

BOLTON BOARD OF FINANCE
REGULAR MEETING
7:15 PM, Thursday, March 16, 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 and First Selectman Robert Morra. Administrative Officer Joyce Stille was not present. Also present were Superintendent Kristin Heckt, Bolton Public Schools Finance Director Kusal Huynh, several members of the Board of Education, some residents, and reporter Joseph O’Leary.

1. Call to Order: Chairman Robert Munroe called the meeting to order at 7:23 pm.

2. Public Participation: None.

3. Approval of Minutes:

February 16, 2017 Meeting: R. DePietro moved to approve. R. Gallé seconded. Vote 5:0:2, M. Silverstein and R. Flowers abstaining due to absence at that meeting.

4. New Business:

a. Presentation and Discussion of Board of Education FY 18 Budget Request: Superintendent K. Heckt and BOE Chair Liz Krueger gave a presentation of the FY18 budget request, including information on the Bolton Public Schools Strategic Plan, the enrollment outlook, and notable expenses and revenues. The proposed BOE budget for FY18 is \$14,036,128, which would be a 2.99% increase from last year. The majority of the budget (82%) is to go to salaries, wages, and benefits. The majority of the increase is also in salaries and benefits. The BOE reported a \$118,925 reduction in the Sheff Grant, along with having to eliminate two staff positions and reduce the ECS budget. Capital expenses included an oil tank removal at BCS, a zero turn mower, and partially funding a maintenance activity van. Enrollment, including Columbia students, is projected to increase. Grant totals are projected at \$744,753. Special education costs are currently low but may change.

A summary of the impact of the governor’s proposed budget on the BOE’s budget was also distributed. If the excess cost grant is lost, the BOE proposed budget request would rise to a 4.46% increase; if the excess cost grant is lost and the teacher retirement contributions proposal goes through, the BOE budget request will be put at a 9.69% increase.

b. Discussion on FY18 Budget:

R. Gallé asked if the budget was done with little conservatism in response to the governor’s budget, for the sake of perspective when the BOF considers how conservative to be in the final budget proposal. K. Heckt and L. Krueger answered that yes, they decided to put the budget together as they normally would, without regard to changes at the state level. That is the common approach statewide in school budgets this year.

M. Silverstein asked why \$10,000 was set aside for a van since that cannot cover its full cost. K. Heckt said they intend to put \$10,000 into the town capital reserve budget, yearly, until there is enough. M. Silverstein said this was an encumbrance, and the BOF is not to be asked for encumbrances in budgets. M. Eremita said it was in an effort to be able to pay cash for such items rather than go to bond for them.

K. Heckt reported that Columbia boards and committees are discussing options for their seventh and eighth grade. Bolton representatives have previously met with Columbia staff to express interest in being a part of an enrollment solution, which has been well received. R. Gallé said it is necessary to consider joining with Columbia in education in some way, perhaps even combining Boards of Education. While K. Heckt said that process would be impossible in the coming year, she agreed as to its eventual possibility.

R. Gallé asked whether technology updates were not part of capital requests. K. Heckt affirmed that as a capital request had to be one item, technology did not qualify. She believed the charter prevented it. R. Munroe thought the reason was that most of the technology did not qualify according to a depreciation schedule and therefore were not considered capital assets. M. Silverstein and R. Gallé wanted to look into the charter's requirements further.

R. Gallé asked if the BOE had heard of a state provision to allow towns to decrease their budgets below the previous year's amount, which is usually prohibited, if the town cuts in an amount related by percentage to cuts from the state. He asked what portions of Bolton's budget would be eligible for such a reduction. K. Huynh thought the only thing that could not be touched is special education. K. Heckt said transportation funding is also legally required. The actual provision, R. Gallé found in the Courant, is that any district that has state aid cut may cut its own budget by that amount.

R. Munroe asked the BOF to individually consider whether they felt the potential financial burden to the BOE due to cuts at the state level (specifically, the excess cost grant loss and the teachers' retirement funding) should be indeed borne on the BOE side of the budget, as associated with education, or whether the impact should be shared to the town side, or perhaps put into the contingency budget. R. Gallé suggested developing a new method, with the input of the town, to account for the gap, such as a new contingency fund which could be reimbursed to taxpayers if the state cuts turned out to be more favorable. R. DePietro was in favor treating the gap as a contingent item. M. Silverstein said that the costs were strictly associated with the BOE and had nothing to do with the town side. R. Flowers felt it was not appropriate to say one side or the other should bear the impact. While the BOE budget is much more able to absorb it, given the size, he would think some of it should be shared. He was sure a 10% increase to the BOE budget would be impossible to pass, and the BOF needed to find the difference somewhere, unless the town could be made to understand the issue and get on board for a new measure like a separate contingency fund. E. Bradley hoped that what was heard about the impact possibly being smaller or gradual was true.

J. Collins stated that according to the charter, the town contingency budget cannot exceed 2% of the budget expenses of the current fiscal year, which is about \$150,000. So any portion of the impact exceeding that 2% would have to be found outside of the current contingency budget.

The BOF discussed pushing the town budget referendum back in order to have more time to receive and consider new state budget information as it comes out during the process. The BOS requested that the BOF consider moving the referendum two weeks later to May 23rd. The BOF was generally in favor, except M. Silverstein and R. Gallé, who thought it was cutting it too close. R. Gallé accepted moving the public hearing date by two weeks, if the other meetings remained as is. R. Munroe will follow up on the schedule and bring it back for a vote.

R. DePietro asked what the attitude of the BOE was toward the budget and cuts. L. Krueger said that the budget was done optimistically in the hopes that the impact would be incremental over time rather than all at once. There are things in the budget that they did not want to cut, but that could be if the full impact did come, as they were operating in terms of a better case scenario.

K. Heckt proposed a comprehensive communication plan to the public to convey the impact the state budget currently would have on Bolton's budget, from the perspective of multiple boards, with a strictly nonpartisan, data-centered breakdown. The BOF was in favor and discussed its development with the BOE members present. R. Munroe said he would work on that in the next few days.

5. Correspondence: None.

6. Elected Official and Town Staff Reports:

a) Tax Collection Summary: Tax levy is at 99.85% of the budgeted amount. J. Collins stated that the town is doing very well in collections.

b) Town Update: The town is expensed at 53.23%, compared to 56.34% in FY16 at this point and 57.21% in FY15 at this point.

c) Board of Education Update: R. Munroe said that J. Stille, R. Munroe, and K. Heckt have agreed that the high school project will be completely finalized for the state by June 30.

7. Ongoing Business:

a) FY2018 Budget Calendar: No update.

b) Shared Services: R. Gallé reiterated the need to look at shared services wherever possible. M. Eremita said while Bolton currently successfully shares a number of services and the BOS has discussed them at length, the BOS continues to discuss them and look for more opportunities.

c) Status Report on High School Project: J. Collins said the state did not have one of the signed pieces of documentation they were looking for. J. Stille has contacted the construction company to see if they have it.

8. Adjournment: R. Gallé moved to adjourn. M. Silverstein seconded. The meeting adjourned at 9:42 pm.

Respectfully submitted,

Sarah Benitez, Recording Secretary

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