

Town of Willington

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BOARD OF FINANCE

**Budget Meeting Minutes
Lower Level Conference Room**

**February 27, 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
Stephanie Summers
Christina Mailhos
Mike Perry - Alternate

Members Absent:

Also Present:

Selectwoman Erika Wiecenski
Superintendent Phil Stevens
Library Director Clevell Roseboro II
Business Manager Donna Latincsics
Board of Education Chairman Herb Arico
Library Chairman Cari Donaldson
Members of the Public

Chairman Mike Makuch called the meeting to order at 7:10pm.

SEATING OF ALTERNATES

**Peter Tanaka made a motion to seat Mike Perry for the position vacated by Barry Wallett.
Geoff Prusak seconded the motion.
Vote: 5 Yes (M. Makuch, G. Prusak, P. Tanaka, C. Mailhos, S. Summers), 0 No**

APPROVAL OF MINUTES

**Peter Tanaka made a motion to table the approval of minutes.
Geoff Prusak seconded the motion.
Vote: 6 Yes (M. Makuch, G. Prusak, P. Tanaka, C. Mailhos, S. Summers, M. Perry), 0 No**

PRESENT TO SPEAK

No-one present to speak.

NEW BUSINESS

1) Board of Education (BOE) Presentation

Board of Education Chairman Herb Arico introduced himself and the Board of Education budget. He stated that the goals for student growth and success and school culture and climate development are embedded in the budget. The budget includes strategic investment in school facilities. When the budget process began last October, staff gave administrators information on what they needed, then administrators met with the superintendent who met with town administrators to further refine the budget. The BOE held 3 workshops and went over every line item; the public made comments at that time and it was very helpful. There are certain fixed costs within the budget over which the board has no control – salary, benefits, insurance, special education costs, transportation & utilities. Discretionary funds on which the BOE has input include supplies and professional development. Reductions anywhere in the budget diminishes the quality of the presented budget.

The budget is broken out in different sections to make it easier to understand, e.g. Program 1 Center School Elementary Education K-4. Herb spoke about the number of students at each school (238 at Center School and 202 at Hall School) as well as the numbers being served by Special Education (approximately 80 students). He continued that certain expenses are offset by grants, which are noted in the budget. Herb highlighted the fact that the Board of Education shares some services with the Board of Selectmen to reduce costs in finance, HR, IT, utilities contracts, landscaping, and insurance.

Herb continued that a disconcerting area for the Board of Education are the 380 unfunded educational mandates which are handled by staff and administration, including but not limited to written reports and teacher evaluations. Complying with these mandates impacts schools and takes up administrator time. The BOE budget is a balance between student needs and the services the town can provide. It is the BOE's job to advocate for students and the budget presented tonight will provide the best educational opportunity possible for our students in line with the ability of the community to support the educational program. In the past the town and the Board of Finance has been supportive of educational programs even during difficult times.

Superintendent Stevens recognized that putting together the Board of Education budget takes work from many people to get to this point. He went over the second packet with simplified information and invited questions from the Board. He stated that the goals are included in the budget because every dollar the BOE spends is tied to one of the broad goals.

Regarding budget assumptions, many districts have multiple placeholders for insurance, so holding only one is lean. He noted that the district pays for any special education outplacements. As of now there are 3 out-of-district placements budgeted, but that can change if someone moves into town or an outplacement is decided upon at a spring Planning and Placement Team (PPT) meeting.

Regarding unfunded mandates, although many of them are reasonable items, there is a cost to comply with many of them. For example, when CPI (de-escalation) Training was first rolled out, it was a mandate for every staff member. When districts had problems with the expense, the state

changed it to only required of certified staff, then just the school crisis team who must maintain certification.

Superintendent Stevens emphasized that about 97% of the budget is contractual between salaries, benefits, and purchased services. If something in the budget is changed, it's a program that's connected to a person. He continued that even though the list of purchased services is long, those things are critical to the operation of a district. For example, a student operating system is required and Willington uses PowerSchool. Discretionary funds, which make up the final 3% of the budget, refers to supplies and books that teachers need in classroom. Compared to other districts, 3% for supplies is low.

Regarding the increase in Program 3: Special Education, Superintendent Stevens stated that the spending is required. The additional out-of-district placements, between tuition and transportation, is \$223,000. He elaborated that the increase in Special Education was much higher, but the school district adjusted its paraprofessional hiring process this year to hire internally to the Willington union instead of contracting out. This has allowed them to add 3 paraprofessional positions and still save \$40,000. Although costs have gone up, they are constantly looking at how to be more efficient with the funds that they have. Paraprofessionals are required when a student has an identified need within their Individualized Education Plan (IEP).

Regarding the increase in Program 9: Systemwide Support, support from NOVUS is shared between the school district and the town and the service they provide has exceeded expectations. There was a significant attack from Russia which stalled the system and without NOVUS's huge support staff, the town could've been in a potential ransom situation. For the cost, it's a great deal and offers more than other towns with internal IT staff are able to get.

Additionally under Program 9, the BOE is proposing to invest in Raptor, which is a software that provides background security check at both schools. When someone walks in the building, a sex offender check is done right there by the software, then it prints a sticker which lists where they're going, their picture, and their name. Adding this software would require writing a new policy, but is a necessity.

Peter Tanaka inquired whether Raptor is part of the unfunded mandates. Superintendent Stevens replied that it is not, but is a security recommendation. Districts have to make choices about the best way to use their resources for costly security features.

Regarding the increase in Program 10: Fringe Benefits/Substitutes, the majority of the increase is due to long-term substitutes. Superintendent Stevens explained that when a staff member is out for an extended period of time due to the Family Medical Leave Act (FMLA) and has sick days saved up, the district pays the daily rate of the long-term substitute and the daily rate for sick time to the person who is out. The district averages 125 days per year of double pay due to this situation. The BOE has been lucky to find ways to cover those costs with excesses elsewhere, but this is the first year they've created a line of about \$31,000 to cover 125 days of a long-term substitute. Besides Raptor and the long-term substitute line, there are very few new things in the budget.

Regarding ongoing efforts for savings, to save on fuel costs under transportation, Superintendent Stevens created some group bus stops. Instead of busses starting and stopping at every house in a neighborhood, he worked within the existing policy and spoke with all parents individually to have students walk to one location when safe. The district is tracking it over the year but is already seeing significant fuel savings.

Additionally, Willington pays more to transport students to E.O. Smith than Mansfield does, because Mansfield then uses the same busses for their primary routes and only carries one bus contract where Willington carries two. Superintendent Stevens met with the E.O. Smith superintendent and M&J Busing with the goal of forming a joint contract to share buses. The tradeoff to sharing busses would mean adjusting the start times for Willington schools. It is still in conversation but if everyone agrees, it would adjust the middle school times a little later. He explained that the schedule for the buses would look something like dropping off high school students at E.O. Smith, picking up all the rest of the combined Willington middle and elementary school Willington students, which many districts do, dropping middle school students off at Hall School, then dropping elementary students off at Center School. Even if it requires another couple of buses due to combining middle and elementary school routes, due to the fact that the costs are split, they are hoping that this plan will cause significant savings. There is still work to do on this plan.

Peter Tanaka noted that a later start time would be better for middle school students, and Superintendent Stevens agreed.

Regarding Insurance, there is nonstop work by brokers in this area to lower costs and go out to bid to look for ways to lower costs.

Superintendent Stevens spoke about the \$283,273 in grant offsets that are included in the budget. 98% of the grants received are put into the budget as offsets and do not create extra money. He detailed that the Excess Cost Grant amount is 10 times higher than last year because the district gets back about 70% of the cost to educate students with special education needs when it's over 4.5 times higher than the average per pupil expenditure. With rising special education costs, they are expecting \$100,000 back, which is in the budget as an offset.

Peter Tanaka inquired whether the town has many special education students who cost more than 4.5 times the average to educate. Superintendent Stevens replied that it is a small number of students and that per state statute, the amount back is supposed to be 100%, but it hasn't been in years.

Superintendent Stevens referenced Willington enrollment information, which for 6 years in a row has been steady between 430 and 440. Based on this data, enrollment has outperformed projections and is no longer declining.

Regarding monies returned, Superintendent Stevens pointed out that the Board of Education has returned over \$1 million over the last 10 years. The smallest amount was in the last fiscal year, and he reminded the Board of Finance that they put that \$5,559 into the 1% account and it has

already been spent on a special education audit. Last year the school district was on a freeze from December to the end of year, so it was already a tight budget. Superintendent Stevens told the Board that they wondered if they would need to freeze the budget again this year due to special education costs, but insurance savings will cover it.

Superintendent Stevens finished by saying there is a lot of talk in the community about school and building projects. He said that as long as a town has two school buildings, it needs to fund two schools. This budget is what it takes to fund two schools. As soon as you put all students in one building, you see some savings in the operating budget.

Peter Tanaka inquired whether there is information from state yet regarding Educational Cost Sharing (ECS). Superintendent Stevens replied that the projection hasn't changed in a long time and is down approximately \$38,000. Clarification was made that the ECS money doesn't come directly out of the Education budget; the Board of Finance combines all town budgets, applies all grants, and looks at the bottom line. It's a reduced revenue stream that goes into the General Fund.

Stef Summers inquired how many students are in the special education program. Superintendent Stevens replied that it is around 80 students. He added that they just did an audit of the special education program and are now working on an executive summary and action plan based on the report. The action plan will highlight strengths and make recommendations and will be shared soon.

Stef stated that she knows that the school supplies were decimated when the budget was frozen last year and inquired whether the supply lines have been restored to a good degree in this budget to make sure teachers have what they need for supplies this year. Herb replied that teachers had the opportunity to ask for what they needed and administrators put that in budget. Superintendent Stevens added that the supply lines were left alone. The Board of Education agreed as a whole that supply lines are sacred. They're already small amounts and every dollar is stretched. Teachers are shopping for the best sales on a regular basis.

Mike Perry inquired about the savings in creating group bus stops. Superintendent Stevens replied that he doesn't have a full projection but has tracked it in September and October and saw approximately \$2400 savings.

Mike Perry inquired about the timeline on the combined bus contract. Superintendent Stevens replied that it would have to go through both Boards of Education (Wilmington and Region 19) to sign, and then to the bus company. Because M&J Busing would be losing money on this deal by losing a bus contract, they would likely be looking for a longer 5-year contract which would go into play for next year, but the numbers are unknown so are not reflected in the budget.

Mike Perry inquired how many salaried positions are in the school district. Superintendent Stevens replied there are approximately 100 staff members. Mike inquired how many of those staff are part-time. Superintendent Stevens replied that he wasn't sure off the top of his head but that it's a very small number. Mike inquired whether salaries for part-time employees are contractual as well. Superintendent Stevens confirmed and added that benefits included are prorated for part-time employees.

2) Instruction to board members re: review of budget requests on 3/12

Chairman Makuch stated that March 12 is the day the Board of Finance will really start digging into discussions as far as what needs to be done with each budget. He asked that if any board member has questions, e-mail those questions to him so the questions can be collected and sent to the responsible party to get answers back by the time the Board is reviewing the budget. Selectwoman Wiecenski added that this allows the budget presenter to have specific information available at a meeting.

OLD BUSINESS

1) School Roof(s) – funding request

Superintendent Stevens stated that the Requests for Proposal (RFPs) were due yesterday and there were 4 submissions. They have been opened and are under review. The recommended motion is to hold a Town Meeting to allow them to complete the state grant application.

Chairman Makuch inquired whether we are confident that these roof projects are eligible for the grant reimbursement. Superintendent Stevens replied that the Board of Finance gave direction to move forward with the project and apply for the grant. The response he was given at the state level is that Willington will have to pay back a portion of the bond if it stops using a building as a school before 20 years, but is allowed to apply for the grant.

Chairman Makuch inquired what potential payback there would be if the town vacates these buildings. Selectwoman Wiecenski replied that the town doesn't know the answer to that until it's known whether the building will be vacated. Chairman Makuch stressed the difference between the town knowing whether they are approving a \$400,000 project or a \$1 million project. Peter Tanaka stated that even if it is a million dollars, it has to be done.

Superintendent Stevens added that the patching project is almost done and there was no rain in the buildings today.

Mike Makuch made a motion to recommend the Board of Selectmen call a Town Meeting to authorize the appropriation of \$448,350 from the Capital Reserve Fund for the purpose of Center School partial roof replacement project.

Peter Tanaka seconded the motion.

Superintendent Stevens elaborated that the amount in both motions doesn't match what was approved in the Capital Improvement Plan (CIP) because the cost of patching has been removed from those amounts.

Mike Perry inquired about the warranty on the roof replacement. Superintendent Stevens replied that he doesn't have that information yet, but it will be what the state requires for reimbursement.

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

Mike Makuch made a motion to recommend the Board of Selectmen call a Town Meeting to authorize the appropriation of \$605,050 from the Capital Reserve Fund for the purpose of Hall School roof replacement project.

Peter Tanaka seconded the motion.

Superintendent Stevens stated that the motions are separated because they have to be seen as 2 separate projects by the state for reimbursement. Peter Tanaka added that if the decision is made to stay in one school and not the other, they'll be separate projects for reimbursement.

Stef Summers inquired whether it's the same bidder for both projects. Superintendent Stevens confirmed that there will be an RFP for one architect and one construction company who can come in and do both jobs, but the costs of the projects have to be separated for the Town Meeting. Selectwoman Wiecenski detailed that the Town Meeting will be four separate questions, two about each project.

Mike Perry inquired how many companies were used to get the estimate. Superintendent Stevens replied that there is no estimate yet, but that this is the not-to-exceed number for the townspeople to approve based on current square foot construction costs. The state requires the town to put forward the full amount and then get reimbursed 64-67% as long as it qualifies. He further clarified that it ruins any opportunity of reimbursement if a town gets a quote before going to Town Meeting because it counts as starting the project.

Christina Mailhos inquired whether the motions should include the wording "up to" the amount. Selectwoman Wiecenski replied that it hasn't in the past and if money wasn't used it would stay in the budget. Chairman Makuch added that excess could then be rolled back into something else.

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

2) 0135 Board of Assessment Appeals (BOAA)

No-one in attendance to present the budget. The budget shows a 1.6% increase.

Geoff Prusak inquired whether state statute says Board of Assessment Appeals must be paid or can be paid. He pointed out that it is the only board that is paid besides the Board of Selectmen. Selectwoman Wiecenski replied that she is not familiar with the wording of the statute but that the BOAA receives their stipend for meeting twice per year. Chairman Makuch summarized that each member receives one third of \$1,065, or between \$300 - \$400.

3) 0517 Library Board (postponed from 2/6/2020)

Library Chair Cari Donaldson extended apologies on behalf of the library for being late to submit a budget and thanked the Board for its patience. She referenced the new library board and director and the difficult process of getting up to speed. She stated that historically the library hasn't shown much increase year over year, but it's necessary at this time.

Cari stated that the majority of the increase is linked to personnel, as the library is not in compliance with state guidelines and are working to change that. This budget reflects the first

steps toward hiring the proper amount of staff given the size of the town and also reflects the increase of minimum wage and budgeting for a 7% insurance increase. In order to be in compliance with state guidelines, the library hired a few additional pages and changed titles for their current staff. As seen on the handout, Willington Public Library payroll isn't close to state recommendations at each level, but they are making modest steps which are reflected in the asked increase for salary lines. She noted that another increase is the electricity line which has been under-budgeted for the last 3 years.

Cari recognized that the increase is large but noted how important it is in terms of being in compliance with state guidelines and therefore eligible to apply for more grants which will hopefully decrease costs in the future.

Stef Summers inquired about the changeover to the Town handling Accounts Payable and whether they have a sense of whether they're on track for line items that show no spending. Cari replied that there are a number of gaps which they are working on fixing. They have not had a fully staffed board including treasurer, so there have been some oversights, but she explained that they appointed the last two members on Monday. The first-quarter reports from when the library was doing its own finances need to be requested from the bank and plugged in so they have a sense of the expenditures. Library Director Cleve Roseboro II added that the first quarter has been reconciled and accounted for and that in the next few days will have an actual number but that fiscally, the library is being very conservative and there won't be any deficits. Selectwomen Wiczenski stated that the Town took over Accounts Payable on October 1 so they are working on putting together July through October.

Chairman Makuch inquired whether they anticipate having a number for year-to-date in the next week or two so it is available for budget discussions. Cleve replied that the problem is not on the town's end but that the bank was bought out and the history of the account is not available, so they had to go in and apply for it. They will be going to the bank on Saturday to add Cleve to the account so he can make that request.

Mike Perry inquired how long the library has been out of compliance and whether there are any repercussions for that, e.g. anyone requesting back pay. Cleve replied the library has been out of compliance for at least 10 years and that any repercussions like fines or citations would happen within the calendar year, so there is safety in that. He continued that there are two battles being resolved; the minimum wage increase and the increase to adjust salaries and titles to meet state guidelines. These changes allow the library to be listed in the index of compliance and show the state that they are moving in the right direction which can increase the endowment from the state in FY 20-21.

Chairman Makuch summarized that the repercussions are more in missed opportunities than negative consequences. Selectwoman Wiczenski clarified that these are compliance guidelines rather than requirements for operation. Cleve added that the missed opportunities were in grants to offset costs and that adding money to the library budget now would allow them to apply for those grants.

Stef Summers inquired why the salary is going down for the custodian. Cari replied that they have been looking at different avenues to reduce the custodial line item. Selectwoman Wiecenski added that they were looking into a similar cleaning service to the one the Town uses at a cost savings.

Christina Mailhos departed the meeting early due to a conflicting event.

Geoff Prusak asked for confirmation that the library still has the endowment from old local families such as Ruby and Hall. Cari confirmed and added that that money is not reflected on the budget as it is with the state and not easily touchable. Selectwoman Wiecenski added that it was invested as the BOF asked but that the library doesn't have to report private monies. Clevell mentioned a STIF account holding approximately \$10,000 left over from the building project which can go toward another capital campaign.

Geoff stated that for a long time the endowment was underutilized but when invested, even conservatively, could produce a revenue. Clevell replied that he will be looking to educate the new Library Board on the private funds and that they will be more proactive, as anything that can be offset by investments should be.

4) 0121 Tolland-Mansfield Probate District-updated information

Will be distributed to the Board. No action tonight.

CORRESPONDENCE

A letter from resident Douglas Roberts was distributed. Chairman Makuch stated that no action is necessary, but the letter presents an awareness of items to keep in mind. Selectwoman Wiecenski stated that the letter was addressed and sent to all three boards so, as with all correspondence regarding the school project, it will be included in the School Building Committee documents when that board is seated.

GOOD & WELFARE

Chairman Makuch extended welcome to new board members.

Peter Tanaka moved to adjourn the meeting at 8:28pm.

Geoff Prusak seconded the motion.

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

Respectfully submitted,
Marysa Semprebon
Recording Secretary