

**Preston Board of Finance
Special Meeting
Thursday, July 11, 2019 at 7:00 p.m.
Preston Town Hall**

1. Call to Order

Jerry Grabarek, Chair, called the meeting to order at 7:00 P.M.

2. Roll Call

Members

Jerry Grabarek – Chair
Stacey Becker – Clerk
Sandra Allyn-Gauthier
Ian Stammel
Keith Wucik -excused
Ken Zachem

Alternates

Lennie Spencer – arrived at 7:03

Also Present

Bob Congdon – First Selectman
John Spang – Finance Director
Dr. Seitsinger – Superintendent of Schools
Sean Nugent – Chairman of the Board of Education
Chief Casey – Fire Department Chief
Jill Charron
Andy Depta
Bill Leggler
Jill Keith
Leigh Pappas
Andy Biledeau
Tom Turner
And 11 others

3. Public Comment –

Jill Charron requested that the Board put the budget through as is. Please stand by the budget that has been put together. She is really concerned about where Preston is heading. She felt that when Norwich lost school funding and their class sizes went up the quality of life suffered and unfortunately fears Preston is heading in that direction.

Andy Depta shared two possible reduction recommendations. The first was a series of reductions over 14-line items. The second recommendation was to reduce the State Trooper; he feels they are unseen. The third piece that he shared was a spreadsheet showing the last 6-month activities in the Parks & Rec Dept. showing that they are running their programs in the red.

Bill Leggler the budget is fine, people are upset at the mill rate; he recommended another \$250,000 from the Surplus Fund to help lower the mill rate.

Chief Tom Casey pointed out in the General Government budget there is an increase of \$397,679; and of that over 17,000 is mandated recycle expenses, over 25,000 is pension obligations, 8,500 due to change in polling place, and 102,971 contractual health care payments. This is a total of 153,855 that the town must pay, subtracted from the initial increase leaves 243,827 that the town can cut and change of that the Fire Dept. is asking for 240,779; which is 98%, leaving the actual town increases at 3,048. Inaccurate information is being shared on social media, this budget is about public safety. Our services are no longer adequate and this budget is to improve public safety. If our emergency services aren't improved and we chose to do nothing eventually someone will die.

Jill Keith concerned about the rate of increases and spending. People are worried about at what point they will no longer afford to live in Preston.

Jill Charron feels that for every person or couple that move out; there are others with professional salaries who can support what's been established. People are moving in because they like what the town has to offer and it's important that we don't lose that.

Leigh Pappas, I agree with Jill.

4. Discussion and action on fiscal year 2019-2020 budget

Stacey Becker led the group through the Profit and Loss Budget vs. Actual to look for added revues to adjust that before any further decisions are made. Lines adjusted were:

- Line 4050 – Construction Permit Fees increased by 5,000
- Line 4052 – Zoning Fees – Town increased by 2,000
- Line 4060 – Investment Income increased by 25,000
- Line 4091 – Elderly Housing – In Lieu of Tax increased by 5,000

It was discussed what exactly Miscellaneous was, especially Line 4093. It was decided that was the 27,000 contribution from the Fire Dept.. Ken Zachem questioned where the 70,000 contribution was listed. He was reminded that a new Line item was created to show the Poquetanuck Fire Dept.'s contributions.

Stacey Becker asked Bob Congdon to explain Line 4135 – DUI Enforcement Grant. He explained that it was a grant that needs to be paid out after it's received so it's awash.

Andy Depta asked where conveyance fees for homes built and sold within the town is listed. He was told that Line 4030 – Town Clerk Fees

Stacey Becker motioned to accept an increase in revues by 27,000. Ian Stammel seconded the motion, and the motion carried unanimously.

Jerry Grabarek pointed out that to decrease salaries as it's been suggested is too costly, possible arbitration makes the idea implausible.

Bob Congdon shared that some of the town employees are actually taking a cut with their 2% increases due to an increase in pension and health care contributions. He added that there are parts that we have no control over such as health care, pension, recycle, Fire Dept., Police Dept., and other contractual services which add up to over 500,000.

Ian Stammel pointed out that the Assessor's Data increase is significant, but that is contractual in order to maintain the GSI system for the Assessor's office.

Sandra Allyn-Gauthier pointed out in the Town Dept. and Fire Dept. insurance there has been 16,000 spent and 9,000 left, she asked if there was wiggle room there. Bob Congdon felt that there wasn't because there are several Fire Dept. insurances. Sandra then asked about Legal Notices. Bob said that the 2,000 would be eaten up by referendums. Sandra pointed out that it failed by 19 votes the first time, and this time 50 votes we're going in the wrong direction.

Bill Leggler felt that the more than 1 mill increase is the reason for the failure and the need is more from the Surplus.

Andy Depta stated that there has been a 30% increase in the mill rate over the past 5-6 years; yet there hasn't been 30% increase in services.

Ian Stammel pointed out to take 850,000 out of Surplus is scary, if the Surplus gets drained, the following year, even if budgets were held at 0%, there would be a 2 mill increase and that is terrifying. It was also pointed out that with more cuts, less would be placed in Surplus making it harder to sustain.

Jill Keith spoke that it is important to find a balance of providing services and contributions from the tax payers.

Chief Casey restated that the increases are the Fire Dept. and the emergency services.

Andy Bilodeau asked what happens when there are no per diem personnel to fill the hours? With a full-time fire department, we'll be looking at a 2-4 mill increase.

Stacey Becker pointed possible savings in the Highway Dept. Bob pointed out that right now chip sealing is done to different roads in town every 6 years, if it's done say every 8 years, the roads will fall apart and will cost far more. Then we'll be rebuilding roads.

Sandra Allyn- Gauthier asked if the discrepancies in the Lines are timing? Bob said it was.

Ken Zachem pointed out that Line 5509-0151 – Paving/Shin has only spent 13,000 out of 55,000. So, there is room for 20,000 reduction.

Stacey Becker pointed out that Line 3150-5403 – Elections, Meals, & Mileage could be reduced by 1,040.

Sandra Allyn-Gauthier pointed out Line 5304-0202 – Town Hall Supplies and postage could be reduced by 2,000.

Jerry Grabarek pointed out that, with the situations and issues in schools today, that cutting a State Trooper is not a good idea. Ian Stammel agreed that the State Troopers are needed.

Andy Bilodeau questioned two accounts the Library and Parks & Rec. They take in money and do those accounts go back to 0 each year, or do they keep their funds.

Tom Turner pointed out that the Parks & Rec has fund raisers for their improvements and programs so they keep their funds.

Ken Zachem pointed out that Line 5505 in Senior Affairs could be reduced by 5,000. Bob Congdon pointed out that those funds are contractual for gutter repairs.

Sandra Allyn- Gauthier motioned to reduce Line 5509-0151 – Paving/Shin 20,000; Line 3150-5403 – Elections, Meals, & Mileage reduced 1,040; Line 5304-0202 – Town Hall Supplies and postage reduced 2,000 for a total reduction of 23, 040. Ken Zachem seconded the motion. The motion carried unanimously.

Jerry Grabarek asked Dr. Seitsinger was asked if it was true that 4 teachers retired this year. He pointed out that those savings are already part of the budget. He also pointed out that they see the State Troopers every day. They are a large part of the safety of our school.

Lennie Spencer motioned to take an additional 115,000 out of Undesignated Surplus. No second so the motion died.

Stacey Becker motioned to reduce the Board of Education budget by \$25,000. Sandra Allyn-Gauthier seconded. The motion carried unanimously.

Stacey Becker motioned to take an additional 200,000 out of Surplus for a total of 650,000. Sandra Allyn- Gauthier seconded the motion. Stacey Becker, Ken Zachem, Jerry Grabarek, Lennie Spencer, and Sandra Allyn- Gauthier approved the motion. Ian Stammel opposed.

Bob Congdon felt that the town could sustain that amount withdrawal for the next 4 years. Concerns were shared about future expenses. The State requiring towns to pay teacher pensions, the State's contributions, and revenues collected by newly elected officials.

Jill Charron asked what amount is remaining in Surplus if 650,000 is taken out. Stacey Becker answered according to revenue reports the 450,000 budgeted this year will come back to the town leaving 514,107 in the cash reserve and then there's the 1.585 million in the state required Contingency Reserve.

5. Public Comment –

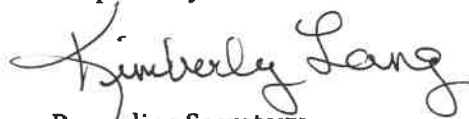
Sean Nugent feels that there needs to be a way for the Board of Finance to share the decision-making process with the public so they hear why it's important to support this budget. The public needs to hear the reasons behind the decisions so they too can support this budget.

Jerry Grabarek recommended that the Board of Selectmen have a town meeting on Thursday July 18, 2019 with a Referendum on Tuesday July 30, 2019. Lennie Spencer seconded the motion. The motion carried unanimously.

6. Adjourn

Ian Stammel motioned to adjourn at 8:33 p.m. Ken Zachem seconded the motion. The motion carried unanimously.

Respectfully Submitted,


Recording Secretary

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PRESTON TOWN CLERK ASST.

**Preston Board of Finance
Special Meeting
Tuesday, July 9, 2019 at 8:15 p.m.
Preston Plains Middle School Library**

1. Call to Order

Jerry Grabarek, Chair, called the meeting to order at 8:15 P.M.

2. Roll Call

Members

Jerry Grabarek – Chair
Stacey Becker – Clerk
Sandra Allyn-Gauthier
Ian Stammel
Keith Wucik -excused
Ken Zachem

Alternates

Lennie Spencer - seated for Keith Wucik

Also Present

Bob Congdon – First Selectman
John Spang – Finance Director
Andy Depta
And 5 others

3. Public Comment – There was none.

4. Set the Mill Rate –

The both the Education and General Government Budgets failed. The results Education Budget received 347 yes votes and 419 no votes. The General Government Budget received 359 yes votes and 405 no votes.

5. Per CGS 7-405 approval of Essential Expenditures –

It was pointed out with the failure of the Referendum that there were no funds to meet the upcoming payroll and due to the need for another Referendum John Spang broke down the monetary needs for the Board of Education through August 9th. Those expenses are as follows:

Bi-Weekly Payroll for July 11, 2019 -	\$70,000
July 26, 2019 -	41,000
August 9, 2019 -	41,000
FICA & Medicare	7,462
Utilities	15,000
Health Ins – July	103,599

Dental Ins – July	5,775
Property and Liability Ins	19,000
Bus Parts & Repairs	9,000
Parks & Rec Bus Trip (fuel)	1,500
Refuse Removal	1,000
Postage	<u>300</u>
	314,636

Ken Zachem motioned to transfer \$314,636 from Undesignated Surplus in order to meet the Board of Educations essential expenses from July 11, 2019 to August 9, 2019. Ian Stammel seconded the motion. The motion carried unanimously.

Bob Congdon was asked if he had a breakdown of the General Government’s needs through the month of July. He did not at this time, but felt \$50,000 would be adequate to meet the July 11, 2019 payroll. He would have a complete list of financial needs through August 9, 2019 for next week’s regular Board of Finance meeting.

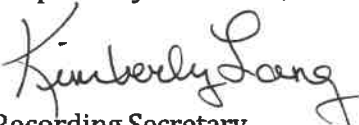
Ken Zachem motioned to transfer funds not to exceed \$50,000 from the Undesignated Surplus to meet the July 11, 2019 General Government payroll. Sandra Allyn-Gauthier seconded the motion. The motion carried unanimously.

6. Public Comment – There was none.

7. Adjourn

Ken Zachem motioned to adjourn at 8:23 p.m. Stacey Becker seconded the motion. The motion carried unanimously.

Respectfully Submitted,


Recording Secretary

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PRESTON TOWN CLERK