TOWN OF ELLINGTON

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BOARD OF FINANCE

PUBLIC HEARING
FY 2022-2023
TUESDAY, APRIL 12, 2022
ELLINGTON HIGH SCHOOL

MINUTES

Members Present: Michael Purcaro-Chair, David Olender-Vice Chair, Peggy Busse, James Fay, Douglas Harding and Barry Pinto.

Others Present: Lori Spielman-First Selectman, Tiffany Pignataro-Finance Officer/Treasurer, Dr. Scott Nicol-Superintendent, Brian Greenleaf-Dir of Finance & Operations BOE, Board of Selectmen and Board of Education members, Town Officials and Department Heads, Town Residents, and 16 Zoom Participants

Chairman Michael Purcaro opened the hearing at 7:00 PM and introduced the members of the Board. A moment of silence was held to honor the passing of Board member Joseph Wehr. The chairman presented his slide presentation of the 2022-23 budget [slides attached]. He pointed out that this is the budget as presented to the Board and that at the budget deliberations on Thursday reductions will be made.

He opened the floor for questions or comments:

John Moser, 31 Frog Hollow Rd thanked the Board for all their work. He stated that the CPI came out tonight at 8.5%. He runs a foundation called EDU Innovate that donates to the public schools to provide teachers and students with items that the schools cannot supply. He is in favor of the education budget and stated that he wants to make sure the Board cares about investing in our children and is thoughtful in its deliberations. He would not like to see cuts too deep. Mr. Purcaro thanked him for his contributions and responded that he believes the school system is an integral part of the community and any adjustments will not impact teaching, learning, or staffing and will achieve all the goals set forth by the Board of Education. A lot of thoughtfulness has been put in by the Board and working with the BOE leadership.

Mike Madru, 6 Settlers Way asked how the position of a Town Administrator along with a part time salary for a First Selectman is in the budget without Town Charter change or input from the public or a public hearing. Mr. Purcaro stated that this budget does budget for a Town
Administrator. The position is for less than one half of the year. There was a committee that was formed that did the investigation on this and the Board of Selectmen approve it. There will be proposed adjustments to these items at deliberations.

Deanna Wamboldt, 103 Webster Rd, asked if this budget accounts for the cap on car taxes proposed by the Governor. Mr. Purcaro stated that it does not because it is not a guarantee at this time, only a proposal in an election year. We budgeted conservatively.

Miriam Underwood, 15 Eva Circle, stated that she is a Board of Education member and pointed out that Ellington spends $14,520 per student whereas surrounding towns spend up to +$17,000 per student. Ellington is 155 of all towns in CT. She asked that the Board please support the education budget.

Mike Madru, 6 Settlers Way, asked about the 3 part time police night patrols that are in this budget and asked if it might be looked at during deliberations to add more in light of the current crime. Mr. Purcaro stated that yes they will be looking at it and it is a major priority. Sgt. Brian Santa stated that they had looked at adding night patrols before the current crime increases due to other factors such as population. They are working in collaboration with town officials as well as the town officer’s union.

Board Member, David Olender, stated that the Zero Based Budgeting approach has helped him to see the line items for what they are and what the departments are looking for. It has made the budget process clearer for him.

Board Member, Peggy Busse, stated that Zero Based Budgeting doesn’t just add to the accounts each year; budgets can be reduced one year without fear of adding it back the next year. Department heads do not have to worry about not getting the funding back. She also stated that although small reductions to the budget seem worthless sometimes, the little things add up to become big things.

Mr. Logan Johnson, 44 Wappingwood Rd, asked if by reducing the budget, the town is just kicking the can down the road for potential tax increases. He asked if we will be able to contain costs. Mr. Purcaro stated that a stable mill rate is the main objective for a sustainable community and the strategy to deal with the outside pressures. A policy that the Board of Selectmen passed is to build up the reserve fund and this will continue. The fund balance will increase despite the external pressures.

School Superintendent, Dr. Nicol recognized the Board of Education members present tonight and over his 7 years, he appreciates working with Board of Finance and town administration.

Hearing no more questions or comments, the chairman closed the hearing at 7:52 pm.

Respectfully submitted:

Lori Smith, Recording Secretary
Budget Overview

- Continuation of funding for essential local government services
- Proposed expansions of current services and staffing changes that continue to move the Town forward in terms of growth, development and overall sustainability of our community
- Difficult current economic conditions
  - Minimum wages increases
  - Inflated costs of goods and services, supply chain shortages
- Monitoring legislation that may have a potential impact on Ellington’s budget
- Improved credit rating with S&P Global Ratings of “AA” with stable outlook
  - Budget puts emphasis on continuing these forward strides, maintaining fiscal health, and building reserves
  - Will save a significant amount of taxpayer dollars in interest for upcoming bond projects
FY2022-23 Budget Highlights

- Proposed Increase of 2.0 to Mill Rate FY2022-23
  - Proposed Mill Rate – FY2022-23 – 33.6 Mills
  - Mill Rate – FY2021-22 – 31.6 Mills

- Revenue - $65,332,700
  - Property Taxes - $52,029,575
  - Other Revenue - $13,303,125

- Expenditures - $66,509,251
  - General Government - $21,039,420
  - Capital Outlay - $2,300,005
  - Board of Education - $43,169,826

- Fund Balance
  - Projected June 30, 2022 - $4,286,364
  - To balance FY2022-23 budget - $(1,176,551)
  - Projected June 30, 2023 - $3,109,813
  - Unassigned fund balance policy target – 10% of expenditures, or $6,650,925
Total Revenue

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<th>FY2023 Proposed Budget</th>
<th>$65,332,700</th>
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Total Revenue

- **Property Taxes** - $4,568,838 net increase
  - Mill rate increase proposal - $3,485,636
  - Grand list growth at 3.67% - $1,083,202

- **Departmental Revenues** - $288,682 net increase
  - Town Clerk projected revenue - $144,800 increase based on historical volume
  - Recreation program receipts - $81,016 increase based on increased participation projection
  - Board of Education contribution - $32,000 increase based on Emergency and Risk Management Director position allocation

- **State and Federal Grants** - $(44,381) net decrease
  - Increase in ECS (Education Cost Share) grant projected - $158,455
  - STEAP (State Economic Assistance Program) Veteran’s Memorial Park capital not budgeted in FY23 - $(116,765)
  - Close out of Federal CRF (Coronavirus Relief Fund) grant funding in FY22 - $(113,934)

- **Other Income** - $(202,955) net decrease
  - Rental income increase with Middle Road and Maple Street properties - $25,245
  - Reduction in Capital Reserve Fund appropriations year over year - $(212,200)
  - Reduction in Ambulance Fee Program contributions - $(35,000)
## Total Expenditures

<table>
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<tr>
<th></th>
<th>FY2022 Adj. Approved Budget</th>
<th>FY2023 Proposed Budget</th>
<th>$ Change</th>
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<tr>
<td>General Gov't</td>
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### FY22 v. Proposed FY23 Budget

- Decrease
- Increase
Total Expenditures

• General Government = $277,768 or 15.76% increase
• Board of Education = $1,581,075 or 3.8% increase
• Boards & Agencies = $6,220 or 5.04% net increase
• Public Safety = $211,276 or 6.23% net increase
• Public Works = $316,878 or 6.52% net increase
• Recreation = $47,730 or 8.51% net increase
• Library = $23,654 or 3.23% net increase
• Human Services = $37,715 or 4.56% net increase
• Town Properties = $(105,499) or (11.93)% net decrease
• Debt Service = $(66,480) or (2.44)% net decrease
• Fixed Charges = $312,267 or 9.39% net increase
• Miscellaneous = $147,310 or 22.91% net increase
Budget Strategy and Next Steps

Eight (8) key components:
1. History of Exceptional Financial Stewardship
2. Strong Town-Wide Economic Growth and Development
3. Excellent Credit Rating
4. Zero-Based Budgeting
5. Expanded Opportunities for Shared-Services
6. Comprehensive Risk Management Program
7. Implementing New and Innovative Administrative/Financial Policies and Procedures
8. Prioritizing and Adjusting the Proposed FY2023 Budget
We welcome and encourage your participation and input!