

**BOARD OF FINANCE/BOARD OF SELECTMEN JOINT MEETING
SPECIAL MEETING – MARCH 13, 2024
COMSTOCK COMMUNITY CENTER & VIA ZOOM**

BOF PRESENT: Matthew Raimondi, Stewart Koenigsberg, Sandra Arkell, Timothy Birch, Rudy Escalante, Prasad Iyer

BOS PRESENT: First Selectman Toni Boucher, Joshua Cole, Basam Nabulsi, Kimberley Healy, Ross Tartell

GUESTS: CFO Dawn Norton, Town Administrator Matt Knickerbocker

Call to Order

Chairman Matthew Raimondi called the BOF meeting to order at 7:00 pm.

First Selectman Toni Boucher called the BOS meeting to order at 7:00pm

Discussion on Fund Balance – CFO Dawn Norton

Ms. Norton asked to wait on Discussion on Fund Balance and present at a later date.

Presentation and Discussion of FY 2025 BOS Requested Budget

Ms. Boucher began the presentation by thanking the employees of the town and the Selectmen for all their hard work. She then began her review on the FY2025 BOS requested budget with the Board of Finance, outlining her priorities and reviewed the state of the town's budgetary needs along with how the board arrived at the current FY2025 budget request. She then handed over further review of the FY2025 BOS requested budget to Town Administrator Matt Knickerbocker (see attached presentation). The FY2025 requested budget is \$35,876,501 which represents a 4.07% increase over FY2024 approved budget. During and after review, discussion amongst the BOF and the BOS members with input from Town Administrator Matt Knickerbocker and CFO Dawn Norton. Ms. Healy posed the question to the BOF as to what next steps are. Chair Matt Raimondi noted that the BOF will continue their review of the FY2025 BOS requested budget and forward any follow-up questions to the BOS for response. Mr. Raimondi noted the BOF public hearings will be held at Middlebrook School Auditorium and invited the public to attend and participate. He also noted that the BOF Survey on the FY2025 budgets has been sent out and the deadline for responses are due by March 29, 2024 at 5:00pm. Mr. Raimondi also thanked the members of the Board of Selectmen and town employees on behalf of the Board of Finance for all their hard work on the budget.

Public Comment

- Steve Hudspeth of Glen Hill Rd. commented

Adjourn

There being no further business, Mr. Raimondi and Ms. Boucher asked for motion to adjourn the BOF/BOS Joint meeting at 8:27pm. Motion moved, seconded and carried 6-0 for the BOF and 5-0 for the BOS.

Respectfully submitted,
Jacqueline Rochester
(from video recording)

FY 2025 Board of Selectmen Proposed Budget

Budget Submission
to the
Board of Finance

March 13, 2024

Significant Factors

- Need to address conditions of Town facilities and space utilization.
- Contractual increases in labor rates per CBA's.
- Increase in cost of health benefit of 2%.
- Necessary increase in staffing due to workload:
 - Finance Dept. payroll position expanded (no longer shared w/ BOE)
 - Increase use of part time and contracted inspectors for Building and Health Depts.
- Increases due to state mandates
 - Increase in P/T polls workers to comply with Early Voting law.
 - Additional training costs for CERT volunteers.
 - Additional training for fire fighters.

Risk Factors

- Uncertainty concerning shifts in tax burden due to state-mandated property revaluation.
- Expected drop in vehicle values following the pandemic spike could reduce personal property tax revenue.
- Expected drop in conveyance tax following pandemic related spike in real estate sales due to lack of inventory.
- Expected increase in demand for essential services as new development increases Wilton's population.
- Increasing volatility in utilities (pending rate case at PURA; possible sale of Aquarion Water Co.)

BUDGET OVERVIEW**Summary Table**

	2024	2025	\$ Change	% Change
General Fund Operating (less debt svc)	33,412,794	34,632,148	1,219,354	3.65%
Capital	1,060,801	1,244,353	183,552	17.30%
Total	34,473,595	35,876,501	1,402,906	4.07%
Wages	16,048,275	16,406,531	358,256	2.23%
Medical	3,598,902	3,671,108	72,206	2.01%
All Other Benefits, Excluding Pension	1,935,809	1,973,328	37,519	1.94%
Pension Contributions	682,022	769,504	87,482	12.83%
Total Wages & Benefits	22,265,008	22,820,471	555,463	2.49%
Workman's Comp & Other Insurance	658,355	699,822	41,467	6.30%
Utilities	941,562	1,022,674	81,112	8.61%
Transfer Station Subsidy	308,828	308,828	-	0.00%
All Other Operating Costs	5,288,947	5,779,568	490,621	9.28%
Wilton Library	2,977,471	3,028,162	50,691	1.70%
Public & Private Nursing	972,623	972,623	-	0.00%
Operating Capital	1,060,801	1,244,353	183,552	17.30%
Total Excluding Wages & Benefits	12,208,587	13,056,030	847,443	6.94%
Total Operating and Capital	34,473,595	35,876,501	1,402,906	4.07%
Total Operating	33,412,794	34,632,148	1,219,354	3.65%

BUDGET OVERVIEW**Utilities – Electricity**

+\$65,400 vs FY'24 Budget

Electricity costs have been volatile, difficult to predict:

	Budget	Actual	Var%
FY'22	\$ 230,000	\$ 245,857	107%
FY'23	\$ 230,000	\$ 298,489	130%
FY'24	\$ 250,000	\$ 315,929	126%
FY'25	\$ 315,400	\$ 286,758	10%
		(3-Yr Avg)	(% vs Avg)

BUDGET OVERVIEW**Utilities – Hydrant Service/Fire Protection**

Hydrant fees reflect estimated Aquarion price increase:

FY'24 Budget: \$266,728

YTD Actual: 234,480

FY'24 Estimate: \$270,000 (at year end)

FY'25 Request: \$274,800

Change: 1.8% (vs. Est. Y/E)

BUDGET OVERVIEW

Utilities – Renewable Energy Payments

+\$5,000 vs. FY'24

- Payments made to Middletown Solar Farm Supplier.
- Town receives solar energy credits to offset portion of costs.

FY'24 Budget: \$20,000

YTD Actual: 18,100

FY'24 Estimate: \$ 21,000 (at year end)

FY'25 Request: 25,000

BUDGET OVERVIEW

Insurances

- Rates are established on the basis of claims history, industry experience.
- Seeing significant improvement in Worker's Comp claims.
- L.A.P. increases are due to legal coverage, vehicle claims.
- Historically underbudgeted vs. FY actual expenses.
- New consultant identified areas where Town was underinsured.

Most significant:

	FY'23 Bud.	FY'23 Act.	FY'24 Bud.	FY'24 YTD	FY'25 Req.
Worker's Comp	\$ 400,000	\$ 538,909	\$ 400,000	\$ 127,504	\$ 400,000
L.A.P/All Other	\$ 239,544	\$ 250,396	\$ 204,544	\$ 356,906	\$ 246,011

Notes:

- 1) Town changed consultants and switched to CIRMA in 2023.*
- 2) CIRMA has provided 3-year rate stabilization, proactive risk management program.*
- 3) Many uncovered legal claims are from prior period.*

BUDGET OVERVIEW**Pension Contributions****+\$87,482 vs. FY'24 (+12.83%)**

- Current DB plans are “closed” to new employees in departments now on DC plans.
- Payouts increase as employees retire, with lower \$ inputs due to shrinking pool of employees.
- Employer contribution must rise to maintain funding level.

	July 1, 2023	July 1, 2022
Number of members:		
Active employees	153	173
Terminated vested members	27	25
Vested in employee contributions only	31	29
Retired, disabled and beneficiaries	<u>301</u>	<u>287</u>
Total	512	514

BUDGET OVERVIEW**Staffing Requests by Department**

Dept.	Req.	Reason
Finance	0.5	Payroll/Gen Accounting
Annex	0.5	Customer Service-Land Use Dept.
Info. Tech.	0.5	Department Transition/Restructuring
<i>Ttl:</i>	<i>1.5</i>	

BUDGET OVERVIEW

Questions & Discussion