



Legislation Text

File #: 23-1341, Version: 3

FINANCIAL BUSINESS REQUEST (FBR)

Motion/Request:

MOTION to adopt a proposed Fiscal Year 2023/2024 Budget in the amount of \$64,540,940 comprised of:

- General Government: \$28,632,572
- Board of Education: \$35,908,368

Background:

[Public Hearing 4/17/2023](#): In accordance with Chapter VII; Section 5 of the Town Charter the Town Council prepared a Preliminary Fiscal Year 2023/2024 Budget to present to the townspeople at a Public Hearing on April 17, 2023 in the amount as follows:

- Fiscal Year 2023/2024 in the amount of \$65,517,156 comprised of:
 - General Government: \$29,608,788
 - Board of Education: \$35,908,368

After receiving Public Comment regarding the proposed preliminary budget the Finance Committee would be reviewing the proposal to determine whether any additional budget adjustments were needed in preparation for the Town Council to review/approve to forward to the Townspeople at the Annual Town Meeting/Referendum Vote:

In accordance with Chapter VII; Section 5 of the Town Charter

SECTION 5. DUTIES OF THE TOWN COUNCIL ON THE BUDGET

The Town Council shall have the power to revise any of the proposed budget items. After formation of a preliminary budget, the Town Council shall provide sufficient copies of said budget for general distribution in the office of the Town Clerk, and shall conduct one or more public hearings on or before the last Monday of April. **The Town Council shall then prepare a budget for recommendation to the annual Town Meeting and shall file said budget with the Town Clerk no later than the first Monday of May.**

SECTION 6. ANNUAL TOWN MEETING

The annual Town Meeting for the consideration of the budget and the transaction of other business shall

be held on the third Monday of May at such hour and at such place as the Town Council shall determine.

The Town Meeting(s) may not alter the amount of any appropriation recommended by the Town Council. The vote of the Town meeting on the annual budget shall be adjourned to a vote on the voting machines the day following the Town Meeting in the same manner as outlined in Chapter VII, Section 9D and, if approved by a majority of those voting hereon, shall be deemed to be the vote of the Town Meeting.

The Town Meeting may, by failing to approve the budget presented at referendum, refer the entire budget back to the Town Council for further consideration and changes.

Should the referendum on the budget refer the budget back to the Town Council, the Town Council shall reconsider the budget and present it for a second vote on the voting machines three weeks following the previous referendum.

In the event that the second referendum does not approve a budget; the Town Council shall adopt a final budget by the fourth Monday in June. Should both the referenda and the Town Council fail to adopt a final budget by the fourth Monday in June, the budget that was presented at the second referendum shall be deemed to have been adopted, and expenditures made in accordance therewith for the ensuing fiscal year.

Department Comment/Recommendation:

(type text here)

Finance Director Comment/Recommendation:

(type text here)

Mayor Comment/Recommendation:

(type text here)

Meeting Action Detail:

Town Council Meeting 04/26/2023:

File #: [23-1341](#) Version: 3

Type: Financial Business Request (FBR)

Title: MOTION to adopt a proposed Fiscal Year 2023/2024 Budget in the amount of \$64,540,940 comprised of:

- General Government: \$28,632,572
- Board of Education: \$35,908,368

Moved: Saums

Seconded: Ingalls

Action: Approved

Minute Note:

Moved by Councilor Saums, seconded by Councilor Ingalls

Discussion: Councilor Saums stated tonight’s meeting packet included the following budget reductions that the Finance Committee made at their April 19, 2023 meeting:

Employee H Care/Benefi							
Accou ID	Desc	FY 23 Budge	FY 23/24 Finance	Change - PHN	Change - Health Ins.		FY 23/24 Finance Cmt Revised 4/19/2023
10110 52000	HEAL	1,052	1,136,160.00	(56,000.00)	(52,600.00)		1,027,560.00
10110 52100	HEAT BOE	5,304	5,325,000.00		(225,000.00)		5,100,000.00
10110 52101	HEAL WAIV	259,7	285,725.00	(8,500.00)	-		277,225.00
10110 52310	DEFIN PLAN	315,0	378,000.00	(13,000.00)	-		365,000.00
10110 52400	SALA ADJU	75,00	75,000.00	-	-		75,000.00
10110 52500	SOCIA	627,5	645,000.00	(20,000.00)	-		625,000.00
10110 52106	HEAL BOE R	604,0	600,000.00	-	(25,000.00)		575,000.00
Empl Health Benef	Total EMPL EXPE	10,51	10,554,428.00	(97,500.00)	(302,600.00)		10,154,328.00

Councilor Saums stated with these budget reductions the proposed Mil Rate to support the Fiscal Year 2023/2024 Budget was reduced from a projected 1.09 mil rate increase, as presented at the April 17, 2023 Public Hearing, to a 0.74 mil rate increase. He stated these adjustments were a significant reductions and were not taken lightly.

Councilor Saums went on to explain the reductions in the Healthcare Expenses was a result of changing from the current CT State Partnership 2.0 Plan (7% increase) to United Healthcare (3%). He stated changing healthcare plans required a lot of work for both the General Government and the Board of Education, noting that they had to work with all of the affected unions, explaining that per their Labor Agreements that the Town has to provide a healthcare plan that was equal to; or better than the one they currently had.

Councilor Saums continued by addressing the budget reductions for the Ledyard Public Health Nursing. He explained that the Finance Committee has discussed Ledyard Public Health Nurse Budget at length throughout this year’s budget preparation, as they have done during the past few year’s budget preparation cycles. He stated the reason they were discontinuing the Ledyard Visiting Nurses was not because they do not want it; or they do not think it was a good thing. He stated they think the Ledyard Visiting Nurses (LVNA) was a great thing; however, he

stated including employee health benefits that the town has been losing money to provide the LVNA services since the 2018 fiscal year; and that these loses have gone up every year. He stated this year the loses were significant enough that it would have affected the town's mil rate, and the town's ability to pay. He stated the Finance Committee and the entire Town Council appreciated the work that the LVNA has done over the years, noting that they were one of the Top 25 Visiting Nurse Agencies in the country. He stated the reason the LVNA was not returning money to the town, as they once did, was because large healthcare organizations control where patients were receiving their home healthcare services from, explaining that they do not tell people that they had a choice. He stated as much as the town has tried to get the word out to residents that the patient has a choice in the selection of their home healthcare provider, and that they can ask for the LVNA to call on them, that the patients were receiving services from elsewhere. He stated this trend has been going on for years; and that they were sorry that this has been the case. He stated they appreciated all that the LVNA has done over the years, including the work of Nursing Director Karen Goetchuis.

VOTE: 8 - 0 Approved and so declared

Action: Approved

Finance Committee Meeting 04/19/2023:

File #: [23-1341](#) Version: 3

Type: Financial Business Request (FBR)

Title: MOTION to adopt a proposed Fiscal Year 2023/2024 Budget

Moved: **Seconded:**

Action: Recommend to Approve

Minute Note:

Councilor Saums stated a Public Hearing was held on April 17, 2023 to receive residents input on the proposed preliminary Fiscal Year 2023/2024 Budget which was presented as follows:

Fiscal Year 2023/2024 Budget in the amount of \$65,517,156 comprised of:

- General Government: \$29,608,788
- Board of Education: \$35,908,368

Councilor Saums went on to state during the budget process the Finance Committee has been discussing other options to minimize the budget increase as well as the mil rate increase for the taxpayers which included the following:

- Healthcare Costs
- Nursing
- Senior Center Van Driver
- Revenues associated with the Senior Citizens Programs

Councilor Saums stated for tonight’s discussion he asked Finance Director Matthew Bonin to prepare a spreadsheet with adjustments to both the Healthcare and Nursing Budgets. He stated the spreadsheet was distributed to the Finance Committee this afternoon and also it was also included in the Agenda packet on the meeting portal.

The Finance Committee reviewed the proposed adjustments as presented below:

Employee Health								
Account	Description	FY 22/23 Budget	FY 23/24 Finance	Change - PHN	Change - Health Ins.			FY 23/24 Finance Cmt Revised 4/19/2023
1011025	HEALTH	1,052,000	1,136,160.00	(56,000.00)	(52,600.00)			1,027,560.00
1011025	HEALTH BOE	5,304,000	5,325,000.00		(225,000.00)			5,100,000.00
1011025	HEALTH WAIVER	259,750	285,725.00	(8,500.00)	-			277,225.00
1011025	DEFINER PLAN	315,000	378,000.00	(13,000.00)	-			365,000.00
1011025	SALARY ADJUST	75,000.0	75,000.00	-	-			75,000.00
1011025	SOCIAL SECURITY	627,544	645,000.00	(20,000.00)	-			625,000.00
1011025	HEALTH BOE RET	604,000	600,000.00	-	(25,000.00)			575,000.00
Employ	Total 101	10,517,7	10,554,428.00	(97,500.00)	(302,600.00)			10,154,328.00
Healthc	EMPLO							
Benefits	EXPENS							

Public Health N								
Account	Description	FY 22/23 Budget	FY 23/24 Finance	Change - PHN	Change - Health Ins.			FY 23/24 Finance Cmt Revised 4/19/2023
10130101	SUPERVISOR	70,160.00	87,100.00	(87,100.00)	-			-
10130101	NURSES SAL	214,903.00	192,000.00	(192,000.00)	-			-
10130101	NURSE AID	32,000.00	30,000.00	(30,000.00)	-			-
10130101	OTHER WA	63,850.00	63,800.00	(63,800.00)	-			-
10130101	CLOTHING ALLOWAN	1,620.00	1,550.00	(1,550.00)	-			-
10130101	PROFESSIO ECH SERVI	135,000.00	125,000.00	(125,000.00)	-			-
10130101	OTHER PROFESS/T SERVICES	3,210.00	2,000.00	(2,000.00)	-			-

10130101-5	ACCOUNTI SERVICES/	3,000.00		3,000	(3,000)	-	-
10130101-5	PATIENT SATISFACT SURVEY	2,500.00		2,500	(2,500)	-	-
10130101-5	ICD CODING	13,920.00		14,000	(14,000)	-	-
10130101-5	CONTRACT MAINTENANCE	12,143.00		12,100	(12,100)	-	-
10130101-5	REPAIRS & MAINTENANCE	34,455.00		47,000	(47,000)	-	-
10130101-5	OPERATING EXPENSES	11,174.00		10,000	40,000	-	50,000
10130101-5	NON INSTRUCTI SUPPLIES	13,000.00		7,000	(7,000)	-	-

Account ID	Description	FY 22/23 Budget	FY 23/24 Finance	Change - PHN	Change - Health Ins.	FY 23/24 Finance Cmt Revised 4/19/2023
10130101-58110	TRAINING/MTGS/DUES/SUBSCRIP	7,040.00	7,040.00	(7,040.00)	-	-
10130101-58300	EMPLOYEE REIMBURSEMENT	16,000.00	16,000.00	(16,000.00)	-	-
10130101-58775	COMMUNITY HEALTH PROGRAM	3,650.00	3,000.00	(3,000.00)	-	-
10130101-58790	CONTINGENCY	1,750.00	2,000.00	(2,000.00)	-	-
10130101-51720	STIPENDS	10,000.00	10,000.00	-	-	10,000.00
Nursing Department	Total 10130101 PUBLIC HEALTH NURSING	842,641.00	785,600.00	(576,116.00)	-	209,484.00
	Expense Total - General Government	28,954,902.00	29,608,788.00	(673,616.00)	(302,600.00)	28,632,572.00
	Expense Total - Board of Education	34,555,319.00	35,908,368.00	-	-	35,908,368.00
	Total Budget Expenses					\$64,540,940

Councilor Saums reviewed the adjustments in the Healthcare Costs that was a result of changing from the current CT State Partnership 2.0 Plan (7% increase) to United Healthcare (3%) noting the following savings:

- General Government Healthcare: \$52,600 reduction

- Board of Education Healthcare: \$225,000 reduction
 - Board of Education Retires: \$ 25,000 reduction
 - Board of Education Retirees Revenue \$25,000
 - Board of Education Retirees was a zero net cost because the retirees pay into the program for insurance.
- Total Healthcare Budget Reduction : \$302,600
Total Healthcare Budget Net Reduction :\$277,600

Councilor Saums reviewed the adjustments in the Public Health Nursing noting the following savings:

- Public Health Nursing \$673,616 reduction
 - Public Health Nursing Revenue (projected) \$500,000 reduction
- Total Public Health Budget Net Reduction:\$173, 616**

Finance Director Matthew Bonin explained that there were a lot of unknowns with the Public Health Nursing noting the following:

- What costs would be incurred next year;
- Run-out claims would be coming in;
- Medicare/Medicaid payments can trail 60 - 90 days out.

Mr. Bonin went on to note that he would also make the budget adjustment for the Senior Citizens Fees (Health and Welfare Programs) Revenues, noting that this would essentially have no effect on the budget.

Councilor Ryan questioned the projected mil rate required to support the proposed Fiscal Year 2023/2024 Budget, based on the total expenditure adjustments (reductions) in the amount of \$976,216 that they discussed this evening (see above).

Finance Director Matthew Bonin stated the projected mil rate increase required to support the Fiscal Year 2023/2024, based on the budget reductions discussed this evening was about 0.75 versus the 1.09 mil increase that was being proposed with the preliminary budget that was presented at the April 17, 2023 Public Hearing.

The Finance Committee agreed on all of the budget adjustments as noted above by consensus.

MOTION to recommend the Town Council adopt a proposed Fiscal Year 2023/2024 Budget in the amount of \$64,540,940 comprised of:

- General Government: \$28,632,572
- Board of Education: \$35,908,368

Moved by Councilor Ingalls, seconded by Councilor Ryan

Discussion: It was noted that a projected 34.45 mil rate (increase of .75 mils) would be required to support the proposed Fiscal Year 2023/2024 Budget.

VOTE: 3 - 0 Approved and so declared

Action: Recommend to Approve

Town Council Meeting 03/22/2023:

File #: [23-1341](#) Version: 3

Type: Financial Business Request (FBR)

Title: MOTION to adopt a proposed Fiscal Year 2023/2024 Budget in the amount of \$65,517,156 comprised of:

- General Government: \$29,608,788
- Board of Education: \$35,908,368

Moved: Saums Seconded: Ryan

Action: Approved and so declared

Minute Note:

Moved by Councilor Saums, seconded by Councilor Ryan

Discussion: Councilor Saums the Finance Committee met with Mayor Allyn, III, and his Department Heads and have reviewed the entire General Government proposed Fiscal Year 2023/2024 Budget line by line. He stated as currently proposed the Budget was 3.16% increase or 1.09 mil increase over the current year’s budget. He stated the Finance Committee made a few minor adjustments to the proposed Budget at their Special Meeting last night.

Councilor Saums continued by complementing Mayor Allyn, III and his staff noting that the preparation of the upcoming year’s budget was a very difficult process. He stated when the budget was initially delivered it included a number of increases, which would not have been palatable for the taxpayers. He stated the Mayor and his staff have done a good job to trim the proposed Fiscal Year 2023/2024 Budget down to a more reasonable amount.

Councilor Saums stated a 3.16% budget increase in a year where the salaries, which make up 70% of the General Government Budget, were running at 3% was a reasonable budget, given that much of the increases were driven by contractual obligations that they had no control over.

Mayor Allyn, III, noted the following minor Budget adjustments that the Finance Committee made at their March 21, 2023 meeting:

Account #	Title	Proposed	New Amount	Adjustment	Notes
10112151-51610	MIS Director	\$78,014	\$67,922	(\$10,092)	With the retirement of salary and gross wage
10114301-58110	Land Use Training/ Meeting/Dues/Subscriptions	\$3,000	\$1,000	(\$1,000)	Per Land Use Director - Training co Official would bring in his Code B

(New Account)	Capital Improvement Plan			\$10,000	Conduct Aerial Fly Over - The State aerial fly over every six-years. The aerial fly over halfway thru the State trying to have an updated aerial fly every three-years. \$10,000 was added 2023/2024 and that the town would Year 2024/2025 for the aerial fly over
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- Account # 10112151-51610MIS Director Salary - With the retirement of MIS Director Regina Brulotte that the starting salary and gross wage was corrected (reduced).
- Account #10114301-58110Land Use Training/ Meeting/Dues/Subscriptions - Reduced by \$2,000. Per Land Use Director -Training could be reduced by \$1,000. The Building Official would bring his Code Books.
- Capital Improvement Plan (CIP) added \$10,000 to conduct the Aerial Fly Over. The State of Connecticut conducted an aerial fly over every six-years. The Town would like to conduct an aerial fly over halfway thru the State’s six-year cycle. The town was trying to have an updated aerial fly over of all the parcels in town every three-years. \$10,000 was added to the CIP for Fiscal Year 2023/2024 and that the town would allocate \$10,000 again in Fiscal Year 2024/2025 for the aerial fly over.

Mayor Allyn concluded by stating that the proposed Fiscal Year 2023/2024 Budget would require a 1.09 mil increase.

Councilor Ryan stated that he would like to echo Councilor Saums’ comments in thanking the Mayor Allyn, III, and his Department Heads for their work in preparing a proposed budget for next year. He noted a lot of time was spent, a lot of questions were asked, and a lot of detail was given during the Finance Committee’s Budget Work Sessions (March 9, 13, 20, 2023) noting that answers were readily available. He stated it was a smooth review process this year, commenting that he would have preferred that they had not seen as much of a budget increase as they did this year. However, he stated as Councilor Saums’ mentioned a lot of the increases were contractual, stating that it was hard to find space when contractual agreements were driving the increases.

Councilor Ingalls stated that she also echoed Councilor Saums’ and Councilor Ryan’s comments this evening. She stated that Ledyard had very professional Department Heads who were looking out for the well-being of the town by looking out for the services provided by their departments.

Councilor Ingalls went on to state in reviewing the budget process each year that she always finds that there were a lot of interesting things learn. She addressed the Aerial Fly Over the Mayor mentioned this evening, noting that in discussing the frequency of the aerial fly overs with Land Use Director Juliet Hodge that she learned that there was a statute of limitations on how long a property owner could essentially get away without obtaining a permit for putting something on their property. Therefore, she stated the benefit of them conducting an aerial fly over at a particular frequency that it was more likely that the Tax Assessor and Town Planner would catch property improvements earlier.

Mayor Allyn stated the aerial fly overs provide a two-meter resolution, noting that they could see if someone has added a new shed, or pool in their yard they would see it. Therefore, he stated that there was a value to the town by conducting the aerial fly overs. He stated that they would probably see a reasonable off set to the expense of conducting the aerial fly over.

Chairman Dombrowski stated that he would also like to echo Councilor Saums' comments stating that the Budget Work Sessions and process of reviewing the proposed Fiscal Year 2023/2024 Budget with the Mayor and his Staff went smoothly. He stated most questions were answered directly. He stated he appreciated the work of all those involved in the budget preparation process.

7 - 0 Approved and so declared

Action: Approved and so declared

Finance Committee Meeting 03/21/2023:

File #: [23-1341](#) Version: 3

Type: Financial Business Request (FBR)

Title: MOTION to adopt a proposed Fiscal Year 2023/2024 Budget

Moved: [Seconded:](#)

Action:

Minute Note:

Councilor Saums stated based on their work to-date that the proposed Fiscal Year 2023/2024 stands as follows:

- Total Budget \$65,476,753 comprised of:
- General Government Budget of: \$29,568,385
- Board of Education of: \$35,908,368

The Finance Committee discussed their Budget Work Sessions with the Department Heads that were held on March 9, 13, & 20, 2023 and potential additional adjustments to the proposed Fiscal Year 2023/2024 Budget in preparation to present a preliminary budget to residents at the Public Hearing in April, per the Town Charter.

Councilor Saums noted that Councilor McGrattan, Liaison to the Library Commission, contacted him earlier today regarding the Library's current year's (Fiscal Year 2022/2023) budget. He stated at their March 20, 2023 meeting the Library Commission noted that their Operating Account #10150101-56100 only had an unencumbered balance of \$2.37, noting that they still had three months remaining for this year. He stated in reviewing the budget history that they have been reducing the Library's Operating budget over the past few years. He stated in speaking with Library Director Jennifer Smith that she indicated that the Library had some additional expenses this year. He noted that Ms. Smith stated that the Library planned to use funding from a non-taxpayer source for the remainder of this year, should they need to.

The Finance Committee noted that they met with the Library yesterday to review their proposed Fiscal Year 2023/2024 Budget; and they questioned the reason this year's operations account shortfall was not brought up during the Budget Work Session.

Councilor Ingalls expressed concern about increasing a budget line for next fiscal year without knowing the reason the Operating Account has already been exhausted for this year. Councilor Saums stated that they could leave the Library's Operating Account #10150101-56100 as proposed for now and make an adjustment after the April 17, 2023 Public Hearing if they receive more information. Finance Director Matthew Bonin stated that he spoke with Library Director Jennifer Smith this morning about submitting a request with the justification to the Finance Committee to over expend the Library's Operating Account #10150101-56100 to finish out this fiscal year (2022/2023).

Mayor Allyn addressed the Library's use of non-tax dollars stating that they used funding from the *Friends of the Library* to purchase a copier for the Bill Library about ten years ago. He stated the copier was now at the end of its useful life and the Commission was wondering where they were going to get \$10,000 - \$15,000 to purchase a new copier. He stated that a Commission should not be involved with things like the copier noting that the town was currently leasing seven copiers (approximate cost \$200 per month/per copier) and that the town could add two more copiers to their lease (one for the Bill Library and one for the Gales Ferry Library). He stated the copier leases include service, toner replacement, and other supplies, etc., the copiers were network and so Ricco knows the copy count and they automatically send the toner, etc., noting that currently the Library had to purchase their toner cartridges which cost about \$200 per toner. He stated Executive Assistant Kristen Chapman has contacted Ricco to inquire about the cost to add two more copiers (one for Bill Library and one for the Gales Ferry Library). He stated although the Library Commission has not yet agreed for the town to lease the copiers that he hoped the Commission would understand the value of having a leased machine. He suggested the Finance Committee consider including funding to lease two more copiers for the Library in the upcoming Fiscal Year 2023/2024 Budget.

Councilor Ingalls questioned what the Library charged for the public to make copies. Mayor Allyn stated that he would ask the Library what they charged for copies for the for the next Finance Committee.

Councilor Ryan stated that it was hard to find any questionable areas in the proposed Fiscal Year 2023/2024 Budget. However, he stated that he would have liked to see the Education budget increase more in-line with the General Government's budget increase, noting that the Board of Education's increase was nearly twice the amount of the General Government's budget increase. He noted the Board of Education's Contingency Plan, should budget reductions be required, and he stated that 73.8% was Salary & Wages, which meant that 22% or \$9 million of the Board of Education's budget was "Other". Therefore, he stated that perhaps there was some flexibility in the Board of Education's \$9 million "Other" category where they could make some adjustments without cutting staff. He stated that he realized that the Town Council cannot get into that level of granularity, however, he stated perhaps it could happen as a discussion. He again stated that he would have liked to see the Education budget increase more in-line with the General Government's budget increase.

Councilor Ryan went on to comment that he had concerns regarding some of the Revenues, specifically the following:

- **Nursing Revenue** - Councilor Ryan stated the Nursing revenue had a \$200,000 drop and he questioned the reason for the significant decrease. Mayor Allyn explained that over the past several years the Nursing Revenues have been struggling, not from the lack of effort, but for the simple fact that Yale New Haven Health and Hartford Health were in Southeastern Connecticut's Market and they were gobbling up the market share. He stated the Nursing Department was seeing revenues erode quickly, noting that their

revenues that were projected to be \$800,000 for the current fiscal year, were tracking significantly lower than the amount budgeted, noting that the revenues received to date were \$357,005. He stated that he and Finance Director Matthew Bonin have been reviewing the Nursing Revenue History as well as tracking the current year's revenue, noting that the revenue has been declining since 2016.

- ***Non-Resident Tuition and Agri-Science Tuition*** - Councilor Ryan stated these two revenue lines had a precipitous drop (\$123,000 decrease). Finance Director Matthew Bonin stated according to the Board of Education these two revenue lines were difficult to project because of students coming-in or out of the programs. He stated last year the Board of Education's revenue in these two categories fell short of the projections. Councilor Ryan stated that there must be a reason for the drop in these two revenues; and he stated that he would have liked to hear the reasoning from the Board of Education as to why the revenues dropped. Mayor Allyn noted that he would be meeting with Superintendent of Schools Jason Hartling tomorrow and that he would ask about these two revenues.
- ***Building Department Revenues*** - Mayor Allyn stated the Building Department's revenues were coming in higher than budgeted for the current year (Fiscal Year 2022/2023). He stated although he increased the projected revenues for the Building Department in the proposed Fiscal Year 2023/2024 Budget that he did not go as high as they expected to collect for this current year (Fiscal Year 2022/2023). He also stated they were looking to revise the Building Department's fee schedule.

The Finance Committee discussed expenditures as follows:

- ***Capital Improvement Plan (CIP)*** - Councilor Ryan addressed the Capital Improvement Plan (CIP) which included \$1.6 million to be paid by the taxpayers noting that this was \$600,000 more than the current fiscal year. He stated the CIP may be an area of the budget where they could find some savings, noting that the other parts of budget were dictated by contractual agreements. He went on to state that during the budget process and throughout the year they have discussed the Capital Reserve Fund allocations for the Fire Apparatus Replacement Schedule, Road Restoration, Public Works Large Trucks Reserve/Replacement Schedule, noting that smaller amounts of money were budgeted over multiple years so that when it was time to replace the equipment the funding was available.

Councilor Ryan went on to note the proposed Fiscal Year 2023/2024 Capital Improvement Plan included \$265,000 for Classroom Upgrades and the High School Science Labs Upgrades. He suggested, as the Mayor has done with the General Government's Capital Reserve Funds for the replacement of large equipment and other expenses, that they consider reducing the funding for the classroom upgrades and budget a smaller amount over a couple of years, rather than fund the entire classroom upgrade projects in one year. He stated perhaps that they could do a percentage reduction on all projects where it was feasible, to lower the CIP increase to about half of the current \$1.6 million, stating that by doing this they would lower the tax burden for residents.

Councilor Saums addressed the Classroom Upgrades explaining that they have been working to upgrade the High School Bathrooms and Classrooms for the past ten years. He stated the CIP has included funding for the Classroom and Science Upgrades for 2024, 2025, & 2026. Mayor Allyn stated the High School Bathrooms were original to the building which was constructed in 1965.

Finance Director Matthew Bonin stated Board of Education used funds that were already in the Capital Reserve Account for the Classroom Upgrades noting for the current fiscal year (2022/2023) taxpayer

funding was not used for these projects. However, he stated because the Board of Education’s Capital Reserve Fund was becoming depleted that taxpayer funding would be required for the Classroom Upgrades/Science Lab Upgrades in the upcoming Fiscal Year 2023/2024 CIP Budget.

- Healthcare Costs** - Finance Director Matthew Bonin explained because the healthcare premium would not be set until mid to late April the proposed budget has planned for an 8% increase as recommended by the town’s healthcare consultant. He went on to explain that Administrator of Human Resources Don Steinhoff has been talking with an Insurance Group who was handling a consortium of towns who previously left the State’s 2.0 Partnership Healthcare Plan because of the increased costs to the State’s Plan. He stated if the Healthcare Consortium Plan could provide a comparable insurance plan to what Ledyard currently had, that the town may be able to join their Healthcare Consortium which would be about a 4% - 5% increase in healthcare costs for the town. He stated this would provide a savings of about \$250,000.

The Finance Committee agreed by consensus to the following Budget Adjustments:

Account #	Title	Proposed	New Amount	Adjustment	Notes
10112151-51610	MIS Director	\$78,014	\$67,922	(\$10,092)	With the retirement of MIS Director Regina gross wage was reduced.
10114301-58110	Land Use Training/ Meeting/Dues/Subscriptions	\$3,000	\$1,000	(\$1,000)	Per Land Use Director - Training could be reduced by \$1,000; Building Official would bring his Code Books.
(New Account)	Capital Improvement Plan			\$10,000	Conduct Aerial Fly Over - The State of Connecticut conducts an aerial fly over every six-years. The Town would like to conduct an aerial fly over halfway thru the State’s six-year cycle. The town was trying to have an updated aerial fly over of all the parcels in town every three-years. \$10,000 was added to the CIP for Fiscal Year 2023/2024 and that the town would allocate \$10,000 again in Fiscal Year 2024/2025 for the aerial fly over.

- MOTION to adopt a proposed Fiscal Year 2023/2024 Budget in the amount of \$65,517,156 comprised of:
 - General Government: \$29,608,788
 - Board of Education: \$35,908,368

Moved by Councilor Saums, seconded by Councilor Ryan

Discussion: Councilor Saums explained that in accordance Chapter VII; Section 5 of the Town Charter they would be approving a *preliminary budget*, to present to the townspeople at the Public Hearing. He stated after the Public Hearing the Finance Committee would review the comments received and other

new information regarding expenses and make budget adjustments in preparation for the townspeople to vote on the Fiscal Year 2023/2024 Budget in May.

Finance Director Matthew Bonin noted the proposed Fiscal Year Budget at \$65,517,156 was a 3.16% increase over the current year's budget. He went on to provide the breakdown as follows:

- General Government: \$29,608,788 (2.26% increase over the current year)
- Board of Education: \$35,908,368 (3.92% increase over the current year)

Mayor Allyn stated based on the municipal budget increases in Southeastern Connecticut that Ledyard's proposed Fiscal Year 2023/2024 was likely one of the lowest budget increases. He noted the budget increases for surrounding towns such as Preston were looking at a 9.8% in increase for their education budget and that other towns like Waterford, East Lyme and Stonington were looking at 8%+ budget increases. He concluded by stating that the proposed Fiscal Year 2023/2024 Budget would require a 1.09 mil increase.

VOTE: 3 - 0 Approved and so declared

Action: Recommend to Approve