

**MINUTES OF THE CHESHIRE TOWN COUNCL BUDGET COMMITTEE MEETING
HELD ON TUESDAY, JANUARY 10, 2017 AT 6:30 P.M. IN ROOM 207, TOWN HALL,
84 SOUTH MAIN STREET, CHESHIRE CT 06410**

Present

Timothy Slocum, Chairman, Michael Ecke and Sylvia Nichols

Staff: Michael A. Milone, Town Manager; Finance Director James Jaskot

1. ROLL CALL

The clerk called the roll and a quorum was determined to be present.

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

3. Acceptance and appropriation of a \$115 donation from the Town Employees Dress Down Fund to the Human Services Gift Account for general purposes.

4. Acceptance and appropriation of a \$500 donation from Michael and Marilyn Dangelo to the Cheshire Fuel Bank,

5. Acceptance and appropriation of \$1,062 from the proceeds for the Artsplace Arts Bazaar to the CPFA Gift Account for scholarships.

6. Acceptance and appropriation of a \$100 anonymous donation to the Human Services Gift Account for general purposes.

7. Acceptance and appropriation of a \$50 anonymous donation to the Human Services Gift Account for general purposes.

8. Acceptance and appropriation of a \$800 donation from Mary Ann Gale to the Human Services Gift Account for general purposes.

9. Acceptance and appropriation of a \$1,000 donation from F.F. Hitchcock To the Human Services Gift Account for general purposes.

10. Acceptance and appropriation of a \$1,000 donation from CK Greenhouses To the Human Services Gift Account for general purposes.

11. Acceptance and appropriation of a \$3,500 donation from Temple Lodge No.16 To the Human Services Gift Account for general purposes.

12. Acceptance and appropriation of a \$300 donation from Catherine Devlin in Memory of Priscilla Line Batty to the Cheshire Fuel Bank.

13. Acceptance and appropriation of a matching \$250,000 Connecticut State Library Construction Grant for the Phase 2 Library Reconfiguration Project.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to accept agenda items #3 through #13 and forward them to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

14. Mitigation Plan for State municipal aid reductions.

Mr. Slocum commented on the Budget Committee meeting of January 4, 2017 for review of the Town and Board of Education (BOE) options to meet the reduction in State aid to Cheshire.

In calculating the apportionment, Town Manager Milone backed out CNR, Debt Service and Contingency to get to the net budget percentage of 92.5%. The BOE portion is 69.57% or \$419,802 of its current budget, and the Town portion is 34.3% or \$183,622 of its current budget.

It was noted by Mr. Ecke that this is not the last time the Town will be going through this exercise, and he stated the importance of having a consistent plan for future reductions.

Council resolution #011017-2 - the last sentence in the resolution is changed to read "and the Board of Education will freeze **\$419,802** of their current year operation budget."

In the resolution the Debt Service Savings is **\$96,465**. The General Government total is reduced to **\$183,622**. CNR is zero; nothing is frozen.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #14 and forward to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

15. Bidding Requirements.
No changes are made to the bidding requirements.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve agenda item #15 and forward to the full Town Council for approval.

VOTE The motion passed unanimously by those present.

16. Call for public hearing for amendments to the elderly tax relief Ordinance Section 17-6.

17. Call for public hearing for amendments to the elderly tax freeze Ordinance Section 17-15.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to approve and forward agenda items #16 and #17 to the full Town Council for approval.

Discussion

Agenda items #16 and #17 are calls of public hearing for the elderly tax relief and tax freeze ordinances.

VOTE The motion passed unanimously by those present.

18. Approval of income levels for the 2017 Local Elderly Property Tax Credit Program.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to accept agenda item #18, and forward to the full Town Council for approval.

Discussion

The State did not change its income levels, and the State tax credits have remained the same for the last five years.

This matter is referenced in item 9F on the Council agenda.

Mr. Jaskot stated that there have been no income levels changed in the State program, and Cheshire will not change its levels this year.

Mr. Milone advised that the Town income levels are higher than those of the State program, and the State stopped increasing the credits in the 1990's. Cheshire had increased its credits until about five years ago. The chart from the Tax Assessor shows all the participants in this elderly credit program, which has decreased in recent years. The tax deferral program has 4 or 5 eligible participants this year. The Council's action sustains what was done last year based on the fact the State did not change its levels. There has been thought from the Council about extending the tax relief and freeze programs out 10 years.

Income levels are only changed by resolution of the Council. Mr. Milone explained that the credits are increased after determining how many people qualify in each category and the financial impact on the Town. There is an urgency to get this legislation passed by the Council so eligible people can start applications on February 1, 2017 and apply for the program. The credits must be established in time for the July tax bills.

Mr. Ecke said it is important to get the credit levels passed by the Council, and this can be followed by further review with a look at increasing the levels by 1% to 3% this year.

Mr. Milone advised that Cheshire's program was among the first in Connecticut, but the credits have not been too costly for the Town. He will review the percentage increases from five years ago and provide the information to the Council. The credits must be adopted so qualifying incomes are in place to accept applications on February 1st, and they can be adjusted at a later date. As credits go up, tax freezes go down.

VOTE The motion passed unanimously by those present.

19. Authorization to purchase portable ice skating rink and implement skating program.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to accept agenda item #19 and forward to the full Town Council for approval.

Discussion

The funding for the portable ice skating rink will come out of the Parks and Rec Department budget. If this budget cannot absorb the full cost there will be adjustments made at the end of the fiscal year.

VOTE The motion passed unanimously by those present.

20. Extension of fee schedule for special duty police vehicles.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to accept agenda item #20 and forward to the full Town Council for approval.

Discussion

Mr. Milone commented on this program being successful for the Police Department, and generating revenue of about \$35,000. Chief Dryfe is pleased with the program after the 6 months of implementation, and recommends it be continued.

VOTE The motion passed unanimously by those present.

21. ADJOURNMENT

Before adjournment, Mr. Milone advised that he and Mr. Jaskot put together budget scenarios and variations for FY 17-18 operating budget. They will be reviewed at the Council meeting. The schedules have not allowed for time to have a pre-planning budget meeting with the Council.

MOTION by Ms. Nichols; seconded by Mr. Ecke.

MOVED to adjourn the meeting at 6:55 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk