

**BUDGET MEETING MINUTES
TOLLAND TOWN COUNCIL
HYBRID MEETING
6th FLOOR COUNCIL CHAMBERS AND ZOOM**

March 20, 2023 – 7:00 P.M.

Members Present: Steve Jones, Chair; John Reagan, Vice Chair; Sami Khan, Lou Luba, Katie Murray, Tammy Nuccio, Colleen Yudichak

Members Absent: None

Also Present: Brian Foley, Town Manager; Lisa Hancock, Director, Finance & Records (Zoom); Mike Wilkinson, Director, Administrative Services; Dr. Walter Willett, Superintendent of Schools; David Corcoran, Director of Planning & Development (Zoom); Jim Paquin, Building Official (Zoom)

1. Call to Order: The Chair called the meeting to order at 7:02 p.m.
2. Consideration of the Town Manager's Proposed FY 2023-2024 Budget

Mr. Foley reviewed the presentation for each department noted.

- a. Planning & Community Development

Engineering Services

Mr. Jones noted that there was no performance data provided. Mr. Wilkinson said it would not be hard to add in the trend history, how much they've done on an annual basis over the last few years.

Ms. Murray asked if they know how much they have spent on professional services to date. Ms. Hancock said they did have some big projects, for example the Town Green, so they have used up a good chunk of the funds budgeted. She said she could get the number if needed. Ms. Murray said that wasn't necessary. She asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he believed it was.

Mr. Khan asked if they are billed by the job. Mr. Foley said they are provided with a cost estimate and then they are billed for the entire job.

Building and Inspection Services

Ms. Nuccio asked why payroll had such a large increase (9.72 percent). Mr. Foley said there was an approved percentage increase for the Building Inspector, plus an increase for a clerk/technician as part of the union negotiation.

Mr. Paquin said the budget was fully thought out.

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he believed it was.

Planning & Development

It was noted that the payroll increases were entirely negotiated raises and non-union staff raises.

Ms. Murray said the price for GIS software was phenomenal and that she felt it was great seeing this department becoming more user friendly. She thanked the department for their efforts, and asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Both Mr. Foley and Mr. Corcoran said they felt it was.

Public Health Services

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he felt it was.

Commissions – Inland Wetlands

Ms. Nuccio asked why the training costs have gone up. Mr. Corcoran said there is a required training mandate, including training time on affordable housing. He said there are early signs that the budget should be sufficient and they have enough to cover any overruns.

Ms. Murray asked if the temporary help line is for the recording clerk. Mr. Corcoran said it is. Ms. Murray asked if they could look into if they need a recording clerk for all of these commissions, or if a transcription service/recording could be used instead. Mr. Foley said he could look into it.

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he believed it was.

Commissions – Planning & Zoning

Ms. Murray expressed thanks to Mr. Corcoran and to staff for their efforts in streamlining services. She asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he believed it was.

Commissions – Zoning Board of Appeals

Ms. Murray commended the Zoning Board of Appeals for its good efforts in working with the Planning & Zoning Commission to make regulations changes that will result in

lower costs and fewer headaches for residents and staff. She asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Foley said he believed it was.

Commissions - Conservation Commission

Ms. Murray asked if the Conservation Fund, Open Space Fund or Open Space Maintenance Funds could be used for property maintenance of the town properties. Mr. Corcoran said the Open Space Fund can only be used for acquisitions. He said the Conservation Fund is a carryover fund for private donations and they may have some flexibility with that. He said he would need to get back to her about the specifics about what the Open Space Maintenance Fund can be used for.

Mr. Jones noted that the work of the Conservation Corp offsets a good deal of the maintenance costs.

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Corcoran said he believed it was.

Commissions Agriculture Commission

Ms. Murray asked if the funds are solely for the Campbell Farm and if they have a long term plan for that property. Mr. Corcoran said the funds are and they have a five-year lease and a cost estimate from Stavens Brothers for the well. He said there is a possibility they could get a grant from the State to pay for the well.

Ms. Murray asked about funds from rents of the properties. Ms. Hancock said she did not think they got a lot of rent and that money goes into the general fund. Mr. Corcoran said he believed it is about \$275/quarter.

Ms. Nuccio said she thought they had given the Agriculture Commission the ability to have a bank account. She said she thought the rent went to that account to offset the cost of maintenance. Ms. Hancock said she would need to look into that ordinance.

Ms. Murray said if they get \$275/quarter, it exceeds the department budget for the year. Ms. Murray asked if there was a balance in the Agriculture line from the Farm to Table dinner that was held pre-Covid. Mr. Corcoran said there was and the Commission was considering doing a scholarship, but he is not sure if that is yet settled.

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Corcoran said he believed it was.

b. Board of Education

Ms. Yudichak said she agreed that the proposed BOE increase of 5.96 percent is too high, but that they have been dealing with increasing costs for health insurance for a long time.

She said she felt frustrated as a member of the Council that ARPA Funds were brought up so late as they knew these funds existed for a long time. She said she felt this suggestion was orchestrated and only came up because of their earlier vote. She said she would not have supported a 5.96 percent increase but cutting it back to 3 percent is awful. She said he was cutting their budget in half.

Mr. Foley said no, he cut the proposed increase in half. He added that his recommendation was just a starting point for discussion and they need to work together to come to consensus.

Ms. Yudichak said she sent two emails for which she has not yet gotten responses. She asked why there had not been more planning if they knew the claims would go much higher. Dr. Willett said they worked with some vendors to lower their ask. Ms. Yudichak asked why she had not gotten any responses. Mr. Foley said he sent a request to Dr. Willett. He added that they pay a consultant quite a bit to avoid their planning from not being well thought out.

Ms. Yudichak said the BOE budget page on the website, updated March 15, 2023, shows a reduction of \$1.2 million but now it is \$700,000. Dr. Willett said the BOE was trying to impact personnel as little as possible and right now it is still a work in progress. It is the best they can do right now.

Mr. Luba asked if the insurance line item became an issue because they became self-insured and if costs then would be easier to predict. Mr. Foley said that was true. Mr. Wilkinson said they have been self-insured now for twelve years. Mr. Luba asked if this was an unusual year. Mr. Wilkinson said it is. They haven't had an increase like this in a while. He said it could be because of Covid or more screenings. It's been an outlier over the last several years.

Mr. Luba said that at the joint meeting, the BOE made it clear they did what they felt was best for the BOE and the school system. He said their job as Town Council is to look at this with the Town Manager and determine how it affects everyone – the mill rate, tax increases, etc. He said this is not a cut. It is just not as big of an increase as requested. Mr. Foley said that was accurate. Mr. Luba asked if it was true that Mr. Foley had researched the budget referendums to 2007 and found that budgets in excess of 3 percent passed only two times. Mr. Foley said it was true he used historical perspective to approach the budget.

Mr. Luba said as part of the joint meeting, they found that overall salary increases and fixed costs were 97 percent of the things they could not address. He said, knowing this, the BOE had years to address these issues. He asked if it would be a dereliction of duty *not* to bring up using ARPA funds. Mr. Foley said the Financial Director had made the suggestion and he in turn made that suggestion to the Council President and Vice Chair.

Ms. Murray said she wanted to reiterate that the Town Manager changing the BOE's proposal was very troubling to her, as the BOE had worked for months on their budget.

She said she has long been impressed by the BOE's ability to determine the best way to run the school system and determining the funding needed to do it. She said the BOE's priority is the needs of students and staff and that budget was passed on a bipartisan basis. She said it meets the needs of the school system. She expressed displeasure for the Town Manager making the starting point for discussion at 50 percent of the needed increase. She said it is not in the Council's scope to determine how the BOE spends its budget and both the BOE and Dr. Willett made it clear what the impact would be if they got less than what they asked for. She reviewed various impacts. She noted over \$500,000 in adjustments including such things as a change to the payment schedule for transportation, using the Special Education ERF and pricing for diesel fuel and heating oil. Ms. Murray said the Council needs to understand what the impact will be on students and that by making cuts over the years, they are slowly degrading the quality of education in town.

Ms. Murray said a suggestion had been made that the BOE had not properly planned for increases. She asked Dr. Willett what the average increase to the budget has been over the years and he said around 1.15 percent. She asked what would be needed on average to maintain a sustainable budget and he said 2.5 to 3 percent. Ms. Murray said we as a town have not done our job to properly fund the BOE over the last ten years and that it is not a lack of planning but a lack of the town providing sufficient services.

Ms. Murray asked about salary increases for the BOE. Dr. Willett said salary negotiations go through a process and the compensation is in the mid to low area. She asked Dr. Willett about the BOE's efforts to act as a fiduciary to the town. Dr. Willett said there are a lot of state mandates and a lot of specialized programs that needed to be created. He said over the last ten years they created many cost avoidance programs and have had to utilize teachers in areas they were never used before. He said they have fewer teachers overall, and he said there has been a transition of coordinators for curriculum to supervisors who can do much more. He said the District runs very lean.

Ms. Murray asked Ms. Hancock to explain the reduction in payroll outlined in the BOE section of the budget, notably pages 77, 79 and 329. Ms. Hancock said until they get a final budget, they just use two line items for reconciliation purposes. However, in no way does this mean the Town Manager is calling for payroll deductions.

Ms. Murray said she still has outstanding questions on insurance. She said she felt the information provided was for the amount of employer contributions and benefit payout for the Town and BOE combined and she would like to see a breakout for each side to better understand overall costs and contributions. Mr. Wilkinson said this is a tougher get as it is not normally done that way, but he should be able to do it.

Mr. Reagan went back to the referendum history. He said he agrees that his children had benefited from the schools. However, he said it matters not what they want and need but what they can reasonably get. He said last year the budget failed at a 3.5 percent increase. He said many will vote no if they see a 3.2 or 3.4 increase ask. He said people don't all

pay attention to what they do, and that he doesn't see the voters giving the Town and BOE what they want.

Mr. Reagan asked Mr. Foley if he thought the budget as it stands had a reasonable chance of passing. Mr. Reagan said he didn't think it would. Dr. Foley said it depends on your definition of reasonable. He said year after year referendums have failed when asking for something in the same neighborhood as the increase they are asking for now. He said, however, that with consensus and compromise they could pass a budget and still avoid polarization and escalating. He said they hired him to make difficult decisions and does feel this is a reasonable budget.

Mr. Reagan said using their past history as a guide, he did not feel they could get this budget to pass and that they will need to make more cuts, though he could not say where.

Ms Nuccio said she looked at the referendum history and there are always around 700 people who will vote no. Mr. Wilkinson said he learned never to put the same budget forward as they can expect to start with 800 no votes.

Ms. Nuccio discussed insurance. She asked Mr. Wilkinson if he could validate how much the consultant says they need to have in their fund to pay claims. She said she thought they tend to fund on the lower end of the spectrum to alleviate budget concerns. Mr. Wilkinson said part of being self-funded is that they do have some flexibility. He said ultimately the consultant has been okay with where they go percentage-wise. He said this year, the increase was very high. Ms. Nuccio asked if the money they set aside is based on projections or incurred claims. Mr. Wilkinson said it is based on past trends and industry projections.

Ms. Nuccio said if they look at the ratio for the claims amounts they are paying, the Teachers Union gets the best deal. She asked if they did a more even distribution across the board, would that reduce the impact on the budget. Mr. Wilkinson discussed the various plans, the town having just one, but the BOE having multiple plans. He said, yes, it would reduce the budget in that scenario.

Ms. Nuccio discussed the \$200,000 listed in open vacancies in the BOE, plus the increase in the substitute line. She asked Dr. Willett if all of those vacancies would be filled by July 1, 2023. Dr. Willett explained that there are different classes of jobs with many positions being covered by substitutes. He said that yes, they are funded in the budget, but those funds are being exhausted and will balance out by the end of the year. He said they are in a budget freeze right now and don't want to eliminate para positions. He clarified that they call them vacancies but they are being covered by others right now.

Ms. Nuccio asked if they are encumbering expenses they don't need to. Dr. Willett asked that she send him that request in writing and he will provide her with a full narrative that explains it.

Ms. Nuccio said to Mr. Foley she agreed with him, that she has heard the same complaints about the budget over the years. She asked, however, if he has seen Tolland homes decreasing in value. Mr. Foley said, no. Ms. Nuccio said Tolland remains an excellent place to live and that she felt the budget before them was fair and reasonable for the most part, perhaps with a few tweaks. She said she did not think the town would support a higher budget. She said she felt Mr. Foley did his job and put forward a budget that considers all 15,000 of the residents in town.

Mr. Khan asked for Mr. Foley's comments about whether he felt the budget was fair. Mr. Foley said his opinion is not relevant and it is up to the Town Council and the residents in town to decide. All he asked, he said, is that they look for consensus. He said it was a difficult decision but he felt it was fair. He said he will embrace whatever the Town Council ends up putting forward.

Mr. Khan asked Dr. Willett if he felt a 3 percent increase was enough to support the BOE. Dr. Willett said the question is complicated. He said they took a \$1.2 million hit on insurance and so the increase in insurance constitutes the entire 3 percent increase. As a result, this translates to a zero percent increase for the BOE. He said they have quite a few staff reductions. Mr. Khan asked Dr. Willett how he would speak to someone who cannot afford these increases. Dr. Willett said this is the nature of budgets. He said he respects the process. He said this is just an unusual year because of the huge lift they have to do with insurance. It is a tough situation.

Mr. Khan asked Mr. Foley what he would do if the Town Council or residents reject the budget. He asked where he would make cuts. Mr. Foley said he will do what the Council asks. He said this could fail with the ARPA committee. He said if it passes, though, then it would go to the Council for further discussion and they will work to come to consensus. He said he cannot decide where the BOE makes its cuts.

Mr. Khan encouraged residents to come out and share how they feel about the budget. He said they need to get engaged and invest in their town. He said if the ARPA committee says no, then they are in a difficult situation and he did not know where they will get the money that is needed.

Mr. Jones said there are members of the BOE in the audience today and he requested they strongly consider whether they can live with the 3 percent increase to the budget. He said they need to hear their perspective.

Mr. Luba asked Mr. Foley if when the budget was originally presented, if the ARPA funds came up as secondary. He asked if the budget did not consider ARPA. Mr. Foley said that was correct. Mr. Luba said it is poor planning to use one-time funding for operational costs, and he noted they did that once before. Mr. Luba said he has heard a lot of rhetoric about the impact on schools but said he would want to see some hard numbers on graduation rates, SAT scores, Mastery scores, and college acceptance rates. He asked Dr. Willett if he could get them some kind of metric for the last ten years that shows a

significant change in these numbers. Dr. Willett said there is an extension off the BOE site that has a data portal with that information.

Ms. Murray asked if numbers for class sizes, staff retention, changes in offerings, and other factors would be fair to also to consider what is happening to their schools. Dr. Willett said they would. Ms. Murray said that for students that can transfer high school credits to college, their families save on tuition so they don't want to lose offerings. She said the impact is about more than just test scores and asked that Dr. Willett add these items to the list that Mr. Luba asked for.

Ms. Murray asked Dr. Willett if this budget with a 3 percent increase is sufficient for the department to meet its goals and objectives for FY24. Dr. Willett said it will be very challenging if they have all these reductions. He noted their SAT scores are competitive but they need to also consider if they are able to adequately support the emotional and social needs of students, the retention of staff, and other factors. He said they spend a lot of time training teachers only to lose them to other districts that pay more.

Ms. Nuccio asked if foreign languages have been eliminated at the high school level. Dr. Willett said they haven't. Ms. Nuccio said it is high school foreign language credits that can be transferable for college credit.

Ms. Yudichak asked if their special needs student numbers are higher than in other towns. Dr. Willett said post-pandemic, their numbers are climbing but it is not unusual to the numbers in other towns. He said they could use more special educators and if interventions are not placed, they result in more issues. He said they are experiencing challenges with school readiness that is pandemic related. He said it is a challenge they are working on and it adds to the perfect storm they have been talking about.

Ms. Yudichak asked if the 3 percent increase is adequate. Dr. Willett said as Superintendent that is equivalent to a zero percent increase. He said he does not want to take away from the process but if they have the opportunity to offset it, this may be the year to do it.

Ms. Nuccio asked if they have anyone tuitioned in to the LEAP program. Dr. Willett said no; this program was designed as a cost avoidance. Ms. Nuccio asked if anyone has tuitioned in to the Tolland Business Academy. Dr. Willett said it is not supposed to be at this time.

Mr. Khan asked if the town has any surplus or savings anywhere that they can draw on. Ms. Hancock said the entire budget benefits from their investments and those funds are in the budget to offset overall costs. They can't take that revenue for the BOE. She said they could use some monies from the municipal stabilization funds. It would be a one-time revenue for a one-time expense. She said the problem with that is that you don't want to build a base that needs to be funded the next year, and the next. She also noted that the actual tax increase at this point would be 2.3 percent.

c. Solid Waste

Mr. Wilkinson provided an overview. He said next year is the last year of the refuse and recycling contract and prices will increase.

Mr. Jones asked Mr. Wilkinson how confident he was that they will be able to maintain some of the existing parameters such as one free bulky waste pickup. Mr. Wilkinson said everything is on the table.

Ms. Murray asked if they have a plan in place to manage these services. Mr. Wilkinson said they don't yet know the increase and this is a state/national/worldwide problem. He said Tolland doesn't have a transfer station. He said they have limited options but will work with their vendor to get the best deal they can, if that is what the Council wants them to do. He said the budget was \$400,000 more ten years ago but now the recycling market has tanked.

Ms. Murray said other towns have been creative in finding ways to address waste. She said this is a problem they should not ignore and they need to make efforts to address the cost increases.

Ms. Murray asked if this budget is sufficient for the department to meet its goals and objectives for FY24. Mr. Wilkinson said it is, but with a caveat. He said they are paying for recycling now but that amount could change if they did not estimate it right. Mr. Khan asked if they are in a contract. Mr. Wilkinson said they are, but they have been extending it with one-year addendums.

Ms. Nuccio said there is a farm in Coventry that is providing electricity for the Town of New Britain. They have anaerobic digesters that use compost/food waste to make electricity. She noted Ellington may be getting one as well. Because Coventry pays for the compost, it could be a revenue stream for Tolland. She said there is also a company in Beacon Falls that makes low carbon concrete using recycling glass. This low carbon concrete could help with crumbling foundations. She said this could be a way they could get paid for some of their recyclables.

3. Public Comment

Kate Vallo of 80 Tolland Green asked if it was okay with people if students lose their library services and other services. She said a higher budget should be expected and they should take the Town Manager up on his offer that the 3 percent increase is only ceremonial. She said they should consider using some stabilization funds.

Rebecca Risley of 103 Mountain Spring Road said some members of the Town Council were basing their comments on fear and past referendums. She said that is shortsighted for what their schools need. She said when the breaking point hits, it's going to be very hard on everyone. She noted Tolland offered Spanish and French at the high school level, but

Ellington offers that plus Latin, Portuguese and ASL. She said she supports the 5.96 percent budget increase request from the BOE.

Toni Moura of 42 Center Road said she is a one-income provider living below the median income in town. She asked the Town Council to make the budget discussion a transparent process and make their changes clear. She said they need to let residents know the tax implications. She asked that they keep the BOE's requested budget intact and said the BOE budget has not kept up with inflation.

Caroline Hargraves of 28 Charles Street said kids are not getting the services they need and they need more counselors. She said there is no more left to cut and they are destroying the school system.

Karen Moran of 50 Merlot way thanked the town for the shredding event. She said even though they offer foreign languages at Tolland High, some students still have to take it in college. She said a beneficial program like this should be district-wide. She said historically they don't do enough to sell the budget, and she supports the 5.96 percent requested increase to the BOE budget. She said it should be put to the voters. She said as high school Booster Club president, fundraisers aren't going to fix their problems but suggested that is where they are right now. Ms. Moran asked whether the Town Manager knows enough about the budget to independently reduce it. She said this is a dysfunctional, broken process.

Kenny Trice of 53 Doe Run said it may have been unintentional, but the conversation this evening too often telegraphed that we can't do this. He said they need to talk about what they can do.

Mary Rose Duberek of 37 Ryan Road said she has never seen the Town Council out actively promoting the budget and they need to do this. She said she did not like the defeatist attitude and supported the BOE budget as was proposed.

Heather McCann of 62 Crosson Drive said she appreciated the concerns of people on fixed or with lower incomes and Tolland should promote services they can get from the state and federal governments. She said they all have an obligation to their community and need to put their money where their mouth is.

Kate Howard-Bender of 103 Goose Lane said halving the requested increase from the BOE will result in negative impacts and that education is a way out of poverty. She said they have not been adequately investing in their town and they need to promote the budget and fight for a referendum to pass.

Dana Philbin of 11 Harvest Lane said the rhetoric that the BOE increase will increase taxes is erroneous. Any increase on the town side will increase your taxes. She urged people to go online and see how the increase will impact their bottom line. She said she did not feel the difference between a 3 percent increase and a 5 percent increase was much different. She said the reality of the situation is that this could result in cutting personnel, and they need to fund

all aspects of their community. She said the scare tactics need to end, and they need to promote and support education in town.

4. Adjournment

Ms. Nuccio motioned to adjourn the meeting at 10:14 PM.

Ms. Murray seconded the motion.

Discussion: None.

All voted in favor.

Motion passed unanimously.

Respectfully submitted,

Annie Gentile

Town Council (substitute clerk)

Town Council Chair