

These minutes are subject to approval at the next BOS/BOF Budget Meeting

Town of Chester, Connecticut
Chester Board of Selectmen/Board of Finance
Special Meeting and Budget Workshop
Thursday, March 7, 2019

CALL TO ORDER

Virginia Carmany called the BOF to order. In attendance were Virginia Carmany, Jennifer Rannestad, Rick Nygard, John O'Hare seated for Jon Joslow and Michael Joplin seated for David Cohen. Lauren Gister called the BOS to order with James Grzybowski and Charlene Janecek seated.

MEETING MINUTES

Meeting minutes from the Joint Budget workshop of February 21, 2019 were approved with corrections to totals 6.89% should say 7.3%. Also remove statement under (a) that totals do not include potential Masonicare tax change is false and remove statement on second page the Masonicare number is not included. The revenue numbers have assumed \$173,000 reduction in taxes from Masonicare. The bottom line number balances all revenue increases and decreases for a total of \$180,857. Governor's budget numbers are not included because they are expected to be adjusted by the legislature. Virginia Carmany making the motion and James Grzybowski seconding. Charlene Janecek and Michael Joplin abstain.

BUDGET REVIEW

CES/R4 Budgets. The BOS and BOF reviewed the proposed 2019/2020 budget. Capital spreadsheets will probably be included and reviewed at the next meeting. The most recent school budgets for CES and Region 4 were distributed but not included in the most recent numbers because the new budget recommendations were just released. The Region 4 budget has been decreased from initial estimates. Newest numbers for Region 4 net increase is \$697,826. Discussion of budget to budget increases versus projections to budget. Virginia commented that their year-end projections were lower than budget and questioned why there was such a big increase if this year's numbers are lower. Lauren explained the major increase drivers as contract salary increases, step increases, health insurance estimates, and some impact from the new method of budgeting for capital expenses. Chester Elementary is currently at \$4.4% increase. Chester's increase will be tremendous due to its share of ADM; Deep River and Essex are still shrinking and Chester has leveled off with regard to school populations. At this point in the budgeting process the school budgets represent approximately a 1.5 mill increase to the taxpayer even without the town expenditures.

School Populations. Virginia questioned why such an increase when it appears Region 4 is losing numbers in the coming year. Business manager has provided numbers that don't appear

to agree with Superintendent's comments that VRHS is gaining a large number of students back from magnet and private schools. It was agreed that the numbers/trends would be verified with Region 4 for the next meeting.

Region 4 Capital Budget. A brief discussion was had regarding capital needs and budgeting for Region 4 and the need for bonding in the relatively near future for big ticket items such as renovation of science labs, etc. Virginia asked what capital projects are taking place currently and how that will affect the closing balance for the year. The dates for retirement of the 3 current bonds was discussed and whether the Region can avoid another bond until those are gone, even though it is assumed that the future bond will be for a much lower amount than the current bond obligations.

Question of increase of phone bills – postponed until COMCAST audit on March 14th

Increase requests from Departments (Not included in draft budget at this time)

CHC Request for more part time EMT hours to be balanced with additional revenue (Fire Chief Brainard and James Grzybowski discussed rationale) – BOF/BOS expressed support for increase

Library Director request for more hours and to increase children's librarian to full time (Library Director to attend March 21st meeting to discuss)

Human Services request for step increase

Emergency Management request for stipend increase

Fire Marshal request for more hours and increased budget. FM present and discussed rationale for substantial increase in budget. Majority of FM budget is labor – very little overhead b/c they are outside contractors. Discussion of institution of fee schedule, modeled after Old Saybrook, which will bring in some revenue. Must be careful in how fees will be charged, i.e. multiple visits for the same issue, etc. State of Connecticut did not allow the charging of fees until Oct 1, 2018. Additional time in ice issues, propane tanks from flooding, bridge posting for fire vehicle access, etc. New increases based on average of last two years' required inspections. Lauren asked why fire marshal budget has quadrupled in last 7 years. Every year budget increases; every year over budget is over. FM states that there are too many things that happen that cannot be planned for, and the inspection requirements necessitate more hours. He stated that he believes this budget proposal is where the town should be.

Special requests of approximately \$160,000 in addition to the \$86,000 "normal" increase in budget draft documents (additional Library hours and personnel, CHC extra personnel, Human Services step increases, Visiting Nurses request are not included in this budget at this time).

Lauren stated that this budget is very tight with very little opportunity to cut. Estimates for additional hydrants and Valley Shore (911) are still unknown and hopefully will be minor.

Jennifer Rannestad inquired as to the reimbursements for flood related damage. Lauren stated that we do have reimbursement requests out to FHWA, FEMA and NRCS for flood damage, but we will have a cost share of 20-25% that will not be reimbursed, and we do not know whether any of those funds will be available during this year's budget or if it will wait until the 19/20 budget year has begun.

Lauren reported that the Governor's budget looks a little better for state revenue next year, although it is too early to tell what the legislature will do. It is still unknown whether we will have an obligation for teacher pension payments. Our estimate for Educational Cost Sharing funds for the 18/19 fiscal year (this year) has come in approximately \$50,000 higher than expected, although we have not received the funds.

A brief discussion of potential revenue opportunities for Region 4 with regard to the sale of property as well as the reports of post-closing legal bills related to the Mislick property engendered questions to be asked of Region 4 with regard to intent to recoup a portion of the funds spent on the land.

James expressed concern about consistently pinching the town expenditure and capital budgets in order to deal with the repeated increases to the education budgets. Education represents 90% of the budget increases and almost 70% of the overall tax obligation. Michael and Jennifer respectively commented that we need more information about how the schools come up with their numbers and information about what will happen in the upcoming budget years. Virginia stated that we have not received the four year projections for the school budget that has been requested repeatedly. It was agreed by all that it is important to maintain our infrastructure and maintenance of Town facilities regardless of the school budget and that we need to advocate for all of our residents. It is more important than ever to make sure the public is informed about the decisions that are being made that will affect the taxes.

ADJOURNMENT

On a motion made and seconded, the meeting was adjourned at 10:05 p.m.

Respectfully submitted,

Lauren Gister