

Town of Plymouth

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Board of Finance

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- 1. Call Hearing to Order:** Ralph Zovich, Chairman called the scheduled May 11, 2017, Board of Finance Special Meeting to order at 7:00 p.m. in the Assembly Room at Plymouth Town Hall. Members in attendance: Victoria Carey-Vice Chairman, James Zalot, Jay Dorso-Excused Absence, Pattie DeHuff and Jim Kilduff Also present: Ann Marie Rheault, Director of Finance; Town Councilwoman Sue Murawski and Michele Yokubinas - Recording Secretary.
- 2. Pledge of Allegiance:** Ralph Zovich, Chairman led the group in the Pledge of Allegiance.
- 3. Notice of Fire Exits:** Ralph Zovich, Chairman noted the fire exits.
- 4. Discuss & Take Action on adjustments (if any) to the proposed FY2017-18 General Fund budget defeated at Referendum May 3, 2017.**

Ralph Zovich, Chairman informed board members the purpose of the special meeting was to take into consideration and/or make changes to the April 14, 2017 proposed budget and briefly elaborated.

Ralph Zovich read/shared parts of an article "Connecticut Feels Effect Of Drop in Super-Rich Tax Payments" dated May 5, 2017 by Susan Haigh – The Associated Press. Ralph Zovich stated that the State of Connecticut's various plans will not only affect the State of Connecticut directly but will also affect the towns. Ralph Zovich shared telephone conversation that he had this week with Mayor Dave Merchant and briefly elaborated.

Chief Karen Krasicky stated that detectives cannot be assigned to patrol duty and that the union has taken a stance that SRO position has to be a full time position.

Ralph Zovich shared telephone conversation with Town Attorney Bill Hamzy regarding a possible scenario of after the budget passes if the State of Connecticut cuts our funding even further, what would possibly transpire and/or our various options available and briefly elaborated.

Ralph Zovich stated referencing the \$400,000 fund balance cushion; we cannot lose more than what is in the fund balance being that the financial situation is dire.

Ralph Zovich stated the he had a telephone conversation with Dr. Martin Semmel, Superintendent of Plymouth Public schools and stated that he is still figuring the shortfall. **Note:** The Board of Education's budget request, \$542,000, and the Board of Finance's proposed amount was a \$200,000 increase so the difference is \$342,000 shortfall of what the Board of Education requested. ****Dr. Martin Semmel did share with Ralph Zovich that he is leaning towards staff reductions, which could possibly affect 8-9 positions dependent upon final amount approved to Board of Education.**

****Note:** This is an estimate from the Superintendent being not final until the Board of Education votes.

PLYMOUTH, CT
TOWN CLERK'S OFFICE
RECEIVED FOR RECORD
17 MAY 18 PM 2:52
TOWN CLERK
Ralph Zovich, Chairman

Pattie DeHuff stated she was feeling the importance and the weight of this knowing that people are having difficulty paying their own bills and with this being said, she asked for a moment of prayer to ask for guidance and wisdom from God.

Vicky Carey stated that the poor voting turnout/record was not an accurate representation to base decisions.

Ralph Zovich stated that if we listen to those results most stated that the consensus was that the budget was too high.

Jim Kilduff stated that some individuals would never agree and we need to compromise, noting the Board should look at it again and only cut wants, not needs.

James Zalot stated that the Board of Finance has put a lot of time and effort into this budget.

James Zalot made a motion, seconded by Pattie DeHuff, to cut the \$200,000 proposed increase out of Board of Education's budget and leave as it was at \$23,912,790.

Discussion

James Zalot stated and reiterated that the overall student population is declining and the Board of Education needs to consolidate classes, or lay off individuals to reflect that decline.

Jim Kilduff stated that he is not in favor of changing since the needs and wants of the Board of Education show that they are not wasting money.

Ralph Zovich discussed new wording in the Charter regarding the budget, Board of Finance's statutory authority to make transfers, and was not perfectly clear on those proportionate/guidelines and briefly elaborated.

Jim Kilduff stated to make sustainable change to the budget you have to cut hundreds of thousands of dollars. Jim Kilduff stated that the Board of Education had a complicated budget and the Finance Board has no control over what they do with the approved money that they receive.

Ralph Zovich stated that his past recommendation/point made to the Superintendent was to return some of that money back to the general fund. Since they had a surplus of \$240,000, some of that should be returned to the general fund.

Jim Kilduff stated we already factored in our cuts based on your experience going through the budget on the original proposal was prudent.

Pattie DeHuff stated the Board of Education had last year \$900,000 encumbrances, reiterated James Zalot's motion is not a cut, a cut would be something less than what they are receiving now. Suggested they work with the amount that was in the proposed budget.

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Ralph Zovich stated as long as the Board of Finance understands Board of Education has inflationary issues, increases in health care, and special education costs. In other words to keep everything the same in the school system they would need the \$542,000 increase.

Vicky Carey stated this will be their decision, they could cut teachers, administrative office positions or they could take programs away from the students. They need to take a hard look since there are many facets to their budget and additions that are there. They should be able to manage with what they have; they will throw this back to the students and parents.

Ralph Zovich stated that some administrative positions are not instructional positions and they do not have a direct impact on the students.

Pattie DeHuff stated the Board of Education is looking at long term for their students and we are obligated to look long term at the financial condition of our town.

Pattie DeHuff questioned the Town of Plymouth's unassigned fund balance.

Jim Kilduff stated the Board of Finance is making a mistake responding to just a few hundred people. The budget we presented before was moderate and fair with a cut to what their increase was. Why are we responding because of a few hundred people who always vote "NO"? We are responding to that and that is wrong. Unfortunately, not many people came out to vote. Vast majority of people with children in the school will not like this.

Jim Kilduff stated some of the people that voted "NO" on this would vote "NO" when the Mayor tries to get businesses in here. We have to grow the grand list long term, we cannot have it both ways we have to be moderate in our approach, we cut the request but did not go all the way.

Ralph Zovich stated since the last hearing know the State of Connecticut's \$300,000,000 shortfall this loss of revenue should they decide to change the formula the state could theoretically cut more revenue than we have in our fund balance and briefly elaborated.

Ann Marie Rheault confirmed that the Town of Plymouth's cash flow is fine.

Ralph Zovich confirmed with Ann Marie Rheault that the \$200,000 reduction in the motion on the table would reflect a Mill Rate of 39.22.

Ralph Zovich stated the statutory authority to alter or impose budget changes has to come from the elected Board of Education and the Elected Board of Educations does not have to take the Superintendent's suggestions

Public Comment on Motion

Jim Mozlak, 18 Carriage Drive, Terryville, CT – stated that the solution was to not cut Board of Education and briefly elaborated.

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Michael Maffia, 98 N. Riverside Avenue, Terryville, CT stated to keep budget same, agrees with reconfiguration, adjusting amount of teachers and paraprofessionals.

Ann Marie Rheault, 125 N. Main Street, Plymouth, CT (public comment) complimented the Business Manager and Superintendent for all of their hard work that they do for the Board of Education and Town.

Ralph Zovich stated that the Superintendent and Business Manager both are immensely cooperative, helpful, and have always been forth coming in providing information. He further stated the Board of Finance trusts they are both fully competent and will do their job.

Vote: Jim Kilduff/no; Pattie DeHuff/yes; James Zalot/yes; Vicky Carey/no; Ralph Zovich/no, Motion failed 3 to 2.

Pattie DeHuff made a motion, seconded by Vicky Carey, to cut the \$100,000 proposed increase out of the Board of Education's budget resulting in an allocation of \$24,012,790.

Discussion

Ralph Zovich confirmed with Ann Marie Rheault that the \$100,000 proposed increase on this motion would reflect a Mill Rate of 39.38.

Public Comment on Motion

Norman Bulakites, 177 Bemis Street, Terryville, CT stated a privately held business would go after labor not just layoffs and briefly elaborated.

Vote:

Jim Kilduff/no; Pattie DeHuff/yes; James Zalot/yes; Vicky Carey/no; Ralph Zovich/yes; motion passes 3 to 2.

When questioned by Ralph Zovich if there were any additional adjustments or changes or interest in revisiting the SRO position the consensus was "no".

Ralph Zovich stated there was \$22,000 for Vance Taylor, Economic Development Consultant.

Pattie DeHuff made a motion to cut \$25,000 from Public Works Road Review and six-year plan (Pavement Study) from Public Works; motion failed for a lack of second.

Pattie DeHuff made a motion to cut \$25,000 for Town Hall Renovations; motion failed for a lack of second.

Pattie DeHuff made a motion to cut \$35,500 for Taser replacements; motion failed for a lack of second.

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Jim Kilduff made a motion to cut \$25,000 from Public Works –Road Review and six-year plan (Pavement Study) from Public Works, seconded by Pattie DeHuff.

Discussion

Jim Kilduff stated these are all long-term investments that critical for the future development of our Town.

Vote: Jim Kilduff/no; Pattie DeHuff/yes; James Zalot/no; Vicky Carey/no; motion fails 3 to 1.

*Pattie DeHuff questioned Chief Karen Krasicky in reference to an unsigned/undocumented letter, which was mailed to her address. Chief Karen Krasicky respectfully answered all questions and concerns.

James Zalot made a motion, seconded by Vicky Carey, to set a final proposed budget of \$40,825,552 which is a proposed 39.38 Mill rate for the fiscal year 2017-18.

Vote: Vicky Carey/yes; James Zalot/yes; Pattie DeHuff/yes; Jim Kilduff/no; motion passes 3 to 1.

Ralph Zovich listed what would be included in Presentation for May 18, 2017 as follows:

- Reiterate Critical Issues
- State Budget Deficit
- Impact of Revenues
- Decline in Grand List
- Revaluation \$767 to \$741 M (Controllable vs Uncontrollable < $\frac{\text{Tax Base}}{\text{New Businesses}}$)
- Declining enrollment/Population Growth

Jim Kilduff stated we need to present a positive view towards future and that we need studies and ideas to bring more businesses into Plymouth for people see this is an investment in our town.

5. Discuss & Take Action to set the date for a second Public Hearing on May 18, 2017 at 7:00pm at Plymouth Town Hall and authorize publication of Legal Notice.

Pattie DeHuff made a motion, seconded by Jim Kilduff, to set date for Public Hearing on May 18, 2017 at 7:00 pm at Plymouth Town Hall and authorized publication of a legal notice. This motion was approved unanimously

6. Public Comment

Jim Mozlak, 18 Carriage Drive, Terryville, CT suggested Fund Balance Restoration Legal Services-Police Officer, Pension, Town Clerk Office leave part-time, Recreation Revolving Fund Communication/Dispatch

Melanie Church, 328 Main Street, Terryville, CT - lower population lower taxes, cut salaries. Also suggested recreation analysis and questioned the Board of Finance's responsibilities.

7. Correspondence

*Note: Letters mailed without name and/or address are not allowed to be included as part of public record.

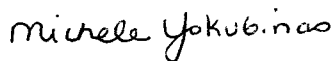
8. Board Members' Comments

Jim Kilduff - None
Pattie DeHuff - None
James Zalot - None
Vicky Carey - None

9. Adjournment

There being no further business of the Board of Finance, Pattie DeHuff made a motion, seconded by Vicky Carey, to adjourn at 9:00 p.m. This motion was approved unanimously.

Respectfully submitted,



Michele Yokubinas,
Recording Secretary