



Town of Bolton

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**CHARTER REVISION COMMISSION
FINANCE AND TAXATION SUBCOMMITTEE
TUESDAY, MAY 12, 2020
2:00 P.M. – ZOOM MEETING
SPECIAL MEETING MINUTES**

The May 12, 2020 meeting of the Charter Revision Commission was called to order at 7:00 PM By Jay Brudz

ROLL CALL

SUBCOMMITTEE MEMBERS PRESENT: James Aldrich, Jay Brudz and John Toomey

MEMBERS PRESENT: Gwen Marrion (Chair), Richard Hayes and Adam Teller

BOARD OF FINANCE MEMBERS PRESENT: Emily Bradley (Chair), Robert DePietro, Kristen Gourley, Ross Lally, Robert Munroe

1. The minutes below followed the list of questions submitted by the Finance and Taxation Subcommittee to the Board of Finance members.
2. Jay Brudz called the meeting to order and introduced everyone and went over the big items under consideration for the Charter including evaluating the form of government, eliminating the Board of Finance, of making other changes to Section 8 (Finance and Taxation) of the Charter and of modifying what Town Meetings are used for.
3. Emily stated that even if there are changes the processes and functions that town government undertakes still need to occur. She is not familiar with the Town Manager system but knows the current system and it works.
4. Bob Munroe gave an overview of how the Board of Finance (BoF) plays an important role as it looks over the shoulder of the large Board of Education (BoE) and Board of Selectmen (BoS) budgets. The BoF also researches and learns the budgets of both boards and the BoF represents the conscience of the community as it deliberates the budgets. The BoF is a neutral party and it has done its job well as it has limited tax increases to 1.5% in the past four years.
5. Jay said that the Charter Commission has not started to discuss the opinions on any of the charter changes under consideration. To date the focus has been on the outreach to the government stakeholders. Also, to the best of his knowledge there is no current consideration of submitting two budgets for referenda if the BoF is eliminated. This may be an idea to consider but it is not something anyone has discussed.
6. John Toomey commented on the budget process and the importance of having something like the old 2+2+2 (2 members each from 3 major boards) in a new system. He also commented that if a

new group is formed maybe it should include someone from zoning. It is important to ensure that checks and balances are maintained if the BoS grows and the BoF is eliminated.

7. Emily agreed and emphasized the importance of maintaining checks and balances. This is a key job of the current BoF. The BoF asks the hard questions on the budget and is an independent set of eyes. The BoF takes a wholistic review of the economic health of the community and the state from a revenue and taxation basis and does not have a vested interest in any aspect of the budget but they do try to find a balanced solution.
8. Ross added that the BoF is an impartial reviewer of the budget and takes seriously their job of ensuring checks and balances.
9. Kristen wanted to know about the cost of having a Town Manager. What is the time frame in eliminating the BoF? She had concerns that the BoE is focused on education and ensuring the excellence of the school system as their top priority. Finance issues are secondary. That is a very different job than BoF. She highlighted the success of 2+2+2 in the past and has many questions about how a new system would function. How could BoF be eliminated while maintaining structure to the system?
10. Jay added that this outreach is about taking the temperature of the stakeholders in government first and the Charter Commission is not at a point now to implement any ideas. In his opinion, until recently the Town Administrator for Bolton acted more like a Town Manager.
11. John added that whatever change occurs there must be a structure that allows for checks and balances to be maintained.
12. Kristen said that if a Town Administrator is to remain there needs to be greater clarity as to the duties of the job.
13. Emily added more comments about the positive role of 2+2+2.
14. Bob M. saw positives to 2+2+2 but it did add some redundancy to the system.
15. The role of the First Selectmen was briefly discussed as to how that job may change if there is no BoF.
16. Emily commented about the importance of changing the length of service if there is no BoF. The Selectmen jobs should be like the BoE where everyone serves a 4-year term and approximately half the positions change on a two-year cycle. The First Selectman position is very time consuming and she supports paying a person a commensurate salary to the duties of the job.
17. Ross added that some of the changes under consideration can be divisive to the community and he recommended that the Charter Commission try to get a pulse of the community prior to putting forth any proposals for change.
18. Bob M has always been supportive of paying the First Selectman. He acknowledges that it is difficult to recruit people for all the boards but there are many benefits of having a large pool of people involved in community service. If people can be found then there are merits to keeping the BoF. If it isn't broke, don't fix it.
19. Consolidation of some of the functions of government was discussed. Emily thought it of merit to looking to consolidate some of the finance duties at BoE with the main Finance Department. She also thought cross training of duties would be of benefit.
20. Bob M. said there are some redundancies in functions in town government and there are opportunities for improve efficiencies. Recently BoE and BoS have been moving to one uniform financial system. The finance department needs better space for them to do their job.

21. Kristen spoke of the importance of having greater transparency in the system. Combining finance into one office may improve this.
22. Jay shared his screen that had a diagram of how the finance departments currently work in Bolton. This was prepared by the subcommittee earlier in the process prior to meeting with the BoE. Even though there is no formal connection between the Town and the BoE finance departments they do work together well currently.
23. Bob and Kristen commented about how the BoE has worked well with the BoF.
24. Referenda were discussed. Emily thinks that keeping referenda for Bolton makes sense. She is not familiar with a referenda process where if a referendum fails the next time it can go up.
25. Jay has researched this. He has looked at approximately 112 town charters and no other town has a process that mandates that a referendum has to go down if the prior one was rejected.
26. Emily said that when a budget is defeated it sends a signal to the BoF that budget was high.
27. Bob M add that the referendum process is a good idea and that Bolton has high participation in it. It is a way the community comes together and the referenda process should be kept in the new charter.
28. The merits of requiring the BoE and BoS to revise their submitted budget numbers after each failed referendum was discussed.
29. The BoF is pleased with how the current audit process works. They do not see a major issue with the 2 notes by the auditor requesting changes to the Procedures manual and as to how student non-educational revenue is handled (i.e., is revenue from the soda machine BoE or BoS money).
30. None of the BoF members expressed any concerns about consolidating the Chief Financial Officer position with the Town Treasurer. Jim A. mentioned that the current Treasurer, Kate Peterson, has served the town very well in this position for over 50 years.
31. Bob M. noted that at the end of the fiscal year often times the BoS and BoE return unspent funds to the town. Going forward this will be more difficult.
32. If the budget is to be reduced after each referendum another idea contemplated after 2 or 3 failed referenda is to end the process and to set the budget at the same level as the prior year. Emily spoke of concerns this could have due to the fixed escalations set into the labor contracts for increased wages and benefits. For example, in one recent year increases in wages and benefits was 19.5%.
33. Ross added that if a budget was to be frozen this is the total budget. How savings are distributed by account would be the responsibility of the management of the BoS and BoE.
34. (Note: It was around this point of the meeting where the Host – Jay Brudz lost audio and Jim Aldrich took over that job. Unfortunately, Jim was also the recording secretary so that the minutes from this point forward are less detailed)
35. Capital expenditures and the CAPA committee were discussed. One particular concern of the BoE are technology investments. BoE would like to see technology items that are sizeable investments but have a low unit cost and a short useable life span included in this category. They are currently not allowed. Several of the members of the BoF support this idea.
36. Town meetings – Gwen commented that she and Eleanor Georges are currently looking into changing what gets voted on at a town meeting. The current grand list is approximately \$446 million and the current charter allows expenditures up to 0.5% of the grand list or approximately \$2.23 million to be approved at a town meeting. Gwen mentioned that the subcommittee of the

charter commission reviewing this is looking to lower the maximum amount to be approved at a Town Meeting to something in the \$300,000 to \$500,000 range.

37. Bob Munroe supports this type of change. He mentioned that special interest groups can mobilize for a Town Meeting and potentially skew the vote tally due to low turnout. The referendum process is much better to make these decisions. While being very supportive of the job of the fire department, he felt the referendum process would be the preferred venue for the purchase of a new, expensive truck. He went on to discuss how there are unique circumstances for high cost items like special education costs that must be paid and that a town meeting is not the place to resolve this.
38. Adam Teller made two observations. First there is no formal connection between the duties of the Town Finance Officer and the BoE Finance department. The current charter is silent on this subject. Secondly during the referenda process the BoS and BoE attempt to update their budgets in the limited time between the referenda can lead to misleading results. Sometimes it may be difficult to unwind these decisions made in haste. The public hearing serves the important function of vetting the budget with the community. It might be preferable to have the budgets by the boards updated only prior to the start of the referenda and then after it is all over.
39. Town meetings were discussed in more detail and several commented that the meeting brought forth many insights that were of benefit to the Charter Commission.
40. The meeting was adjourned at 8:52 pm.

Respectfully submitted,

Charter Revision Committee, Finance and Taxation Subcommittee
James Aldrich, *member*