

Town of Willington

40 Old Farms Road
Willington, CT 06279
(860) 487-3100
(860) 487-3103 Fax
www.willingtonct.org

BOARD OF FINANCE

**Special Budget Meeting Minutes
Lower Level Conference Room**

**February 13, 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
Peter Tanaka – Secretary
Stephanie Summers
Christina Mailhos – Alternate
Mike Perry – Alternate

Members Absent:

Barry Wallett
Randy Belair
Geoff Prusak

Also Present:

First Selectwoman Erika Wiczenski
Business Manager Donna Latincsics
Fire Marshal Dick Palmer
Emergency Management Director Stuart Cobb
Willington Hill Fire Department
Willington Fire Department #1
Fire Chief Alex Moore

Chairman Mike Makuch called the meeting to order at 7:03pm

SEATING OF ALTERNATES

Peter Tanaka made a motion to seat Christina Mailhos for Randy Belair.

Mike Makuch seconded the motion.

Vote: 3 Yes (M. Makuch, P. Tanaka, S. Summers), 0 No

Stephanie Summers made a motion to seat Mike Perry for Geoff Prusak.

Peter Tanaka seconded the motion.

Vote: 4 Yes (M. Makuch, P. Tanaka, S. Summers, C. Mailhos), 0 No

APPROVAL OF MINUTES

Peter Tanaka made a motion to table the minutes of February 6, 2020.

Stephanie Summers seconded the motion.

Vote: 5 Yes (M. Makuch, P. Tanaka, S. Summers, C. Mailhos, M. Perry), 0 No

PRESENT TO SPEAK

No-one present to speak.

NEW BUSINESS

1) Emergency Services

The board agreed to move item c) 0231 Fire Marshal first.

c. 0231 Fire Marshal

Fire Marshal Dick Palmer presented his budget, which had no increase. He asked to be considered if the town offers non-union employees the 2% salary increase. Stephanie Summers inquired how the department's costs fluctuate year-to-year. Dick replied that the cost fluctuates when the state adopts a new code, as he has to buy an expensive (\$1000 - \$1100) new code book. He noted that he has previously worked with other municipalities to copy their code books.

a. 0518 Emergency Preparedness

Emergency Preparedness Director Stuart Cobb noted that this line is more of a fund than a budget which was created several years ago after FEMA assistance was received for two big storms. He noted that the fund maintains a balance of at least \$4,000. Stuart stated that when the generator at Hall School was installed, the Board of Education agreed to receive a rebate on their electric bill for participating in load shedding; i.e. running the school off the generator if there was ever an electricity shortage in the area. That situation never happened, but the rebate covered cost of maintenance on the generator. However, that program is no longer in place and the maintenance of the generator is referenced in the Emergency Preparedness Fund for \$865.04 and the Emergency Management Director stipend.

Mike Perry asked for further clarification on how the \$865.04 in the Emergency Preparedness Fund is different from the \$1,047 for Generator Maintenance Contract in the Emergency Management Director Stipend budget. Stuart replied that that is unclear to him as well and that he was not involved with any of the decisions regarding this topic. He believes the Hall School maintenance staff is in charge of generator management. Business Manager Donna Latincsics clarified that maintenance is paid for through the Financial Office and that there is an agreement between the Superintendent and First Selectman to pay 50% each for generator maintenance, so the \$865.04 number is only half of the cost of the maintenance. She clarified that the \$1,047 budgeted for FY 19-20 was never spent from the Emergency Management Director Stipend budget but that in the future it will be, due to the possibility of reimbursement from Homeland Security. Stuart stated that the Emergency Preparedness Fund is really for the purpose of operation of the shelter, e.g. buying supplies and training employees.

Peter Tanaka inquired whether the town is looking for a replacement for the CERT (Community Emergency Response Team) manager/trainer volunteer. Stuart replied no, that opening an overnight shelter is very labor-intensive for a small number of people, so there was an effort between Mansfield, Willington, Coventry, and Ashford to run a regional overnight shelter at the

Mansfield Community Center, where there are many more town employees, although Hall School could still be open for charging phones, taking showers, etc. As our region doesn't experience big storms very often, it is hard to recruit and keep volunteers trained and the Red Cross encourages regionalization. Stuart noted that Mansfield has had a change in personnel and there hasn't been the same level of cooperation and that no official agreement has been made at the upper levels. He added that Willington employees have stepped up to run the shelter when it has been a necessity.

The Board agreed to move item e) 0234 Emergency Management Director Stipend to the next item on the agenda.

e. 0234 Emergency Management Director Stipend

Emergency Management Director Stuart Cobb stated that most of what he does is travel to meetings, which are held all over the state. Some are function-related and deal with communications, fire, emergency management, maritime; some are related to drills, cyber security and cyber-attack prevention, and natural disaster preparedness. The meetings help towns to understand local limitations and preparedness. The Emergency Management Director stipend has two line items, object 300, Director Stipend, which is issued in quarterly installments, and object 590 Generator Maintenance, which was discussed in the previous agenda item. There is no income noted on the budget submission because the possible reimbursement has not been received and Stuart noted that the award sometimes comes in years later due to the timeline of the application.

a. 0221 Ambulance Payroll

Fire Chief Alex Moore stated that Ambulance Payroll shows an increase. There is no planned change in number of hours worked, but per diem and part-time employees, which cover 43% of hours worked, are subject to the 9.1% minimum wage increase in the upcoming year. They aim to keep base pay around \$2.00 more than minimum wage. Willington pays the lowest by far for per diem wages for part-time employees so it is a struggle to find employees. Where Tolland and Ashford employees start at \$17-18/hour, Willington starts employees at \$13.50. Additionally, part of the increase is also due to one employee receiving a step increase.

Stuart Cobb clarified that some employees, like ambulance drivers, are making minimum wage and have very few responsibilities, but that at other times the employees on shift have to be firefighters and able to drive the fire trucks and it wouldn't be fair to pay those employees minimum wage. Chief Moore clarified that there are two employees on duty at all times, at least one of whom is a full-time staff member. During the night shift, the other employee is typically a part-time driver. The only time more than two employees would be on duty would be big storms or a planned town event where support has been requested.

Stephanie Summers inquired whether the health insurance increase is due to a contractual rate. Chief Moore confirmed and added that the increase is partially due to one employee adding a dependent as well. Stuart added that health insurance rate increases are volatile and they are at the mercy of shopping for insurance. Chairman Makuch inquired how much taxpayers are paying for the dependent versus the employee. Contractually, the number of dependents doesn't change that the employee pays 15% and the taxpayers pay 85%.

Christina Mailhos asked for clarification on the Retirement and Compensated Absences line items. Stuart replied that 5% of the pay of the full-timers is set aside into a retirement account. Donna clarified that it's funded 100% so doesn't need to appear in the budget. Mike Perry inquired whether anyone is currently being paid for retirement and where that would show in the budget. Stuart replied that there is no-one currently retired but that there is no actuarial cost to someone retiring as their wages come out of the retirement fund that is being set aside in their name pre-tax.

Chairman Makuch inquired how they handle unemployment, as there is no line item dedicated to it. Stuart clarified that FUTA stands for Federal Unemployment Tax Act and a notice comes every so often. Stuart stated that he thought it was 1.9% on the first \$15,000 wages for each employee and that they are paying on a 0 experience rate, which is the lowest rate allowable.

Stuart clarified that the Worker's Comp figure comes from Donna and should not go up more than 3%, but is based on wages as well. He brought the Board's attention to the revenue section where last year shows an applied fund balance because the Board decided to use \$10,785 from the ambulance revenue – (fund 17) toward last year's wage increases. He continued that part of the increase this year is recuperating that amount within the budget. Stuart explained that the Tower Lease revenue comes from the cell tower on the property and that that amount helps to offset payroll. The amount received varies year-to-year depending which carriers are on the tower and carrier rates and contracts.

Stef Summers inquired where the ambulance call revenue shows on the budget or whether it's fully financed by the General Fund. Chairman Makuch clarified that that revenue goes in a larger circle to Fund 17. Stuart added that the fire department used to do ambulance billing themselves and used that billing to pay the salaries for the ambulance staffing, but that revenue goes up or down every year and payroll is a stable expense. For many years it worked, but as payroll expenses have increased, toward the end of the fiscal year if they ran out of cash, they would have to lay people off until they built that revenue back up. At this point, payroll expenses are three times higher than ambulance revenue and the call volume is steady; it's unlikely that ambulance revenue would ever go back to covering expenses.

Chairman Makuch stated that he understands that over time salaries go up while the state cuts back reimbursements and inquired generally what our top people are being paid. Chief Moore replied that they are making roughly \$24/hour for 20 years of experience and added that similar positions in surrounding towns would be making \$30 or higher.

Peter Tanaka inquired whether there are overtime costs. Chief Moore replied that it is built into the budget as there are sometimes unavoidable situations like last-minute call-outs, but they are minimal.

d. Willington Fire Department #1/Willington Hill Fire Department

i.) Willington Fire Department #1

Fire Chief Alex Moore stated that, just like the past 8 years, there is no increase to the Willington Fire Department #1 (WFD) budget as they do their best to move line items around and keep it the same. He noted the following: insurance expenses are down because they switched to a new company and saved \$2,000. Vehicle repairs and maintenance continue to occur. Electricity and heating costs are negotiated through the town.

Mike Perry inquired how the budget has worked without increases over multiple years; whether the department has met its budget or struggled. Chief Moore replied that it is a tight, no frills budget with minimal new equipment and that when large vehicle repair expenses have come up they've had to come back to the Board of Finance.

Christina Mailhos inquired whether this budget includes the new fire suits referenced in the Capital Improvement Plan (CIP) request. Chief Moore replied that the budget includes the usual annual amount, which is to replace 2 sets per year, and that what was submitted through CIP is in addition to that because replacing 2 sets per year hasn't allowed them to keep the necessary number up-to-date. Stuart added that some years the replacement number was cut down to 1 set due to vehicle repairs but that they need to get the expired gear out of service. From there, they will plan to resume replacing a few sets per year. Peter Tanaka inquired whether, if the CIP request is funded this year, all of that new equipment will expire at the same time down the line and WFD will have to make a large request again. Chief Moore replied that the plan is to increase the budget to replace 3-4 sets per year in order to avoid that. Chairman Makuch acknowledged the many changes that could impact that plan. Stuart noted that the amount of use a set of gear gets also impacts its usable life and noted that the department received grants in 2005 and 2006 to purchase of 20 of their 25 sets which is why this large request hasn't been made before.

ii.) Automatic External Defibrillator (AED) Line Item

Fire Chief Alex Moore summarized that last year new line items were created in Emergency Services, First Selectman's Office, and Superintendent of Schools to add AEDs in town buildings in order to become a HEARTSafe community. In the current year they installed 6 new defibrillators around town; Town Office Building, Senior Center, Public Works, Transfer Station, and two at Hall School, one by the gym and a travel one that goes to sporting events as well as Hall Pond during the Rec season. They are asking to keep the budget the same in the coming year in order to install 5 more; River Road Park, both main fire houses, Center School, and replace an outdated one on a fire truck. The overall plan is to keep AEDs together.

Christina Mailhos asked who can use AEDs. Chief Moore replied that they are public access and have explicit auditory instructions so any Good Samaritan can use them, regardless of whether they've taken one of the WFD-offered classes. He added that they won't shock unless they have to.

Mike Perry inquired whether someone goes through to check on them and whether they've been used or tampered with. Chief Moore confirmed and said that they have an 8-year warranty and 8-

year battery and can be sent in for replacement if anything goes wrong with them. He continued that they're in places that aren't high traffic and have an alarm if a student were to open it, but are being checked every other month by town employees for no added expense.

Chief Moore noted that eventually there will need to be some money budgeted for upkeep like new pads. The biggest problem standing in the way of becoming a HEARTSafe Community is proving the number of residents who are CPR certified and that it can cost a lot of money to put everything in place for that designation. There are currently 4 people in town trained to train others.

iii.) Willington Hill Fire Department (WHFD)

Chief Tom Snyder stated that the majority of increases are related to the 25 Old Farms Rd. property purchase. He noted that at this point the numbers are still estimates because they are still working with the building inspector and fire marshal for occupancy permits. Both have recommended WHFD hire an architect for planning in order to satisfy building permits. In the immediate future, WHFD is looking to be added to the town's oil and electricity contracts in order to save costs. Chief Snyder stated that the other increase is regarding the service truck which will need transmission repairs, quoted at a little over \$4,000. They are working with CIP to replace that vehicle, so if that remains in Year 1 of CIP, this increase can be eliminated from the budget. Chief Snyder noted that he did decrease line items in administration and equipment to come up with \$2,400 in savings to offset new costs.

Peter Tanaka inquired about the timeline of resolving the building permit issues. Chief Snyder replied that he was not sure as there are a few weeks between every step of the process being reviewed.

Christina Mailhos inquired about the possibility of renting space for income like they rent the hall in the current fire house. Chief Snyder replied that renting space for income is their intention but they first need to be approved for occupancy so they can start to look at what space they're going to utilize for the fire department. He clarified that they don't charge a lot for residents to use the hall and that that revenue basically just breaks even with supply and janitorial expenses. They have also discussed going to the Planning & Zoning board for a property separation in order to rent out the house as that could produce substantial income.

2) Grand List Update email from Assessor

Chairman Makuch stated that on the first page there are positive changes in the net grand list but that the conversation gets more complex over the following pages. Stef Summers clarified whether the increase from real estate is all due to penalty assessments or whether some of it is from the open space adjustment. Chairman Makuch replied that the open space adjustment is accounted for somewhere, but he doesn't know which line. Selectwoman Wiczenski said it might not be a large enough number to be noted separately in the summary and directed the Board's attention to the summary stating that while there is a total increase of \$7,365,058, there will be a \$1,000,000 reduction from the abatement from senior housing. The net adjusted amount will be \$6,365,058.

Chairman Makuch asked for clarification on whether the \$1.9 million in penalty assessments is new or routine. Selectwoman Wiecenski said that the whole \$1.9 million is not made up of penalties but that Walter is looking at things with a very different lens than before. She said she could ask Walter to give a more clear explanation at the next meeting. Chairman Makuch stated a concern that people will appeal the penalties if it's new. Selectwoman Wiecenski replied that that hasn't been the case.

Selectwoman Wiecenski stated that 8 foundations were repaired but 18 new homes were reassessed and 1 was reclassified as a more severe crumbling foundation. Stef Summers inquired whether the forgiveness on evaluations is already part of this total. Selectwoman Wiecenski clarified that the individual homes listed are an additional \$2,436,360 reduction in assessment from FY 18-19 and the homes already identified have had no change in their assessment. The grand total of assessment reduction for crumbling foundations reaches just over \$10 million. That reduction is reflected in the summary numbers. Chairman Makuch noted that some of the foundation repairs are being completed and those numbers will go back up. Selectwoman Wiecenski replied that the numbers aren't equal; more houses have been identified than repaired and some people are still waiting.

Business Manager Donna Latincsics clarified that the increase in tax revenue is 0.87%, which is \$191,524 in tax dollars, or ½ mill.

OLD BUSINESS

No new news.

CORRESPONDENCE

No new correspondence.

GOOD & WELFARE

Chairman Makuch extended his wishes for everyone to stay healthy.

Peter Tanaka shared that he visited Selectman John Blessington and his stay has been extended to February 24th, but that today he looked better than any time in the last 6 months.

Christina Mailhos stated that in the next few weeks the CIP will be finished and put into the budget but that CIP doesn't know how much is available, so that conversation will be difficult. Chairman Makuch stated that he will add it to a future agenda, as business can't be discussed under Good & Welfare. Selectwoman Wiecenski noted the complexities of the process. Stef Summers asked to include a discussion of CIP growth year-to-year and the budget surrounding that.

Stef Summers inquired about the current fund balance projection for the end of FY 19-20. Donna Latincsics stated that all expenditures will be spent and tax revenue has historically been about \$100,000 above budget favorably, so to make a general estimate, take last year's fund balance, subtract \$160,000 for the truck for Public Works and \$50,000 to Willington Hill Fire Department and add \$100,000 for tax revenue, so the fund balance is approximately \$110,000 less than last year. She stated she would provide explicit numbers at the next meeting.

Peter Tanaka made a motion to adjourn the meeting at 8:23pm.

Mike Perry seconded the motion.

Vote: 5 Yes (M. Makuch, P. Tanaka, S. Summers, C. Mailhos, M. Perry), 0 No.

Respectfully submitted,
Marysa Semprebon
Recording Secretary