

**BOLTON BOARD OF FINANCE**  
**REGULAR MEETING**  
**7:15 PM, Thursday, March 23, 2017**  
**Minutes & Motions**

**Attendance:** Members Chairman Robert Munroe, Morris Silverstein, Matthew Maulucci, Robert Gallé, R. Flowers, Emily Bradley, and Robert DePietro were present. Staff present were Finance Director Jill Collins, First Selectman Robert Morra, and Selectmen Sandra Pierog, Gwen Marrion, Robert Neil, and Michael Eremita. Administrative Officer Joyce Stille was not present. Also present were resident Trish Brudz and reporter Joseph O’Leary.

**1. Call to Order:** Chairman Robert Munroe called the meeting to order at 7:19 pm.

**2. Public Participation:** Trish Brudz, 25 Hanover Farms Road, asked about the missing documents for the closeout of the BHS high school project. She asked if the BOF had a payment schedule of funds coming in to refer to as a check and balance on its progress. R. Munroe said that the BOF did not have such a schedule as such projects are not within their purview, but explained the background of the situation to the best of his knowledge. In the case of the high school project, the overseeing body was the Public Building Commission. The BOF’s involvement in the project was to recommend that it go forward at its inception, as the timing was to the town’s financial advantage. The project overall did end up coming in mostly under budget. However, the FFE (Furniture, Fixtures, & Equipment) budget was found to be insufficient, making a budget increase request necessary. The document approving that increase is what has yet to be found.

T. Brudz said to her understanding of previous information, it seemed that there were expected payments that did not arrive and that they went unnoticed. R. Morra clarified that this was not what happened. Payment was indeed received for any requests that were put in. However, the FFE document and the missing change order were not submitted, and are to be included with the remainder of the project documentation at the closeout. R. Gallé added that the BOF does not oversee such projects per charter.

G. Marrion suggested that the BOF could, by charter, take on the role of enlightening the town as to any potential financial consequence if the documentation is not produced. She said she believed the amount that the town may not be reimbursed is \$475,000. R. Munroe said that the number cannot be known yet, but if the document is not found, the effect would be that the reimbursement rate would be lower. He explained that the state determines what expenses are eligible for reimbursement after the documents are submitted. The reimbursement is not of the full amount, but is figured at a percentage rate. If the document is not found by the closeout, and if the FFE expenditures are found fully eligible for reimbursement, then the potential reimbursement to the town could be lower because the percentage rate would be based on the earlier, lower, FFE budget. The reason for lack of clarity on an exact number is because the state’s eligibility decision will be after the closeout, so the percentage rate is unknown. The school, town, and staff have agreed on a closeout deadline of June 30.

R. Gallé said that the BOF is dependent on the updates it receives and this had not come up as an issue until recently.

### **3. Presentation and Discussion of Board of Selectmen's FY18 General Government, Capital & Debt budgets:**

R. Morra presented the BOS' FY18 budget. The total proposed increase is 4.31%, or \$239,163. The majority of the increase lies in the resident state trooper program (29% of the increase), the natural gas/tank removal (17% of the increase), benefits (11.5% of the increase), and personnel (27% of the increase). The resident state trooper total was impacted by the rise from 85% to 100% town contribution required by the state budget. Benefits have been held down due to health insurance changes. The personnel increase reflects replacement staff moving from the starting 90% salary to 100% and increased wages of Registrars of Voters per the state. Regular operating expenses make up only 16% of the increase, at \$37,705. The BOS was able to negotiate a reduction of \$25,000 in waste and recycling.

### **4. Discussion on FY18 Budget:**

R. Gallé asked if there was any flexibility on salary or wages. R. Morra said that the non-union staff are employed at will and paid at an amount agreed upon at hire. The town may request to reopen negotiations with the union for union employee wages. R. Gallé said he did not mean that the town was at the point where that was necessary yet but that it was important to know any and all areas of flexibility. R. Morra said if the worst case budget scenario comes down from the state, there could indeed be the need to slash the current BOS proposal and have everything on the table.

The BOF discussed and asked for clarification about many items in the BOS and Capital & Debt budgets.

Of note in the Capital budget:

R. Munroe noted that the projected debt service payment this year is \$3,000 more than last year. R. Morra said the debt service includes the amount taken from capital last year, so that after this year there will be no debt in capital.

M. Silverstein asked what the status of the town garage is. The BOS reported that the town has been saving in state grant funding towards the project for about ten years, with \$35,000 put aside each year by state permission. The amount saved is now \$350,000. The BOS is now talking with a company and looking at plans. S. Pierog said they believe now is the time to use it given the state budget situation puts it at risk.

In the BOS budget:

E. Bradley asked what went into the Professional/Technical Services (2A – Prof/Tech Services Budget) increase. R. Morra said it is due to the re-evaluation of property required by the state every 5 years. They are hoping the state will allow an extension to the following year. E. Bradley asked about Professional/Technical Services, Building & Land Use Budget (30A). R. Morra said it is a projection of

contract engineering service and town planter service, which had to be covered by funds from other budgets this year.

R. Gallé asked if costs associated with winter weather were estimated according to a severe winter or a typical one. R. Morra and M. Eremita said they are according to a typical winter. They are projected higher than expenses in the past two years because those winters were atypically mild.

The BOF and BOS discussed sharing and consolidation of services, and equipment and staff redundancy between the town and BOE at length. R. Morra said there are a lot of duplicate equipment pieces and some duplicate staff positions. The BOF believed that some responsibilities currently held by the BOE in terms of maintenance would be better suited to, and more cost-effective if done by, the town. The town has more than enough equipment to service the school grounds, and there is a strong pay differential between similar staff, with the BOE's being about 20% higher. The BOF and BOS agreed to actively pursue consolidation and solicit a response and possible solutions from the BOE.

The BOF reviewed sections of the charter pertaining to qualifications for capital expenses and the contingency budget, which were raised at the last meeting. The school technology cycle does not qualify because it is annually reoccurring. Also, no more than \$10,000 may be appropriated for an item. The contingency budget may not be more than 2% of the current year's budget.

R. Munroe said there is talk of alternative state budgets being drafted. The current one allocates \$714,000 for Bolton to contribute to the teachers' retirement fund. He believed that that change will remain in essence, though it may be budgeted gradually at a percentage. From what he has heard, it may be on a 3-5 year schedule. He suggested that the BOF take the following actions:

Consider budgeting for the contribution at a third, to allow for negotiation changes.

Request the BOE to submit something on shared/consolidating services.

Use the contingency budget towards the gap.

Associate new costs with (a) specific budget(s).

**5. Budget Transfers:** The BOF was notified of the three following transfers in the Fire Commission's budget: \$2000 from Repairs and Maintenance to Medical Expenses and Training, \$2000 from Equipment to Medical Expenses and Training, and \$2000 from Repairs and Maintenance to Professional and Business Training.

**6. Review of FY2018 Budget Calendar:**

No action taken. The BOS will address movement of the referendum from May 9 to May 23 at its upcoming meeting on March 28, after which any change will come to the Board of Finance.

**8. Adjournment:** M. Silverstein moved to adjourn. E. Bradley seconded. The meeting adjourned at 10:06 pm.

Respectfully submitted,

Sarah Benitez, Recording Secretary

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