

**Special Board of Selectmen's meeting
December 2nd, 2008**

Present: First Selectman Woody Bliss; Selectman W. Glenn Major; Selectwoman Gayle Weinstein; Town Administrator Tom Landry; Finance Director Rick Darling; Administrative Assistant Judy DeVito; Superintendent Jerry Belair; Board of Education Finance Director Jo-Ann Keating; Board of Education members Ellen Uzenoff; Joe Fitzpatrick; Dana Levin; Phil Schaefer; Lynn Kimberly; Richard Bochinski. Board of Finance members Michael O'Brien; Gerald Sargent; David Muller; Michael Carter; Robert Atkinson; Melissa Koller and Patrice Kopas.

This meeting was recorded and video taped and the tapes are available in the Selectmen's office.

At 9:08 Mr. Bliss called the meeting to order.

Discussion/decision regarding the current financial crisis and its implications for Weston and to discuss any actions that we should take.

Mr. O'Brien asked if we knew where we stood with the Town. Ms. Weinstein said it appear that we have not been affected in taxes collected so far. Ms. Nichols, Tax Collector has said that we are a little ahead of where we were last year. Ms. Weinstein said that we need to look at a year from now and try to predict how it is going to affect us then.

Mr. Muller said the key is going to be the metrics that we use to make the determination. He said other than foreclosures anything that we discuss is antidotal. Dana Levin asked if we knew how many people from Weston were unemployed compared to about a year ago. Ms. Weinstein said she did not know about that data, but our Social Services Department is much busier and she has had an increase in families that she needs to service. Mr. Bliss said she was servicing 30 to 40 families and that number is up to about 90. Mr. Bliss said the trouble you have in turning that into a metric is that the level of severity of each of the families is very different.

Mr. Bliss said in actual foreclosures we have only had one that impacted a family losing their home. Mr. Bliss said most of the money we get comes from property taxes where as seven of the major cities in the state get over 50% of their money from the State. We are monitoring very closely the tax collection. In July it was actually up slightly over the year before in terms of percent collected. January will be an interesting month to see what the impact is. Mr. Major said that so many people pay there taxes with their mortgage that it may not be a clear indication. Banks will pay the taxes even if the mortgage is not current if you are escrowing.

Mr. Bliss said that conveyance taxes are down again this year. We did anticipate that in the budget development a year ago. Building permits are down, various fees in the Town Clerks office are down, but again we did anticipate that. He has data in the current year budget that will show them where we are on the current budget. Bottom line is you have to compare the expenses that were authorized by the voters at the April Annual Town Budget Meeting to the revenue receipts. So far we are on target with the revenue exceeding our expenditures. If the revenue goes below expenditures, then we might cut future expenditures, or do supplemental appropriations, or take the money out of the reserve accounts, etc.

Mr. Landry said in this year's current budget that we are fine in revenues, and as far as he could tell, we were also fine in expenses. Even though revenues are down, we did budget for that. In the non property tax revenues which are about 4% of the total revenues, we are about \$100,000 light. What we do not know for this year is the second largest number next to interest income, which is Education Cost Sharing (about \$950,000). Next year we are not budgeting for that level.

Mr. Landry said on the expenses side, we have done the usual things. Some items may be short, but overall we are not projecting a problem on the expense side. Last year we had a surplus of \$75,000, and in terms of what we are managing, we are solid right now. The real issues is taking what is happening now and building that next budget. Mr. Bliss had told him to build next year's budget with less than a 3% increase. They have looked at the other revenues and expenses we have which impact the mill rate and are not built into that budget. Those things look like they will increase the mill rate by about ½%.

What we do not know is how much grand list growth we have had due to new construction. He said we think it might be 3/10 or 4/10 so it will affect the mill rate by that amount in a positive way. Right now he is budgeting 15% reduction in state aid across the board.

Mr. O'Brien asked how Mr. Bliss got to 3%. Mr. Bliss said through the 10 year plan and backing into that from the mill rate increase to keep the mill rate increase under 3%. Mr. Muller asked if it was feasible to put together a schedule that shows at what point, we need to begin to get worried about the current year budget. Based on what is being said, we can stay the course to the end of June with no concerns. What are the hurdles, events or dates that we can say that we are on a trend that we had not anticipated?

Mr. Bliss said that the big one is Tax Collections in general. Mr. Major said that the only time that the town sees a lag is if the foreclosure is through either the Town foreclosing on taxes where that might take a few years before we do it because of certain bench marks that we have in place or it is a private mortgage or something of that nature. Mr. Muller said if in January we are doing okay with the tax collection then we really do not need to focus on the current year budget but rather the next year's budget. Ms. Weinstein said that the Board had discussed the current budget in previous meeting and they did give a directive to all departments that just because something has been budgeted does not mean that it has to be spent.

Mr. Major said that the Board of Selectmen did go through their budget and looked to see if there were things they could do in this fiscal year that would not only impact this fiscal year but the next fiscal year and he wondered if the Board of Education has gone through that process. Ms. Uzenoff said the budget is constantly groomed and that they have had freezes on several occasions over the last couple years. She said that Jo-Ann Keating and Jerry Belair go through this as a regular exercise. Jo-Ann said this year they centralized a copy center which will save \$100,000. Next year they hope to get the postage machine centralized. They look at fuel and entered into bill fuel agreement last year where they can burn either oil or gas. Ms. Kopas asked if they looking at goals for the curriculum in the next couple years given the state of affairs. Mr. Belair said yes and that would be projected in the budget that they will present this year.

Jo-Ann Keating said that the Special Ed Director is engaged in conversations with area directors to come up with strategies to save money. They did that with the transportation issue with SPED. By

combining with three districts that cut the cost in half from \$40,000 to \$20,000. Jerry Sargent asked if they expected to see a transportation line savings next year. Mr. Belair said that their consultants had said to them that they should anticipate a 10% increase in the transportation cost if they continue to do business the way they currently do it. Their hope is that they will do business differently, so that it would be cost containment. It may not be cost savings, but cost containment.

Ms. Koller asked that the Board of Education be very clear as they are preparing the budget on separating out contractual obligations, mandated cost whether it is from No Child Left Behind or retro fitting buses. Jerry Sargent said that the transportation every year is an enormous underutilized cost. Any solution for that seems to him would accrue great benefit from that including an enormously improved traffic pattern at the schools.

Ms. Weinstein said if they took it down to a two tier system, instead of having three bus routes doing the same loop, have two buses doing the same loop, it would help the rider ship times, which would increase the number of people on the bus, which would help the traffic which would also decrease the number of buses that we need, etc.

Joe Fitzpatrick said Ms. Keating and Dan Clark had taken the Kaestle Boos report and dissected it and developed a matrix 10 year plan and the architect took a shot at prioritizing the needs. He said they looked at what they really need or what they would like to have. They broke it down into three subsets. Mr. Fitzpatrick said if we have to patch the Middle School roof for a while and get a couple of years out of it, we can.

Jo-Ann Keating said that they were waiting for the Capital Advisory Committee to meet so that they can discuss this. Mr. Fitzpatrick said this would be a short term solution, but if that is something that they have to do, we can do it without creating havoc. Ms. Uzenoff said that we have neglected our school buildings and if we slide backwards we will be in trouble.

Discussion/decision regarding the outlook for fiscal year 2009-2010 budget

Mr. Landry said that 3% means \$318,800 dollars. We have no one under contract. The mill rate impact factor, things that will drive the mill rate up or down regardless of what you do in the budget. Declines in non property tax fees and he said he is using 15% reduction in state aid. Mr. Bliss said that both CCM and COST have taken a very strong position and are lobbying the position that state aid should remain the same. Mr. Landry said he arrived at 15% because the States estimate of there of their deficit next year is about 15% of their 18.5 billion dollar budget.

The \$300,000 for the Lyons Plain Fire House comes out of the General Fund surplus and next year it has to be built into the mill rate. Next year the debt service goes down \$466,000, which will help to reduce the mill rate.

Mr. Landry said that we are projecting this year that the fund balance will increase by about \$260,000. Last year we had about \$1 million in growth and had been around \$1 million for the last four years. The fund balance growth is a quarter of what it has been. As we go into next year there is that much less. We are not going to be able to spend out of the fund balance like we have in the past, and be able to maintain starting the year with the numbers you want to start at.

Mr. Bliss explained how getting the budget together with the department heads works and that they are given a number that they have to work with. Mr. Landry said there is a quality level to maintain. If the money is not there to sustain it at the level it needs to be, it means that we go out of certain businesses.

Ms. Weinstein said she would like to see more of a scenario base budget where we take a worst case and then we can build it up. She feels it is hard to build down, once a budget is made. Ms. Levin asked if we had access to the unemployment statistics for Weston. She felt it would be helpful to have hard data. Mr. Major said some of the data you have, you know the property values have come down, the number of families that need Weston Social Services has doubled and Social Services has referred people to him to try to give them some advise. With the housing prices coming down, owners do not have the equity in their house that they were using to keep themselves above water.

Mr. Bliss said for the current year the Town budget was up 4.57% and the mill rate was at 2.82%. The Board of Education budget was up 5.48%, but we had a 1.9% growth rate in the grand list. We are not seeing that this year.

After some discussion the Board of Finance asked for a structural review, not just a budget review. Mr. Sargent said that they did not want to get to the eleventh hour and have to slash the budget. Mr. Bliss said that was unavoidable unless the Board of Finance could say do it at flat, do it at 1%, 2%, etc., because there is a process with the departments to bring those numbers in.

Mr. Landry said that on the Town side to get to 3% means reducing bodies. To get below 3% means more bodies and deferred capital. He said he did not feel the need to get a bunch of employees all shook up on a maybe.

Mr. Bliss gave a copy of the ten year plan to the group. He said that it shows a dramatic drop in the growth of the grand list, which has serious impact. Also it shows significant drops in both Town and Board of Education budget.

Mr. O'Brien asked about a long term Town plan. Mr. Bliss said the Town Plan of Conservation and Development is in development now and will be coming out soon. He said because we are so residential, we do not have the changes that they do in other Towns. There are less than 300 potential building lots left. If we are lucky the tear-down phenomena will continue, which will increase the grand list. Mr. Major said without putting in sewers and public water, there is not a whole lot that the Town can do beyond the two acre residential zoning.

At 10:35pm Ms. Weinstein made a motion to adjourn the meeting. Mr. Major seconded and the motion passed unanimously.

Respectfully submitted

Judy M. DeVito
Administrative Assistant
Approved 1/08/09