

**BOARD OF FINANCE/BOARD OF SELECTMEN
BUDGET REVIEW – MARCH 12, 2019
MEETING ROOM B
WILTON TOWN HALL**

PRESENT: Jeff Rutishauser, Peter Balderston, John Kalamarides, Walter Kress, Stewart Koenigsberg, Ceci Maher

ALSO PRESENT: Lynne Vanderslice, David Clune, Joshua Cole, Deborah McFadden, Anne Kelly-Lenz, Christine Finkelstein of the BoE, members of the press and public

Call to Order

Chairman Jeff Rutishauser called the meeting to order at 7:30 p.m.

Discussion of HB 7319

Discussion began on HB 7319-An Act Concerning Fiscal Independence of School Districts. Christine Finkelstein of the BoE and First Selectwoman Lynne Vanderslice gave a review on HB 7319.

Review of FY20 Board of Selectmen Operating Budget

Mr. Rutishauser and Mr. Kalamarides made a brief statement on behalf of the BoF thanking the Board of Selectmen for putting the budget together.

First Selectman Lynne Vanderslice then discussed the attached presentation for the proposed FY 2020 budget. She noted that the Board of Selectmen budget request is for \$33,811,304. Discussion followed and questions were asked and answered.

Adjournment

Having no further business, Walter Kress moved to adjourn, and the meeting ended at 9:07 p.m.

Respectfully submitted,

Jacqueline Rochester
(from video recording)

Att: Budget Presentation

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BUDGET REQUESTS SUMMARY

Budget requests total \$33,811,304 or a .92% increase over the current year budget as follows:

	<u>Request</u>	<u>Increase</u>
Operating Budget	\$32,801,407	\$ 481,679
Operating Capital	\$ 1,009,897	\$ (172,374)

The drivers of the increase are:

Increase in wages and “step”. With a less experienced work force base wages have been lowered, meaning annual increases will be greater to account for “step” movement which recognizes increased on the job experience

Increase in group insurance costs based on an estimated 8% increase for the HD/HSA plan and 6.5% for the PPO plan

Increases were offset by decreased costs in other areas

Walter Kress - Questions and comments on the 2020 Wilton Board of Selectmen Budget 031019

Summary Letter

1. Anticipate Collective Bargaining results?
 - a. Teamsters (DPW) and Fire fighters contracts expire on June 30th. We will be negotiating wages and benefits for Teamsters and wages and medical benefits for fire fighters. The contract for fire fighters' pension, with an effective date of July 1, 2018, has not been finalized.
2. How does consolidating utility and fuel costs improve cost management and accountability?
 - a. Chris now oversees all utility and fuel
 - b. Monitoring of usage through card system at the pump
 - c. Monitoring of Eversource billing through online capabilities
3. Given the focus on cost consolidation, has the WPS utility and fuel needs been reviewed for protentional inclusion in this BofS initiative?
 - a. Yes, that is their intention
4. How many positions are unfilled today vs. last year?
 - a. 4 full time positions as of today

Budget

1. HR Reserves p.1 (\$223k)
 - a. This can be discussed in executive session
2. Transfer Station p.1 \$100k Please share highlights of the operating model and cost sharing with Weston
 - a. Vendors have been interviewed for the study. Study will look at both operations with recommendations on the individual operations and opportunities to share. Weston just informed us they need to put this on a temporary hold. We will give them some more time, before deciding whether to go forward with the evaluation of our operations on our own.
3. Comstock p.1. (\$110k) Please explain what this represents
 - a. Parks and Rec programming is a self-sustaining fund, meaning the fee charged should cover all costs associated with programming. This item is to transfer the salary and benefits of the full time programming employee to the self-sustaining fund.
4. Rent p.3 1325 Has a study been conducted to ensure we are charging market rate rents where possible?
 - a. Historically properties were rented to employees at a discounted rate. Two of those tenants remain. They have received an annual increase on their rate. Market rate renters are compared to current rental market to determine appropriateness. This is an area we have asked the Real Estate Committee to look at, as being the landlord is a time drain on the DPW department. In some cases, these are historical buildings that we want to preserve, in others they are not.
5. Litigation p.7 46040 Why the increase?
 - a. Anticipated tax appeals because of the revaluation. Increased development, means an increased probability of a P&Z or Inland Wetlands appeal. Also in the last two years, unexpected and very costly comes up, (Aquarion, Café Ruche).
6. Labor Relations p.9 46035 What does this represent?
 - a. Legal fees for labor related issues. Decrease is due to two reasons: 1-We are now exclusively using Berchem vs Pullman. Berchem is at a lower rate. And, 2-some of the work is now included in the Berchem retainer.
7. HR Reserve p.9 40360 What does this represent?

- a. Same question as #1, see answer
8. Sand p.23 42710 Is \$35k savings result of carrying this year's unused inventory forward?
- a. yes
9. Salt p.23 42715 Is \$27k extra an expense to bring inventory back to one year?
- a. yes
10. DPW Equipment p.45 9031 \$355k in '19, \$307k in '20 and \$542k in '21. Is the large increase next year just a result of normal life of equipment or are they pushing equipment beyond realistic useful life with a risk of breakage during the year? We appreciate how resourceful you and they have been but want to be certain this is not false economics. Also, is this an area where we should explore sharing of costs with other communities of equipment used infrequently? I heard that Parks and Rec. explored sharing the acquisition cost, operation and maintenance of a turf plugger with four or five other communities but it was turned back due to legal concerns.
- We are purchasing based on when the equipment is needed. Neither the BOS nor I made any changes to this line item. As you can see on the capital schedule FY2021 includes a \$150,000 loader, which is an infrequent purchase.
 - We have and continue to investigate sharing equipment. Most equipment is used throughout the year or the season, which makes that equipment difficult to share. It is the less used equipment that is a possibility for sharing.
 - It is important to note, that Wilton and Weston and some of the smaller towns are larger in square footage than some of the area towns with a higher population. For example, Wilton is 27 square miles, Darien and New Canaan, which have populations that are 10% greater than are only 20 square miles. We are also maintaining more miles of town owned roads.
 - The discussions regarding the turf plugger were held in 2015. The issues were not legal, but rather operational. It never rose to Bill Brennen's level. It is highly likely that discussions would be different if they were held today based on this administration's focus on shared services and that of area towns and WestCOG.

Questions for BOS/BOF Budget Meeting, Tuesday, March 12, 2019

- The summary of the operating requests by department shows many proposed reductions. Could you go through each line item to explain the why and how of the reduction?
 - After you account for the reductions due to the change in the accounting for utilities and fuel, the other reductions are due to changes in medical selections, either because of change in family status or a change from PPO to HD/HSA or because of a difference between the choices of new employee vs the employee they are replacing. For example this is the reason for the reduction in the Tax Collector and BOS.
 - New employees on defined contribution plan versus former employees on the defined benefit plan. This accounts for savings in P&R unrelated to the change in accounting for fuel and utilities
 - Reduction is the salary of the expected hire for HR.
 - OPEB and Pension contributions are down, as discussed at those meetings.
 - Workman's compensation is down based on activity.
- On the other hand, there are several significant increases. For instance, why is Town Counsel increasing so much now.
 - See answer in Walter's
- There are items that should seem to be increased, yet are not. At this point, putting some significant money into the Economic Development Commission would make sense. Parks and Recreation is down \$85,000? Comstock is down \$109,500?

a. RE economic development:

- i. Monies are being spent in FY2019 for a Master Plan for the Wilton Center-as requested by the Planning & Zoning Commission. This will provide them with recommendations for zoning changes which will encourage development within the center. This will also include recommendations on tax incentives within Wilton Center. This is being funded through department savings and any excess monies in the ED budget.
- ii. Monies are being spent in FY2019 for a consultant to develop incentives related to historical property development. This is being funded through the existing ED budget.
- iii. We do not think there is a need to spend monies to encourage development along RT 7, as that is occurring organically and at a good pace.
- iv. Increased density will drive an increase in population which is necessary to sustain the retail and restaurant businesses we already have in town.
- v. The Governor has announced a new approach to Economic Development with CERC acting in a business recruiting capacity. We look forward to that effort bringing new businesses to Fairfield County, which we hope will help with existing office vacancies. Stamford, Norwalk, Fairfield, Westport and Greenwich have created a joint economic development group to do the same. If successful, this will also help our office market.
- vi. In September the BOS provided the Econ Development Comm with priorities. The commission has had some stops and starts due to turnover, but we expect to hear from them this month or next on what priorities they intend to address. To the extent that they do not undertake a priority, we will do so in house or engage consultants with funds we already have budgeted. See attached priorities.
- vii. We welcome any suggestions on additional efforts.

b. RE Parks and Rec and Comstock, see answer to #1

4. The transfer station continues to be a losing operation. Now with recycling costs increasing so greatly, what is the Town doing to solve the financial issue and still be a leader in recycling?

- a. We have a multi-prong approach:
 - i. The budget for the transfer station has been increased to reflect the anticipated cost of recycling
 - ii. See answer above about joint study of the transfer station with Weston
 - iii. We are changing our focus from recycling to reuse. We aren't discouraging recycling, but this is recognition that we are generating too much waste and we must reduce overall waste. Programming from Environmental Affairs will have this new focus. Recent meeting with Go Green and business community to discuss.
 - iv. I will note, we were able to shore up the deficit in the transfer station fund through savings in other areas of the BOS budget over the last few years.

5. What is "private school welfare"?

- a. The State Education Department provides the Town with a grant to provide social services to the private schools in Town. These are the costs, the grant is up in revenue.
6. Last year we heard why the fire department needed a dive truck. It was not a convincing argument. Why is it now in the budget?
- a. In their 2017 budget, the fire department requested a multi purpose emergency vehicle, which would also serve as the dive truck with a cost in excess of \$300,000. That

proposal was rejected. We are replacing the existing dive truck, which is past its useful life. The estimated cost \$75,000.

John Kalamarides

March 12, 2019

Questions for BOS

1. Please reconcile Revenue of \$4,753,424 entirely into following categories:

Supp. Auto Tax	\$800,000.00
Back Taxes	\$460,000.00
Tax Liens & Interest	\$270,000.00
Education Grants (CT State)	\$0
Town Grants (CT State)	\$838,703.00
Licenses Permits, Fees & Other	\$1,425,320.00
Interest	\$510,000.00
Other Revenue	\$449,401.00

2. Is TRS Contribution of \$462,951 for FY20 been confirmed? Should it be budgeted in Other Revenue as a contra revenue?
 - a. That is the amount for year 1 in the Governor's budget. We don't expect to know the outcome until the end of the session.
 - b. If it passes, the contribution will be a BOE expenditure, as the language of the bill says it is to be paid in the same manner as other teacher payments.
 - c. We are recommending that neither the contribution nor the ECS grant be budgeted for FY2020. The two amounts will offset each other assuming the BOE were to request charter monies to make the payment and revenues would be over by the amount of the ECS grant.
3. Can we expect FY20 MRSA Bonded Distribution of \$307,058?
 - a. It's in the Governor's budget and we continue to expect the funds for FY2019. We continue to watch both.
4. Why no rent projected for Marvin Tavern? Was it moved/added to Rent Town houses?
 - a. Yes, it was moved
5. What are #32560 Other Town Grants of \$93,135?
 - a. This is the state stabilization grant. It is also continuing in the Governor's budget. A couple of years ago it was set up by the state in exchange for other aid which had been eliminated.
6. What is chance that State will seize auto tax revenue (~\$6 million per LV) in FY20? Would this also include taking away \$800,000 of Motor Vehicle Supplement (revenue item)?

- a. We have no idea at this point whether SB431 or something similar will pass.
 - b. Yes, MVS will go away as those are vehicle taxes
 - c. Wilton's total is just over \$6 million
- 7. Why is Comstock fee revenue falling by 67%? Down from \$15,000 to \$5,000.
 - a. The driving school, which had permanent classroom rentals, has now opened up a branch in Wilton and is renting commercial space downtown.
 - b. Revenues of \$5,000 for reimbursement have been reclassified to offset the cost of the monitors. This allows for better management as the operation should be self-sustaining.
- 8. Is \$233,000 for #40360 HR Reserve "normal"? There are no historical numbers to compare this with.
 - a. Yes, we budget this every year. We can discuss in executive session.
- 9. Group Insurances in many labor categories are down significantly which is good. But is this sustainable or a one-year event?
 - a. This is not a one-time event. The FY2019 budget reflected the estimate allocation rates from Anthem at the time of the budget development. The actual rates came in slightly lower.
 - b. For FY2019 we budget the same medical insurance as the employee had for FY2018. Some ongoing employees changed from PPO to HD/HSA. Some had children age out of the insurance. Replacement employees came in at different choices. New non-union employees can only select HD/HSA, not PPO. Some of this savings is offset new employees on the family plan who replaced employees on a single plan.
- 10. But #40615 Group Insurances in Assessor Office Is way up, about 35%. Why?
 - a. As above, we have two new employees in the department with different choices.
- 11. Computer Hardware and Software Mtce. (#46305 & #46310) is up \$40,000. Why?
 - a. See detailed schedules consistent with what was provided last year
- 12. Town Hall Roof Repair (#47215) up \$44,500. Shouldn't this be a bonded project?
 - a. No. Our bonding policy is a cost of \$250,000 and above
- 13. Sand (#42710) way down, Salt (#42715) way up. Why?
 - a. See previous question
- 14. Transfer station up \$100,000. Has the Transfer Station Study commenced? Is this number realistic?
 - a. See above.
 - b. Yes, we feel it is a realistic goal.
- 15. Can Wilton share a Bushwacker (#53925) with other towns? Or borrow theirs?
 - a. No, this is used on a regular basis

1) Town Counsel – Are there emerging litigations that would lead such a large increase in Town Counsel fees?

- a. See above

2) Parks & Recreation

a. ~\$240,000 decrease in spending for 2020 across several sub-account. What activities are being curtailed?

- i. See schedule on change in accounting for utilities and fuel
- b. I've heard anecdotally about several activities duplicated between the Dept of Parks and Recreation and the BOE's Continuing Education Department. Is there any initiative afoot to look at opportunities for savings by eliminating such duplicate programs?
 - i. Discussion were held with BOE personnel, but there was an interest in sharing.

3) HR Department - Briefly describe the activities of the HR Department and the nature of the HR Reserve account.

- a. The HR department is responsible for all traditional functions plus labor negotiations. Sarah Taffel leads the negotiations up to the arbitration, if required, with consultation with our labor attorney. The labor attorney does not every labor negotiation session.

4) What is Private School Welfare?

- a. See above

5) I understand that BOE will be utilizing Trackside for their newly created Alternative High School. Will there be any rent or utilization fee revenue to the town as a result of this?

- a. This has been finalized as the Alternative HS has not been approved through the budget process.
- b. A recent meeting was held with Town Departments, including health, building and P&Z, to plan for this should it happen
- c. Any rental fee would be paid in the BOE budget, not the Town's

6) Was the Wilton Library successful in their fund-raising / fund-matching activities last year?

- a. They have indicated that they expect to earn the match. They held a campaign. They raised the full amount, over 70 new donors, though a significant portion was from existing donors.

7) Fire Department

a. What is Wilton's relationship the Georgetown Fire Department?

- i. The Georgetown Fire District is separate from the Town's Fire Department. It is a separate taxing district with the full taxing authority of a municipality
- ii. The district is shared by Wilton, Weston and Redding. The cost of the district is allocated to the three towns based on the grand list within the district. Wilton is approximately one-third of the district.
- iii. The residents of the district are eligible to vote on the budget at the District's annual meeting.
- iv. Rather than the Georgetown residents receive individual tax bills, the Town of Wilton pays their tax bills. This was a decision made years ago, presumably because the residents pay for the Wilton fire department as part of their Town of Wilton tax bill.
- v. The department consists of volunteer fire fighters and a combination of paid and volunteer ambulance personnel.

- b. Wilton used to have an all-volunteer (and/or partial-volunteer) fire department. While I recognize the town has grown in the intervening time, advances in fire prevention and safety have also grown dramatically, likely leading to less fire emergencies that require Wilton to maintain a standing 24/7 fire brigade. In the spirit of looking at savings opportunities, without diminishing the safety and security that our town residences enjoy:

- i. What recent studies have been done to understand the nature of the specific activities, over the past 5 – 7 years, done by Wilton's fire department, within Wilton and beyond?
- ii. The Fire Commission, by Charter, has operational authority for the Fire Department. This topic is on their agenda for the future consideration. The last study of the department was more than 10 years ago.
- iii. Are there overlaps in activities between Fire, Ambulance and Police that can be examined for potential savings opportunities?
 1. The Town's Emergency Medical Response protocols are required to be overseen and signed off by Norwalk Hospital per state statute.
 2. Police serve as the Emergency Medical Responders, therefore they respond to all medical calls.
 3. Fire fighters are EMTs, so they respond to calls that require an EMT
 4. WVAC transport patients to the hospital, so they are dispatched under certain circumstances
 5. The Wilton-Weston Advanced Life Support employees paramedics from Norwalk Hospital, which are housed in Wilton. They are dispatched for circumstances which require a paramedic.
 6. Wilton Police Dispatch dispatches police and fire, based on stated protocols. They transfer WVAC and WWALS calls, again based on protocols to CMED, which dispatched WVAC and WWALS

8) Capital Projects

- a. Brief overview of software spends by activity (finance, HR, police, fire, archiving) & IT strategy (entirely cloud-based).
 - i. See software maintenance schedule attached for ongoing software use. Capital includes major software acquisitions or upgrade. For FY2020 this includes moving from Microsoft 7 to 10 and server and backup upgrades. See attached for work to be performed by consultants.
- b. Where are there software/system duplications across towns departments that are not currently scheduled to be combined?
 - i. There are not any duplications.

FY 2020 Board of Selectmen Budget
February 4, 2019

BUDGET NOTES, cont.

Impact of Change in Accounting for Utilities and Fuel

	FY2019 Adopted	Reclassify for FY2019	FY2019 Adj	FY2020 Proposed	Adjusted Change	%
P&Z	\$ 1,891,585	\$ (3,006)	\$ 1,888,579	\$ 1,974,373	\$ 85,794	4.54%
DPW	\$ 4,556,080	\$ 430,304	\$ 4,986,384	\$ 5,313,765	\$ 327,381	6.57%
Recreatic	\$ 1,993,216	\$ (236,550)	\$ 1,756,666	\$ 1,733,811	\$ (22,855)	-1.30%
Police	\$ 8,407,525	\$ (110,270)	\$ 8,297,255	\$ 8,488,567	\$ 191,312	2.31%
Fire	\$ 4,935,885	\$ (80,478)	\$ 4,855,407	\$ 5,063,364	\$ 207,957	4.28%
	\$21,784,291	\$ -	\$21,784,291	\$22,573,880		

INFORMATION SERVICES

COMPUTER SOFTWARE MAINTENANCE

<u>Vendor</u>	<u>Used by</u>	<u>Purpose</u>	<u>Actual</u> <u>2017</u>	<u>Budget</u> <u>2018</u>	<u>Budget</u> <u>2019</u>	<u>Budget</u> <u>2020</u>	
New World	All	PR, GL, Permitting	\$ 37,240	\$ 39,102	\$ 40,275	\$ 42,000	
ARCGIS	Land Use, Assessor, DPW	GIS		\$ 27,682	\$ 28,512	\$ 25,000	
NexGen (120+ towns, State Police)	Emergency Services	Dispatching, Records Mgmt	\$ 21,000	\$ 21,630	\$ 22,279	\$ 26,000	
Nex Gen Net Motion	Emergency Services	Tech in the fire & police vehicles	\$ 3,936	2027	\$ 2,088	\$ 2,500	
NexGen NEXWeb RMS	Emergency Services	Records Mgmt upgrade	\$ 5,000			0	
NexGen alarm data conv	Police	On time	\$ 3,750				
QDS	Tax & Assessor	Prop tax assessment and collection	\$ 17,225	\$ 17,742	\$ 18,274	\$ 19,000	
Various	IS-Infrastructure	back up & recovery-all departments Infrastructure: , servers, network, VMWARE, windors server, SAN firewall, Datto	\$ 31,620	\$ 32,569	\$ 33,546	\$ 45,000	network mgmt improved Datto
Various	IS-security	Security software (name withheld)	\$ 13,405	\$ 13,807	\$ 14,221	\$ 18,000	SPAM upgrade
Logmein	all	remote login to work from home or on vacation	\$ 5,999	\$ 5,999	\$ 5,999	\$ 7,500	
Kyocera	all	Laserfiche-document retention	\$ 8,550	\$ 8,807	\$ 9,071	\$ 8,300	
Filemaker	all		\$ 5,132	\$ 5,286	\$ 5,445	\$ 5,455	
New England Geo	all and public	New public access to GIS		\$ 2,500	\$ 2,500	\$ 5,000	
SeeClickFix	all and public	New work request system		\$ 2,500	\$ 2,500	\$ 7,792	
Other			\$ 2,415	\$ 4,350	\$ 4,811	\$ 4,853	
Total			\$ 155,272	184000	189520	\$ 216,400	
Encumbrances, incurred but not billed. Paid in the next year							
Net Motion			\$ (1,968)				
ARCGIS			\$ 26,898				
Total			\$ 180,202	\$ 184,000	\$ 189,520	\$ 216,400	

INFORMATION SERVICES

MISC CONTRACT SERVICES

<u>Vendor</u>	<u>Purpose</u>	<u>2018</u>	<u>2018</u> <u>unique projects</u>	<u>2019</u>	<u>2019</u> <u>unique projects</u>	<u>2020</u>	<u>2020</u> <u>unique projects</u>
Various	GIS			\$ 10,000	install DPW trucks		
Consolidated Computing	Outsourced work: Sr Network Engineer (host servers, vmWare, & network storage	\$ 65,000	Installation of new PD host server & SAN	\$ 60,000	Server Installation	\$ 50,000	Continued upgrade and maintenance of SANs, Servers and Network
Systems Integration	Outsourced work: Sr Network Engineer, acting as system administrator (network switches, servers, firewalls and systems software)	\$ 110,000	New body cams New car cams Upgrade Micro- soft operating system software Installation of new software for workstation back up Upgrade email Upgrade the firewall server to Exchange 2016	\$ 102,000 Upgrade for Micro- soft Office (7 to 10) 45 Servers upgraded to Windows Server 2016 6 SQL servers to SQL server 2016		\$ 105,000	Continue upgrades of Window, Microsoft Server software, Exchange Server, Datto backup. Testing of Disaster Recovery and Business Continuity provisions
Other Consultants	for unique projects	\$ 5,000				\$ 5,000	
Wiring Contractor	as required	\$ 5,000		\$ 2,000		\$ 8,000	Add drops, repairs
Total		\$ 185,000		\$ 174,000		\$ 168,000	

Board of Selectmen Priorities for the EDC-FY2019

ACTIONS RECOMMENDED AGAINST THE FOLLOWING STRATEGIES FROM THE 2014 STRATEGIC PLAN:

EDC should take actions in response to requests from businesses or refer to appropriate town department Recommend EDC set as a priority
Signage-business expressed need for changes to ordinance-EDC developing a proposal.

Target Market prospective commercial and retail businesses looking to locate in Upper Fairfield County, specifically, small to mediums size companies as well as national and/or local organizations, specializing in professional and technical services, financial and marketing services, healthcare, film and performing arts, and other “clean energy” entities. Recommend EDC pursue

Identify gaps in local retail and services that the Town of Wilton wants. Recommend EDC set as a priority

Put together a contact list of current Wilton businesses and **Coordinate opportunities for business leaders to meet with First Selectmen, Board of Selectmen and WEDC e.g.,** (One-on-one meetings, Quarterly seminars or roundtables, Annual business development forum). Could be helpful. Recommend EDC partner with Library

Address the residential elements of economic development in the Town. Recommend targeted marketing of video/40 things

Foster an economic development climate within Wilton. Recommend increased EDC advocacy at P&Z

Explore incentive and business assistance programs. Recommend EDC set as a priority

Develop and execute a comprehensive marketing plan for the Town: articles, advertising, networking, internet and public relations. Recommend EDC set as a priority.

New Strategy: Explore regional efforts. (Example of one regional effort: FAIRFIELD FIVE: Greenwich, Stamford, Westport, Fairfield, and Norwalk). Recommend EDC pursue