

**GLASTONBURY TOWN COUNCIL
FINAL BUDGET HEARING AND SPECIAL MEETING MINUTES
THURSDAY, MARCH 5, 2020**

The Glastonbury Town Council with Town Manager, Richard J. Johnson, in attendance, held a Final Budget Hearing and Special Meeting at 7:00 p.m. at the Council Chambers of Town Hall, 2155 Main Street, Glastonbury, Connecticut.

1. Roll Call.

Council Members

Mr. Thomas P. Gullotta, Chairman
Mr. Lawrence Niland, Vice Chairman
Dr. Stewart Beckett III
Ms. Deborah A. Carroll
Ms. Mary LaChance
Mr. Jacob McChesney
Mr. Kurt P. Cavanaugh
Mr. Whit C. Osgood
Ms. Lillian Tanski

a. Pledge of Allegiance *Led by Dan LaChance*

2. Public Comment.

Bonnie Nietupski of 41 Ripley Road appreciates the efforts of the Council to try to keep down the mill rate and taxes, as they consider allocating the BOE's budget. She noted that, last year, one of her elementary school-aged children was in a class of 17; this year, she is in a class of 23. While she appreciates the academic rigor of their schools, she stressed that equal attention should be paid to the social and emotional needs of students, especially at the lower elementary ages, which is an important time for students to feel like they are a part of the learning process.

PUBLIC HEARING AND ACTION ON PUBLIC HEARING

7:00 P.M. FINAL BUDGET HEARING – 2020-2021 GENERAL FUND-TOWN OPERATIONS, DEBT AND TRANSFER, EDUCATION, REVENUES, TRANSFERS AND USE OF FUND BALANCE, CAPITAL IMPROVEMENT PROGRAM, AND SPECIAL REVENUE FUNDS.

3. Old Business.

a. Action on Resolutions Adopting the 2020-2021 Operating Budget.

A general discussion ensued on the budget, with a specific focus on the pension, before voting on each individual budget. Mr. Osgood proposed a total budget increase of \$250,000, which would come out of the capital transfer, and the pension should be funded as proposed. Vice Chairman Niland proposed

avoiding a tax increase by extending the amortization out by one year, as a one-time measure to help mitigate the problems imposed by the new mortality tables. Ms. Carroll agreed, stating that the \$210,000 actuarially determined contribution (ADC) is a very small amount of money that would be delayed, and proposed adding \$400,000 to the budget: \$325,000 to the Education Budget and \$75,000 to the Town Budget. An additional \$50,000 to the Town will be offset by a revenue increase.

Dr. Beckett stated that this is a pretty convoluted process, and raising the mill rate slightly, in order to account for the \$210,000 increase in pension, is a cleaner and simpler approach. He suggested they explain the decision to the public as a necessity to fully fund the pension. Dr. Beckett also clarified that his reticence to raise the mill rate before was based on his projections of a 4-5% tax increase, but after the BOF returned with a 1.5% increase, he feels that it is better that they just pay it now and move forward. Ms. Tanski agreed with Dr. Beckett, explaining that the economic situation in Connecticut does not look like it will improve much in the short-term, so they should meet their pension obligations now. She also stated that pushing out the amortization now will make it more tempting to do so again next year. Ms. LaChance stated that they are funding the pension based on a recommendation that the actuaries said is sound. She explained that just because this year's tax rate increase will not be 5% does not mean that they should not help taxpayers. She noted that they are putting in over \$1 million into the account today, as well as following the advice of their actuaries, so she does not see a problem with this proposal.

Mr. McChesney stated that there is quite a bit of hyperbole going back and forth, which is not helpful and distorts the situation they are facing. He strongly supports Ms. Carroll's proposal, stating that the amount that the BOF has provided to meet the mill rate is just not feasible. The numbers that Ms. Carroll proposes to restore to both the Town and BOE budgets are to keep their budgets flat, and if they dip any lower, it will be unsustainable to maintain the high quality of the services that they provide. He also noted that this proposal goes nowhere near what state Democrats have done, and he is disappointed to see Dr. Beckett back off on this idea. Their pension graph drops off astoundingly in 2031 and smoothing it out is the right thing to do so that today's citizens get some of the benefits of the new pension plan that they will have in the future.

Vice Chairman Niland stated that the BOF's proposed budget for the BOE does not address their ADC contribution, which is \$289,000, so it creates an unsustainable obligation for the BOE. Mr. Osgood stated that they are currently funded at 72%, which does not meet their pension obligations, and interest rates have dropped tremendously, so in the future, they will have to reduce their investment assumption, which will add considerably to their pension. In short, Mr. Osgood opposes reducing the arc on the pension. Ms. Tanski explained that they are looking at a use of the unassigned fund balance of \$400,000 to help smooth this pension situation, specifically on the Town's side. She suggested increasing that by \$210,000 if they absolutely cannot handle a mill rate increase, which will dip into their savings but keep them more straightforward in the way that they handle their finances.

Chairman Gullotta pointed out that the Council is trying to make the least harmful decision out of a bevy of bad decisions. Vice Chairman Niland rejects the slippery slope argument, noting that this is a one-time decision to get them through a \$1 million dollar hit to the budget. He explained that he tried to compromise by reaching out to Republicans and holding down taxes, which he believes this proposal does. Mr. McChesney noted that he sat in on a meeting where their auditor indicated that they are in a very good position. The impression should not be that because they are only 72% funded, they are behind on the times. He is in favor of the path laid out because it smooths out the graph in a few ways, rather than putting all of their eggs in one basket. Ms. Tanski concluded that she is really heartened by

how much agreement there is among members of the Council, and she does not see this discussion as being partisan. Ms. Carroll stated that the public has asked resoundingly to not raise the mill rate. Extending the ADC out by a year is the difference of having a 13 versus 14-year mortgage and saying that it is anything else is disingenuous.

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council enact a total budget increase of \$450,000, funded through the following: \$130,000 from the Capital Improvement Program; \$210,000 from the ADC; \$25,000 from Debt Service; \$35,000 from the difference between the assumed and actual tax collection rates; and an extra \$50,000, which will be offset by a revenue increase on the Town's side.

Disc: Ms. Tanski supports the funding rates, sharing the BOF's concerns about staying on the 13-year schedule as best as possible. She finds the plan to push out the amortization a dangerous no-go. Dr. Beckett echoed Chairman Gullotta's comments that these are the least-bad choices. He noted that the BOF recommendations were a little lean on the expense side, and what they are considering here is how to attain \$210,000 out of a \$170 million budget in a way that is in the best interest for the Town. Ms. LaChance supports this recommendation, explaining that the pension cost came up unexpectedly, and it is not part of a normal budget increase every year. Taxpayers today are paying an extra \$1 million, and she does not think that it is unreasonable to ask future taxpayers to take on a portion of that.

Result: Motion carries {5-4-0}.

For: Chairman Gullotta, Vice Chairman Niland, Ms. Carroll, Ms. LaChance, Mr. McChesney
Against: Mr. Cavanaugh, Dr. Beckett, Mr. Osgood, Ms. Tanski

1. General Fund Appropriations and Transfers.

- Town Operations

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council approves an appropriation of \$45,070,304 for the 2020-2021 General Town Budget.

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council increases the appropriation 2020-2021 General Town Budget by \$125,000 for a new total budget of \$44,995,304.

Disc: Mr. Johnson explained that, in addition to the \$125,000 increase, there is a \$210,000 reduction in the proposed ADC, of which Town operations will be reduced by \$200,000 and the other \$10,000 would go to the Sewer Operating Fund.

Result: Amendment passes {8-1-0} with Mr. Cavanaugh opposing.

- Debt and Transfer

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council approves an appropriation of \$13,836,177 for the 2020-2021 Debt and Transfer Budget.

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council decreases the appropriation for the 2020-2021 Debt and Transfer Budget by \$129,378 for a new total budget of \$13,681,799.

Disc: Mr. Johnson explained that the reduction is the \$25,000 for Debt Service plus \$129,378, which is the number that was needed to ensure that the transfer is \$5.75 million.

Result: Amendment passes {8-1-0} with Mr. Cavanaugh opposing.

- Education

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council approves an appropriation of \$111,429,046 for the 2020-2021 Education Budget.

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council increases the appropriation for the 2020-2021 Education Budget by \$325,000 for a new total budget of \$111,754,046.

Result: Amendment passes {8-1-0} with Mr. Cavanaugh opposing.

2. General Fund Revenues, Transfers and Use of Fund Balance.

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council approves 2020-2021 General Fund Revenues and Transfers in the amount of \$170,335,527.

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council increases the appropriation for the 2020-2021 General Fund Revenues and Transfers by \$95,622 for a new total balance of \$170,431,149.

Result: Amendment passes {8-1-0} with Mr. Cavanaugh opposing.

3. Capital Improvement Program.

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, That the Glastonbury Town Council approves the 2020-2021 Capital Improvement Program in the amount of \$8,736,217. Funding will be provided as follows:

Capital Reserve Fund	\$8,275,000
Town Aid Road	\$461,217

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, That the Glastonbury Town Council decreases the 2020-2021 Capital Improvement Program by \$1,670,000 for a new total of \$7,066,217.

Disc: Ms. Carroll explained that they need to reallocate \$1.45 million from the Capital Reserve Fund for the Fisher Hill bridge. Mr. Johnson added that another \$250,000 will be taken out from the Main Street sidewalks (amendment to follow) and an additional \$30,000 will be added to make up the difference for

the facilities study (amendment to follow). Mr. Osgood asked if this is a netting out of \$250,000 from CIP. Mr. Johnson replied yes, explaining that there is a greater gap this year because the transfer is \$5.75 million not \$6 million, so ultimately, the unassigned fund balance would be reduced by \$481,000.

Chairman Gullotta explained that there are a couple of things on the table: one is the facilities study, and the other is the \$129,378 reduction that was proposed earlier on capital improvements.

Amendment by: Dr. Beckett

Seconded by Ms. Carroll

BE IT RESOLVED, that the Glastonbury Town Council removes \$250,000 from the Main Street Sidewalks project, in order to build the remainder of the sidewalks.

Disc: Mr. Johnson explained that they would take a one phase project and turn it into two phases. The net charge to the Unassigned Fund Balance was \$231,000. Because they have now reduced the transfer by \$250,000, there is a \$481,000 charge to the Unassigned Fund Balance to the Capital Reserve Fund. One of the suggestions was to deduct \$250,000 from the \$325,000 proposed for next year and turn a one phase project into two phases. If everything goes forward, that remaining section would be built in 2021.

Ms. Tanski asked if splitting the funding into two phases is an acknowledgement that this project would have to go forward in two phases, and not delaying the project for the sake of the project. Mr. Johnson stated that is correct. Mr. McChesney clarified that his vote to delay is not an indication that he does not approve of the project. Mr. Cavanaugh asked if there is an additional cost that could be imposed by doing it in two phases, as opposed to one phase. Mr. Johnson stated that there would likely be two bids, and the difference would probably be a wash.

Result: Amendment passes {8-1-0} with Mr. Cavanaugh opposing.

Amendment by: Dr. Beckett

Seconded by Ms. Carroll

BE IT RESOLVED, that the Glastonbury Town Council conducts a facilities study for \$70,000 to evaluate the buildings and their usages of the Town and Board of Education.

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council uses the \$40,000 currently set aside for the Lyceum Project to offset the cost of the facilities study.

Disc: Mr. McChesney stated that he has an issue with the overall motion because it seems that every time they do a feasibility study, it costs between \$30,000-\$70,000, and he has a hard time accepting why Town and BOE staff cannot work together to evaluate their needs. He does not support the Lyceum line of the CIP project either because it could be done another year. Ms. Carroll stated that she supports this motion because the money set aside for the Lyceum idea could potentially result in being able to make use of that space. She also feels that an outside person should conduct this study because Town and BOE staff have a lot to do, and this is beyond the scope of what they can fit into a regular workweek.

Ms. Tanski agreed with Mr. McChesney, noting that, when she was on the BOE, she saw that the staff did a very good job of evaluating space and measuring needs. Though she does not want to increase their workload, she is concerned about spending money on something that she has confidence Town and BOE staff would be able to handle. Vice Chairman Niland expressed that, on the one hand, he agrees with Mr. McChesney because they have a lot of studies; however, he thinks that this is a very worthwhile study. He noted that having an outside study is an independent measure of their space, which

leaves them better off in the long run. Mr. Osgood expressed that he could see the benefit of having someone evaluate their buildings. He proposed they do as much as they can with \$40,000 and, if they need more, that could be done next year.

Amendment by: Mr. Osgood

Seconded by: Ms. Tanski

BE IT RESOLVED, that the Glastonbury Town Council uses the \$40,000 currently set aside for the Lyceum Project to offset the cost of a facilities study, but changes the wording from the “Academy-Williams Memorial” study to “a facilities” study, and requests that the Superintendent and Town Manager return to the Council to explain how they anticipate spending the funding.

Disc: Vice Chairman Niland agreed with Dr. Beckett on the immediacy of this and does not support this amendment.

Result: Amendment fails {7-2-0} with Mr. Osgood and Ms. Tanski voting in favor.

Result: Amendment passes {6-3-0}, with Mr. Osgood, Ms. Tanski, and Mr. McChesney opposing.

Amendment by: Mr. Osgood

Seconded by: Ms. Carroll

BE IT RESOLVED, that the Glastonbury Town Council adds to the description the phrase, “new sidewalk construction/crosswalk.”

Result: Amendment passes unanimously {9-0-0}.

Result: Motion carries {8-1-0} with Mr. Cavanaugh opposing.

4. Special Revenue Funds.

- Sewer Operating Fund
- Recreation Activities Fund
- Police Private Duty
- Riverfront Park Fund

Motion by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council approves the 2020-2021 Special Revenue Fund Appropriations and Transfers and Special Revenue Fund Revenues and Transfers as follows:

Sewer Operating Fund	\$3,266,442
Recreation Activities Fund	\$1,572,546
Police Private Duty	\$450,000
Riverfront Park Fund	\$300,673

Amendment by: Ms. Carroll

Seconded by: Dr. Beckett

BE IT RESOLVED, that the Glastonbury Town Council decreases the appropriation for the 2020-2021 Sewer Operating Fund by \$10,000.

Disc: Mr. Johnson explained that this is the remaining \$10,000 allocation from the \$210,000 for the pension.

Result: Amendment passes unanimously {9-0-0}.

Result: Motion carries {7-2-0} with Mr. Cavanaugh and Ms. Tanski opposing.

5. Adjournment.

Motion by: Ms. Carroll

Seconded by: Mr. Cavanaugh

BE IT RESOLVED, that the Glastonbury Town Council hereby adjourns their final budget hearing and special meeting of March 5, 2020, at 8:51 pm.

Result: Motion passes unanimously {9-0-0}.

Respectfully submitted,

Lilly Torosyan

Lilly Torosyan
Recording Clerk

Thomas Gullotta
Chairman