

BOLTON BOARD OF FINANCE
PUBLIC HEARING
7:00 PM, Monday, May 1, 2017
Minutes & Motions

The Board of Finance (BOF) held a Public Hearing on May 1, 2017 in the Bolton High School Student Commons to hear comments on the proposed Board of Education and Board of Selectmen budgets for Fiscal Year 2017-2018. Copies were available for review. Members Chairman Robert Munroe, Morris Silverstein, Matthew Maulucci, Robert Flowers, Robert Gallé, Emily Bradley, and Robert DePietro were present. Also present were Administrative Officer Joyce Stille, Finance Director Jill Collins, members of the BOS, the BOE, and the public.

Chairman Munroe opened the hearing at 7:02 p.m.

Introductory Remarks

Chairman Munroe addressed the public. While the BOF traditionally follows the governor's budget in determining the town's, this year the financial situation at the state has forced a different approach. There are several reduced funds and new expenses from the state and the governor's budget has yet to be finalized. Most towns are looking at a large tax increase to balance their budgets. The initially proposed state budget would have amounted to a total of a \$1,477,972 gap in Bolton's budget, which would translate to a 10.5% tax increase even without considering usual town and school operations. Police protection funding required from Bolton went from 85% to 100% this year. The state is proposing to require towns to fund the Teachers' Retirement Fund, which has never happened before. There are a number of shifting variables, such as the motor vehicle tax cap, which are yet to be determined and have required the BOF to make its best guess as to the final impact on town finances.

The BOF's proposed budget reduces the BOS' combined town, debt service, and capital budget from \$5,790,583 to \$5,617,853. It reduces the BOE's budget from \$14,036,128 to \$13,936,128. The BOF also adopted a change in the contingency budget policy to in order to prepare for funding needs. Usually capped at \$25,000, it is proposed at 226,000. The contingency budget is strictly to be used to support the BOS or BOE in case of deficit. Should the contingency funds were unused, in the case the state budget goes much better than expected, the funds in excess of the traditional \$25,000 will roll into the rainy day fund and be used as funds towards the budget the following year. The total budget proposed by the BOF is \$21,446,355, resulting in a 2.91% tax increase. Chairman Munroe added for perspective that the true change in the town budget, without the additional costs and lost funding from the state, would have only come to a 1.09% tax increase.

Board of Education Liz Krueger addressed the public. She stated that the BOE already started the current year with cuts in state grants. In planning the BOE budget, they did not want to rely on the governor's proposal as it was impossible to predict the result. The First Selectman Robert Morra noted that the bulk of the BOS' town budget lay in \$41,000 tank removal that was a necessary expense and personnel costs.

Replacement staff who were hired at 90% salary had to be raised to the 100% and union raises were according to contract.

Public Comment

Pam Sawyer, South Road, expressed thanks to everyone on town boards and commissions for their part in putting together a responsible budget. She said that everything she has heard at the capital lately has not been good. They have just found that the state tax revenue came in lower than anticipated. The budget is likely to be very tight again next year. She applauded the BOF's proposed budget as fiscally sound planning.

A. Teller, Elizabeth Way, said everyone knew it was a tough year and he appreciated the board's efforts. He supported the budgets as proposed and thought it the best they can do under the circumstances.

A. Teller then went on to ask questions about the high school project closeout and whether there were any missing funds which would have or might still come in as funds available towards the budget. First Selectman Robert Morra said all reimbursement from the closeout will apply towards debt, not expenditures. It would not be the type of financial event to be accounted for in the town budget proposal. A. Teller restated his frustration that there was a progress payment missed a few years ago.

Marilee Manning, School Road, asked for clarification on how the project reimbursement works and whether it was essentially a rebate. Chairman R. Munroe explained that it was not a rebate, but a percentage reimbursement of funds the town lent itself. There are many variables that affect the total outcome, as the state decides on the eligibility of all items. School size, CHOICE enrollment, and other factors will also play into the total. BOF member R. Gallé noted that the board has had the project as an agenda item for a long time, and the discrepancy did not come before them until several months ago.

A. Teller said the discrepancy must have an effect on taxes, or have affected the town's bond rating. R. Munroe disagreed, saying that was speculative and the bond rating remains very favorable.

Chairman Munroe asked for any further questions or comments on the budget. Hearing none, Chairman Munroe closed the public hearing at 8:16 pm.

The referendum is Tuesday, May 23, 2017, at Town Hall.

Respectfully submitted,

Sarah Benitez, Recording Secretary

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