

BOLTON BOARD OF FINANCE
SPECIAL MEETING
March 31, 2015

Minutes & Motions

Attendance: Barry Stearns, Robert DePietro, Judy Wilson, Chairman Robert Munroe, James Bruner, Morris Silverstein, and Ronald Rousseau were present. Also present were Interim Finance Director Linda Savitsky, First Selectman Robert Morra, Superintendent Kristin Heckt, Board of Education Chair Karen Bergin, Richard Hayes, Gwen Marrion, Ray Boyd, Lori Boyd, Alison Romkey, and others.

- 1. Call to Order:** Chairman Munroe called the meeting to order at 7:21.
- 2. Public Participation:** No public participation.
- 3. Discussion Regarding FY 2016 Budgets (Revenue & Expenditures)**

Introduction: Chairman Munroe preceded the discussion by noting that debt service alone (due to the sewer and low Columbia enrollment) has the town looking at a 2-2.5% tax increase. Historically it does not approve of high taxes or tax increases, so budget season will likely be difficult again this year.

L. Savitsky reviewed three FY 16 documents: an expenditures summary, a revenues draft, and a draft mill rate worksheet. Some revenues were not final since some money is still coming in, and the analysis will be run the following week. Licenses, permits, and fees are expected to remain flat. Educational grant amounts are confirmed by the BOE. Educational revenues are down due to low Columbia enrollment. Other state and federal grants are not expected to differ much. Interest on investment is low. Rental income is low as leases are only to the Y, public access, and the church. The Chairman highlighted that state funds and the grand list remain flat, and cash and revenue are limited. To fund the proposed budgets without cuts or return of monies from this fiscal year, a 10% increase would be necessary. He said that would clearly not pass, but the 2-2.5% increase is already built in. The 5% scenario was offered to show the situation but will likely end up halved.

Discussion: R. Morra suggested making reductions as a combination of reductions and returns. He asked if the BOF can give the boards an amount by which the budgets need to be reduced, and then leave it to them to meet that amount. Superintendent Heckt wanted to know if the BOE would see no offset in the case of returning funds, as happened last year. Richard Hayes of the BOE asked if it would help to protect special education funding, since it had a major effect on the BOE last year. Chairman Munroe thought that would be in accordance with R. Morra's suggestion.

R. Morra said that regardless of cuts, the debt service has to be met. J. Bruner asked for suggestions on what to look at in the budgets to help reduction. R. Morra said the state trooper issue is significant, but he does not see a good solution that will allow the Boards to make out as they want. Historically a 3.5% increase has been on the high end, and they are starting with a figure of 5%. M. Silverstein said he does not think it would be good accounting practice to put funds toward increasing budgets, regardless of where they come from (including returns) until the debt is met. R. Rousseau asked to clarify the flat revenue. R. Morra and B. Stearns said it was to work off the worst case scenario.

Discussion followed on apportionment of funds after returns last year. The BOF recalled many issues came from the last two months of the referendum season, and timing affected the BOE. J. Bruner said that confusion on revenue from choice monies may have affected the decision last year. R. Hayes said special education protection would have helped that scenario. The Chairman said they would try to come up with a plan to prevent BOE from being unduly penalized, which may involve allocating needed decreases to boards to determine their own mixture of returns and reductions.

Alison Romkey asked about public input before the final decision, which the BOF said there will be. M. Silverstein proposed an additional meeting open to the public before the final decision. L. Savitsky said if it is in the Notch Road Municipal Building, she can run financial scenarios on the computer.

Chairman Munroe raised a question for board discussion. Traditionally, they budget a 98% collection, rate, but this year it is at over 100%. He asked if they might consider raising the budgeted rate to 98.5% or 99%, which they had not fallen short of in recent years and would bring in some revenue. The pitfall would be if collection falls back below 98.5-99% afterwards, it would have consequences. L. Savitsky said in order to respond, she would have to run an analysis of the rate of change of the grand list. The Chairman agreed, suggesting she look at the last ten years. The BOF agreed to review historical data from the last 10 years to inform possibly raising the rate.

M. Silverstein suggested another meeting with a draft of Statements 1 and A from the proposed budget, which L. Savitsky will also do. She will also try to have the grand list figure from the Board of Appeals next week. J. Wilson asked to focus efforts on getting information on the additional revenue figure as it is the only one likely to change.

4. **Review of Budget Calendar:** J. Bruner motioned to have a meeting at 7:15 p.m., April 9th, at Notch Road Municipal Building. M. Silverstein seconded. The motion passed unanimously.
5. **Adjournment:** B. Stearns motioned to adjourn, seconded by R. DePietro. The meeting was adjourned at 8:43 p.m.

Respectfully submitted,

Sarah Benitez

Please see the minutes of subsequent meetings for the approval of these minutes and any corrections hereto.