

TOWN OF BERLIN
REGULAR BOARD OF FINANCE MEETING
APRIL 18, 2023
Remote Meeting
7:00 P.M.

<https://berlinct-gov.zoom.us/j/85861214880?pwd=dE1yN3NrMWpLaXp0SUhTS2dwcUhTdz09>

Call-in Option:	1 929 205 6099 United States Toll
Meeting ID:	858 6121 4880
Passcode:	765110

A. CALL TO ORDER

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

D. PUBLIC COMMENTS

E. APPROVAL OF PRIOR MINUTES

March 8, 2023, Regular Budget Meeting
March 14, 2023, Special Budget Meeting
March 14, 2023, Regular Meeting
March 20, 2023, Special Budget Meeting
March 28, 2023, Annual Budget Hearing
March 28, 2023, Regular Budget Meeting

F. NEW BUSINESS

1. Move to transfer \$297,500, as detailed on the accompanying spreadsheet, to cover higher than budgeted expenditures in identified accounts.
2. Discuss quarterly VNA reporting format and submission dates.
3. Discuss date/time/format for meeting following the April 25th budget referendum.
4. Finance Director update.

G. ADJOURNMENT

TOWN OF BERLIN
REGULAR BOARD OF FINANCE BUDGET MEETING
Wednesday, March 8, 2023
Town Council Chambers or Remote Option
7:00 P.M.

<https://berlinct-gov.zoom.us/j/89482757055?pwd=TWxNbllpc0hLcUx3NzFDelg5VHNNUT09>

Call-in Option: 1 929 205 6099 United States Toll

Meeting ID: 894 8275 7055

Passcode: 946366

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 7:00 p.m.

B. ROLL CALL

ATTENDANCE:

Members Present: Sal Bordonaro, Raul Fernandes, Tim Grady, Mark Holmes, George Millerd, Gerald Paradis

Members Absent: None

Staff Present:

Kevin Delaney – Finance Director

Aroscha Jayawickrema – Town Manager

Mark Kaczynski – Mayor

Alea Piatek – VNA Director

C. DISCUSSION OF DEPARTMENT BUDGETS

- a. Discuss and vote on adjustments to the General Government, Board of Education and/or Berlin Water Control budgets.

Chairman Bordonaro said that he created a spreadsheet showing the average cost in FY23 per month. It is an annual forecast with 3% added for labor increases. I came up with \$9M total and compared it with the FY23 and FY24 budget and the difference is \$1.1M. My projection escalated in the FY23 and FY24 budget. I excluded the VNA category and there is a surplus of about \$450k. We need to work through these labor categories and ask is there room for reduction?

Town Manager Jayawickrema said the positions are funded, but the dollar amount is reduced. If the positions are filled or it goes over, then it needs to get funded. Chairman Bordonaro said we had surplus the last few years in the labor category. Mr. Paradis asked if there are any one-time payments done later in the year? Finance Director Delaney said school nurses get a payout at the end of June that is not included. Some positions were vacant earlier in the year, but then filled. The Police Department has 7 vacancies. Chairman Bordonaro said there is a requirement for 46 Police Officers in this budget, but what is the average number of vacancies in the next budget cycle? Finance Director Delaney said 2. Mr. Millerd added that when an opening (seat in the academy) comes up we usually miss it because we do not have anybody. Mr. Grady said we are good at 44 Police Officers and it takes 6 months in the academy per person. Chairman Bordonaro said he would keep the count of 46 Police Officers and have 4 vacancies.

Chairman Bordonaro said not much has changed in the VNA budget from last year. Revenues are down and expenses are about the same. They will lose \$867k for the year. We had a meeting with VNA

management regarding making progress towards improving. My opinion is to go back and see if we can knock off \$300k. I don't know whether you can change the approach on how the organization operates or focus just on Berlin residents. Mr. Fernandes asked for the numbers on how many clients are from Berlin vs. not from Berlin. Finance Director Delaney said it is about 75% residents and 25% non-residents. Mr. Fernandes asked if the Medicare numbers are in for January? Finance Director Delaney said VNA Director Piatek is tracking those numbers per patient in a spreadsheet.

Mr. Paradis said I added up everything in the VNA budget that said reimbursed. It was speech therapists, occupational therapists, physical therapists, social workers, health aides and medical services. Those expenditure accounts total \$421k. We are budgeting \$700k for total revenue. Our biggest costs are with nurses and nurse's expenses. That part of the budget is generating \$280k worth of revenue and these reimbursable expenses are generating the rest. It doesn't make sense and I don't know how we could ever get this model to work close to breaking even, or work with a small loss. We should ask Town Manager Jayawickrema to come back with a revised budget for this department that reduces their net costs by about \$300k. If it is reduced staffing, so be it.

Mr. Paradis said I would be interested to see the spreadsheet that shows how VNA Director Piatek comes up with cost per client. When we are looking at figuring in overhead for each of these clients, you have \$1M generating \$280k of revenue. There is a huge loss in every single patient. That is something that we have been saying exists for a long time, but never got someone to tell us the cost of this particular service. If Medicare only reimburses so much, then we have to think about why we are providing so many of those services. Maybe we have to shrink this to the point where it is a manageable thing. We can't close the whole thing down because there is a charter provision for it, but we have a responsibility to look at that budget just like any other budget.

Mr. Grady said this comes back to their unwillingness to change the model and look outside the box. Mr. Paradis said we have been asking for changes all along and have to do something significant to move it in a direction where we can take a judgement as to whether it is savable or not. We are going up \$190k in losses for the proposed budget. That is opposite of what we have been talking about with them.

VNA Director Piatek said I want to refer back to previous meetings where Mayor Kaczynski had said that we believe it is a good thing for the town to have a VNA. We had the charter vote and the citizens voted that they want this service intact. I have worked on reducing our costs and haven't been here a full year yet. When we spoke at the special meeting, I asked to give me a number to have a goal to work towards and they said we can't do that because we don't know how you operate enough to decide that for you. You have to tell us that. It looks like we are up about \$44k from revenue this time last year. I was told the goal is chipping away at it. It is not going to go away in a year. You offered me time to continue working to make things better. Commissioner Paonessa said no matter how the vote goes, we have to work together. I want to know how we went from we want to work with you and not cut the budget to looking to reduce the deficit by \$300k. That would leave me with a staff that cannot adequately care for the patients. Our reimbursement is based on quality. When we have less staff the quality will drop and our revenue will drop between 3% to 5%.

VNA Director Piatek said with the new model we have the possibility to increase our rates in revenue by 3% to 5% and I'm looking to grow our census by 25% to 50%. I have been re-doing the whole agency because it has been neglected and not kept up to date. I have not been able to do the marketing part yet because I'm doing the work of two people. I need you to follow through on what you told me that you are going to give me time to work on this and chip away. We might hit a reduction of \$60-\$70k and year over year we can continue to reduce it and do better. I have shown you results that I can turn it around.

Mr. Millerd said that Mayor Kaczynski never said that we would give you all the time. We said that we would put forth the charter revision change that we wanted to do where it would give us some resources and the ability to re-engineer the VNA. I don't know the basic requirements of the Berlin VNA. It is not written anywhere whether we need speech therapists, physical therapists, etc. It says provide visiting nurses facilities. We need to look at the basic building blocks of how we provide that in a superior way to the citizens of Berlin. Also, your rules say that you can go and provide services to other towns. The charter does not say that. Legal opinion is that you are good to do that, but the town does not have to pay for that. The VNA advertises as a non-profit organization, but is paid for largely by the Town of Berlin.

Mr. Millerd said we have to work through these differences and come up with a basic plan. What services are we going to provide, what should they cost and how are we going to do that. Also, it does not say in the charter that we have to have Town of Berlin employees provide these services. It says the town has to provide these services. It does not mean the whole thing can't be outsourced. We have to work together. We can't keep waiting forever to get this done. It needs to be accelerated to some degree because we are costing our tax payers a lot of money. VNA Director Piatek said it is frustrating that I have been lied to by Town Council, the Mayor and Chairman Bordonaro. I'm asking you to be accountable for what you said to me.

Mr. Fernandes asked who said the Town Council, or Board of Finance wanted to eliminate the VNA? The town voted to keep the VNA. Chairman Bordonaro said I don't think I or Mayor Kaczynski lied, but looking at your proposed budget, if you are chipping away, your losses are greater than last year's budget. I'm asking you, Town Manager Jayawickrema and Finance Director Delaney to go back to the table and look at what you can do. VNA Director Piatek said the plan is that the revenue is going to increase and therefore decrease the deficit. I made cuts where I could and reduced costs month over month.

Town Manager Jayawickrema said the Department of Public Health has a document on regulations and what services the VNA shall provide. Next year is going to be better compared to year to date actual. Mr. Fernandes said this year's budget is slightly different because of what is going on. We are talking about \$300k losses. Chairman Bordonaro said I project a loss of \$864k in the current fiscal year. You are budgeting \$860k, it is a flat loss. Town Manager Jayawickrema said we will look at it and come back to you.

VNA Director Piatek added that if all you offer is nursing and PT, you will have a hard time getting patients to choose you because you do not offer a full spectrum of services. It is rare to have a patient who only needs nursing or one service. Mr. Millerd asked if it is possible to partner with others? VNA Director Piatek said I don't know how that would work. Mr. Paradis said the other services are reimbursable. If you are getting 100% reimbursement on these other services, then that is not where the problem is. We could offer as many of those services that the nurses need to refer to.

Mr. Paradis asked for clarification on the reimbursement of services. VNA Director Piatek said speech therapy is provided by a per diem staff member and they get a flat rate for each visit. Those are reimbursed by insurance providers. The insurance providers all pay different rates. For traditional Medicare you are just getting a lump sum for whatever services they need. Mr. Paradis asked if there are some in that category that will not pay for the full cost of the service. Are there some services that we don't get reimbursed 100%? VNA Director Piatek said yes, we have some patients with insurance carriers that do not pay as well as others. I don't have the ability to refuse service to a patient because their insurance isn't going to pay that. Also, we can't refuse patients based on their payer. We are tied by legal standards. I know which payers pay the best and which payers are not going to pay so good. My staff knows how to utilize visits the best that we can to be fiscally responsible. Some payers pay well over and above and some payers pay less.

Mr. Paradis said reimbursable does not mean fully reimbursable. It just means we are going to get part of that back. VNA Director Piatek said on traditional Medicare it is 100% reimbursable. Aetna, Anthem, Cigna are 100% reimbursable above and beyond what the cost is. For United Healthcare, Medicare, CCCI, or on a private pay patient who's paying us to come out and provide a home health aide service we do lose money on those patients.

Chairman Bordonaro said he went into the professional technical other category. I would like to challenge that category and see if you can come up with a \$300k reduction in total across the board. I'm looking for ways to reduce the expenditures as much as possible because we can't live with this kind of increase. The average reval went up 17.7% overall. We have to communicate to our taxpayers to let them know what is going on.

Mr. Millerd asked to get a breakdown or grouping around that 17.5% increase, what groups are either lower or higher.

Mr. Paradis said 10% was budgeted for health insurance. What are the projections for how we are actually doing related to that rate as adjusted for the existing year? If the 10% were reduced to 9%, what is that number? Finance Director Delaney said budgeting would be around \$70-80k for the cost of health insurance with Board of Education and the town combined for a 1% reduction. Mr. Paradis asked if the claims in the health insurance fund this year to exceed the amount that we put in? Finance Director Delaney said it would be very close. Last year was a 7.1% total increase. It is worth about \$30k for the town and about \$50k for the Board of Education if the 10% went down to 9%.

Mr. Paradis said I think we are going to look for smaller items wherever we can. There is a \$280k amortization payment for prior service at 5 years. Do you see any problem going to 10 years? Finance Director Delaney said no because there is no lump sum provision. .

Mr. Paradis asked about the \$25k cost for Kensington Village Architectural review. What is it for and will it really be needed this year? Finance Director Delaney said I don't know if it will be needed this year. Planning and Zoning established a Kensington Village group to build up the Kensington Village area. There is a statute requirement to hire an architect to review any plans for facades or building fronts that are visible from the main road.

Mr. Paradis said the last item in the transfers account is \$250k for grant match. We have \$300k in contingent. I'm told we have to work at lightning speed for these grants. Have we ever lost a grant because we haven't had match funds available? Finance Director Delaney said yes. Mr. Paradis said if we have it in contingency the Town Council could do a transfer. The Board of Finance and Town Council can act within a week. Finance Director Delaney said if the town is able to invest \$250k here and secure \$1.5M of grants, there is a lot that the Plan of Conservation and Development could do. Also, it could be 3 to 4 weeks after a Town Council meeting for the next Board of Finance meeting. You could appropriate fund balance and add it into the budget year and it wouldn't tax residents and accomplish the same goal. Mr. Millerd asked if we would need the entire \$250k of the grant? Finance Director Delaney said it will vary by grant. Mr. Grady added that you can also move transfers for grants. Town Manager Jayawickrema said the new grants need to be shovel ready quickly from the date of application. The grants are a great way to spend \$.10 to \$.20 cents on the dollar and get a \$100 out of it. We just want to have the flexibility, if you think there is another way to get the matching funds, let's look at that strategy.

Mr. Paradis asked if the \$72,500 in the transfer to revaluation funds is to start a new fund? Finance Director Delaney said yes, this is a sinking fund so you do not get hit all at once with the next required revaluation in five years.

Mr. Grady said he visited the pickle ball courts, Willard school and Little People's playground. I walked around those sites and they are in at least good condition. The pickle ball court lines have been done recently. Finance Director Delaney said pickle ball is a growing sport and we tried to repurpose the current tennis courts at Hubbard. Temporary nets were purchased for about \$300 that can be put away. It is not a long-term solution. The request is to replace all of the tennis courts and make it similar to the material that exists on the high school basketball courts. If you go low quality it tends to deteriorate very quickly and would cost the town more to replace and repair. This would be to replace that tennis court with a pickleball court. Mr. Grady added that it is a popular sport, but this year I don't think it is the bulk of priorities. The Willard playground equipment is in really good shape. Everything is functional. Little People's is a little older and more worn, but more than serviceable. It does not have much activity.

Mr. Fernandes asked about the South Kensington Firehouse roof? Town Manager Jayawickrema said we received pricing and it was way off the charts and that put it on hold. There was a new bid received and we are scheduled to do it this summer. The roofing materials are expensive and we are trying to be fiscally responsible. Finance Director Delaney said the \$75k listed is for additional planning modifications and will require architectural work to figure out what can be done.

Mr. Paradis asked if the 4 categories are prioritized on the capital improvement list. Mr. Grady said the list is done by highest to lowest priority. For the Willard ballast block replacement project, the solar panel project is not on for more than 5 or 6 years old. Do we need to replace the blocks already? Finance Director Delaney said we are trying to replace them before they break down. The solar panels could move around and potentially come off the roof. They were completed around 2017.

Chairman Bordonaro said we will take a look at this list and decide if we want to go all or partial, or add something. We are dealing with some huge costs. Mr. Grady added that Fleet Manager/Fire Administrator Simmons did a great job with the dump trucks by being able to buy just the bodies and not replacing the entire truck (the truck beds had rotted). That saved the town millions of dollars.

Chairman Bordonaro asked how are we doing with the Willard HVAC project? Finance Director Delaney said we are finishing up the bid documents and hired a Project Manager. They are confident the work can be done this summer. Chairman Bordonaro asked if we have the resources to take on two schools? Finance Director Delaney said we have two schools listed because the town authorized the Superintendent to apply for a state grant that we are waiting to hear back on. The state requires the town to be able to fund the work and the completion date needs to be by the end of 2024. Mr. Grady asked if will find out soon? Finance Director Delaney said yes, any day now. Also, each school is considered its own project.

Chairman Bordonaro asked for an update on the Police Station renovation project. Finance Director Delaney said they had a meeting and are changing the scope of the project. It will be the characteristics of Phase 1, but it would be the entire project. The numbers are \$3.5M to \$4M. Mr. Millerd asked if we have done any bidding yet? Finance Director Delaney said no. Mr. Paradis asked if the \$300k to do part of the project is inadequate now? Finance Director Delaney said there is no indication.

Mr. Paradis asked about the new Extra Duty Special Revenue fund that will generate income to purchase police cruisers. Finance Director Delaney said this would be for this year and then some or all of it could come out of the General Fund to be funded in Special Revenue.

Chairman Bordonaro asked about the Supplemental Motor Vehicles. Through January of this year we are over \$1M, is there some wiggle room there? Finance Director Delaney said that number is deceiving because we just issued a refund of \$193k due to a DMV registration error.

Mr. Paradis said looking at the actuarial report, our investments are generating 1%. Should we be looking at moving those to something else? Finance Director Delaney said that we only go with the most conservative approach. Also, the retirement beneficiary average age has increased.

Mr. Paradis said he is surprised that the Board of Education budget increased by about \$400k. The unspent money gets returned to the General Fund. I would like them to spend their monies on capital items during the year. They are entitled to spend it according to state law. We have done well with the Board of Education over the years. I was seeing somewhere in the 2.8% to 3% range for the Board of Education.

Chairman Bordonaro said I looked at the last 5 years and the Open Choice program grant carryovers show they don't need more than 2% to operate without an impact to quality of service to our kids. I don't see giving them much more than 2%. Mr. Fernandes said he was thinking 3.5%. Mr. Grady said last year we were at 2.6% and still turned back surplus. They are adding a kindergarten teacher and adding 150 new students from the Open Choice program. The breakdown is very heavy towards mostly kindergarten students. Are we using this program to maintain our staff? Mr. Millerd said he is still concerned with the logistics of the revaluation and a 3.5% increase is not affordable. We have to be as prudent as we can. Mr. Grady said he is in the low 2% range. Mr. Millerd said he is there too. Mr. Holmes said he wants to re-look at capital to figure out what we are actually going to put into the budget and piece it all together. The problem is that everything is going up for everyone. We have gone 0, 0 and less than 1 for 3 years. I don't think another town in this state could say that. We have done really good work and we will again.

b. Possible vote to send budgets to the Annual Budget Hearing:

- i. Move to send the Board of Education budget of \$ _____ to the Annual Budget Hearing.
- ii. Move to send the General Government budget of \$ _____ to the Annual Budget Hearing.
- iii. Move to send the Berlin Water Control budget of \$ _____ to the Annual Budget Hearing.

D. ADJOURNMENT

Mr. Grady moved to adjourn at 8:50 p.m.

Seconded by Mr. Holmes.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

TOWN OF BERLIN
SPECIAL BOARD OF FINANCE BUDGET MEETING
Tuesday, March 14, 2023
“Doc” McIntosh Conference Room or Remote Option
Immediately Following the Regular Board of Finance Meeting

<https://berlinct-gov.zoom.us/j/87642386903?pwd=WjN0cW81b203cnRXaVBHdFlhZ2ppdz09>

Call-in Option: 1 929 205 6099 United States Toll
Meeting ID: 876 4238 6903
Passcode: 357403

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 8:10 p.m.

B. DISCUSSION OF DEPARTMENT BUDGETS

- a. Discuss and vote on adjustments to the General Government, Board of Education and/or Berlin Water Control budgets.

Chairman Bordonaro said we will not be able to fill all of the Police Department positions. We said on average let's take out 4 police officers for the proposed budget. Finance Director Delaney said a new Police Officer is worth \$137k a year. That is \$548k between them. Town Manager Jayawickrema asked are you taking the positions out, or just the money out? Chairman Bordonaro said we are taking the money out because they won't be able to hire that number by April.

Chairman Bordonaro said he would like to have a motion to reduce Police Officer Wages and Fringe Benefits by \$548k.

Seconded by Mr. Millerd.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Paradis made a motion to increase interest income of \$500k.

Seconded by Mr. Grady

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Paradis said we talked about the new police pension amortization schedule. There was a proposal to do either 5 years or 10 years. This would change it to a 10-year amortization schedule and reduce the pension by \$139,828.

Mr. Paradis made a motion to reduce the pension line item in the town wide budget by \$139,828.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Paradis said we talked about the old pension plan. The cost to annuitants was approximately \$172k. The motion would add to the revenue side of the fund balance account for \$172k.

Mr. Paradis made a motion to add \$172k to the revenue budget and the fund balance line to pay the pension annuities.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Chairman Bordonaro asked what is the difference between the \$743k and the \$172k? Finance Director Delaney said when someone retires, they have the option of either the lump sum payout or the annuity payout which is a monthly check. We still have 15 retirees or their beneficiaries who elected to receive a check. The remaining amount is for active participants and that represents 5 active Police Officers and the actuarially determined value of what their payout is worth. Mr. Paradis added that the lump sum is appropriated out of fund balance. Chairman Bordonaro asked to keep this portion open until we go through the whole budget and for now keep the \$172k in fund balance.

Chairman Bordonaro said we talked about moving the transfers of the local match for future grants. Mr. Paradis said the existing grant match account is \$250k. I think we can act quick enough during the year if we need more. We talked about reducing that sum.

Mr. Paradis made a motion to reduce the grant match account by \$100k.

Seconded by Mr. Grady.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Chairman Bordonaro said our thought was to reduce it to \$100k or \$150k. The commission agreed to do \$150k.

Mr. Paradis amended his motion to reduce the grant match account by \$150k.

Seconded by Mr. Millerd.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Paradis said the budget has \$930k for a June 23 bonding for the police station and two HVAC systems at the high school. We would like to make a change in the payment schedule to put off the first payment on the principal to the subsequent fiscal year. We will still make two interest payments on June

23 bond issues. If the state approves the grants for the HVAC systems for two elementary schools, the work has to be done by December 2024. The work would have to start this summer and that is why we are looking to bond for June 23. If we do not get the grant then we would have more flexibility. The Town Council could reduce our budgets later. The issue with putting it off is that our bonding costs will be higher interest as we wait.

Chairman Bordonaro asked if these projects can really be achieved? The lead time on the HVAC materials is about a year. Finance Director Delaney said yes, we would be able to achieve it. These are not considered large HVAC projects per the consultant, but there is no certainty until you actually get into it. Mr. Grady said I think we are going to get stuck on this. Mr. Millerd said everybody that gets a state grant will be in the same boat too, but the majority that went after these funds did not have shovel ready projects, we were one of the few that did.

Chairman Bordonaro asked if the \$1M grant amount is a guess? Finance Director Delaney said yes, there is \$150M to be awarded across 132 communities. This is intended to fund so the required debt service is available. The bond ordinance is in place for \$4.9M for HVAC at the schools. Without the appropriation you would be dipping into fund balance.

Chairman Bordonaro said this also includes the police station renovation. Finance Director Delaney said that number is between \$3M to \$4M depending on the bids. Chairman Bordonaro asked why we are bonding for more than that? Finance Director Delaney said since that was presented the scope has changed. Without knowing what the bonding is you are adding a critical variable by not knowing the interest rate. Traditionally you would want to do the bonding a little bit higher.

Mr. Grady said we are better off bonding \$3M for the police station and dropping these two projects all together. Dropping them as in putting them out as originally talked about. We do Willard first, then a year later Hubbard and a year later Griswold. Town Manager Jayawickrema asked what happens if we get the grant? Mr. Grady said he thinks we won't be able to finish the projects according to the Public Building Commission. Town Manager Jayawickrema said we do not know that. We were supposed to know on March 14 about the grants and there is nothing from the state so far. The contractors and professionals say that with small projects like this we will be able to get the work done, but I don't know until we go out to bid. It might not be feasible to get everything done in two summers if all of the other towns are in the same predicament. It might change the criteria by another year. Mr. Paradis said we could push the debt principle off for the subsequent year so people won't be paying for it, but what about the interest expense? Finance Director Delaney said you have the option of leaving it in.

Chairman Bordonaro said he is okay with approving the \$628k reduction and would like to speak with the Public Building Commission regarding the HVAC projects.

Chairman Bordonaro motioned to approve the \$628k reduction in bonding.

Seconded by Fernandes.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Holmes, Mr. Millerd, Mr. Paradis

Those not voting in favor: Mr. Grady

Vote being: 5-1 MOTION CARRIED

Mr. Paradis said Town Manager Jayawickrema was asked to come up with some numbers for the revised VNA budget. The Board of Finance asked for a \$300k reduction in the deficit. Town Manager Jayawickrema said the only way that I can do that is to pick people off the list. You are asking me to eliminate positions. Mr. Paradis said yes, if that is what they decide is the only way to get to a \$300k

deficit. Town Manager Jayawickrema said there is nothing else that can get us to \$300k. Mr. Fernandes asked what are the projected losses this year? Town Manager Jayawickrema said \$750k. The projection for next year is \$866k. Their expenditure budget is \$1.5M. Mr. Paradis said by reducing expenses as VNA Director Piatek said it would reduce revenues too.

Mr. Grady asked if the number of visits at 727 is accurate for the year? VNA Director Piatek said that must be a typo because for fiscal year 2021 to 2022, we performed 7,466 visits. This fiscal year from July 1, 2022 to today is 5,321. Mr. Fernandes asked how many patients do we have now? VNA Director Piatek said the current active census today is 46, but that fluctuates on a day-to-day basis and is not reflective of total patients cared for in the month.

Mr. Paradis said we are not in the know as to what lines would create what other effects. It is on the department to come back with that budget. Town Manager Jayawickrema said if you eliminate positions you could lose your license because you might not be able to provide the services once you take a patient in. Mr. Paradis said maybe they will have to take in less patients. Town Manager Jayawickrema said less patients is less revenue. Mr. Paradis said yes, but it would be a smaller deficit. Mr. Fernandes said if you have a deficit like that then you don't really have revenue. The math is that we are spending \$3 to get \$1.

Mr. Paradis said if we can't do our service in a way that is somewhat cost effective, we have to reduce how many services we are doing to get to a manageable deficit. \$866k is not a manageable deficit each year. If someone said we are going to do nursing services like the town of Westbrook does and they only take care of a small group of people and are willing to do a couple \$100k a year, then we could say fine. The biggest issue is there used to be many VNA's in the state and now we are down to only two. Because municipalities cannot run these services in a way that makes sense. Hartford Healthcare and other agencies out there do it. If it were not for the charter, that service would probably not be provided by the Town of Berlin and it is in there and costing us a lot of money. I don't think most people understand how much it is costing. There are never any brakes put on it. We have been through 4 Directors all promising changes and had one consultant that provided changes. I was surprised by this budget because I did not see anything structurally changing in terms of how the department was run. Nobody is going to go without services if the VNA does not provide the service. There are other companies out there that will do the service. Their insurances will cover other services. There is a lot of misinformation out there in terms of what is going to happen if we don't provide the service.

Town Manager Jayawickrema said the risks are losing certification and we might not be able to provide the services as noted in the charter. Mr. Paradis said the charter does not specify the level of service, or how much service. There should be some thought put into how we are doing cuts in conjunction with that and possibly with our town attorney. Mr. Paradis said he should have been a little clearer at the last meeting. Town Manager Jayawickrema agreed.

Mr. Millerd asked what would be the impact if we eliminated out-of-town services? 24% of patients are out of town. If we are subsidizing them then that is not okay. Town Manager Jayawickrema said if you don't provide those services, you will have even less revenue. Mr. Millerd asked what is the right size staff to meet the needs of Berlin? Mr. Fernandes asked if it is worth it to have a VNA nurse from Berlin driving to Southington? There is no guarantee the cost will be reciprocated. We could be spending \$3 to make \$1. Town Manager Jayawickrema added that reimbursement rates are different depending on the carriers. Mr. Paradis said 3 years ago we were told in order to expand their revenue they needed to go out of town. We have not seen that remedy yet. Maybe our volume is too high. Town Manager Jayawickrema said I can give you positions to get to the \$300k, but I don't think that is the right way to go. Mr. Paradis said no, I want to see the positions first. Chairman Bordonaro agreed and said we will look at it and come back to discuss.

Mr. Paradis said his suggestion would be to fund all capital tier one items which total \$1,075,000. ‘

Mr. Paradis made a motion to reduce the capital line by \$1,616,000, which would fund only the top tier items.

Mr. Grady seconded.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being: 6-0 (MOTION CARRIED)

Mr. Grady asked to confirm what are the top tier items? Mr. Paradis said items in the first subsection. Mr. Grady said that he wants the Public Building Commission to look at the Berlin High School courtyard block slab project before we spend the \$200k on slabs. Finance Director Delaney said those decisions to refer are made by the Town Council. There needs to be a decision to move quickly because we are definitely getting moisture into the classrooms and need to remedy the situation for the students and teachers. Chairman Bordonaro added that this is the number one priority on the list. I'm okay with going forward. Finance Director Delaney added that there would be a bidding process involved on this work, it would not be done by town staff. It is a substantial amount of money.

Mr. Grady said he had the same concern about the Willard solar panel ballast blocks. How can these be damaged if they are 7 years old? Are they warrantee able? It does not seem efficient and defeats the purpose of having solar power. I would like to defer that to someone else. Town Manager Jayawickrema said we will check on what the life cycle is. Chairman Bordonaro said we will hold off on this item until the next meeting.

Mr. Millerd asked if there is opportunity at year end to do any of these projects? I would like to get expert opinions on the playgrounds. The conditions of them does not address handicap accessibility. Parks and Grounds Foreman Wood said both of the slides at Willard school playground have been failing over the last 7 years due to the UV degradation and became unsafe. We would remove those and replace them with two new slides. The current play structure records date back to 1998 and the manufacturer of the playground does not provide parts. If something breaks, we must completely remove what item is there. The playscape was almost twice the size, but as things broke, we removed them. That is the only playground that has not been replaced at any of the schools. This would speak to the ADA requirements for 2023 that require a certain percentage of playground equipment to be compliant.

Parks and Grounds Foreman Wood said Little People's playground dates back to 1998. It has 4 very little slides and nothing new. If you go to other towns, their playgrounds are new and have been installed in the last 5 or 6 years and there are all different components. For Griswold school, they wanted a playground for kids age 2 to 5 years old to play. We don't really have a section at the community playgrounds that speak to the age 2 to 5 group. Also, all of our playgrounds are past their prime. Average life expectancy is 15 to 20 years. They are all 25 years old. They were all put in when all of the old equipment was condemned and we got it from McDonald's and Burger King. That was all installed in the 1980's.

The Board of Finance and Town Council have done a great job with supporting it and funding the repairs that we can get done throughout the entire town's playgrounds. I have a list of everything replaced over the last 5 years, but the problem now is that when you go to order something they either don't have the part, or it does not fit. We are shrinking our playgrounds and the town is growing. It takes 36 weeks to get something such as a swing for a playground. If we keep trying to replace the broken things and kicking these playgrounds down the road, we are not going to have anything for these kids to use. The safety servicing at Friendship Place was done 7 or 8 years ago for \$70k. Today it is going to cost \$100k

to replace it. We will pay \$100k worth of product to replace something on a playground that is 23 years old. That playground sits on a swamp, the chains have rusted from the amount of water in the ground. Eventually we will end up with \$1.5M to \$2M in playground renovations where we could have chipped away. We should start with Little People's playground and Willard playground needs to be done because we can't get any parts. Willard is different from Friendship Place. Friendship Place is not available to non-school students during school hours due to site security. Mr. Paradis asked which playground is used the most. Parks and Grounds Foreman Wood said the most heavily used playground is Little People's playground. Mr. Paradis asked are we better off investing more in school playgrounds? Parks and Grounds Foreman Wood said the problem with school playgrounds is they are closed during school hours. Also, other towns have splashpads, we would like to do a community playground and a splashpad in conjunction to bring a new service to town. We started planning a conceptual design in January if the funds were to be ready this year. Our goal would be summer 2024. Chairman Bordonaro said let's think about that and maybe we will possibly use some surplus for the playgrounds.

Finance Director Delaney reviewed the capital list. Mr. Paradis asked if we had any inventory carryover with salt because we had such a mild winter. Finance Director Delaney said that we will. None of the items on the list were recommended, they were all included on the Town Manager's budget submission. We do not touch public safety, the library, senior center, animal control services or social services because those budgets are so small and they are areas that bring value to the community. The Timberlin golf budget is not on the list. Mr. Paradis said the golf course budget says they should set their fees to cover their cost. Finance Director Delaney added that in May, June and July we will go back to the items that were cut from the list and try to identify needs.

Chairman Bordonaro asked about the \$1.5M for one-time improvements that won't happen and is coming mostly from the police department. Finance Director Delaney said the volatility is in the police department with 8 vacant positions. They are trying to backfill those positions. The police pension once put in place will put the town on par with other communities. Mr. Paradis said some departments tell us the number of positions when they have a description of the salaries and some don't. It would be helpful if we knew how many positions we were dealing with per department. It would be easier if it were all in one place.

Mr. Paradis said the Board of Education came up with their budget which was an increase of about \$400k to the Superintendents budget. We never give them the full amount, but each year they are able to make it through. The Choice program level of participation effects their budget. I'm sitting at 3%, an increase of \$1,472,000. We have to be prudent in what we are deciding. Mr. Grady said we have had a continuing decline in population, but the number of people employed by the Board of Education has increased. If they are continually able to work within the range that we are giving them and come back with surpluses, we can't be that far off on our numbers. I'm at around 2.5%. Mr. Fernandes said the math doesn't work at 2.5%, you are talking cuts. I would love to have a 3.5%, but would work with a 3%. Mr. Millerd said I could live with the 2.5% or somewhere in between and would like to see how that number impacts the mill rate. Mr. Grady said I would love to do everything, but this is not the year for it. Chairman Bordonaro said the revaluation increased overall 17.7% overall. Some taxpayers are getting 20% or more. I'm between 2.5% and 3%.

Mr. Grady added that when we say that we are pulling out 4 Police Officers, it is because it is so hard to hire Police Officers right now. It may not be two or three years before we fill those positions.

Chairman Bordonaro said no decisions will be made tonight, there will be some offline discussions and we will discuss the open items at the next meeting. The next meeting is scheduled for Monday, March 20 at 6 p.m.

b. Vote to send budgets to the Annual Budget Hearing:

- i. Move to send the Board of Education budget of \$ _____ to the Annual Budget Hearing.
- ii. Move to send the General Government budget of \$ _____ to the Annual Budget Hearing.
- iii. Move to send the Berlin Water Control budget of \$ _____ to the Annual Budget Hearing.

C. ADJOURNMENT

Chairman Bordonaro moved to adjourn at 9:24 p.m.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

TOWN OF BERLIN
REGULAR BOARD OF FINANCE MEETING
MARCH 14, 2023
John “Doc” McIntosh Conference Room or Remote Option
7:00 P.M.

<https://berlinct-gov.zoom.us/j/84291890018?pwd=ZFpNb2ttMFdOQXpnOUdJO2lEaVF4QT09>

Call-in Option: 1 929 205 6099 United States Toll
Meeting ID: 842 9189 0018
Passcode: 490691

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 7:00 p.m.

B. PLEDGE OF ALLEGIANCE

C. ROLL CALL

ATTENDANCE:

Members Present: Sal Bordonaro, Raul Fernandes, Tim Grady, Mark Holmes, George Millerd, Gerald Paradis

Members Absent: None

Staff Present:

Kevin Delaney – Finance Director
Arosha Jayawickrema – Town Manager
Mark Kaczynski - Mayor

D. PUBLIC COMMENTS

Cynthia Pavano, 57 Meeting House Rd.

Ms. Pavano said that she spoke at the Charter Revision Commission to keep the VNA and the election overwhelmingly supported the VNA. It seems that members elected to serve our community don't care about seniors, children, or those needing home care. The VNA provides outstanding care and is wonderful and caring. Other agencies may take a week or up to 10 days to send a nurse or physical therapist. I was a registered nurse for 66 years. Do not cut one penny from the VNA.

Donna Bovee, 85 Steepleview Dr.

Ms. Bovee said she is representing the Parks and Recreation Commission to talk about capital spending. The playground topic came up at our meeting. The capital spending projects list that includes \$175k for Willard playground and \$200k for Little People's playground. Playgrounds require upgrades at certain points in time. Willard School playground is the last of the school playgrounds to be updated. There have been some things done for safety reasons which we take care of immediately, but we do need to change it up. The equipment at both playgrounds is probably over 20 years old. Things have changed, there are new ideas out there and kids are a little more active. Also, we like to adapt them for various disabilities and make it age

appropriate. It did not seem like you were going to approve the expenditures. We ask you to reconsider that for capital spending and for the Town Council to consider. We are happy to go through details before you make any final decision. Just by going there and seeing it, there is a little bit more behind the scenes. We believe if you don't start upgrading and changing things around, you are going to be squeezed at some point. The Friendship Place flooring will have to be replaced probably next year. If you approve the funds for Willard and Little People's, that will allow us to design and order the equipment. It would probably not be installed until the summer of 2024 because there is a backlog in ordering. Please reconsider and discuss.

Crystal Van Gorder, 28 Glenbrook Rd.

Ms. Van Gorder said if you take a closer look at the park you will realize that it is not handicap accessible for little ones and it is rusted, dirty and quite dangerous for our children. From far away it is good, but when you get up close it is not pretty. We definitely need some changes. I was taken back at the last Board of Finance meeting when I heard someone say they are in okay condition. They said I don't even know why we are entertaining the idea of putting money into it. I was a bit disgusted. With all of the moms supporting this, I'm hoping we will be able to keep some of those funds because our children deserve it and the town deserves it. It is a good town with great people. We should show that by upkeeping the property and making it a great place to live.

Carol Welz, 1308 Orchard Rd.

Ms. Welz said she is the President of the Board of Directors of the Berlin Free Library Association and is here to discuss issues with their budget. According to our charter, the property was donated to us to use as a library and cannot be used for anything else except artwork, or articles dealing with the history of Berlin. We have all of the expenses that come with the maintenance of an old building in the historical district of town. We pay for our own lawn service, snow removal, electricity, repairs and painting. We had to replace our bell tower and tried to save money by covering it with siding, but because it is in the historical district, it had to be replaced and built as it was. This was a huge expense for us and we did receive some donations, but had to dip into the principle of our small investment portfolio. We also pay for insurance which the town's contribution just about covers. All of these costs plus paying staff and buying books is not covered by the endowment that goes with the library building. We only get 3% to 4% of the endowment every year. With all of these costs we really need the towns help. We have a regular group of borrowers, a reading group and we run a children's program. Please consider these things when making your decisions.

Jen Jurgen, 561 Percival Ave.

Ms. Jurgen said I encourage you to support the Board of Education's adopted budget with a 5.8% increase. This increase is essential for maintaining the resources we have available and adding minimal funding for other basic needs for our schools. The 4.24% of this increase is contractual obligations for existing positions. Significant cuts will take place if you go any lower than that. We are at a critical time in our community and cannot afford any cuts to our education budget. Anything lower than the 5.8% will be unfair and detrimental to our schools. We have to stay competitive in what we offer to stay as an attractive place to live. What we offer in our educational system is key to that. We have top notch educators in Berlin and that is how our educational system stays competitive and attractive. It is only sustainable when it is fully supported financially.

Imelda Mongillo, 86 Devonshire Way

Ms. Mongillo said she is here to support the Board of Education budget with the 4.25% increase only for contractual obligations. Anything less would be detrimental in cuts. Three or four years ago there were 5 or 6 teachers being cut across the board. Also, we shouldn't forget the impact of what COVID has continued to provide. Any cuts in the budget will require larger class sizes. How many of you still have kids in the school system? I could probably say only one of you. You are not going to feel it. The kids are going to feel this firsthand. The teachers will feel it and be asked to do the same work with a lot less, plus all of the other demands that they have. The administrators will feel it and try to figure out how they will make ends meet with less. One of the comments at the last Board of Finance meeting was if the budget is not approved and they only have a 2% increase you are going to continue to figure out how to operate, but you didn't ask how did you operate? Was it a healthy, good environment? How many teachers did you have to cut? There were definitely implications to that. I strongly encourage you to think about what the implications would be if the adopted budget is not accepted and think about how to make it happen so that we don't have to go through those types of cuts.

Samantha Sullivan, 18 Garden Dr.

Ms. Sullivan said I'm here to support the parks, education and the Free Library. I agree the police department is important, but when kids lose parks, extracurricular activities, sports, music and arts, then yes, we will need a better police department. The parks don't look good from a distance. Willard got updated when I was very young, but there are a lot of things broken with it. My daughter used the Willard pre-school, but they could not use the playground before or after classes. Why does that one get all of the money if you can't even go there when you have a little kid? Worthington Ridge Park is a potentially great park in a good area. It has lots of space in the back and near the Worthington Ridge church and the Berlin Free Library. My one and half year old got sliced really bad last week on a rusty piece of stair. Also, my niece who's in a wheelchair has to go to Newington because the chair at Friendship Place doesn't work. I would love to give you a tour with my children before you make these decisions. It is very dangerous, there are these drops that they made in the 60's, but these are different times now. Parks prevent crime and enhance quality of life and encourage an active lifestyle. How great would it be if we had workout activities for adults too, not just kids? We don't have that. Please consider before you cut all of these monies. You guys have power.

Joseph Dutkiewicz, 560 Toll Gate Rd.

Mr. Dutkiewicz said he received a flyer in the mail regarding doing away with the VNA. What happened to the vote from the last election? Chairman Bordonaro said we are not trying to do away with it. Mr. Dutkiewicz said we voted to keep it. Now they are trying to get rid of it again. Chairman Bordonaro said no, we are making budget adjustments. Mr. Dutkiewicz said that based on what he read in the newspaper, he was under the impression that we were looking to get rid of the VNA, but apologized if that is not the case.

Sam Lomaglio, 78 Hickory Hill Rd.

Mr. Lomaglio said when I was the Chairman of the Board of Finance, we tried for 4 years to address the problems of the VNA. Each time we were stopped by Corporation Counsel. Two years ago, there was a proposal discussed to cut approximately \$400k and then the Town Manager brought in the Corporation Counsel. We were told that we could not do any cuts because there were state regulations that prevented us from cutting the VNA. We needed a 60-

day window to inform the clients that there would be services being cut, or nurses being cut and the referendum would not fit in that 60-day window. The board decided not to cut the \$400k and the only way that we can fix the VNA is through charter revision. We had our Charter Revision and the people in the community voted to keep the visiting nurses. The Board of Finance is trying to address and understand the problem, but the people have already addressed the problem. They don't care if the visiting nurses are losing money. They like the services. We should just keep the budget of the VNA going the way that it is. I understand that you want to balance the budget, but to balance the budget on the backs of the VNA is not right. The nurses were out treating patients during COVID while we were staying home. It is a slap in the face to the nurses and voters. This is not a problem that has occurred the past few years, this is a problem that has occurred for 10 years and each Town Council had an opportunity to do it, but they didn't do it because of state regulations. Let's keep the nurses going the way that it is and try to balance the budget. I understand that taxes might go up and that property values have gone up. I'm willing to pay a little more to keep the visiting nurses and I think the public is too.

Melissa Koermer, 148 Glen St.

Ms. Koermer said I'm concerned about cutting the support for some of the parks, Berlin Free Library, the VNA and the Board of Education. As a mom, I want my kids to have the best opportunities, focus on their education and have them learning when they are playing on the playgrounds. I reached out to Parks and Recreation to discuss the state of the playgrounds. We used to go to Little People's playground, but things are starting to fall apart. I have sent messages about my safety concerns, there is exposed metal on multiple stairs. I'm terrified that my daughter will fall and get severely injured because of the exposed metal. We are a community that focuses on these important things with the young families and the elderly who need the VNA. I hope that our money is going towards these important topics so they can be addressed and get the money and care that we all need.

Sarah Patel, 65 Sbona Rd.

Ms. Patel said I'm extremely concerned about the cuts that are talked about for the Board of Education. As a mom of two children, I think it is very important that we put forward a budget that is not just mediocrity. We have amazing educators and students in town and they deserve our support. The 6th grade boys basketball played in their playoff game and there were teachers there on a Sunday afternoon that traveled from wherever they live to Cheshire to watch these boys play basketball. These teachers deserve us, they deserve our support and they deserve that in their pay. When we talk about a budget that does not support that, I become very concerned. Anything less than the minimum to meet contractual obligations will be severe cuts and you can't get those kinds of cuts without cutting people. That would be a terrible shame because the teachers in our town go above and beyond.

Cara Staus, 67 Metacomet Dr.

Ms. Staus said I currently serve as Chair of the VNA and listened to several of the meetings and discussions on the budget and proposed cut of about \$300k to the VNA budget. The cost of healthcare and the delivery of healthcare has risen exponentially. Everybody needs healthcare. Drug prices are rising and aging population and disease are all factors, but most importantly the COVID-19 pandemic exacerbated all of these costs to the delivery of home care. The nursing staff, not only at the VNA, but nurses and healthcare workers around the country went to work during this pandemic and we are still seeing the long-term effects of a pandemic. The problem

with the VNA has existed for several years and we continue to hear about this. VNA Director Piatek wears multiple hats at the VNA. Finance Director Delaney pointed out that small strides are being made financially at the last meeting and the Board of Finance did not acknowledge that improvements are being made. It is a slight improvement, but should be recognized that the VNA is making a difference. They asked what services does the VNA need to provide and as part of the charter and the bylaws of the state statutes there are requirements that you must provide professional nursing services. If you are not providing those services within your agency, you must provide them directly through contract. If you are not providing them and contracting with the services, you are still going to pay a fee for that. I wish there was a greater understanding with the conditions of participation under Medicare. I strongly urge you to consider allowing the agency to continue to operate and make a difference with the current administration and give VNA Director Piatek time.

Peter Zarabozo, 158 Ellwood Rd.

Mr. Zarabozo said I'm a registered nurse and have worked in various capacities and different healthcare facilities. I have seen how quality of care can vary from different healthcare corporations and services. Our VNA service is literally rated 5 stars. It is a quality service and the towns people know this and that is why they voted in November in the charter referendum to defend the VNA. The opposition illustrated and notified the public that the VNA was taking losses and the public did not care because this is a public service. Is the VNA a business, or a public service? My opinion is that it is a public service serving our community like the library and the police. The Board of Finance wants to cut the VNA by approximately \$300k which is legally questionable and predicated on the idea that you do not want the VNA providing services to outside towns, but this stance is a little bit contradictory. You are coming at it like a business. The people have already decided they are okay with the VNA and the way that it is running. It is a quality service. Leave it alone as the people have already spoken.

Justyna Sadlowski, 804 Beckley Rd.

Ms. Sadlowski said it is for safety reasons that we chose not to go to the playgrounds in town because they are very dangerous. They are very rusty with pieces either missing or broken. Playgrounds are a great way for all of us to enjoy kids activities. Not everyone can afford extracurricular activities and this is the only place for them to go enjoy activities, run around and make friends. It is also a way for the adults to communicate and have peace of mind talking with other parents while they are there. If you cut budgets and do not spend the money on the equipment and updating them, it will only pile up. Where do we go 10 or 20 years from now? How much money will you spend then updating the equipment. Would you eventually have to close the playgrounds because they are so rusty and dangerous? You have to look at the future and how it impacts the parents and children and think about the mental health aspects.

Leonard Zielinski, 24 Winesap Rd.

Mr. Zielinski said this is a public service announcement in regards to the VNA. These gentlemen (Board of Finance) are going to do what they feel they have to do. If you go to the local hospitals, New Britain or Hartford, when you get out and they ask you if you want homecare. They are not going to recommend Berlin VNA. They are going to try to push you to Hartford Healthcare. I have had friends tell me that they had to argue with the case managers to get Berlin VNA. You have to tell your friends that if you, or your family needs nursing assistance it is your right to use the Berlin VNA. Somebody mentioned about going out of town

to do services. Any business that is operating is looking for sales volume. All of the residents need to spread the word to their friends and relatives that you are entitled to use the VNA.

Melissa Urrunaga, 1075 Orchard Rd.

Ms. Urrunaga said as a parent I feel it is important to reiterate the value of our kid's education. What we put into our kids' education is what we get back. When people look to move to Berlin, they are looking at our schools and education. We need to invest in our kids and continue to invest in the quality education that we have. We know that the pandemic has played a lot of effects and changed the outlook of teaching. There are fewer quality teachers out there because people don't want to get into it. We need to show that we are committed to our teachers so that they don't go elsewhere and our kids and the town don't lose out.

Jess Liedke, 522 Main St., East Berlin

Ms. Liedke said my son is a first grader at Hubbard and we have been thrilled with his experience there with the small class sizes and dedicated teachers. Every staff person knows my sons name and greets him every morning. It is such a small, wonderful community. We have friends elsewhere that don't have nearly as a supportive school community as we have here. We came to Berlin because we saw how great the school system is here. That attracts young families to town and it is what we want to invest in.

VNA Director Piatek said the cut that is proposed, \$300k, would be detrimental to the VNA. It would mean a loss of personnel, some of whom are Berlin residents themselves. These are not easily replaceable staff. It is not like we will just get a per diem staff who's going to cost less money and give the same quality of care. They are just not replaceable like that. The Mayor, Town Council and members of the Board of Finance back in the charter discussions said the goal is not to have people lose their jobs and that you want to work with me. What you are asking for would result in a loss of jobs. The domino effect of that is possible loss of quality and a loss in revenue. The only way out is growth and I believe that can happen. I want to work with the Board of Finance to make budgets that make sense. It is a very complicated, different kind of business and I would love to have more time to work with you and to move forward and make the VNA successful. I respect the goal of a zero percent tax increase, but what do the citizens lose in that. The savings isn't enough to purchase what they are losing. I'm hoping that you will give us this year to continue on what we have done.

Jameson Urrunaga, 1075 Orchard Rd.

Mr. Urrunaga said he is a senior at Berlin High School and as someone who wants to go into education and teaching, the thing that is keeping me from wanting to come back and become a teacher here is that I see the way the budget is going and year after year the budget keeps getting cut. There are so many positions being cut and opportunities being lost. I don't feel that I'm able to contribute to this town in my future. By cutting these opportunities for students and teachers you are kneecapping future generations in their ability to come back to this town and contribute to the well-being of everyone around us.

Margaret Baval, 223 Sprucebrook Rd.

Ms. Baval said if we cut the VNA budget, we are definitely going to effect the school nursing. I don't think the public really knows that the VNA and the school nurses are one entity. With the personnel loss through the VNA we will have a domino effect. Everybody who has kids in school, or elderly at home will be affected. Not only will home care be affected, but also school

staff. Nursing is an important piece of education. Without healthy kids there is no education. We have sick kids with diabetes and many other diseases. If we cut nurses on the VNA side, we will lose nurses on the school side. I'm not sure the public is aware and willing to take that cut.

Chairman Bordonaro said when we talk about the VNA, school nurses are a separate entity. They are considered in Department 61, which is separate from the VNA. Patty Murphy, President of the VNA Union added that they are not a separate entity. The VNA and the school nurses are one bargaining unit. Chairman Bordonaro said that it is a separate department. When we talk about the VNA, we are talking about the VNA and not the school nurses. VNA Director Piatek said in the bargaining unit contract, the school nurses have a responsibility to assist the VNA when needed. We have been fully staffed and have not needed to pull anybody since I started in March. If there are not enough nurses, we would pull a nurse from one of the schools to serve the community.

Chairman Bordonaro said that he appreciates everyone's input and it is great to have everyone here. I want to clarify on the Board of Education, in the last meeting I put a chart together. It shows the Superintendent's proposed budget and what was actually approved. Also, it shows what was left over from surplus in those years. We have never given the total proposed amount through the last few years that the Superintendent requested. The Superintendent has said that he has been happy with a 3% increase every year. Throughout these years they have never gotten the full Superintendent's budget and have still provided the high quality of service for students and not cut any programs. To say that if we do not get the whole 4.8%, or 5.8%, this chart does not show that. I want you to be aware of that.

E. APPROVAL OF PRIOR MINUTES

February 14, 2023, Regular Meeting
March 1, 2023, Regular Budget Meeting

Mr. Paradis moved to approve the February 14, 2023 Regular Meeting minutes and the March 1, 2023 Regular Budget Meeting minutes.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

F. NEW BUSINESS

1. Move to approve the transfer of \$30,153.66 from the Hubbard Playground account and \$9,846.34 from the McGee Air Quality account, both in the Capital Non-Recurring Fund, to the Buildings and Renovations account in the Police Construction Fund

Mr. Paradis moved to approve the transfer of \$30,153.66 from the Hubbard Playground account and \$9,846.34 from the McGee Air Quality account, both in the Capital Non-Recurring Fund, to the Buildings and Renovations account in the Police Construction Fund

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Holmes, Mr. Grady, Mr. Millerd, Mr. Paradis

Vote being 6-0. (MOTION CARRIED)

Mr. Grady asked if this work is going to be done by town employees? Finance Director Delaney said yes, it would be on overtime and the rest of the cost is for desks and storage areas. Mr. Grady asked why would we appropriate money upfront to do a project when they already have budgets? Finance Director Delaney said there was no money in the Board of Education budget to do the work of clearing out space for the Police station project. This is reimbursing the Board of Education for costs that would be otherwise used for other items in the Board of Education budget. It would be reimbursement for actual salaries or equipment that was purchased. Mr. Grady asked if this is more for storage equipment or electronics? Finance Director Delaney said yes, electronics and for some of the files that would be referenced.

2. Finance Director update.

Finance Director Delaney said everything is continuing as expected. We received all of the reports. Mr. Fernandes asked if the \$22k less than last February for the VNA is due to the change in Medicare rules? Finance Director Delaney said there is an element of that and also reimbursements don't match cleanly. Volumes were down a little bit too. I'm finalizing which patients are from Berlin vs. not in town and working closely with VNA Director Piatek to provide that information to the Board of Finance as requested. Mr. Grady stated that the report shows Berlin VNA completed 727 visits across disciplines per prior year accomplishments. VNA Director Piatek said that she will confirm that number. Mr. Grady asked how many people are full time? VNA Director Piatek said we have 3 full time nurses and 3 full time aides. The rest of the staff is contracted per diem staff.

G. ADJOURNMENT

Mr. Paradis moved to adjourn at 8:05 p.m.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

TOWN OF BERLIN
SPECIAL BOARD OF FINANCE BUDGET MEETING
Monday, March 20, 2023
Town Council Chambers or Remote Option
6:00pm

<https://berlinct-gov.zoom.us/j/83818349473?pwd=N1BVUjNuenUvdWR1d29PUFdRUkU1dz09>

Call-in Option: 1 929 205 6099 United States Toll
Meeting ID: 838 1834 9473
Passcode: 702145

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 5:59 p.m.

B. PLEDGE OF ALLEGIENCE

C. ROLL CALL

ATTENDANCE:

Members Present: Sal Bordonaro, Raul Fernandes, Tim Grady, Mark Holmes, George Millerd, Gerald Paradis

Members Absent: None

Staff Present:

Kevin Delaney – Finance Director

Arosha Jayawickrema – Town Manager

Mark Kaczynski – Mayor

Doug Solek - Facilities Director

D. DISCUSSION OF DEPARTMENT BUDGETS

Finance Director Delaney said that every 5 years there is a state mandated revaluation of properties in town and the most recent reval has a substantial impact to residential properties. The majority of households fall in the 20% to 25% range of increase in household values. Chairman Bordonaro said that people will have to deal with the revaluation along with whatever we come with for the budget.

Finance Director Delaney said that at the last meeting there were questions about the blocks that hold the solar panels down and also some HVAC questions. Facilities Director Solek was available to answer questions and said the ballast blocks are for the solar system and we had some of the blocks fail. They are concrete and the local manufacturer said they are willing to work with us, but are not sure what is still going to be warrantied. We have extended warranties, but the concrete block isn't really spelled out with a warranty document. The same situation is also happening at three other schools besides Willard.

The slab on grade flooring at the high school is original from the 1950's in the original section of the school. We found some moisture in that slab and it is reacting with the bio-based tile. This is an action plan to move forward, we don't have a full scope, but it encompasses 30% to 40% of the school. It is a little more than a maintenance and repair item. Also, we submitted flat budgets and keep a 10% to 20% contingency for the unknowns. If there were further reductions, we are concerned that could impact what we do within the schools for maintenance repairs.

Chairman Bordonaro said I'm being told that the Willard HVAC will take a while to complete and we are trying to bond for the next two schools. Facilities Director Solek said the sequential plan was always Willard first because it is the oldest and then Griswold and Hubbard. The plan is to start work this summer and complete it next summer. The Construction Manager for Willard will have the finalized specs and they will go out to bid. Those bids will be what we expect to spend for the other two schools. We will know more in April or May.

Chairman Bordonaro said that he is concerned with the timing. Mr. Millerd said part of it is whether suppliers can deliver the equipment because of huge demand. Finance Director Delaney said the intent is to prep the building this summer and then have lead time to receive the chiller and other components and the installation would be done in next summer. Mr. Holmes asked if the Town Council sent the project to the Public Building Commission? Finance Director Delaney said yes and the Town Council also had a special meeting authorizing the Superintendent to submit the grant. Willard is being funded through ARPA money and the State HVAC grant would be for the other two schools.

Mr. Fernandes asked for the estimated cost for the Willard HVAC. Facilities Director Solek said until we get the bids back it is hard to say. Town Manager Jayawickrema said the intent of the \$150M grant is for the schools to complete these HVAC projects. It is speculation that all schools will be in the same situation and they will likely extend the date by a few months.

Chairman Bordonaro said the Board of Finance agreed overall on a 3% increase for the Board of Education. Mr. Paradis said 3% gives them a budget of \$50,555,071.

Mr. Paradis moved to send the Board of Education budget of \$50,555,071 to the annual budget hearing.

Seconded by Mr. Grady.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

Chairman Bordonaro said the next item is general government. Town Manager Jayawickrema said the goal for the VNA is to make reductions without having an impact on revenue. To get to a \$100k reduction, we would eliminate one Home Health Aid, salary and benefits and eliminate one office staff mid-year. That will get you to \$115k saved by December and year two would be the full impact of \$166,125. To get to a \$200k savings we would also need to take out PT and other medical services. To get to a \$300k reduction which is not recommended is to also eliminate one Nurse staff position at \$133,163, salary and benefits.

Mr. Paradis thanked Town Manager Jayawickrema for the three options and said that we need to take a first step as the deficits have not been getting any smaller. Although I was looking at \$300k less in the beginning, I would go with plan one (\$100k reduction) as the first step. Deficits of \$800k for this unit are way too high. This will be a multi-year process to reduce this down. We will need to install a regular meeting process with the department to discuss metrics. Mr. Fernandes said he agrees and there needs to be a bold strategy moving forward in terms of marketing and business plan. Mr. Grady also agreed. Chairman Bordonaro said he agrees and believes the VNA is valuable to our town. Mr. Millerd said he also agrees and would like Town Manager Jayawickrema to spend some time with the VNA developing their financial metrics. I also want to understand the outside communities. Town Manager Jayawickrema said if we are trailing behind next year, I will come up with a different model.

Mr. Paradis motioned to eliminate one Health Aid and one Office Staff half year for a total reduction of \$115,615 from the VNA budget.

Seconded by Mr. Fernandes.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

The Board of Finance reviewed the professional and technical expense categories. Chairman Bordonaro asked for Town Manager Jayawickrema's or Finance Director Delaney's opinion on where we can reduce something. Town Manager Jayawickrema said \$50k for school expenses, \$30k for operating materials and \$16,500 for postage can be removed.

Mr. Paradis made a motion to reduce the various items totaling \$300k starting with Finance Computer Support down to the School Contractual Services of \$50k and operating materials.

Seconded by Mr. Grady.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0 (MOTION CARRIED)

Chairman Bordonaro asked about bringing a part-time Animal Control Officer to full-time. Town Manager Jayawickrema said we just passed a leash ordinance. The full-time Animal Control Officer works Monday through Friday and the part-time Animal Control Officer works Friday, Saturday, and Sunday. We are trying to get staggered shifts to allow more flexibility. The town never had a leash ordinance before and you have to be out there writing citations and warnings if you want people to comply. Mr. Grady said it is not that critical this year and there won't be enough improvement to justify the cost. Town Manager Jayawickrema said the part-time person would have weekend and evening coverage.

Mr. Paradis made a motion to reduce Animal Control part-time position by \$68k.

Seconded by Mr. Grady.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

Chairman Bordonaro said the next item is to take the closed pension plan annuity and lump sum out of fund balance like we have in the past. The total lump sum is \$743k. Mr. Paradis said he has no problem with that.

Mr. Paradis motioned to increase fund balance by \$571k in the revenue section of the budget.

Seconded by Mr. Grady.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

Chairman Bordonaro said the question regarding the HVAC and police station renovation projects is how much are we going to bond? There is an interest aspect of the bonding. I'm not convinced that the HVAC schedule is close to achievable. Mr. Paradis said we would move quick if the grant comes through. We could adopt this budget to go to the town hearing and the Town Council could always cut it out. We have already put the principle off, but it is small and we could cut it out later if we know in the next month. Finance Director Delaney added that the timeline has not changed for the police station renovation. Chairman Bordonaro said to leave the interest in.

Chairman Bordonaro said Little People's playground is the highest priority playground and I would like to look at how we could apply some of our surplus towards it. Finance Director Delaney added that is our standard practice to add surplus to items that were cut, if available.

Mr. Paradis moved to send the General Government budget of \$50,082,625 to the annual budget hearing.

Seconded by Mr. Millerd.

Those voting in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

Mr. Paradis moved to send Berlin Water Control budget of \$5,693,282 to the annual budget hearing.

Seconded by Mr. Grady.

Those in favor: Chairman Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0 (MOTION CARRIED)

Chairman Bordonaro said we are presenting a reasonable, fiscally responsible budget that does not take away from the quality of services. Also, the Town of West Hartford is planning to do a phased grand list approach where they use 25% of a prior year mill rate and 75% of the new reval mill rate. Finance Director Delaney said that he had a discussion with the Town Assessor and some communities have elected not to go in that direction because it gives taxpayers a feeling that the reval never ended.

Finance Director Delaney said the proposed mill rate would be 30.02 with a 0.86 increase. We are only sending the budget to the annual budget hearing. It is not final yet.

Mayor Kaczynski stated it is worth looking into what West Hartford is doing if it could help folks spread the burden of the revaluation over a couple of years. There is still time to look into that option.

- a. Discuss and vote on adjustments to the General Government, Board of Education and/or Berlin Water Control budgets.
- b. Vote to send budgets to the Annual Budget Hearing:

- i. Move to send the Board of Education budget of \$55,555,071 to the Annual Budget Hearing.
- ii. Move to send the General Government budget of \$ 50,082,625 to the Annual Budget Hearing.
- iii. Move to send the Berlin Water Control budget of \$ 5,693,282 to the Annual Budget Hearing.

E. ADJOURNMENT

Mr. Grady moved to adjourn at 7:23 p.m.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

**TOWN OF BERLIN
ANNUAL BUDGET HEARING
Tuesday, March 28, 2023
McGee Middle School Auditorium
6:00 P.M.**

<https://berlincat.gov.zoom.us/j/87194200549?pwd=WmQ5Z20wVnN1S1ZLaW9pQnZMWWg4Zz09>

Call-in Option: 1 929 205 6099 United States Toll
Meeting ID: 871 9420 0549
Passcode: 658320

1. Call to Order

Chairman Bordonaro called the meeting to order at 6:02 p.m.

2. Pledge of Allegiance

ATTENDANCE:

Members Present: Sal Bordonaro, Raul Fernandes, Tim Grady, Mark Holmes, George Millerd, Gerald Paradis

Members Absent: None

Staff Present:

Kevin Delaney – Finance Director
Arosha Jayawickrema – Town Manager
Julia Dennis – Board of Education President

3. Roll Call of Board of Finance

4. Introductory Remarks by Board of Finance Chairman

Chairman Bordonaro discussed how residential properties are going up 17.7% or more due to the revaluation and the market value on homes has increased substantially. The town did not increase taxes for 3 years straight and then last year there was an increase. There is a need now to take on more capital improvement projects. An increase of 2.95% is the best we could do. There are some much needed upgrades for the Police Department and HVAC upgrades for Hubbard and Griswold. The HVAC work is scheduled to begin this summer. Also, we are working on having a more attractive pension plan for Police Officers.

Education in Berlin has been more than adequately funded. Since 2009 student enrollment has dropped by 500 students while the number of teachers has stayed pretty much the same. I want to thank the Board of Education for working together with the Board of Finance on the annual budget.

5. Presentation of Town Budget

Town Manager Jayawickrema stated that all of the budget information is available to view on the town website: <https://www.berlincat.gov/> , click on the Finance Department section.

The overall strategy is to continue to provide services residents expect, grow the local economy and closely manage the town's liabilities. We will responsibly borrow money if we have to and have a structurally balanced and sustainable budget.

The grand list is \$2.869B. There is \$2.2M in tax revenue excluding the revaluation. The components are real estate, personal property and motor vehicle. The FY23 budget restated with revaluation impact was 29.16. The FY24 Board of Finance proposed budget is 30.02 (+0.86 mills).

The areas of investment in FY24 include:

- Replacing the HVAC systems at all elementary schools, starting at Willard this summer
- Police station renovation
- Berlin High School courtyard repair / moisture problem
- Biscoglio Field artificial turf
- Percival Field will be renovated
- Christian Ln/Deming Rd/Porters Pass paving project
- Sidewalk Connectivity Project on Farmington Ave.
- Ballast block replacement on solar panels at Willard school

We are trying to resurrect the police DB pension plan as of July 1 and looking to hire 4 new Police Officers. Some of the capital improvements include school vans, highway trucks, school cameras and replacement of bridges at Timberlin Golf Course. The Economic Development areas of focus are Steel Blvd., Farmington Ave., and the Berlin Turnpike.

Town Manager Jayawickrema reviewed the expenditure changes that included the staffing for 4 Police Officer vacancies, eliminating one VNA Health Aide and one VNA Office Staff (mid-year), denying the Town Managers request to move a part time Animal Control Officer to full time and changing the new police DB pension amortization schedule from 5 years to 10 years.

Town Manager Jayawickrema stated that residents should tell their family, friends and neighbors that they have the option to choose the Berlin VNA when leaving the hospital.

The drivers of General Government are the closed pension fund and the new police pension fund, interest on new debt planned payments, investment in schools, police, highway, Timberlin and state grant match. Also, NET contractual wage increases. For a total increase of \$2.539M (FY23 vs. FY24).

The Board of Education increase is 3.0% and 50% of the budget, General Government is a 5.3% increase and 33% of the budget. Total General Fund Budget is a 4.2% increase. Also, local taxes fund almost 87% of the budget.

Town Manager Jayawickrema reviewed the Berlin Water Control enterprise fund budget and a list of their capital needs.

The Board of Finance will vote to recommend the Board of Education and General Government budgets to Town Council immediately following the Annual Budget Hearing. At the April 4 Town Council meeting, the Town Council will either approve the recommended budget as is, approve as is with reductions, or reject the recommended budget. The Budget Referendum is April 25 from 6am-8pm at polling locations.

6. Presentation of Board of Education Budget

Board of Education President Dennis thanked everyone for coming and said the Board of Education goals are to provide a quality education, prepare students for multiple options and opportunities, maintain favorable class size and course offerings, consistently support technology and to commit to a safe learning environment for all students and staff.

Typically, our budget process starts in December and January, but this year we started in August. Throughout February we had multiple budget meetings and a joint meeting with the Board of Finance on March 1.

The Board of Education budget is \$51,949,019.60 (5.84%) and the Board of Finance's recommended budget is \$50,555,074 (3.00%). It is important to know what the proposed cuts will be and there is a slide available that shows all of the details as well as a list of alternative cuts.

The district will reallocate remaining ESSER funds to maintain ESS at the middle school, the Family Communication Specialist and one Reading Intervention Teacher. We have one new staff position for either Griswold or Willard based on enrollment and that is \$76,908. Mandated training for paraprofessionals is \$34,500.

We have seen a decline in the Hartford Open Choice Enrollment program. This started over the pandemic and has continued. It began with transportation being an issue and now more families are choosing to stay in Hartford and not participate in a choice program. It is a reduction in funding for us. The anticipated revenue is \$731,875.00.

The new apartment complexes that are being built will have an impact on enrollment. There will be 88 units at 833 Deming Rd. that are one and two bedroom apartments. It could mean more students coming to our schools.

Berlin's adopted budgets have compared favorably to nearby districts over the past two years. We have ended up with a \$400k surplus in both fiscal year 2020 and fiscal year 2021 and it was returned to the town.

A school district's budget reflects the commitment of the community to invest in the future of our children. I want to thank the Board of Finance and Mayor Kaczynski for taking the time to meet with myself and the staff.

Chairman Bordonaro discussed a slide showing the Board of Education current requested funding, the contractual obligations, actual funding and surplus leftover. It is a more than sufficient operational budget. Berlin has the highest net current expenditure per pupil compared to 6 similar nearby towns. Also, over 75% of households will pay more taxes from the revaluation. A home valued at \$300k in 2021 is currently valued at \$365,100.

7. Audience of Citizens

Resident

My wife and I have two children in the school district. A \$1.4M cut to the Board of Education budget is substantial. This sends a huge message to families that are thinking about moving to town and teachers looking for jobs that we don't prioritize our students. I understand that we have gotten by the past few years on 3% and thereabout, but past performance is no indication for future success.

We are looking at different circumstances. If we don't properly fund our school district we are failing our kids and failing ourselves.

Sam Lomoglio, 78 Hickory Hill Rd.

Mr. Lomoglio said our projected surplus this year should be around \$4.2M. I'm looking at a double increase in taxes. My property value on my house went up approximately 18%. Then you cut the Board of Education to 3%, but still have a \$4.2M surplus. If you take \$590k from that, you would cover the contractual obligation. Then you take more money from that \$4.2M and get it down to zero and we would not have a tax increase. I think you should give it back to the town, the Board of Education and give it back to the people. There are senior citizens living on a fixed income. We criticize the Board of Education for having a surplus, but you are sitting on a \$4.2M surplus. We should not even be looking at a tax increase. We should give the Board of Education what they need. We shouldn't cut programs.

Evelisa Mayette, 178 Lower Lane

Ms. Mayette said she is a teacher at Berlin High School and the Teacher's Association President. I'm speaking about our students and what they need. Every year I hear why should the Board of Education get more money. Since 2020, any data about education and children says they have suffered under the pandemic socially, emotionally and academically. Students across the country have greater needs today than they have ever had and those needs have costs. Our community has a legal, moral and ethical obligation to meet these student needs. We provide based on the law and what is the right thing to do for these students. With college costs today, it is really about where they get accepted. Notre Dame currently costs \$78k a year, Boston College is \$81k and Georgetown is \$82k. We have students at all of those schools. We also have other students that were accepted, but just couldn't go because of the cost. Berlin Public Schools (BHS) has done an excellent job making our students successful after high school. Some colleges are making SAT scores optional because SAT scores are not indicative of student success. Also, neighboring districts pay very differently. We teach in Berlin because we love our kids and what we do here. It is the right district to work in because we do right by our kids.

Kerin Hemsworth, 3 Watch Hill

Ms. Hemsworth said the reason that I moved to Berlin is because of the small town feel and high quality education. I'm concerned about the budget cuts we are proposing. The paraprofessionals provide direct interaction that students require to meet academic progress. I believe in financial fiscal responsibility, but not at the cost of negatively impacting our students.

Lauren Donovan, 162 Alling St.

Ms. Donovan said she is a reading Teacher at Griswold school. Our reading professionals tend to work with tier 2 students who are not too far behind. We have students who need reading support coming in and by June they are meeting the grade level reading benchmarks. Also, I feel we don't pay our paraprofessionals nearly as much as we should. They do an amazing job with our students. Many of you know how hard it is to find qualified professionals these days. It takes a lot of dedication to meet student needs.

Jon Peyton, 39 Towne Dr.

The police deserve the pension plan, also on Special Education I don't understand why you would want to cut back on paraprofessionals. The town has grown quite a bit and is becoming better against

local schools. Why would you want to lower it down. We want to raise the bar higher and have more people want to move to this town.

Resident, Percival Ave.

Regarding the slide that showed the bar graphs with contractual obligations. What we actually had to work with was lower. The only way to do that is by cutting jobs. There is a surplus after you have cut these necessary positions. I'm a teacher in the district and we all will feel the effects of the cuts.

Jen Jurgen 561 Percival Ave.

Ms. Jurgen said that the Board of Finance members are a bit out of touch with what is needed in our town. One member said I think we can tell little Johnny where to sit for a lot less money. Little Johnny might be an autistic child that needs school resources to help reach his full potential. Most operating budgets have some sort of contingency funds. We need the 5.84% for our students to continue to thrive and so that all of our little Johnnies have access to the necessary resources and programs for education and learning.

Imelda Mongillo, 86 Devonshire Way

Ms. Mongillo said as elected officials you represent our town. The Board of Finance is a reflection of our town and represents the interests of our community. We trust that you will do the right thing. Yet I wonder what you are here to fight for and uphold. I have been shocked by the comments being made. I'm here to support Education and Berlin will continue to be known to have great, excellent, superb schools and educational programming. A 3% increase is simply not acceptable. I fully support the 5.86% increase. I have faith that you will do the right thing.

Resident

You showed us a lot of numbers tonight, but the one thing that you did not show us was what the increase would be for the Board of Education budget at the asked for amount. How much more would the taxpayers pay? Let us make choices.

Sue Harmon, 255 Berlin St.

Ms. Harmon said she is a teacher at the middle school. We want good readers, writers and thinkers. When we cut these important staff members out of the budget starting with the high school, it is detrimental to learning of kids. I don't see how anyone could support decreasing literacy teachers. Please support our students in literacy.

Crystal Van Gorder, 28 Glenbrook Rd.

Ms. Van Gorder said she is looking to fix our parks. With every year that goes by things start to go downhill. I hope the budget will be allocated to things that our community cares about. Education and the parks in our community make Berlin a great place to live. I thank you for all of your efforts and hope we will come to some good decisions.

8. Adjournment

Mr. Paradis moved to adjourn at 7:38 p.m.

Seconded by Mr. Holmes.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

TOWN OF BERLIN
REGULAR BOARD OF FINANCE BUDGET MEETING
Tuesday, March 28, 2023
McGee Middle School Auditorium
Immediately following the Annual Budget Hearing

<https://berlinc-t-gov.zoom.us/j/87640307460?pwd=b3JJZ20yejIwamZqSDh6dEZZZEVqQT09>

Call-in Option:	1 929 205 6099 United States Toll
Meeting ID:	876 4030 7460
Passcode:	919761

A. CALL TO ORDER

Chairman Bordonaro called the meeting to order at 7:48 p.m.

B. DISCUSSION OF DEPARTMENT BUDGETS:

1. Discuss and possible modifications to fiscal year 2024 proposed Board of Education, General Government and Berlin Water Control budgets.
2. Move to send the Board of Education budget of \$55,555,071 to the Town Council.

Mr. Paradis moved to send the Board of Education budget of \$55,555,071 to the Town Council.

Seconded by Mr. Millerd.

Those voting in favor: Mr. Bordonaro, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not voting in favor: Mr. Fernandes, Mr. Holmes

Vote being 4-2 (MOTION CARRIED)

3. Move to send the General Government budget of \$ 50,082,625 to the Town Council.

Mr. Paradis moved to send the General Government budget of \$ 50,082,625 to the Town Council.

Seconded by Mr. Millerd.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Millerd, Mr. Paradis

Those not voting in favor: Mr. Holmes

Vote being 5-1 (MOTION CARRIED)

4. Move to send the Berlin Water Control budget of \$ 5,693,282 to the Town Council.

Mr. Paradis moved to send the Berlin Water Control budget of \$ 5,693,282 to the Town Council.

Seconded by Mr. Millerd.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0 (MOTION CARRIED)

C. ADJOURNMENT

Mr. Paradis moved to adjourn at 7:49 p.m.

Seconded by Mr. Grady.

Those voting in favor: Mr. Bordonaro, Mr. Fernandes, Mr. Grady, Mr. Holmes, Mr. Millerd, Mr. Paradis

Vote being 6-0

Submitted by,
Alina Brown

Agenda Item No. F-1
Request for Board of Finance Action

TO: The Board of Finance

FROM: Arosha Jayawickrema, Town Manager

DATE: March 10, 2023

SUBJECT: Budget Transfers

Summary of Agenda Item:

Over the course of the fiscal year some accounts exceed budget for different reasons. All higher than budgeted costs are offset in other parts of the budget or contingency. No new money is being appropriated with this request. These items are summarized on the Budget Adjustments spreadsheet submitted with this action item.

Action Needed:

Move to transfer \$297,500, as detailed on the accompanying spreadsheet, to cover higher than budgeted expenditures in identified accounts.

Attachments:

Budget Adjustments spreadsheet

Prepared By:

Kevin Delaney, Finance Director

Budget Adjustments
March 21, 2023

<u>Department</u>	<u>GL Account #</u>	<u>From</u>	<u>To</u>	<u>Explanation</u>
Golf Course	001.25.2543.0.53932.00000		\$10,000.00	The pond at the Timberlin Golf Course has become infected with a invasive species that requires treatment. Left untreated, the issue will likely damage pumps and may create more significant damage to the irrigation system. This request is to fund the first year treatment of the species. Going forward, a budget line has been added to the Timberlin budget to fund this issue.
	001.20.2038.0.52235.00000	\$7,199.00		
	001.25.2543.0.52235.00000	\$2,801.00		
		<u>\$10,000.00</u>	<u>\$10,000.00</u>	
GENERAL FUND TOTAL				
Water Control	844.55.5582.0.56602.00000		\$184,000.00	The Mattabassett District bill for FY23 was higher than budgeted. This transfer clears the current funding shortfall by using capital funding that will not be used. The capital project was funded with debt service instead of reserves.
	844.55.5588.0.58061.00000	\$184,000.00		
		<u>\$184,000.00</u>	<u>\$184,000.00</u>	
WATER CONTROL TOTAL				
Schools	500.35.3561.0.54000.00347		\$103,500.00	The cost to complete fire alarm upgrades at both Willard and Griswold Elementary Schools has increased since the time the project was originally funded with FY22 surplus money. Based on the current cost estimates using the ITS State contract, the funding gap is \$103,500. This request is to transfer amounts left over from closed projects in Department 61 CNR accounts. Contingency for the project will be requested using FY23 surplus funds closer to the end of the fiscal year. This initial request will allow Facilities to contract with ITS for both schools to be completed in the summer 2023.
	500.35.3561.0.54000.01729	\$52,559.83		
	500.35.3561.0.54000.01731	\$1,162.62		
	500.35.3561.0.54000.00722	\$500.00		
	500.35.3561.0.54000.00530	\$90.00		
	500.35.3561.0.53933.00000	\$800.00		
	500.35.3561.0.53814.00000	\$43.82		
	500.30.3054.0.54000.00012	\$4,449.05		
	500.10.1019.0.53814.00000	\$605.00		
	500.10.1019.0.53945.00000	\$506.21		
	001.05.0507.0.53920.00000	\$12,500.00		
	001.05.0507.0.53948.00000	\$7,500.00		
	500.35.3561.0.54000.00302	\$22,783.47		
		<u>\$103,500.00</u>	<u>\$103,500.00</u>	
		<u>\$297,500.00</u>	<u>\$297,500.00</u>	
CAPITAL PROJECTS TOTAL				
GRAND TOTAL				

Financial Status Report

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GENERAL FUND

(budgeted amount excludes assigned fund balance)

Receipts

Actual Receipts	\$89,135,713
Budgeted Receipts	\$93,513,047
% to Budget	95.3%
Current Year Tax Receipts	\$79,754,971
Current Tax Budget	\$79,861,907
Current Tax Levy (99.3%/99.3% collection rates)	\$80,424,881
% to Current Budget	99.9%
% to Current Levy	98.8%
Adopted budget target %	99.3%

Expenditures (excludes capital expenditures)

	Actual	Encumbered	Budget	Var to Budget
Actual Expenditures	\$69,865,918			
Budgeted Expenditures	\$98,136,931			
% to Budget	71.2%	73.9%		
Storm-related Overtime (51445)	\$38,430	\$0	\$141,392	\$102,962
Electricity (53102)	\$661,477	\$636,191	\$1,475,306	\$177,638
Refuse Disposal (53823)	\$1,225,515	\$664,086	\$1,921,091	\$31,491
Legal (53828)	\$190,206	\$164,750	\$355,000	\$44
Tax Refunds (53924)	\$277,642	\$0	\$215,000	(\$62,642)

INSURANCE FUNDS

Health Insurance Fund

General Insurance Fund		
The fund is used to pay Liability & Worker's Compensation insurance premiums for both the Town and BOE, on-going heart & hypertension claims from police officers, window/widower heart & hypertension claims, "fronting" reimbursable environmental remediation costs, small equipment claims where Town elects to self-insure and deductibles. Town policy is a \$1 million floor and ceiling at 5% of General Fund budget (or \$4,831,489 for FY23). Displayed fund balance is net of H&H reserve and encumbrances for self-insured claims.	\$1,000,000	\$1,998,807

TOTAL INSURANCE FUNDS	\$3,327,226	\$4,603,957
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PENSION FUND

Notes

Town of Berlin

Financial Status Report

Board of Finance Meeting of April 18, 2023

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Total Liability (as of 7/1/2022)	\$6,194,017	The Town of Berlin Retirement Income (Defined Benefit) Plan was amended for the last time effective July 1, 2000. As a result of this final amendment no new Town employees (excludes BOE employees covered by the Teacher's Retirement Fund) were eligible to participate in the plan. As part of the amendment, participants in the DB Plan have the option to be paid out with an annuity or a lump sum. In recent years, all retiring participants have elected the lump sum payout.	
Cash Balances:			
Prudential	\$2,070,213		
ICMA Plus	\$3,100,457		
	<u>\$5,170,670</u>		
Funding % - Total	83.5%		
Funding % - DB	33.4%		
Unfunded Liability	(\$1,023,347)		
		Anticipated retirements:	
		FY23: 4 active participants remain and all are eligible to retire. One is retiring at the end of April 2023.	
		Annual annuity payments & total monthly fees: \$172,000	
		Currently, the Town is executing a pay-as-you-go program to manage new retirements. The plan includes 4 active participants , 1 inactive but eligible participant and 15 annuitants.	

ACTIVE CAPITAL PROJECTS

	% Complete*	Project Balance**	PBC Managed	Department	Notes
4-Bridge Rehabilitation	90%	\$0		Public Works	Design Phase audit is complete and final payment for this phase was received - Construction Phase is complete; closing out with State
Highway Wash Bay	TBD	TBD	PBC	Facilities	TC awarded bid - begin construction in spring
55 Steele Boulevard	27%	\$0		Economic Dev.	Building 3 of 3 from Newport's original Farmington Ave plans
Sidewalk Upgrades	0%	\$0		Public Works	Begin construction in spring
3-Road Project (CRCOG Pre-Funded Construction)	3%	\$0		Public Works	Mobilization has started
Kensington Road Bridge - Design Phase	39%	\$0		Public Works	Current Phase: design (local funded); once project is approved by DOT, CRCOG grant will pre-funded for bid amount + contingency & incidentals
Percival Soccer Field	8%	\$0		Public Grounds	TC awarded bid - begin construction in spring
Scalise Scoreboard/Fiber (DEEP Grant)	11%	\$0		Facilities	Current Phase: scoreboard installed; project expected complete end of FY23
Biscoglio Field Turf (DEEP Grant)	0%	\$0	PBC	Public Grounds	TC awarded bid - begin construction in spring
HVAC Upgrades (ARPA Funds)	0%	\$0	PBC	Facilities	Current Phase: Willard bid opening 3/25
HVAC Upgrades (Local Funds)	TBD	TBD	PBC	Facilities	TBD
Police Station Renovation	TBD	TBD	PBC	Facilities	Current Phase: design renovations

* % complete represents invoices received versus total expected project cost - this metric will lag actual construction completion

** Capital projects fund balance includes encumbrances.

Risks

<u>Description</u>		<u>Projected - Low</u>	<u>Projected - High</u>	<u>Probability</u>
<u>RECEIPTS</u>				
VNA receipts		(\$200,000)	(\$300,000)	Med/High
<u>EXPENDITURES</u>				
Tax Refunds		(\$75,000)	(\$100,000)	High
Auto Parts		\$0	(\$50,000)	Med
Fuel		\$0	(\$25,000)	Med
Electricity		\$150,000	(\$25,000)	Med

TOTAL
Total excluding Pension payouts

\$275,000
\$275,000

(\$500,000)
(\$500,000)

Opportunities

<u>Description</u>		<u>Projected - Low</u>	<u>Projected - High</u>	<u>Probability</u>
<u>RECEIPTS</u>				
Interest Income		\$1,400,000	\$1,800,000	High
Taxes		\$0	\$800,000	Med
<u>EXPENDITURES</u>				
Vacant positions		\$1,500,000	\$2,250,000	Med/High

TOTAL

Budgeted use of fund balance (excludes \$300k of contingency)

\$2,900,000

\$4,850,000
(\$2,100,000)

Net Projection

\$1,075,000

\$2,250,000
\$4,350,000

Net Projection (excl. non-budgeted appropriations made during current fiscal year)

\$3,175,000

Financial Status Report

Board of Finance Meeting of April 18, 2023

	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>TOTAL</u>	<u>YTD</u>
FY2019	55,212	74,521	82,025	142,845	81,705	58,331	97,213	71,442	119,187	72,239	90,498	100,562	1,045,780	782,481
FY2020	47,155	82,851	58,019	85,737	58,047	51,550	62,354	63,243	62,270	99,186	51,272	76,057	797,741	571,226
FY2021	48,132	56,105	61,099	53,775	54,553	64,397	66,910	57,967	78,281	82,029	27,123	107,013	757,385	541,220
FY2022	51,814	67,134	56,464	49,192	39,038	32,530	43,379	48,339	70,744	45,424	48,569	61,528	614,156	458,634
FY2023	43,842	57,446	67,243	57,167	52,526	61,072	45,590	26,033	53,655				464,574	464,574
CY vs. PY	(7,972)	(9,688)	10,779	7,975	13,488	28,542	2,211	(22,306)	(17,089)					

