

The Regional School District 13 Board of Education met in regular session on Wednesday, September 13, 2017 at 8:00 PM in the Library at Coginchaug Regional High School, 135 Pickett Lane, Durham, Connecticut in a joint meeting with the Durham and Middlefield Boards of Selectmen and Boards of Finance.

Board of Education members present: Mr. Augur, Mrs. Boyle, Dr. Friedrich, Mrs. Geraci, Mr. Moore, Mrs. Petrella, Mr. Roraback, Dr. Taylor and Mr. Yamartino.

Durham Board of Selectmen members present: Mrs. Laura Francis.

Durham Board of Finance members present: Mrs. Nancy Cuomo, Mrs. Loraine Coe and Mr. Martin Anderson.

Middlefield Board of Selectmen members present: Mr. Ed Bailey.

Middlefield Board of Finance members present: Mrs. Alice Malcolm, Mr. Jim Irish, Mr. David Lowry and Mr. Joel Nick.

Administration present: Dr. Veronesi, Superintendent of Schools and Mrs. Neubig, Business Manager.

Pledge of Allegiance

The Pledge of Allegiance was recited.

Public Comment

None.

Approval of Agenda

Mr. Moore explained that Jim Finley has been asked to act as moderator for the meeting.

Mr. Bailey made a motion, seconded by Dr. Friedrich, to approve the agenda, as presented. Motion carried unanimously.

Finalized State Budget and Town/District Impact

Mr. Moore reviewed that there had been a \$5,000 increase in ECS this year and \$1,000 in 2018-2019.

Laura Francis reported that changes were also made to other grants, but the ECS is the bulk of it. She did explain that there is a \$244,000 new proposed Municipal Stabilization Grant which Durham believes is a little fragile and could disappear before it kicks in. Mrs. Francis is grateful that the legislature was able to keep the budget fairly intact for this year, but worries about next year.

Ed Bailey echoed Mrs. Francis' comments and agreed that new items tend to come and go. The outcome of the state budget was certainly much more favorable than the proposed executive budgets. Mr. Bailey believes that this is just the start of a trend that will continue as the State's finances are dismal going forward. He mentioned some state-mandated programs that are no longer funded by the State.

Mrs. Francis commented that they have been advised that the legislators are going to try not to make reductions of more than 5, 10, or 15 percent a year. At least one of the legislators has stated that this will probably be occurring over the next 10 years. This is being done to allow the towns to make the structural changes that will be necessary. A real problem for Durham is the shift in the ECS formula away from property wealth to income wealth. The Grand List in Durham is not that lucrative and the mill equals \$680,000, however household income is on the high side compared to both the state and county averages.

Mr. Finley also commented that, after this current budget, the state budget deficit will be \$4.6 billion which is bigger than what they faced this year. He reminded everyone that it took the legislature over 100 days to pass this budget. He also commended these boards for working together to continue to provide services.

Mr. Bailey commented that the 10-year phase-in that Mrs. Francis mentioned is probably optimistic and will probably be more like five years. He also explained that Middlefield had budgeted based on the Governor's original budget and the adopted budget is much more favorable. Middlefield had budgeted for the entire amount of the teachers' retirement benefit (approximately \$535,000), so he will be proposing a revised budget with a decrease. Mr. Yamartino explained that Middlefield budgeted the way they did to avoid having to issue a supplemental bill in December. He also explained that this budget allowed the municipalities to issue a refund or set a lower mill rate, but there will certainly be administrative difficulties. Mr. Yamartino reminded everyone that the state had cut funding for the resident troopers as well as other cuts that are still existing.

Mrs. Francis explained that it is Durham's intention to do the same thing, however the language is not sufficient as to how Durham sets their mill rate. They are working with legislators to correct the language. She agreed with Mr. Yamartino that it will be a complicated process.

Mr. Moore commended the Boards for working together on this difficult issue.

FY 2018-2019 Priorities for Towns and District

Mrs. Francis felt that is hard to set priorities until the towns hear from the Board of Education that they will help absorb the ECS cuts. If the Board of Education says it is the towns' problem to make up for that cut, the budget process will be very different. She stated that her priority will be to do the least amount of damage possible, including de-funding capital, cutting services and reducing hours at the town hall. She felt that the town cannot continue to just raise taxes.

Mr. Bailey explained that even though Middlefield is going to reduce the current mill rate, the revised mill rate is still an increase over FY 2017. He also felt it would be very difficult for taxpayers to absorb another mill rate increase and he will continue to reduce the number of hours that town employees work with more part-time employees. This fiscal year, two more positions were reduced from full-time to part-time. Mr. Yamartino also commented that enrollment shifts back toward Middlefield this year, resulting in a shift of approximately \$180,000.

Mrs. Francis explained that if Durham were to try to grow the Grand List to provide some tax relief, they would need \$2.5 million worth of market value increase to change it by one mill.

Dr. Taylor commented that he was hearing the first selectmen say that the only option was to reduce taxes and he wasn't sure that taxpayers would want to reduce taxes and lose services. He felt it was tough to gauge where the community is and it will be hard for all boards to do that. Dr. Taylor felt that there should be a balance and that he was hearing a very one-sided approach.

Dr. Veronesi asked for specific priorities from both towns and Mr. Bailey explained that the priority in Middlefield is to maintain a stable budget and a stable mill rate. They plan ahead for any capital expenditures and try to keep a stable budget. Mr. Yamartino also stated that they want to maintain services, including education.

Dr. Veronesi mentioned the Durham Public Library hours and Mrs. Francis stated that they would like to maintain the current level of services. The question is how to do that when the Grand List is not growing and revenue is declining. She explained that Durham's capital needs are to acquire, renovate and operate Korn School as a community center as well as renovate and expand the public safety complex, however they aware that that is probably a priority that cannot be addressed in this current environment. Durham also has a partially-designed sidewalk project for the west side of Main Street. There are also several culverts that are 50 to 70

years old. She explained that Durham has a capital plan, a fleet replacement plan and a maintenance plan that have been properly funded, but that will be a challenge to continue to do without raising taxes.

Mrs. Francis agreed with Dr. Taylor that the towns need to get an idea of what the community wants and desires. She commented that most people will answer yes when asked if they want something, but do not necessarily want to pay for it. She stated that this year, people came into her office with their tax bills asking if it was a mistake and quickly went from being angry to being scared. She explained that people are scared about the values of their houses and if they will be able to sell their house at the values that they planned for retirement.

Mr. Bailey commented that an elderly lady had asked him what the tax increase would be back in May because she had to start putting money away. He reminded everyone that the communities are not made up of just parents with children in the school system. He also explained that Middlefield has a capital plan, but it is not frivolous and the services that are offered are pretty basic. He felt that there was only about \$400,000 to \$500,000 in the town's budget that he could make changes to, which would result in things like closing the parks and de-funding the library. The rest of the budget is really health- and safety-related issues.

Mr. Moore explained that the Board of Education's efforts have been on managing the budget and utilizing existing space. Dr. Veronesi felt that utilization will create the most conversation and that closing a school building is very difficult. She believes that the support from the two communities will be critical on this issue as it will be a very emotional topic. Dr. Veronesi also explained that significant cuts have been made in staffing over the past few years and will continue. Mr. Moore also mentioned separating out the infrastructure needs and how to rebuild the school system with one less building. He reiterated that the debt is falling off and those needs can be managed.

Mr. Moore also reported that there has been great improvement in math skills in every grade and program and curriculum development changes are showing progress. Dr. Veronesi reminded everyone that renovations at Memorial and Brewster to create two K-5 schools as well as small renovations at Strong to make it a 6-8 school totaled about \$30 million, with reimbursement. The District is aware that that is not going to happen and their focus has changed to making alterations rather than renovations.

Dr. Taylor was unhappy with the message coming from the towns regarding the reductions that were needed from the Board of Education budget. He did not feel that the focus should be on a particular number and that the towns should trust that the Board of Education understands that everybody is in a financial pinch. The Board of Education will make every cut possible that does not impact the children. Dr. Taylor would like to see collaboration between the Boards of Finance, Selectmen and Education as far as trying not to emphasize a number.

Mrs. Francis commented that it is hard not to focus on numbers and that the legislators now know that the towns cannot make adjustments overnight. They are also aware that big policy shifts are happening. She stated that the legislators have already said that there will be another approximately 12 percent cut and questioned whether the Board of Education is going to make the towns find that money solely in their budget.

Mr. Moore reiterated that the District is looking at closing another school in the future and saving some money. They are looking to come up with the best budget that will meet their program needs. Mr. Moore feels that the Board has been very conscious of making sure there is minimal growth in the budget and will continue to do so.

Mrs. Boyle asked about outreach to the communities and what questions would be appropriate. She thought perhaps a survey would help. Others agreed that everyone has a stake in this issue and a survey would help. It was also suggested that a number should be included in the survey as well as looking to other towns to see what they are doing. Mrs. Boyle suggested that all resources be utilized and that the Boards continue to collaborate. Mr. Yamartino also mentioned that there should be questions that are specific to each town and to

the District. He also stated that this year was the first year that the Middlefield Board of Finance came out publicly in support of the District's budget. It was also suggested that the survey be done by an outside party.

Dr. Friedrich reminded everyone that they would not be surveying parents, but in fact surveying all of the taxpayers.

Korn School Status

Mrs. Francis explained that her Board has given her the directive to put all capital projects on hold, however work has continued. She reiterated that she felt that the agreement was a fair one. Since the agreement was made public however, she has received push back from her Board, several comments from members of the Board of Finance and a lot of comments from the public. Comments have been made such as if Durham has to take on the debt service, then Tuttle Road should be taken off the table because Middlefield will get 40 percent of it.

Mrs. Francis reported that their attorneys have continued working on the project and they are waiting for an answer from Middlefield as to whether there is flexibility in the debt service assumption. They are also waiting for an answer from the District regarding contingency language that protects the Town of Durham from owning a building that they don't have approvals to renovate and operate.

Once those issues are settled and the MOU is signed, Mrs. Francis is prepared to go to the Board of Finance to ask for funds to go out to bid on consultative services for the feasibility study which will include operating and renovation costs.

Mr. Bailey summarized that it has been two years since the vote to close Korn School and nothing has happened. He also stated that Middlefield was not asked to make any modifications regarding the debt service and had no plans to do so. Mrs. Francis stated that those conversations happened between attorneys.

Mrs. Francis reiterated that she felt that the agreement was fair, but this is not her decision. She believes that having the building available to both communities will enhance everyone's quality of life and that if Durham is operating it as a community center, Middlefield people will participate. She would hope everyone is sensitive to the fragility of the approval process.

Mrs. Francis felt that the feasibility study will take two months and would hope to have the issue on the ballot next November.

Water Main Status

Mrs. Francis explained that this has been going on for 10 years and there were problems with the approval process in Middletown. ZBA and Inland Wetlands voted unanimously for approval and it will now go for an 824 review before Middletown's Planning and Zoning. Once Planning and Zoning approval is given, it goes to the Common Council. At that point, it can then go out to bid. The bidding process will take about six months and construction can start after that. Once the project has been approved, they will seek approval for the water purchase agreement. At that point, an estimation should be available as to what the cost of water will be. Construction will be done over a two-year time period.

Mrs. Boyle asked that Dr. Veronesi, Mrs. Francis and Mr. Bailey work together to move the survey forward and would like to see the cost of the survey split three ways. Dr. Veronesi mentioned that a meeting is already scheduled for the morning of December 13th but asked for an idea of when the Boards would like to see results. Mrs. Francis also suggested that they go to various civic meetings and discuss the issues. Mrs. Boyle was concerned that this needed to happen quickly.

Dr. Veronesi asked if there was some type of public meeting that could be held before the holidays. Mr. Yamartino felt that a joint public meeting would be very helpful. Mrs. Coe also suggested that the questions be listed in the Town Times with an address to mail the responses to. Mr. Bailey commented that Middlefield had done a survey in the Town Times about 11 years ago and it got a very low response.

Mr. Moore agreed with Mrs. Francis' suggestion to attend various meetings to provide information. The general point is that the Boards lack information and how they get that information may not necessarily be a survey.

Mr. Moore also mentioned shared services and felt that that would be a valid item. Shared services, such as recreation and IT, could possibly produce some savings for the communities and the District.

Mr. Moore then congratulated Mr. Bailey on his reelection, Mr. Yamartino on his election as selectman and Mr. Hennick on his appointment to the Board of Selectmen. Mrs. Coe also mentioned that Mr. Donahue had been elected to the Board of Finance. Mrs. Francis thanked Mr. Anderson for his years of service on the Board of Finance. Mr. Bailey also mentioned that Ms. Kowal was elected to the Board of Finance and Mr. Yamartino commented that Mr. Lowry and Mr. Nick were both reelected.

Public Comment

A member of the public asked that the enrollment statistics in the budget include the high school statistics and Dr. Veronesi stated that she would share that information.

Carl Stoup, from Durham, commented that there is not an unlimited supply of money in town and asked how many positions are hidden in the budget that have not been filled.

Mr. Finley commented that elected officials are not judged by how they act during good times, but how they deal with bad times. He commended the boards for working together and having frank conversation.

Adjournment

Mr. Irish made a motion, seconded by Mrs. Boyle, to adjourn the joint meeting of the Board of Education, Boards of Selectmen and Boards of Finance.

All present were in favor of adjourning the meeting. Motion passed.

Meeting was adjourned at 9:30 PM.

Respectfully submitted,

Debi Waz

Debi Waz
Alwaz First