

TOWN of THOMPSON
Board of Finance SPECIAL Meeting Minutes
Thursday – March 28, 2024
Thompson Public Library
Louis P. Faucher Community Room
And via Zoom from remote locations

1. The call to order by Board of Finance Chair Rob Werge was at 7:00 PM.

Roll call: Nicola Chrzanowski, Stephen Herbert, Brian Lynch, David Johnson, Robert Werge.

Schools' Liaison Kaylee Beck. First Selectman Amy St Onge, William Steglitz (Finance Director), Melinda Smith (Superintendent of Schools), Kathleen Herbert (Chair, BOE). Department Heads, Board and Commission members and members of the public. Recording Secretary Dotti Durst

2. Approval of Minutes:

Motion S. Herbert seconded by D. Johnson to approve the 03-21-2024 BOF Meeting minutes carried unanimously with a modification: Riverside Park Lights - Page 3, bottom: Motion R. Werge seconded by D. Johnson to remove ~~-\$25K~~ \$50K from Capital for Riverside Park Lights Replacement and add \$25K to Transfers/Municipal Property Repairs, specifically earmarked for Riverside Park Lights Replacement, carried unanimously, 5-0.

3. Correspondence:

- DTC communication was received; a recommendation for the BOF vacant position was presented.

4. Citizens' comments – three minutes per person maximum:

- Heather Santos, Hagstrom Road: comment read by Jessica Bolte, Riverside Drive: she asked for care in determining the Education budget, reviewed the multiple steps that went into the process that resulted in the BOE Budget proposal, noted the PowerPoint slides that detailed the data, including the expenses over which the town has no control. She reminded all: today's students are our town's future.

- Carolyn Martineau, 77 Leighton Road, a teacher and a mom, reviewed recurring incidents among the young students, who need extraordinary amounts of attention, detracting from on-curriculum time; budget reductions can impact the staffing needed for this attention.

- Danielle Carlson, Rachael Drive used a Ben Franklin quote to emphasize use of tax dollars * students are the town's treasured investment

- Kirsten Schultz, Jezierski Lane, school board member and mom, spoke in favor of the schools budget

- Valerie Clark, Alm Road, thanked the BOF, appreciating their effort and time * Considers the budget proposal to be too high, asked about a referendum * asked if specific reductions within the Education budget is the purview of the BOF.

5. New Business

- Audit report Marshall Deane, Audit Lead (King, King & Associates, CPA) via Zoom/7:15-7:45 PM.

**Finance Director William Steglitz reviewed the audit process which began last June, that there are several reports (Federal and State Grants) in the process. Today the Financial Audit 2022-2023 and two compliance notes regarding Federal/State grants are being presented to the BOF. He screen-shared the auditor's documents throughout the presentation.

** page 12-13: Opening pages provide a broad view, government-wide

** page 14: Financial Systems not including pension trust funds

** General Fund/Capital: \$1,462,154. Unassigned was at 5.2% but the recommendation is for a reserve of 2 months expenses in order to be considered healthy, suggesting the goal if 16.67%

** Looking at a 3 years of Fund Balances chart, the pattern of decreases is seen

** General Fund balance was up by \$60,809. There was a decrease in Capital of \$316,620.

** Pages 59-64 Revenue -under budget \$416,649; expenditures - under budget \$501,691.

** Management Letter: Bank statement reconciliations should be signed/dated/accessible

** Verbal comments/recommendations:

- 1). Fixed assets listing should be kept current
- 2). Finance Department staffing/resources in the should be increased or certainly maintained
- 3). Internal controls should be re-organized regarding Cafeteria income record-keeping

Questions/Comments from the BOF

* Cafeteria Grant: some meals are tracked differently such as for an outside meal on a field day

* The expectation is that the Audit will be filed on March 29 to meet the due date of March 31 but timely filing is impacted by Easter.

* R. Werge asked about electronic finances management and status of Fixed Assets (Improved)

* S. Herbert confirms the audit contains no Material Weakness findings, praising the Finance Department; Bank reconciliations need to be signed and dated

- BOF member resignation and timing to fill vacancy: The Chair, noting the letter from the DTC regarding filling the BOF vacancy, posed the scenario that a new member, seated now during the on-going budget workshops and budget preparation would be at a disadvantage, not having been present for the previous February Joint BOS/BOF Workshops and the March BOF Workshops. The consensus of the BOF was to add appointment of the individual to the agenda at the conclusion of the budget process.

6. Optional Updates from Board of Selectmen, Board of Education, Finance Director:

* First Selectman A. St Onge: Union negotiations are complete; budget impacts are already integrated.

* Superintendent of Schools Melinda Smith thanked all for support of the school play, noting that the Schools Liaison to the BOF, Kaylee Beck, played a key part as Peter Pan.

* Finance Director W. Steglitz; none at this time

7. Budget Workshop: 7:52 PM

Finance Director W. Steglitz provided updates, and answers to previously posed questions.

** The Union ratified and the BOS approved the new salary contract. In addition to a \$3.00 per hour increase for DPW workers, bringing them up to market rates, the overall labor costs increase will be 5% in year one, then 4%, then 3% resulting in a budget impact of \$137K in Salaries, plus a Fringe Benefits increase of \$26K for a net increase of \$163K. The data is shown on-screen; the impact on the budget has brought the mil rate to 26.0, an overall budget increase of 9.40%, down from the original 11.46%

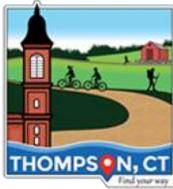
Motion D. Johnson seconded by S. Herbert to approve the Salary increase and associated Fringe Benefits (Union and non-Union staff), a total of \$163K, carried unanimously, 5-0.

B. Lynch- yes D. Johnson –yes N. Chrzanowski -yes S. Herbert-yes R. Werge- yes.

** Other adjustments have been proposed from Departments: *General Property Taxes: projecting greater revenue by \$75K. *Building Inspector staff: remove \$10K. *Planner's Office, reduce printing expense from \$10K to \$5K. Following discussion of these points:

Motion S. Herbert seconded by D. Johnson to increase Revenue Page 5, General Property taxes by \$75K (Motor Vehicles \$20K, Interest and Liens \$35K, Prior Years Collections \$20K) carried unanimously, 5-0.

B. Lynch- yes D. Johnson –yes N. Chrzanowski -yes S. Herbert-yes R. Werge- yes.



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Motion N. Chrzanowski seconded by S. Herbert to increase Revenue: Property Taxes Line 12 (Prior Years) from \$350K to \$375K (+\$25K) carried, 3-2.

B. Lynch- yes D. Johnson –no N. Chrzanowski –yes S. Herbert-yes R. Werge- no

Motion S. Herbert seconded by N. Chrzanowski to reduce Planning and Development Printing, Line 15 from \$10K to \$5K carried unanimously, 5-0.

B. Lynch- yes D. Johnson –yes N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

Motion R. Werge seconded by D. Johnson to reduce Building Office Assistant Line 11 to zero from \$10,338 carried unanimously, 5-0.

B. Lynch- yes D. Johnson yes N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

A. St Onge: The HR Director has suggested removing the request for Training Platform software from the First selectman’s budget (\$4,900)

Motion D. Johnson seconded by B. Lynch to cut First Selectman, page 11, Line 15, Training to zero from \$4,900 carried unanimously, 5-0.

B. Lynch- yes D. Johnson –yes N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

S. Herbert asked about BOE Health Insurance; W. Steglitz clarified that the town and Schools are not calculated in the same way. Some new hires may need a family plan. After discussion:

Motion N. Chrzanowski seconded by S. Herbert to reduce the BOE budget by \$48K carried, 4-1.

B. Lynch- no D. Johnson –yes N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

Reviewing the status of the budget proposal: With all the adjustments at this meeting factored in, there would be a 2.23 mil increase. The increase caused by the impact of the Union contract has been negated by BOF decisions this evening.

*S. Herbert: The BOE budget has not kept up with inflation over recent years.

*D. Johnson commented about BOE budgets increased reasonably compared to inflation, 4.06% currently, noting data provided by the schools

* R. Werge reviewed the budget approval process in the previous fiscal year; a budget was put forward which the voters did not support. In order to achieve a mil rate of 2 even, the current budget would need to be reduced another \$173K.

* S. Herbert: at the Joint BOS/BOF Budget Workshops, each Department explained their needs

* D. Johnson: the total BOE budget goes to the schools; Administration then makes all implementation decisions

*R. Werge sent some inquiries to the Superintendent of Schools and to the Finance Director

a). Education #181, page 5- paraprofessionals in the classrooms? \$326K is salary for the current staff plus 2 additions to meet classroom needs (total of 24) Schools p 5 b). principals and vice principals?

Thompson is the only District in CT that has no Assistant Principal at the high school. At the Middle School, with so many “stressed-student” matters to handle, the Assistant is essential. c). The Career Pathways seems beneficial to students and to the town. Is there any other area of the budget that could be reduced in order to retain funding in this category? M. Smith: many grants and other sources of revenue such as DK Hospital help fund the Pathways. Culinary is largely grant-funded and a teacher has been cut from another department to adjust funding toward Culinary Arts. d). Observing increased use of technology, is the staff size correct for clerical/admin support? M. Smith reviewed the level of Admin support staff that has already been cut.

* R. Werge: the budget is at an 8% increase; it does not feel that the work of the BOF is done.

* B. Lynch 28.23 mils seems too much increase. Let’s consider a reduction of the Schools and the Highway budgets - each- of \$60K, for a total reduction of \$120K. Yes, the cost of everything at the schools is up, and the roads DO need care.

* S. Herbert: Thompson school pay rates compared across the state are far down the list

* R. Werge: perhaps ask the DPW if the preferred situation is a reduction of salaries or a reduction of funds for paving. M. Smith: possibly consider postponing the painting of the school hallway lockers (Capital Expense) by one year, as the accreditation team won’t be back until then. R. Werge maybe split the work over two years, in order to meet the required timeline, After discussion:

Motion R. Werge seconded by N. Chrzanowski to remove \$55,200 from Capital for school lockers and add \$27,600 to Transfers carried, 4-1.

B. Lynch- no D. Johnson –yes N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

Motion S. Herbert to approve the 2024–2025 budget as amended. Motion failed: lack of a second.

* A. St Onge contacted the Director of Public Works during the meeting. He expressed dismay at any proposed cuts to paving but had to favor that cut over a reduction in staffing.

* B. Lynch: get the mil rate increase to 2.0 or very close, in order for the voters to approve it.

**Consider reducing the DPW by \$30K for paving and \$30K from salt, in hopes of another low-usage year. But be careful of reducing the salt based on a hope for favorable weather.

Motion N. Chrzanowski seconded by S. Herbert to remove \$30K from DPW (Transfers) Paving (\$660K down to \$630K) and to remove \$30K from Salt Line 14 page 32 (\$159K down to \$129K) failed, 3-no/2-yes

B. Lynch- no D. Johnson –no N. Chrzanowski –yes S. Herbert-yes R. Werge- no

Motion B. Lynch seconded by R. Werge, to remove \$60K from DPW Paving (Transfers, page 53) (\$660K down to \$600K) carried, 4-1.

B. Lynch- yes D. Johnson –no N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

Reviewing the budget at this time: 2.11 mils 8.8% increase

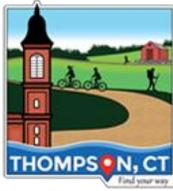
*D. Johnson: if it fails, we will need to take a harder look, and may cause pain. Reluctant to cut either budget, but homeowners are impacted by this.

*N. Chrzanowski suggests further reductions to meet voter expectations, aiming for a 1 mil (or a 1 mil plus a fraction of another mil) increase only.

* D. Johnson observed that Revaluation is coming up

** The proposed mil rate at this point is 26.00, an increase of 2.11 mils or 8.12%.

* D. Johnson- if the budget fails, we will need to look at hundreds of thousands in cuts



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*R. Werge suggests that all voters are informed by those participating in this process, and that they are motivated to vote.

Motion S. Herbert seconded by B. Lynch (for discussion purposes) to approve the 2024- 2025 budget as amended. After discussion: Motion withdrawn by S. Herbert/second by B. Lynch.

Motion S. Herbert seconded by B. Lynch (for discussion purposes) to approve the 2024- 2025 budget as amended, for a total budget of \$31,325,114 to raise \$21,61478,750 and a Tax Warrant of \$21,733,750 carried 4-1.

B. Lynch- yes D. Johnson –no N. Chrzanowski –yes S. Herbert-yes R. Werge- yes

8. Citizens' Comments - three minutes per person maximum

- Jessica Bolte, Riverside Drive *the PowerPoint created by the BOE shows regional Teacher salary comparisons and noted the variety of work “secretaries” have had to assume, given other staff shortages.
- Danielle Carlson, Rachel D *noted low Fund balances *and the BOE already-tight budget.
- Valerie Clark, Alm Road, asked if there is Disaster Relief funding for roads, given the weather * suggested that newer technology be used to replace or reduce time needed for some administrative functions * noted the \$400K Revenue that was received early and wondered how it had been worked into the budget

9. Board of Finance member comments:

- S. Herbert: the Joint BOS/BOF budget workshop process worked smoothly and can be built upon.
- R. Werge: creating a budget is a tough road, with difficult decisions needing to be made.

10. Adjourn: **Motion B. Lynch seconded by D. Johnson to adjourn at 9:39 PM carried unanimously.**

The next BOF meeting will take place April 18 at the Seney Room -Town Hall.

The link to see/hear the BOF meeting:

https://us02web.zoom.us/rec/share/cg7F5ilXolftkChvANwpcfzbtSLhUAnRcWohpX52qiUA_A8DKnnKsG3-VH2DzhPFK.qwaaFL8wXov43fhV Passcode: NM5j9dS?

Respectfully submitted by Dorothy Durst, Recording Secretary *Dorothy Durst*

These minutes have not yet been approved by the Board of Finance. Please refer to a future meeting's minutes for approval of and/or amendments to these minutes.