps him up at night - for example having to replace a Fire Board (Fire Board costs \$75,000 to fix and won't be needed in the new building) - Balanced prior budget on high deductible health plan - analysis- could be a couple of hundred thousand dollars - can also come to BOF for appropriation - and for \$20k or more would have to go to a town meeting (Shawn clarified once) - additional would have to go to town meeting. Nita - could we not go forward - asking if we can go forward - Dan Spring- undesignated fund brings stability to town - and preferred rates which would not otherwise be offered to us. (Savings is huge over time) - Mil Rate has not been set. Shawn Murphy states he has a real concern that the people voted and they voted the school budget down. - Spoke about school project being approved and stuck with that - people voted against the budget doesn't think they voted no because it was too high. - thinks it's almost impossible to go in with the same number- Shawn - "doesn't have to be business as usual" - easy fix to this - delta of \$229k that you have to make up - can utilize the \$133,000 going to surplus - JoeGross - ?can we spend money on capital items because the town portion - _____ John- ? Mentioned money undesignated - used within parameters - If comes up as a need - when we are at home - look at town as unending resource of funds - questioned at very beginning- Dan Spring - responded that we are already 1/2 way through the current year. Paul Simonds - small sample set - of what the town wants - in favor of going back with a similar budget - Dan Spring - will take another town meeting - Dan Spring - 2 issues- town meeting for budget and setting a mil rate - Mike Urgo - are set to wait - have just enough time - Mike Urgo - time frame - have a budget tonight - dec1st - special meeting - dec 14th and get them out on the 19th- Shawn Murphy- spoke about bad timing of first vote - was done that way to be able to get the tax bills out - Nita - ? To send out supplemental bill - if we don't do anything - selectmen will have to set a mil rate - Mike Anderson - on day of vote - sent out group text to notify his friends- 600 people not representative of the town. DanSpring asked about the \$229,000 pull back - Mike Urgo- saying that the reps are not happy with this and are pushing back against the governor- Less of a hit- but still in the same position - Joe Gross- page 23 of Town Audit Report- would like to see - comm. problem not with us- Dan Spring - thoughts - have approved general budget- uncertainty about pull backs - If adjustment on revenue - deal with it as it happens- Not in agreement with the people have spoken - low sample for a lot of reasons and have to re - represent --- Brian Rathbun - don't know - could have had a good representation even though there was a low turn out - have to make adjustments - asked for statistics on students 5 years after graduation and have they come back to town - Mr Spring - look at inflation built into benefit packages - school has been working with less - already seen more economic development in town - investments in school district and public safety - helps to attract and build economy - "have to do more to make a better harvest"- have to have blind faith(growth in grand list) - Everyone with young children looking for best schools available to them - when East Lyme blue ribbon schools - growth in town - Mike Anderson - don't want to speculate as to why they voted the way that they did - feels that the Board of Finance put through fiscally responsible - \$500k to put through cost of schools - left money to go towards undesignated fund - big proponent of having town equity and don't want to see it gone - did not see or read that the school budget was a zero increase. - can't go back on now - budget is passed - can't put burden on the back of Board of Education budget now - should send budget back - Mike Urgo- thinks what Mike Anderson is proposing - Tim Main - Mike Anderson- statute in budget packet - if towns people vote the budget down - Have to have a special meeting either way - Dan Spring - have an approved general budget - bring forward the school budget - and revisit - and if shortfall will have to work with what we've got. - Nita -

asked if the mil rate would be more- Shawn Murphy - if QDS to print tax bills before end of year - have to have the 18th - discussion about how to call a meeting after the referendum- Dan Spring clarified have to post it.- consensus on course of action- Dan Spring - moves that we resubmit the Board of Education Budget as previously - Mike Anderson - 2nd 4-1-0 Tim Main no. Shawn Murphy asked about vote at a town meeting. Carolyn advised that she does not agree with this and would not support that. Mike Urgo also agrees with not voting at a Town Meeting for something like this. - Dan Clarified - Candis Banks is alternate and reintroduced all of the members to the public.

- 8) Future strategies and 2018 meeting calendar- Dan Spring asked about new calendar - Open to meetings starting at 700pm instead of 730pm- to start with new year.
- 9) Review of Previous Minutes- to table approval of minutes until we meet again to give new members a chance to review minutes.
- 10) Public Comments and/or Questions - Mike Urgo - wanted to mention went to CCM conference - vendor that has really interesting software which would help with communication- wants to invite a member of the BOF to see what is involved - Open Gov software that a lot of towns use - helps town and makes information available to towns people. Would help with presentation at town meetings. Dan? - did you discuss financial officer position - need to discuss it more - not in much detail. John(tax payer) - wanted to reiterate that he would like to meet throughout the year - asking the question on behalf of many here in town. Joe Gross - Tim Main- brought up auditor - DanSpring - clarified that we are without auditing services - can request a year at a time or can send out RFP - late in the cycle- RFP's should have gone out at the end of the last fiscal year. Tim Main clarified that this has to be reported to the state in January - Dan Spring to get a letter proposal to her. Nick Mullane - asked that we invite our State Representatives to meetings/hearings to get updates on what is going on in Hartford.
- 11) Adjournment - Tim Main - motion to adjourn. Dan Spring 2nd - approved 5-0-0. Adjourned at 940 pm.

Respectfully submitted,
Carolyn Howell, Secretary
Board of Finance