



BETH DELBUONO
MAYOR

TOWN OF NEWINGTON

131 CEDAR STREET
NEWINGTON, CONNECTICUT 06111

OFFICE OF THE TOWN COUNCIL

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John O. Krupa
Town Clerk

PUBLIC HEARING

Minutes
May 5, 2020

To provide an opportunity for interested electors and/or taxpayers* to express their views regarding the Town Council's Tentative Budget for Fiscal Year 2020-2021

- Mayor DelBuono called the public hearing to order at 6:00 p.m.

Mayor DelBuono stated that this evening we will review the Tentative Budget. On May 12th at 7:00 p.m. we will have out Newington Town Council regular meeting and that is the night we will entertain changes to the Tentative Budget. On May 19th the Town Council will have a Special Meeting and the purpose of that meeting will be to adopt the budget and set the mill rate. Additional adjustments to the budget can be made on that evening as well. Mayor DelBuono stated that changes from last year's budget to this year's proposed budget. At this time, no changes have been made to the Town Manager's proposed budget. Under General Government, the change is just under \$800,000 or an increase of 2.11%. Under the BOE budget, you will see an increase of \$2 million or an increase of 2.67%. If we adopt all of the changes on this page, our mill rate last year was 39.45; the Town Manager and Town Council Proposed Budget stands at 39.14 currently which is a decrease of .41 or .8%. Mayor DelBuono provided a 20-year historical look at the budget. The Grand List increased by 59%. Consumer Price Index increased by 50.2%. Average home assessment increased from \$95,322 to \$147,000, an increase over 20-years of approx. of 54.2%. Social Security cost of living adjustment over that period has risen 43%. Not keeping up with other things in our town. A Salaried Police Officer working for Newington has 66%.; a heavy truck driver working for Newington has increased 58%.; a clerk typist in Newington has increased approx. 58%; a department head in Newington has increased approx. 58% and a school teacher with a Masters +15 years has increased 57%. You can see these are nice increases in our grand list, wish it were more, and other areas in Newington. This next list is not as positive. The average home taxes have increased 112% and the budget has gone up 97% over the past 20-years. Breaking that down - General Government has increased approx. 88% and the BOE has increased approx. 110%. The Educational Cost Sharing money we receive from the state has only gone up by approx. 81%. That share of the pie is not keeping up with increases in our town budget. MDC has gone up 151%. The number of General Government full-time employees has risen from 164 to 171 employees over a 20-year period - an increase of 4% in our staff, where our population has increased by 7%. Doing a nice job by not increasing employees but still keeping up with the needs of our citizens. The BOE has increased their full-time employees from 465 to 507, which is an increase of approx. 9%. The population of students, which hit a high in 2005 of 4,600 and we done to 3,900, but a decrease of 15%. Some of that increasing in staff is due to state mandates and state mandated curriculums to be covered and they are unfunded state mandates. Newington has worked hard to keep debt in check. Our per capita per debt is \$433. Surrounding towns have an average of \$2,046 per capita debt. In 2018, our mill rate was 38.5, in the upper end of surrounding towns. Need to be cautious of where our mill rate is going and wanting to be affordable to our residents and businesses moving into Newington. The average mill rate is 39.66, Newington stands at

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38.5. The mill rate is a bit high and our debt is a bit low - need to make that work better in the future. Our budget is made up of Town Government at 38.374, Employee Life and Liability Fund is \$67,000, CIP is at \$3,160,000, Debt Service is at \$2,400,000 and MDC is at \$4,800,000. Those four expenditures serve both the Town Government and BOE. Our BOE is the biggest part of our budget - it stands proposed at \$76,768,000. Our Town Government make up 30% of the budget and the BOE makes up approx. 61% with various other things making up the remaining. We hear of unfunded state mandates, most often from the BOE when they are giving their presentation, but I wanted to show you that on the town side they do affect us as well. On our Grand List analysis from 2000 - the residential piece was at 74% of our property tax and in 2019 it remains at 74%; when you look at Commercial we were at 19% in 2000 and in 2019 we made it up to 23%, a bit of growth. Industrial has dropped from 7% in 2000 to 3% in 2019. We want to work on increasing our commercial and industrial to help offset the taxpayer dollar and what we are expecting tax payer to pay towards our annual budget. In 2000, the state mandated that town's exempt Manufacturing, Machinery and Equipment ("MME") from taxes. In 2000 MME had a value of \$29.5 million and the mill rate was 29.58 and essentially the state reimbursed the town \$893,000 to cover the cost of that exemption. In 2019, the value of MME has risen to \$97.3 million, which would bring in approx. \$3.8 million if it were taxed at the 39.14 mill rate. In 2010 they state said they were no longer going to fund that, but are still mandating that towns provide that exemption. Newington is losing \$3.8 million dollars from that exemption and that is something we need to keep fighting for with our legislators, consider whether that exemption makes sense and whether towns can afford that. Amount to be raised by current taxes is \$102,152 which is a decrease of \$183,000 from last year. For the council to consider moving forward, these are some things that have come to light in our discussions at our April 25th meeting. We need to consider a decrease in revenue in both tax collection interest of \$150,000 and interest income of \$175,000. These are changes we may want to make in our budget as we move over the next couple of weeks. Additionally there an increase in Election Department expenses for printing and binding of \$9,450, Other Contractual Services of \$25,380 and Public Notification of \$800. These are all expenses not budgeted for the next fiscal year, but are due to the primary being moved from June to August, that will be need to be considered added to next year's budget. We will consider, as a Council, the reduction in the Police Communications Equipment Maintenance of \$10,200 for the WatchGuard system, as it shouldn't be funded in that line item, it is paid by IT money. We can look to reduce our Highway Vehicle Expense Fuel by \$15,000. We were fortunate to recently renegotiate and lock in at a lower cost. Looking to change the \$5,000 donation to the Memorial Day Parade to the own 150th Anniversary Committee Fund - we are not taking money from the Memorial Day Parade fund, they already have an expenditure out of this year's budget that unfortunately they won't get to use because the parade has been cancelled due the COVID-19 crisis. If all the changes these changes were considered and approved, the adjusted mill rate would be 39.26, a slight increase from the original Town Council Tentative Budget of 39.14. With an average assessment adjustment for both home and auto, a Newington taxpayer could see a reduction \$30.08. In summary, the total appropriation increase to the budget would be \$1,967,745 or an increase of 1.6%. State aid increase is approx. \$364,000 and the mill rate would decrease by .317% given the Tentative Budget.

- I. PUBLIC PARTICIPATION to provide an opportunity for interested electors and/or taxpayers* to express their views regarding the Town Council's Tentative Budget for Fiscal Year 2020-2021 (VIA TELEPHONE: 860-665-8506) (4 MINUTE TIME LIMIT PER SPEAKER)
- Brian Wood, 51 Standard Street called in support of reinstating \$200,000 to the Parks & Rec. department to maintain pools, parks & playgrounds and Emmanuel Christian fields.
 - Phil Nolten (sp?), called in support of reinstating \$200,000 to the Parks & Rec. department to maintain pools, parks & playgrounds and Emmanuel Christian fields. Also, look at MDC, paying \$482 per family per year.
 - Stacy Michaud, 105 Stonehedge Drive called in support of reinstating the original 3.46 increase in the BOE budget.

- Katherine Donahue, 212 Robin Brook Drive called in support reinstating the original 3.46 increase in the BOE budget.
- Forest Helvie, 32 Lamplighter Lane called in support of reinstating the original 3.46 increase in the BOE budget.
- Jonas Roberts, 6 Fister Drive called in support reinstating the original 3.46 increase in the BOE budget.
- Billy DeBlasio, 68 Harold Drive called in support of reinstating \$200,000 to the Parks & Rec. department to maintain pools, parks & playgrounds. Thanked the Mayor for her presentation, very informative.
- Tracy Singalor (sp?), 44 Cinnamon Road called in support of reinstating \$200,000 to the Parks & Rec. department to maintain pools, parks & playgrounds and Emmanuel Christian Fields.
- Rose Lyons, 46 Elton Drive called in support of reinstating \$200,000 to the Parks & Rec. department to maintain pools, parks & playgrounds and support of reinstating the original 3.46 increase in the BOE budget.

II. ADJOURNMENT

Mayor DelBuono adjourned the public hearing at 6:38 p.m.

Respectfully submitted,



Susan Gibbon
Council Clerk

**Pursuant to §805 of the Town of Newington Charter*