

BOLTON BOARD OF FINANCE
SPECIAL MEETING
April 20, 2015

Minutes & Motions

Attendance: Chairman Robert Munroe, James Bruner, Morris Silverstein, Judy Wilson, Robert DePietro, Barry Stearns, and Ronald Rousseau were present. Also present were Interim Finance Director Linda Savitsky, Administrative Officer Joyce Stille, First Selectman Robert Morra, BOE Chair Karen Bergin, Superintendent Kristin Heckt, Rick Hayes, Matthew Giuffre, Ray Boyd, and others.

1. **Call to Order:** Chairman Munroe called the meeting to order at 7:17 p.m.
2. **Public Participation:** Peter Van Dine spoke about state grants not listed in the general fund, asking that they be itemized individually. He was interested in a formal request by the BOF that all funds be included in the board reports received during budget season. The item will be revisited.
3. **Correspondence:** Nicole Sullivan sent an email urging careful treatment of the BOE budget, asking that the budgets go to the town as they came to the BOF. The Chairman noted that there have been similar comments this year as well as in the past, but the BOF considers it an obligation to do what they believe best for the town before putting a proposal out.
4. **Review of Updated Calendar:** The BOF will meet May 13th at 7:15p.m. to set the mill rate.
5. **Discussion Re: FY 16 Proposed Budget Revenues and Expenditures**

The BOF reviewed updated budget documents. J. Stille reported the town is expected to receive up to \$21,000 from FEMA for storm expense reimbursement next fiscal year. That brought total expected revenues to \$4,482,433. The Chairman updated the public on total expected expenditures. Last week, the gap in a 5% increase scenario was \$4-500,000. After formula corrections, it is closer to \$751,000.

The Chairman reopened discussion on unspent and returned funds. He did not think that to both take returns and give cuts was appropriate to the situation. Excess funds have been returned for budget consideration in previous years, as well as returning funds for credit. The variance lay in what portion was offset. K. Heckt said the BOE was prepared to return some money, depending on special education.

M. Silverstein and R. Rousseau did not accept the practice of recognizing excess funds as revenue. J. Bruner said he would accept it this year only. The Chairman, J. Wilson, and R. DePietro were in favor. B. Stearns was in favor, but without promising specific uses for the funds. R. Morra said the BOS can return \$120,000. K. Heckt said the BOE can return \$100,000 depending on special education. B. Stearns moved to recognize the funds as revenue. R. DePietro seconded. The motion passed 5:2:0.

J. Stille said the grand list went down by about \$700,000. Both it and the FEMA \$21,000 were already taken into account in the budget sheets. After that, \$509,000 in cuts was still needed.

B. Stearns moved to revise the figures with the above adjustments. R. DePietro seconded. The motion passed 6:1:0. B. Stearns moved to adopt the FY 16 Estimated Revenues accordingly. R. DePietro seconded. The motion passed 6:1:0.

6. Discussion and Action Re: FY 16 Proposed Budget for presentation to Public Hearing

B. Stearns moved to bring a 5% increase to the public hearing. R. DePietro seconded. Discussion followed.

B. Stearns did not expect 5% to pass, but said it should go before the town so the BOF could give its reasoning. J. Wilson thought it was too high. The Chairman thought it was justified for the hearing and needed to cover budgets and necessary items such as public safety and debt. J. Bruner recommended less, saying 5% will not sell and he didn't know how the BOF could explain to the town that the mill rate will go up that high. Mill rates don't go down, so from there it will only get worse. It was noted that even when public hearing favors an increase, voting usually shows the opposite. M. Silverstein was not in favor of a trial number and wanted one they can see passing. He thought their responsibility was to represent taxpayers. R. Rousseau said the public likely would want a 0% increase, so 5% was disingenuous. He also said these numbers will damage reception of the upcoming \$10 million bond package.

R. DePietro said the budget's content is equally as important as the numbers. The Chairman referred to the debt and obligations that start the increase at 3%. He said the budget and bond package need to be allowed to perform separately on their individual merit. The package may need revision. The Chairman also noted that if this budget passes, debt would be absorbed to keep it level, which has been a BOF goal. About \$250,000 in debt will retire in a couple years. J. Bruner said that was justifying the current tax increase with a future number, which itself may also be used up in its own time.

The motion failed 3:4:0.

J. Wilson moved to use a 4.35% increase for a total cut of \$605,598; with about \$230,000 to the BOS, \$280,000 to the BOE, and \$98,000 to capital reserve. Discussion followed. The motion passed 4:3:0.

J. Bruner asked attendees where they thought the town could get funds in order to not cut so much. R. Morra said a major factor was that state government over-expenditure is being passed on to towns. He said that any national economic recovery was not reaching Connecticut as it inhibited growth. J. Bruner agreed, citing the flat grand list as an example. Chairman Munroe also referred to the interest income rate, which has stayed at a near 0% growth for 6 years. Discussion followed.

7. Adjournment: B. Stearns moved to adjourn. J. Bruner seconded. The meeting adjourned at 9:28 p.m.

Respectfully submitted,

Sarah Benitez, Recording Secretary