



THE TOWN OF  
**WILTON**  
CONNECTICUT

# Board of Finance FY'25 Budget Proposal

## **FY'25 Operating Budget**

Presentation to the Annual Town Meeting

May 7, 2024

***Toni Boucher, First Selectman***

***Josh Cole, Second Selectman***

***Kim Healy, Selectwoman***

***Bas Nabulsi, Selectman***

***Ross Tartell, Selectman***



# Board of Finance FY'25 Budget Proposal

## FY2025 Budget Goals

- Provide the high-quality services Wilton residents and businesses expect at the lowest possible cost.
- Focus on cost savings, increase use of technology, software upgrades and appropriate staffing levels.
- Provide departments of public safety and first responders with adequate resources and training to respond to emergencies and protect the community.
- Create responsible budgets that protect the taxpayer's investments in school and town facilities by providing adequate funding for maintenance and repairs.
- Provide the oversight required to bring building projects in on time and within budget.
- Address crumbling infrastructure, overcrowding, lack of space, work place needs and no heat within the Town Hall complex.
- Provide assistance to those in need and enhance recreational and cultural activities while staying within budget.
- Pursue grant opportunities to reduce the taxpayers' share of funding of infrastructure and other initiatives.
- Modernize town government functions and responsive customer service to provide better taxpayer experience.



# Board of Finance FY'25 Budget Proposal

## Status Report – FY'24

- Construction began on new police HQ in January and is progressing well. Expected completion date: June 2025.
- Replacement of the Town's outdated financial management system is currently under way. Munis, the new system, will be "live" on July 1, 2024, to start the upcoming fiscal year. When completed, Munis will provide faster access to data, expanded functionalities and improvements in staff efficiency.
- The Town is upgrading/revamping its internal I.T. system over the next 6 months. Improvements will include heightened security against cyber attacks, file sharing capabilities, cost savings through software consolidation and reduced use of outside consultants.
- The Town is approaching maximum usage of its assigned sewer capacity with the Norwalk wastewater treatment plant, which could limit business growth and curtail new developments. Discussions with the City of Norwalk have been initiated and will continue until a resolution is reached.



# Board of Finance FY'25 Budget Proposal

## Upcoming Developments

New developments approved by P and Z Commission that are being built or for which applications are expected could impact future revenues and expenses:

- 141 Danbury Rd: 174 units. Expected occupancy beginning April '24
- 131 Danbury Rd: 208 units proposed. Public hearings held; decision pending.
- 64 Danbury Rd: 93 units proposed. Public hearing scheduled.
- Kimco/River Rd: 150 units proposed. Pre-application; formal application expected.
- 15 Old Danbury Rd: 204 units proposed. Pre-application, formal application expected by end of month.
- ASML: Projects on Danbury and Westport Roads approved; pending building permits
- Cannon Rd: 70 units proposed under CGS 8-30(g). Sewer allocation under appeal.
- 12 Godfrey Rd: 47 units. Approved, under construction.

**Approx. 940+ apartments**



# Board of Finance FY'25 Budget Proposal

## 2023 Grand List TOP 12 Taxpayers\*

• ASML US, Inc.	\$291,410,850
• CL & P Co.	\$144,589,460
• ASML US, LLC	\$97,040,230
• AvalonBay Communities	\$36,505,230
• REIF III Danbury. LLC	\$28,631,330
• Teachers Insurance & Annuity	\$23,988,930
• Wilton Campus 1691, LLC	\$22,976,660
• FDSPIN 141 DR, LLC	\$22,678,390
• Wilton 50 Danbury Road Owner, LLC	\$21,954,140
• Wilton River Park 1688, LLC	\$18,874,520
• Wilton Retirement Housing, LLC	\$18,283,020
• Wilton Medical Realty, LLC	\$17,008,350

\* Gross assessments.



# Board of Finance FY'25 Budget Proposal

## Review of Significant Budget Factors

- Need to address long delayed maintenance and repairs of school and town facilities conditions. Recent studies indicate over \$130 mm in necessary maintenance and space needs over the next 15 years.
- Staff increases due to state mandates and public safety requirements:
  - Increase in P/T polls workers to comply with Early Voting law.
  - Additional training costs for CERT volunteers.
  - Additional training for fire fighters.
- Staff increases 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.
  - Annex clerk from P/T to F/T to improve constituent services in Land Use, Health, Building, Public Works and Environmental Services departments.

NOTE: There are three department heads who each assume the responsibilities of 2-3 formerly separate positions. Town CFO is also the Town Treasurer and CFO for the schools, The Tax Collector is also the Assessor. The Assistant Director of Public Works is also the Facilities Manager for the town and the schools. This is unsustainable over time. Wilton has lost skilled staff to other towns as a result.



# Board of Finance FY'25 Budget Proposal

## Assessor's Office - Transactions Per Year

- 4,000+ in person visits
- 2,800 email requests
- 6,000 phone contacts
- 1,500 MV documents processed
- 460 Building permits registered
- 200 Address changes
- 1,100 Personal Property Declarations mailed and processed



# Board of Finance FY'25 Budget Proposal

## Tax Collector – Transactions per year

- 6,500+ Personal transactions in office.
- 4,000 Requests & response via email.
- 7,000+ Phone inquiries and transactions
- 10,500 Mail processing
- 24,000 Tax payments processed





# Board of Finance FY'25 Budget Proposal

## Town Clerk

### Annual transactions (avg)

– In-person	6,880
– Via USPS	765
– Via email	1,845

Transactions include vital records, land records, marriage licenses, sports licenses, trade name registrations, veteran's discharges, absentee ballots, liquor permits, notary services, dog licenses, transfer station permits.



# Board of Finance FY'25 Budget Proposal

## Police Operations

### Calls for Service- 14,300 –

- **A 5% increase from previous year** (*6,934 calls* were citizen-generated- **6,887** hours required to respond – does not include time for follow up)
- **Crashes- 386**
- **Offenses- 335**
- **Calls for Service Arrests- 177**



# Board of Finance FY'25 Budget Proposal

## Fire Operations

### Fire Marshal's Office:

- Total Inspections: **619**
- New Inspections: **209**
- Consultations: **56**
- Training Hours: **453**

### Fire Department Operations:

- Apparatus runs in 2023 – **3142** (not including Chief, Marshal responses)
- Hazardous Materials & Conditions Calls- **133**
- Fires- **42**
- Rescue/Medical- **1166**
- Incident totals- **2157**
- Training Hours- **6261** (avg. 240-260 hr. per FF) per year
- **Public Outreach & Education:** Deliveries **39** (includes at site, such as a school, or at fire station)



# Board of Finance FY'25 Budget Proposal

## Land Use/Buildings/Planning & Zoning

- Drop-ins (w/o appointments) approx. 2500 – 2750 per year.
- Average 50 calls a day, 12,000 calls per year

## January 1, 2023 - December - 2023 Total of 1,208 permits issued

- 15% are mailed in
- 60% are dropped off, some require one on one conversations
- 25% in person
- 60% in person for Non Fee related permits

## Annual inspections- 3,200

- Average phone calls daily -30 to 40
- Average emails daily - 30 to 40



# Board of Finance FY'25 Budget Proposal

## Public Works/Construction Management

- Police Station Building Construction Project (Construction Phase)
- Town-wide Paving Program –7 miles per year
- Bridge Program
- Scribner Hill Road
- Wilton High School Guy Whitten Field Lights (Design with P&R)
- Schenck's Island parking lot – (Construction)
  
- **Projects – Town Facilities**
- Town Buildings – Needs Assessment analysis
- Ambler Farms Yellow House and Ambler Farms White House
- Rental houses – Maintain 5 rental houses
- Custodial RFP for cleaning services
- Town Hall – Front Entrance, Windows, Boilers
- WVAC – Generator Replacement



## Town Departments Space Needs

### Parks and Recreation

- ***Usage: 90,000 visits in CY 2023- forecasted to be over 100,000 in CY 2024.***
- Parks and Grounds – Staff maintains 400 acres of parks; 4 miles of sidewalks.
- Playing Fields – 29 natural grass playing fields; 2 artificial turf fields.
- Merwin Meadow – Maintains playgrounds, beach, life-guards, lessons.
- Programs – 115 programs annually; special events; senior picnics; annual fireworks.
- Dial A Ride – Manages 3 vehicles; provided 6,388 rides to 148 seniors (CY 2023).



# Board of Finance FY'25 Budget Proposal

## Significant Budget Factors (continued)

- State-mandated property revaluation caused a shift in tax burden from commercial to residential.
- Drop in vehicle values following the sharp pandemic increase will reduce personal property tax revenue.
- Expected drop in conveyance tax following pandemic run up in real estate sales due to lack of inventory and high interest rates.
- Expected increase in demand for essential services as new development increases Wilton's population. More than 900 apartments in the approval process from P and Z.
- Increasing volatility in utilities (pending rate case at PURA; possible sale of Aquarion Water Co.)
- Loss of Federal ARPA funds
- Inflation and Wages and Salaries
  - Police: Current contract expires 6/30/24, Fire and Teamsters 2.50% increases per current contract
  - Salary contingencies are held in reserve pending CBA agreements.
  - GWI increases TBD, subject to annual performance reviews.



# Board of Finance FY'25 Budget Proposal

## Significant Budget Factors (continued)

### Moody's Bond Rating Agency Changes

- Moody's now requires the Town to maintain fiscal discipline and an "Available Fund Balance Ratio", or "Liquidity Ratio" of 25% to 35% instead of 10%.
- Available Fund Balance is the sum of a town's available fund balance across all governmental funds or net unrestricted cash/revenue.
- Many towns like Wilton have routinely used end-of-year excess fund balances and applied them to their upcoming budgets to help minimize tax increases.
- This practice is now strongly discouraged by Moody's and all other rating agencies.
- Towns have been informed that they should exercise **fiscal discipline** and the use of fund balance to reduce tax increases could result in a downgrade of a town's bond rating.





# Board of Finance FY'25 Budget Proposal

## Significant Budget Factors (continued)

### **Post-pandemic real estate sales have declined and will affect revenue:**

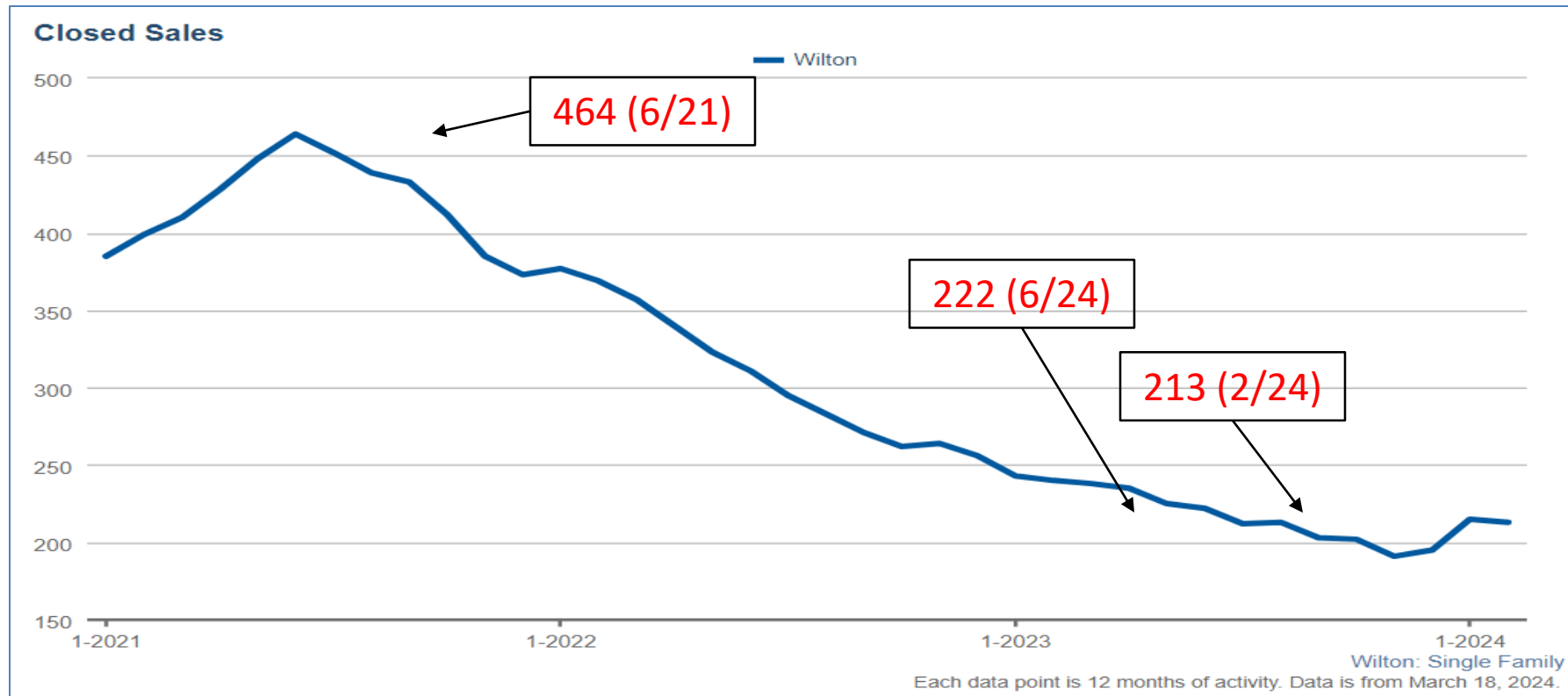
- Real estate sales peaked during the pandemic as people in large cities moved to the suburbs.
- Low real estate inventory ran up home prices. Many buyers offered \$200,000 to \$300,000 more than asking price making home values skyrocket, helping sellers but also affecting revaluations.
- Avg. residential increase = 35%, Avg. commercial increase = 15%, Avg. property increase= 28%.
- Real estate closings and available inventory have declined but prices of houses continue to rise.
- Conveyance tax revenue is predicted to drop by half.



# Board of Finance FY'25 Budget Proposal

## Significant Budget Factors (continued)

- **Conveyance tax revenue expected to decline sharply.**
  - *Real estate closings have declined by 54% since the pandemic-era peak.*

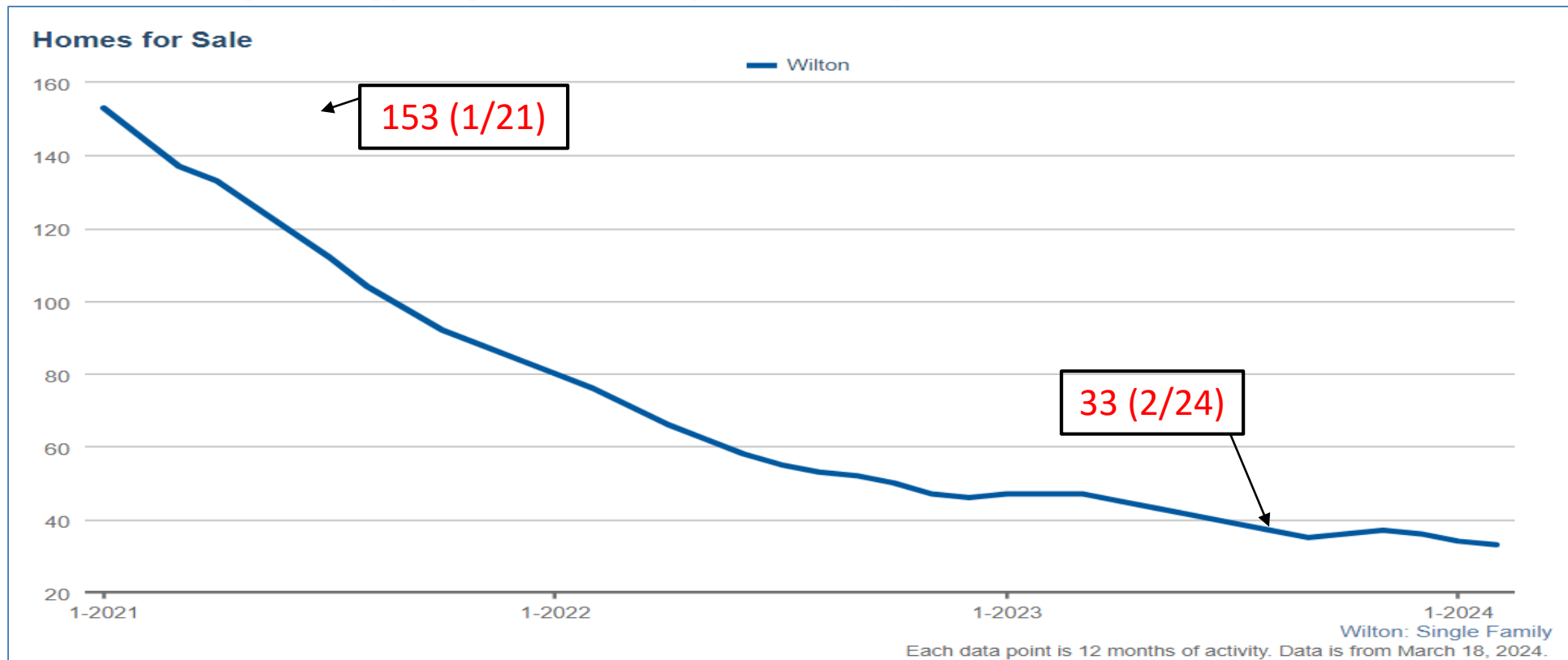




# Board of Finance FY'25 Budget Proposal

## Significant Budget Factors (continued)

- **Conveyance tax revenue expected to decline sharply.**
  - *Available inventory has dropped by 78% since the pandemic-era peak.*





# Board of Finance FY'25 Budget Proposal

## Budget Topline – Change Requests v Prior Year

• <b>FY' 25 Town Operating Budget Request</b>	<b>\$34,492,148</b>
<i>Increase \$:</i>	<i>1,079,354</i>
<i>Increase %:</i>	<i>3.23%</i>
• <b>FY' 25 Operating Capital Budget Request</b>	<b>\$ 1,244,353</b>
<i>Increase \$:</i>	<i>183,552</i>
<i>Increase %:</i>	<i>17.30%</i>
• <b>FY'25 Total Operating &amp; Capital (exc. Debt)</b>	<b>\$35,736,501</b>
<i>Total Increase \$:</i>	<i>1,262,906</i>
<i>Total Increase %:</i>	<i>3.66%</i>



# Board of Finance FY'25 Budget Proposal

## Summary of Expenses

	2024	2025	\$ Change	% Change
General Fund Operating (less debt svc)	33,412,794	34,492,148	1,079,354	3.23%
Operating Capital	1,060,801	1,244,353	183,552	17.30%
<b>Total</b>	<b>34,473,595</b>	<b>35,736,501</b>	<b>1,262,906</b>	<b>3.66%</b>
Wages	16,048,275	16,359,531	311,256	1.94%
Medical	3,598,902	3,671,108	72,206	2.01%
All Other Benefits, Excluding Pension	1,935,809	1,970,328	34,519	1.78%
Pension Contributions	682,022	769,504	87,482	12.83%
<b>Total Wages &amp; Benefits</b>	<b>22,265,008</b>	<b>22,770,471</b>	<b>505,463</b>	<b>2.27%</b>
Workman's Comp & Other Insurance	658,355	674,322	15,967	2.43%
Utilities	941,562	1,012,674	71,112	7.55%
Transfer Station Subsidy	308,828	308,828	-	0.00%
All Other Operating Costs	5,288,947	5,725,068	436,121	8.25%
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%
<b>Total Excluding Wages &amp; Benefits</b>	<b>12,208,587</b>	<b>12,966,030</b>	<b>757,443</b>	<b>6.20%</b>
<b>Total Operating and Capital</b>	<b>34,473,595</b>	<b>35,736,501</b>	<b>1,262,906</b>	<b>3.66%</b>
<b>Total Operating</b>	<b>33,412,794</b>	<b>34,492,148</b>	<b>1,079,354</b>	<b>3.23%</b>



# Board of Finance FY'25 Budget Proposal

## OTHER EXPENSES

### **School Nurses- (\$972,623)**

Other towns include this cost in their BOE budgets, Wilton BOS carry this cost each year

### **Ambler Farm (\$42,050)**

Complete new partnership agreement with Friends of Ambler Farm.

- Address growing capital needs with town-owned facilities at Ambler Farm.
- Continue to seek a grant funding for the Yellow House and Raymond Ambler projects.

### **Paramedics-Wilton/Weston Advanced Life Services (\$318,471)**

- Review and update partnership agreement.

### **Georgetown Fire District (\$510,000)**

- Payment of District property taxes for Wilton property owners taxed and served by the Georgetown Fire District.

### **Probate Court (\$20,000)**

- Mandated support of the cost of the Norwalk/Wilton probate court.



# Board of Finance FY'25 Budget Proposal

## Grants

- **Wilton Library (\$3,028,162)**
  - Funding as per public private partnership agreement.
- **Wilton Volunteer Ambulance Corps. (\$104,500)**
  - Support for volunteer-managed and staffed organization.
    - WVAC hires Norwalk Hospital EMTs for non volunteers
- **Route 7 Bus (\$5,000)**
  - *Funding support for Norwalk Transit District.*
  - *Provides transportation for the disabled and bus transportation from Norwalk to Wilton.*



# Board of Finance FY'25 Budget Proposal

## **Additional Information on Select Budget Lines**





# Board of Finance FY'25 Budget Proposal

## 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>	

*Note: Payroll/Accounting position was formerly shared with BOE Central Office.*



# Board of Finance FY'25 Budget Proposal

## Utilities – Electricity

+\$65,400 vs FY'24 Budget

- Energy costs have exceeded budget due to high degree of volatility and lack of heat in town offices that required the use of portable space heaters which consume much higher electricity.
- To stabilize costs, Town reauthorized contract at 10.9 cents/kwh for remainder of FY'24 through FY'25

	Budget	Actual	Var%
FY'22	\$230,000	\$245,857	107%
FY'23	\$230,000	\$298,489	130%
FY'24	\$250,000	\$315,929	126%



# Board of Finance FY'25 Budget Proposal

## Utilities – Hydrant Service/Fire Protection

Hydrant fees reflect estimated Aquarion price increase:

FY'24 Budget:	\$266,728
YTD Actual:	234,480
<b>FY'24 Estimate:</b>	<b>\$270,000 (at year end)</b>
FY'25 Request:	\$274,800
<i>Change:</i>	<i>1.8% (vs. Est. Y/E)</i>



# Board of Finance FY'25 Budget Proposal

## Utilities – Renewable Energy Payments

FY'25 Request: +\$5,000 vs. FY'24

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

FY'24 Budget: \$20,000 (Payment)

YTD Actual: 18,100

**FY'24 Estimate: \$ 21,000 (Est. payments at Y/E)**

FY'25 Request: 25,000

*Estimated Credits FY'25: \$29,000 (Credit)*



# Board of Finance FY'25 Budget Proposal

## Insurances

- Rates are established on the basis of claims history, industry experience.
- Significant reduction's being achieved in Worker's Comp claims.
- Liability-Auto-Property increases due to need for additional coverage.  
*Cybersecurity, fuel storage, increasing property values.*
- 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	\$ <b>538,909</b>	\$ 400,000	\$ <b>127,504</b>	\$ 400,000
L.A.P/All Other	\$ 239,544	\$ <b>250,396</b>	\$ 204,544	\$ <b>356,906</b>	\$ 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.*



# Board of Finance FY'25 Budget Proposal

## Pension Contributions (Defined Benefit Plans)

*FY'25 Budget Request: +\$87,482 vs. FY'24 (+12.83%)*

- Most traditional defined benefit pension plans are now “closed” to new employees.
- All new employees (except FD) are now on defined contribution retirement plans (401-k type).
- Payouts increase as employees retire, with lower \$ inputs due to shrinking pool of employees.
- Actuarial report recommended an increased contribution to maintain proper funding.

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



# Board of Finance FY'25 Budget Proposal

## FY2025 Budgeted Employee Costs

### ■ **Wages Rates**

- Nonunion: GWI increases TBD, subject to annual performance reviews.
- Police: Current contract expires 6/30/24 - to begin negotiations.
- Salary contingencies are held in reserve pending CBA agreements.
- Fire and Teamsters 2.50% increases per current contract.

### ■ **Staffing**

- Annex: Part-time land use receptionist/clerk increased to full time.
- Registrars of Voters: Increase in temporary help due to Early Voting Act.
- Finance Dept: Payroll clerk position no longer shared with BOE.



# Board of Finance FY'25 Budget Proposal

## Budget Risks

### General Risks

- Continued uncertainty over inflation.
- Litigation.
- Major Weather Event or Natural Disaster.
- Continued Nationwide and Statewide Police Officer Shortage.
- Lack of office space for employees.

### Legislative Initiatives

- Transfer of Responsibility for funding for Teacher Pension Fund.
- Potential expansion of 8-30(g) applications and resulting litigation.
- Potential for reductions in state ECS and SPED funding.