



Meeting minutes for Joint Budget Workshop VII
CHESTER BOARDS OF SELECTMEN AND FINANCE

APRIL 7, 2021 at 7:00 PM via Zoom
203 Middlesex Avenue
Community Meeting Room

Call to order

- Seating of Members – at 7:03 pm Virginia Carmany, Chair, seated the following members: Carmany, Nygard, Rannestad, O’Hare, Strauss. Joslow and Gardner arrived around 7:10.
- First Selectwoman, Lauren Gister seated herself, and Englert. C. Janecek arrived at around 7:20 pm.
- Motion by Gister, seconded by Ranestad to move approval of meeting minutes to later in the meeting was unanimously approved.
- Approval of Workshop Meeting minutes – April 1, 2021

Audience of Citizens – there were no comments

New Business

Brian White presented the Chester Elementary School high level budget overview and answered questions. Also in attendance was J. Stack, R. Grisson, T. Stodard, D. Fitzgibons and J. Grzybowski. The Chester Elementary School budget is at \$5,150,022 a 3.74% increase of \$185k.

63% of the budget is salaries and benefits at 23% of the budget for staffing

Budget detail can be found on line under R4, Chester.

A major budget driver was maintaining what we have and be well equipped to meet the needs of the students next fall. New initiatives this year include the increase in substitute teacher pay to be competitive with nearby towns and a District wide initiative to study and report on the capital infrastructure needs of all the school buildings over the next 5 – 10 years.

Solid gains in Student achievements in several areas and staff development for the teachers.

Several State Mandates that are unfunded and still must to complied with.

Priorities highlighted are to be fiscally responsibility to the Towns the schools support and a safe and welcoming environment.

White went into the current student headcount and enrollment projections that drive the staffing needs.

Region 4 final budget number was presented and a slight decrease of approx. \$1,416 to Chester as well as details of Chester Elementary School’s capital request were discussed.

Note April 29th Public Hearing.

Q and A: Request for detail around the R4 budget numbers and discussion regarding presenting net or gross numbers.

A request for cost per student was made and Brian indicated the current cost per student could include the students in classrooms and/or outplaced students which would impact the numbers. He

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continued that the configuration of our schools has a dollar impact most likely higher than similar school systems due to inefficiencies in our school structure.

What are the major inefficiencies in our schools was asked. Brian responded that the current structure does not allow for sharing of staffing, 5 different boards, 5 different schools and each school is running below capacity as compared to unified school systems PreK – 12 that are more capable of addressing staffing and programing across all grades vs. our compartmentalized structure and the projections of continued declines in enrollments.

There will be a R4 deep dive into student enrollment and program requirements as a new initiative in the fall.

10 year demographics, programmatic needs and capital requirements need to be addressed over the next few years to address how to move forward that may or may not result in 'regionalization' but will assist in building toward a more functional system.

Current cost for student is \$25K was provided by Bob Grissom for CES.

Concern that cost per student needs to be considered with some detailed analysis due to the actual makeup of salary and benefits in conjunction with teacher seniority and pay scale that may be different within different schools.

Thanks to all from BoF and BoS.

Peter Evankow joins the joint meeting.

Gister first focused on the State Health Insurance Program that might save the Town as much as \$85k, though it needs to be approved by the Town employee union and may increase costs a bit to the employees and several details were presented while there is a for some details need to be resolved.

Gister also stated that Trooper LaRue will resign in two weeks and a temporary Trooper will be assigned until a new Trooper is hired. He made sergeant and his salary has increased over time.

The next part of the meeting went into discussing the Budget Adjustments document.

Gister indicated the change in R4 to Chester may be recalcd as a reduction of approx. \$8k. This will be confirmed.

Carmany thanked Peter and Lauren for all the hard work that is needed to prepare these documents within short time frames.

There were no questions regarding the Budget Adjustment sheet.



There were additional open items to add: Bulky waste transfer station – however it will not be going up and a new committee will be formed. The town attorney has retired and the new costs for legal hourly rates will be going up for general legal work from \$165 per hour to \$400 per hour.

Public Wi-fi and technology upgrades were discussed. Gister proposed that the dollars the American Rescue Funds be used for Public Wifi and request that \$20-\$25k be considered or use BoF contingency if the American Rescue Funds cannot be used.

Carmany suggested that the technology upgrades approx. \$5-7k be considered to be used from current surplus and be done before the end of this year and Gister concurred.

Gister indicated the Tree Warden would need the additional funds at \$15K for Tree work. There will be funds in capital to move to trees. Will be put on next week's BoF agenda.

Review of Budget Reconciliation Document:

Gister indicated the difference between revenue and expenses is currently at \$568K with the new numbers from R4.

Estimated surplus for current year is projected at \$273,500 due to increased tax collection and a new forecast for the ending surplus for the current year expenditures that Peter provided.

Joint Boards began to look at how to bring the tax increase down and begin to understand what the members feel is a good target. Carmany spoke about how any use of surplus this year would impact the next years and requested that members be cognizant year over year impacts.

Gister spoke that future years surplus would be impacted by the change in Medical insurance costs as the current year projected surplus includes approx. \$55k in surplus that a change in the Medical Insurance plan would no longer generate at the end of the year.

Details of current year's projected surplus include \$155k in additional tax collection, \$55K in Medical Ins., BoF contingency \$53k as well as other ups and downs. Approx. \$100k can't be considered as possible surpluses next year.

Carmany noted last year \$162k was used to prefund Capital from surplus and the revenue stream was increased to \$225k from \$200k from surplus in the General Fund as well as the \$50k new appropriation for the Oil Tank replacement was pulled from the General Fund surplus.

A question was raised if there were any instances where we might not be fully taking care of the needs of the town? Gister indicated that nothing was being pushed out or not being done that was needed to maintain the Town per our Capital budget or expenditure budget.

The Board then discussed a target % increase and the impact to taxpayers and the impact to the following years based on the current General Fund surplus of over \$3M while retaining a 16.6% cushion, leaving approximately \$600k available to spread over this and future years. It was noted that there was an additional amount of \$225k used from surplus to increase revenue as had been the practice for several years for a total of \$437k.

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3.5%, 3% or less.... Were discussed and the dollar requirement.

An additional request to not use \$200k from surplus for increased revenue but use only \$300k to offset capital was also discussed.

Carmany explained that part of the historic use of surplus to increase revenue was due to the delta between the 98.75% expected receipt of tax collections and the 100% or more that actually get collected including back taxes and interest on back taxes. Peter indicated that we have been putting some surplus in revenue from several years ago and in some years it had been even more substantial for upto \$500k or more.

Gister then suggested that we move toward a .75 mil increase or 2.62%. Peter made a suggestion on how to get there with fund balance, prefunding capital and use of current surplus for a new appropriation. A suggestion to set aside the risk due to Masonicare was brought up, but that may be resolved within the next 6 months.

The board had a lengthy discussion around revenue, reopening expenditures for reductions and an unsustainable trajectory regarding contractual obligations for the town and for the education budgets and how to use the surplus and how much to keep and how much to soften the tax increases for the community.

Then board was poled to see where the board found consensus as a target and it was determined either a mil increase of .86 or a 3% increase or .75 a 2.62% increase would work for almost everyone and .75 got the most votes.

Peter suggested for a .86 mil increase or 3% tax increase:
\$200k from surplus to revenue
\$100k transfer from current operating surplus to offset capital
\$100k additional appropriation to offset capital

Waiting for surplus from the Education.

Mil rate will be voted on after the Town meeting to approve the budget and the details can be worked out over the next couple of weeks.

Vote to send the expected 2021/2022 Expenditure budget of \$14,860,993 to Public Hearing was moved by J. Rannestad and seconded by R. Nygard. Approved by all Board of Finance members except R. Strauss who voted no.

Meeting minutes for April 1, 2021 Joint Boards meeting. Moved by R. Nygard and seconded by J. O'Hare.

Gister wants to add a request from Joel severance to pay the consultant who assisted to get all the permitting done that needs to go first to the Board of Selectmen.

Passed unanimously.

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Motion to Adjourn by Charlene and seconded by Lauren for BoS and John O'Hare and seconded by Jennifer Rannestad for the BoF. Passed unanimously at 9:30 pm.

Budget 2021/22

- Review updated documents and scenarios document
- Review Capital Budget and open items
- Review Operating Budget and open items
- Review Revenue and open items
- Consider impacts to taxation – including any Federal monies (Education and Municipality)

Audience of Citizens

Adjourn