

**BOLTON BOARD OF FINANCE
SPECIAL MEETING
WEDNESDAY, MAY 6, 2020 – 7:15 pm
VIRTUAL MEETING VIA ZOOM WEBSITE PLATFORM
Minutes**

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

Board of Selectmen Present: First Selectman Sandra Pierog and Robert Morra

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

Staff Present: 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 7:21 p.m.
2. Public Participation: R. Morra, on behalf of the BOS, thanked the Town Administrator and First Selectman for a great job. He reported that the BOS was able to turn back an additional \$125,000.00 of unspent funds from the FY 19-20 budget. His request is that the BOF consider at tonight's deliberations to use part of those monies to bring back part of the contingency fund and the rest be used to lower the mil rate.

E. Bradley informed the members that there is a date of May 12, 2020 at 7:00 pm for the BOF to meet with Charter Revision Commission.

3. Discussion Re: FY 2021 Budgets (Revenues & Expenditures):
E. Bradley reported she sent an email to BOE Chair Andrew Broneill, Superintendent of Schools Kristin Heckt and First Selectman Sandra Pierog asking if there was anything else they could give back from this year's budgets. She said the BOE found several things directly related to COVID-19 from this year they will not be spending and are able to contribute and additional \$40,000 toward next year's budget. The BOS met last night and came back with \$125,000 toward next year's budget, after looking what has been spent this year and what they are truly going to spend for the rest of this fiscal year.

E. Bradley summarized that, at the last BOF meeting, the board was thinking they needed another \$70,000 to keep the contingency fund level at \$250,000 or cut contingency if the board wanted to keep the mil rate at 39. She said, given now the board has more than the \$70,000 needed, part of tonight's discussion is how the board wants to deal with that.

E. Bradley said the board has to accept the revised revenues for FY 19-20 which include the additional givebacks. She shared the revised revenues document on the screen.

K. Gourley MOVED to accept the revised FY 19-20 revenues which include revised figures for Unexpended FY20 Town budget (\$225,000) and Unexpended FY20 BOE budget (\$165,000). R. DePietro SECONDED.

Discussion followed. S. Pierog said the BOS, at their meeting last night, took a hard look at what the expenditures were for the town after one month of basically not using town facilities and having all employees work from home, which resulted in about a \$50,000 savings for the rest of the fiscal year. She shared that the State Police overtime bill for security at the Bolton Center School for the month of March came in at \$30,000, significantly under the expected \$100,000.

R. Tuthill questioned accepting revenues after the public hearing. E. Bradley responded that there are some revenues the board has to accept in order to set a budget tonight. The additional FY19-20 givebacks flow into the cash available from this year into next year's budget and must be accepted. The cash available works into the revenues for next year's budget and the board cannot set a FY21 budget without accepting the revised revenues first.

S. Pierog commented the BOF has to accept the fact the two givebacks will be available to flow into FY 20-21 budget as unexpended funds from this year's budget. She responded to R. Tuthill's comment about accepting revenues and said the BOF can change revenues after the public hearing but cannot change revenues after the referendum.

S. Pierog reported there will be no budget referendum and BOS voted last night to authorize the BOF to be the decision-making body on the upcoming budget. That had been authorized previously by the BOS but the BOS, at that time, reserved the right to schedule a referendum. S. Pierog stated the governor issued an executive order last Friday saying there will be no future referendums or town meetings.

By roll call vote, MOTION CARRIED 7:0:0.

4. Discussion and Action Re: FY2021 Proposed Budget Revenues:

E. Bradley explained the amount needed to have a \$250,000 contingency fund is \$70,000. The amount of additional giveback promised by the BOE is \$40,000. The amount of additional giveback promised by the Town is \$125,000. The leftover after the \$250,000 contingency is met is \$95,000.

E. Bradley presented four FY2021 budget scenarios for board discussion as follows

Scenarios:	#1	#2	#3	#4	(#5)
BOE Reduction:	\$60,000	\$0	\$30,000	\$0	\$60,000
Town Reduction:	\$30,000	\$0	\$25,000	\$25,000	\$30,000
Contingency:	\$250,000	\$250,000	\$250,000	\$250,000	\$180,000
Tax Levy reduced:	\$95,000	\$5,000	\$60,000	\$30,000	\$165,000
Mil Rate:	38.78	38.99	38.86	38.93	38.62
Total					
Expenditures:	\$22,873,544	\$22,963,544	\$22,908,544	\$22,938,544	\$22,803,544

Scenario #1 maintains previously discussed cuts, puts all additional town giveback dollars toward reducing the mil rate.

Scenario #2 does away with all previously discussed cuts and puts the remaining \$5,000 of town giveback dollars toward reducing the mil rate.

Scenario #3 reduces the BOE cuts by \$30,000 and the Town cuts by \$5,000 and puts the remaining \$60,000 toward reducing the mil rate.

Scenario #4 reduces the BOE cuts entirely and the Town cuts by \$5,000 and puts the remaining \$30,000 toward reducing the mil rate.

R. Tuthill put forward Scenario #5 which would reduce the contingency to \$180,000, leave the BOE and BOS cuts in place, and puts the additional revenues toward reducing the mil rate. (see above chart)

C. Danna commented at the last meeting he thought the reduced contingency fund was what the board was shooting for so he was thinking with the additional givebacks the board could look at lowering the mil rate, essentially what R. Tuthill had just proposed.

K. Gourley noted that the bond rating is favorable with leaving the contingency fund at \$250,000. She supports keeping the contingency fund at \$250,000 but putting the giveback money into lowering the mil rate.

E. Bradley reminded the members that Superintendent of Schools K. Heckt shared with the BOF a couple of changes she had been made aware of from a BOE perspective. One change is a special education component that the BOE did not budget for that is now known of at about \$57,000. The second is a concern that now with distance learning there will be learning regression that will require additional teacher support and require hiring the teacher that had been cut from the budget.

R. Munroe said he supports going back to a \$250,000 contingency fund, with no tax increase, reducing the BOE cuts to \$30,000, and reducing the cuts to the BOS to \$25,000, resulting in a lower mil rate, which is scenario #3.

R. Lally asked how much the BOS and BOE typically give back each year and how much has contingency fund been each year. He said he supports Scenario #1 and recognizes this is a difficult time for taxpayers. He spoke to starting to get serious about having more shared services between the BOE and BOS.

C. Davey commented that the increased amount of spending of \$57,340 needed for the special education budget will definitely occur. He said all BOE budgets do not build in funds they do not think they will need as they prepare the budget.

E. Bradley said what both boards have told the BOF is they are building the budgets from the bottom up and there are no placeholders from there and there are things that change throughout the year that have worked in their favors and sometimes against. In cases that have worked in their favor, they have used that to offset the things that have worked against them. She believes both boards have been very good in trying to manage to those numbers and at the end of each year and have been able to give back funds.

R. DePietro said he favors scenario #3, keeping the contingency fund at the \$250,000 level. He commented this makes sense given the COVID-19 uncertainty.

R. Morra commented what stands out to him in scenario #1 and scenario #3, the cuts to the BOS and the BOE, should things go sour, having a \$250,000 contingency puts the BOF in good shape to cover any unanticipated costs.

E. Bradley pointed out the agreement with the BOE, if there is a situation where there is a significant change in special education and the BOE budget cannot cover it, they can come to the BOF and ask for help with that. That agreement still stands.

R. Tuthill stated he supports Scenario #1.

E. Bradley said the BOF is looking for an agreement on which scenario to go forward with. She said she is leaning toward scenario #3 and favors keeping contingency at \$250,000, given the unknowns and reducing the cut to the BOE cut.

K. Gourley said she favors scenario #3 and is more comfortable with a \$30,000 cut to the BOE budget.

R. DePietro moved to approve scenario #3, which is a total BOE reduction of \$30,000 and a total Town cut of \$25,000, a contingency level of \$250,000 and the rest going to reduce the tax levy, giving total expenditures of \$22,908,544. K. Gourley SECONDED. Discussion followed.

R. Munroe stressed the commitment seen from the BOS and the BOE with terrific co-operation to keep the board on the straight and narrow in a very difficult and uncertain situation. He said he thinks scenario #3 covers all that.

By roll call vote, MOTION CARRIED 5:2:0 with K. Gourley, R. DePietro, R. Munroe, C. Danna and E. Bradley voting yea and R. Lally and R. Tuthill voting nay.

5. Discussion and Action Re: Ballot Question:

K. Gourley MOVED to adopt the annual budget for the Town of Bolton, Connecticut for the fiscal year 2021 as recommended by the Board of Finance in the amount of \$22,908,544. R. DePietro SECONDED.

By roll call vote, MOTION CARRIED 5:2:0 with K. Gourley, R. DePietro, R. Munroe, C. Danna and E. Bradley voting yea and R. Lally and R. Tuthill voting nay.

E. Bradley said the mil rate will be set at the May 21, 2020 meeting. She thanked both boards for digging into their pockets and commented that she feels the board has put out a budget that will keep the whole town, including education, moving forward and provide all the services to the townspeople and children while still being fiscally responsible, preparing for the unknown coming down the road and keeping an eye on future years' budgets.

6. Adjournment: E. Bradley adjourned the meeting at 8:27 p.m.

Next Meeting: May 21, 2020 Regular Meeting - 7:15 PM

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.