

April 22, 2013

Budget Work Session

Present:

Members: Jack Boyer, Barbara Brown, A. J. DuBois, Michael Jackson, Craig Schoon, Rex Swain

Alternates: Liddy Adams, Ted Bent

Selectmen: Mark Lyon, Tony Bedini, Richard Carey

Treasurer: Linda McGarr

Guests: 2013-14 Budget: Gunn Library/Museum – Tyler Smith, ASAP - John Millington, Joanna Torti

Board of Finance Chairman Michael Jackson called the meeting to order at 5:00 p.m.

2013-2014 Proposed General Fund Budget Discussion:

ASAP:

John Millington requested the Board of Selectmen reconsider the After School Arts Program for funding in the amount of \$5,000 in the proposed General Fund Budget for 2013-14. He suggested this program is of great benefit to the Town and noted there are hundreds of people involved with their programs.

Joanne Torti, Director of the Program, also noted her concern that the line item remained removed from the proposed budget. She noted the importance of Washington's support and reported she had received 150 signatures on a petition to that effect. She also noted that students of Region 12 receive a discount of 27% for programs, plus transportation; and the ASAP is more than an educational program for the schools - it is community-minded and an enormous benefit to the town. Their total budget is \$600,000, with \$15,000 requested from Region 12 and an additional \$5,000 from each town. (It was noted the Town also pays approximately 50% of the Regional School budget, which would equate to another \$7,500 that is being provided by the Town.) Ms. Torti reported ASAP provides \$100,000 worth of programs for the children of Region 12; and that although Washington did not provide funding for the current year, the students from Washington were treated the same as other students from the Region.

First Selectman Lyon reported he has explained the budget process to Ms. Torti in that the Selectmen receive many requests and have tried to maintain a level in the taxes as much as possible for the taxpayers. Chairman Jackson noted that amending line items in the Selectmen's budget is not in the purview of the Board of Finance, but rather that of the Selectmen. Jack Boyer suggested Washington is the only town of the three Regional towns not supporting this program and suggested "Let us not be cheap." The Selectmen will address this issue at a future budget work session.

Gunn Memorial Library and Museum:

Tyler Smith, financial advisor for the Gunn Library and Museum, updated the Board and described in detail their financial situation, noting they have maintained an austerity budget in an effort to keep costs down. In addition to revenue received from the Town and their endowment, they rely on funding from the Antique Show, their Annual Appeal and the Library Luminaries. Prior to 2008, they had done well with their fundraising and investment income had been higher. Since then the fundraising has been essentially flat. While the Antique Show indicated that younger people may not be buying antiques as in the past, thanks to the generosity of the Washington Primary School for the use of their space, the previous year's show had been bigger, presented better, and a huge success in every way, except the bottom line. Previously in 2008, the capital campaign had raised \$2.5 million; currently they are only seeing a 2-3% growth. He noted endowment has come back surprisingly well.

Mr. Smith suggested that money is not saved by cutting services. Instead, they are now doing their own investing and now have co-managers for the Antique Show instead of paying a professional show manager. They again have permission to use the Washington Primary School. The members of the Board recognized the Library/Museum in maintaining their fiscal responsibilities and appreciated their efforts.

Taxes:

The certified list of uncollectible taxes for transfer to the suspense tax book was approved by the Board pursuant to CGS 12-165 in the amount of \$10,368.91. Approximately \$25,000 in taxes has been collected on newly-finished buildings. (attached)

Treasurer:

Treasurer Linda McGarr reported she has been seeking higher interest income for the Town accounts; however, she noted there is not a lot out there. Thus far, general income has been received in excess of the amount budgeted. Property tax receipts are below the budgeted line item but Linda anticipates tax collections will meet the budget by the end of the year. Most expenses are in line at the end of the 3rd fiscal quarter.

Education:

The future of the area regional school districts was discussed and it was agreed the shrinking population in all the districts is a huge problem. Candidates for the four Board of Education positions representing Washington on the Region #12 Board will meet on April 23rd at 7:30 p.m. to answer questions and introduce themselves to the public. Linda McGarr questioned if closing the school and/or consolidating with another Region would be considered.

Proposed Town Budget:

With regard to the proposed 2013-14 General Fund budget, it is hoped that a 0 to 1/4 mil rate increase could be attained. The decision to include \$600,000 for Road Repair/Reconstruction will

be considered on an annual basis. Rex Collum suggested the collection forecasts are very conservative at 98%. Discussion was held as to how the proposed revaluation could affect the tax issue, but it was felt if the Grand List is down, the mil rate could be adjusted. Per pupil expenditures is approximating \$29,000/pupil.

Nonrecurring Capital Projects:

Craig Schoon made a motion to return \$92,863 from the Nonrecurring Capital Fund to the General Fund for projects that have been completed. Barbara Brown seconded the motion. Motion unanimously passed. (See attachment to minutes.)

Taxes:

The Tax Collector's list of certified uncollectible taxes for transfer to the suspense tax book was reviewed and approved by the Board pursuant to CGS 12-165 in the amount of \$10,368.91. Liddy Adams acknowledged she had reviewed this recommendation with the Tax Collector and approved the proposal.

Senior Center:

Discussion was held on the condition of the Senior Center. It was noted there is little space for programs/projects other than the Senior Center Office. The building has been shared with the Legion for many years and it has been suggested it would be more pleasant if the Seniors had a place of their own. The options will be examined in depth and considered a long-range project.

Town Pension Plan & Fire/EMT Award Program:

Barbara Brown noted the need for review of the trust agreements for the Town Pension Plan, as well as the Fire and EMT programs. Concern had been raised that these funds could be attached by a creditor. The Pension Committee acknowledged the concern and agrees. These programs will be reviewed for their safety. It was noted that the Fire and EMT Award Programs do not fall under the same requirements as the Town Employee Pension Plan and is an unprotected fund.

With regard to the Town Employees' Pension Plan, the Pension Committee of Barbara Brown, Rex Swain and Craig Schoon reported they have been in discussion regarding the future of the current defined benefit plan that covers the Town employees. Noting concern for future Town expenses, they suggested a Defined Contribution Plan be considered for new employees hired in the future as an improvement for the Town in estimating future costs. Current municipal employees would continue under the Defined Benefit Plan. Rex noted it is the Pension Committee's suggestion that we need to make an improvement in that direction. 1. To save money. 2. To better predict future costs. Currently, it is difficult to budget this item for the future of the Plan. A defined contribution plan would allow the Town to know what the future pension cost would be. He suggested it is very complicated as it now stands.

The meeting was adjourned at 6:30 p.m.

Respectfully submitted,
Kathy Gollow, Board of Finance Secretary