BOARD OF APPORTIONMENT & TAXATION
SHELTON, CONNECTICUT
BUDGET WORKSHOP MEETING MINUTES & MOTION
APRIL 28, 2014

Call to Order / Pledge of Allegiance

Charlotte Madar, Chairman of Board of Apportionment and Taxation, called the Budget Hearing meeting to order at approximately 6:00 p.m. All those present recited the Pledge of Allegiance

Roll Call

Board of Apportionment and Taxation

Charlotte Madar, Chairman- Present
Joe Palmucci, Vice Chairman- Present
John Belden- Present
Joe Knapik-Present
Louis Dagostine-Present
John Zikaras-Absent

AGENDA ITEMS

1. Budget Workshop

Primary discussion were items related to the Board of Education Budget:

> Special Education
> The cost of propane
> Pay to Play Program
> Full Day Kindergarten
Discussion:

Chairman Madar: Lou had sent me a list of what his suggestions are for funding the Board of Education. I added up the list that Lou gave me, and it came to $1,171,000. It was $500,000, $245,000, $225,916, and $200,000 in Capital Improvements. So I added all of those numbers up, and it came to $1,171,000.

Louis Dagostine: Yes that is it roughly. Obviously the $200,000 is for the Capital Improvements that the Mayor said that would be available for full day kindergarten. There was the $245,000 from the Youth Programs line item # 001-6100-624.79.21. That line item had a requested amount of $275,000 so there was $30,000 left in that line item. The $225,916 was something that the Board of Education discussed; that is in their rollover costs.

I was looking at the Board of Education budget that they have presented to us. The $1,949,957 was the anticipated rollover for this coming year; that line item was in that rollover cost. My understanding based on the presentation was the $225,916; the City takes that on, that would be used to offset the Special Education needs. My understanding was that in the presentation there were three components: full day kindergarten, special education needs and Pay to Play. The $225,916 that the City takes on towards the special education needs. The other proposal was to take $500,000 from the unassigned fund balance, and transfer that amount to the Board of Education’s line item. Obviously the goal was for no increase in taxes. So this proposal would not increase taxes, and allow for the implementation of the Board of Education items: the Special Education needs, full day kindergarten and getting rid of Pay to Play.

Ideally we would not need to touch the surplus, given what the Finance Director has stated about being plenty of money in there; I think that is one source to look at. The other source is to look at the other departments and cut from within. Unfortunately, not every department had appeared to answer questions and the difficulty of that is not knowing some information, specifically what positions remain unfilled. I think it is unfair to suggest cutting certain departments that actually appeared and answered questions about their positions. So again, my
proposal would not increase any taxes and it would do of what we set out to do.

Chairman Madar: From when I look at this, the Board of Education wants all good things. However, I do not think the City should pick up the entire tab for it. The Board of Education has known about all day kindergarten for quite a long time, and some how they did not adjust their budget of their expenses to accommodate any of it. So, I talked to Al Cameron and I asked him about what the Board of Education could do towards this. He said that Freeman Burr had mentioned during his presentation that they would give up, and not have an Assistant Principal, some classified people, which is considered maintenance and others in that group, others that are classified, not certified and their benefits, one half of a reading teacher, one and a half media assistants for a total of $750,000 that they would be able to add to propane, Special Education, Pay to Play and all day kindergarten.

They are looking for another $2,750,000. With this, they are getting $1,171,000, so according to what they want we are still short over $1,000,000 for them. I do not know where it is going to come from. They are looking for $2,750,000, and they are able to squeeze out $750,000, plus the $200,000 for the furniture, plus the other stuff that is coming out of Capital. I think that somehow over the last year and a half, they saw all day kindergarten coming and did not adjust enough to accommodate it.

Louis Dagostine: I think that full day kindergarten is very important.

Joseph Palmucci: I think that as well, especially with the new curriculum, but where the money comes from is the issue.

Louis Dagostine: Correct. I think we can do the best we can with what we are provided with. We are not giving the Board of Education even close to what they are requesting.

Chairman Madar: We cannot take money out of Contingency, which is $150,000.

Louis Dagostine: The line item that I was talking about, which brought it up over a $1,000,000, the City taking on the propane costs which is in their rollover so that would free up for them roughly $225,000 to then
apply that to Special Education. My understanding in rough figures was that we had the $406,000 for all day kindergarten; I think the cost was $325,000 for the Special Education needs.

John Belden: The $406,000 with the furniture and Capital, and the five teachers needed that are already there, that will be shifted to full day kindergarten.

Louis Dagostine: Right.

Chairman Madar: Right now, they are in debt for $320,000 for propane; they are overdrawn $325,000 so are we picking up $520,000?

Louis Dagostine: With my understanding on how it was presented to us, they were going to take care of what they were over now within their own budget.

Chairman Madar: Are they going to pay $530,000 for propane?

Louis Dagostine: That was my understanding in the presentation. What they are asking us to free up for next year is that $225,000 that they have allotted for propane.

Joseph Palmucci: They want us to pick up next year's budgeted amount.

Chairman Madar: So all day kindergarten is $406,000, $325,000 for Special Education, and propane is $225,000?

Louis Dagostine: Yes, correct. Also, the Pay to Play was $245,000, and that was where I took it from the Youth Programs line. So those were the pieces.

On that line item, they have spent less than $30,000. My understanding is that this line item covers banquets and other celebrations for some of the great things that our schools do. For the year prior, they have spent less than $20,000, which is a significant amount of money that has not been spent.
Chairman Madar: So far they have spent almost $28,000 this year. The exact amount spent is $27,669. So we will leave them with $30,000 in Youth Programs.

Louis Dagostine: I got that number based on what was spent so far this year. The Board of Education said they needed $245,000 to get rid of the Pay to Play, which is why I came up with that.

John Belden: The projected revenue for Pay to Play was $225,000.

Chairman Madar: If the Board of Education runs short of some money, they always have discretionary ways of moving their line item amounts. They do not have to come to us for that. Once we give them the money, they can do whatever they want with that money.

So what is the consensus of what we would like to do?

Louis Dagostine: If anyone else has an alternative proposal to keep the taxes with no increase.

Joseph Palmucci: We should try to find the money somewhere based on the negotiations that are still going on.

Chairman Madar: So the propane is for next year, and are they going to fully fund the $500,000 year?

John Belden: It is not $500,000.

Chairman Madar: They are withdrawn $325,000. In their budget, they have spent $200,000, plus $325,000 so they think next year they are only going to use $225,000? This year is costing $525,000, and they think that next year they are going to conserve and spend only $225,000?

Louis Dagostine: Back to the full day kindergarten, it is a good investment that we will see dividends down the road.

Chairman Madar: On page 18 of the Board of Education presentation, he has the proposed budget of $69,120,000, the Mayor’s as $67,600,000; the gap is $1,520,000. Of the $1,520,000, Freeman is
willing to decrease that by $750,000 of what he said he could without. We would still need another $750,000.

Louis Dagostine: I think the only other addition that he had made was the propane that I was talking about earlier. It is in their budget for next year. He wants to see that taken on going forward.

Chairman Madar: So for next year, that would be $750,000 plus $200,000.

Louis Dagostine: My understanding is that we have the $245,000 coming from Youth Programs and the new money they need: $500,000. Then we need to account for the propane. We would be transferring the $245,000 out of Youth Programs, and that is where we would be getting the chunk of $500,000. That is how I understand it.

John Belden: The only thing is on page 19, which that total does not account for those positions that were not going to be filled because those were included in that. That is what I am trying to figure out.

Chairman Madar: From his budget with the $69,120,000, he has the remaining gap as $775,000, not $750,000. He said he would eliminate $750,000. So, $226,000 is for propane. The Play to Play is $245,000; all day kindergarten is $406,000.

John Belden: The Board of Education wants us to pick up the $225,000, in which that will cover Special Education needs.

Joseph Palmucci: So if the City is willing to pay the $225,000, which will cover the Special Education deficit?

Chairman Madar: If we are going to pick up the propane, we would not have to pick up Special Education, because he said that he would use the propane in his budget next year. Then whatever he would not have to pay would go to Special Education. What we are looking for is all day kindergarten.

Joe Knapik: Some of the Board of Education figures are confusing, as you said. You also said you have spoken with their Finance Director, and he found those to be confusing and we can manipulate these figures as per for the Board of Education all night. What I think the main
thing is to try to find the funds from the unassigned to fund the all day kindergarten; that seems to be the paramount issue.

Charlotte Madar: You are right, and I think if we do not come up penny for penny they will find the money within their budget during the year.

We have to make sure it is not a reoccurring amount for that surplus budget, because if that surplus is not there next year, then we will not be in luck. If we do the all day kindergarten, it would be $406,000 to take out of the unassigned fund balance to pay for all day kindergarten. We will take $245,000 out of Youth Programs to offset the Pay to Play program.

Joe Knapik: We can all agree to a certain point, but this is only an advisory board. The Board of Aldermen have the final say.

Joseph Palmucci: Our job is to make the recommendation.

Chairman Madar: We recommend for the Board of Education to take $406,000 from unassigned, be used to pay for the all day kindergarten, $200,000 for their furniture to come out of their Capital. Then, take the $245,000 to eliminate the Pay to Play program, taken from the Youth Programs line. The City would take the cost for the propane? Where in the city budget can we take for the propane?

Louis Dagostine: My understanding is that $326,000 is needed for the Special Ed support component. The $226,00 that you are referring to, we would another $100,000 on top of that.

Chairman Madar: Freeman said he would fund Special Ed with propane if we took over the propane. That was what he said. We have to figure out a way to pay for propane.

Louis Dagostine: So what number are we heading towards for Special Ed?

Chairman Madar: No, he said if we took over the $225,000 for the propane, he would use that money for Special Ed within his budget.

John Belden: I am still trying to find out whether the unfilled positions have been taken out of this.
Chairman Madar: They were not out of there because they were in there while it was being printed. So if he lowered his budget by $750,000, we have $406,000 for all day kindergarten. We will not look at the $245,000 because it is a transfer of line item. So $750,000 from him, and the $406,000 gives us $1,156,000. My notes read as using the propane savings in Board of Education budget line to fund Special Ed and support services. That is right here in the 2014/2015 alternative budget proposal. If we take on the propane, we do not have to worry about Special Ed. We have to fund full day kindergarten, and eliminate Pay to Play. For the full day kindergarten, we could recommend to take out of the surplus, and $245,000 taken from Youth Programs line item.

So it is between his total budget of $68,345,000, and the Mayor’s budget of $69,120,000. There is a difference of $745,000.

Louis Dagostine: So we are short the $226,000?

Chairman Madar: For the propane. We are not accounting for the $750,000 that he is going to give up.

Joseph Palmucci: We can say this is what we have come with; we are this much short and we can still say this is our recommendation. The Board of Aldermen and the Board of Education have to come to an agreement in order to make up the gap.

Joseph Knapik: I think we need to make a full recommendation. Of course it is going to be subject to further discussion, but I think it is incumbent upon us to make a general recommendation.

Chairman Madar: We can recommend to take $632,000 out of surplus funds and the $245,000 in the Youth Programs line; that will give them everything they want. If the Board of Aldermen do not want to take that much money out of surplus funds, then let them look for it. The Board of Education is getting everything they want; that is the main thing. If they do not like it, then they will find another way to do it. We are taking over the propane, the full day kindergarten. They are going to fund Special Education by us doing the propane.
MOTION:

Joseph Palmucci made a motion to accept the recommendations made to the Fiscal Year 2014/2015 Budget, along with what was discussed tonight, regarding the Board of Education and other agreed recommendations that were made on the 2014/2015 Budget. Louis Dagostine seconded the motion. A voice vote was taken and the motion passed 5-0.

Adjournment

The meeting adjourned approximately 7:15 pm.

Respectfully submitted,
Brittany Gannon, Clerk