



Tanya D. Lane
Town Manager

TOWN OF NEWINGTON

131 CEDAR STREET
NEWINGTON, CONNECTICUT 06111

ROY ZARTARIAN, MAYOR

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NEWINGTON TOWN COUNCIL
Special Meeting Minutes
Monday, March 4, 2019

Mayor Zartarian called the meeting to order at 7:00 p.m.

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

Councilor Anest
Councilor Arace
Councilor Budrejko
Councilor DelBuono
Councilor Manke
Councilor Serra
Mayor Zartarian

Staff Attendees:

Tanya Lane, Town Manager
Janet Murphy, Finance Director
Lisa Rydecki, Deputy Finance Director
James E. Krupiński, Town Clerk
Susan Gibbon, Council Clerk

Board of Education Attendees:

Josh Shulman, Board of Education Chairperson
Emily Guion, Board of Education Vice-Chairperson
Pamela Muraca, Interim Superintendent of Schools

III. APPROVAL OF AGENDA

Motion to approve the Agenda by Councilor Manke, seconded by Councilor Anest. Motion passed 7-0 (Councilors Miner and Marocchini absent)

III. PUBLIC PARTICIPATION – ON AGENDA (In Person/Via Telephone: 860-665-8736)
(3 MINUTE TIME LIMIT PER SPEAKER ON AGENDA ITEMS ONLY)

- John Bachand, 56 Maple Hill stated that he sent an email and did get a reply from the Mayor. Thinks this question is related to the budget; it's about the contingency. You passed a measure on March 19th which had a contingency clause which depended on this future budget as passing. We are in no charter waters here.
- Mayor Zartarian reminded Mr. Bachand to stick to tonight's agenda. We have a meeting coming up next Tuesday where you can raise these issues.
- Mr. Bachand stated that this is specifically related to the future budget. Is the equivalent of that amount debated and done separately? You don't have to answer me now, but just some of the questions in my letter. I don't plan on staying for the whole meeting; I'm not leaving out of

protest. If you could say something I would appreciate. Again, specifically to this one point, I would like some evidence, precedent or citation where this has been done before and I can research and be better prepared for budget talks. How is this treated. I want to thank you all for the work you do, especially at this time of year, it must be taxing on your time, I know I couldn't do it. When I criticize, I try to add that caveat, I can't be too hypocritical. If you could answer any of those questions I had, especially that one specific one so I know how to better prepare myself to argue for or against it the future. Thank you.

IV. REMARKS BY COUNCILORS ON PUBLIC PARTICIPATION

- None

VI. CONSIDERATION OF NEW BUSINESS

A. Overview of Budget and Budget Procedures

- Town Manager Lane gave an overview of the budget for General Operations and the Board of Education. As presented, the budget totals \$120,241,442, an increase of approximately \$5.5 million from last year, or 4.7% and major drivers are attributed to contractual wagers, a raise in the annual pension contribution, the upsurge in tip fees for trash collection, and the transition from the historical \$6.3 million target in CIP to a targeted 5.8% of the budget.
- Municipal Aid for the 2019-2020, as presented by Governor Lamont, increase to our municipal aid grant from last year of approx. \$2.9 million.
- The largest source of Revenues is from property tax. Included in non-tax revenues are State of Connecticut grants, PILOTS, education grants and locally generated revenues. When the Grand List or municipal aid does not escalate, the only new revenue to balance the budget is a tax increase.
- I have asked and received a budget from our department heads that reflect zero percent increase. I have limited the increase in the General Government operations to 2.91%.
- There are staffing changes we were able to put in to place. One is in the Town Manager's office, we did reorganize, and I did reduce one full time position. There is also a reduction of one part time employee in the maintenance and facilities office.
- There is an increase to our pension and OPEB of \$415,363.
- There is \$213,160 increase in our tip fees for trash collection.
- The good news is our medical health has a zero percent increase as a result of transitioning all employees to a high deductible health insurance plan on July 1, 2019.
- Board of Education. When this budget was put together, the BOE had not passed their budget, I had suggested we reduce a number by \$348,000 which puts them at a 3.0% increase.
- MDC. There is a slight increase of \$117,400 or 2.7%, which is amazing since last year we saw an increase of almost 11%. MDC had a billing dispute with Pratt & Whitney which they resolved and the settlement was proportioned over the seven member towns.
- Debt Service. The town's current outstanding debt is approximately \$3.5 million; however that will start to rise as we begin to issue bonds for our building project in the spring.
- CIP is a mechanism to make important improvements without having to go out to bond. We will be talking about CIP in further detail at a later date.
- The 2018 Grand List had an increase of 0.62% from the 2017 Grand List. The net Grand List from 2018 had a decrease of 0.02%. That is due to the demolition of several buildings in town, including the Eversource complex at 3333 Berlin Turnpike. Personal Property increased by 6.18%, and Motor Vehicle increased by 3.35%.
- Motor Vehicles. Public Act 17-2 states that motor vehicles shall not be taxed at a mill rate higher than 45.00 mills. Since Newington's mill rate is far below this threshold, motor vehicles and other taxable property will be taxed at the same rate.

- The Undesignated/Unreserved Fund Balance for 2019-2020 applies \$1.1 million from the General Fund balance which is the same amount from last year. This will leave an estimated balance \$14.5 million, or approximately 12.5% of the 2019-2020 budget. This is consistent with the town's policy and credit rating criteria, of at least 10% of expenditures, or approx. \$12.7 million be set aside as a minimum cushion. This will leave the same amount of funds to balance next year's budget as well.
- Mill Rate. Effective October 1, 2018, the proposed mill rate for 2019-2020 is 39.66 mills or an increase of 1.16 mills or 3.02% over last year.
- The actual negotiated increases for AFSCME and IBPO are included in the departmental budgets this year. The administrative salaries and part-time wages included in the departmental budgets are based on 2017-2018 rates and any potential increases for 2018-2019 and 2019-2020 are included in the Town Council Contingency account (10962).
- Mill Rate. This will be covered at the public hearing.
- Appropriations. You will see a large increase in 200 Contractual Services, that is up almost 69%, that is attributable to the increase in pension benefits, health insurance and tip fees.
- Councilor Budrejko asked which position in the Town Manager's office was eliminated.
- Town Manager Lane stated there has been a vacancy since Jaime went to the senior center. Never felt that office needed two people, so it was the Administrative Secretary I that was eliminated.

B. Budget Review: General Government (Town Council, Town Manager, Courts, Elections, Finance, Town Attorney, Town Clerk/Records Administration, Personnel, General Services, Information Technology)

<u>Activity</u>	<u>Code</u>	<u>Change</u>
General Government	100	None
Town Council	110	+3.04%
Town Manager	120	-13.90%
Probate Court	130	None
Elections	140	+8.38%
<ul style="list-style-type: none"> • 8204 Conferences, Meetings, Training Is an unfunded mandate to provide classes mandated by the state • 8212 Equipment Maintenance Is a new line item battery backups need to be replaced • 8220 Other Contractual Services Within that are the salaries for moderators and pole workers • 8302 Technical Supplies This is to replace tabulators, voting booths and ballot boxes • 8310 Other Materials Increased because of the primary 		
Finance - Accounting & Administration	151	+3.13%
Finance - Assessor	152	+1.58%
<ul style="list-style-type: none"> • 8202 Dues and Subscriptions Reduced to reflect actual costs 		
Finance - Board of Assessment Appeals	153	None
Finance - Revenue Collector	154	+0.37%
<ul style="list-style-type: none"> • 8103 Part Time 		

Money was moved to cover 8204

Finance - Auditing	155	None
Finance - Purchasing	157	None
Town Attorney	160	+0.64%
• 8202 Dues and Subscriptions Increase in Lexus/Nexus subscription		
Town Clerk & Records Administration	170	+0.52%

- Councilor Budrejko asked why some departments have an increase in supplies. Shouldn't the increases be somewhere consistent across departments?
- Town Manager Lane stated that it depends on what type of office supplies you are talking about. Technical supplies are specific to certain departments, are you talking about general office supplies?
- Councilor Budrejko stated that Finance (Assessor Code 0152) had an 33.3% increase in office supplies and the Town Clerk has 0% in office supplies.
- Janet Murphy, Finance Director stated that he didn't increase his budget, he just realigned where the money had actually been used. You will see that he decreased seasonal and longevity.

Personnel	180	None
• 8217 Consultants/Special Contractor A large number which includes physical exams, polygraph testing anything we need to spend money on for onboard employees		

- Councilor Anest asked if that included the Police Department
- Janet Murphy, Finance Director stated, yes, the polygraph are for police officers, advertising for positions is included in there.

General Services – Facilities Management	191	-2.18%
• 8103 Part time Position eliminated		
• 8212 Equipment Maintenance Cutting back because of anticipated new building		
• 8301 Office Supplies Increased to state demand this year		
• 8302 Technical Supplies He did not need anything new this year so this has been removed from this year's budget		
• 8310 Other Materials Items needed for special events		
• 8408 Building Improvements Money for the Deming Young Farmhouse		
• 8220 Other Contractual Fees for elevator maintenance, roof maintenance, lobby maintenance		

- Mayor Zartarian stated that departments with separate facilities should not have anything in their budgets for facility maintenance. Is that correct? The Senior Center for example, or the Parks garage.
- Town Manager Lane stated that if you look through the bigger book, he does have a line item for maintenance for each separate facility. This includes the Library.

General Services – Central Services	195	-1.25%
General Services - Information Technologies	197	-6.44%
• 8212 Equipment Maintenance		

Decreased of \$90,000. Software licenses are renewed every three years. The Mayor suggested this be moved to CIP and that has been done.

- 8402 Technical Equipment
Historically \$1,500, but found that has not been enough, so he is requesting an increase
- Councilor DelBuono asked about the Equipment Maintenance moved to CIP. Does that meet the seven year criteria?
- Jane Murphy, Finance Director stated that it was requested that it be moved there, because they didn't want to see the budget going up every 3-5 years when the licenses were renewed
- Mayor Zartarian stated that he was looking at a way to even out their budget, so they don't have a big increase. So put a third away now, a third next year and then the final year. Those in charge of the money thought it best to put it in CIP.
- Mr. Murphy stated that there is not other place to put it if you are not putting it in operations.
- Councilor DelBuono stated that she is just concerned, she just wants to make sure it meets the criteria.
- Councilor Anest stated that this is for the license. You could make the argument.
- Mayor Zartarian stated that his feelings are if the auditors say it is ok, then it's ok.
- Mayor Zartarian stated thinking back to the last election and how long it took to get the results of the absentee ballots, is there anything that can be done to prevent that situation in the future?
- Town Manger Lane stated that from here experience, it's not necessarily a budgeting issue, it just depends on the election itself and the number of absentee ballots. For a presidential election year, you will have more absentee ballots and may see more money for this. It all depends on how many people you have and when you start counting.

C. Board of Education

- Josh Shulman, Board of Education Chairperson stated last year we came to you with at 4.57% increase and you approved a 3.43% increase. We were able to open STEM Academies at Newington High School, we filled in an over \$1 million budget hole, and we kept our schools strong. CMA Classes will begin next year and when you take this class, you can walk out of school with a job. Some of culinary students are working in professional kitchens. Just want to share some great successes. This past year the BOE worked hand in hand with the Town to restore an environmental site. We have worked with Parks & Rec to move the marching band practice area. We have entered into several agreements with the town, including moving FFE funds in to a non-lapsing account. The superintendent resigned and Mrs. Muraca was appointed Interim Superintendent. Cannot thank her enough for stepping up and taking on that role. Because she did that, we were able to eliminate the Deputy Superintendent position, we have distributed those duties among other administrators. By doing that, we were able to hire two social workers in the middle schools. This year we are requesting a \$2,372,681 or 3.26% increase. This is lower than we actually received last year. Our Special Ed budget has a \$832,236 or 1.14% increase. Special Ed costs are 13.4% of our total budget. Our costs have increased over \$2.4 million over three years. We will be reviewing the applications for superintendent over the next few days; it is a great group of candidates. Our two new positions: the first request for a new position is an English Language teacher, our EL population is soaring; as of January this year we have 227 students in the EL program, and they speak an incredible amount of different languages. The other request is for a High School reading intervention teacher; partially in response to a new unfunded mandate and partially because our students need additional help in reading.
- Councilor DelBuono asked what the mandate is, what are they requiring.

- Mrs. Muraca stated there is a requirement through SRBI for reading intervention in grades 7-12, we are all set in grades K-8. We don't have the position we need at Newington High School, 6 years ago it was eliminated and now we need it back.
- Mr. Shulman stated that during budget deliberations they removed \$75,000 from health benefit costs related to OPEB. We also removed \$85,000 from the maintenance budget. Some maintenance tasks are daily things, many of the projects we can use PSCIP for them, they meet the criteria. Because of the state grant after the environmental issue we have a full PSCIP account. With the PSCIP we can do things such as the Paterson roofing project and the NHS Pool and Wellness Center roof and parapet wall. We will be using \$278,000 from the PSCIP to purchase new school buses. Our fleet is well maintained, but after 10-12 years in service, they begin to fail DOT testing, so we continuously have a healthy fleet. We have a \$405,608 health benefit credit from October 2018. We have an opportunity for an eRate Matching Grant (\$ for \$) for switches and routers, it is something we can't pass up. We will also be replacing the iPads with Touch Chromebooks in grades K-1, they are similar to iPads, but much less expensive. Our budget keeps increasing because of the following reasons: contractual increase; change in student population-30.4% have free/reduced lunch; 6.1% require English language services; 14.7% have an IEP for special education services and last year we had 85 DCF referrals. There have been tuition increases in outplacements. Challenges to lowering the budget: It is not feasible to consolidate retirements; we have removed over 20 teaching positions from 2015-2018; we have removed another administrative position. Our maintenance budget has been cut year after year; the more regular maintenance and TLC we give to our new buildings make them last. Some increases are contractual or legally required. We will have a new superintendent coming in next year, during the interview process we would like to show that the Town supports our schools. Lastly, completely unrelated to the current budget – Anna Reynolds. I implore the Council to create a building committee regarding Anna Reynolds so we don't potentially miss out on the state funds.
- Councilor Anest asked how many retirees there are this year and if they accounted for breakage.
- Mr. Shulman stated that there are 9 retirees this year and, yes, they did account for breakage. That is why the number is so low this year. We now budget based on the position and what we expect it costs to fill.
- Councilor Budrejko thanked Mr. Shulman for the presentation, it was understandable and interesting. Going back to the new remedial reading position at the high school; we have remedial reading at the lower levels and now are adding it to the high school, is that because of new students entering the district or is it a continuation of issues still occurring because they are getting assistance at the lower levels.
- Mrs. Muraca stated it is yes, it is a combination of all of those. Part of what SRBI says is that you need the most highly qualified teacher when a student is in need of remediation. Every student is a general education student first and some of those students have special needs. We have trained remedial reading teachers and they also take in students with disabilities.
- Councilor Budrejko stated that she is assuming that you are keeping an eye what is happening at the state level. It seems, in most of the ones I have seen, that Newington will be impacted if regionalization goes through; either the carrot and stick approach or the mandate approach. It is kind of worrisome on what to plan for in the future.
- Councilor DelBuono asked if the teacher retirement does get passed to the district, where does that come from?
- Mr. Shulman stated from ECS money.
- Mrs. Muraca stated it that she spoke with legislation, it is not being reduced by ECS money. It is paid directly like you make teacher retirement payments currently.
- Councilor DelBuono stated that our portion would be just under \$300,000, is that correct?

- Mrs. Muraca stated it is \$291,000.
- Mr. Shulman stated that Mrs. Muraca has had conversations with other school districts and no one is putting in line item for that.

VII. PUBLIC PARTICIPATION – ON AGENDA (In Person/Via Telephone: 860-665-8736)
(3 MINUTE TIME LIMIT PER SPEAKER ON AGENDA ITEMS ONLY)

- None

VIII. REMARKS BY COUNCILORS

- Mayor Zartarian stated that is an auspicious start. We all know the challenges we are facing with our grand list, or what is not happening with state aid. We have a job ahead of us, but we can rise up to it.

IX. ADJOURNMENT

Councilor Manke moved to adjourn the meeting at 8:11 p.m. Seconded by Councilor DelBuono. The motion passed 7-0 (Councilors Marocchini and Miner absent).

Respectfully submitted,



Susan Gibbon
Council Clerk