

MINUTES OF THE CHESHIRE TOWN COUNCIL 7:00 P.M. PUBLIC HEARING HELD ON TUESDAY, MARCH 19, 2019 IN COUNCIL CHAMBERS, TOWN HALL, 84 SOUTH MAIN STREET, CHESHIRE CT 06410

Present

Robert J. Oris, Jr. Chairman; Paul A. Bowman, Vice Chairman; Timothy Slocum (Budget Committee Chairman), Jeffrey Falk, Patti Flynn-Harris, Sylvia Nichols, Thomas Ruocco, Peter Talbot, David Veleber.

Staff: Sean M. Kimball, Town Manager; Arnett Talbot, Assistant Town Manager; James Jaskot, Finance Director; Gina DeFilio, Deputy Finance Director; Donna Ouellet, Deputy Treasurer; Louis Zullo, Personnel Director; William Voelker, Town Planner; George Noewatne, PW Director; Jack Casner, Fire Chief; Neil Dryfe, Police Chief. Dept. of Education – Supt. Of Schools Jeff Solan; COO Vincent Masciana

1. ROLL CALL

Chairman Oris called the public hearing to order at 7:06 p.m.

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

2. PLEDGE OF ALLEGIANCE

The group Pledged Allegiance to the Flag.

Public Hearing Subject Matter

Town Manager's Proposed FY 2019-2020 General Fund Operating Budget; Water Pollution Control Department Fund Operating Budget; Community Pool Fund Operating Budget.

1. ROLL CALL

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

2. EXPLANATION OF HEARING PROCEDURE AND AGENDA

Chairman Oris explained the procedures for a public hearing.

3. READING OF LEGAL NOTICE

The clerk read the legal notice into the record.

4. PRESENTATION ON HEARING SUBJECT

Town Manager Kimball thanked the Town Department Heads and the Finance Department for their hard work on the proposed FY19-20 Operating Budgets.

Page 1 – FY 19-20 Proposed budget - \$115,585,211, +\$4,369,908 - +3.93%.

Increases in the proposed budget -Proposed General Fund Budget \$1.355M +4.27%; Education increase of \$2,665,995 + 3.72%; Debt increase of \$65,262 +0.99%; CN \$1,100,000-0.00%; Contingency \$125,000, 0.00%; State Teacher Pension Assessment \$284,061(new).

Page 2 – Proposed State Budget Impact - Under the Governor's proposed budget, Cheshire will have a revenue loss of \$140,829 in major State grants.

Proposed Teacher Retirement Required - \$284,061 for FY20; Total impact of the Governor's proposed budget = \$424,890 revenue loss. Cheshire's contributions – FY 20 is \$284,061; FY 21 is \$586,613; FY 21 is \$889,165.(full phase-in cost).

Mr. Kimball stated the total revenue loss of \$424,890 continues the trend of reduction in State revenue.

The State budget impact for FY20 shows an ECS reduction of \$112,970, LoCIP reduction of \$30,459, Adult Education reduction to \$2,600, Teacher's Retirement Payment of \$284,061; total impact of lost revenue - \$424,890 or -3.00%.

Page 3 – Proposed FY 20 Revenues – With State revenue decreased, this chart shows reliance on local property taxes of 82%; PILOT at 3.64%, Town Departments at 1.44%; Grants-Town 1.41%; Miscellaneous Town at 1.82%; Grants-Educ. at 8.56%; Miscellaneous-Educ. At 0.42%; General Fund Equity at 0.69%. Total \$115,585,211 (100%).

Page 4 – FY16-FY20 5-Year Revenue Comparison - FY 16 Adopted Budget at \$105,613,635 and FY 20 proposed budget at \$115,585,211. The PILOT revenue decreases by \$1.3M; Education grant revenue decreased \$1M over these five years. This explains why property tax revenue has increased to 82% of the operating budget.

FY20 Proposed Expenditures – Total General Government Expenditures - \$33,127M, +\$1.355M, +4.27%. This chart illustrates the various components of the operating budget expenditures. Dept. of Education - \$74M; Debt Service - \$6.6M; Public Safety - \$7.6M; Admin. & Finance - \$13.7M; Public Safety - \$7.6M, a \$415,000 increase with hiring of additional Dispatchers.

Key Budget Drivers – Increases: BOE Budget +\$2.664M, 2.40%; State Teacher Pension Assessment \$284,061, 0.25%; Medical Insurance and Heart & Hypertension \$375,854, 0.34%; Dispatcher Staffing proposal \$321,755, 0.29%; Town Pension Contributions \$249,477, 0.22%; 27th Payroll Accrual \$104,950, 0.09%; Liability and Workers Compensation Insurance & Social Security \$86,343, 0.08%; Net Debt Service \$65,262, 0.06%; All Other Changes \$217,211, 0.20%; **Total \$4,369,908, 3.39%**.

Page 6 - Police Department Dispatchers/Public Safety – Mr. Kimball explained this is the only significant service improvement budget item. The proposal is for staffing of two Dispatchers during peak call times, dispatching of fire calls, and relief of police officers covering dispatch shifts. The budget would fund ten (10) full time Dispatchers;

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FY 2019 budget included five (5) Dispatchers, and one (1) dispatcher starting in January 2019.

Key Staffing Reductions – Revenue Clerk –Tax/Assessment (F/T); Assistant Town Clerk (F/T); WPCD Operator (F/T); Electronic Media Coordinator (FY19 budgeted as consultant). FTEs – FY 19=207.94; FY20 = 209.21, variance of 1.26.

Page 7 - Water Pollution Control Fund Budget - \$4.401M;
Community Pool Fund Budget - \$964,424, +\$32,940.

Page 8 – Savings from Key Projects – Police Dept. Pension Plan Changes - \$125,496;
Energy Savings, Solar Farm -\$72,115; Combined Heat/Power Pool Unit - \$41,322;
Police Solar Car Port - \$6,408; AAA Rating/Successful Bond Sale - \$157,365;
Total Savings - \$402,705.

Debt Service (Net) - The chart is a 10 year history. Mr. Kimball pointed out the debt service is decreasing to 6% in FY20; in 2009 debt service was at 13%.

Page 9 – Mr. Kimball pointed out the “red” is budgeted net debt service; “blue” is use of reserves/other sources. In the future there are projected debt increases in General Government, due to use of the reserve funds being used. There will be smoothing out of debt service going forward; the Town is fiscally prudent; there will be debt increases due to accommodating some of the projects in the Capital Plan.

The graph on page 9 shows the increases; in 2024 debt service projection is 7.3%.

Page 10 – Mill Rate Analysis - Mr. Kimball reviewed the analysis. Proposed mill rate FY19-20 is 33.85 Mills.

Tax Payment-Average Residential Taxpayer 33.85 Mills –

Mr. Kimball stated this year is a revaluation year; overall Grand List increase was 3.8%; the last revaluation had a large decrease with residential 1.26% decrease; Industrial/Commercial had increase.

Mill Rate of 33.85 – taxes on average assessment (house and 2 cars) total of \$7,788; increase of \$185 or 2.43%.

Mill Rate Analysis 10 year History – The 10 year annual tax increase average is \$145 or 2.12% increase.

Page 11– Average Proposed Tax Bill of \$7,788 Per Year – this chart shows where the tax dollars go on an annual basis...BOE, \$5,007, General Govt. \$2,232, Debt Retirement \$447, CNR \$74, Contingency, \$9, Teacher Pension \$19.

Average FY20 Proposed Tax Bill of \$649 Per Month – this chart shows where tax dollars go on a monthly basis – BOE \$417; General Gov't. \$186; Debt Retirement \$37; CNR \$6; Contingency \$!; Teacher Pension \$2.

Page 12 – Upcoming Budget Workshops (Room 207-209, Town Hall) – March 19th following the Public Hearing; March 20th, 6:30 p.m.; March 25th, 6:20 p.m.; March 26th, 6:30 p.m.; March 27th, 6:30 p.m.; April 8th, 11th & 16th, April 23rd, 7:00 p.m. in Council Chambers, Adoption of Budget.

Mr. Kimball stated the Town strives to provide the best services and quality services to the Cheshire community, and wants residents to get the best value for their tax dollars.

5. QUESTIONS AT THE DISCRETION OF THE CHAIR.
6. PROPONENTS AND OPPONENTS STATEMENTS ALTERNATELY EXPRESSED.

Maria Ecke, 448 Mixville Road, read a statement, in which she said she is the watchdog for the silent citizens of Cheshire. Ms. Ecke commented on the forefathers who spent time and money for land and nature preservation which has been sold out in Cheshire. She talked about the the toxic and hazardous fluids from solar panels into the ground near the Dog Park and Artsplace, the solar panels being a big political flop and in close proximity to the wetlands. Ms. Ecke stated a view on politics from Mark Twain. She said IWW has stated “a negative declaration for the application” on solar panels, had maps of the land, IWW water study, and noted taxpayers are not happy with new spending recommended by the Town Manager.

Derf Kleist, 251 Lancaster Way, submitted a list of questions to the Council and read the questions into the record. They included questions on which department has the highest percentage of increase; Workers Compensation request of \$442,697 as a high number, and if it is for one person; Heart & Hypertension at \$300,000 for the police, and if there are medical exams and re-exams; copier rental costs \$47,000; 10 Dispatchers and why need for two more; CPD long distance calls \$65,502; CPD officer titles, and requested explanation; \$71,000 gas for CPD cars, and getting electric cars; who fills up these cars, and who is called to fill them up.

7. REBUTTAL AT THE DISCRETION OF THE CHAIR.
8. ADJOURNMENT

Before adjournment, Mr. Oris thanked those in attendance at the public hearing, and Council appreciation for the public's support, and welcomed public input on the budget. He said there will be responses to questions. The budget process/workshops will be as open and transparent as they can be.

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MOTION by Mr. Veleber; seconded by Mr. Talbot.

MOVED to adjourn the public hearing at 7:40 p.m.

VOTE The motion passed unanimously by those present.

Chairman Oris adjourned the public hearing at 7:40 p.m.

Attest:

Marilyn W. Milton, Clerk