

CHAPLIN BOARD OF FINANCE
Chaplin, Connecticut
Remote Special Meeting Minutes
April 19, 2021

Chairperson Dick Weingart called the remote meeting to order at 7:03 PM and read the procedures. Present were Board members Link Diwan, Jean Lambert, Linda Caron and Victor Boomer; Alternate Peter Haines, Alternate Matt Foster and Alternate Bill Jenkins. Others present were First Selectman Bill Rose and Selectman Joe Pinto. Unable to attend was Board member Doug Dubitsky.

3. SEATING OF ALTERNATES: Alternate Peter Haines was seated for Board member Doug Dubitsky.

4. FIRST AUDIENCE FOR CITIZENS: None

5. GUESTS: Board of Selectmen to review proposed budget & CIP reduction:

There has been conversation regarding the budget predicament with the loss of revenue and continuing expenses (some that were not planned for) that may need adjustments. First Selectman Bill Rose reported that the funds in reserve would be depleted if the proposed budget was approved as is and would continue to be depleted as the RD11 Assessments are projected to increase due to enrollment forecasts. This may require reductions to the budget or a tax increase that is not supported due to the difficult recovery from Covid. Preliminary adjustments proposed to the CIP to cover the increase for RD11 Assessment includes: cut \$100,000 from DPW Road Maintenance for this year only and delay a few projects until next year; Fire Truck – \$91,000 available grant funds for this year (Bill Rose will follow up with the Grant Administrator) that would require at least an additional \$50,000 to purchase a new Fire Truck (estimated at \$420,000), need to decide whether to take advantage of the grant or cut Fire Truck funding; England Rd Bridge – will take at least 5 years to complete, set aside \$150,000 and delay until next year.

Link Diwan found a few used trucks online (2020 pumper/tanker for \$234,900) that would fit into the budget. Joe Pinto reported that the last truck purchased was a used 04 Pierce for \$275,000 (good truck but had some issues). A not too old used truck would be preferred and would need to be fitted to Chaplin's needs. Dick Weingart asked if the grant funds can be used for anything other than a Fire Truck (Bill Rose will check on). Link Diwan suggested setting aside \$48,000 each year to build up funds to replace one Fire Truck every 10 years (estimated 25-year lifespan). The current balance of \$120,000, \$91,000 grant funding and an additional \$50,000 would enable the purchase of a used truck. Bill Rose responded to Dick Weingart regarding chip sealing (the intersection out front is falling apart and some prep work has already been done, the new road next to the cemetery was also planned for this year). He suggested cutting \$100,000 from Road Maintenance this year and go back to normal for next year. Dick Weingart reported that the proposed Air Conditioning for the BOE has been removed from the CIP Plan. The budget will be discussed at a special meeting of the Board of Selectmen tomorrow night @ 6:15pm (Dick Weingart will attend).

Victor Boomer joined the meeting at 7:29 PM.

6. ADDITIONS OR CHANGES TO AGENDA: None

7. REPORTS:

a. Board Member Reports:

1) Board of Education meeting on April 14, 2021:

Dick Weingart attended the Board of Education meeting virtually. The Board of Education was informed of the \$25,000 reduction to their budget that was reworked and will be approved at their May meeting. Discussion was held regarding Food Service that needs a solution to operate without a deficit (approximately \$34,000 deficit as of March 31st). A proposal is being created that will address the year-to-year operating budget to eliminate the deficit and will include capital needs for outdated equipment that may need to be replaced at both schools (possibly offset by available grant funds). A long-term solution being considered is to move the salary and benefits for the Food Service Supervisor to the General Fund for the school. The administration will be asked to present the proposal to the Board of Finance when available.

8. APPROVAL OF MINUTES

a. Regular meeting - April 12, 2021:

Motion to approve the minutes from April 12, 2021, was made by Jean Lambert with the following corrections:

Item #7a1 should read – Chaplin will receive \$221,000 with guidelines for use and how long the town has to use it still in the works.

Item #10b should read – Dick Weingart suggested possible \$10,000 savings in General Government.

Item #10b should read - Building Grounds & Maintenance should read – increase to Electricity anticipated after installation of new split system air conditioning units at the Town Hall and Community Center. This may bring a decrease to Heating Fuel/Propane due to using electric heat.

The motion was seconded by Peter Haines and carried with one abstention by Linda Caron.

9. CORRESPONDENCE: None

10. BUDGET WORKSHOP FOR FY 2021-22:

a. Finalize Board of Education/CES budget for FY 2021-22:

Covid Relief funds may be possible to use for the split system air conditioning units at Chaplin Elementary (the cost to improve air quality is an accepted use of the funds).

b. Review Town Agency Budget requests; identify individual budgets for examination/additional information/adjustment:

Dick Weingart reviewed the larger Town Agency Budgets for possible savings and presented proposed changes to the following budgets: General Government, Board of Selectmen, Building Grounds & Maintenance, Employee Benefits & Costs, Chaplin Library, Police Protection, Public Works, Sanitation, Senior Center and Volunteer Fire Department. The savings found in the CIP, the Town Agency budgets, CES budget and RD11 budget (if RD11 uses some of their budget surplus to offset assessments) would be a substantial decrease to reduce the budget deficit.

c. Review Capital Projects Plan:

1) FY 2022-2026 CIP Plan as revised:

2) Review completed CIP projects for potential closure: #3300.13, #3305.22, #3320.1, 3320.12:

Link Diwan reviewed the CIP for possible savings and proposed the following changes:

- Bicentennial – spread out more evenly by setting aside \$15,000 each year.

- Fire Truck – Current balance is \$120,000, set aside \$75,000 this year and \$48,000 each year moving forward replacing trucks as they need to be retired. Encourages shopping around for a used vehicle - found a used 2020 Fire Truck online for \$234,900 with an older body and new chassis, pumper/tanker, seats 5 people with gear, 178,000 miles and a 15,000 gal. tank.
- England Rd Bridge – large expense with grant funding, assume the project will begin in 3-4 years, set aside \$150,000 now and \$20,000 each year after.
- Tree Removal – current balance is \$23,500 with funding also in Public Works, set aside \$10,000 every other year.
- Senior Center Parking Lot Paving – defer \$25,000 to the future.
- Public Works Equipment and Vehicle Replacement – continue regular scheduled event.

Stretching out the contribution from the General Fund helps the budget from year to year. This would help to maintain a reasonable Capital Plan and help to offset the projected budget deficit with the hope of not increasing taxes.

Dick Weingart presented what the overall picture would look like with the proposed changes. Total revenues would be \$100,000 less in taxes due to Algonquin with some offset by improved tax collections, permit fees and real estate fees. There would be a \$75,000 deficit that could be absorbed by the Fund Balance with the mill rate proposed to remain the same for the 4th year in a row. The Unassigned Fund Balance can be used to defray a small deficit or used towards capital improvements. A large budget deficit is projected for FY 22-23 that may require an increase of 1 mill or more as the General Fund cannot continue to absorb a significant deficit. Link Diwan commented that careful management with several ways to trim the budget would result in a healthy Fund Balance making it difficult to justify a tax increase for this year. Bonds could be used for bridges if necessary. Peter Haines expressed the need to balance the nice to haves with the need to haves. The budget deficit is projected to increase and could deplete the fund balance within three years requiring a tax increase or elimination of the CIP Fund. A revised budget proposal will be presented at the next Budget Workshop.

d. Review BOF Budget Development Calendar for FY 2021-22:

Reviewed upcoming meetings listed on the bottom of the agenda. The Legal Notice for the Public Hearing and the Budget Summary will be approved at the next Budget Workshop on April 26th.

e. Review FY 2021-22 online budget book materials and presentation:

The Depreciation Schedule and Budget Workbook can be found on the secure online website.

f. Other budget issues for consideration: None

11. OLD/NEW BUSINESS:

- a. Consider and act on funds transfers and budget line additions/adjustments as requested: None**

12. AGENDA SUGGESTIONS FOR NEXT REGULAR/SPECIAL MEETING:

- a. Regular meeting: Standard meeting agenda & FY 2021-22 Budget Workshop
b. Special meeting(s): FY 2021-22 Budget Workshops

13. TIME AND PLACE OF NEXT REGULAR/SPECIAL MEETINGS:

- a. Monday, April 26, 2021: Special Meeting and Budget Workshop @ 7pm (Remote Audio/Video)
- b. Monday, May 10, 2021: Budget Public Hearing & Special Meeting and Budget Workshop @7pm (In Person & Remote Audio/Video)
- c. Monday, May 24, 2021: Annual Town Budget Meeting @7pm (In Person & Remote Audio/Video)
- d. Tuesday, June 1, 2021: Special Meeting to Set Mill Rate for FY 2021-22 @ 8pm- following budget referendum (Remote Audio/Video)
- e. Monday, June 14, 2021: Regular Meeting and Approve Revenue Budget @ 7pm (In Person and Remote Audio/Video)

14. ADJOURN:

Motion to adjourn (9:12 PM) was made by Link Diwan, seconded by Jean Lambert and carried unanimously.

***Respectfully submitted by Kathleen Scott
Recording Secretary***