

Preston Board of Finance
BoF Public Hearing
Thursday, May 9, 2018 at 7:30 p.m.
Preston Plains Middle School Gym

Public Hearing

1. Call to Order

Melissa Lennon called the Board of Finance Public Hearing to order at 7:32.

Melissa Lennon then told the audience that after each presentation there would be time for questions and comments. She let them know it would be greatly appreciated if comments were as concise and to the point as possible due to the number of presentations and in the interest on time.

2. FY20 Budget Presentations with Public Comment & Questions (after each)

- Introduction & Grand List; Local Revenue; State Revenue; and Long-Term Debt – Board of Finance – Melissa Lennon

Melissa Lennon presented the proposed FY20 Budget Summary by sharing a brief power point with the audience. She explained the process the Board of Finance took to reach the proposed budget. Starting with the Board of Education proposed budget of \$12,261,999.00; the Board of Finance agreed to reduce that by \$200,000; therefore, is presenting to the town a Board of Education budget of \$12,061,999. Then Board of Finance looked at the General Government proposed budget of \$3,994, 680; the Board of Finance agreed to reduce that by \$75,000; therefore, is presenting to the town a General Government Budget of \$3,919,680. Note that a new local revenue line item has been created to show the Poquetanuck Ambulance \$70,000 contribution to specially fund new staff.

The Board is allowed to decide where the \$75,000 of cuts can come from in the General Government budget unlike with the Board of Education's budget. The Board of Finance agreed to cut \$32,000 from the Fire Department; \$23,000 from the Public Works; \$17,000 from PRA; and \$3,000 from the Board of Finance. Melissa Lennon then shared the projections of how these budgets will be funded through State and Local Revenues as well as property taxes based on the Grand List. The Grand List has increased since 2019 therefore more residences and business will share the burden of the budget. It has been calculated that for FY20 1 mill = \$431,415. Then Melissa went over both Local and State Revenues.

Melissa Lennon spent time to explain in detail and answered multiple questions about the actual change in the total expected State Aid for FY20 to Andy Bilodeau and Ed Gauthier.

Stacey Becker interjected and explained that the number on the handout is correct, but the FY20 State Revenue total for FY20 on the slide was not.

As for the long-term debt, there is an expected increase and then a steady decrease over the next 10 years.

Andy Depta asked whether the Board of Finance extrapolates debt in the next 5-10 years. Melissa Lennon answered that the Board only considered the known debt.

With no further questions, Melissa Lennon turned the audience over to Dr. Seitsinger to present the Board of Education's Budget.

- Education Budget – Board of Education – Dr. Seitsinger

Dr. Seitsinger explained the lengthy process the Board of Education went through to reach their proposed budget. He explained that the increase to the Education budget are partly due to salaries that are contractual, health & dental insurance, and utilities that are estimated increases. He also shared that several new positions were added – a Social Worker which is a high priority need; 2.5 para-professionals that have already been added during the current year because of new students that arrived after the start of the school year. It's also hoped to change the Special Education Director from a 0.5 to a 0.6 position so that the Director can be on-site and have more contact with Special Education staff for better planning and the implementation of needed services to students. There also is an added bus driver. Also, the Board of Education has implemented a retirement incentive that has netted a \$60,000 savings for FY20. He then explained that since the Board of Finance made the \$200,000 cut to the Board of Education budget, the State Appropriations Committee has proposed to restore \$121,000 of the \$143,044 that the Governor's Budget had cut from the town of Preston's Education Costing Sharing Grant.

Andy Depta pointed out that according to CT State Statutes, the Board of Finance must either accept or reject suggestions or recommendations of the public. He recommended a decrease of \$30,134.01 because not all salaries have a 2% increase. He continued to point out the School Secretary has a 30% increase; Special Ed Director a 22% increase; and School Nurse a 29% increase. Andy had a hard copy for the Board of Finance to see all the discrepancies of the 2% salary increases.

Dr. Seitsinger explained that some of the increases are because of positions being added as well as a change of staffing. He pointed out the School Nurse, who was an RN, retired; and they had hoped to replace her with an LPN. However, the school's needs required an RN which has an increased cost. Contracts are in a 2% increase cycle that is being adhered to.

Comment was made; - so, you'll be over budget this year?

Dr. Seitsinger answered, no, we'll actually return funds to the town.

So where do those changes or savings come from?

Dr. Seitsinger mentioned that Special Education students come and go during the year which causes fluctuations in the budget. Also, we didn't have to hire a teacher this year because enrollment in a class stayed low enough – although two more students would have required the extra teacher.

Tom Turner asked if Dr. Seitsinger could clarify what an LPN was?

Licensed Practical Nurse

Gail Smith asked for clarification about spending and salary increases?

Sean Nugent explained the way the Board of Education used to report salary changes accurately was using the general wage increase GWI and steps, which are credits for additional education and responsibility. For some staff, the combination doesn't always equal a 2% increase. With contractual agreements already in place the \$200,000 cut will have an impact on programs.

Amanda Phelps recommended restoring \$100,000 to the Board of Education Budget because of the restored State funding.

Andy Bilodeau asked why can't contracts be changed and be prioritized?

Dr. Seitsinger explained that this year 2 contracts have been negotiated already and two other contracts are expected to be negotiated.

Ed Gauthier asked if the Board of Finance is able to set monetary boundaries for the amount that teachers and administrators can use in negotiations?

The answer was no, there are processes that must be followed. That process was reviewed.

Ed Gauthier was asked if 2 contracts have been finalized, why are legal fees at or just above the amount this year?

It was answered that the legal team is dealing with other matters, besides the contracts.

Ed Gauthier continued to question the contracts.

Sean Nugent explained the contract negotiation process and the importance of the town avoiding Arbitration. The approved contracts for both the teachers and the administrators after the required 30 days were uncontested.

Susan Strader added her support for restoring \$100,000 to the Education Budget because of the \$123,000 that was put back by the State Appropriations Committee. The town needs to think more long term. The importance of Education hasn't changed; but how we teach and prepare students has changed greatly.

Michelle Bilodeau asked for clarification of the numbers being presented.

It was answered that it is hoped that \$120,000 be restored to the education budget. The town has a legal obligation to students that require the school to hire additional staff to meet their specific needs.

Are we over funding?

It was answered that the town is not in control of the families who move in and out of Preston. We need to be flexible to be ready to cope and deal with their needs. It would be great to predict exactly are needs are, but we can't and we do the best we can to predict our needs. This way we don't have to come back to the town and ask for more funds.

Mike Clancy stated he would much rather The Board of Education returns \$100,000 every year than to ask for additional funds.

Jill Charon recommended to restore \$100,000 to the Education Budget. The Board of Education has typically returned funds to the town and it seems only fair to support them now.

Dr. Seitsinger added that in the past few years, on average the Board of Education has returned \$110,000.

Ed Gauthier asked what, if any, inefficiencies did the Board of Finance find that led to the \$200,000 reduction to the Board of Education budget?

Melissa Lennon explained that the Board of Finance can't tell the Board of Education where to make their reductions.

Dr. Seitsinger added that the Board of Finance looked through the entire spending plan line by line, asking questions before their recommendation was made.

Andy Bilodeau commented that he believed that the Board of Finance did their job with due diligence, that the \$200,000 cut is good and recommended an additional cut of \$30,000. If they need more they can come to the town and ask.

Pat Biggins agreed with Andy.

Nick Vgliaente asked what the impact of a \$200,000 or \$230,000 cut would be?

It was answered that without a budget approved, it would be difficult to speculate. However, a reduction would impact a teacher or program outside the core curriculum; either would affect the quality of the school's offerings.

Jill Charron opposed an additional \$33,000 cut. She doesn't feel the numbers are fair or accurate.

Kara Sawyer supports giving \$100,000 back to the education budget and agrees with Jill.

Jan Clancy opposed the \$33,000 cut.

Bob Congdon commented that while there have been several statements as to what the Board of Finance's job is, Ed Gauthier is right in that the Board has to look over proposals and to come up with a budget that meets the educational needs of the town; but to put forth a budget that will have them knowingly coming back to the town asking for funds is in direct conflict with State Statutes.

- General Government Budget – Board of Selectmen – Bob Congdon

Bob Congdon explained that the original General Government budget had a \$510,680 increase. He explained the areas that had over a 2% increase. The Building Inspector usually is budgeted for 16 hours per week, but due to increased activity it's now budgeted for 18 hours. Social Security and Medicare are driven by the 2% wage increase to all town employees and the additional staff requested by the Fire Dept. Pension is up 25% due to the additional firefighter and the state municipal employee pension increased from 11.4% to 14.22%, which will continue to go up until it reaches 22% in four years. Elections increase is due to staffing and the move from the Town Hall to the school for a polling location. Tom Casey will address the Fire Department increases. Police is budgeted for 2 State Troopers, with both at the top step; this year State Troopers are budgeted with one at the top step and one at a middle step. Parks & Rec is for additional programs, primarily for Seniors; 2% raises; and for Greenfield Park, which is over 25 years and in need of improvements. The Library increase is due to pension, health care, and 2% raises. Public Works the increase is due to an employee moving up a step and 2% raises. The Transfer Station increase is due to having to pay \$35 a ton now plus trucking to get rid of it rather than making \$5 per ton, as we have traditionally done in the past.

Jerry Grabarek asked what the difference was between the pension rates of the firefighters?

Bob explained that the 2 firefighters at present are administration and the are at 14.22%, but the new firefighter would be on the line at 18%.

Andy Depta suggested reducing the Selectmen salaries by 2% because after the November elections there will be new people in those positions with less experience. There are several lines totaling \$240,000 currently that are unspent with just 2 months until the end of this fiscal year. We have a Health Director salary, but as of July 1st we'll have Uncas Health District. For the PRA, why are the taxpayers paying a 10-million-dollar state grant and a 2 million bond. FY19 saw a 2 mill increase and now FY20 has projected 1.8 mill increase. The Board of Finance needs to take a hard look because a 1.8 mill increase will fail.

Bob Congdon stated that cutting the Selectmen's salary is a bad idea; for the sake of the town, they need to have competitive salaries. He also pointed out that some bills don't come in until June, so some lines will be spent. There is a mistake in the budget, though; the Assessor should show a 2% increase. The State Trooper bill of \$250,000 doesn't come in until June, so that line will be spent. Public Works chip sealing work will be done between now and July; so, that money will be spent.

Sean Nugent shared that as for the PRA, all the 12 million has been spent; as the clean-up process has continued unforeseen issues have arose that were costly to handle: problems like finding layers of roadways and, asbestos in the ground intertwined in roots. The \$80,000 site preparation line is for closing costs, which, include new surveying and the placement of monuments.

Andy Bilodeau asked what stipend and benefits the 1st Selectman gets? What about the Town car?

Bob Congdon shared that he uses his personal car, and only asks for mileage when he goes to meetings in Hartford or New Haven.

Andy Bilodeau suggested with the additional monies that have come to light that an additional \$50,000 be cut from the General Government budget. Why won't the Public Works funds be spent until June?

Bob Congdon replied that this April's weather wasn't conducive to getting the work done, like chip sealing.

Ed Gauthier commented that the Board of Selectmen has been very frugal historically and recommended that the Board of Finance accept the budget as presented.

Michelle Bilodeau asked the projected return from the General Government budget to the town in FY19?

It was answered about \$100,000

Mike Clancy commented that any money returned to the town could help to reduce the mill rate in the future.

Yes, but don't plan a budget that way – historically both budgets have returned funds because we have found savings during the year.

- Fire Department – Fire Chief, Tom Casey

Chief Casey gave a brief history of the Preston Fire Dept. which now is considered part of Homeland Security. He then explained that the town is at the end of a 10-year plan to move towards coverage 24/7. He stressed the "2 in 2 out" mandate. He pointed out that from July 2016 – June 2017 there were 110 EMS calls in which no one responded and 147 fire and rescue missed calls; the majority occur between Thursday to Sunday from 10pm to 6 am. By adding paid staff, those missed calls have decreased. He showed that in Jan. and Feb. of 2019 21 missed EMS calls; 19 missed fire & rescue calls; 50 calls with no volunteers; 19 calls where only the Fire Chief showed; and 5 calls that only the paid staff showed by themselves. Most of the missed calls occurred between 4pm-12am. Even with the increase in staffing this year, the Fire Dept. still is not able to follow the "2 in 2out" mandate and is missing calls. Safety is important and if the suggested \$32,000 cut was to be put back, it would cost the average household \$1.81.

Jill Charon asked when the request goes out to other companies to transport, does that cost the town?

The answer was no.

Lynne Whitney shared that the Fire Department has come to her home 7 times within one year and that she was very grateful.

Gail Smith thanked the Fire Department for their service and supports the proposal.

It was asked where the Poquetauck Ambulance gets the money to give the town?

It comes from billing the insurances for the transportation of patients.

Ed Gauthier asked if they would staff both firehouses?

Yes, but not fully at both firehouses.

Ed Gauthier asked if there would be a savings in consolidation of the two firehouses.

That may be a next step to consider.

Andy Bilodeau ask if there would be a savings to hire part-time per diem staff, to fill the full-time positions.

It may be hard to find that many part-time firefighters to fill those hours. It already takes 15 per diem firefighters to cover the hours needed now.

Jan Clancy recommended restoring \$32,000.

Tom Turner thanked the Chief for his service, and then asked if the per diem firefighters work elsewhere. The Chief explained that all the per diem staff are full-time firefighters elsewhere and that they work for Preston on the side for extra income.

Tom Turner recommended restoring the \$32,000 to the budget.

Andy Depta used an Excel Trending and Forecasting program to project the Fire Dept.'s costs in 5 years at 1.2 million. Where are we going as a town will you ask for another staff member next year?

Chief Casey said, barring Riverwalk, what is being asked for should hold for 2-3 years.

Mike Clancy thanked the Chief for his service, and supports his recommendation. He also asked if the town is liable when the Fire Dept. or Ambulance fails to arrive and provide services after the Fire Chief has presented facts that this is what the town needs. He finally stated that the \$32,000 should be restored, and that possibly an additional \$100,000 be put aside for future needs of the Fire Dept.

Leigh Pappas stated that she appreciated the morale and service he and his staff bring to the job; and she recommended that the \$32,000 be restored to the budget.

3. End Public Hearing

Stacey Becker motioned to adjourn the Public Hearing at 10:13 p.m. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

Respectfully Submitted,

Recording Secretary

**Preston Board of Finance
BoF Special Meeting
Thursday, May 9, 2018 at 7:30 p.m.
Preston Plains Middle School Gym**

1. Call to Order & Roll Call

Melissa Lennon, Chair, called the meeting to order at 7:31 P.M.

Members

Melissa Lennon – Chair
Jerry Grabarek – Vice Chair
Stacey Becker – Clerk
Sandra Allyn-Gauthier
Keith Wucik - absent
Ken Zachem

Alternates

Ian Stammel – excused
Lennie Spencer – excused

Also Present

Bob Congdon – 1st Selectmen
John Spang – Finance Director
Roy Seitsinger – Superintendent of Schools
Sean Nugent – Board of Education Chairman
Chief Tom Casey

Approximately 65 members of the public.

2. Recess Special Meeting to Conduct Public Hearing on Town of Preston Fiscal Year 2020 Budget as proposed by the Board of Finance.

Jerry Grabarek motioned to recess the Board of Finance Special Meeting at 7:32 p.m. until the conclusion of the Public Hearing. The motion was seconded by Ken Zachem. The motion carried unanimously.

3. End Public Hearing

Stacey Becker motioned to adjourn the Public Hearing at 10:13 p.m. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

4. Reconvene Board of Finance Special Meeting

Stacey Becker motioned to reconvene the Board of Finance Special Meeting at 10:18 p.m.

Ken Zachem seconded. The motion carried unanimously.

Note: Due to noise or other activity, the Board of Finance reconvene in Library.

5. Discuss Public Comments & Questions from the Public Hearing

Kim Lang, Recording Secretary, read all comments and questions that the public made during the Public Hearing.

6. Act on proposed FY2020 Board of Education budget

Melissa Lennon summarized the two sides that the public seemed to take. On one side there were those that wanted to see an additional \$33,000 cut from the budget. On the other side, there were a number that supported restoring \$100,000 to the Board of Education's budget due to the fact that the State Appropriations Committee proposed an additional \$121,000 to the town in the ECS grant that was not known at the time of the Board of Finance's initial deliberations. Numbers have changed in the last 5 days. Dr. Seitsinger was asked how reliable are those figures. He responded that the numbers are coming from the State Appropriations Committee and that while they have come through a month ahead of schedule, he felt this was a positive indication and felt reasonably assured that those funds will be allocated to the town. He did add there are no guarantees.

Ken Zachem motioned to approve the Board of Education budget of \$12,061,999.07 for Town Meeting. Jerry Grabarek seconded the motion. The motion failed with Jerry Grabarek and Ken Zachem voting yes and Melissa Lennon, Sandra Allyn-Gauthier, and Stacey Becker voting no.

Melissa Lennon asked each member in turn their thoughts. Stacey Becker felt it would be good to put some money back, maybe not all the \$100,000. Sandra Allyn-Gauthier felt that the Board should listen to the people. Ken Zachem stated that most of those that supported giving the \$100,000 back to the Board of Education budget were school employees or parents, so they have a vested interest. Jerry Grabarek commented that the Appropriation Committee's recommendation isn't in stone and urged caution. Melissa Lennon shared with the group that she felt the Board needed to make the decision based on the best numbers at hand. She then shared that the Board of Education has a savings of \$60,000 due to an early retirement incentive, taking their original \$200,000 cut to a \$140,000 cut. It was then discussed to restore some of the Board of Education funding, but at a compromise of \$50,000 rather than the full \$100,000.

Sandra Allyn-Gauthier motioned to approve the Board of Education budget for \$12,111,999.07 for Town Meeting. Ken Zachem seconded the motion. The motion carried unanimously.

7. Act on proposed FY2020 General Government budget

Melissa Lennon and Stacey Becker both pointed out that many of the public spoke about restoring the Fire Department's \$32,000. Stacey Becker went on to share that small cuts are needed throughout the General Government budget in order to restore the \$32,000. Jerry Grabarek felt that they need to exhaust the per diem part-time people before another full-time firefighter is hired. Ken Zachem felt that if the Board of Education's budget is cut \$150,000; then the General Government budget needs to be cut. Melissa Lennon asked for clarification of Bob Congdon that if the town hired a full-time firefighter for FY20 and the SAFER grant was approved after the hiring of the new staff, the town then would need to hire an additional three full-time firefighters and the original FY20 new hire's salary would not be offset by the grant. Bob Congdon agreed with the understanding. The Board then discussed shifting the requested new full-time position to per diem position that would cover all of the hours of the full-time position as a cost saving measure while also allowing flexibility if the SAFER grant was awarded.

Ken Zachem motioned to reduce Line 1-102-3580-5102-0059-0000 FF/EMT Asst. to Chief to \$51,098.94 and Line 1-102-3580-5212-0058-0000 FF/EMT Health Benefits (Chief/Asst) to \$18,317.32. Jerry Grabarek seconded the motion. The motion carried unanimously.

The Board calculated a 2% raise for the Asst. to Chief and an 8.8% increase on the Health Benefits for the Asst. to Chief; with a total reduction of \$25,575.68 to the Fire Dept.'s budget. This savings would restore some of the previously cut funds. The Social Security and Medicare reduction needs to be calculated to adjust for removing the full-time position and changing to a per diem position. Bob Congdon would need to help finalize the corrected numbers in Social Security, Medicare, etc. with the removal of the full-time position. After much discussion it was decided that the total cut to the Fire Department should be \$30,000 instead of \$32,000.

Ken Zachem motioned to add \$2,000 to the General Government Budget for a total of \$3,921,679.82 to be present to the Town Meeting. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

Melissa Lennon then mentioned that Assessor's never got her 2% raise.

Jerry Grabarek motioned to increase Line 1-102-3100-5102-0000 Assessor salary by 2% to \$39,528.06. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

To offset the Assessor's raise further scrutiny of the budget was done. The Board looked at the Transfer Station line items, which are estimates and not personnel.

Ken Zachem motioned to reduce Line 1-102-3650-5510-0131-0000 Transfer Station-Paper by \$775 to \$7,225. Stacey Becker seconded the motion. The motion carried unanimously.

Melissa Lennon asked the Board if they wanted to further reduce the budget. Stacey Becker suggested that we should look at the Revenue Budget before we make that decision.

8. Act on FY2020 Revenue budget estimates

There was a discussion about Grants, in particular the Elderly and Judicial Grants. Melissa Lennon shared that in reviewing the State and Local grants, Sue Nysten did not recommend budgeting either.

Sandra Allyn-Gauthier motioned to accept the FY20 Local and State Revenue Budgets as presented. Ken Zachem seconded the motion. The motion carried unanimously.

Looking at the budget as it has been decided thus far the Board considered the increased mill rate and pondered the likelihood of it passing in the referendum. Ken Zachem suggested taking more from Surplus.

Ken Zachem motioned to take \$350,000 from the Unassigned Fund Balance (surplus) to offset the FY20 Budget. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

9. Public Comment & Questions (per posted Town Ordinance)

Ed Gauthier corrected the Recording Secretary notes to read that he asked the Board of Finance that were, if there were any, inefficiencies, that you saw that resulted in the \$200,000 reduction to the Board of Education budget.

10. Adjourn

Ken Zachem motioned to adjourn at 11:48 p.m. Jerry Grabarek seconded the motion. The motion carried unanimously.

Respectfully Submitted,

Recording Secretary