

BOLTON BOARD OF FINANCE
SPECIAL MEETING
THURSDAY, APRIL 9, 2020– 7:15 p.m.
VIRTUAL MEETING VIA ZOOM WEBSITE PLATFORM
Minutes

BOF Members Present: Chairman Emily Bradley, Richard Tuthill, Vice-Chair Robert Munroe, Charles Danna Jr. Ross Lally, Kristen Gourley, and Robert DePietro

Board of Education Members Present: Susan Pike, Anne Decker, Christopher Davey, Scott Rich, Director of Business and Finance Kusal Huynh, and Superintendent of Schools Kristin Heckt

Staff Present: First Selectman Sandra Pierog, Town Administrator Joshua Steele Kelly, Chief Financial Officer Jill Collins, and Board Clerk Linda McDonald

1. Call to Order: E. Bradley called the meeting to order at 7:15 p.m. with roll call of participants. She recommended town residents email comments and questions to the Town Administrator at townadmin@boltonct.org or jkelly@boltonct.org during the meeting, which will then be read at the meeting.

2. Public Participation: First Selectman S. Pierog reported on Governor Lamont’s Executive Order 7S(6) which extends the grace period for the collection of municipal taxes. Under this provision that the Board of Selectmen (BOS) passed at their April 7, 2020 meeting, taxes are still due July 1, 2020 but the grace period to pay without penalty is extended to October 1, 2020. Past due taxes are not included in the BOS action. Resident that pay their taxes directly to the town can pay anytime between 7/1/2020 an 10/1/2020 without penalty. The Governor’s Executive Order does not include an extended grace period for taxes paid through escrow.

First Selectman S. Pierog said she receive notification from the Governor’s office chief legal counsel that BOF approval to reallocate Capital Funds without having to go to vote at a special town meeting is allowed under Governor Lamont’s Executive Order 7S(7) as follows:

“7. Allowance of Suspension of In-Person Voting Requirements for Critical and Time Sensitive Municipal Fiscal Deadlines. Notwithstanding any contrary provision of the Connecticut General Statutes, including Title 7, or any special act, municipal charter, ordinance or resolution that conflicts with this order, the legislative body of a municipality, or in a municipality where the legislative body is a town meeting other than a representative town meeting, the board of selectmen, and the budget-making authority of said municipality if different from the legislative body or board of selectmen, by majority vote of each such body, as applicable, may authorize (i) any supplemental, additional or special appropriations under Section 7-348 of the Connecticut General Statutes or comparable provisions of any special act, municipal charter or ordinance, (ii) any tax anticipation notes to be issued under Section 7-405a of the Connecticut General Statutes or comparable provisions of any special act, municipal charter or ordinance, or (iii) municipal general obligation bonds or notes to be issued in anticipation of such bonds to be issued pursuant to Chapter 109 of the Connecticut General Statutes for capital improvement purposes, without complying with any requirements for in person approval by electors or taxpayers, including but not limited to, annual or special town meetings requiring votes or referenda. Notwithstanding the foregoing, if the legislative body and budget-making authority, if they are separate entities, are taking any action

specified in (ii) or (iii) above, or any action under (i) above, which involves an appropriation in an amount in excess of 1 % of the current year's total municipal budget without complying with any in-person approval requirements normally required by statute, special act, municipal charter, ordinance or resolution, such body(ies) shall make specific findings that such actions are necessary to permit the orderly operation of the municipality and that there is a need to act immediately and during the duration of the public health and civil preparedness emergency in order to avoid endangering public health and welfare, prevent significant financial loss, or that action is otherwise necessary for the protection of persons and property within the municipality. In so acting, the legislative body and, if different from the legislative body, the budget-making authority of the municipality, shall comply with open meeting requirements set forth in Executive Order No. 7B. All conditions precedent to any such approval, including without limitation, public notices, hearings or presentations, shall proceed in a manner as closely consistent with the applicable statutes, special acts, town charters, municipal ordinances, resolutions or procedures as possible, and in compliance with the open meeting provisions set forth in Executive Order 7B. Nothing in this order shall be construed to prohibit a municipality from conducting any in-person meeting, approval process, or referendum, provided such municipality first consults with local or state public health officials and conducts such meeting, approval process, or referendum in a way that significantly reduces the risk of transmission of COVID-19.”

First Selectman S. Pierog said approval to reallocate capital improvement funds without having to go to town meeting must be adopted by majority vote of the both BOS and BOF. The BOS approved the reallocation of stale and leftover capital funds to new projects at their April 7, 2020 meeting. At that meeting the BOS also authorized the budget-making authority (BOF) to act in the place of a public vote in the event that health conditions prevent a public vote from taking place. The call to town meeting has to be posted 14 days before town meeting, scheduled for May 7th.

Superintendent of Schools K. Heckt reported Governor Lamont has closed schools until May 20, 2020. The Town is continuing with distance learning, with early dismissal on Wednesdays to allow for teacher professional development. She said, per Executive Order SR(3), the Board of Education (BOE) has to negotiate with M&J Bus company as stated in the order below:

“3. Preservation of Student Transportation Services and Special Education Providers. To the extent that a board of education, or in cases where the municipality holds the contract, the municipality with agreement from the board of education, determines that a contract related to student transportation or the provision of special education services by a public special education provider or an approved private special education provider requires amendment to more accurately reflect the actual costs incurred during the duration of the public health and civil preparedness emergencies, all parties shall promptly negotiate amendments to such contracts with student transportation providers and/or special education providers with terms that are consistent with the goals of: (1) sustaining continuity of service when school resumes; (2) continuing (a) to make tuition payments to special education providers so that they may compensate their active employees and provide them health insurance and (b) to make payments to transportation providers so that they may compensate their active employees and provide them health insurance; and (3) requiring the contracted company to attest and provide reasonable documentation of the fact that it is charging only the actual and reasonable cost of sustaining wage and health insurance payments for active employees and/or fleet while also engaging best efforts to avoid unnecessary costs. Such continued compensation and health insurance for staff or others providing special education and transportation services and employees shall be continued to the greatest extent practicable - whether full-time or part-time - at rates commensurate to those paid and provided immediately prior to the declaration of these public health and civil preparedness emergencies, whether

or not services are actually or immediately rendered. Nothing in this provision shall allow for contracted companies to be enriched beyond the actual and reasonable costs incurred for the purposes set forth above.”

Superintendent of Schools K. Heckt explained she is seeking guidance from the Town’s legal counsel Shipman & Goodwin and clarity on the executive order from the governor’s office on how to proceed.

Town Administrator J. Kelly said the amount of leftover diesel for the busses will be purchased next year at the higher rate for the amount of fuel not used this year. The Town contracted with the fuel company for a certain amount of diesel at a certain rate during the fiscal year. First Selectman S. Pierog noted this was factored into the FY 2021 budget proposal presented to the BOF.

3. Consider and Act on the Reallocating and Reaffirming of Capital Funds:

E. Bradley said the BOF has reviewed the reallocation of the capital improvement funds and agreed to send \$832,000.00 to town meeting at the March 19, 2020 BOF meeting. In response to the current pandemic situation, Governor Lamont’s Executive Order 7S allows the BOF to approve the capital improvement stale funds to be put into new capital improvements without going to town meeting.

Town Administrator J. Kelly addressed the change in the grand total in the “Re-allocation of Capital Funds “ document presented at tonight’s meeting. He explained grand total of \$1,055,196.25 in the stale capital funds is higher due to changes with the re-authorization of preliminary architectural (\$87,000) and building assessments (\$61,896.92) for the Town Hall facility expansion and includes the additional \$74,299.33 that was previously allocated for FY 2022 that the BOS moved to the FY2021 budget.

R. Tuthill MOVED to reallocate the stale and leftover capital funds to new projects in the FY2021 budget.
K. Gourley SECONDED. Discussion followed. By roll call vote, MOTION CARRIED 7:0:0.

4. Discussion Re: FY 2021 Budgets (Revenues & Expenditures):

E. Bradley noted the proposed FY2021 budget has projected revenues of \$22,152,725 and expenditures of \$22,878,843. The Contingency Fund has \$91,000, a carryover from last year. She said \$66,000 of the contingency fund and \$41,244 for set aside for teachers retirement system that was not used could be rolled forward.

E. Bradley asked First Selectman S. Pierog if, from her perspective, there are any unexpended funds that the BOS could commit to the FY2021 budget. First Selectman S. Pierog responded, at this point the BOS is comfortable with \$100,000. Superintendent of Schools K. Heckt said the BOE voted last night to put forward \$125,000.

These items total \$332,244 of additional revenues that come into play for the FY 2021 budget.

As requested by the board, Superintendent of Schools K. Heckt presented a Pandemic Planning phase two document with potential unbudgeted implications by category, including books, E-books, subscriptions, special education, district technology hardware, legal and operations/maintenance. Discussion followed.

First Selectman S. Pierog said she doesn’t see any cost differential from what is in the Town budget and what is expended in the event of another round of the virus in the future. The Town would maintain normal office operations and, if needed, funds would be re-allocated.

E. Bradley explained there is \$50,000 that can carryover from the reserve for fund balance and \$250,000 for an adjustment for a temporary loan (in case there was not a budget in place by the start of the FY). She said there is a delta of \$19,575.00 if the contingency fund remains at \$91,000 and the give backs don't change.

Discussion followed on the possibility of a cash flow problem with the 90-day extension to pay taxes, and what could happen if there is a phase two of COVID-19 (loss of jobs, less revenue), and on reasons for increasing the contingency fund. (pandemic, recession)

Fist Selectman S. Pierog reported the state is receiving 1.3 billion in funds from federal government to be distributed to help education and FEMA money reimbursements will be received next FY at 75% level for some expenses incurred because of the pandemic crisis.

E. Bradley explained the public hearing on the budget scheduled for April 28,2020 will be a virtual public hearing. The public will be able to email questions in advance of the hearing. J. Kelly said Zoom has tightened the security on their meetings. Only board and staff members invited by the host will be able to participate with audio and visual. Others, including the public, will participate by audio only. Depending on the status of crisis, the budget put forward by the BOF will either go to referendum or the BOF will use the authority in Executive Order 7S to vote on budget without going to referendum.

5. Consider and Act on: FY 2021 Proposed Budget for Public Hearing (Possible Action):

E. Bradley polled the members on their perspective and sense of when a final FY2021 budget number could be developed before going to public hearing. No action was taken on this agenda item.

6. Review of Budget Calendar: Discussion followed on the need to hold a meeting on Tuesday, April 14th. The majority of the board members thought a budget number could be reached at the regular meeting scheduled next Thursday, April 16th. The legal notice posting deadline for the public hearing is April 20, 2020.

R. Tuthill MOVED to cancel the April 14, 2020 special meeting. R. Munroe SECONDED. By roll call vote, MOTION CARRIED 6:1:0 with R. Lally opposed.

Next Meetings:

- April 16, 2020 Regular Meeting 7:15 PM
- April 28, 2020 Public Hearing/Board of Finance Special Meeting (if Necessary) 7:00 PM (THIS IS A TUESDAY)

7. Adjournment: E. Bradley adjourned the special meeting at 9:26 p.m.

Respectfully submitted by

Linda H. McDonald

Linda H. McDonald, Board Clerk

PLEASE SEE THE MINUTES OF SUBSEQUENT MEETINGS FOR THE APPROVAL OF THESE MINUTES AND ANY CORRECTIONS HERETO.