1. SUB TO APP Budget Comm. Review Day 6 Minutes
   Documents:
   SUB_TO_APP_BUDGET_DEPT_REVIEW_DAY_6_MINUTES_02-22-19.PDF

2. APPROVED Budget Dept. Review Day 6 Minutes
   Documents:
   APPROVED_BUDGET_DEPT_REVIEW_DAY_6_MINUTES_02-22-19.PDF
Ms. Moriarty called the meeting to order at 9:05 A.M. She welcomed the audience and asked departmental presenters to discuss the proposed FY20 budget.

**FIXED CHARGES**

Mr. Mynarski provided an overview of the Fixed Charges budget ($107.7 million) with a projected overall increase of $9.8 million or 10.0%. The largest items are as follows:

- Healthcare Costs increasing $4,662,000 or 10.1%;
- Pension Contribution to DB plan increasing $2,580,000 or 12.2% due to Retirement Board reducing the discount rate and other accounting assumptions and accounting for COLA in new Police contract;
- Risk Fund contribution increasing $2,000,000 or 200%;
- Insurance premiums increasing $1,046,500 or 32.6%.

Mr. Mynarski indicated the following changes can be considered by the BET:

- 57950 - 401K match can be cut $100,000
- 57300 - workers comp costs can be cut $300,000
- 57500 - sewer for Town properties can be cut $250,000

Mr. Gieger was asked to review the budget for BOE grant reimbursement for benefit costs to determine if it should be adjusted.

**REVENUE PRESENTATION**
Mr. Mynarski reviewed the revenue estimates included in the First Selectman’s recommended FY20 Budget. He noted that the proposed mill rate included the use of an additional $1.65 million of fund balance to lower the amount needed to be raised by property taxes. He recommended the following change should be considered:
- 46110 – interest income can be increased by $250,000

**ASSESSOR DEPARTMENT**

Ms. Elliott began her presentation with remarks on the Grand List. She commented that various initiatives have been implemented to increase taxable collection from Personal Property business accounts. She indicated that there has been a reduction of 688 cars from the automobile Grand List, and the number is now back down to the year 2000 level. She noted that the estimate for the 2018 Board of Assessment Appeals of net adjustments will reduce the Grant List total by $85,000,000; however, only 108 appeals had been received thus far. Last year there were 204 applications for BAA appeals.

Ms. Elliott provided a statistical summary of each of the Town’s 12 districts to demonstrate the relationship within each district of its properties assessed value to current sale prices. She identified that the backcountry residential real estate value accounts for 13% of the Town’s total grand list.

Assessor Department budget is a 1.6% reduction versus FY19 budget due to changes in staffing and increased efficiency resulting from technology improvements. In response to the question of how a 1% budget reduction would be accommodated, she responded that she would need to decrease the consultant expense which will be pursuing and auditing unfiled personal property statements by businesses.

**FINANCE DEPARTMENT**

Mr. Mynarski indicated there have been many staffing changes this year due to several retirements. As a result, the 51010 salary budget shows a 1.4% increase. The 51490 consulting budget was fully utilized by BET special projects on The Nathaniel Witherell and BOE Capital Processes Review. The Committee discussed the needs for consulting funds for FY20. Mr. Mynarski indicated that there might be savings in bank fees; however, he would like to use that budget to help fund additional MUNIS training as the Town will be migrating to a new version of the software and the additional of lease accounting.

**BET HUMAN RESOURCE COMMITTEE REPORT**

Mr. Turner updated the Budget Committee on the actions and pending actions of the BET HR Committee as they impact the budget. He indicated the following:

Recommended by the BET HR Committee:
- Department of Human Services to reclassify two part-time positions to one full-time case manager position. This change is already reflected in the TOO.
- Department of Health request for funds to supplement a State grant for a permanent part-time Public Health Coordinator position.
- M&C increases of 1.5% plus a possible additional 0.5% at the discretion of the manager.
- Elected Official salaries for calendar 2020 and 2021: 2% for 2020 and 1.5% for 2021 to include the First Selectman, Town Clerk and Tax Collector.
Still Pending:
- Retirement Board asking for an additional full-time Administrative Position. The Committee is waiting for a legal opinion from the Town Attorney as to the authority of the BET regarding the request.

The Committee asked Mr. Gieger to review the various departmental budgets to see if the HR Committee recommendations are already budgeted.

**CAPITAL PLAN REVIEW and FUND MODEL**

The Committee discussed the 15-year capital plan and funding model included with the budget. It was noted the funding model includes a continuation of the use of 5-year debt maturities. The Committee reviewed the financial model using 5-year debt maturities and a financial model using both 5-year and 20-year debt maturities, with specific projects being identified for the 20-year financing. It was noted that there are several assumptions which impact the models - size and timing of the capital plan, the capital tax levy and the debt maturities. The Committee decided it will have a further discussion of the funding models at its meeting on Monday, February 25, 2019, starting at 10 am, which will precede the further discussion of the Northwest Fire Station proposal at 1 pm.

There being no further business before the Committee, the meeting adjourned at 2:14 P.M.

Respectfully submitted,

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Catherine Sidor, Recording Secretary

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Leslie Moriarty, Chair
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