

BOARD OF FINANCE

**Meeting Minutes
Via Public Online Video Conference**

**May 21, 2020
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):

Mike Makuch – Chairman
Geoff Prusak – Vice Chairman
Peter Tanaka – Secretary
Christina Mailhos
Stef Summers
Matt Clark
Mike Perry – Alternate
Lisa Woolf – Alternate

Members Absent:

Also Present:

First Selectwoman Erika Wicinski
Superintendent of Schools Phil Stevens
Business Manager Donna Latinsics
Members of the Public

Chairman Mike Makuch called the meeting to order at 7:05pm.

PRESENT TO SPEAK

Sarah Smith of 69 Eldredge Rd. stated: I am concerned about cutting teacher's positions or staff at the schools. I don't see how that would reduce taxes significantly. I think the teachers, staff, and administration have been heroic and have done a lot to combat our food insecurity. The teachers are in contact with the families to try to tailor the learning and offer social and emotional support and I just don't think during the coronavirus crisis and everything that our heroes and heroines are doing for us is the time to freeze their pay, which is a union issue, or to cut some teachers because it's going to save us money. I don't think that that is cost-effective in the long run. We have \$2.5 million in our general fund and I don't understand the need to cut the education budget at all. I moved to this town 40 years ago because of the education. You have to keep something to attract people to come into this town. They are taxpayers and they will contribute money so we need to keep the quality of life in town, which means the quality of our schools. For anyone whose job we propose cutting at the municipal level or in the schools, you are putting someone on the unemployment rolls who is probably a Willington resident. I've been

impressed with how the school board has worked very hard to cut costs wherever they possibly can.

Laurie Semprebon of 271 Turnpike Rd. stated: as the Treasurer of the town, I would like to let you know that we have a decent fund balance and I think you guys have been doing some good work. I know we're trying to have a tight budget, but if you look at the rest of what we have and accept the budgets that they've given, we'll leave a little extra in the fund balance since we won't know until July what the state is going to do for funding. If we have a little extra in the fund balance and keep the mill rate where it is, we'll be in good shape.

Janice Castle 18 Pinney Hill Rd. stated: I am an employee of the town, one of those teachers at the school. I know the education budget is one of the things we're looking at tonight. I would encourage you to leave it as the Board of Education has presented it to you. They've worked really hard to come up with something that is going to be the best for students in town. My husband is out of work like many other people. We don't know what's coming in the fall and to cut our budget now in the middle of a pandemic may be like cutting off our foot. We might be coming back to the town for more money because we don't know what those options are going to be and what things are going to look like in school in the fall. Cutting is not a good idea in my estimation. We have a good fund balance. 8-12% is recommended to have. If we use \$410,000, it still leaves us with 14% from the calculations I saw from Donna. I would encourage us to use the fund balance. This is the rainy day we should be using that money and leaving our education budget where it is.

Rich Mindek, Chair of the Economic Development Commission (EDC) stated: I ask that the board consider restoring the EDC's budget to the originally requested amount of \$25,000. It's a pressing need in our local community. Everyone has driven by Phelp's plaza recently and seen some of the work that's been done sprucing up the building. We have Lots and More coming into that space. This is a crucial time for the town to approve a budget like this. We have a really good plan in place, working with Mike D'Amato and his team, to review some of the zoning regulations, look at home occupancy regulations, signage, parking, density. Those are things we're going to do with that money and you're going to see some real effect in the town that you've already started to see. I respectfully request that you go back and look at the numbers and if you have the room to allow us the \$25,000, it's really going to benefit the town for the future.

Peter Latincsics of 97 Trask Rd. stated: I want to give some feedback on achieving a completed budget. I strongly suggest that you consider holding the budgets to the 2019-2020 level and with the decrease in Region 19, there would be effectively a slight actual decrease in the 3-budget situation, which would be very beneficial for the town. You're almost there with the appropriations process you went through on the town side. That's proceeding well and there is good support from the selectmen after your last meeting in the CIP area helping that. On the Board of Education side, I agree with Sarah and Jan that neither positions nor programs should be cut. The town places a high value in our school system and we show that by spending 80 cents of every town dollar on education. However, we're all in this together and I would like to see the school help with that because only they are in a position to do that because they control their own budget. The Board of Finance only has up or down control. I would suggest with the funds from this year, to remove approximately \$200,000 from the static areas of supplies, commodities, and

purchased services and prepay those as was previously discussed. It would not cut a single program or position. It would mean more work for the town financial manager and could get them to 0 as well and place the town in a strong position to move into the future which is unknown. Lastly, please focus not on mill rates. Remember, the town does not vote on the mill rate. The town, in which case is the Board of Finance in your new role this year via the Governor's Order, are voting on the spending side of the budget. Your action on the mill rate only occurs after you've passed the spending budget. Focus strongly on getting both budgets to 0. Once that budget is completed, reviewed by the public, and passed, you'll have an opportunity to address the mill rate and apply the fund balance as may be needed.

Michelle Doucette Cunningham of 41 Liska Rd. stated: To some degree this is a little bit about the mill rate because that's how it affects the tax payers. We haven't had an increase in a couple of years now, so we are not in dire straits, we have a really healthy reserve fund. The rule of thumb for municipal reserves is 5-10%. If you're really conservative, it's 12%. That's so you have money in the bank when it's a rainy day. We have significantly more than 12%. I know that because when the Board of Education negotiates with the teacher's union, it's one of the issues they look at; whether your town has the capacity to pay for the things that are under negotiation. We are always at a big disadvantage because we are really flush with cash according to the guidelines. It might not feel like we are flush when people are hurting and out of work, but it's really time to recognize that this is the rainy day and it's time to spend down to the very conservative 12% and not cut further than that to meet an underlying goal of keeping budgets to 0%. A 0% budget is a cut in programs. If you meet your contractual obligations, which have built-in cost of living expenses that have to be accounted for, the money has to come from someplace so you have to cut programs, a position, or something significant. I think that both the Board of Selectmen and Board of Education have brought budgets that have been trimmed down significantly. I think you should work backwards from if you spend down the reserve to 12% and then see if you still need to make cuts. Don't start with false anticipation that it has to be what it was last year. Let's look at what the community needs to keep programs the same. We're not asking for big new flush programs, just asking for status quo, which is reasonable. I urge you to look really at what the town needs and that is to pass both the Board of Selectmen and Board of Education budgets as they've been presented to you.

Tracey Anderson of 151 Willington Hill Rd. read a letter from Kirstie Farrar of 22 Angela Ln.: Dear members of the Board of Finance, I am writing to ask you to strongly consider accepting the budget already proposed by the Board of Education. I understand that increasing budgets is not going to happen during this time but we should seek to maintain the quality of education for students in this town. When we moved to Connecticut 19 years ago we chose Willington because of the schools and the proximity to UConn. One way to better the town finances is to encourage people to move here. We will never compete with surrounding towns if we slash the education budget. A budget is a statement of values and I encourage you to please value the education of our community.

George Debski of 12 Fenton Bluffs Dr. stated: I want to bring everyone's attention to the reality of what's happening in our town and our state with two examples. Willington is the epicenter of the problems with the crumbling foundations. My neighborhood has been devastated. I have people that have fixed their foundations, people who tore their houses down and are rebuilding

them, and people that walked away from homes; it's been pretty disastrous. I also have friends that work for Collins Aerospace who were promised 3% increase this year and in January they were told it was no longer going to happen. In February, all of the contracted positions were basically eliminated. In March they were told they'll be taking a 10% pay cut across the board and a 2-week unpaid vacation. I just heard that they're talking about a second round of this. I do appreciate that we need to fund the town and do what needs to be done. At some point, reality needs to set in as to what is happening to the people on the other side of the fence. We're talking about saving positions and doing increases where the people who are paying for that are actually losing positions, homes, money out of their pay, or are having to take unpaid vacations. There needs to be a fair approach to this across the board. I would urge the Board of Finance to look at that and be fair to both sides of the coin, those who are living off of the taxes and those who are paying the taxes.

Mike and Danielle Iacampo of 68 Latham Rd. sent an email to meetingcomments@willingtonct.org prior to the meeting which was read aloud and stated: "Please stop "nickel and diming" our educators. Give them what they need. Do not restructure or make any cuts to their budget. Leave their budget where it is."

Lisa Finkelman of 42 Liska Rd. sent an email to meetingcomments@willingtonct.org prior to the meeting which was read aloud and stated:

"Dear Board of Education,

I am writing to urge you to fund Willington Public Schools so that we can continue offering strong education to our students and continue to keep taxpaying families wanting to live in our own as well as attract new families to move to Willington. A town with weak schools is not a place families will choose to live.

Our experience with Willington schools for our child was wonderful and he was prepared to go to a top college as an outcome of all the hard work the talented professionals of Willington Public Schools put into him as a student. We are very grateful to everyone in the district for their hard work and dedication.

Schools now are facing their biggest challenge in decades at a very trying time. Teachers have had to put in long hours teaching in ways no one has had to do previously. Many have spent countless extra hours under stressful situations to continue to provide top quality education for Willington students. It is important to support these teachers by funding schools so they can continue to run properly. Cuts to school hurt students first of all.

Of all expenses a community has, education of our young people is my top priority, even though my son is now graduating high school and I don't have other children in our public schools. The future depends on our producing a highly educated group of young people, ready for what the future brings to them. They will one day be the ones to decide many of our own fates as we become elderly.

A zero budget means cuts to a school. I do not support cuts at this time. I certainly no not support a -3% budget as that would have severe repercussions on the district's ability to offer needed services to students.

Among people I know, everyone supports funding our schools, not cutting the budget. I hope that the board will support the schools by maintaining funding.”

Suzy Kline of 43 Liska Rd. sent an email to meetingcomments@willingtonct.org prior to the meeting which was read aloud and stated:

“Dear Board Members,

Please do not make any cuts to our Education Budget in Willington, CT.!

Ever since we moved to Willington in 2000, we have been proud of our public schools and library!

Education matters in Willington! When I visit the third graders each year at Center School, I get to see firsthand how wonderful the teaching staff is, and how engaged the students are in learning, reading and writing!

My husband and I love having a beautiful library in our hometown.

Education comes first in Willington! We love living here! Please, as dedicated people working hard to balance our budget, protect the wonderful services the students are receiving at Center and Hall Schools. These are difficult times during this Covid 19 Pandemic. Increasing our budget is not practical now, but keeping what we have, is!

Thank you for all your hard work and good judgement. “

Ann Grosjean of 11 Birch Meadow Lane stated: I have been on the Board of Education for 7 years. For 7 years we’ve been cutting supplies and materials, everything that’s not contractual. We are to the point where it is absolutely bare bones. We have \$6,000 and some change for schools to get books, which for schools is really tough. The other thing is, we can be very proud of our class sizes. Those small class sizes are really going to pay off in the fall when we have to develop a plan to social distance our children. It’s important that we keep our programs and personnel. As a resident, to know that my taxes have gone to build up the fund, that’s great for a rainy day, but we’re at that rainy day right now. I would hope that you would accept the education budget as it is as well as other departments. I believe that every department has submitted a budget that represents their needs. I would support supplementing the budget with the rainy day fund and not the mill rate, which would help with people who have lost their jobs and are unable to pay more.

OLD BUSINESS

- 1) Response from Board of Selectmen/Selectwoman’s Office to Board of Finance Questions**

Attachment #1

Chairman Makuch read the email from Selectwoman Wiecenski answering the board's questions after the previous meeting. He noted that legal opinion has been shared with the members supporting that Selectwoman Wiecenski did have the legal authority to sign the Memorandum of Understanding (MOU). Selectwoman Wiecenski noted an error in the e-mail under point 3. The Assistant Revenue Collector would work 3 weeks in July, not 4.

Mike Perry arrived at the meeting.

2) Budget Appropriations:

a) Fund Forecast update

Attachment #2

Business Manager Donna Latincsics presented the updated forecasted fund balance to show that at the end of the current year, the revenue is going to be more than budgeted by \$100,000 due to supplemental tax bills and the expenditures will be less than budgeted by \$300,000. This results in an additional \$400,000 to the fund balance. The forecast is now almost \$3 million in the fund balance, or 16.9% of expenditures.

Donna noted that the town fairly consistently collects \$100,000 more in tax revenue from supplemental bills but it's not included in revenue projections because it's calculated partway through the year, so it's unknown when the budget is developed. It should not be included in the budget for next year because it would be possible

b) Capital Program

Chairman Makuch summarized that there was more discussion within the Board of Selectmen and a further revised CIP Year 1 was presented in Attachment 1.

Stef Summers gave her opinion on the overall philosophy of cutting or moving many things to out years in the Capital Plan. She feels strongly that this is not the time to decimate capital spending. She's not saying the town should do anything willy-nilly, but right now the federal government has turned out ¼ point interest rate and the bidding process is probably much more handsome now than it'll be in the future. Many of these projects which are proposed as cuts have waited for years or even decades, such as painting the Hall Memorial School (HMS) entryway's, the senior center bus, beginning the Willington Hill drainage, Liska culverts, etc. Philosophically it's pennywise and pound foolish to act as if capital improvements should be way down. This is the right time to be looking into making these enhancements and a great time to look at bonding.

Stef continued that she would like to propose that the board restore \$50,000-60,000 at least to do the HMS entryway. 2021 is the Centennial celebration for the building and she doesn't like to think of the kids who go there not having a more upbeat entryway when they come into school. The Senior Center bus is the only vehicle they'd have with a lift for those who are mobility impaired, which is crucial. On the second tier, she would place painting the HMS library and senior center. She doesn't think that the off-budget items should be completely removed such as building committee consultants to look at the future of the schools, as to give them no budget would cause the loss of a whole year in a process that's going to take the community many years. She would recommend restoring half of the original amount, or \$50,000.

Stef continued that she would like to put a word in for the Willington Hill Fire Department (WHFD) first response vehicle for \$65,000 out of Fund 17. She recognized that the town is trying to be careful but knows there'll be some reimbursement of some first responder expenses now due to the pandemic. The fund balance is such that the board shouldn't be cheap about this. It would be like cutting your household budget or discretionary spending year after year but not attending to the hole in your roof and that it's not smart to do that as a town. She concluded that she would like to seriously consider taking care of capital improvements.

Geoff Prusak commented that towns have to maintain infrastructure and do maintenance. It would be nice to paint the front of HMS because it is a focal point in town. He clarified that the Centennial will be in FY22-23. The past few years it seems like that building has been neglected for various reasons. Originally there were items in the capital plan that didn't seem to make sense, now it seems like it went the other way and cut almost everything out of it.

Matt Clark stated that it would be helpful if the board put this in context. The board has 5 items left to appropriate. He totaled up expenditures approved and proposed for the remaining departments and it comes out to a \$23,000 increase which is 0.13%. The budget is essential at 0% from last year. He stated the opinion that if the board wants to increase the capital spending as Stef indicated, it can make some adjustments. Taking them one at a time doesn't give the board the big picture of the overall budget approval process.

Chairman Makuch asked Selectwoman Wiecenski whether she would accept guidance if the Board of Finance adds money for specific projects or if she would prefer to reserve judgement as typically belongs to the Board of Selectmen.

Selectwoman Wiecenski replied that the Board of Selectmen would reserve that judgement, though it would be beneficial for the CIP committee to come together to look at the out years. She commented that the CIP committee worked hard to come up with a plan of projects the town really needed. The selectmen didn't want to cut any of them, but in trying to be prudent, there isn't enough funding this year for everything to be done. The cuts will make the Public Works backlog worse. She recognized the case for the truck at WHFD but commented that all vehicles are currently functioning. By putting money into Capital Reserve, there is a mechanism in place to take those funds to replace something in the event that it needs to be replaced. The Executive Order allows spending out of that reserve for emergency decisions. The front of HMS needs to be done but it isn't a structural need. Selectwoman Wiecenski noted that the other selectmen agreed to the changes in the plan without making different suggestions. If the board thinks there needs to be more spending, more money can be added to Capital Expenditures or Capital Reserve. She reminded the board that spending out of 0504 Capital Reserve requires a Town Meeting, when it becomes possible within the pandemic, while 0930 Capital Expenditures does not.

Stef inquired how organizations receive funds from Capital Reserve for items that have already been passed by voters in a Town Meeting. Selectwoman Wiecenski replied that they would come back to the Board of Finance for funding, who make an appropriation. In the case of the School Building Committee, it doesn't necessarily mean the project is held off for a year, it's just not a

named project that will definitely be going through. In this case, funds for the projects that were removed from 0930 Capital Expenditure was put into 0504 Capital Reserve so that there is still money being put into Capital.

Stef Summers made a motion that the Board of Finance formally ask the Board of Selectmen to reconvene the CIP Committee as soon as possible.

Geoff Prusak seconded the motion.

Stef noted that the CIP Committee should revisit the 5-year plan in light of the new backdrop before autumn.

Selectwoman Wiecenski made a friendly amendment that the Board of Finance directly ask the chair of the CIP Committee to call a meeting.

Stef Summers accepted the amendment.

Lisa Woolf arrived at the meeting.

Discussion was held and clarification was made about procedure and function of CIP Committee.

Vote: 5 Yes (C. Mailhos, G. Prusak, S. Summers, P. Tanaka, M. Makuch), 1 No (M. Clark)
Motion passes.

Stef Summers made a motion to restore \$52,800 in Year 1 of CIP including \$17,800 for HMS entryway upgrade, \$15,000 for used senior center handicapped bus, \$12,000 for senior center painting, and \$8,000 for HMS library.

Mike Makuch second the motion.

Selectwoman Wiecenski noted that the Board of Finance can add funds, but the specific projects can be discussed when the CIP Committee reconvenes and then go to a Selectmen vote for a decision as usual.

Selectwoman Wiecenski commented that the painting in the HMS library wouldn't happen if the roof isn't done this year as they are related; the roof project is currently in limbo.

Stef Summers amended to her motion to remove \$8,000 for HMS painting, changing the amount to adding \$48,800 to the Capital Program.

Vote: 4 Yes (C. Mailhos, S. Summers, G. Prusak, M. Makuch), 2 No (P. Tanaka, M. Clark)
Motion passes.

Chairman Makuch asked for an update on the school roof project. Superintendent Stevens replied that the roof project is on hold. The main reason is because when COVID-19 hit and everything shut down, the Office of Policy and Management is overwhelmed by the work that's being done right now due to COVID-19. The architects made open bids which were looked at, but they

shared that it was going to be a significant challenge to do some of the necessary work through the video conference method because people wouldn't be able to meet in person to look at maps and such. After meeting with the architects, the grant process goes to the state. He continued that he was also told that there is a big rush to do roofs in the summertime and that there may be an opportunity for significant savings if it's done off-season. As COVID-19 business slows down for that office, they hope to get back on track to get it completed. Superintendent Stevens did note that the roof patching is working well.

Chairman Makuch asked for a projection of when the project might be completed and the town may see some funds for reimbursement. Superintendent Stevens replied that as the project is for 2 school roofs, a significant stretch of time is needed. He noted that it can be done with students in the schools, though it's a little more disruptive. He can't guarantee it's going to happen exactly during the next fiscal year.

Chairman Makuch asked if the state and architects are available and willing to work, is it still a priority to keep the roof project moving? Superintendent Stevens replied that the change for education with COVID-19 has been tremendous. There is a lot of uncertainty about what school reopening will look like and require next year and it is going to take a lot of time and planning. Programming and getting students back to school safely is his first priority, but he is hoping to get back to the roof project sooner rather than later.

Donna clarified that funding for the roof project is set aside in 0504 Capital Reserve, which is where reimbursement funds from the state for this project will be deposited, not the General Fund. The progress payments are accounted for in the sources table in the CIP budget.

c) Remaining Department/section Appropriations:

i. 0137 Revenue Collector

Chairman Makuch recalled that there were concerns regarding adding hours and changes to positions at this time which affects both of the employees in this department. The Revenue Collector will be increasing to 35 hours per week as well as the Assistant Revenue Collector going some weeks to 28 hours/week and the rest of the year 18 hours/week.

Stef inquired if there is a benefits package included with the increase and if that figure would reflect in the benefits line. Selectwoman Wiczenski replied that the benefits are already presumed in the benefit lines which have been approved. She clarified that she misspoke last week about increasing the assistant's days per week; the only additional hours are the seven 28-hour weeks.

Donna calculated that the cost to the town of benefits for a full-time single individual is \$7,844 and part-time single individual is \$4,754.

Matt noted that the Revenue Collector is increasing from approved \$76,131 in FY19-20 to \$82,836 for FY20-21. Chairman Makuch noted that the previous fiscal year was higher at \$86,715. He recalled that there was a drop in the current fiscal year due to the way they were

working and the various skill sets. Now this is a return back toward the way it was done previously.

Christina asked for the reason for changing the Revenue Collector position to full-time. Selectwoman Wiecenski replied that due to numerous changes made by the previous Treasurer, the workload increased as there are new responsibilities in collecting revenues, not just taxes, for the position. In addition, the Assistant Revenue Collector is in the office only 3 days per week instead of 4 days per week as in the prior arrangement. She noted that if they had not made the cut to the assistant position which was recommended by the previous tax collector, there would still be an assistant working 4 days per week and there may not be a need to increase the Revenue Collector position to full-time.

Chairman Makuch mentioned a concern that elevating one employee to full-time status could have a potential effect of other departments arguing that they have enough work to get to full-time status. Selectwoman Wiecenski replied that they gave it much thought and didn't hear any feedback like that. The main reason is due to the increase in activity in that office due to collecting revenues that added work into that office.

Motion to accept the budget request for 0137 Revenue Collector for \$82,836 was made by Matt Clark and seconded by Peter Tanaka.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

ii. 0311 Public Works

Motion to accept the budget request for 0311 Public Works for \$1,184,165 was made by Peter Tanaka and seconded by Matt Clark.

Peter asked if this budget includes asphalt. Selectwoman Wiecenski replied that the discussion around cutting asphalt was part of the -3% budget but is included in this budget.

Peter asked what else is cut from this budget that stands out to Selectwoman Wiecenski. She replied that it includes many cuts from Director of Public Works Troy Sposato's original request. He has identified many needs within public works to enhance things that have fallen off, but the majority of those he cut back on when the budget went to 0% increase. The majority of the cuts came from Public Works because the majority of the original increase was in Public Works.

Chairman Makuch noted additional reductions for a snow contractor and sand due to an increase in salt usage and a \$10,000 reduction in traffic control equipment. Selectwoman Wiecenski added that the contractor cut was made because the town was only able to hire one contractor and is now putting a town crew member into the new truck to plow.

Matt Clark made a motion to call to question. Peter Tanaka seconded the motion.

Vote: 3 Yes (M. Clark, P. Tanaka, G. Prusak), 3 No (S. Summers, C. Mailhos, M. Makuch)
Motion fails.

Christina recalled a request for the purchase of an excavator and that the CIP Committee recommended renting one and asked if that was still moving forward, as she can't find it in the budget. Troy Sposato replied that the rental for the Village Hill project was coming out of CIP, not the regular budget.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

iii. 0504 Capital Reserve

Chairman Makuch reviewed that FY19-20 was \$145,000, the original proposal for FY 20-21 was \$165,011, and the latest revision is for \$180,356.

Selectwoman Wiecenski clarified that the increase in that number is due to money for items which were removed from 0930 Capital Expenditures and added to 0504 Capital Reserve.

Chairman Makuch asked for explanation on the thought process. Selectwoman Wiecenski replied that they know from working through CIP that the town has many capital needs. This way some funding is still budgeted toward capital but specific projects were taken away if they weren't necessarily needed. If something were to happen to a Public Works or Fire Department vehicle, for example, or some other pressing need were to arise, there are mechanisms in place to take care of those capital improvements. The town always puts money in Capital Reserve, but this year the selectmen put a little bit more than they would normally because they removed the projects from 0930 Capital Expenditure. Selectwoman Wiecenski did it not because she thinks it should be this way, because she agrees that those projects need to be addressed, but to meet the needs and concerns in this unusual time.

Stef Summers made a motion to restore into 0504 Capital Reserve \$50,000 for the School Building Committee consultants for a total of \$230,356.
Christina Mailhos seconded the motion.

Stef commented that she doesn't think it's a good idea that there are no resources for the School Building Committee to tap for the next full fiscal year. She understands they could go through the process of asking for money but when the CIP plan was passed and Year 1 was discussed in detail, there was an agreement that that should be in the plan earmarked for the sizeable job that this group is going to be tackling to sort out the future of what the educational facilities in town will be. Part of that work requires expertise that they will need to hire. She doesn't want to see it stand still for a full year.

Matt commented that he thinks it's best the town doesn't move forward this year with spending \$50,000 on school consultants to help a committee that no-one is named to and with where the town finances are currently at. Geoff agreed.

Stef noted that the idea of seating a building committee to look at the issue, which is going to take years, was voted on in Town Meeting and passed in all its iterations. She thinks it's a will-of-the-people issue.

Peter Tanaka made a motion to call the question.

Matt Clark seconded the motion.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

Vote: 1 Yes (S. Summers), 5 No (P. Tanaka, M. Clark, C. Mailhos, G. Prusak, M. Makuch)
Motion fails.

Motion to accept the budget request for 0504 Capital Reserve for \$180,356 was made by Mike Makuch and seconded by Peter Tanaka.

Vote: 5 Yes (C. Mailhos, S. Summers, G. Prusak, P. Tanaka, M. Makuch), 1 No (M. Clark)
Motion passes.

iv. 0930 Capital Expenditures

Motion to accept the revised budget for 0930 Capital Expenditures for \$67,565 was made by Mike Makuch and seconded by Peter Tanaka.

Chairman Makuch noted that the additional \$48,800 previously discussed is included in this number.

Vote: 5 Yes (C. Mailhos, S. Summers, G. Prusak, P. Tanaka, M. Makuch), 1 No (M. Clark)
Motion passes.

v. Board of Education

Motion to accept the budget request for Board of Education for \$8,860,828 was made by Stef Summers and seconded by Mike Makuch.

Peter commented that while he appreciates the work of the Board of Education and Superintendent for coming up with this number, which in normal times would be a very reasonable number, the fact that the Board of Education budget increases every year is alarming. He understands state mandates and would hope we can work with the state to get those mandates down. The board heard from a lot of townspeople today that Board of Education spending is the most important thing to them. Also important to the town is the taxpayer and we've heard "spend the fund balance". I don't think the fund balance is there to spend; it's that high because we've been overtaxing our citizens for years. We've been overtaxing them because we were trying to be prudent in covering spending for education when Governor Malloy told towns that they'd have to help cover teacher retirement benefits and we've never come down from there. That's why we have the fund balance we have and it's not our money to spend on this. That money is in our trust and it's the taxpayer's money, not our money to spend.

Chairman Makuch commented that another reason the town has that much in the fund balance is because the Board of Finance and various other people in this budgeting process have made other careful decisions as well such as budgeting collection rates below what the town has succeeded in getting in revenue, aggressive work by the tax collector to collect revenue, and some things that are totally unpredictable. There are other factors that go into that budget balance as well. Chairman Makuch agrees that the budget balance indicates that the town has taken too much tax money overall from the taxpayers. He also believes that this education budget is, while hideously expensive, where we are. He could be called a little biased because he has 3 kids in the school system right now, but having been in this town his whole life and having gone to these schools, he sees the value in it. It's incredibly expensive to have a good school system.

Peter commented that the \$8 million doesn't include the \$1 million for the roof and several thousand dollars for heating, plumbing, and the HMS front entryway upgrade the board has just voted to put on, so it's not the entire budget for education. If you take that number and divide it by the 450 children we have in our schools, which he understands is not the state equation, it comes out to over \$20,000 per child. Willington is not by any means skimping on its education budget.

Stef repeated the point that particularly right now with the suffering that kids, families, grandparents are going through, the schools are a major connector and the fabric of a community. They have a lot to do with restoring people to a better life. Right now in this challenging time they have a role that they play and she wants to keep them as whole as they can be. She addressed Peter's comment by saying that when you have a 100-year-old school and a 70-year-old school, they're expensive to maintain.

Matt commented that this is primarily the Board of Education's operating budget, not maintenance and repair. He commented that we are heading into a very uncertain future in terms of employment and the biggest recession of our lifetimes. We don't know what's going to happen to state funding and whether we're going to need more money to pay for our school. Now is the wrong time to be increasing the budget. It doesn't make much sense to him. A 0% budget would be taking a small decrease in services provided, not talking about eliminating positions. 0% is not drastic to his mind. The board is going to be asking the citizens of Willington to pay \$171,000 more to educate children in our schools than they did last year. The way he sees it, a lot of those people are unemployed or in small businesses which are shut down and unable to earn money. He wishes the Board of Education could've come in at a smaller number than a \$171,000 increase.

Stef commented that between the two school budgets (Region 19 and K-8), the budget is flat.

Vote: 5 Yes (C. Mailhos, S. Summers, G. Prusak, P. Tanaka, M. Makuch), 1 No (M. Clark)
Motion passes.

Chairman Makuch commented that there has been some discussion about funds that departments have left over. There is always a debate about whether departments should return money at the end of the year or if that will hurt their appropriation in the future. He commented that this is a

great year for departments not to feel like they need to spend any remaining funds as it will be seen as a positive sign helping the overall budget situation.

Mike Makuch made a motion that the Board of Finance send a letter to all budget writers saying that it would be looked upon favorably if they were to return any unused funds from this fiscal year to the General Fund.

Stef Summers seconded the motion.

Selectwoman Wiecenski commented that as far as the Selectman's Budget of the town government, there has been a budget freeze for nonessential spending since COVID-19 began, which caused the surplus to be returned that Donna spoke about earlier. She noted that they will likely begin next fiscal year in the same scenario.

Superintendent Stevens commented that wanted it on the record that the Board of Education has been talking for 2 months about purchasing Chromebooks out of a portion of the current year's remaining funds because NOVUS notified them that current Chromebooks are in their last year of updates. The additional funds will be returned to the town.

Chairman Makuch clarified that the motion isn't to tell departments to stop spending, just that the board would like agencies to return surplus. He commented that plenty of agencies appear to have money left, but with 6 weeks left in the fiscal year, more expenses could be coming.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

3) Set Mill Rate

Selectwoman Wiecenski stated that she would not suggest setting the mill rate until the board approves a budget. If the board has a public hearing next week and decides to make changes to appropriations based on public feedback, which has happened in the past, then the board sets a mill rate based on the spending in that budget.

Chairman Makuch commented that if the board were to change an appropriation next week, it could also change the mill rate. It might be better for the taxpayers to have a proposed mill rate as part of a complete package to review.

Stef commented that the board at least needs to see where the numbers are so far in order to be transparent.

Matt commented that in a regular budget process the townspeople don't vote on a mill rate, they vote on overall spending, so there should be no reason to deviate. Christina replied that people typically know what the mill rate will probably be. Geoff suggested including a proposed mill rate versus setting the mill rate.

Donna presented the numbers as set so far. The board discussed different scenarios for collection rate and applied fund balance. At the current budget, an applied fund balance of \$625,000 and an assumed collection rate of 98%, the fund balance would remain at 2.37 million, which is 13.4%. Chairman Makuch noted that the town's worst tax collection rate was 98.5% in FY08-09 during the last recession.

Stef commented that 98% is a conservative tax collection rate and that the board talked about not going too much above the maximum 12% guideline and it's still 13.4%, which seems healthy.

Mike Makuch made a motion to table setting the mill rate until after the public hearing closes and the budget is approved.

Peter Tanaka seconded the motion.

Stef reminded the board that in Present to Speak they were asked to consider the \$25,000 request for Economic Development Commission (EDC) though the appropriation was covered last week. Chairman Makuch commented that as the appropriation has been set at a previous meeting, though the board could revise it after the public hearing and reset the budget with that money, his opinion is that the best way to handle it is to let the appropriation stand. Later in the year if the EDC really needs that amount, they can come back to the Board of Finance for an additional appropriation, which is always an available option. Peter and Geoff agreed.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

Mike Makuch made a motion that the Board of Finance sends to the taxpayers the proposed budget as it has been completed tonight.

Stef Summers seconded the motion.

Mike Perry proposed applying all but \$2 million from the fund balance in order to lower the mill rate, give the taxpayers a tax break, and get the budget approved.

Peter disagreed. Matt replied that as much as he really likes the idea of a tax break and commends Mike on the suggestion, the town could possibly need every penny of the fund balance. They're talking at the state level about running 17% short on tax receipts this year and it may have an impact on our town in terms of the state transfers that we get. Taking more of our fund balance and giving a tax break, although he loves the idea, now is not the right time to do it. Chairman Makuch agreed with Matt and added that the board has to keep a little in the bank for next fiscal year to see how it plays out.

Christina commented that she thinks the board should be as conservative as it can with the fund balance. The CIP projects haven't all been funded and anything could happen, as was seen this past year with needing a new truck and boiler. Since known projects aren't being funded, we need be prepared for things we don't know about as well.

Stef agreed with the emerging consensus.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No
Motion passes.

NEW BUSINESS

1) Next steps for budget approval and compliance with Governor's directives

Next week, May 28, at 7:00pm the Public Hearing will be held. The proposed budget and agenda will be released as soon as possible so there is ample opportunity for the public to give feedback. Feedback will be taken before and during the Public Hearing at meetingcomments@willingtonct.org to be read aloud, or a member of the public may speak during the meeting. The regular Board of Finance meeting will follow for the board to conduct business to finalize and approve a budget. Content and conduct of the meetings was discussed.

2) Reminder of Thursday May 28th 7 pm Public Hearing (On line format)

CORRESPONDENCE

Distributed to board members prior to the meeting.

PRESENT TO SPEAK

Peter Latincsics of 97 Trask Rd. stated: thank you to Selectwoman Wiecenski for correcting the process on setting the mill rate. That was very helpful and I appreciate you doing that. I would be remiss if I didn't express my disappointment on the Board of Finance's proceedings tonight. A wise individual once said that the definition of frugality is based on a recognition that wealth has limits. I would respectfully say that this board doesn't see it that way. The majority of your evening was spent on how we can increase spending, whether in CIP, the fund balance, or virtually every area of the budget where special interests have staked out their claims. This is especially disturbing to me when townspeople don't have the same access they normally would. I would think the Board of Finance would take a more conservative approach. Ultimately you chose to ignore the townspeople and the worst economic recession that Willington has experienced since the Great Depression and increase spending. I look forward to the Public Hearing.

Patrick Lord of 220 River Rd. stated: I have children in the school system and these have certainly been difficult times. The current online learning system that is set up certainly is a challenge and I'm not sure, if the current situation goes into next school year, that the budget is enough for our children to learn in a proper setting. There is certainly going to be a need for an increase and a better development of the learning system for these children if it goes to an online system. The Board of Finance should consider any other appropriations made by Board of Education to help our children achieve the proper education that they need.

Sarah Smith of 69 Eldredge Rd. stated: I have been watching for several nights and want to extend appreciation to everybody on this board. We don't all agree but everybody has put concerted effort to do what they think is right. I am grateful that we have a budget to present and

appreciate you for your efforts. Just because we don't agree doesn't mean we can't talk and I appreciate that.

GOOD & WELFARE

Chairman Makuch stated: thank you to everyone for the hard work. We certainly don't have to and probably shouldn't always agree on everything. We need different viewpoints and different people to contribute to this conversation so we can do the most prudent job for taxpayers. Thank you to everybody, board members as well as the public.

Selectwoman Wiecenski noted that tomorrow from 8a-2p there will be a food drive to help restock the food pantry at the Town Office Building. Next Friday the 29th there will be food distribution at the Town Office Building. There is a need for food items, for those who are able to give.

Peter Tanaka made a motion to adjourn the meeting at 9:51pm.

Geoff Prusak seconded the motion.

Vote: 6 Yes (P. Tanaka, S. Summers, G. Prusak, M. Clark, C. Mailhos, M. Makuch), 0 No

Respectfully submitted,
Marysa Sempredon
Recording Secretary

Fw: Board of Finance Questions for the Board of Selectmen

Mike Makuch

Thu 5/21/2020 7:27 PM

To: Marysa Semprebbon <msemprebbon@willingtonct.org>;

 1 attachment

CBA MOU.pdf;

From: Erika Wiecenski

Sent: Wednesday, May 20, 2020 4:18 PM

To: Mike Makuch

Subject: RE: Board of Finance Questions for the Board of Selectmen

Mike,

Thank you for your questions of clarification.

1. MOU - Our Town Attorney addressed this issue at the Board of Selectmen's meeting on Monday as well. I am waiting for the written legal opinion you requested from our Town Attorney, I will forward you as we receive it. The issue of obtaining an MOU was discussed at BOS meetings, there was not an intention, ever, of breaching public participation. I would say the exact opposite as it was addressed in a virtual public meeting and recorded in minutes. The copy of the MOU is attached to this communication per your request.
2. Capital Improvement Plan:
 1. I looked at the approval procedure you referenced and discussed with the Business Manager. We currently follow all of the steps with the exception of sending the entire plan to PZC for review. This was a practice in place until several years back (well before the current BOS was in place). The projects are now reviewed on an individual basis prior to appropriation by BOF and any Town Meeting.
 2. I agree and the Committee will need to come back to the table to discuss. The Chair can call a meeting at any time using the virtual platform. The BOS has tried to be proactive in these unusual times to balance the current fiscal needs of the Town and to honor the plan that was previously agreed upon.
 3. Prior to the Emergency the only year that was approved was year 1 and the CIP was anticipating another meeting to complete the out years. When this did not happen the BOS acted to make adjustments. The BOS again worked hearing concerns from all parties and adjusted to match those concerns.
 4. Since the last BOF meeting I took the time to go over the CIP Plan. I presented a change in the plan once again to the BOS on Monday 5/18. The BOS approved the revised CIP year 1 plan, it is attached here for reference. The plan includes previous committed funds (i.e. leases & bonds) and 5 new projects. The reasoning for these items was emergent necessity and safety. The Projects approved in the plan by the BOS are as follows:
 - a. Boiler Pumps & Valves for HMS- \$8,765 (930)
 - b. New Boiler for the TOB- \$10,000 (930)

- c. CPR Device and Defib for Ambulance- \$12,500 (Fund 17)
 - d. Bunker Gear for WFD#1- \$19,000 (Fund 17)
 - e. Replace Oil Tank WFD#1- \$50,000 (Fund 17)
 - f. A fund Transfer to the Capital Reserve of \$180,356
5. See the comments below to in response to # 6 for guidance.
 6. I reached out to Rich Roberts (Halloran and Sage) who helped in crafting the Executive Orders I have referenced. When I explained to Rich that we approve the Plan at our Annual Town Meeting and that year 1 is part of the budget appropriations this was his response. I hope this helps to clarify what I was saying.

I think you're on track that the BOF would have to include year 1 in the budget that it adopts under the existing executive orders since that includes the actual appropriations for the 2020-2021 fiscal year. None of the other budgetary or non-budgetary fiscal action executive orders appears to cover the adoption of a capital plan for future years.

The two options that I would see are (1) have the BOF approve only the year 1 capital appropriations under the executive order and also approve the conceptual provisions for years 2-5 with the understanding that it's non-binding and will be changed each year when the annual budget is adopted, or (2) have the BOF approve the year 1 capital appropriations under the executive order and table the adoption of the balance of the plan until it can be approved by a town meeting. Because it's merely a planning document, it doesn't appear to be the urgent type of action that the BOS could take under Executive Order 7JJ. I guess you could also do a combination of (1) and (2), having the BOF adopt the year 1 appropriations and recommend years 2-5 subject to a future town meeting ratification.

3. Revenue Collector:

The Assistant Revenue Collector's normal hours are 3 days / 18 per week. In the proposed budget we have her working 45 weeks at 18 hours weekly (her normal scheduled hours) and 7 weeks at 28 hours weekly. The additional hours would have her here five days a week.

The additional hours are planned to be used as follows:

4 weeks in July, our busiest collection time. This would allow 2 staff in the office daily to process payments and answer any questions as needed. In the prior year the office was staffed by one person on Tuesday, Wednesday and Thursday with 2 on Monday and Friday. This caused quite a back log of mailed payments and deposits to be processed. I believe we were in to August before all the mailed in payments had been processed.

Not knowing what October will bring, it's possible that these hours could be combined between the two months.

2 weeks in January for the second installment and supplemental bill collection.

2 weeks during the year to cover vacation.

The Revenue Collector's normal hours are 30 hours per week. Looking to increase to 35 hours per week to full time status with no increase in salary. Increased responsibility with the collection of all revenue for the TOB no longer just tax collection, verifying and processing of check deposits (remote depositing) verifying cash, completing deposit slips and coordinating all department cash deposits.

Erika G. Wiczenski

First Selectwoman

Town of Willington, CT

<https://www.willingtonct.org/>

(860) 487-3100

From: Mike Makuch

Sent: Monday, May 18, 2020 5:33 PM

To: Erika Wiecenski <ewiecenski@willingtonct.org>; Liza Boritz <lboritz@willingtonct.org>; John Blessington <jblessington@willingtonct.org>

Cc: Peter Tanaka <ptanaka@willingtonct.org>; Geoffrey Prusak <gprusak@willingtonct.org>; Elisabeth Woolf <ewoolf@willingtonct.org>; Matthew Clark <mclark@willingtonct.org>; Christina Mailhos <cbmailhos@willingtonct.org>; Mike Perry <mperry@willingtonct.org>; Stephanie Summers <ssummers@willingtonct.org>

Subject: Board of Finance Questions for the Board of Selectmen

Board of Selectmen,

Since the meeting of the Board of Finance on 5/14/2020, questions have been brought to me as chairman to forward to your board. Please consider the importance of these questions in approving the final budget appropriations later this week. Please review the following and follow up as appropriate before our Board of Finance meeting this Thursday, May 21, 2020.

1. MOU extending the town employee bargaining agreement:

1. At a minimum, many board members feel this move was a (perhaps unintended) breach of the public participation by not allowing any public input or participation in extending terms and providing benefit to the members of the bargaining unit.
2. Further, the fact that the Board of Selectmen didn't participate in negotiation or approval, brings question to the validity of the process and the MOU itself.
3. Our board asked last week (5/13) for a copy of the MOU, which you have not yet provided, please send it to us.
4. Please provide any legal opinions, if they were sought/received, that indicate the First Selectperson has the authority to sign the agreement on behalf of the townspeople, and without BOS and/or BOF participation.

2. Capital Improvement Plan

1. Review of the town's information regarding the capital plan indicate that once created by the committee appointed by the BOS, the plan should get submitted to the Board of Finance and Planning and Zoning Committee in time for yearly budget construction
2. The previously created plan included significant spending in all 5 years, including the potential of needing to bond projects in the later years.
3. Now that we are in the unusual situation, the BOS has provided a 1 year plan, which is understandably paired way down.
4. The rationale for the apparent cut and kept items is unclear and seems inappropriate to many members.
 1. Continuing taxpayer burden of funding Pickleball Court, School Building Committee Consultant, Public Works Director vehicle, Town Hall Septic etc,
 2. Moving the new vehicle for the public works director to an "off budget" status that is in fact still using tax dollars as it appears to be funded through the selectmen's budget into another fund (Gen Res), then to the purchase
 3. Cutting an emergency vehicle that is funded "off budget" by the ambulance billing proceeds.
 4. Previously, we asked for a summary of the changes to CIP and got a couple different documents showing changes without explanations/justifications.
5. Many BOF members are concerned that they cannot approve capital related expenditures without the 5 year plan, especially since the impact of this paring down could be a large financial burden and/or severe lack of capital asset improvement/maintenance in the next 4 years of the plan.

6. Please clarify the comment made at the May 14 BOF meeting saying that there is no mechanism for approving the CIP under the current Governor's directives. Our board is keen to assure we approve any taxpayer expense correctly and openly.

3. Revenue Collector

1. While it was explained that the current collector is less experienced and efficient than the previous, BOF members are still questioning the justification of moving the hours up, especially in a year such as this.
2. Please try to provide some better year over year, or needs analysis to justify the added expense.
3. Can the hours be better used in crunch time, and reduced further the rest of the year to keep this expense down?

I realize that this is a lot to cover, but as the selectmen's office has advised repeatedly, we are trying to take extra care to provide transparency and prudent use of the public trust under current conditions. With the public's opportunity already limited, we are endeavoring to take extra care. Further, many of these questions have been in play for over a week, and have been asked previously, some answered, some still raising questions.

Respectfully,
Mike Makuch
Chairman,
Wilmington Board of Finance

TOWN OF WILLINGTON, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance With Final Budget Over (Under)
	Original	Final	Actual	
REVENUES				
Property taxes	\$ 13,191,188	\$ 13,191,188	\$ 13,335,253	\$ 144,065
Intergovernmental	3,675,210	3,675,210	3,873,402	198,192
Licenses, fees and permits	133,500	133,500	201,767	68,267
Investment income	35,000	35,000	127,832	92,832
Other revenues	38,500	38,500	36,093	(2,407)
Total revenues	<u>17,073,398</u>	<u>17,073,398</u>	<u>17,574,347</u>	<u>500,949</u>
EXPENDITURES				
Current:				
General government	1,126,444	1,159,816	1,090,262	(69,554)
Public safety	594,873	595,167	591,865	(3,302)
Public works	1,320,438	1,334,438	1,314,493	(19,945)
Education	8,301,814	8,301,814	8,301,814	-
Regional School District No. 19	4,117,765	4,117,765	4,117,765	-
Miscellaneous	572,710	525,044	440,087	(84,957)
Debt service:				
Principal payments	168,363	168,363	168,363	-
Interest and fiscal charges	53,857	53,857	53,857	-
Capital outlays	186,015	90,611	83,393	(7,218)
Total expenditures	<u>16,442,279</u>	<u>16,346,875</u>	<u>16,161,899</u>	<u>(184,976)</u>
Excess of revenues over expenditures	631,119	726,523	1,412,448	685,925
OTHER FINANCING SOURCES (USES)				
Designation of fund balance		-	-	-
Transfers out	(631,119)	(726,523)	(726,523)	-
Total other financing uses	<u>(631,119)</u>	<u>(726,523)</u>	<u>(726,523)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 685,925</u>	<u>\$ 685,925</u>
Fund balance - beginning 07/01/2018			2,560,044	
- net change in fund balance			685,925	
Fund balance - ending 6/30/2019			3,245,969	
Fund balance - BOF 5/16/19 applied to 19-20 budget			(410,000)	
Fund balance - BOF 8/15/19 additional appropriation PR support			(20,000)	
Fund balance - REF 12/10/19 additional appropriation WHFD			(60,000)	
Fund balance - TM 1/30/20 additional appropriation plow truck			(160,252)	
- revenue budget favorable (est 5/21/20)			100,000	
- expenditure budgets favorable (est 5/21/20)			300,000	
Fund balance - ending 6/30/2020 (est 5/21/20)			<u>\$ 2,995,716</u>	
% of 19-20 budgeted expenditures (17,704,603)			16.92%	
2019-2020 Budgeted Expenditures	17,704,603			
		8%	1,416,368	(1,579,348)
		9%	1,593,414	(1,402,302)
		10%	1,770,460	(1,225,256)
		11%	1,947,506	(1,048,210)
		12%	2,124,552	(871,164)
		13%	2,301,598	(694,118)
		14%	2,478,644	(517,072)
		15%	2,655,690	(340,026)
		16%	2,832,736	(162,980)
		17%	3,009,783	14,066