

TOWN OF WILLINGTON

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BOARD OF FINANCE

Budget Hearing
In Person

April 10, 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 Rothauser (ALT)
Present	Present	Present	Absent	Present	Absent	Present	Present

Donna Latinsics, Business Manager
Peter Tanaka, 1st Selectman
Phil Stevens, Superintendent

Residents in person.

1. Call to Order

Mr. Lawler called the Public Hearing to order at 7:03PM.

2. Presentation of the proposed 2024-2025 General Government and Board of Education Budgets:

Mr. Lawler reviewed a summary of the proposed budget for FY2024-2025.

The education budget will be a major part of the community's spending representing approximately 66% of revenue expenditures. While last year, the FY23/24 budget for the K-8 program experienced an increase of less than 1% year over year, this year, the proposed budget of the BOE stands with an increase of 7.9%. Region District #19, E.O. Smith has a 5.8% increase.

The General Government proposed budget reflects a 4.4% increase. When combined with the schools, the \$21.7M budget total shows an overall increase in town spending year over year of 6.3%.

With a fund balance of over \$2.9M, the BOF set aside \$700K in reserve for future infrastructure needs. This follows the practice initiated last year where \$1M was set aside.

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Mr. Lawler thanked everyone for their participation in the town's budget process. Members of the community were invited to comment on the proposed budget for FY24/25 and to ask questions.

3. Solicitation of Questions and Comments from the Public

Ralph Tulis, 47 Village Hill Road, inquired about the tax revenue from nips and cannabis taxes. While the legislation notes special targets for this revenue; nonetheless, if it helps with some of the expenditure, it would be nice to see this in the budget.

Ms. Latinsics explained that the nips revenue is budgeted for a special revenue fund because it may be carried year to year unlike the general fund. Three payments of nip revenue were received and \$5,800 was applied toward the purchase of the sweeper. The current balance of the fund is \$2,800. Mr. Tanaka explained that this allowed the town to save \$5,800 of property tax dollars. In regard to cannabis, Ms. Latinsics noted that \$8K has been received. Mr. Tanaka noted that the dollars may be spent on limited items and highlighted civic engagement. The funds may also be used for educational programs, but these are not defined. Mr. Lawler noted revenue derived from cannabis sales may also be carried year to year.

James Marshall commented that he believed that at the meeting regarding appropriations that the Board got the number down to 2.5% but the data shows 2.8% and asked about the increase. *Mr. Prusak explained that there is a cap on the motor vehicle mill rate and for the first time, the town will exceed this. In turn, the bill will be split – motor vehicle tax rate and property tax rate. Ms. Rothausen explained that they originally did get to 2.5% but due to the cap, it went to 2.8%.*

Arthur Christenson, 13 Birch Meadow Lane, asked about the Region #19 budget increase of 3.51% and the town's share. The number he has is 5.81%. He noted that last year, they were down 0.2% from the previous year due to a change in enrollment. Due to an enrollment change this year in Mansfield, no change in Ashford, and Willington adding four students, Willington has the highest percentage increase and in turn has to pay the highest percentage of the increase.

Mitch Saba, 80 Krivanec Road, commented on BOE budget and noted that Hartford announced that it is cutting 11% of administrative staff due to budget shortfalls. The poverty rate in Willington is 14%, and 2.8 mills will only increase it. He knows the Board is doing the best it can, but further consideration is warranted to reduce the mill rate. He advocated for taking any funds for fire departments off the table and understands that some items are contractual. When looking at such an increase in the current economic climate, and a 14% poverty rate, the fire departments can do some fundraisers for the needed repairs.

Arthur Christenson, 13 Birch Meadow Lane, commented that he too read about the Hartford cuts. He noted that these were for positions that were covered with COVID funds. They were not cut out of the budget - they were not brought into the budget. *Superintendent Stevens noted that the BOE did the same. The Director of Curriculum position was not renewed.*

Sarah Smith, 69 Eldredge Road, commented that she is from Region #19. They reassigned positions as lower steps and saved \$70K. Additionally, instead of having instructional assistants carry out duties, they had a teacher fill the position. They also cut an additional \$24,600 and were mindful of the situation.

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Mr. Lawler read a communication that was forwarded to him by Mr. Tanaka. It was originally sent by Carl Dalbon.

The letter indicated that Mr. DalBon was appalled and mildly amused in regard to the projected mill increase. People continue to cut when there is no reason to. What people have at the moment is sacrosanct and they know if it is given up, it will likely not be seen again. Zero increase budgets are like a bottomless pit. Once the town is in the pit, it is almost impossible to get out. Mr. DalBon noted that the Board of Selectmen is not responsible for the present abysmal situation. The schools have been neglected for eons. The possibility of a new school was defeated as a result of incompetence. Infrastructure has been neglected for years and now a plethora of school repairs are needed, new firehouses need to be built, and it appears other boards feel they would be ill-served by cutting their budget requests. Bonds and grants are not guaranteed, and shuffling payments down the road is poor management. Willington has lived on small bites for decades and is now financially malnourished. The townspeople need to know the truth about the present situation. Mr. DalBon noted that he is not a fan of tax increases but is inclined to vote down not because it is too high but because the prospective budget is too low. A lack of forethought and planning has put Willington in a precarious position by keeping the mill rate stagnant while the cost of goods and services increases.

Ralph Tulis, 47 Village Hill Road, commented on the letter from Mr. Maloney regarding bonding. He asked that it be examined to learn how they can mitigate the increase and spread it over a longer period of time by bonding some of the major projects in the pipeline which have not yet been finalized. The town has two fire departments with two issues and three buildings to address. Station 13 needs to be made functional, if nothing else, to use in the interim until they can understand what is needed by both departments and plan accordingly. Mr. Tulis noted that the letter has been presented but he has not heard any serious discussion about what financial means can be employed to mitigate mill increases that will be coming. He understands floating a bond costs money but in the current state, and the out years of the CIP, they need to plan to finance what is needed. They need to be creative and finance their needs without burdening taxpayers too badly. Perhaps they can bond in increments and then float another bond to combine them.

Mr. Lawler commented that Mr. Maloney's letter was received late in the process. He believes the bonding will be a serious consideration next year. If they continue to fund as they have been, the mill rate will continue to increase.

Mr. Tulis commented that they should not wait until the next budget season to begin exploring this.

Ms. Mailhos noted that the bond for the school is in year 2 of the CIP.

Mr. Lawler noted that the library bond is nearly paid off.

Mr. Tulis commented the library will need repairs as well which will not be inexpensive.

James Mitchell noted that the CIP does not impact the FY24/25 mill rate. The mill rate is entirely due to operational items. They will need to financially get on top of the capital items in as responsible of a way as they can. The library bond is a drop in the bucket when compared to the bonds that will be needed with about a \$1M annual bond payment. About \$40M is in the CIP over the next five years that will need to be addressed. It would benefit the town if the members of the three boards would work together and be unified when presenting the information to the community.

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Bill Rankin, 96 Fisher Hill Road, commented that they are working with a consultant on an economic development plan for the town. He served on the Board of Finance, and it was evident that the town needs more revenue sources. As a strategic plan is developed, they will see opportunities for development that will fit the town's personality. The needs of the town need to be identified. He noted that stakeholder input will be sought as well. Additional revenue sources that fit the personality of the town are needed so development will be more appealing.

Ralph Tulis, 47 Village Hill Road, commented that he met with the consultant noted by Mr. Rankin last week. The challenge is in how to boost development. The town has limited resources that are attractive to developers. The town's biggest assets are I-84 and the railroad; otherwise, Willington is a bedroom community. The 1.5M square foot warehouse did not go over well with the townspeople and he can relate to this. Something is needed to expand the grand list and bringing in a large subdivision will not benefit the town. Something from an industrial or commercial standpoint with substance is needed. Mr. Rankin noted that the town is 150 miles away from everywhere.

Mitch Saba, 80 Krivanec Road, commented that he supports economic development and does not care about the nature of the businesses. He supports anything that eases his taxes and brings revenue in for the town. He would like to know about the revenues from businesses currently in town. The town has operational expenses which are increasing but he does not think people are receiving annual raises at the same rate. The biggest offender of the increases is the BOE. If the increases are strictly operational, it is staggering especially with the declining student population. In terms of the fire departments, Mr. Saba believes they should consolidate into a single department. This should be addressed before they are given a dollar. He noted that he understands that the BOE cannot statutorily be cut but when he drives by the Center School, he sees 30-40 cars in the lot during the day and it seems like a lot of staff. The tax increases will be painful and if the first act of the new administration is to increase the mill rate, the townspeople will see this when they vote regardless as to who caused it in the past.

4. **Adjournment:**

Meeting adjourned at 7:38PM

Respectfully submitted,

Lisa Pascuzzi

Lisa Pascuzzi

Recording Secretary

RECEIVED
WILLINGTON, CT.

2024 APR 18 A 8:00

[Signature]
TOWN CLERK