

DRAFT

**MONROE BOARD OF FINANCE
Monroe, Connecticut**

**Budget Workshop
March 11, 2015**

Present: Chairman Michael Manjos
Vice-Chairman Scott Ownes
Board Member Debra Dutches
Board Member John Ostaszewski
Board Member Ted Quinlan

Also present: First Selectman Steve Vavrek
Interim Finance Director Ron Bunovsky, Jr.
Deputy Finance Director Heidi Meade

Absent: Board Member Carl Ferraro

Public Participation-*Steve Shapiro*, 42 Harvester Road, said that he felt it would be helpful for every department to have an organizational chart included in the budget book. He agreed there was greater transparency and added that Town Council discussed a lot in public. He added he was discouraged by the voting from their last meeting as it appeared to be party driven; “it shows we are not a town.” *Mr. Shapiro* continued that he would like to see the \$2000 for library books reinstated. He also spoke out against adding a Town Planner that the Planning and Zoning Commission requested. He added that the position had no job description and he would rather see the money go towards the contingency. *Mr. Shapiro* added that he felt that videotaping the meetings would be beneficial in getting information out to the public.

Board of Education-*Superintendent Agostine* said a key driver is the new math program for grades K-5; they piloted two programs, one at \$80,000 and one at \$120,000 and the response has been overwhelming for the one that cost \$120,000. The contract obligations are 1.27% increase over this year. *Superintendent Agostine* said that the relatively low increase is admirable especially since they negotiated with four bargaining units. Transportation costs have increased approximately \$225,000 and there will be a presentation by All-Star’s owner at the Board of Education meeting where he will make a proposal to enter into a new five year agreement. The plan is to take the existing fleet for the other towns they service and in return, if the District extends the contract out, All-Star will purchase a fleet of 2015 buses. *Superintendent Agostine* continued that the level of service and safety All-Star provides is a significant improvement over the former provider. He added that the increase in utility costs is a large number at \$377,000; natural gas is up \$127,000 and oil is up by \$104,000. There is a 28% increase in electricity costs and *Ms. DiBlasi* continues to work with the providers. It has been asked

why the District is seeing increases since they made the buildings more efficient through the Honeywell Project; “we need to communicate what our usage is and separate that from the costs.” The staffing reduction is commensurate with the decline in student population which is continuing at a steady pace of 100-115 students per year; “we have hit the teaching staff pretty hard over the year; since 2008-2009 the District has reduced 43.6 teachers during that course of time and we lost 884 students during that same time period. The emphasis now is now on the reduction of non-certified staff; the District is eliminating two secretarial positions and one nursing position.

Superintendent Agostine added the budget includes a \$50,000 contingency in Special Education as it is an area where there are often unanticipated costs. He continued that the District has received two grants for their Schools of Distinction (Monroe Elementary and Masuk High School). The budget he initially presented was 2.34% and now it is at 2.25% or \$54,123,758. *Superintendent Agostine* noted there are a few items that are still out there including the copier renewal contract and the phone renewal contract. The copier contract appears to be approximately \$100,000 less than what the District is currently spending though the phone contract will cost \$50,000. One teacher was added back; there was a .6 teacher who had been reduced last year at Masuk and he reinstated the position for a total of \$29, 802. *Superintendent Agostine* stated that he felt the District could be in range of 2.1-2.2%.

There was a discussion on the District absorbing the nursing position at St. Jude’s as the Town is obligated to provide nursing services for their private schools and this number needs to be put into the budget going forward. *Superintendent Agostine* said that they were asked if the Board of Education would absorb the nurse so she could be supervised and compensated properly. *Superintendent Agostine* also addressed the issue of the medical reserve account; the current balance is \$2.3 million and the idea is to keep it in the \$1.6-1.8 million range. Preliminary discussions have begun about having Town employees as part of the self-insurance and that “spirit of cooperation continues.” Other than the above mentioned areas where reductions could occur, *Superintendent Agostine* said taking money from anywhere else would damage programs.

There was discussion regarding the energy costs and usage; *Ms. DiBlasi* said that the official commission date of the Honeywell Project was April 1 and full year figures will be available after April 1st of this year. *Board Member Dutches* asked about the current balance in the 10-240A Capital Reserve Account. The medical costs were also discussed. *Ms. DiBlasi* spoke about the increase in transportation costs; she explained that when All-Star first came to the District, the contract was written was that they would charge a mileage and hourly rate but the first year they kept it at a flat rate and slowly built in for mileage and hours. *Superintendent Agostine* added that whenever possible, they piggyback with other towns to reduce transportation costs and look at all viable options such as livery cabs and smaller van type vehicles.

The Turf Fields were also discussed; *Superintendent Agostine* said that it is on the agenda for the next Board of Education meeting and they will be forming a committee to begin the RFP process. The estimated cost of the feasibility study is \$7000.

Chairman Manjos thanked the Board of Education and noted the area he wants to focus on is the medical as he feels it is an area where savings could be found without impacting students.

Chairman Manjos asked what rate the Town was locked in for fuel; he said that he wants to ensure there is consistency in the figures the various departments are putting into their budgets. A discussion of departments followed:

Legal-It was noted that the outside services have diminished; *Chairman Manjos* initially thought about reducing the line item by \$25,000 due to favorable trending but given the uncertainty, the amount remained unchanged.

Board of Finance-The contingency was left unchanged.

Registrars of Voters-There were no adjustments made.

Tax Collector-*Mr. Cambra* had requested the Board take \$5000 out of delinquent and reinstate \$4000 for salary-other. The Board increased added the \$4000 back into salary; it was noted that having continuity in the department was essential.

Boards and Commissions-No changes were made.

Senior Center-*Chairman Manjos* said that leaving their budget flat made sense. *Ms. Yeager* said that the Assistant Senior Center Director was taken out by Town Council and well as a clerical position. She requested that one of those positions be funded. She added that she is mindful of the budget and where they need to be but she said that with a growing senior population, there are programs and services they would like to offer. *Chairman Manjos* said that his concern is that they received a large donation; *Ms. Yeager* said that they will be going before Town Council to get their approval to use \$10,000. She said that they want to go out to bid for an architect as they would like to build an addition for a fitness area. She said that other requests are for building shades and computers; they are obsolete and no longer supported. *Ms. Yeager* continued they would like to purchase 2 laptop tablets and 1 desktop. There was a discussion on increasing the membership fees

EDC-*Chairman Manjos* said he has asked them for a plan.

Human Resources-*Board Member Dutches* asked if the YTD is correct for HR Insurance; *Ms. Meade* responded there was an issue with Anthem and the billing. She added there were some cost savings in the Life; there was an overcharge of approximately \$10,000. The anticipated increase in medical costs is approximately 6.93%; this year's increase was 5.1%. \$10,000 was deducted from Insurance.

Finance Department-The office expense is for Munis training.

Planning and Zoning-*Chairman Manjos* said that the request was to fund a ½ year position for an additional Town Planner. It is at a higher pay rate than the current Town Planner and the argument being made is that with more planning and support, more commercial revenue can be generated. He said that they need to have Planning and Zoning come to Monday's budget workshop where the Commission Chairman and Department Chair can provide further detail. The request for an organizational chart was reiterated and it was suggested that the staff be listed as FTE's for clarification.

Substance Abuse-Several of the Board members questioned if the services could be provided in-house at a lower cost than the current cost of \$15,000.

Lake Zoar-*Ms. Meade* said there was no contract; there is only a "gentleman's agreement"; *Board Member Dutches* said there is a copy of an agreement in the Town Clerk's Office.

Public Safety-There was a discussion on overtime; *Mr. Bunovsky* said that the first 20 hours of overtime is straight time and then it increases to time and a half. The \$24,500

cost for the Records Room was discussed; it was determined that there is a service contract for that area. The Board added \$25,000 to police overtime.

Fire Department-Representatives from the Fire Department will attend the Budget Workshop on Monday evening.

Fire Marshal-This will be discussed on Monday evening.

EMS-EMS will be discussed at the Budget Workshop on Monday evening.

Public Works-*Chairman Manjos* said that they need to take a closer look at the numbers on recycling.

Board of Education-It was stated that reducing the budget by \$225,000 would bring the number down to 1.85%.

Tax Revenue-The Board left it as budgeted.

The budget is currently at 2.55% and *Chairman Manjos* would like to see it at 2.5% or lower. Further discussion on the budget will occur at the Budget Workshop scheduled for Monday, March 16th. Departments to be discussed include Planning, Land Use, EMS, Fire and Public Works (Recycling and Roads).

The workshop concluded at 10:20 p.m.

Respectfully submitted,

Diane Behringer
Board of Finance Clerk