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BOARD OF FINANCE SPECIAL BUDGET MEETING

Board of Education District Office Conference Room

Thursday, February 24th, 2022

7:00 PM

A meeting of the Board of Finance was held on this date at the Stonington District Office Meeting Room. Members present were Chairman Timothy O'Brien, Mr. Fauerbach Fauerbach, Ms. Downie Norman, Ms. Young, Mr. Statchen Statchen, and Chris Johnson.

Chairman O'Brien called the meeting to order at 7:02 pm. A brief sentiment was said about the ongoing Russia/Ukraine geopolitical conflict, with the Chairman offering thoughts and prayers regarding Ukraine while hoping for an amicable resolution between the two countries.

New Business

Budget Presentations

WPCA (no CIP items): Mr. O'Brien stated that Mr. Nettleton, the WPCA Director was unable to attend tonight's meeting to present the WPCA general fund budget due to a family emergency. In lieu of Mr. Nettleton presenting, Ms. Chesebrough, the First Selectman, provided a general overview of the WPCA budget. She asked the board if they had any questions about the WPCA budget request. The Chairman noted that there's only a 0.18% increase in the WPCA 2022/2023 request over prior year bringing the budget to \$353,445.

Mr. Fauerbach, noted for the Board that the Town continues to subsidize the WPCA's general fund budget with \$250,000 for the 2022/2023 fiscal year and questioned whether some of the operating funding could be used to complete a study to develop a long-term, sustainable WPCA plan, noting that continuing to operate three separate facilities is very costly. The First Selectman explained that the \$10M Bond issued last year, does include funds for a long-term Facilities Plan, which should address these types of concerns.

Ms. Young added that the facility study hasn't happened yet, as the Mystic moratorium was only recently lifted, but there are things coming to the Grand List that were previously prohibited due to capacity. Ms. Young also updated the board on the ongoing the I&I study which is also being partly funded by the bond funds. Ms. Young explained that the \$250,000 request will help offset the trailing period in which rates have been collected (despite the significant rate increase imposed last year), but she is unsure how much the rates will currently bring in – due to recent electrical costs and other circumstances – and that the WPCA may still be in the red.

Mr. Fauerbach stated that he understood the situation, but was still suggesting a long-term study to help improve plant efficiency. Ms. Young explained that there really isn't an opportunity for better efficiency with three plants – with the benefit being that a new, potentially \$100M single plant built for additional capacity is unnecessary. Ms. Young outlined that on a 10-year timeline,

there was major infiltration found coming from the Mystic River, which freed up a good deal of capacity, and that the diversion was done properly so perhaps this can be postponed an additional 15 to 20 years.

The Chairman called for additional questions, and with none being made, moved on to the next agenda item.

General Government with CIP:

First Selectman's Budget

Ms. Chesebrough introduced the First Selectman's Budget by **explaining** that the Department covers a wide array of programs and commissions, such as the **Shellfish Commission**, Facilities Committee, Economic Development, Elections, Beautification, Emergency **Management**, the Town Clerk and more. Ms. Young inquired about the **Payment to Other Civil Divisions**, to which Ms. Chesebrough deferred to Director of Finance, Mr. Sullivan.

Mr. Sullivan explained that the "Payment to Other Civil **Divisions**" is a formula-driven payment to the Stonington Borough, to reimburse the Borough for **taxes** that that the Town has assessed on Borough Residents, for which they are **receiving** no services, which in this case is Highway Department services. Since the Borough **has its own** highway department, the Town does not maintain the Borough's roads or infrastructure. The **amount** of the payment is calculated by determining how much in tax dollars the **highway department** has spent on roads and infrastructure and other capital **items** related to **road** maintenance, that the Borough did get any benefit from. These **amounts** are **put** into a formula which calculates the amount of the reimbursement due back to the Borough. This **payment** waxes and wanes each year depending on how much the Town **spent** in **any** fiscal year on highway projects, in the prior year.

Mr. O'Brien asked the First **Selectman** for clarification regarding the funding request for the SEAT bus **service Program**, and **whether** it was actually the state asking for additional funds, to which Ms. Chesebrough **explained** there's a small increase due to the on-demand SEAT bus pilot program that utilizes **smaller** buses and provides transportation to specific target areas. The First **Selectman** explained the **pilot** program was first utilized in Stonington as a pilot program, and is now being **tested** in New London as well, and that the program is working well. Mr. O'Brien asked if the **\$778** increase was based on actual costs, to which the Ms. Chesebrough responded that it's based on **anticipated** operating cost increases in 22/23. Mr. Fauerbach asked if the SEAT program received any funding through the CARES Act and ARPA funds, to which Ms. Chesebrough responded that it did receive funding. Mr. Fauerbach advised that this item is worth keeping an eye on, as the grant subsidies will no longer continue past the 2023 fiscal year, to which Ms. Chesebrough responded that the Town will keep tabs on it closely in the future.

Mr. Statchen referred to an article in The Day newspaper about the Charter Revision Commission, and asked if it made sense to spend money on it as currently projected. The First **Selectman** requested input from the BOF Members regarding their thoughts on the Charter Revision project, but requested this input before the next Board of **Selectman** meeting, as a

decision about moving forward with the project would have to be made at the next BOS meeting to keep the project on its timeline for completion by the November 2023 Charter Revision deadline. The First Selectman also encouraged members to reach out to her with any questions or concerns about the project. Ms. Chesebrough elaborated, stating the Charter balancing process will take a tremendous amount of effort, and with so many ongoing projects, they'll need some dedicated time in order to do the task well – but in the meantime, the Charter Revision balance has been removed from the budget for the time being. The Chairman stated that the Charter Revision Commission has been reduced to \$2, but will be left in the budget as a place holder in case we need to fund it later in the year by a transfer of funds from another line-item. Ms. Downie asked how long the Charter Revision project is likely to ~~take~~ to complete. The First Selectman explained it's about an 18-month process, with March of 2022 being the ideal time to start looking for viable candidates to populate the Commission, **and find a recording clerk** for the Commission. Ms. Norman asked how many people would be on the Commission, to which Mr. Stachen said there may have been up to 12 individuals assigned last time, but **recommended** 6-10 individuals going forward. Mr. Stachen mentioned **Matt Berger**, the Chairman of the previous Charter Revision Commission did an excellent job. But Chairman O'Brien noted Mr. Berger would be unavailable this time around.

Mr. Fauerbach asked Ms. Chesebrough if the CT Counsel of **Small Towns** membership is a mandatory, to which The First Selectman **replied** it wasn't, but **they** are helpful for the advocating of legislation and help municipalities **stay on top** of issues of importance to municipalities. Mr. Fauerbach noted he asked just to **confirm** that the Town was receiving value for its membership. The First Selectman **confirmed** that COST was a worthwhile endeavor and of value to the Town.

Mr. Fauerbach inquired if \$5,000 was enough to support the Stonington Beautification Committee. The First Selectman **explained** that the committee provides a lot of their own funding to help cover expenses such as new tree planting, planting new bulbs this spring and additional beautification services. Mr. Fauerbach and Ms. Young both shared their appreciation of the Beautification Committee's work. Mr. O'Brien asked if there were any follow-up questions, to which there were none.

Administrative Services' Budget

The Director of **Administrative Services**, Ms. Burmahl Burmahl, noted that she is in charge of five sub-departments, Admin Services itself, Information Technologies, Human Resources, Health District, and Community Development. Ms. Burmahl explained that the Administration budget doesn't have any significant changes other than a \$2,000 increase to Advertising, to pay to advertise position openings that are expected to become vacant during the next fiscal year. However, this increase was offset to \$2,000 reductions in other line items.

Ms. Burmahl mentioned that Memorial Day and Columbus Day observances are ongoing appropriations to support Veterans' events and Town parades. Due to the Covid-19 pandemic, there wasn't much spent on these events over the previous two years, which include items such

as flags and parade necessities, but that she expects these line-items will be fully expended in fiscal 22/23.

Information and Technology Services' Budget

Before turning to IT manager Mr. Kizer to present his budget, the First Selectman took a moment to commend Mr. Kizer's recent IT improvements, thanking him for his work.

Mr. Kizer reported that the new IT hire, Jeremy, has been brought up to **speed** efficiently and is a phenomenal asset. In addition to assisting with IT security troubleshooting, Jeremy was able to streamline the software the police cruisers use to VPN back to the **Police** Station. Mr. Fauerbach asked Mr. Kizer to expand on Jeremy's usefulness, to which Mr. Kizer **stated** that Jeremy has freed up a great deal of time available for Mr. Kizer to work on other IT tasks. There were no additional questions for Mr. Kizer regarding the latest IT **developments** or his **budget**.

Human Resources' Budget

Ms. Burmahl spent some time detailing the significant HR **budget** line-items, noting there are several straightforward accounts such as **Social Security**, and the **Defined Contribution 401k** plan, which are simply factors of payroll **and** are **non-discretionary**. Ms. Burmahl went on to discuss the Labor Negotiations line item, **and her request to increase** it to \$90,000, a \$10,000 increase over prior year, along with a "placeholder" request of an additional \$59,052, to fund the pension plan COLA should **the COLA** be approved at a forthcoming Town Meeting. In the event the COLA is approved at Town Meeting, **the** \$59,052 would be transferred to the pension line-item. **Defined Benefit** line-item, increased by \$43,793, totaling \$524,327 for 2022/2023. As noted above this line-item is a factor of payroll and non-discretionary. Ms. Burmahl continued, stating that during the November 30th 2021 meeting, the Retirement Board approved a cost-of-living **increase** for the **Defined Benefit Pension Plan** for anyone who's actively collecting a pension **as** of July 1st, 2022. This would require approval from the Board of Selectmen, then **ultimately** a Town Meeting, likely in May of 2022. Ms. Burmahl explained that the total amount of the **pension** COLA reflects a \$110,000 increase amortized over 20 years, with \$59,641 being the Town's **portion**, with **about** \$41,000 being the Board of Education's portion, and the remainder **being** split between the Pawcatuck and Old Mystic fire departments. Historically, the Town has **decided to fund** what the actuarially required contribution is, but not less than that. Ms. Burmahl was of the opinion that this was the correct way to proceed, rather than reducing the funding status and postponing the issue several years down the road. The Chairman reminded everyone that the last cost of living adjustment took place in 2014, to which Ms. Burmahl stated that the COLA that the Retirement Board approved was 1/12 of 1% for every full month retired, which caps at 10% (e.g., an individual who's been retired for three full years would get a 3% increase in pension, five-year retirement would get a 5% increase, where it caps at 10%). Mr. O'Brien called for any questions, of which there were none.

Regarding the Defined Contribution 401A Plan, Ms. Burmahl explained there is a fair amount of increase due to approximately five to eight retirements per year over the last few years. Furthermore, anyone who retires is leaving the Defined Benefit Plan, whereas anyone coming on board will participate in the Defined Contribution 401A Plan – thus the Defined Contribution Plan will continue to increase annually.

Ms. Burmahl anticipated a small increase of life insurance costs once November 2022 arrives and the contract is renewed. To account for this, Ms. Burmahl anticipated an increase of \$1,615, noted in the line-item. Mr. Statchen inquired what the match is regarding the Defined Contribution Plan, to which Ms. Burmahl explained that the Town puts in 5% whereas the employees put in 3%. Mr. Statchen asked if the match was appropriate, and Ms. Burmahl stated that it's fairly common for municipalities to only have a Contribution Plan, but the plan was put in place in 2013 or 2014 and hasn't since been reviewed. The Chairman mentioned that the Town's pension advisor has said that the match is similar to other municipalities. Mr. Sullivan requested clarification if employees can also have an individual 401k, and Mr. O'Brien explained that he doesn't believe employees legally can. Mr. Fauerbach stated employees are entitled to their own IRA, however. Ms. Burmahl mentioned that the Town offers a 457 plan that employees fully contribute to, in addition to the 401k plan, which has a good participation rate overall.

Moving on to health insurance, Ms. Burmahl explained the Town participates with the BOE in a self-insured plan. The health insurance costs are driven by actual claim experience, and for 2021 claims were significantly higher than the previous two years due to the amount of high claimants (an individual with claims up to \$75,000). Ms. Burmahl mentioned during the last fiscal year 20/21 there were four individuals with a total cost of \$550,000, and YTD 21/22 there are already six claimants totaling \$600,000. Ms. Burmahl stated that she continues to monitor health insurance costs, but on a positive note, since January of 2022 she's found that claims have decreased significantly and she's hopeful these costs will continue to decline throughout the calendar year. Ms. Burmahl stated that Brown & Brown (the benefits broker), could elect to go to bid which could encourage providers such as Cigna and Anthem to competitively offer better rates. When Ms. Burmahl initially submitted her budget, claims were very high, but since January claims have been declining so she may be able to reduce the \$2,150,000 budget by \$20,000-30,000 lowering it to about \$2,120,000. Furthermore, the Health Insurance Fund has a healthy reserve fund. Ms. Young asked if due to the rate increase, will employee contributions increase as well, to which Ms. Burmahl stated that it depends on the terms of the collective bargaining agreements. Mr. Statchen asked if there was a potential to switch from a self-insured plan to some other model. Ms. Burmahl explained that after consulting with Brown & Brown abandoning the self-insurance model doesn't make sense economically at this time, explaining that it's typically less expensive to self-insure if employees are healthy. Mr. Statchen inquired if participation in the State insurance program was considered, to which Ms. Burmahl replied that participating in the state plan would present a problem because the Town has many employees who live in Rhode Island as well as Connecticut. Mr. Statchen asked if Brown & Brown had a vested interest in the Town not participating in the state plan, and Ms. Burmahl replied that Brown & Brown is also the broker for several other state programs, and she didn't believe they

were vested in any single provider. Mr. O'Brien stated that the Town side is a minority participant by a considerable amount, and the BOE is hesitant to stop using Brown & Brown for numerous reasons. Mr. Statchen reiterated that it still is in the BOF's best interest to inquire about the State program, to ensure the insurance rates remain competitive. Ms. Burmahl mentioned other towns such as Waterford and Groton are also using Anthem, but she'd follow up with Brown & Brown to further review options. Mr. Johnson asked how many employees received coverage, to which Ms. Burmahl said about 380 BOE employees and 110 Town employees are covered under the plan, excluding spouses and dependents. Mr. Fauerbach circled back to the Town's reserve account and its current value; Ms. Burmahl stated that at the beginning of fiscal 21/22, the Town reserves stand at approximately \$1.6 million, and the BOE's at about \$4.1 million. Mr. Fauerbach mentioned the BOE used a different approach by applying \$1.5 million from its reserve fund to offset the increase in plan costs. Ms. Burmahl stated that she'd review how the reserves are potentially used and will report back to the Board.

Ms. Burmahl noted that a new line-item was added to the human resources budget: Professional Development. Ms. Burmahl stated this benefit is part of the SPAA collective bargaining agreement that allows for reimbursement of education tuition for SPAA members. This benefit has been requested only once in the previous ten years, for an employee requesting reimbursement for tuition for course work related to employee's professional duties. Once again there is an employee requesting this benefit so we are requesting that it be included in the budget. Qualified education expenses must be relevant to the employee's professional duties and be approved by the head of the relevant department. Ms. Burmahl elaborated, stating the way the benefit reimbursement was designed allows for 25% repayment provision every six months (contingent on said employee's course completion and passing grades), such that over the next two years, the employee will be fully reimbursed. Mr. Statchen voiced his approval of the Professional Development line-item. There were no further questions regarding the Human Resources budget.

Health & Sanitation Budget

Ms. Burmahl presented the budget for the Ledge Light Health District Membership Fee. She started with some encouraging news, that the overall 2022/2023 budget for LLHD had decreased a bit, due to the CT Dept of Health population numbers coming down a bit. In summary, LLHD cost to the Town will decrease by \$2,057 less this year.

Department of Assessment Budget

Ms. Lineweaver, the Director of Assessment, stated the Dept has a busy 2022/2023 year ahead of them, including hiring a new Deputy Assessor following Greg Hayes' retirement. There will be budget increases due to software and database vendor increases of 20% (due to inflation), the acquisition of NADA by JD Powers (who has changed their pricing structure to a per vehicle transaction charge from a fixed subscription model), increases in Postage and

Clerical line items due to it being a Revaluation Year, and the cost of digitizing old 1960 and 1974 revaluation microfiche cards as the microfiche machine is no longer operable.

Mr. Statchen asked how firm the approximate \$6million revenue increase in the proposed budget is. Mr. Sullivan, the Director of Finance, explained that the revenue figure is just a plug at this stage and will either increase or decrease depending on any cuts or additions to the budget made by the Board of Finance, for every dollar of expenditures the Board cuts the revenue will decrease an offsetting dollar. Ms. Lineaweaver stated that the grand list increased approximately \$102million over last year, a 3.6% increase over last year. Ms. Young inquired if this was new revenue, to which Ms. Lineaweaver confirmed it was, across all real and personal property based on 2021 valuation. Ms. Lineaweaver indicated that she hopes the market stabilizes a bit in time for the 2022 Revaluation, and that many towns are seeing around a 30% increase overall. Ms. Young inquired as to what the \$102million increased applied to, Ms. Lineaweaver replied there's been substantial real estate and personal property increases with the local construction industry booming. Mr. Fauerbach asked if, going forward, getting the annual Grand List completed sooner during the budget process is a Dept of Assessment goal, to which Ms. Lineaweaver explained that it is.

Ms. Lineaweaver referred to the Dept of Assessment ~~handout~~ she provided which outlined the departments goals for 2022. In maintaining the \$2.9billion Grand List, the basis for the Town's tax levy, the Assessor's Office is responsible for establishing the value of all taxable and non-taxable property in Town. This includes 10,030 real estate accounts, 18,724 motor vehicle accounts and 1,992 personal property accounts. Furthermore, the Dept of Assessment manages Revaluation Projects every five years, oversees exemption programs (such as veterans, active-duty military, elderly and disabled, renewable energy systems, etc.) and administers fixed assessment agreements and pilot programs. Ms. Lineaweaver continued, explaining CT General Statutes (GCS) 12-55 mandates that the Grand List must be signed no later than Jan 31st of every year. Regarding real estate, last year the town provided over 2,000 new permits, which all require inspecting, measuring and listing – which also need inspecting by the Assessor's Office for valuation purposes. A certain amount of these properties will require a second inspection due to the October 1st assessment date. The Assessor also inspects properties based on sales, re-appraisals, dealing with inaccurate results, and other changes, appraisals or demolition. For Personal Property Declarations, nearly 2,000 declarations are mailed at the end of September, which are due by November 1st, leaving a very short amount of time to be completed. Ms. Lineaweaver stated that they are also expected to value and process all returned declarations as well as estimate values for those that do not file. This is a very time-consuming process, for which the department is understaffed. For Motor Vehicles, the Assessor's Office is provided with two lists from the DMV annually, one being the regular list, representing every vehicle registered in Town as of October 1st, and a second supplemental list, which is every vehicle registered from October 2nd through September 30th. These vehicle lists are provided about a month apart, one in early November and the following one by December, which the department has to review and evaluate.

Ms. Lineweaver continued, explaining that since 1997, Stonington has requested a Grand List extension every year – so instead of the Grand List getting completed by January 31st, it usually doesn't get finalized until the end of February. Even with the extension, Deputy Assessors have averaged over 130 hours of overtime in the last three years, and in the last two budget years the Dept has gone over budget for overtime for both Assessor Assistants. In summary, the Dept of Assessment, due to understaffing, struggles to catch everything that needs to be added to the Grand List due to staffing limitations, and therefore revenue may be lost and fair taxation denied. This also creates delays in the Grand List filing, which prevents the Board of Assessment Appeals from completing its duties, ultimately delaying final grand list figures which having budgetary implications.

The Building Permit & Field Work Tracking 10-year graph was **presented**, in which Ms. Lineweaver showed a direct correlation with inspection requirements and building permits generating a systematic increase in total comp hours for the Deputy Assessor. **In** the past ten years, the Building Dept has added two new positions **due to** the increased **workflow**, and all the workflow the Building Dept provides trickles down to the Assessor's Office, creating a substantial new workload. Ms. Lineweaver explained **that currently** the Assessor's Office is a four-person office, consisting of the Director of Assessment, **a Deputy Assessor** and two Assessor Assistants. Ms. Lineweaver is requesting a new **Assessment Clerk** (a technical, clerical position), which would free up **time for the Deputy Assessor** to focus on the discovery aspect of real property, rather than simply **trying to keep up with the building activity** the Office is aware of. This would also allow the Assessor Assistants to stay current with property transfers during Grand List time and allow them to **provide greater** focus on reconciling and auditing personal property accounts as **well as performing discoveries** to ensure the Dept has all personal property accounted for. Ms. Lineweaver stated **that furthermore**, there has been a newly implemented Sales Questionnaire program to ensure only true market length sales are included in the sales sets, which adds **an additional step** to the property transfer process; an Assessment Clerk would assist with these tasks.

Ms. Lineweaver **discussed** a postcard/data mailer sent out last fall that had a fantastic response, about 6,000 were returned, a success rate of 80%. The data mailer provided key insights, and if they **continue** to be returned at a similar success rate going forward, could prevent a sizeable number **of inspections from needing to occur** when it's time to bid out the revaluation project.

The Assessment Clerk's **duties** were outlined, such as being the first position to assist the public in the office, **staffing the counter**, answering phones, responding to general Assessor emails; while internally assisting with data entry and exemption programs, maintaining digitization of data, along with other key tasks. This will provide a manageable workload for the other Dept employees, thus creating a better work environment. Ms. Lineweaver explained that in the next five to ten years, two Dept employees will be retiring, losing a vast amount of experience and historical knowledge, and it's unrealistic to expect new personnel to handle the same workload. There's concern that it will be difficult to find new replacement hires if the expectation is to work large amounts of comp/overtime as studies have shown that younger generations prioritize work/life balance.

Ms. Young asked if there was physical space for the Assessment Clerk, Ms. Lineweaver explained that there's a spare work station currently available, and rearranging Dept desks and workstations would free up an additional eight feet of space. Ms. Young inquired about the fully loaded salary cost and Mr. Sullivan stated the position would cost \$48,836 (not including health insurance). Mr. Fauerbach asked for confirmation that the Assessor's goal would be to submit the grand list on time, and if the new position would more than pay for itself, to which Ms. Lineweaver confirmed she believes this is possible, without having to pay so much in comp/overtime each year.

Mr. Statchen explained that he's a fan of "best practices," and asked for examples where a town of Stonington's size would have a Grand List that justified a similar staffing ratio. Ms. Lineweaver referred to Groton, which has nine taxing districts, utilizing a five-person Assessor Dept (albeit, with a larger Grand List due to Pfizer and EB) and this method working well for them. Ms. Chesebrough interjected to say that town size isn't necessarily an appropriate comparison, but rather the complexity of each district would be a better way to compare town responsibilities. Ms. Lineweaver mentioned that it's rare for a town to have as many taxing districts as Stonington, and used the motor vehicle and personal property Grand lists as an example of these complexities, in addition to all the new construction taking place throughout the Town. Mr. Johnson asked Ms. Lineweaver how many districts the Town is supporting, to which she stated they are supporting 11 taxing districts in total.

Department of Finance Budget

Mr. Sullivan, the Director of Finance, addressed the Finance Office budget, noting a 5%, \$6,162 raise for himself, that Ms. Chesebrough had requested. Mr. Sullivan noted the only other significant increase in the Finance Department budget was in Equipment and Software Support, which includes a change from local server hosting to a SaaS system for the general ledger at an increased cost of \$11,600 per year. Mr. Fauerbach asked about the newly developed program for administering ARPA funds to not-for-profit partners, inquiring if the funds have been distributed or if the program is considered a work in progress. Mr. Sullivan stated that the project is still in development, but he should have it completed by next week.

Mr. Fauerbach requested some clarification on continuing with the Town's financial advisor, who's monitoring existing debt for refinancing opportunities. Mr. Sullivan stated that the Town's Financial Advisor continually reviews the Town's outstanding General Obligation Bonds for refinancing options, but currently any debt that could be refinanced has been refinanced. As time passes and certain issuances get closer to their maturity date, more refinancing opportunities may arise.

Mr. Fauerbach asked for further clarification regarding the \$15,000 increase for LAP, WC, and Cyber policies, to which Mr. Sullivan stated LAP is Liability, Automobile, and Property coverage, WC is Worker's Comp, and Cyber is the Cyber insurance. Mr. Sullivan elaborated, LAP and WC are going up 3% each, while Mr. Sullivan is estimating an increase to the Cyber Policy of 3.5%. Mr. Sullivan explained that he's unsure the 3.5% will cover the Cyber Policy,

as he's still submitting applications and the prerequisites are extensive, but he hopes to have a better estimate next month. Mr. Statchen asked if the Cyber Policy could be a collaborative effort with the BOE. Mr. Sullivan explained that this wasn't feasible as the Town and BOE IT have completely different IT systems, policies and procedures and risk profiles. Mr. Kizer chimed in to state the cyber insurance risk assessment requires detailed analysis pertaining to threats, zero-day exploits and IT system upgrades. Mr. Statchen voiced some concern about insurance companies seeing this as a potential opportunity to profit to an unnecessary degree.

Mr. Sullivan continued, stating that BOF Clerical Salary increased by \$450 due to the increase given to the Recording Secretary per meeting. The Advertising budget is up by \$700 due to BOF meetings that needed to be advertised. Mr. Sullivan explained that **they** tried to offset the minor budget increases by decreasing the Legal Support budget by \$4,000, as **we** haven't had to use the whole \$34,000 budget the previous two years and don't anticipate needing it going forward. Accounting and Auditing, increased by \$7,500 to \$78,738 10.53% increase, **due** to it being a bid year during a time of rising inflation. Mr. Sullivan asked **if** there were any BOF related questions, to which there were none.

Tax Collector Budget

Ms. Camelio, the Town Tax Collector **presented her** budget, **touching** on two items of note. Ms. Camelio noted that the Tax Collector budget has largely **remained** static over the previous two to three years. Ms. Camelio also stated that a **Tax Dept vendor (QDS)** has increased their rates by 5%. Ms. Young asked which **line-items** reflect the 5% increase, and Ms. Camelio stated she accounted for it in the Postage, **Reproduction & Printing**, and Equipment & Software Support, line-items. Mr. Fauerbach voiced **his** support for the Tax Collector office, and the work they perform. The Chairman asked for **further** questions; there were none.

Debt Service Budget

Ms. Young asked Mr. Sullivan if the debt service had already peaked prior to this year, to which Mr. Sullivan replied that it **had** peaked for the debt service related to the school renovation projects, **but due** to last year's WPCA bond issuance it will increase for one more year in fiscal 23/24, but **will then** decrease year after year for the next 17 years, provided there is no new bonding. **stated it has**, and is going down now. Mr. Sullivan noted that page 44 of the budget document features a table illustrating Debt Service obligations going down over the next 17 years.

Planning Department Budget

Mr. Brynes, the Town Planner, stated the Planning Department's operating budget is largely the same as last years with the exception of the addition of the new Sustainability Manager position, budgeted at \$64,000. Mr. Brynes noted the role of the Sustainability position would also act as

the Town's internal Flood Plain Manager, which duties are currently done by a consultant at the cost of \$35,000 per year. The Sustainability Manager would review flood plain applications, and obtain sustainability grant funding while guiding related projects. Mr. Brynes stated that as it stands, the Dept has great difficulty keeping up with these tasks with their current staff.

Mr. Brynes explained that if the Sustainability Manager is approved, the Dept will save \$35,000 that is currently spent on outside consultant for Flood Plain Manager services annually, and the role should pay for itself by seeking and obtaining grant funding along with the Flood Plain Manager savings. Ms. Chesebrough stated that this would also free up an additional \$15,000 of Community Development Funding, in the Administrative Services budget, that is currently being spent on interns working on related development projects, bringing the total savings offset to \$50,000 to help cover the Sustainability Manager's salary of \$64,000. The First Selectman emphasized that the timing of the new role is critical, as there will be an unprecedented number of state and federal grants available over the next five years and cited several potential infrastructure grants.

Mr. Fauerbach asked for clarification on where the \$15,000 is coming from, and Ms. Burnahl stated that it sits in her budget as a Community Development line-item (page 30, line 72). The First Selectman reiterated that the funding for three interns often came at the cost of Sustainability projects, so this is an effective way to balance things out. Ms. Young asked if the Flood Plain Management Services line-item would still be needed, to which The First Selectman confirmed that it would not be if the Sustainability Manager role was filled. Ms. Young inquired what the new position's fully loaded salary would be, and Ms. Chesebrough estimated it at approx. \$89,000, if the employee were to take Town health insurance, or \$72,000 without health insurance.

Mr. Statchen suggested that having the interns onboard seems very helpful but voiced some concern where funding for new interns would come from if deemed necessary. There was also discussion about the amount of onboarding interns require, whereas an individual with professional qualifications can be expected to have experience that meets the needed requirements more appropriately. The First Selectman elaborated that there are instances of interns who will work for credits opposed to pay, but the onboarding process of paid interns can also be a time-consuming endeavor. Mr. Johnson asked if the Dept was confident the Sustainability Manager could be hired for the proposed salary, and Ms. Chesebrough explained they are asking for an individual with four years of experience (typically a younger hire), and this could work in their favor financially. The Chairman called for additional questions, of which there were none.

Building Official Budget

The Town Building Official, Lawrence Stannard, spoke on the Building Official's budget. Mr. Stannard stated that his postage line-item request decreased by \$400 due to online permitting and less mailing of paper documents. However, Consumable Supplies increased \$400, negating the savings in postage. Mr. Stannard covered the next few line-items which didn't seem to match

the figures in the Board of Finance's budget document; Mr. O'Brien questioned the accuracy of the numbers and Mr. Sullivan stated that Mr. Stannard had apparently updated his budget without notifying him. Mr. Sullivan indicated to the Chairman, that he would review the Building Official's budget with Mr. Stannard the following day. The two most significant budget increases are to Equipment and Software Support and Training and Education of \$2,000 and \$2,500, respectively. The \$2,000 increase to E&SS is due to increase in online permitting costs, and the \$2,500 increase to training is due to the state no longer providing free training to building officials due to COVID, the Town now has to pay for it itself. Mr. Stannard is not sure if training will resume with the state once COVID risk declines.

Mr. Stannard provided an overview of the newly implemented online building permitting system, which generated \$160,000 increase in permitting revenue from the previous eight months. In summary, this revenue is more than enough to cover the cost of the system, and Mr. Stannard continues to find useful features and improvements in the permitting software. There were no questions for Mr. Stannard.

CIP

General Operations-CIP:

Line 2 - Mr. Kizer requested a \$15,000 increase, to \$65,000, to the Townwide Computer Technology Upgrade, citing every desktop computer needing replacement within the next three years. Mr. Kizer explained that fortunately IT was able to prolong the life of the current computers utilizing upgrades such as SSDs and cloning services. In the past, the IT Dept spent over \$165,000 purchasing 117 workstations and 131 monitors to support Human Services, the Police Dept and Highway Garage. Mr. Kizer expected some discount by purchasing laptops with docking stations, instead of a standard desktop/monitor configuration for every set up, noting that the least expensive computers he budgeted for were HPs valued at \$1,300. Mr. Fauerbach requested confirmation that this wouldn't be an annual purchase, and Mr. Kizer explained that IT has been banking the money for a bit, and he'd prefer to purchase the computers all at once instead of staggering the acquisition each year. Mr. Statchen asked if there was an agreed upon purchase contract, which makes this an A priority in the budget, to which Mr. Sullivan responded that there's an agreed to funding scheme with the BOF but no firm commitment with a vendor in place. Mr. O'Brien described this line-item as a "soft A," being an internal commitment and not an external contract with a vendor. Mr. Kizer provided some examples of technology purchases he's made from the line-item, such as procuring ultrawide displays, updating the email archive, and improving the Human Services wi-fi. Mr. Kizer noted another large expense of \$18,639, covering a new data set of licensing for servers for 2022. Mr. Kizer stated that they'll need to upgrade the router infrastructure as well, to fully take advantage of the gigabit ethernet connection.

Mr. Fauerbach inquired if the \$6,500 remaining in 21/22's budget will be enough to cover the desktop/laptop purchases to which Mr. Kizer referred to earlier. Mr. Kizer explained it would not, and that his plan is to use the \$65,000 requested in 22/23's budget, along with another \$65,000 in 23/24's budget to do the Townwide desktop computer refresh.

Line 3 - Mr. Kizer discussed the Orthophotography/Planimetric Update line-item, and its priority. Mr. Kizer explained that for the past few years the State of CT has been funding "fly-over" orthophotography. If the State opts to pay for it again (which they have historically, every three years), then there will be enough funding for post-data processing for the GIS system. Currently the line-item is funded at \$1 as a placeholder, in case the State opts not to fund it. In that case Mr. Kizer said he may request additional funding for the GIS system.

Line 4 - Mr. Kizer moved on to the Video Security System – Phase 2, Town Hall Cameras. The \$15,000 budgeted will fund the second phase of the Video Security System, which is to add more cameras outside of Town Hall and at the Human Services Building, and Highway Garage. Mr. Kizer explained that this cost is to cover the cameras themselves as most of the cabling has already been laid during a prior internet installation.

Line 7 - Ms. Burmhal addressed ADA Accessibility – Town Facilities line-item. She stated by law they aren't required to upgrade the facilities for ADA accessibility unless they're completely retrofitting them. However, as a municipality we're supposed to have an ADA Transition Plan in place, so this year money should be spent to make the Town Hall and Town services more accessible. With the \$20,000 funding request Ms. Burmahl is proposing to reconfigure the Town Hall drop box so it wouldn't be placed at the top of the flight of stairs, by installing a drive-through model, and to provide automatic door openers for the bathrooms at Human Services. Ms. Burmhal will also complete a walk-through of Town Hall but noted a few challenges: the counter heights at the Town Clerk and Tax Collector offices are too high for wheelchair-bound individuals, and redesigning and retrofitting them would be very expensive given the Town Hall interior walls have asbestos in them. Currently the Town Clerk and Tax Collectors exit their offices to meet with individuals in the hall. Mr. Fauerbach asked how much of the \$20,000 ADA Accessibility line-item funded in 21/22 remains intact. Ms. Burmahl explained she hasn't spent any yet, but estimated she'll use \$5,000-\$7,000 of that funding in fiscal 21/22. Mr. Fauerbach inquired if the approach was to tackle each ADA project one building at a time, and Ms. Burmhal explained it's hard to say – the Town Hall/Human Services buildings would be the primary focus, but she still had to assess the Police Department, the Highway Garage and other buildings. Ms. Young asked if 2021 was the first year the ADA Accessibility project was funded, and Ms. Burmahl stated that the project was in place before she came to the Town. The First Selectman posited she didn't think the ADA project line-item was very old. Mr. Fauerbach inquired as to what the best method to establish the priority of these projects would be, and Ms. Burmahl reiterated her method of focusing on Town Hall first and working her way through the other Town buildings. There was no further discussion of General Operations CIP.

First Selectman-CIP:

Line 10 - Ms. Chesebrough addressed her request to fund Stonington Veteran's Monument Project – The First Selectman and Stacy Haskell, the First Selectman's Executive Assistant initially took this project on in 2020 after speaking with a local veteran's group. As of February 2022, \$85,000 had been raised for the monument, comprised of 266 local individual donations and donations through five grants (out of eleven grants submitted). The First Selectman elaborated, describing the tremendous workload this project has put on her office, and despite the current funding she's requesting additional tax dollars to meet the fundraising goal of approx. \$200,000. Mr. Fauerbach asked about the current status of unanswered grant requests, to which The First Selectman stated there are still a few pending, including a potential one from Electric Boat. Mr. Statchen mentioned he may have an EB contact that could assist with the grant request. He also asked how much has been raised through grants thus far. Ms. Chesebrough stated \$8,700 was raised from a foundation, along with donations provided from Eversource and Davis Standard, but noted that there aren't many grants available for this type of project and monuments specifically. Mr. Statchen requested of the Ms. Chesebrough if she knew of how monuments in other towns were funded. The First Selectman noted Westerly's monument is so old, their town was unsure how it was funded. Mr. Statchen voiced some additional concerns about the monument being paid for by taxpayers and mentioned a colleague who confirmed this was an unusual way of funding a monument. The First Selectman reiterated the uniqueness of the project being taken on by Town employees, citing Ms. Haskell's tireless fundraising efforts and appealed to the BOF for any suggestions it might have. Mr. Statchen suggested selling name-plated bricks as a potential solution, but the First Selectman suggested this would probably add further cost to the monument construction. Additional discussion ensued about the challenges of fundraising, and utilizing tax dollars to pay for the monument, and the First Selectman concluded stating she'd look into other avenues for funding in the meantime. Ms. Young asked if the monument project was tax deductible, and the First Selectman stated that it is.

Planning Department-CIP:

Line 86 - The Director of Economic and Community Development, Susan Cullen, discussed the Rt. 1 Sidewalks CIP line-item. Ms. Cullen stated the project is in the encroachment permit process with the CT DOT, bringing the design plans from 90% to 100% completion. However, due to unforeseen circumstances, DOT has stated that all existing sidewalk ramps in the area, involving 28 private properties, will need to be ADA compliant within the next three years for the encroachment permit to be granted. This leaves two options: either update the ramps or prove to DOT that the property owners wouldn't allow work to be done on their property, hence the request for additional funding. Ms. Cullen explained they are hoping to go out to bid this spring and begin construction in the summer, and they're currently waiting on the State. There have been a number of challenges ensuring the sidewalk, road, and walls are built to a specific standard. Two property owners have not agreed to the project so there may be some savings to be had by not completing sidewalks across these two properties. Ms. Young asked if all the

easements have yet to be secured, and Ms. Cullen replied that they do not have them all secured at this stage. There have been issues with people denying the easement request while others have been non-responsive, yet Ms. Cullen is hopeful that once property owners see the construction taking place, they'll reconsider. The Chairman asked what percentage of property owners are holding out, and Ms. Cullen indicated roughly 20% have yet to comply. Ms. Young asked about the procedure in place for the owners who decline. Ms. Cullen explained that they will bid out the work for just the properties who have granted the easement and will include an add alternate for work to be performed at the properties which have denied the easement, in case they change their mind later in the process. Mr. Fauerbach stated his concern that if this is going to be a patchwork-like scenario, does it make sense to proceed, to which Ms. Cullen responded that there are already large stretches that are planned that connect directly to the school, but if needed, they may stop construction at the nearest driveway, for example. Ms. Young suggested some people don't want to deal with shoveling the sidewalk as well, and Ms. Cullen explained there are a number of residents that consider it their civic duty to shovel, for the sake of the school and senior citizens. Lastly, this is a friendly negotiation and not relying on eminent domain, and hopefully as complete of a stretch as possible will be created.

Line 88 - Plan of Conservation Development: Ms. Cullen noted that State statute requires the Planning Dept to update their long-term plan of Conservation Development every ten years, with Stonington's deadline approaching in two years. Last year the Dept set aside \$5,000, and this year we're requesting an additional \$50,000 set aside to engage a consultant for the upcoming Plan rewrite. Ms. Young inquired as to what would happen if the Town did not update its plan. To which Ms. Cullen explained that it's a legal requirement from the state, and that they could potentially miss out on funding if they didn't comply. Ms. Cullen provided some examples of new technology regarding storm water, low impact regulations, etc. and described the current zoning regulations (implemented in 1961) as being "pieced together" since then, with the Planning Dept staff using disproportionate amounts of time explaining regulations to citizens. Ms. Cullen elaborated, describing the zoning regulations as the day-to-day of what the Town needs to be doing, and the POCD being the blueprint of what's to be done long-term. Ms. Young provided some real-world examples of when she was on the Planning and Zoning Board; that \$100,000 was spent to craft the POCD, with the following year seeing it was modified – and if it made sense to "start from scratch," again. Ms. Cullen explained that this wouldn't be starting from scratch, but simply updating the POCD to reflect the zoning regulation goals. Ms. Cullen explained further that many of the zoning regulations aren't very clear or straightforward, and that the POCD update should help to clarify these aspects. Therefore, this provides consistency with state laws while preventing staff from wasting a good deal of time explaining things. Mr. Johnson asked if the updates to POCD would include an update to the Coastal Resiliency Plan as well, and Mr. Brynes stated that he didn't think it would, as the Coastal Resiliency Plan covers a completely different set of issues.

Line 92 - Mr. Brynes requested additional funding for the Online Permitting and Tracking for the Planning Dept. Mr. Brynes provided an overview of how successful the OpenGov software

package has been in the building department, but there has been some confusion with people applying for a building permit online only to discover they need a land use permit first, which isn't available online. The additional \$25,000 in funding would be used to develop application forms for such things as online zoning permits, as well as the more complicated land use and special use permits. Mr. Brynes stated this is directly related to their File Retention CIP request, to help modernize the Town's file management system, with \$15,000 already granted by the BOF to put towards this initiative but is requesting \$25,000 to help finish the project. Mr. Fauerbach asked if the \$25,000 will be enough to complete the project right away, and Mr. Brynes stated that they should be able to put it to use immediately, but Mr. Brynes also indicated they may have difficulty doing all of the Town's data migration at once.

Line 99 - File Retention CIP request – Mr. Brynes noted that \$75,000 has already been funded for this project in the current fiscal year, but he's requesting an additional \$53,500 for 2022/2023. Mr. Brynes explained that this project would allow paper records to be indexed and stored electronically, and would free up office space after paper files are moved to offsite storage. These digitally archived records would be easy to recover, and would improve the community's institutional knowledge, by retaining critical information that might otherwise be lost when long time employees separate from service, and it would help to improve FOIA compliance. Mr. Brynes stated this would serve as a pilot project for all Town departments, alleviating the need for paper records that Town offices are inundated with. With Ms. Burmahl and Mr. Kizer's help, Mr. Brynes has been working with consultants to perform test runs of scanning procedures, scanning numerous documents into Laserfiche format, the Town's existing document archiving system. Mr. Fauerbach questioned needing \$182,000 for a pilot program for one department, but it was explained that the pilot program has been free of charge to date, and that the \$182,000, would be to fund the entire project if the pilot program is successful. The First Selectman noted that they have done their due diligence regarding Laserfiche, and Ms. Burmahl explained that the cost associated with archiving many of the documents are due to their large format. Ms. Burmahl explained that they had the option to hire a third party to scan the documents, which would have been quicker, or hire personnel to scan the documents manually, which would take two to three years, thus slowing down the Planning Dept. The Chairman asked how much of the \$75,000 funded in fiscal 21/22 had already been spent, and Ms. Burmahl explained that the archival company's demo hasn't cost the Dept anything as of yet, so none of the \$75,000 has been expended. Ms. Young asked how long the archival process would take, and Ms. Burmahl estimated around two years for the planning department.

Line 100 - Circus Lot Acquisition - Ms. Chesebrough stated that the Board of Selectmen had reduced the ask by \$35,000, to \$15,000 which is needed to assess the full scope of the project. The First Selectman noted that there's already grant funding for the project, a survey has been done, but there is still some due diligence and community engagement required. Ms. Young asked if anyone asked Westerly to simply give us the property. The First Selectman responded that there's physical infrastructure on the property that will require removal, and this will involve negotiations with Westerly, along with determining if this is a worthwhile acquisition.

Line 104 - Contribution to Open Space Acquisition Fund Ms. Chesebrough explained that she believes \$200,000 is an appropriate amount to fund the Open Space fund, so that there would be funds available to leverage matching grants in the future, but the other two Selectmen voted to reduce it to \$50,000 at the BOS CIP hearing. Ms. Chesebrough elaborated, imploring the BOF not to reduce it to \$0, as it would fully deplete the Open Space Fund, and the \$50,000 still in the budget would be a good placeholder for pursuing future grants and conservation efforts in the future. Ms. Young asked if that property was closed, and The First Selectman explained the US Fish & Wildlife Survey closed today, and it will be three to four weeks to go through the survey responses for their compatibility determination. Mr. Statchen asked how much the initial contribution was, to which Ms. Chesebrough stated it wasn't to exceed \$300,000. Mr. Statchen asked for confirmation that it was down to \$0, and The First Selectman explained \$60,000 was spent on a conservation plan, and others spent the money elsewhere. The First Selectman explained that there were never taxpayer dollars put in this fund, and Ms. Young clarified it came from subdivisions (which no longer provides funding).

Climate Change Task Force-CIP:

Line 108 - Ms. Chesebrough explained the Climate Change Force Adaption & Mitigation Program request was initially \$500,000 but that the BOS had reduced it to a more reasonable request of \$250,000, and that by funding it at \$250,000 the Town would have funds available for any potential required matching fund grant opportunities, for climate related projects.

Line 109 - \$30,000 Electric Vehicle Charging Station request - The First Selectman stated that feedback from last year was taken into consideration to identify two potential charging locations, one at Town Hall and one at the 4th District Voting Hall in downtown Mystic. Ms. Cullen explained there's a fairly large flow of Federal money anticipated, with a notice of funding availability in the next 90 days. A good deal of this money would be distributed to municipalities travel sectors, providing "charging confidence" by placing charging stations roughly every 50 miles to encourage EV growth. The older programming in 2015/2016 provided six community charging stations and supplied an EV vehicle to the Town of Groton at the cost of \$8,000, saving the Town a great deal of money. Over time, the charging stations gained popularity. Mr. Statchen inquired about similar program availability, and Ms. Cullen stated that she's not aware of any like programs but she's still in the process of looking into it, in the form of energy company initiatives and tax credits.

Ms. Cullen noted that, with the Town Hall parking lot about to be repaved, it may make some sense to incorporate the EV charging station into the paving project to avoid having to dig up the parking lot in a year or two, should the Town decide to move forward with EV charging stations. Mr. Statchen asked if the \$30,000 was the total cost, and Ms. Chesebrough stated it would be \$15,000 per charging station total. The Chairman chimed in, stating the Federal Infrastructure Bill specifically calls for funding the installation of charging stations, and Ms. Chesebrough stated that the funds could potentially be decreased to \$15,000 if the FIB offers those installation benefits. Ms. Young asked if EV drivers pay to charge their vehicles, and Ms. Cullen stated that

it depends on what's outlined in the funding program, some Towns charge and some don't, while some can't charge due to grant restrictions. Ms. Chesebrough called for any further questions, and Mr. Johnson inquired who would be in charge of the Climate Change Remediation Program. The First Selectman speculated that as of now, it would fall under the Planning Dept with close cooperation of the First Selectmen's Office, but being a newer program, this is all yet TBD.

Line 88 – POCD - The First Selectman circled back to the question of what would happen if the BOF didn't fund the POCD, and reiterated that the Town would lose its discretionary State funding over the next 10 years. Ms. Young clarified, saying she didn't intend to recommend pulling the POCD funding, but that if there was a way to just revise the **existing** document rather than starting from scratch again, the project would be much more economical. There was additional discussion among the Members of various POCD setbacks **they've** encountered.

The Chairman asked if there were any more questions **regarding** the CIP budgets **discussed** tonight or the Operating Budget. Mr. Fauerbach noticed a number of \$1 line-items in the Planning budget, and Ms. Chesebrough explained that **the \$1 amounts** are simply placeholders keeping expensive line-items open, in the event something **like** a large Federal grant becomes available, and that there are other \$1 line-items representing **projects** that they didn't want to completely forget about over time. Ms. **Young** asked if Fish & **Wildlife** declines, does the \$300,000 get returned to the Open Space **Acquisition fund**, and The First Selectman replied that she'd try to work quickly with TPL to find **additional funding**, and the \$300,000 hasn't even gone into an escrow account as of yet.

Budget Calendar:

Mr. O'Brien addressed **potential discussion of** future budget dates, asking if V.7 of the schedule was still accurate and Mr. Sullivan confirmed that it is, and that the dates for deliberations are still March 10th and 11th, 2022.

The **Chairman** adjourned **the** meeting at 9:36 pm.

Respectfully Submitted,

Justin Eckert