

**BOARD OF FINANCE SPECIAL MEETING  
JUNE 18, 2024 6PM  
MEETING HELD REMOTELY**

**Call to Order:** Chairman Michael Imber called the meeting to order at 6:00 pm. Also in attendance were Vice Chair Jeffrey Farr, Rone Baldwin, Theresa Brasco, Amy Gare, Jeffrey Goldstein and Finance Director Rick Darling, Town Administrator Karl Kilduff, DPW/Public Works Director Larry Roberts, Selectman Tony Tesco, WPS Finance Director Phil Cross. Absence noted for Christopher Bryant.

**Discussion regarding the Board of Education's financial update. Phil Cross, Director of Finance and Operations:** Mr. Cross provided an updated YTD summary for FY 23-24 period ending May 31, 2024. Mr. Cross discussed a projected surplus for this year of approximately \$505,000. Driving the surplus is salary savings, FML and turnovers. Savings in CMERS also contributes to the surplus, transportation savings, pre-k and non-resident tuition was discussed and excess state cost reimbursement. Adjustment amounts to offset OPEB and pre-purchased items to mitigate the FY 25 budget discussed. BOF members asked questions regarding total surplus (not counting prepaids) as well as OPEB adjustments. Discussion on prepaids and surplus further discussed.

**Discussion/Decision regarding a supplemental appropriation request in the amount of \$230,000 for three capital projects previously requested in the FY 24-25 capital budget. Phil Cross, Director of Finance and Operations:** Mr. Cross reviewed previous discussion during the FY25 budget with the BOE proposing to the BOF that \$230,000 from the FY24 projected surplus be used to mitigate the FY25 requested capital budget. Projects discussed are the district wide parking lot/driveway maintenance and paving, HES North House playground site work and WHS old gym wall padding replacement. Discussion of operating funds not being used for capital items was discussed during the budget process, resulting in BOE requesting a special appropriation. Noted that the items were removed from the capital budget in anticipation that a special appropriation would be approved.

Ms. Gare asked if the paving RFP process has been followed. Mr. Baldwin had questions on the RFP process asking for clarification on the lack of a public posted RFP process. Paving RFP procurement policy for the BOE and what is required for the \$170,000 paving request to be clarified in paving discussion. Appropriations for operating and capital budgets discussed. Mr. Darling discussed that the BOE cannot transfer operating funds out of surplus to fund capital budget projects. Mr. Baldwin clarified that operating funds cannot be transferred out of a surplus of operating to fund capital projects and requests clarification if this is a rule or a preference.

Ms. Brasco asked if a supplemental appropriation for \$230,000 is approved and the project is not completed what happens to the appropriation. Mr. Darling answered that it either gets closed out or funded to another project. Mr. Imber reviewed supplemental appropriations approved to date and confirmed if \$230K is approved, that TOW is still under the 2% special appropriation cap. Mr. Imber asked for a motion to approve the BOE supplemental appropriation in the amount of \$230,000. Motion made by Ms. Gare, seconded by Mr. Goldstein. All in favor, motion passes unanimously.

**Discussion/Decision regarding a supplemental appropriation request in the amount of \$13,500 for PFAS filters for the School and Town water system. Karl Kilduff, Town Administrator:** Mr. Roberts and Mr. Kilduff gave a brief history of PFAS and the filtration system. Water demand from the schools exceeded the estimate for water consumption when the filters were installed requiring replacement

during the current fiscal year. Mr. Imber asked for a motion to approve a supplemental request in the amount of \$13,500 for PFAS filters. Motion made by Mr. Farr, seconded by Mr. Baldwin. All in favor, motion passes unanimously.

**Discussion/Decision regarding approval of an appropriation and bond authorization in the amount of \$6 million for road paving. Tony Pesco, Selectman, Rick Darling, Finance Director, Karl Kilduff, Town Administrator, Larry Roberts DPW/Public Works:**

Selectman Pesco reviewed the presentation of the Weston Road Paving Project for 24/25 in anticipation for the financing and timeline discussion. The BOS has approved and recommends to the BOF two items for consideration and approval.

- BOF Action to Approve a bond resolution recommending \$6.0 million for paving 14.5 miles of roads over the next two years. The authorization is specific to the street segments reviewed with the BOS/BOF to date, noting that no other streets or paving will be done with this series of bonding. Subject to BOF approval a Special Town Meeting is scheduled for July 9 to provide approval to issue debt.
- Mr. Pesco also discussed an approval request for a supplemental appropriation of \$100,000 for 100 catch basins. The catch basins are foundational to the paving work and lead times require the need to be ordered as soon as possible.

Mr. Kilduff discussed the bond resolution recommending that the town meeting approve the appropriation of \$6 million which is the fundamental bond authorization that legally lets the town incur debt. Actual borrowing will be a function of the RFP bid responses. Bond anticipation notes not to exceed the amount were discussed. BAN's are one year notes and CT state law permits municipalities to issue BAN's for two consecutive years then requires either payment in full or a refinance with a long term bond. The first BAN will be for \$3.6 million this year to pave 9.3 miles of roads. BAN #2 will be in 2025 for \$6 million to refinance BAN #1 (\$3.6 million) plus \$2.4 million to pave 5.2 miles of roads. Both BAN's will be refinanced into a consolidated 20 year bond upon maturity of BAN #2 in 2026. Debt amortization was reviewed. If approved, the funding to move forward would be by the end of July, aligning with RFP selection. Mr. Pesco reviewed the Paving program pricing assumptions. Originally Beta Group assumption pricing was \$40 a square yard, \$30 square yard is the assumption to be more accurate. Funding and planned work for 24/25 is aimed at achieving a targeted 72 RSR.

Mr. Imber asked if Public Works has the internal bandwidth to oversee this project and get at least the 2024 projected roads completed. Mr. Roberts discussed using the stock of catch basins to get ahead and noted that 3 of the longer roads listed have been completed. Several miles of road have been prepped, timeline and RFP discussed. Mr. Farr had questions on the projected RSR ratings presented. Mr. Baldwin had questions on planned roads to be paved and RSR for specific roads. Mr. Baldwin discussed the \$100,000 special appropriation request for catch basins and the potential risk of having a large inventory of catch basins if the paving plan does not pass. Mr. Baldwin discussed the bonding and catch basins at \$6.1 million stating that at \$30 sq yard it adds up to \$5.65 million vs. \$6.1 million total which would be \$33 per square yard. Mr. Pesco confirmed that TOW will only issue what the actual costs will be for paving. Mr. Baldwin wanted to clarify that if appropriating up to \$6 million that if the actual paving costs come in less than anticipated, then less will be appropriated.

Discussion followed on the TOW resolution language pointing out that the resolution should state that if the bids come in less than \$6 million, that said amount is what would be appropriated and more roads will not be added to the list of roads to be done. Ms. Brasco discussed the resolution language requesting that it should reflect what the actual understanding of the financing agreement is. Resolution language discussion continued.

Mr. Imber asked for a motion to approve the resolution for the appropriation and bond authorization in the amount of \$6 million for road paving. Motion made by Mr. Goldstein, seconded by Mr. Farr. Motion passes unanimously.

**Discussion/Decision regarding a supplemental appropriation request in the amount of \$100,000 for catch basin work in preparation for summer/fall road paving. Karl Kilduff, Town Administrator:**

Mr. Kilduff discussed the DPW request for an appropriation for funding to purchase materials needed to repair/replace catch basins on streets targeted for paving. Purchase allows catch basin work to be done in advance of paving which allows paving to proceed quickly. Mr. Farr asked if basins are being purchased from a state vendor. Mr. Kilduff discussed that they are being purchased off of the state bidders list and will require a waiver under the RFP process.

Mr. Imber asked for a motion subject to RFP waiver for a supplemental appropriation in the amount of \$100,000 for catch basin work in anticipation of road pavement. Motion made by Mr. Goldstein, seconded by Mr. Farr. All in favor, motion carries unanimously.

**Discussion/decision regarding the approval of minutes from the May 6th, May 9th and May 23rd meetings:** Mr. Imber asked for a motion to approve the May 6, 2024 Special BOF minutes. Motion made by Mr. Goldstein, seconded by Mr. Farr. All in favor, motion carries unanimously. Mr. Imber asked for a motion to approve the May 9, 2024 BOF minutes. Motion made by Ms. Gare, seconded by Mr. Goldstein. Ms. Brasco abstains. Motion passes. Mr. Imber asked for a motion to approve the May 23, 2024 Special BOF minutes. Motion made by Mr. Goldstein, seconded by Ms. Gare. All in favor, motion carries unanimously.

**Adjournment:** Mr. Imber asked for a motion to adjourn the meeting. Motion made by Mr. Farr, seconded by Mr. Baldwin. Meeting adjourned at 7:50 pm.

Respectfully submitted,

Shawn Amato, Recording Secretary