

MINUTES OF THE JOINT CHESHIRE TOWN COUNCIL SPECIAL MEETING AND BUDGET COMMITTEE MEETING HELD ON WEDNESDAY, APRIL 8, 2015 AT 6:30 P.M. IN ROOM 207, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Tim Slocum, Chairman, Town Council; David Schrumm, Budget Committee Chairman. Council Members: Patti Flynn-Harris, Liz Linehan, Robert Oris Jr., Thomas Ruocco, Peter Talbot, James Sima. Absent: Sylvia Nichols
Staff: Michael A. Milone, Town Manager; James Jaskot, Finance Director; Department of Education - Dr. Greg Florio, Supt. Of Schools; Vincent Masciana, Director of Management Services. BOE Chairman Gerry Brittingham, and BOE member Tod Dixon.

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. DISCUSSION RE: PROPOSED FISCAL YEAR 2015-2016 OPERATING BUDGET

Town Manager Milone stated that the numbers have not changed. He asked Council members if there is any portion of the appropriation which must be separated out, to please let him know as soon as possible in order for the resolutions(s) to be developed.

The Council reviewed the revisions to the budget which were discussed at the April 7th meeting.

Mill rate - 30.69 mills; .76 reduction from Town Manager's proposal; average taxpayer with one real estate and two motor vehicles would have a tax increase of \$101.

Budget Increases - General Government - \$812,672; Education \$2.313 million; Debt (\$903,804); total budget increase \$2,221,893 - 2.15%

Personnel Changes - Social Worker, Senior Center increased to 24 hours per week; Program Supervisor, Senior Center, increased to 24 hours per week. These two positions have benefits budgeted (couple), but the employees in the positions at this time do not take benefits.

Board of Education (BOE) - the BOE budget request is \$3.4 million; this request is adjusted with a \$400,000 reduction in medical expenses; there is an assumption of a 4% increase in medical benefits cost; and the company is showing flat rates. The 4 teaching positions at \$200,000 total cost were eliminated from the BOE budget by Dr. Florio.

There was a discussion about decreasing enrollment and larger class sizes and how this affects the BOE budget. The Council reviewed the numbers in the education portion of the budget.

Mr. Talbot talked about taking \$810,000 from the BOE \$3.4 million request; the increase would be \$2.590 million for the BOE budget.

Mr. Oris was not sure about \$2.590 million as an unreasonable number, but said it could be reduced further to \$2.3 million.

Mr. Slocum was at \$2.2 million as the number for the BOE budget, and said this could be achieved without cutting personnel.

Mr. Sima stated a lower number of \$2 million to the BOE.

Mr. Ruocco cited \$2 million to \$2.2 million as the amount he would discuss and possible support as the final number.

Ms. Nichols stated her number in the neighborhood of \$2.3 million.

Mr. Schrumm commented on the school system enrollment decreasing by 100 students, class sizes continuing to drop, cost problems with the medical benefits trust fund, and the problem with the cost of medical benefits. The bids for the medical benefits are out, and he noted that in 2017-18 we are unsure of what will happen with the affordable care act, and there could be a 40% surcharge on what is paid now. The increase of \$2.2 million would be the largest increase to the BOE in the last 6 years.

Regarding BOE budget cuts, Ms. Linehan asked where they would come from, and if there would be any impact on the sports programs.

In response, Dr. Florio said the cuts would, probably, come from staff, increasing class sizes at the elementary level, reduction in high school course offerings and increase in class sizes. He is uncertain if sports would be impacted and said the BOE makes the final decisions.

Stating he wants less than \$2.2 million to the BOE, Mr. Ruocco said the \$2.3 million increase would result in a mill rate of 30.69, with the average taxpayer paying \$101 more in taxes.

Mr. Schrumm stated that in 2011 the BOE budget was \$60 million, and in 2015 it will be \$68.2 million, and there is also a medical benefits trust fund issue being funded.

Mr. Talbot commented on what has happened in 4 years -- contractual salaries, medical benefits increase. He said because student enrollment goes down does not mean the number goes down, and we cannot spin it this way.

According to Mr. Oris the question is the number of positions the BOE will take out of its budget, and it seems this is the only area where cuts can be made. With a retiree, the BOE would not replace someone in that teaching position. He commented on the total budget relying on debt service funding and this is a balancing act each year.

With the BOE losing staff, Mr. Ruocco would cooperate with a \$2.2 million BOE increase.

Regarding the impact of the BOE decisions on the difference between \$2.3 million and \$2.2 million, Dr. Florio said elimination of one CHS teacher also eliminates one section of a course not offered to students, or larger class sizes. He stated that elimination of teaching positions affects students. Last year \$1 million went to medical benefits; this year \$1.7 million must go to medical benefits; and special education costs continue to increase and this eats into other services.

The Council discussed concerns about the impact on students and the quality of education, and at what point students are impacted. The BOE cannot open up contracts, and there is no control over the medical benefits trust fund.

Mr. Oris said this \$2.3 million increase will not have a negative impact on students and their education. It is a 1.5% increase, \$101 to the average taxpayer, and is the right plan to continue to offer a quality education which kids deserve and people expect. He reaffirmed his position that \$2.3 million is the number for the BOE budget and the right way to go.

The impact of budget cuts on the students was restated by Ms. Linehan, especially changes with common core curriculum, less teacher time spent with students, etc. Since Councilors never step into a classroom, she stated it is unfair for them to say there is no impact on students...because there is an impact.

Mr. Schrumm commented on the BOE running an efficient operation and a good school system...and said the tax increase is small but next year the budget will increase on top of this \$2.3 million.

The issue of property values was raised by Mr. Ruocco who said many people are moving out of Cheshire, the region and the State, and many things affect property values. Mr. Ruocco does not want to spend money on education as a marketing tool for the real estate businesses.

Mr. Oris stated there is a huge correlation between a good school system and property values in the town. He noted Cheshire has an issue with the quality of its school buildings even with a quality school system. This is something which will have to be addressed sooner than later.

Library - \$7108 for extension of Sunday hours to 20 Sundays (from 13) during the winter season. This was another item up for discussion.

9a. Personnel Revisions - New Positions - the consensus is to not add new positions; the one (1) Police Officer position is for 3/4 of the year; +\$104,324.

9b. P/P/T - removal of extra hours in Town Clerk's office \$3,000; take out adjustment for Program Supervisor \$3,220; Total \$6,220.

Fine Arts Department - Clerk/Typist position left in at 29 hours a week; \$2105.

This department generates about \$100,000 revenue, and the position is needed for continuation of services in the office; building supervisor hours were reduced to offset the cost.

Social Worker - 24 hours; Program Supervisor - 24 hours; these are reflected in the budget.

Mr. Schrumm stated his support for the increase in hours for the Social Worker position.

Mr. Milone reported that with reorganization of the Human Services Department there were cuts in the hours of the Social Worker and Program Supervisor. With a 50% increase in senior population and demand for services at the Senior Center, the extra hours are needed to respond to needs of senior citizens.

Lifeguards - three (3) lifeguards remain in the budget for coverage at Mixville Pond/Park for the summer season, 7 days a week. For safety reasons, there must be 2 lifeguards on duty at all times.

Tax Collection Rate - budgeted at 99.1%; actual collection rate is at 99.7% this year.

C.N.R. - there is assumption of \$1.1 million allocation to C.N.R.; no projects are locked in for FY 2015-16.

Park Improvements/New Playground Equipment - \$170,000 in year #1 of the CEP to be used for improvements to grounds and playground equipment; \$120,000 is requested for improvements to playing fields, drainage, irrigation systems, new composting.

A comment was made by Mr. Ruocco regarding the one-half year personnel positions, which will increase to annual costs in the next fiscal year. He expressed concerns about the annualized cost of all the positions.

9c. Increases Hours T/P/T - \$7108 for Library extended hours on 20 Sundays. The Council discussed this expenditure, and its importance to the community. There was agreement to approve the Sunday hours to 20 weeks, with some adjustments to the Library budget, such as electronic materials which represents only 2% of materials checked out.

Mr. Talbot, Ms. Flynn-Harris and Ms. Linehan spoke in support of a \$2.3 million increase to the BOE along with a compromise for Council support of the extension of Library Sunday hours.

Mr. Milone explained that he took a \$9345 across the board cut to the Library budget with no designation of taking money from one area or another...and \$210,000 in program materials was approved. He is comfortable accepting the fact that the Sunday hours are important to the Director, and the \$7100 can be made up in other accounts in the Library budget.

A question was raised by Mr. Schrumm regarding possible shortage of State funding to the Town, and if this would be split between the General Government and BOE.

At this time there is no talk about a State cut in municipal aid, and Mr. Milone believes the position is to hold what everyone has at this time.

Mr. Milone stated that C.N.R. can be looked at because it is not fully utilized next year, using only \$700,000. The Council can inform staff as to what is to be done; there are reserves which can be used; and look can be taken at all the department operating budgets.

MOTION by Mr. Talbot; seconded by Mr. Ruocco.

MOVED that the Budget Committee forward the Proposed Fiscal Year 2015-2016 Operating Budget to the full Town Council as follows:
Mill rate - 30.69 mills; .76 reduction from Town Manager's proposal; average taxpayer with one real estate property and two motor vehicles would have a tax increase of \$101.
Budget Increases - General Government - \$812,672; Education \$2.3 million; Debt (\$903,804); total budget increase \$2,221,893 - 2.15%.

VOTE The motion passed 2-1; Ruocco opposed.

WPCD BUDGET

Revenue - the user fee will remain at \$380; reduction of \$42,549; \$17,065 into CCI revenue; Total Revenue Adjustments - (\$25,484).

COMMUNITY POOL

Revenue - Pool Fund Equity - \$23,471.
\$22,000 from insurance proceeds to balance the budget.

MONDAY, APRIL 13, 2015 - PERSONNEL COMMITTEE MEETING, 6:45 P.M.
SPECIAL TOWN COUNCIL MEETING AT 7:30 P.M.

4. ADJOURNMENT

MOTION by Mr. Ruocco; seconded by Mr. Talbot.

MOVED to adjourn at 8:30 p.m.

VOTE The motion passed unanimously by those present.

Attest:

Marilyn W. Milton, Clerk