

**TOWN OF WINDSOR
TOWN COUNCIL
COUNCIL CHAMBERS
SPECIAL MEETING
APRIL 4, 2018
APPROVED MINUTES**

1) CALL TO ORDER

Mayor Trinks called the meeting to order at 6:33p.m.

Present: Mayor Donald Trinks, Councilor James Govoni, Councilor Donald Jepsen, Councilor Jill Jenkins, Councilor Joseph McAuliffe, Councilor Richard O'Reilly, Deputy Mayor Jody Terranova, Councilor Michael Tustin and Councilor Kenneth Wilkos

2) Board of Education

Board of Education (BOE) President, Leonard Lockhart; (BOE) Vice-President David Furie; Superintendent of Schools, Dr. Craig Cooke; and (BOE) Business Manager, Danielle Batchelder presented the proposed budget for Fiscal Year 2019.

President Lockhart stated the BOE started working on the budget in October and finalized it with an overall proposed increase of 2.37%.

Vice-President Furie explained that the work on the FY 19 budget had already begun when the new board was sworn in. The previous board, along with Dr. Cooke and his staff, had already done a great job of leading the district to attain the goal of achievement for all students with the constraint of the budget.

The BOE gave the opportunity to many organizations and the community to ask questions, make comments and to be a part of the budget process. Many assumptions needed to be made while planning for the budget including fixed costs, bussing, personnel contract obligations, and state mandated obligations. On February 21st, the board voted unanimously to support the budget proposed by the superintendent.

Superintendent Cooke gave a presentation with the following highlights:

- Enrollment has increased. On October 1, 2016 there were 3,186 students and currently there are 3,305 students.
- The *2016-2017 State Accountability System* measures performance based on a set of 12 indicators. For the first time, Windsor Public School's (Windsor High School) number is 73.8%, which is above the state average of 73.2%. Windsor moved up by 2.4%.
- Student growth versus State Average growth was also achieved and above the state average in Language Arts and Math measures.
- Windsor High School (WHS) students have been accepted to many notable colleges and universities.
- WHS had a National Merit Finalist this year.

- 95% of students take the SAT test and year over year scores have improved in the past three years.
- 90% of students plan on going to college, 4%-5% join the military and 4%-5% go directly to work.
- Advanced Placement participation has increased. Windsor High School offers 18-19 courses, more than most schools within our vicinity. The test is paid for by the BOE with the expectation that all students that take the course and take the test.
- Grade 3 – 8 SBAC assessment results show an increase in scores over the past 2 years while the state average has dropped by 2%.
- The BOE budget has averaged an increase of 1.56% over the past 5 budget cycles. The average CT school district budget was 1.9%.
- Estimated Revenues were given for the *Educational Cost Sharing Grant*, *SPED Excess Cost and Tuition* and the *Alliance Grant*.

Business Manager, Danielle Batchelder continued with the following budget information:

- Five major construction projects and smaller miscellaneous projects were completed through BOE grant submissions totaling \$907,649.
- Budget challenges facing the Board of Education include:
 - Contractual obligations for 6 bargaining units
 - Increases in contractual obligations for regular and special education transportation
 - Increases in Special Education for out of district tuition
 - Cost of employer retirement match
 - Purchase of technology devices for students
 - State-mandated funding for the expulsion program
- Budget Savings will be obtained through:
 - A decrease in utilities including a new phone system and electrical savings
 - No increase in benefit costs due to increased payments from employee groups
 - Plan redesign to Health Savings Account (HAS) and reduced employee count

Superintendent Cooke gave an overview of the changes in the FY 19 budget as compared to last year which included:

- The addition of a Math teacher at WHS
- Additional floating bus monitors
- Additional SAT and AP preparation
- Math tutors for K-2
- Summer School program – Instead of reinstating the traditional 4 week model, this year at a reduced cost, they are introducing a new program to run from the end of the school year to the start of the school year with teacher support, utilizing books and technology, check-ins via phone calls and in home visits
- Additional assistant coaches at Sage Park allowing 100 more students to participate in athletic and non-athletic after school activities
- Additional funds for curriculum writing

Dr. Cooke thanked the Town Council for prioritizing air conditioning systems at the schools as a part of the Capital Improvements Program (CIP). He estimates that this will add at least 35 hours to the learning process each year.

President Lockhart thanked many individuals for their hard work in the Windsor School District.

In response to a question from Councilor Jepsen, it was explained that the number of special needs students are determined by a Planning and Placement Team (PPT) meeting where they initiate and discuss evaluations and determine eligibility for special education services. They are better able to identify students than in previous years and to work with the families to deliver these services. An increase in this area is due to the reputation of the district as being a good place for families to live and receive special education services.

Special education reimbursements are not as high as previously received. The budget is conservative. They will not find out until later in the year the actual figure for reimbursement.

The Title 1 grants are specifically for two elementary, Title 1 schools and cannot be spent at Sage Park or Windsor High School. The competitive grant funding is approximately \$900,000 of the \$3.4 million in total grants. These include Alliance Grants and others for specific funding for projects.

Retirements are at a lower level than recent years.

In anticipation for next year, the teachers' contracts will be negotiated this summer. Administrators do not want to add anything this year that would possibly be taken away next year. It is anticipated that year 2019/2020 will be difficult years for the state.

Councilor O'Reilly complimented the modest budget increase and the rise in test scores. He asked if there are any procedures that are planned to help mitigate the achievement gap. Dr. Cooke explained that each one of the schools has an Equity Plan to make sure all students are served. They strive to hire a more diverse workforce. Community partnerships and home visits are helping. The gap is closing.

In response to Councilor Wilkos' question, it was noted that the large increase in bussing costs is due to the contractual services for regular education with a 3%-3.2% annual increase.

In response to Councilor McAuliffe's question, it was noted that because we are an Alliance District, additional funding was available for capital improvement projects.

Councilor Jenkins attended the District Accountability Forum last night. She noted that the town has come a long way in the last 10 years. It has taken a lot of hard work and has been done with a conservative budget. She has concerns with the changes in summer school but trusts the administration and that it will achieve success and save money.

Further explanation was requested by Deputy Mayor Terranova about the home visits. Dr. Cooke explained that summer school was more of a check-in and not a home visit. Through the Office

of Family and Community Partnership, a grant from the *Hartford Foundation for Public Giving*, has allowed an additional night to be added to the teacher's contract to have "partner meetings" with families. About 200 visits are made each year. He anticipates that this will be an ongoing grant.

Mayor Trinks acknowledged that it would not be necessary for the Board of Education to return as scheduled on April 16th.

3) Revenues

Jim Bourke, Finance Director for the Town of Windsor, provided a brief overview of the current fiscal year revenue projections and the proposed FY 19 revenue budget.

FY 2018

For Fiscal Year 2018, the approved budget is \$110,862,990. We are estimating revenues for this year to be approximately \$1.4 million more than budgeted. He added that:

- We expect to achieve favorable results in the overall general property tax category due to favorable collections from the current levy as well as from interim motor vehicle taxes.
- Building permits and conveyance fees are expected to provide additional one-time revenue for FY 18 as compared to budgeted amounts.
- Interest income estimates continue to improve due to increased interest rates with our main banking relationships.
- We anticipate collecting less revenue than budgeted from State Grants in Lieu of Taxes and Special Education tuition from other towns.

FY 2019

For FY 19, the proposed General Fund revenue budget totals \$115,194,930. This budget is an increase of approximately 3.9% over the FY 18 approved budget of \$4.3 million. Most of the town's revenue will come from two main sources: 1) the General Property Tax is expected to contribute approximately 85% and State Aid for Schools is expected to contribute 11% and 2) use of \$900,000 from opening cash, which is the same level as the current fiscal year.

We are again facing uncertainty for FY 19 in showing how much State Aid the town will receive. With this in mind, we have chosen to level fund State Aid to the FY 18 approved level.

- Interest income is projected to increase for FY 19 due to positive interest rate projections.
- Cell tower lease revenue and land recordings are budgeted at modest increases, but are offset by a projected decrease in revenue from Special Education tuition from other towns
- The new state-wide mill rate cap for motor vehicles is set at 45 mills and will not have an impact on Windsor for FY19.

Councilor Jenkins asked about the reduction in fines and revenues. Mr. Bourke stated that it is anticipated that we would collect \$1,000 less this year in an effort to be conservative as a

downward trend has been noted in recent years. Town Manager Souza said the town does not have control over traffic or court fines other than handicap parking fees.

In response to Councilor Jepsen, Mr. Bourke said the town is being conservative in the anticipated interest earnings. The estimates are based on what we are actually earning at this time.

The telephone property tax is a state wide tax that is on legacy equipment in town (not the cell towers) which is charged a uniform mill rate set by the state. Eversource power lines and sub-stations are taxed as personal property at the current mill rate.

4) Public Works

Bob Jarvis, Director of Public Works/Town Engineer, gave the presentation. Whit Przech, Building and Facilities Manager, Victoria Houle, Project Engineer and Ed Wagner, Public Works Operations Manager were also in attendance to present the FY 19 budget for the Departments of Public Works and Engineering.

The mission of the Department of Public Works and Engineering is to manage and maintain the town's infrastructure, public facilities, equipment, parks, and the landfill to make a positive difference in the quality of life for residents and businesses of Windsor.

FY 2018

The FY 18 General Fund expenditures are expected to be under budget by approximately \$91,000 or 1.5%. This is due primarily to partial year vacancies and energy and utility costs. In general, the expenditures of most of the groups that comprise Public Works and Engineering are projected to be within 0.5% of their budgeted amount.

FY 2019

The FY 19 General Fund budget reflects an increase of approximately \$241,000 or 3.5% when compared to the FY 18 budget. This is due primarily to increases in Personal Services and an increase in planned expenditures within both Facilities Management and Traffic Safety and Community Support. Staff feels that the increases to Facilities Management and Traffic Safety are necessary to continue providing acceptable levels of service in those groups.

The Department of Public Works and Engineering have a combined total of 37 regular full-time positions, 3.67 Full-Time Equivalents (FTE) in regular part-time positions, and 5.52 FTEs in temporary or seasonal employees.

Mr. Jarvis also stated that:

- Administration Group – This group has a vacancy for a senior management position that it expects to be filled within the last quarter of the FY 18.
- Parks and Grounds – This appears to show an increase in Temporary/Seasonal FTEs from FY 18 to FY 19. There is no proposed increase in the budget for this line item.

Rather, the FY 19 FTE total now includes seasonal employees that were inadvertently omitted previously and are funded through Town Support for Education.

- Facilities Management – The overall proposed FY 19 budget for the Facilities Management group reflects an increase of about \$70,000 or 8.3% as compared to the FY 18 budget. In addition to standard increases in Personal Services and increases in Energy and Utilities costs, the proposed FY 19 budget includes an increase of approximately \$20,000, within the Maintenance and Repair category, to address deferred maintenance items of several older town-owned buildings.
- Pavement Management – The overall proposed FY 19 budget for the Pavement Management group reflects a decrease of approximately \$17,000. This is primarily due to a decrease in spending from Town Aid Road grants to reflect an anticipated reduction in that grant award from the state.
- Traffic Safety & Community Support – The proposed FY 19 General Fund budget for the this group reflects an increase of approximately \$55,000 when compared to the FY 18 budget. This includes a standard increase in Personal Service costs and an increase of \$25,000 in Contractual Services to address an expected increase in maintenance of our older streetlights and traffic signals. Additional General Fund monies in the amount of \$20,000 will be used to fund the town’s line striping program.

Councilor Jepsen received clarification that the line striping was previously in Town Aid for Roads in FY 18 and has now been moved to the General Fund for FY 19.

Councilor Wilkos received clarification that the Archer Road Special Revenue fund is an account set up by a property owner along Archer Road which was designated as commercial property, as monies for use for future maintenance and improvement along Archer Road. It will be used for repaving in the near future. This was set up approximately 25 years ago.

Councilor Jepsen asked if there are any items in the budget that will help with the recommended changes in the recent Public Works study. Mr. Jarvis replied that most of the changes were in methodology, standards and policy changes. He expects minimal costs for these. Training and equipment replacement are already in the budget. Town Manager Souza stated that he hopes that the vacant management position will be restructured to a management/analyst position. As noted in the Public Works study it was recommended to rebuild the tracking performance measurement system.

5) Landfill Enterprise Fund

Mark Goossens, Solid Waste Manager for the Town of Windsor, presented the FY 18 and proposed FY 19 budgets for the Landfill and the Residential Transfer Station Enterprise Funds.

Revenues

As of July 2014, Revenues for the Enterprise Fund no longer included tipping fees for solid waste disposed at the Landfill.

There are now two primary sources of revenue funds:

- Interest earnings on the “fund balance” of the Enterprise Fund. Interest rates have risen slightly, resulting in approximately \$230,000 from this revenue source.
- Reimbursements for the closure and capping work at the site from a State Grant that has been designated for this purpose. The total of reimbursements received by the end of FY18 are expected to be approximately \$895,000.

Reimbursement for FY 19 is projected to be another \$350,000 with a subtotal that will reach approximately \$1,245,000 of the \$2 million grant total (at the end of FY 19).

Expenditures for both fiscal years are primarily related to the closure and capping work at the site. Net expenses at the conclusion of FY 18 are expected to come in approximately 30% under budget due primarily to a reduction in the supplies line. This reduction is generated through the avoided cost of purchasing additional clay materials for our impervious landfill cap.

The FY 18 budget provides funds for improvements to the landfill gas collection system that is expected to be performed near the end of this fiscal year. It also includes additional repairs to portions of the site facilities and the application of a portion of the cap.

The FY 19 budget includes funds for the continued application of capping materials, as well as smaller funds to finish repairs to site facilities.

Approximately 28 acres have been capped to date. It is estimated that the closure and capping efforts will continue into 2019. These are being completed in conformance with state and federal closure requirements.

The Retained Earnings of the Landfill Enterprise Fund will be used to meet costs associated with the landfill closure as well as post-closure monitoring. This includes leachate management, methane gas collection system maintenance and repairs, and other long-term obligations.

At the end of FY 19, the estimated end-of-year retained earnings balance available for future obligations is estimated to be approximately \$23.5 million.

In response to questions, Mr. Goossens stated that the landfill was still on track for the 30 year closure. Town Manager Souza noted that with the Department of Energy and Environmental Protection (DEEP) approval, we are no longer required to pump and treat leachate. We have a “constructed wetlands” approach where the leachate will be treated in a natural way. There will be no pipeline. This is a cost effective alternative and is a recycled soil product. We are optimistic that the DEEP will approve this method this spring. Equipment is not new and approximately half of the equipment is rented.

6) Resident Transfer Station Enterprise Fund

The facility is open approximately 32 hours per week and is available exclusively to residents of Windsor and Bloomfield.

The FY 19 budget proposes to continue to provide the same services as was provided in FY 18. This includes managing the residential drop off of approximately 500 tons of municipal solid waste (or "MSW"), oversized waste, and approximately 700 tons of bulky waste.

The transfer station operates as a separate, "stand-alone" enterprise fund, with the goal of operating with a positive fund balance. Based on waste stream volumes to date, at the conclusion of FY 19, the fund expects to have generated an additional net income of approximately \$45,000 and will have continued to meet the financial goal.

Over the past 3 years of operations, the Transfer Station Enterprise Fund has absorbed significant disposal price increases without passing along corresponding price increases to our customers. Once the remaining landfill airspace has been fully depleted at the conclusion of FY19, we will have to make adjustments in our pricing schedule in order to maintain a positive fund balance from year-to-year. For this reason, we are recommending a smaller, "stepped approach" to raising our fees that begins in FY 19.

In the proposed budget, we have recommended that the cost of half-year and full-year permits be raised by \$5 and \$10 respectively. We have also recommended that the cost of side window transactions be raised from \$3 to \$4, and individual bags be raised from \$2 to \$3. At this point, we envision that a similar increase in fees would need to be implemented the following year as well.

Mr. Goossens, responding to council comments, said the transfer station as a whole has a fluctuating environment. The costs have many variables such as Request for Proposals and scrap metal pricing. There are approximately 337 permits (177 yearly and 160 half-year permits). There are many side window transactions that are charged per event.

Councilor Wilkos suggested that the fees be increased immediately and disagrees with the step approach. The employees are paid from the Enterprise Fund. The new scale is for the residential users who utilize the side window. The transfer station is only open to residential users from Windsor and Bloomfield. Many adjustments would have to be made for commercial use.

7) Insurance Internal Service Fund

Liability Insurance and the Worker Compensation Insurance

Marty Maynard, Risk Manager, presented the Liability Insurance and the Worker Compensation Insurance sections of the Insurance Internal Service Fund.

The forecast for this coming fiscal year is in the single digit increases. It appears that it will continue to be a soft market, where the carriers are not significantly raising their premium, while conditions remain the same. We are doing an informal one year bid among the two or three carriers out there insuring municipalities in the state. We are recommending a 2.1% increase

this coming year.

Part of the reason we are getting low increases is that our experience has been going down. In FY 13, there were 78 total claims. With our present carrier, we have had a steady decline in claims for the past few years, only 14 so far in FY 18. We expect the number to go over 20, however, our dollar number reflects how well we have been doing.

For the Workers Compensation Fund, we forecast to be flat in FY 19. Although this year we have closed a number of claims, there are still some open claims which will cost us more money since they are older. The other additional costs for the Second Injury fund and the fees for the Third Party Administrator fund remain the same.

Over the last two years, there has been a focus on slips, trips and falls. We have provided all field personnel with ice cleats. We have seen a reduction in claims over the last three years, saving over \$90,000 in claim dollars.

Our claims experience has been steadily declining over the past few years, which has helped us stay flat this year.

Employee and Retiree Benefits

Amelia Bliss, Director of Human Resources, presented the Employee and Retiree Benefits section of the Insurance Internal Service Fund.

The active employee costs are budgeted in each department budget and the retiree costs are budgeted in the General Services budget.

The FY 18 employee and retiree General Fund costs, after employee and retiree copays and Enterprise Fund contributions are deducted, are expected to be \$155,040 or 4.9% under budget. This is due to:

- Enrollment changes, including fewer enrollees in the town's medical benefit plans
- Reduction in specialty prescription drug claims
- Medical claims being better than expected

As part of the CT Purchasing Coalition, our contract with Express Scripts was renewed in October of 2017 with more favorable pricing.

These factors positively impact the FY 19 employee and retiree benefits budget. For FY 19, the General Fund costs reflect an increase of \$45,390 or 1.4% over the FY 18 budget.

The town continually seeks ways to mitigate the increasing cost of employee benefits. Self-insuring several of the benefit plans has been the most successful resulting in a cumulative estimated savings of \$1.9 million, this includes \$300,000 in FY 17.

Over the past few years, the town negotiated changes to health insurance benefits for our bargaining units and implemented changes for the unaffiliated employee group. These changes have helped mitigate increasing costs. Changes have also been made to retiree health

insurance benefits. Now all retirees are required to take other coverage after retirement if it is available to them elsewhere.

Due to this change, ten retirees did not enroll in the town's insurance upon retirement in FY 17 and FY 18 to date, resulting in a cumulative estimated budget savings of \$88,000.

In FY 19, we will continue to explore ways to mitigate the increasing cost of providing employee benefits.

Deputy Mayor Terranova asked about the Stop Loss Captive program the town joined several years ago. Ms. Bliss replied it is rolled into the Health Insurance lines along with Aggregate Stop Loss with Anthem for health and dental. Together it is budgeted at \$268,000 for FY 19. Town Manager Souza said that percentage wise, we are estimating a 12% increase whereas the trend of the marketplace is at 50%.

Councilor O'Reilly questioned the funding sources. Part of the funding is from Town Support for Education based on a percentage of the use of the insurance.

In response to Councilor Jepsen, Mr. Maynard stated that the Fire Liability funding source from the Fire Districts is working out well at this time.

8) Adjournment

Councilor Wilkos MOVED and Deputy Mayor Terranova seconded to adjourn the meeting at 8:50 p.m.

Motion passed 9-0-0

Respectfully Submitted,

Lori Hartmann
Recording Secretary