



BOARD OF APPORTIONMENT AND TAXATION MEETING MINUTES

APRIL 25, 2024

SHELTON CITY HALL • 54 HILL STREET • SHELTON, CT

The Board of Apportionment and Taxation was called to order at 7:05 p.m. in the auditorium at Shelton City Hall with the Pledge of Allegiance.

ROLL CALL:

John Boyko	Present	Board of Aldermen
John A. Belden	Present via Zoom	Eric McPherson
Wayne Bragg	Present	Cris Balamaci
Joseph Knapik	Present	Bernie Simons
Greta Jacobsen	Present	Benjamin Perry
Joanna Carloni	Present	Anthony Simonetti
		John Anglace
		Porter McKinnon

Paul Hiller (via Zoom)

Approval of Minutes

- a) Special Meeting Minutes of April 9, 2024
- b) Special Meeting Minutes of April 11, 2024
- c) Special Meeting Minutes of April 18, 2024

Wayne Bragg moved to approve the minutes from the April 9, 2024, April 11, 2024, and April 18, 2024 special meetings. Seconded by Joanna Carloni.

A voice vote was taken and motion passed unanimously.

Reports

- a) Contingency Account Report

Wayne Bragg: I just want to note that the balance and the amount approved does not agree with the latest budget report. The balance on the schedule is \$44,296 and the balance in the latest budget report is \$88,136. I'm not quite sure what is happening. There is an ongoing issue with this report. I'm not sure if it is a timing issue.

Paul Hiller: There are some changes that are going to have to be made on this. I don't have them all in front of me. I don't have that contingency report here.

Wayne Bragg: Page 56, account 9900 shows year to date expenditures of \$88,136 through March. Again, it might be a timing issue. I just wanted to bring that to your attention.

Paul Hiller: My apologies, but I don't have the full contingency report with me. I will look into it and get back to you.

b) Transfer Reports

Wayne Bragg moved to approve the transfer report. Seconded by Joanna Carloni.

A voice vote was taken and motion passed unanimously.

NEW BUSINESS

- a) Request from Town Clerk to transfer 3,000 from Indexing Services 001-1400-415-30-08 to Printing and Advertising 001-1400-415-30-07

Transfer from Indexing Account to Printing and Advertising due to the 2024 (D) and (R) Presidential Primary that took place on April 2, 2024.

Sofia Belade, Assistant Town Clerk

John Belden moved to approve the request from the Town Clerk to transfer \$3000 from Indexing Services 001-1400-415-30-08 to Printing and Advertising 001-1400-415-30-07. Seconded by Joanna Carloni.

Discussion:

Joseph Knapik: The matter of these indexes has come up in past meetings and I forget what these indexes are in relationship to where the money is for the transfer. What are these indexes?

Sofia Belade: Indexes are land records. That is everything from start to finish from the time you buy a house to the time you release it to everything that is scanned that we have in-house. That is what indexing is.

Wayne Bragg: So, the index costs are going to advertising and printing.

Sofia Belade: Because we are low in the printing because we had a Presidential primary, we had Town Committee and publishing for the paper which have gone up significantly. I have to pay for our balance for the early voting and the absentee ballots. I don't have enough.

Wayne Bragg: Will this cover all your obligations?

Sofia Belade: Until June 1st. Our next primary is in August which is next year's budget.

Wayne Bragg: So, you think you are okay for the rest of the year with this?

Sofia Belade: Yes.

A voice vote was taken and motion passed unanimously.

b) Budget discussion and final recommendations

Wayne Bragg: I think the budget as presented is inadequate. I would not recommend passing it/approving it in its current state. I think there are several challenges that are ahead of us, not unlike they were last year, almost identical. We have, obviously, a gap with the Board of Education. The million dollar increase that was granted does not cover the contractual increase nor does it cover Special Education or the Alternative High School which we absolutely need to do or the small amount to the Pre-K. I think those things are very important and should be considered. That is going to take some reduction in operating expenses with other adjustments to manage that. In the past we have covered these out of the reserve account. In the 2023 budget we had similar situations and the Board of Aldermen approved \$4.1 million of reserve to be used against these things. We are out of reserve. We have to go after spending. We have to find cuts in spending in order to manage this.

When you look at the Board of Education along with the risks in healthcare costs as well as in Police Pension, we are probably looking in the neighborhood of \$5-5.5 million worth of items that need to be addressed. I have already considered a \$400,000 offset for the Alternative High School in there because even though they are going to spend almost \$400,000 to finish the high school, there should be sufficient revenue that will be generated because now they would be handling the transportation in education in a different way.

I went back and spent several days going back over everything that we have done and looking at the budget reports. I want to bring a couple of things to your attention and then maybe we can further this conversation.

The sale of the City assets. We have contracts for \$4.6 million. We don't know exactly when they are going to unwind. They are budgeted at \$3 million. I think we are being too conservative with that I would increase that revenue up to \$4 million. That would give an additional \$1 million in revenues.

I looked at all ten accounts that we had the workshops for. I identified several things that were not unsurprising. There were several unfilled positions. There was a double counting of a fairly significant headcount. Then I went back and also look at all the current spending on a line item by line item basis for all these accounts and I identified about another \$300,000 where I think we could definitely identify where the current spending is significantly less than what was budgeted for 2024 and didn't get any indication that that would not be unlikely in 2025. I think we can make an adjustment there.

If we take all those things together in totality along with the analysis that I did with the ten departments that we did not review, going back and looking at their spending over the last two years as well as how much was returned to the General Fund in 2023, which was \$1.3 million, I saw some opportunities for about another half million dollars where I think the spending in 2025 is too high. Taking those items in aggregate – I have a detailed analysis of this (will be sent as an attachment with the minutes) – taking that together, I see about \$1.3 million in additional cost

reductions that I think should definitely be on the table. Notably of those departments that I reviewed, some 18 departments, those departments returned almost \$4 million to the General Fund in 2023. I am suggesting that we only take it down by \$1.3, so we are one-third to one-quarter of what was already returned. I think there is a lot of runway there.

Other things that I think we need to look at that we have discussed:

- Continue the joint approach on the task force in healthcare with the Board of Education.
- I think we have to look at this Animal Shelter contract with the City of Derby.
- The Parks and Rec and Highways and Bridges had labor increases between 13 and 33%. I felt we did not get a coherent answer on why those were.
- I think we have to follow up on the opportunity to increase the Police Private Duty rate.
- I think we should go back and look at those departments that generate fees for recreational programs as well as the Community Center and Building Permits to see if there is not some opportunity there in terms of generating higher revenues.

This does not close all the BOE gap, nor all the other potential overruns in the healthcare costs or Police pension, but I think it is a good start and I think that is the direction we have to sort of go in and really scrub these costs. As we find additional cost savings, I would put them into a separate reserve account to specifically address and handle your healthcare and Police pension problems. That way it makes it visible, you can see it, you can manage it and its not a big surprise where you have to wait a year later to see how much you saved in the General Fund to then go back and make an adjustment to these accounts, so we can manage it on a month by month basis and see exactly what is going on.

Joseph Knapik: I think, Mr. Chairman, that the budget is functional up to a point. There are pending problems that were brought out by Wayne. There is the matter of pensions, chiefly for police, the matter of increase in benefits and then there is money that has to be found to pay the fired and then rehired police officers. I think the budget brings us off to a good start, but there are modifications that are going to have to be made as brought up by Wayne.

John Boyko: Board of Aldermen, any comments from you?

Alderman Anglace: We are here to receive your comments. I will comment briefly on Wayne's suggestions. I find working with Wayne personally to be very effective and very productive and appreciate the comments he has made. In fact, I probably speak for all the Aldermen. They are very productive comments, very good suggestions, not only for us as the Aldermen, but for those in the administration as well. They will be part of the minutes.

I will say we have been sitting at this table, some of us, for many years and we know what to expect when we get to this point in the budget. I think that is the most productive approach that we can take at this point, receiving positive suggestions from people on A&T. A lot of these things still have to be turned over, looked at. It is not easy to make a final decision, but I think it put us on the right track and a lot of good points. I just want to acknowledge that.

John Boyko: Thank you Wayne for your help. Any other comments?

Alderman Simonetti: I would agree with what John said that Wayne has obviously put a lot of time and thought into it, thank you.

Alderman Simons: I would agree also. The tediousness of what he had to do is overwhelming.

John Boyko: A&T Members, what do we want to do? Do we want to pass this on to the Board? John Belden, do you want to make any comments?

John Belden: I know the Aldermen will have a better grasp just on the insurance down the road and will have another month to make a better judgment than we would. The ECS Grant, I don't know if that has been updated. Do we have any idea what we are getting? That is a problem too with the State of Connecticut not being done before we start this process, that hurts us a lot too.

Alderman Anglace: I can comment on the State of Connecticut thing. The latest Connecticut Conference of Municipalities legislative report indicates that a bill was put into the legislature this year to fully fund Special Education. That bill did come out of committee and it is before the legislature. Given the position of the Governor and given the position to protect the fiscal guardrails, it is expected that there will be no action take on that bill. Hopefully, it is a step in the right direction and hopefully next year with our joint efforts, because everyone sitting around this table has influence with somebody and we have to let them know, using Connecticut Conference of Municipalities as our spokesperson, that it is a good law to fully fund the Special Education. If this is the law that the Connecticut legislature wants us to uphold, we will be glad to do it, but we cannot pay for it.

We are not magicians, we don't have a crystal ball, we don't know how much to expect and when you get 90 people moving into your town after your budget is set, it destroys your ability to budget for it, it destroys your ability to pay for it. 90 kids with Special Ed needs just wipes us out. If they are not going to pay for it, and they are not unless they change the law and fully fund it, don't expect anything this year because we are going to be faced with the situation, whatever we overrun and we are overrunning it by law. They are forcing us to do it. They aren't going to pay for it.

John Boyko: What I have to say about the budget is that with the departments, as everybody appeared here, I did ask if they were satisfied or if there was anything in particular that they see an immediate need for change, and everybody seemed to be okay with what they were allocated, including the Superintendent of Schools. I did ask that question.

As far as some departments feeling that they may have been short-changed, they did have the opportunity to speak up because I did ask that question. Now, here is where we sit – what is the general consensus, A&T people, are we going to turn this over to the Aldermen to act on it. I

don't know if we would benefit from doing another workshop. How do we feel we should move forward?

Alderman McPherson: Mr. Chairman, we did have somebody who came before us, Maintenance, and there was discussion about moving – he had one line that was increased and he felt it was better to take \$10,000 of that and put it up into payroll. I just want to make sure no one forgets that. He specifically said he thought it would be of better use to take that increase (I forget what line item it was), and put that up into his payroll, part time or full time, I think full time.

John Boyko: I guess I could put in the recommendation that when the Aldermen do get to that item, that they focus on that. They should also definitely focus on the dog situation with the City of Derby, that is very important. I feel that the Aldermen will definitely look into that. How do we want to move forward?

Wayne Bragg: The Charter says we have one of two options. We can either recommend a new budget, which is why we have a column, which I don't think we are at that point where we have a specific number line by line. Absent that, we have to send it to the Board of Aldermen saying we don't approve the current budget. We don't have an alternative.

Alderman Anglace: I think as Wayne said, it is far more productive for us to hear what your specific suggestions are as you gave them to us. That is very helpful and it gets us thinking in that direction which we will definitely look into.

Wayne Bragg: I will send my recommendations and it will be included in the minutes.

John Boyko: What do you feel we should do?

Wayne Bragg: I am recommending moving this forward to the Board of Aldermen. We do not have a revised budget and will not approve the budget as proposed.

Alderman Anglace: You will forward the Mayor's budget to the Aldermen along with your suggestions for issues to review.

John Boyko: Can we get a motion to refer our work on the budget to the Board of Aldermen for further work and review.

Joseph Knapik moved to refer our work on the budget to the Board of Aldermen for further work and review. Seconded by Joanna Carloni.

A voice vote was taken and motion passed unanimously.

Adjournment

Wayne Bragg moved to adjourn the meeting. Seconded by Joanna Carloni. A voice vote was taken and the motion passed unanimously.

The meeting adjourned at 7:35 p.m.

Respectfully submitted,

Donna R. Fonda

Donna R Fonda
Acting Clerk