



**City of Bristol
Regular Board of Finance Meeting
April 21, 2020**

A meeting of the Board of Finance was held on Tuesday, April 21, 2020 at 6:00 p.m. via WebEx. The following were in attendance: Chairperson John Smith, Vice Chairman Orlando Calfe Mayor Ellen Zoppo-Sassu, Commissioners Ron Burns, Mike LaMothe, Nicolas Jones, Jon Mace, Marie O'Brien and Cheryl Thibeault. Also present from the Comptroller's Office: Diane Waldron and Robin Manuele.

April 14, 2020

Ladies and Gentleman:

The Board of Finance will hold a Regular Meeting on Tuesday, April 21, 2020 at 6:00 p.m. in City Hall Council Chambers, 111 North Main Street, Bristol, Connecticut.

Agenda

1. Call to order.
2. Public Participation.
3. Presentation and discussion regarding the 2020-2021 budget.
4. Adjournment

PER ORDER OF THE CHAIRPERSON

John Smith

1. Call to order

Chairperson Smith called the meeting to order at 6:03 p.m.

2. Public Participation

None

3. Presentation regarding the 2020-2021 budget and to take any action as necessary

Chairman Smith reviewed the Agenda for the evening, Diane will review the budget, Commissioners who submitted comments will be reviewed, and additional comment and discussion will follow:

Diane reviewed the proposed City budget from the April 7 budget workshop, requests totaling \$77,591,075 with proposed reductions totaling \$1,927,975 for a proposed budget of \$75,663,100, a 2.76% increase. Capital Outlay requests for City Departments totaled \$1,223,845 were pulled from the General Fund to be funded from the Equipment Building Sinking Fund at a proposed amount of \$628,555. The Debt Service and Operating Transfer

Out request has a proposed reduction of \$1,250,000 to bring the proposed total to \$11,080,000 for a total decrease of 7.24%. The Board of Education request of \$121,797,185 has a proposed reduction of \$2,166,195 to bring the total down to \$119,630,990 or a 3.99% increase. Overall, the proposed expenditure budget request is at 2.87%, totaling \$206,374,090 an increase of \$5,759,350. The mill rate would increase .90 mills, from 38.05 to 38.95.

Diane discussed the Governor's Executive Order 7S, which gave the City two options to defer taxes for 90 days for those affected by COVID-19 or reduce the interest rate to 3% for the 90 days. The City has opted to defer taxes until 10/1 for all taxpayers. Escrow payments are excluded from the Executive Order, for the City these payments total \$27-30 million and will still be collected by 8/1/2020.

The proposed Senior Tax Relief program was discussed which has a current cap of \$650,000. Credits of \$500 would be given to those with an income level up to \$50,000. If funds are still available, a \$500 credit would be available for the income level of \$50,001 - \$60,000. The tax credit may be pro-rated for this income level based on the program benefit balance after processing applications for taxpayers within the first income level between \$0 - \$50,000.

Chairman Smith opened up the floor for discussion and Commissioner comments and questions.

Commissioner LaMothe stated the Board of Education increase is high, and asked where the savings are due to COVID.

Commissioner Burns questioned if the Mill Rate Stabilization funds of \$650,000, was not used for the Senior Tax Relief Fund, could it be used towards lowering the mill rate.

Commissioner Calfe would like to see the Public Works Fleet Capital Outlay reduced.

Commissioner Thibeault discussed a previous email from April 7, the Council voted to delay the first tax payment to October, but the Statutes give the City the ability to turn the tax payments into four tax payments instead of two and feels the City needs to consider this, as many of the residents are exhausting emergency funds currently.

Commissioner Burns stated he doesn't feel many small business are going to survive, a zero increase budget is needed, Ron discussed using the rainy day fund, mill rate stabilization fund and staff furloughs.

Diane Waldron stated \$1,650,000 was put into the Mill Rate Stabilization Fund, this budget is using \$600,000 and it is recommended to transfer \$400,000 before the end of the year. This is being done to stay within the budget cap of 2.5%. Chairman Smith stated he is opposed to using Fund Balance, it is to be used if the City has a catastrophic issue, not to balance the budget. Over \$3 million would need to be used to bring it down to a zero increase. Chairman Smith stated he can't comment on employee givebacks, but in order for that to work it would have to be done across the Board, City and Board of Education, but he doesn't

know how that would work. Mayor Zoppo Sassu stated the Police contract has not yet been signed, and the Fire contract is expected to be brought to the Fire Board, however these are the City's front line responders and based on what they are doing now and what they do all year, she would feel hard pressed to ask for concessions on two brand new contracts. On the other contracts, wage adjustments were just made on the Locals 1338 and 233 contracts along with BPSA that were worthwhile. If the City went to the table to ask employees for givebacks it should be something with a significant measureable impact, similar to Police and Fire for the Pension reorganization in 2018. Diane prepared estimates with all unions on the City side totaling \$125,000 if everyone furloughed one day, taking Public Safety out it would total \$61,000, and the Board of Education total is \$341,000. These are big picture estimates totaling \$500,000 for a one day furlough.

Orlando discussed the Capital Outlay, specifically Public Works if the request was pulled there would be savings of over a million dollars to lower the mill rate increase. John stated he doesn't think that's feasible, he's hesitant to curtail all requests, as it would cost more in the end to repair and get back on track. The list can be evaluated, but the need to replace a rubbish track if delayed may put the City in a worse situation down the road. Public Works original request has been reduced already down to \$1,100,000 from \$1,361,000. Mayor Zoppo Sassu stated she's not comfortable with one Department taking the brunt of the cut but that, this should be a discussion with all Departments to see if there are any remaining capital outlay items that are not a safety operational item that hasn't been removed already or can be deferred. Commissioner Mace stated he agrees with the Mayor, if you wait too long to replace something you end up paying more, but it won't hurt to go back to the Departments to take another look at the budgets to squeeze anything possible. John stated he sat in with the Comptroller's Office, they do a thorough review before it reaches the Board of Finance and items are removed before it reaches the BOF.

Commissioner LaMothe expressed his concerns regarding the Board of Education budget and Special Education, as Special Education eats into the majority of the regular education budget. Dr. Carbone stated the Board of Education has been very transparent with the Special Education costs. When students enroll in a magnet school, not only does the BOE pay their magnet school tuition, the BOE also pays their Special Education costs. The cost of private education costs based on the individual needs of the students are unknown, however the BOE has created numerous programs in house over the past 4.5 years. Additionally, the City out performs every alliance district in literacy and will outperform them in math, but the resources were not available in math in the past. This year, the driver of the BOE budget is not solely Special Education, the driver this year is in wages and health insurance with over a 3% increase.

Commissioner Jones commented on how well the Bristol Public Schools closes the achievement gap, and with the necessary resources that will draw families to Bristol with a solid education system and increase the tax base.

Dr. Carbone stated once the Board of Education is given a final budget, reductions will be made where necessary. Paraeducators cannot be cut, it is not feasible to remove a resource

when it is already provided to a child. Dr. Carbone stated the 17 new paraeducators are not new in this year's budget and as they are carryovers of existing resources as a result of PPT, to ensure appropriate education for all. Commissioner Thibeault requested a current headcount by school and position. Chairman Smith stated they can do that, but it's not within the Board's purview to make decisions relevant to the expenditure side of the Board of Education budget. John stated this information can be found in the budget document for the BOE.

Commissioner Smith summarized Commissioner comments and concerns from tonight's meeting. The Board of Finance is scheduled next Tuesday to adopt the budget, with the option to delay if more time is needed. The City has an obligation to continue to function at a high level, and prepared to go even higher at some point if things get worse. Mayor Zoppo Sassu stated the City is already doing a strong Purchasing review, vacant positions are reviewed on a case by case basis, and they need to think about creative economic business options which are in the works with Councilman Preleski and Justin Malley. The past few weeks has taken on a new meaning to the word essential employees, if everyone only knew what goes on here they would share the Mayor's concerns with asking for furloughs at this time. The economic impact of COVID on the business community is a concern and the City is in contact with the Chamber and private business partnership, but the burden doesn't fall strictly on the City's shoulder as other opportunities for support and relief exist from other sources.

Commissioner O'Brien question the additional CDBG funds that may be available, which the Mayor stated are specific for COVID relief, and the City will be targeting the homeless population with those funds.

4. Adjournment

Commissioner O'Brien made a motion which was seconded by Commissioner Calfe

"To adjourn at 7:46 p.m."

Following a voice vote in which there was no opposition, the Chairperson declared the motion carried.

Attest:



Diane M. Waldron
Board of Finance Clerk