

TOWN OF WILLINGTON

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BOARD OF FINANCE

Budget Meeting
Hybrid — In Person and Online

March 14, 2024
7:00 PM

**Minutes are not official until approved at the next regular meeting*

Members Present (a quorum of 4 members is required to conduct business):

Bruce Lawler Chair	Geoffrey Prusak Vice Chair	Christina Mailhos Secretary	Walter Parsell	Jason Ross	Stephanie Summers	Melissa Miller (ALT)	Britt Rothausen (ALT)
In person	Absent	In person	In person	Absent	In person	In person	In person

Donna Latincsics, Business Manager – In person
Phil Stevens, Superintendent – In person
James Callaghan, Director, Recreation Department – In person
Alexander Moore, Chief, Willington Fire Department #1 – In person
Stuart Cobb, Assistant Chief, Willington Fire Department #1 – In person
Tom Snyder, Chief, Willington Hill Fire Department – In person
Peter Tanaka, 1st Selectman – In person
Jim Marshall, CIP Committee Member – In person

Residents in person and via Zoom

Call to Order

Mr. Lawler called the meeting to order at 7:00PM.

Seating of Alternates (if needed):

Ms. Mailhos motioned to seat Ms. Rothausen for Mr. Ross.

Mr. Parsell seconded the motion.

Discussion: none

All in favor. Motion passed unanimously. (3-0-0)

Mr. Lawler motioned to seat Ms. Miller for Mr. Prusak.

Mr. Parsell seconded the motion.

Discussion: none

All in favor. Motion passed unanimously. (4-0-0)

Approval of Minutes - March 7, 2024

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Mr. Parsell motioned to accept the March 7, 2024 minutes.

Mr. Lawler seconded the motion.

Edits: none

In favor: Lawler, Parsell, Miller, Rothauser

Opposed: none

Abstentions: Mailhos

Motion passed. (4-0-0)

[Note: Ms. Summers was not present.]

Present to Speak:

Jim Marshall, Fisher Hill Road, commented that he supports the BOE budget which was modified this evening. It is a needs-based budget that includes a facilities manager which, looking ahead at the CIP, is an important role and should be adequately funded. Mr. Marshall spoke in regard to the CIP as a resident and not a member of the Committee. He appreciates the efforts in a challenging year. He hopes they can advance a longer-term strategy for CIP projects and noted that they do not have a capital reserve but a capital fund without a tolerance for changes in need of any significance. It is a chronic problem that they will not get ahead of if they do not look at the complete picture and start to prepare and save in advance of the projects. Mr. Marshall commented that there is a fundamental disconnect in treating the CIP as a year 1 and years 2-5+ plan. The CIP is comprehensive and what happens in year 5 can be impacted by what happens in year 1 and how they approach year 1 has a dramatic effect on year 5. He hopes the CIP Committee, the BOF, and the BOS can unify around treating it as a plan so there can be less impact from financing.

Jen Goodale, Clover Springs Drive, commented as a parent and as a member of the BOE on the BOE budget. The BOE spent a lot of time working on the budget and she looks forward to hearing feedback from the BOF as it discusses the best way to go forward and support students. The BOE feels the budget presented is the best course of action.

Superintendent Stevens noted that they can share the changes to the BOE budget with the BOF this evening.

Peter Latincsics, 97 Trask Road, commented on the overall budget process. As a taxpayer, he thanked the CIP Committee and noted that it is moving in the right direction. He would like the BOF to pay attention to balancing increases in operational budgets with capital requests. He has heard a number of BOF members say that it is a capital request heavy year, and he believes there is strong support for the schools, but it will be difficult to support the school's capital request as well as its operational budget. Mr. Latincsics agrees that the school improvements are overdue, and there is strong consensus in the community, but to do both is always difficult. There needs to be balance and priorities. Mr. Latincsics also asked the Board to look carefully at Emergency Services where there have been large increases over a number of years that are starting to have an impact on the overall budget. He added that a lot of equipment has been purchased for Public Works and the town needs a break to fund other areas. All of this is in the background of essentially flat revenue. Mr. Latincsics asked that this be considered when the Board hears presentations this evening.

Old Business - none

New Business:

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1. Discussions

Board of Education

Superintendent Stevens explained that a volatile area in the budget is special education, Program 3. The budget has been frozen for months, was recently unfrozen, and hours later he was notified of two additional outplacements which are not in the budget. The current budget has two outplacements, and the district currently has seven. Superintendent Stevens noted that the BOE met this evening to make adjustments to the budget previously presented to the BOF because there is no way they can enter next year with a \$350K deficit.

Superintendent Stevens reviewed the 2024/25 BOE budget adjustment. Initially, the proposed budget of \$9,770,084 was presented to the Board. This was a \$618,611 (6.76%) increase. Historically, budget requests have been much lower, and he would not present a budget that was not needed. In terms of outplacements, the new unbudgeted costs in the last 24 hours are \$348,963 (includes tuition and transportation). Superintendent Stevens reviewed the numbers and noted that some non-lapsing funds and the excess cost grant will help offset it. He explained that this year (2023/24), they are covering a \$762K deficit with grants, by moving health insurance funds, freezing the budget, and using non-lapsing funds. The non-lapsing fund has a \$272K balance. These funds were going to be used to repair the Center School chimney. This project is in the CIP and can be paid for with the \$1M set aside in the plan. Of the \$272K, \$85K will be applied to the current budget leaving \$187K. It is expected that the remaining balance will be \$0. The situation is dire, and they are doing everything possible this year to scrape through it. The Board believes it is critical that there be a buffer given what has happened this year so it can be self-sufficient and not have to approach the BOF next year if there is another outplacement and Superintendent Stevens believes it is a smart decision. Thus, the BOE passed a budget this evening of \$9,953,075, an increase of \$801,602 (8.76%). The BOE applied \$62K of non-lapsing funds, leaving a \$125K buffer in the account to cover the potential of another outplacement or other emergency.

Superintendent Stevens explained that the challenge is due to the per pupil expenditure which is higher because it is a small district and thus, more money needs to be spent before the excess cost grant is applied. To consider a budget under 5% that the BOF originally discussed would require a \$400K reduction. He urged the BOF to consider the budget the BOE passed tonight and the changes. Superintendent Stevens noted that what is being presented is double what he has ever brought forward and added that this is as it stands today. If there is another outplacement, without the \$125K buffer, the BOE would need to come back to the BOF. That said, while there is an increase of \$182,991, the district is receiving \$348K in services.

Ms. Summers asked the Superintendent if someone on an outplacement ever changes their plan and returns. The Superintendent explained that it can happen, albeit a bit rare, but they can only plan the budget based on what is known. He noted that if anyone would like to talk to their legislators, the 4.5 times per pupil expenditure handcuffs districts. It is too much money. He highlighted the expense of transportation as well and recommended that there be a cap. Additionally, if money were to follow a student, districts would not be in a crunch situation. For example, in such a situation, if an outplaced student came to the district, the original district would pay the outplacement expense for the remainder of the year. Superintendent Stevens explained that the district has a shortfall due to having an additional five students.

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Mr. Parsell asked if the district did not get a facilities engineer if the projects would still be completed. Superintendent Stevens explained that if the numbers are put in, it is the only thing he will do. They researched regional positions for facilities directors and believe the number in the budget is accurate.

Ms. Summers commented that the school budgets have been incredibly low for the last five years and reviewed the data.

Recreation Department

Mr. Callaghan addressed questions posed by the Board Chair.

In regard to the RRAC Field Maintenance, the fields have been neglected over the past few years and he has been working with the Parks & Recreation Commission on having Little League games played on the field. He has asked the town's landscaping contractor about pricing for mulch and limestone and is working with Public Works to repair the right field gate. They expect to have more activity on the fields given the bocce ball and coming pickleball courts. Mr. Callaghan is working with a volleyball group to have two tournaments at the park this year and the field is being rented by Northeast Soccer which brings in revenue. Keeping the field maintenance budget where it is will allow them to keep the field in good condition over the coming years.

Regarding courses, the Safe Boating and Babysitter Courses lines have been removed as Mr. Callaghan does not expect to run these courses in the coming fiscal year; however, he is working on setting up an Arts Course and a CPR/AED Safety Course.

Lastly, after researching High School Basketball with Ms. Latincsics, it was learned that last year's revenue was deposited into the Youth Basketball account. High School Basketball is a joint program with the Town of Ashford which collects the registrations and cuts a check to the Town of Willington for half of the revenue.

Willington Fire Department #1

Mr. Lawler asked about mutual aid. He asked if the town provides Tolland's ambulance services in the evening. Chief Moore responded that the town only provides services if Tolland cannot get a crew or if they are out on other calls. Likewise, while Tolland does not come to Willington as often, Tolland does come to Willington. By design, Willington's mutual aid is with UCONN because they can hit most of the town more quickly.

Ms. Summers commented that she saw calls for a full calendar year and there were 112 calls to Tolland and only 2 from Tolland. Chief Moore explained that this is by design. They do not call Tolland; they call UCONN and Willington does not call in as much mutual aid as do surrounding towns. Ms. Summers commented that the ratio for Stafford was 3:1. Chief Moore noted that this has been reduced over the past couple of years. Ms. Summers explained that when they reviewed this a few years ago, there were 600 calls and now there are 1,146 and it seems that it is an increase in calls to other communities. Chief Moore responded that it is not. There has been a significant increase in calls in town since COVID. Ms. Rothauser commented that in FY23 the total number of ambulance calls was 959 and there were 320 mutual aid calls. Assistant Chief Cobb noted that this sounds reasonable at about one third. Ms. Summers

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confirmed that the total number of calls was 1,146. Chief Moore noted that over the last year Fund 17 has increased \$100K over what was projected. Ms. Summers commented that this does not cover the full expense. Chief Moore agreed. Assistant Chief Cobb explained that if they did not do mutual aid, income would drop by about 33% and expenses would only be reduced by 2-3%. Ms. Summers commented that Willington is one of the only outfits in the region that runs 24/7. Chief Moore responded that it is not. He noted that Tolland does not but understands that they are working on a plan to do so. Ms. Summers commented that the question is about the growth in calls and the decrease in Willington's population. If the in-town calls are isolated, and there is more frequency, this may shed a different light but when looking at the data, they went to Stafford 97 times and Stafford only went to Willington 7 times. She noted 63 calls to Union, and that there is no recompense for this. The ratio for Ashford was 8:1. Ms. Summers asked if it is sustainable for the town to serve the region, which is essentially what it is doing. She commented that in the last few years the ratios are out of whack, and they never flip with the exception of UCONN, which is a different entity in that it is a state operation. Chief Moore explained that they will never switch or make it equal. It is about getting help to the person in need. Regardless of the time of day, there are areas in Tolland where Willington can get to a patient more quickly than Tolland can. He noted that Tolland does have a staffing problem in the evenings, and he understands that they are addressing this but Willington does not have control over this, and Mr. Tanaka has been meeting with Tolland's Town Manager. Ms. Summers explained that it is not about the quality of service being provided. The numbers for Willington Fire Department #1 are approaching \$900K between operating and payroll and are a big jump over the past five years. She asked if a town the size of Willington could sustain this growth. Chief Moore explained that they also need to look at some of the changes the BOF made to Fund 17 such as taking \$80K from Fund 17 for payroll to reduce the hit on taxes. It makes it look like there have been large swings. During COVID, there was an increase that was approved by the BOS and the BOF. Ms. Summers commented that the most that was ever applied was \$60K and this was in one year and it was characterized as a one-time occurrence. Chief Moore corrected himself and noted that the \$80K identified was \$60K and added that it fluctuates. None of the staff have received a wage increase greater than any other town employee. He added that the starting rate is less than that of a Public Works employee.

Ms. Mailhos commented that applying the fund balance does not change that operating and equipment costs have increased. They need a sustainable way to pay for this and using Fund 17 obscures the real cost. Chief Moore explained that if the gear equipment is removed, they are at 5.3%. The majority of this is in repairs for the apparatus and building maintenance at 143 River Road.

Ms. Summers asked about the proposed administrative position. Chief Moore noted that it could be cut if needed. Ms. Summers commented that it would be to add 10 hours to Chief Moore's position, and he is already working the ambulance. Chief Moore explained that it is a different job classification. It has not been discussed if this would be in addition to his existing hours but he assumes he would fill in where needed if there are openings in a shift. He confirmed that he would not be in overtime because with 24-hour shifts, overtime does not happen until 52 hours. He would not fall into the full-time category as it would be a 10-hour position with a different job classification. Ms. Latincsics explained that the rules are different for overtime. The town follows the rules of the Department of Labor or the union contract.

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Over 40 hours would be overtime for someone who works for the town. Chief Moore explained that for them, it is 52 hours although he is not a union employee.

Ms. Summers asked about the contract negotiations. Chief Moore noted that he does not do negotiations. The President and the Vice President will be at the table. It was noted that a request was made of the Board that a member be at the table as well. Mr. Lawler confirmed that it is on the Board's agenda this evening. Ms. Summers confirmed that Chief Moore has a vehicle that is provided and owned by the fire department. Chief Moore noted that a portion is taken from his payroll for the vehicle. Nothing for the vehicle is in the operating budget.

Willington Hill Fire Department

Chief Snyder noted that he received questions from Mr. Lawler and responded.

The only item the department is faced with is that the CIP will not fund the four sets of gear and in turn they will be in the operating budget. This was not in the original operating budget.

Mr. Lawler asked about Rescue 149 and Forestry 149, which did not show any money having been spent on maintenance. Chief Snyder explained that the annual inspections and associated repairs are not performed until after the budget is presented. The bills will hit the budget soon and he will provide them to the Board. The lines for Office Supplies and Postage are similar.

Library

This item will be discussed next week.

Board of Selectmen

Mr. Tanaka noted two changes in the budget presented. There is approximately a \$300 difference for Probate Court and a \$100 difference for Human Services.

Mr. Lawler noted that he received an e-mail from Treasurer Doug Roberts that indicated that he does not know what will happen with M&T Bank fees in the next calendar year (2025). The bank will not commit to anything outside of the current year and Mr. Roberts recommends that the request be included for contingency.

2. Capital Improvement Plan – Christina Mailhos, CIP, Chairman

Ms. Mailhos noted that last night the Committee approved the 5-year plan. She provided an overview.

The projects noted in the current year were approved during the last budget season and are to be spent in this fiscal year.

She noted the Transfer to the Capital Reserve Fund. Typically, they try to move \$500K-\$600K to this line. Given the school discussion, last year a subaccount was created (Fund 04) of \$1M. An additional \$460K was set aside for local projects.

Ms. Mailhos reviewed year 1. Repairs are needed on the schools and the BOE requested that \$1.5M be added to the \$1M in Fund 04. A bond (estimated to be \$12M with a payment of \$1M) would likely be needed for the remaining items. Given the bond payments that are falling off, in year 3, the payment would create little change. Additionally, there was a request (\$11.5M) from

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the fire departments to build two new stations. This was put in year 3 with the expectation that it will take time to determine what will be built and the cost. In the next fiscal year, \$200K was included for a study so the Emergency Services Facility Committee could start moving ahead with planning. The bond payment (estimated \$900K) would start in year 3. Ms. Mailhos noted that the numbers are estimates.

Mr. Parsell asked if the plan includes the cost to repair the existing fire station. Ms. Mailhos explained that the Emergency Services Facility Committee will research the options and present them to the Committee. Mr. Tanaka noted that the Building Official stated that the foundation cannot be saved but it will be examined. Chief Moore explained that the biggest issue is bringing the building to code.

Ms. Mailhos explained that the Committee discussed the need and priority of the projects based on the information presented. Public Works has not presented a request for large vehicles over the next 5 years, but the Committee would like there to be a stable pattern. For next year, if grants are received, they would address the Village Hill Road Drainage and Paving (line 49, \$500K) and the Salt Shed (line 50, \$350K, STEAP). The Storm Water Treatment Chamber (line 56, \$35K, Fund 02- LOCIP grant) is also included in year 1.

Ms. Mailhos continued to review the plan. Year 1 includes the library payment of \$165K and its Building Envelope (line 61, \$80K, Fund 02 – LOCIP grant) project. Year 1 also includes the TOB/PW Building Security (line 68, \$30K, line 930); Revaluation Assessment (line 70, \$17.5K); Replenish Open Space Fund (line 72, \$25K). Overall, the plan has \$1.938M of local funding.

Ms. Mailhos explained that in looking at years 2-5, the large items are the school bond in year 2 and the fire department and road work projects in year 3.

Mr. Marshall commented that the plan does not include escalation and he hopes this is something they can start to address. The increase of 7% essentially just keeps them level with a goal of getting ahead. Additionally, in year 1 there was an increase of \$500K for school projects but they have nearly eliminated the transfer to the capital funds for non-school projects. In year 1, it reduces the burden on taxpayers but only leaves a balance of \$133K in the reserve. The plan supplements this in year 2 but there are needs.

Ms. Mailhos noted that the Committee discussed bonding the school projects in year 1 and not doing the \$1.5M and \$31K because the bond payment would be approximately \$1M but they do not know if the actual number will be \$12M or if \$2.5M is exactly what is needed. A brief discussion regarding the timing of the school projects and the grant application timeline took place. Superintendent Stevens explained that the solar project is only eligible for grant reimbursement if it is done in conjunction with the roof project. Additionally, a grant for the roof requires a commitment to a 20-year warranty so HVAC could not be added at a later time. Thus, they are trying to coordinate the roofs, solar, and HVAC projects to take place at the same time. Approval of funding will be needed, and the projects would not likely start until the summer of 2026. The HVAC grant is an unknown at this time. He noted that he understands the last round to apply for HVAC grants will be December 2024 and that any roof leaks have been addressed.

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3. Nominate BOF representatives for Union discussions.

Mr. Tanaka sent a letter to the BOF with the dates of May 3rd and 10th. The times are to be determined and the meetings are in-person.

Ms. Summers nominated Ms. Rothauser for the delegate for the Board of Finance representative on the Union discussions for the town.

Mr. Parsell seconded the motion.

Discussion: none

All in favor. Motion passed unanimously.

Ms. Mailhos noted that she heard the discussions regarding the Senior Center Coordinator position and sent an e-mail to explain how there is potential for additional ARPA funding. The position was created in March 2022 and the proposal was for a 3-year, step-down funding plan (100%, 66%, 33%) at a cost of \$17K/year (\$15/hour, 20 hours/week). Once the job description was drafted and union negotiations took place, it was \$24/hour and 25 hours/week. It is now \$31K/year. In the first year, by the time the position was filled, the cost was covered. In the second year, there is not enough money to fund it at 66% and no money to fund it at 33% in the third year but ARPA has a contingency fund. To keep the spirit of the request, with the noted salary, the contingency can help fund this year and next year. In order to receive the funds, a request for an additional appropriation to Project 15 will be needed. Mr. Tanaka will submit a request.

Correspondence: none

Present to Speak

Peter Latincsics, 97 Trask Road, thanked the CIP Chair and the Committee for their efforts in coming up with a plan that seems to be manageable. He heard the BOE's presentation about a large operational increase in its budget that appears inevitable. Last year, there was a 2% increase and only 2 outplacements that were being managed. This year, outplacements have nearly quadrupled and there are large increases independent of those. While this was not anticipated, had a new school passed, coupled with this level of increase, there would be a large mill rate increase. He added that the townspeople may have anticipated this, and it may have been reflected in the referendum. Mr. Latincsics commented that his concern is that they should not be addressing the large increases with the non-lapsing fund which was intended for capital projects because it will impact the MBR. Additionally, a request is being made to use contingency funds which the BOE and BOF removed decades ago because they learned if the funds are applied to the K-8 budget, they will become a permanent part of the budget and a recurring expense that will compound and have a larger impact on the difficulties in building the capital reserve. It is better to do what the town has done in the past and fund the increases from the fund balance. This way it will not increase the K-8 budget and will address the immediate problem. Unfortunately, the fund balance is being relied upon for the CIP. Thus, it appears that the CIP will need to be dramatically scaled back because taxpayers cannot support all of the increases.

Ann Grosjean, 11 Birch Meadow Lane, commented in support of two programs. First, she supports the senior direction position. She just recently became involved with the Senior Center. The person in the position is doing a wonderful job coordinating the senior citizens. It is an important role. Second, Ms. Grosjean is in support of the education budget. As the Superintendent described, and as Mr. Tanaka

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noted, it has been kept to 1% - 3% over the past many years. The bump this year is due to outplacements. It is a needs-based budget based only on what the schools are using now and what is anticipated to be needed. She requested the Board's support so the town can meet its obligations and not impact the budget for the other students in the schools.

Good and Welfare:

Ms. Summers commented on last week when citizens came to the meeting to talk about the Senior Coordinator position. During the meeting, there was a full house, and she did not see many people standing unless it was by choice. She does not see a posted limit for the number of people who may be in the room but the Fire Marshal determined the number of people in attendance exceeded the room's capacity. Mr. Tanaka cleared the room after people had time to comment. Ms. Summers noted that the limit should be posted and asked if there are too many chairs.

It was noted that a sign with the limits is in the room.

Ms. Summers commented that they did not need to clear the room. Mr. Tanaka explained that a few people wanted to leave after the discussion on the topic, but he should have made it clearer.

Ms. Summers asked if to be more open to the public on nights that there is a hot topic, if they should consider outfitting the room upstairs. Mr. Tanaka noted that it is outfitted. It just does not look as nice. They did not know how many people were going to attend. Ms. Summers commented that she hates the idea of having to send people away.

Adjournment:

Mr. Prusak motioned to adjourn at 8:53pm.

Ms. Summers seconded the motion.

Motion passed (6-0-0).

Respectfully submitted,

Lisa Pascuzzi

Lisa Pascuzzi

Recording Secretary

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2024 MAR 18 P 2:55

[Signature]
TOWN CLERK