

Item 1



June 12, 2025

**TO:** Board of Finance – Town of Weston

**FROM:** Phillip Cross, Director of Finance and Operations

**SUBJECT:** April Financial Report for FY 24-25

**Financial Summary**

Below is the financial summary for the period ending April 30, 2025 as well as trends and highlights.

FY 2024-25 CATEGORY SUMMARY								
Object Series	Adjusted Budget	YTD Actuals	Encumbrance	Anticipated	Total Expenditures	Projected Balance	Previous Month Balance	Month Over Month Change
Salaries (1000's)	36,444,080	26,285,635	9,478,017	312,925	36,076,576	367,504	223,770	143,734
		72.13%	26.01%	0.86%	98.99%	1.01%	0.61%	0.39%
Benefits (2000's)	10,643,788	8,573,911	1,810,227	44,392	10,428,530	215,258	179,347	35,910
		80.55%	17.01%	0.42%	97.98%	2.02%	1.68%	0.10%
Professional Services (3000's)	1,584,714	1,171,284	416,760	86,670	1,674,714	(90,000)	(90,000)	-
		73.91%	26.30%	5.47%	105.68%	-5.68%	-5.68%	0.00%
Property Services (4000s)	2,266,696	1,626,333	529,334	76,026	2,231,693	35,003	35,003	-
		71.75%	23.35%	3.35%	98.46%	1.54%	1.54%	0.00%
Other Services (5000s)	6,635,775	4,891,940	1,482,046	93,096	6,467,082	168,693	149,439	19,254
		73.72%	22.33%	1.40%	97.46%	2.54%	2.25%	0.05%
Supplies (6000s)	2,881,453	2,434,645	613,841	90,198	3,138,684	(257,231)	(257,231)	-
		84.49%	21.30%	3.13%	108.93%	-8.93%	-8.93%	0.00%
Equipment (7000s)	274,579	259,873	4,672	71,697	336,242	(61,663)	-	(61,663)
		94.64%	1.70%	26.11%	122.46%	-22.46%	0.00%	-0.17%
Other Objects (8000s)	133,013	95,949	31,547	5,518	133,013	-	-	-
		72.13%	23.72%	4.15%	100.00%	0.00%	0.00%	0.00%
Revenue (9000s)	(1,524,396)	(884,123)	8,740	(397,823)	(1,273,206)	(251,191)	(284,329)	33,138
		58.00%	-0.57%	26.10%	83.52%	16.48%	18.65%	1.15%
<b>Total</b>	<b>\$ 59,339,701</b>	<b>\$44,455,447</b>	<b>\$ 14,375,183</b>	<b>\$ 382,698</b>	<b>\$ 59,213,328</b>	<b>\$126,373</b>	<b>(\$44,001)</b>	<b>\$ 170,374</b>
<b>Total %</b>		<b>74.92%</b>	<b>24.23%</b>	<b>0.64%</b>	<b>99.79%</b>	<b>0.21%</b>	<b>-0.07%</b>	<b>0.29%</b>

**TRENDS AND HIGHLIGHTS**

As of April 30, 2025 the projected year-end balance is \$126,273, representing an increase of \$170,374 since February. It is important to note that the projected year-end balance is highly variable during the final quarter.

**Salaries - \$143,734**

Turnovers & Savings:

- CIL– The former 6-12 English CIL resigned at the end of November and was replaced by an internal candidate in March. This resulted in cumulative turnover savings of \$63,795 across multiple lines (CIL, General Education and Academic Assistants).
- Other turnover savings - \$80,568
- FML & Sick bank transfer - \$42,643
- Bus Aides - \$30,355 –This year, fewer aides were needed on fewer buses as determined by IEPs.
- Acting Superintendent – (\$73,627)

**Benefits - \$35,911**

- Health Insurance – Final reduction due to changes in total census - \$76,694.
- Unemployment Claims - Projected to be over budget by (\$10,171). This year's claims are significantly higher than in recent years. Claims as of March 31 totaled \$35,171. An additional \$5,000 has been encumbered for anticipated claims through year-end.
- Pension Contribution- Projected to be over budget by (\$30,612).

**Other Services – \$19,254**

- Out of District Tuition/Settlement & Transportation - Adjustment related to IEP services

**Equipment – \$61,663**

- Ongoing roll out of flexible furniture for two classrooms at the Middle School.

**Revenue Offset - \$33,138**

- Non-Resident Tuition - Two students were added mid –year.

**Internal Service Fund**

Dental claims and fees are trending slightly lower than historical averages. As a result, total dental claims are expected to be lower than previously anticipated.

**WESTON PUBLIC SCHOOLS  
INTERNAL SERVICES FUND  
FOR HEALTH BENEFITS PROGRAM**

Fiscal Year Ended	2025
<b>STATEMENT OF REVENUES AND EXPENDITURES</b>	
Fund Balance -July 1, 2024	\$ 418,466
Revenues:	
General Fund	\$ 385,918
Reimbursements	\$ -
Total Contributions	\$ 385,918
 Total Revenues (A)	 \$ 385,918
Projected Claims:	
Delta Dental:	
Claims	\$ 362,534
Administrative Fees	\$ 23,384
Total Dental Claims (B)	\$ 385,918
 Net Change (A-B)	 -
 Projected Fund balance June 30, 2025	 \$ 418,466

<b>Dental- Actual Claims &amp; Fees</b>	
<b>Month</b>	<b>Claims &amp; Fees</b>
July	37,461
August	33,544
September	22,959
October	26,780
November	22,392
December	31,927
January	24,689
February	27,402
March	31,575
April	25,787
<b>Total</b>	<b>\$ 284,515</b>
 Actual YTD Spend Rate	 73.7%
Theoretical YTD Spend Rate	83.3%
<i>YTD Theoretical variance %</i>	<i>-9.6%</i>

**WESTON PUBLIC SCHOOLS**  
**FYE 25 FINANCIAL REPORT**  
 As of April 30, 2025  
 Period: 10 of 12

		2022-2023		2023-2024		2024-2025							
Year-End Expense	Year-End Expense	Year-End Expense	Year-End Expense	Object Code	Description	Adopted Budget	Budget Transfers	Adjusted Budget	YTD Expended	Encumbered	Anticipated	Expended & Encumbered To EOY	Balance Available
2,881,354	2,854,614	3,375,352	1110	Administrators	Salaries & Wages (1000s)	3,471,863	-	3,471,863	2,802,156	670,011	-	3,472,167	(304)
14,465,388	14,827,266	15,169,704	1111	General Ed Teachers		15,789,653	-	15,789,653	11,193,044	4,475,934	-	15,668,978	120,675
2,303,563	2,522,780	2,359,825	1112	Special Ed Teachers		2,731,016	-	2,731,016	1,816,755	774,538	-	2,591,293	139,723
983,206	1,021,018	948,323	1113	Guidance		993,064	-	993,064	681,819	303,031	-	984,850	8,214
468,881	397,172	418,788	1114	Psychologist		437,475	-	437,475	297,656	134,531	-	432,187	5,288
202,927	353,558	410,444	1115	Social Worker		490,714	-	490,714	341,179	144,214	-	485,393	5,321
543,134	539,131	510,769	1116	Speech & Hearing		636,232	-	636,232	417,363	113,211	-	530,574	105,658
1,184,208	887,328	1,261,271	1117	Academic Assistants		1,281,047	-	1,281,047	925,884	352,942	-	1,278,826	2,221
169,686	110,854	59,724	1118	Talented & Gifted		61,217	-	61,217	42,381	18,836	-	61,217	-
403,577	400,239	455,473	1119	Library/Media		477,800	-	477,800	310,799	145,296	-	456,095	21,705
46,587	57,886	51,774	1135	Transition Coordinator		68,088	-	68,088	28,137	15,378	-	43,514	24,574
832,301	847,138	877,957	1139	Certified Stipends		953,162	-	953,162	619,925	333,237	-	953,162	-
574,562	651,668	969,094	1140	Academic Leader (CIL's)		1,016,399	-	1,016,399	723,441	291,728	-	1,015,169	1,230
2,650	1,852	2,571	1141	Mentor Teacher		2,000	-	2,000	511	703	-	2,000	-
187,872	113,090	-	1142	Behavioral Analyst		169,321	-	169,321	50,923	28,466	-	79,390	89,931
45,835	58,267	68,897	1145	Multilingual Learner		85,703	-	85,703	46,423	20,632	-	85,703	-
<b>\$ 25,295,731</b>	<b>\$ 25,643,861</b>	<b>\$ 26,939,968</b>		<b>Sub-Total Certified Salaries</b>		<b>\$ 28,664,754</b>	<b>\$ -</b>	<b>\$ 28,664,754</b>	<b>\$ 20,298,396</b>	<b>\$ 7,802,687</b>	<b>\$ 19,434</b>	<b>\$ 28,140,517</b>	<b>\$ 524,237</b>
						6.40%			70.8%	27.3%	0.1%	98.2%	1.8%
					<i>Other Certified Salaries</i>								
45,700	40,788	25,138	1131	Homebound Tutor		44,500	-	44,500	18,555	-	25,945	44,500	-
-	-	-	1136	Degree Level Change		44,390	-	44,390	-	-	-	-	44,390
278,078	246,814	216,491	1137	Substitute Teacher		178,801	-	178,801	176,822	13,065	(11,086)	178,801	-
212,521	189,064	194,739	1138	Summer Work - Certified Staff		190,408	-	190,408	95,299	-	95,109	190,408	-
99,315	127,403	152,490	1143	Building Substitutes		203,175	-	203,175	108,405	50,260	44,510	203,175	-
295,291	385,336	215,245	1144	Long term Substitute		118,000	-	118,000	149,433	99,443	(57,249)	191,627	(73,627)
-	-	-	1160	Turnover Savings		(170,000)	-	(170,000)	-	-	-	-	(170,000)
<b>\$ 930,904</b>	<b>\$ 989,404</b>	<b>\$ 804,103</b>		<b>Sub-Total Other Certified Salaries</b>		<b>\$ 609,274</b>	<b>\$ -</b>	<b>\$ 609,274</b>	<b>\$ 548,513</b>	<b>\$ 162,768</b>	<b>\$ 97,230</b>	<b>\$ 808,511</b>	<b>\$ (199,237)</b>
									90.0%	26.7%	16.0%	132.7%	-32.7%

**WESTON PUBLIC SCHOOLS  
FYE 25 FINANCIAL REPORT**

As of April 30, 2025

Period: 10 of 12

		2022-2023		2023-2024		2024-2025									
Year-End Expense	Object Code	Year-End Expense	Year-End Expense	Description	Adopted Budget	Budget Transfers	Adjusted Budget	YTD Expended	Encumbered	Anticipated	Expended & Encumbered To EOY	Balance Available			
381,506		413,013	496,658	<i>Non-Certified Salaries</i>	503,427	-	503,427	380,821	116,542	-	497,363	6,064			
223,520		213,706	238,317	1210 Non-Cert. Supervisors	244,816	-	244,816	178,135	66,254	-	244,389	427			
306,924		247,373	279,358	1211 Nurses	337,013	-	337,013	256,803	78,848	-	335,651	1,362			
1,140,104		1,156,839	1,328,819	1215 Occupational & Physical Therapists	1,350,863	-	1,350,863	1,028,462	318,992	4,656	1,352,110	(1,247)			
1,767,360		1,697,360	1,838,311	1221 Administrative Support	1,856,507	-	1,856,507	1,441,960	427,380	(12,834)	1,856,507	-			
146,862		156,413	141,394	1231 Para Educators	147,297	-	147,297	81,003	-	35,939	116,942	30,355			
485,773		495,877	505,325	1234 Bus Aides	524,782	-	524,782	413,896	109,961	-	523,857	925			
61,996		65,017	46,914	1235 Technicians	67,540	-	67,540	54,254	16,044	-	70,298	(2,758)			
247,175		262,406	276,448	1237 Vocational Specialist	308,860	-	308,860	241,122	60,538	-	301,659	7,201			
506,491		513,999	514,241	1241 Safety Monitors	553,611	-	553,611	416,540	123,843	13,227	553,611	-			
460,027		477,370	543,741	1251 Custodians	568,374	-	568,374	439,711	128,488	-	568,199	175			
84,861		90,458	103,682	1261 Maintenance Mechanics & Grounds	122,205	-	122,205	76,730	19,963	25,512	122,205	-			
197,442		192,939	188,200	1269 Athletic Support Staff	198,605	-	198,605	132,749	25,708	40,148	198,605	-			
<b>\$ 6,010,040</b>		<b>\$ 5,982,771</b>	<b>\$ 6,491,407</b>	<b>Sub-Total Non-Certified Salaries</b>	<b>\$ 6,783,900</b>	<b>\$ -</b>	<b>\$ 6,783,900</b>	<b>\$ 5,142,186</b>	<b>\$ 1,492,561</b>	<b>\$ 106,648</b>	<b>\$ 6,741,396</b>	<b>\$ 42,504</b>			
				<i>Other Non-Certified Salaries</i>				75.8%	22.0%	1.6%	99.4%	0.6%			
47,199		39,524	39,305	1213/122 Non-Certified Substitutes	47,500	-	47,500	17,232	-	30,268	47,500	-			
176,085		199,553	230,025	1212/221/38/42/52/62 Overtime	203,700	-	203,700	176,704	-	26,996	203,700	-			
127,252		114,912	101,739	1268 Summer Work-Non-Cert.	134,952	-	134,952	102,602	-	32,350	134,952	-			
<b>\$ 350,536</b>		<b>\$ 353,988</b>	<b>\$ 371,068</b>	<b>Sub-Total Other Salaries</b>	<b>\$ 386,152</b>	<b>\$ -</b>	<b>\$ 386,152</b>	<b>\$ 296,539</b>	<b>\$ -</b>	<b>\$ 89,613</b>	<b>\$ 386,152</b>	<b>\$ -</b>			
								76.8%	0.0%	23.2%	100.0%	0.0%			
<b>\$ 32,387,211</b>		<b>\$ 32,970,025</b>	<b>\$ 34,606,546</b>	<b>TOTAL SALARIES</b>	<b>\$ 36,444,080</b>	<b>\$ -</b>	<b>\$ 36,444,080</b>	<b>\$ 26,285,635</b>	<b>\$ 9,478,017</b>	<b>\$ 312,923</b>	<b>\$ 36,076,376</b>	<b>\$ 367,504</b>			
					5.31%			72.1%	26.0%	0.9%	99.0%	1.0%			



**WESTON PUBLIC SCHOOLS**  
**FYE 25 FINANCIAL REPORT**  
 As of April 30, 2025  
 Period: 10 of 12

2021-2022	2022-2023	2023-2024	Object Code	Description	Adopted Budget	Budget Transfers	Adjusted Budget	YTD Expended	Encumbered	Anticipated	Expended & Encumbered To EOY	Balance Available
859,036	907,204	969,175	4200	<i>Properly Services (1000s)</i>	1,034,776	-	1,034,776	826,238	167,415	-	993,653	41,123
48,405	50,825	66,687	4202	Cleaning Services	72,934	-	72,934	50,483	10,320	12,131	72,934	-
122,591	82,370	171,370	4302	Rubbish Removal	188,805	-	188,805	84,613	62,868	41,325	188,805	-
164,029	184,530	189,525	4400	Equipment Repairs	175,767	-	175,767	131,489	57,813	(13,535)	175,767	-
74,770	213,171	215,350	4500	Equipment Rental	150,000	-	150,000	53,531	56,913	39,555	150,000	-
29,913	30,182	40,740	4514	Repair Allowance	37,430	-	37,430	54,697	10,953	(22,100)	43,550	(6,120)
172,720	201,994	191,606	4518	Fire Alarm System	159,795	-	159,795	117,265	42,530	-	159,795	-
171,669	205,809	247,875	4520	Sewer System Plant Maintenance	194,724	-	194,724	141,267	25,395	28,062	194,724	-
61,247	93,203	66,984	4530	Service Contracts	82,425	-	82,425	38,525	23,475	20,425	82,425	-
16,959	39,271	31,644	4540	Parks & Recreation	59,500	-	59,500	77,299	39,777	(57,576)	59,500	-
186,270	195,029	74,974	4541	Athletic Facilities Repairs	89,300	-	89,300	46,138	30,793	12,369	89,300	-
122,304	109,755	-	4600	Contracted Services	-	-	-	-	-	-	-	-
2,366	11,275	6,377	4604	Special Projects	10,500	-	10,500	-	-	10,500	10,500	-
138,631	35,888	35,100	4701	Snow Plowing	10,740	-	10,740	4,789	1,081	4,870	10,740	-
138,631	35,888	35,100	4701	Security System Monitoring	10,740	-	10,740	4,789	1,081	4,870	10,740	-
<b>\$ 2,170,908</b>	<b>\$ 2,360,505</b>	<b>\$ 2,307,405</b>		<b>TOTAL PROPERTY SERVICES</b>	<b>\$ 2,266,696</b>	<b>\$ -</b>	<b>\$ 2,266,696</b>	<b>\$ 1,626,333</b>	<b>\$ 529,334</b>	<b>\$ 76,026</b>	<b>\$ 2,231,693</b>	<b>\$ 35,003</b>
								71.7%	23.4%	3.4%	98.5%	1.5%





# Item 2

**TOWN OF WESTON FUND BALANCE POLICY**  
as recommended by Fund Balance Subcommittee 06.03.25

**1. OBJECTIVE**

Pursuant to Connecticut state law, the Town of Weston is obligated to adopt a balanced budget for each fiscal year. However, many actual expense and reserve amounts are not known at the time the annual budget is approved at the Town Meeting, and significant unforeseen expenses can occur at any time during the year. Accordingly, it is incumbent upon the Town to maintain an amount of unreserved funds that are not earmarked or legally constrained for specific purposes. In this connection, pursuant to Conn. Gen. Stat. § 7-359 et. seq. the State of Connecticut permits municipalities to establish an **Unassigned Fund Balance** (“UFB”) to among other things:

- (1) eliminate the need for short-term borrowing to handle cash flow between the start of the fiscal year and receipt of revenues from taxes;
- (2) serve as a contingency fund that enables the Town to respond to unanticipated emergencies or opportunities such as capital and nonrecurring expenditures (i.e., acquiring a specific piece of equipment or planning constructing, reconstructing, or acquiring specific capital improvement).

Additionally, the maintenance of undesignated levels is an element of sound fiscal management required for sustaining a high credit rating and financial management flexibility. In this connection, credit rating agencies determine the adequacy of an **UFB** using a complex series of financial factors. The size of the **UFB** is an important, but not the only consideration in the Town’s rating. Other important factors are the reliability of a government’s revenue sources, economic conditions, community wealth factors, cash position, debt ratios, management performance, and fiscal decisions made by the various town bodies.

This policy is intended to provide for an **UFB** which satisfies the cash flow and contingency needs of the community as well as ensuring that the Town maintains a high credit rating.

**2. GOVERNMENTAL FUND TYPE DEFINITIONS**

**2.1. General Fund.**

The General Fund is comprised of all resources that are not reported in another fund.

**2.2. Special Revenue Funds.**

The Special Revenue Fund is used to account for the proceeds of specific revenue

sources that are restricted or committed to expenditures for specific purposes other than debt and capital projects. Restricted or committed revenues are the foundation for a Special Revenue Fund (e.g. Parks & Recreation Department).

### 2.3. Capital Project Funds.

The Capital Project Fund accounts for financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital Project Funds can be designated for things such as renovations to the High School.

### 2.4. Debt Service Funds.

The Debt Service Fund accounts for financial resources that are restricted, committed or assigned to expenditures for principal and interest, including resources being accumulated for principal and interest maturing in future years.

### 2.5. Permanent Funds.

The Permanent Funds are used for the benefit of the government or citizenry, to account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. Permanent funds do NOT include private purpose trust funds. Permanent Funds are designated for things such as school lunch programs.

## 3. FUND BALANCE CALCULATION

In the context of municipal financial reporting, the term "**Fund Balance**" describes the Town's net positions of funds calculated in accordance with generally accepted accounting principles (GAAP). Pursuant to Conn. Gen. Stat. §7-560 (13) "**Fund Balance**" means the amount that assets and deferred outflow of resources of a municipality's general fund exceeds the liabilities and deferred inflow of resources of the general fund of the municipality, as of the fiscal year ended as reflected in the municipality's most recent audited financial statements presented in accordance with generally accepted accounting principles.

In other words, the **Fund Balance** is the difference between the Town's current assets (cash, short-term investments, receivables) expected to be available to finance operations in the immediate future and its current liabilities.

The **Fund Balance** is initially characterized as being **Restricted** and **Unrestricted**.

### 3.1. FUND BALANCE DEFINITIONS

Consistent with GASB Statement 54, Fund Balance Components are as follows:

#### 3.1.1. Restricted Fund Balance Categories

3.1.1.1. Non-spendable.

Resources not in spendable form or are legally required to remain intact. These are amounts that cannot be spent because they are:

(a) not in spendable form (such as inventory, prepaid items, long term portions of notes receivables); or

(b) legally or contractually required to be maintained intact (such as the corpus of an endowment fund).

3.1.1.2. Restricted.

Resources constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation imposed or legally enforceable by external properties.

3.1.2. Unrestricted Fund Balance Categories

3.1.2.1. Committed.

Resources constrained to specific purposes by the Town itself, using its highest level of decision-making authority. To be reported as committed, resources cannot be used for any other purposes unless the government takes the same highest-level action to remove or change the constraint.

3.1.2.2. Assigned.

Resources the Town intends to use for a specific purpose. The intent can be expressed by the Town or by an official or body to which the Town delegates the authority. Appropriations of existing fund balances to future budgets are considered assigned fund balance.

The Town shall not report an assignment that will result in deficit in **UFB**. Negative fund balances cannot be considered assigned.

3.1.2.3. Unassigned.

Resources that are available for any purpose. These amounts are reported only in the general fund. In other governmental funds, if expenditures incurred exceeded the amounts restricted, committed or assigned it may be necessary to report a negative **UFB**.

3.1.2.4. The UFB calculation:

Total Fund Balance  
Less Non-spendable fund balance  
Less Restricted fund balance  
Unrestricted Fund Balance

**4. ADMINISTRATION**

- 4.1. When an expenditure is incurred for purposes for which both **Restricted and UFB** are available, the Town considers the **Restricted Fund Balance** amount to have been spent first until exhausted and then any available **UFB**, unless not permitted by law.
- 4.2. When an expenditure is incurred for purposes for which **Committed, Assigned, or Unassigned** amounts are available, the Town considers the fund balance to be spent in the following order: **Committed, Assigned**, and then **Unassigned**.
- 4.3. Expenditure of any surplus fund balance amounts shall be either for one-time capital appropriations or for transfer into dedicated accounts to meet unfunded Town/School liabilities.
- 4.4. The fund balance shall specifically not be used for paying recurring operating expenditures.
- 4.5. A positive balance in any Board of Education non-lapsing account must be fully expended before the Board of Finance will consider any additional special appropriations.

**5. GOVERNANCE**

- 5.1. The Fund Balance of the Town may be committed for such specific purposes by formal action of the Board of Finance in accordance with this policy and the Town Charter. Amendments or modification to the Committed Fund Balance must also be approved by formal action of the Board of Finance.
- 5.2. Unless otherwise approved by the Board of Finance, the Board delegates authority to assign funds to the Assigned Fund Balance only for encumbrances to the Town Administrator and Finance Director.

## 6. MINIMUM UNASSIGNED FUND BALANCE ADMINISTRATION

6.1. The Board of Finance recognizes that good fiscal management comprises the foundational support of the entire Town. Accordingly, to ensure that the Town maintains a high credit rating, the Town shall endeavor to maintain an available balance in the General Fund as a cushion against potential revenue and expenditure volatility. In this connection, the Board of Finance will seek to maintain a fiscal year end UFB of no less than 20% of the next year's budget.

6.1.1. If the UFB falls below the 20% threshold as defined above, the Board of Finance will collaborate with the Board of Selectmen to replenish the deficiency over a period not to exceed the next three fiscal years.

6.2. The Board of Finance shall review this policy annually at its January meeting. This review will include monitoring the minimum **UFB** requirements. During its annual review, the Board of Finance shall determine whether the minimum target levels for the **UFB** should be increased based upon factors including but not limited to:

6.2.1. Significant volatility in operating revenues or operating expenditures;

6.2.2. Potential drain on resources from other funds facing financial difficulties;

6.2.3. Exposure to natural disasters (e.g. hurricanes);

6.2.4. Reliance on a single corporate taxpayer or upon a group of corporate taxpayers in the same industry;

6.2.5. Rapidly growing budgets; or

6.2.6. Disparities in timing between revenue collections and expenditures

6.3. Exigent circumstances may justify the "spend down" of **UFB** below its minimum. Such exigent circumstances include but are not limited to:

6.3.1. Operating Emergencies

6.3.2. Unanticipated budgetary shortfalls

# Item 3

## Town of Weston, Connecticut Proposed Debt Management Policy

Edits suggested in redline/blueline not reviewed/approved by BOF 01.09.25

### I. Purpose

The purpose of the Debt Management Policy is to guide decisions related to financing capital improvements by the Town's available cash balances, current tax revenue, and issuance of debt in order to maintain the Town's long-term financial strength and retain the highest possible ratings from the municipal credit rating services. This policy is intended to ensure that debt is used responsibly. The policy also seeks to maintain a balance between the town's ability to meet service demands and the burden of debt on taxpayers.

### II. Goals and Objectives

The goals of the Debt Management Policy are to establish parameters for issuing debt and managing a debt portfolio which encompasses the Town's specific capital improvement needs and its ability to repay financial obligations utilizing a long-range financial planning approach. Specifically, the policies outlined in this document are intended to guide the Town in:

1. **Establishing guidelines** for the issuance and management of debt.
2. **Minimizing debt service and issuance costs** to maximize the benefit of debt over cash purchase.
3. **Retaining the highest possible credit rating** and maintain transparency in financial disclosure.
4. **Ensuring compliance** with the Town Charter, state, and federal laws regarding debt issuance.
5. **Aligning debt management with long-term capital planning** and provide a mechanism to meet the town's infrastructure and capital project needs.

### III. Use of Debt

A sound debt management program integrates "pay-as-you-go" financing with projects financed through the issuance of long-term debt. The Town's Capital Improvement Program (CIP) shall use this combined approach to fund capital projects. Therefore, it is important to integrate the Town's Debt Management Policy with both a long-range financial plan and the CIP. Debt issuance for capital projects should not be considered unless such issuance has been incorporated into the CIP, which is updated annually. **Debt shall not be used to fund ongoing operating expenses of the Town of Weston.**

When considering how to fund capital improvements the Town will use the following criteria to evaluate whether to fund the improvement project on a "pay-as-you-go" basis versus the use of long-term debt financing:

#### Factors Favoring Pay-As-You-Go Financing

- Current revenues and adequate fund balances are available such that project phasing can be accomplished.
- Useful life of the capital assets is 10 years or less.
- Existing debt levels might have an adverse impact on the Town's credit rating.

- Market conditions are unstable or uncertain.

#### Factors Favoring Long-term Debt Financing

- Alternative funding sources such as Federal and State grants, loan programs, donations, proceeds from divestitures of capital assets, or a combination thereof, are not adequate or available.
- Revenues available for debt service are forecast to be sufficient and reliable such that long-term financings can be marketed **such that the Town can maintain a AAA** credit rating.
- Market conditions present favorable interest rates.
- The life of the project or capital asset to be financed is 10 years or longer.

#### IV. Allowable Types of Debt

The Town may issue the following types of debt in accordance with Connecticut law:

1. **General Obligation Bonds (GO Bonds):** Used to finance capital improvement projects with a long-term benefit (e.g., school construction, infrastructure projects) [or to refinance existing debt](#).
2. **Bond Anticipation Notes (BANs):** Short-term notes issued in anticipation of future bond issuance (e.g., as part of a multi-step construction program).
3. **Tax Anticipation Notes (TANs):** Short-term borrowing to cover operating expenses pending tax collection.
4. **Leases:** Capital leases used to finance equipment with a useful life shorter than 15 years.

This policy prohibits the use of variable rate demand bonds and floating rate notes, nor the issuance of any securities which would commonly be understood to be a “derivative”.

#### V. General Debt Limitations

**Primary Debt Affordability Metric:** There is a limit on the amount of debt that is affordable for the Town of Weston. The Town uses the following **as the primary** measure to define affordability:

**Annual Debt Service as a Percent of General Expenditures** - measures the resources that debt uses in the annual budget. The Town of Weston will limit annual debt service (principal and interest) as a percent of general fund operating expenditures to no more than 10% at the time of new debt issuance, excluding debt supported by self-sufficient revenues. [Note: the term General Fund Operating Expenditures is defined as total expenditures within the Adopted Annual General Fund Budget excluding principal and interest payments.](#)

**Other Debt Affordability Metrics:** Analytical review will be conducted by the Board of Finance in contemplation of the affordability of a new debt issuance which incorporates some or all of the ratios listed below. The ratios shall be reviewed in comparison to Weston’s financial history, as part of Weston’s long term financial projections, and in comparison, to the ratios of other peer towns:

- Annual debt service payments as a percentage of expenditures
- Debt per capita

- Ratio of debt to net assessed value and to equalized net grand list
- Debt per capita as a percentage of per capita income
- Other debt related ratios utilized by rating agencies in assessing credit ratings for municipalities
- Mill rate
- Tax burden on a median value house

**Financial Projections:** Any proposal for debt issuance and assessment of debt affordability must include financial projections that assess the impact on debt levels, debt service, future debt capacity, tax burden, mill rate and key debt ratios as noted above. The projections should incorporate the long-term capital plan and any other potential future plans for issuing debt for capital projects, and assess the impact over the next 20 years after the proposed debt issuance.

## VI. Debt Structure

The Town follows the following practices in repaying the principal and interest on its General Obligation Bonds:

1. **Debt Term:** The town will issue debt with the shortest period practical, but in any case, does not exceed the **useful life of the asset** being financed, with a maximum maturity of **30 years**.
2. **Overall Maturity Management:** the town will manage its portfolio of debt and related debt maturities towards the goal that **50% of debt matures within 10 years**
3. **Paydown Schedule:** The Town will utilize level principal payments where practical. This structure will allow adjusting payments to smooth out total annual debt service over time.
4. **Fixed Rate:** The town will issue **fixed-rate debt** to minimize budgetary uncertainty.
5. **Call Provisions:** Debt will include provisions for early redemption (call options) to allow flexibility in refinancing if interest rates decrease.

## VII. Process to Issue Debt

The Town will issue long-term, fixed rate debt to permanently finance the acquisition of long-lived capital assets when current tax revenues or cash balances are not sufficient to finance these projects. The Town will consider key economic variables, local economic trends, revenue and expenditure projections (including future operating costs associated with new capital projects), tax impacts, and the overall debt burden on the community before issuing debt. Issuance of debt is guided by the following practices:

1. The Town shall **solicit and select a Municipal Advisor** when issuing debt obligations to advise on structuring and other options to improve the marketability of the bond offering.
2. The Town shall **authorize by resolution** a not to exceed issuance amount for the bonds in accordance with the provisions of the Weston Town Charter (Section 9.11 et al), as revised from time-to-time.
3. The Town shall **employ other outside financial specialists** to assist town staff in developing a bond issuance strategy, preparing materials for presentation to rating agencies, preparing bond documents, and marketing bonds to investors (e.g., Bond Counsel, paying agent/registrar, trustee, auditing, or printing services).

4. The Town will **generally issue debt obligations through a competitive sale process** unless conditions are more favorable for a negotiated process. Whenever possible, the Town will issue \$10 million or less in tax exempt securities per calendar year to receive the “Bank Qualified” status on the issue to minimize interest rates paid for bonded projects.
5. The Town shall **comply with all federal, state, and contractual restrictions regarding the investment of bond proceeds**. The Town will use bond proceeds within the established time frame pursuant to the bond contract or other documents in order to comply with federal tax requirement to avoid arbitrage (interest earned on investment of bond proceeds above the interest paid on the debt).

#### **VIII. Refinancing of Debt**

The Finance Department, in consultation with the Town’s Municipal Advisor, will annually evaluate opportunities to **refund existing debt** to achieve savings. Refunding will be considered only if a **net present value savings of at least 2%** of the refunded debt is achieved

#### **IX. Monitoring and Ongoing Disclosure**

The Town’s long-term financial forecast, capital improvement program, debt obligations, and debt capacity will be evaluated together, in an integrated manner, on an annual basis by the **Town Administrator** and the **Director of Finance** and reported to the **Board of Finance**. Any changes that occur in capital plans, debt obligations, or debt capacity will be incorporated and highlighted for consideration in the Town’s annual budgeting process.

The Town is committed to continuing disclosure of financial and pertinent credit information relevant to the Town’s outstanding securities and will abide by the provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure. The Director of Finance, with assistance of financial advisors, shall prepare and submit comprehensive financial, economic, and demographic information on the Electronic Municipal Market Access (EMMA) service annually.

The Town will also maintain open communication with credit rating agencies, ensuring full financial disclosure of operations and providing accurate and timely information to maintain or improve the town's credit rating.

#### **X. Policy Review**

The Director of Finance is responsible for reviewing the Debt Management Policy annually and shall recommend to the Town Administrator and the Board of Finance any changes to this policy as required. This would include changes required to align the policy with best practices, ensure compliance with any covenants in any bond documents, or meet the requirements of federal tax, securities, or other applicable law.

**Approved by the Weston Board of Finance:** [Date]

# Item 4

**ADDITIONAL & SUPPLEMENTAL APPROPRIATION APPLICATION**

**ABSTRACT**

*This supplemental appropriation is requested for severance payments that will occur on or around June 30th for retiring employees*

**AMOUNT**

\$ 185,793

**FYTD PRIOR  
SUPPLEMENTAL**

\$ 737,570

**ACCOUNT NUMBER /  
OBJECT CODE**

*Various Salary  
lines*

**BACKGROUND**

*Effective 7/1/25, new provisions will go into effect with regard to the MERS pension program. One of which includes a reduction in the minimum COLA of .5%. All but one of the pending retirees are well tenured, and there is impetus for these employees to retire from the Town.*

**BOS/BOE ACTION**

*The Board of Selectmen approved this supplemental appropriation at their June 4th meeting.*

**SUPPORT MATERIALS**

*Included in backup material*

**PROCUREMENT  
COMPLIANCE**

N/A

**EXPEDITED ACTION  
REQUESTED**

Yes

**SIGNATURE**

*Rick Darling*

**DATE**

*June 10, 2025*



Office of the Town Administrator

## MEMORADUM

TO: Board of Selectmen  
FROM: Karl F. Kilduff, Town Administrator  
RE: Request for Supplemental Appropriation to Pay for Compensated Absences Due to Staff Retirements  
***New Funding Amounts CMERS Based on Modified Calculation by R. Darling***  
DATE: June 10, 2025

---

The purpose of this memo is to outline the need for Supplemental Appropriations to the Public Works, Police and Parks & Recreation Departments, as well as General Administration.

As background, recently implemented changes to the State pension program the Town offers (CMERS) created an impetus for retirements with changes in potential future benefits going into effect on July 1, 2025 in addition to the maturity of the Town's workforce with their length of service making employees eligible to retire.

It has been the Town's policy to fund final payouts of compensated absences on a pay-as-you-go basis. Compensated Absences is payout of certain accrued leave that is required by Union contract.

Public Works Supplemental is meant to address the anticipated net impact of final payouts for two long-serving employees that will be retiring by June 30, 2025. The net funding need is \$53,718 and is in alignment with current budget projections for a deficit in the department as a result of the retirements.

The Police Department Supplemental is meant to address the anticipated net impact of final payouts for two retiring officers and paying down a future liability on another member of the Department. The net funding need is \$47,675 and is in alignment with current budget projections for a deficit in the department as a result of the retirements. Funding was provided in the FY24-25 budget in anticipation of potential retirements. However, on-boarding of replacement hires and the sums to be actually paid create deficit. The retirement of a third officer is still pending.

Parks & Recreation Supplemental is meant to address the anticipated net impact of final payouts for three retiring employees. Two employees will be retiring before June 30, 2025. A third employee retired from the Town earlier in the fiscal year. The net funding need is \$60,929 and is in alignment with current budget projections for a deficit in the department as a result of the retirements.

General Administration needs Supplemental Appropriations to fund the impact of payouts to FICA and CMERS lines. The net funding need is **\$23,471** and is in alignment with current budget projections for the department.

The Board of Selectmen is being asked to approve the following items:

- 1.) Approve a Supplemental Appropriation in the amount of \$53,718 for the Salaries & Wages of the Public Works Department and recommend approval of the same by the Board of Finance.
- 2.) Approve a Supplemental Appropriation in the amount of \$47,675 for the Salaries & Wages of the Police Department and recommend approval of the same by the Board of Finance.
- 3.) Approve a Supplemental Appropriation in the amount of \$60,929 for the Salaries & Wages of the Park & Recreation Department and recommend approval of the same by the Board of Finance.
- 4.) Approve a Supplemental Appropriation in the amount of **\$23,471** to be placed in the General Administration Department in the amounts of \$20,872 for the FICA line item and **\$2,599** for the Pension line item and recommend approval of the same by the Board of Finance.

# Town Severance Payments

## Supplemental Appropriation Request

Department	Amount
<u>Public Works</u>	\$ 123,238 (2 employees)
Less: Available budget offsets	
Regular Wages - Acct 50101	\$ (48,000) (due to lapses in filling vacancies)
Part-time Wages - Acct 50103	\$ (11,520) (not hiring summer help)
Other Accounts	\$ (10,000) (based on expected trend)
Supplemental required	\$ 53,718
<u>Police Dept.</u>	\$ 85,675 (3 employees - one buy down of liability)
Less: Available budget offsets	
Overtime Wages - Acct 50102	\$ (24,000)
Other Accounts	\$ (14,000) (based on expected trend)
Supplemental required	\$ 47,675
<u>Parks and Recreation</u>	\$ 63,929 (3 employees)
Less: Available budget offsets	
General Maintenance	\$ (3,000)
	\$ 60,929
General Administration	
FICA	\$ 20,872
Pension	\$ 2,599
	\$ 23,471
<b>Total Supplemental Required</b>	<b>\$ 185,793</b>



# Item 5

**ADDITIONAL & SUPPLEMENTAL APPROPRIATION APPLICATION**

**ABSTRACT**

Funding for the construction-phase to replace the downstream headwall and associated repairs to the entire headwall system at the Kramer Lane culvert crossing.

**AMOUNT**

\$ 300,000

**FYTD PRIOR  
SUPPLEMENTAL**

\$ 737,570

**ACCOUNT NUMBER /  
OBJECT CODE**

Capital

**BACKGROUND**

Where the West Branch of the Saugatuck Riiver crosses under Kramer Lane, the headwall assembly has deteriorated due to erosion. Substantial damage to existing eroded areas occurred during the August 18, 2024 rainfall. The repairs will fix the damage and prevent additional erosion from occurring.

**BOS/BOE ACTION**

The Board of Selectmen approved this supplemental appropriation at their June 4th meeting.

**SUPPORT MATERIALS**

List supporting documents (e.g., RFP, Bid Responses, Analyses, etc.) with hyperlinks if posted on Town website.

**PROCUREMENT  
COMPLIANCE**

N/A

**EXPEDITED ACTION  
REQUESTED**

Yes

**SIGNATURE**

*Larry Roberts*

**DATE**

June 10, 2025



Office of the Town Administrator

**MEMORADUM**

TO: Board of Selectmen  
FROM: Karl F. Kilduff, Town Administrator  
RE: Request for Special Appropriation for Kramer Lane Headwall Repair  
DATE: May 27, 2025

---

The purpose of this memo is to outline the need for a Special Appropriation for the construction costs to repair the headwall on Kramer Lane.

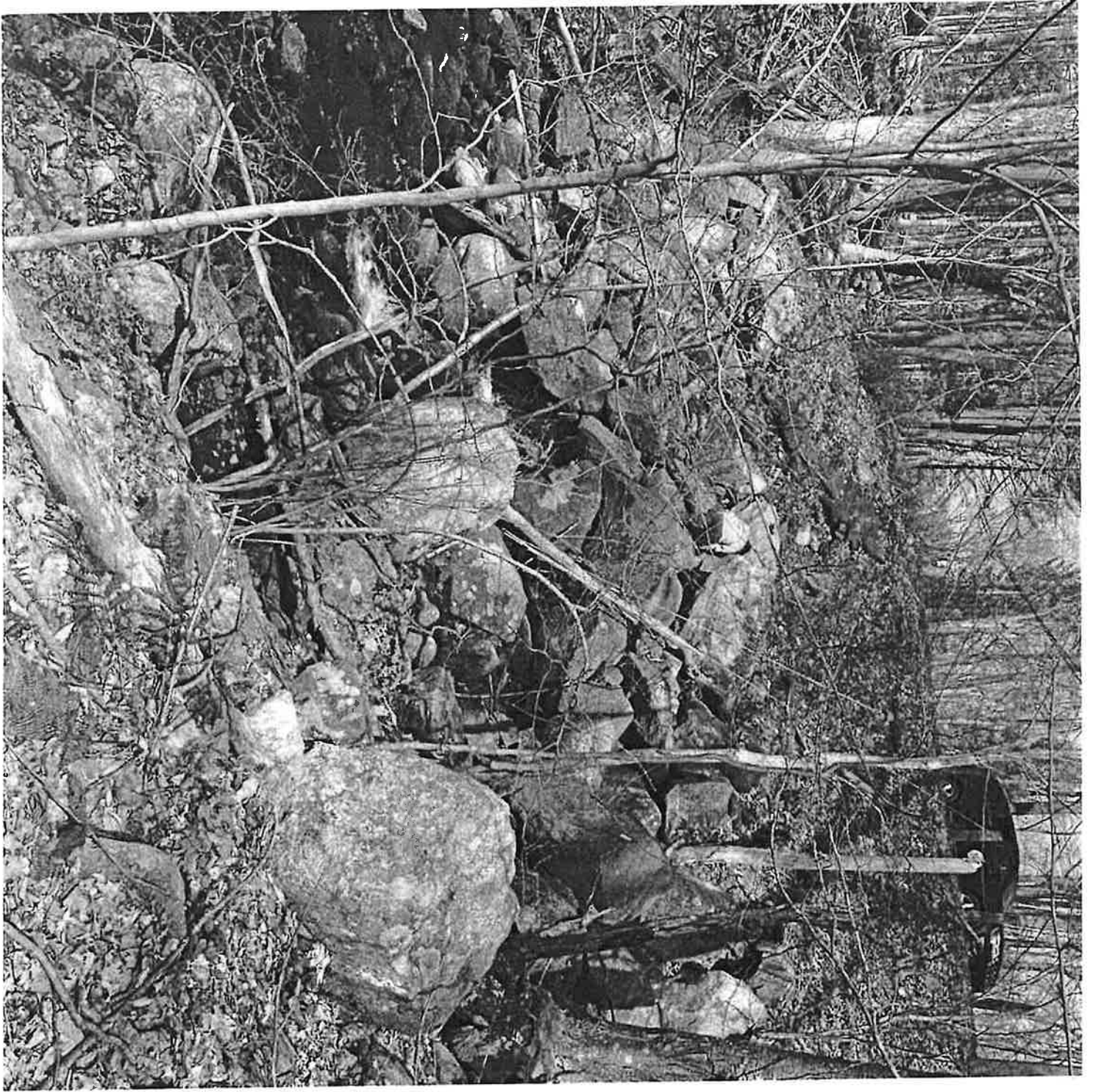
Kramer Lane spans a watercourse. The headwall on the on the upstream side had a partial collapse which loosened the pipe in the culvert that carries water downstream. Stones abutting the culvert also came loose. This project was flagged as an urgent repair. A construction estimate was projected by an engineer the Town has an existing contractual relationship with. That estimate is the basis for this Special Appropriation of \$300,000. The project and this amount were proposed for the FY25-26 budget but they project was cut in anticipation of a Special Appropriation.

In the meantime, the Town was waiting for a cost proposal for engineering and design for the project. That amount was submitted at the beginning of May for review. The Town is not comfortable moving forward with the proposal that was provided and a formal RFP will be issued for engineering on the project. Funding for the engineering and preparation of construction bid documents will have to be addressed in FY25-26.

The Board of Selectmen is being asked to approve the following items:

- 1.) Approve a Special Appropriation in the amount of \$300,000 for the construction costs the repair to the Kramer Lane Headwall and recommend approval of the same by the Board of Finance.





# Item 7

DRAFT - Board of Finance Special Meeting

6:00 pm

May 5, 2025

Meeting held Remotely

**Call to Order:** Chairman Michael Imber called the meeting to order at 6:05 pm. Attendees were Vice Chairman Jeffrey Farr, Theresa Brasco, Christopher Bryant, Daniel Gershburg, Jeffrey Goldstein and Finance Director Rick Darling. Excused absence noted for Rone Baldwin.

**Discussion & Decision to set the mill rate for fiscal year 2025-2026 (on the condition that budgets are approved through referendum on Saturday, May 3<sup>rd</sup>):** Mr. Imber thanked all involved in preparation of the budget for the Town and the Board of Education. After several meetings the Board of Ed and Board of Selectman proposed a reduced and revised budget which was sent to the BOF who took further action in reductions with unanimous BOF support. The ATBM achieved a quorum with more than 350 residents attending which advanced the approved budget to a town wide vote on Saturday, May 3<sup>rd</sup>. More than 500 voters participated and overwhelmingly approved the budget of \$76,869,913, representing a 3.05% increase over last year's budget. Against the approved grand list of 3.265 billion, the implied mill rate is 23.90 for next year, representing a 1.83% mill rate increase over last year. Mr. Imber asked for a motion to approve the 23.90 mill rate for fiscal year 2025-2026. Motion made by Mr. Bryant, seconded by Mr. Gershburg. Discussion was then held with Mr. Farr and Ms. Brasco with concerns that the ATBM process was not conducted in the manner consistent with past ATBM and may be in violation of the CSG statutes and town charter. Further discussion was held on meeting materials that Mr. Farr and Ms. Brasco did not believe included line item details. At the ATBM the moderator and Nicholas Bamonte were asked about these materials and the moderator outlined a different meeting procedure than required. Further discussion was held on charter interpretation and a new procedure eliminating the ability for qualified voters to reduce specific line item requests. Mr. Farr noted he was not prepared to vote on the proposed mill rate. Mr. Bryant discussed that Mr. Bamonte clearly stated the rules were the same as previous years. Ms. Brasco further questioned if the approved town budget which was approved by BOF by line item or is the designated budget summary by department and division as presented in the ATBM materials. She further discussed chapter 106 of CGS and responsibilities in the town charter noting that the materials only allowed reduction of total department budget not line items as required. Ms. Brasco noted she was not voting to set the mill rate based on non-complaint ATBM process. Further discussion was held with Mr. Darling clarifying that the ATBM call was made available 5 days prior to the meeting and information packet was posted prior to the meeting. Prior to the call Mr. Imber clarified that attorney and moderators agreed that disclosure was appropriate and adequate, therefore the meeting proceeded resulting in referendum. After entertaining all question and debate, Mr. Imber called for a vote.

4 yes (MI, CB, DG, JG), 2 NO (TB, JF). Motion passes 4-2.

Adjourn: Motion to adjourn made by Mr. Gershburg seconded by Mr. Bryant . Meeting adjourned at 6:39 pm.

Respectfully Submitted,  
Shawn Amato, Recording Secretary

**DRAFT – Board of Finance**  
**Regular Meeting**  
**May 8, 2025 6:00 pm**  
**Meeting Held Remotely**

**Call to Order:** BOF Chairman Michael Imber called the meeting to order at 6:00 pm. Attendees were Vice Chairman Jeffrey Farr, Theresa Brasco, Christopher Bryant, Daniel Gershburg, Jeffrey Goldstein, Rick Darling, Finance Director. Excused absence noted for Rone Baldwin.

**Discussion and Decision regarding the annual suspense list from Tax Collector, Jen Morse:** Mr. Darling discussed the state statute process of transferring delinquent grand list motor vehicle and personal property bills to the suspense list, total of approximately \$20,000, with Ms. Morse answering procedural questions. Mr. Imber asked for a motion to transfer to the suspense list 72 tax bills aggregating \$20,522.47. Motion made by Mr. Farr, seconded by Mr. Goldstein. All in favor, motion carries unanimously.

**Discussion regarding the Town financial update and forecast. Rick Darling, Finance Director:** Mr. Darling gave an update on the General Fund Year End Highlight for FY 2024-25. Revenues reviewed, tax revenues are strong, majority of it being in the elderly and fire tax abatement (less seniors qualifying for the abatement). Investment income anticipated higher than budget due to short term yields remaining above assumptions as well as unrealized gains in fixed income accounts. Town clerk receipts projected higher compared to budget. Expenditures discussed administration forecast surplus due to delay in hire of HR manager as well as reduced hours for Records Coordinator. General Admin is projected to end with a deficit, the primary driver was the increase in the Georgetown Fire District payment which was \$40k more than budgeted as well as forecasted deficit in pension line items due to severance payments. Public Works reflecting a surplus against the revised budget as supplemental appropriations have addressed deficits in snow removal and vehicle maintenance accounts. Capital budget forecast includes supplemental appropriations of \$603,630 to date. Remaining estimate expenditures of LMR project of \$1,869,096 which will be offset by the application of fund balance. The \$500k state ARPA grant has been approved but not yet received. Unassigned Fund Balance is just under \$18.4 million which is 23.2% of the FY 25 budget. Mr. Imber asked for clarification on the \$500k match from the ARPA grant and release of funds. Mr. Farr discussed the reduction in tax relief due to revaluation and discussed the changes and tax relief being something that seniors rely on. Mr. Imber discussed that falls within the BOS. Mr. Brasco asked about public works and supplemental appropriations, asking if there could be surpluses within the department and could there be transfers within the line items in departments to offset appropriation requests. Ms. Brasco requests to see more line-item details rather than a summary budget. Requests to see where they are in budgeted line items to see where monies are at different points and where transfers are occurring. Mr. Imber asked if any transfers have taken place during FY and have any department heads asked for transfers during the fiscal year. Mr. Darling said no and discussed that after the close of the fiscal year he seeks BOS and BOF approval for transfers. Further discussion on

expenditures was held with Mr. Imber explaining that Town Attorney has already clarified the procedure on end of year transfers.

**Discussion regarding issuing an RFP for OPEB actuarial services.** Mr. Darling discussed that the current OPEB actuarial services contract term is coming to an expiration date. USI Consulting (formerly Hooker and Holcombe) has been the town's OPEB actuary for approximately 12 years. Putting the actuary services out to bid following RFP protocol discussed with all in agreement. Mr. Darling to put out an RFP.

**Discussion regarding a status update on the Board of Finance policy subcommittees. Mike Imber, BOF Chairman:** Mr. Imber reviewed the status on the subcommittees to date. The Debt Management subcommittee will recirculate the last draft of the BOF policy for discussion at the June meeting. Mr. Gershburg added to the Fund Balance Policy subcommittee to fill the vacancy for Ms. Gare. Both committees will meet prior to June BOF to finalize any outstanding items.

**Approval of minutes from the March 11<sup>th</sup> special meeting, April 8<sup>th</sup> special meeting and April 10<sup>th</sup> regular meeting.** Mr. Imber asked for a motion to accept the March 11<sup>th</sup>, April 8<sup>th</sup> and April 10<sup>th</sup> minutes as presented. Motion made by Mr. Gershburg, seconded by Mr. Goldstein. All in favor, minutes approved.

**Adjourn:** Mr. Imber asked for a motion to adjourn. Motion made by Mr. Goldstein, seconded by Mr. Gershburg. All in favor. Meeting adjourned at 6:43 pm.

Respectfully Submitted,  
Shawn Amato, Recording Secretary