

**BOARD OF FINANCE
BUDGET DELIBERATIONS – MARCH 31, 2015
MEETING ROOM B TOWN HALL**

PRESENT: Warren Serenbetz, Lynne Vanderslice, Jeff Rutishauer, Richard Creeth, John Kalamarides, Al Alper

ALSO PRESENT: William Brennan, Sandra Dennies, Richard McCardle, David Lisowski

Call to Order

Warren Serenbetz called the meeting to order at 7:30 p.m.

Executive Session/Pending Tax Appeals

Warren Serenbetz made a motion to go into Executive Session to discuss the merits of the pending tax appeals. He invited First Selectman Brennan, Sandra Dennies and David Lisowski to attend. Richard Creeth seconded, and the motion carried 6-0.

After Executive Session ended at 7:36 p.m., Lynne Vanderslice moved to increase the Reserve for Appeals by \$387,000. Richard Creeth seconded and the motion carried 6-0.

Budget Deliberations – FY2016

Tax Collection Rate:

Warren Serenbetz asked for a motion to set the Tax Collection Rate at 99.3%. Richard Creeth requested discussion on this prior to voting. He inquired what the actual rate was last year, to which Lynne Vanderslice replied the current year rate is 99.5%. Mr. Creeth questioned the use of a lower rate. He pointed out the trends suggested slightly higher. Mr. Creeth made a motion to approve 99.5% as the tax collection rate. Al Alper felt 99.4% was more appropriate. Mr. Serenbetz then asked Mr. Creeth if he would like to withdraw the motion for 99.5%. Mr. Creeth withdrew the 99.5% and made a motion to approve 99.4% as the Tax Collection Rate. Al Alper seconded and the motion carried 6-0.

Net Grand List:

The Net Grand List after Board of Assessment Appeals adjustments is \$4,293,814,080. Since there was no one disputing this number, Al Alper made a motion to approve this number as shown; Richard Creeth seconded and the motion carried 6-0.

Tax Relief for the Elderly and Disabled:

Tax relief for the elderly or disabled is estimated at \$1,100,000 and WVAC/Georgetown at \$20,750. Warren Serenbetz made a motion to approve these amounts. Lynne Vanderslice seconded and the motion carried 6-0.

Board of Education Budget:

Their budget came in at \$79,956,024. This is an increase of 1.98%, which is in excess of the Board of Finance's recommended 1.75%. Warren Serenbetz felt the Board of Ed did a good job and moved to accept that rate for this budget year. Al Alper countered that the BoE was building a structural increase of 3.5%. He expressed concern that it will compound annually due to health benefits, etc. Mr. Serenbetz replied that discussion about medical claims was part of the reason to budget lower and that labor increases were not in excess of what was negotiated. He said going forward they will need to work at the cost per student vs. the total cost to get closer to the 1.75%. Mr. Serenbetz commented he

had no problem with the manner in which the Board of Ed reached their number this year, to which Ms. Vanderslice agreed. Mr. Rutishauer also agreed with Mr. Serenbetz but cautioned that the following year they will need to shave down the 3.5% salary increase. Mr. Creeth agreed. Mr. Alper stated he wanted to see the 3.5% closer to 3%. After further discussion, Richard Creeth moved to approve the Board of Education's budget as presented, and Lynne Vanderslice seconded. The motion carried 5-1, with Al Alper opposed.

Board of Selectmen Operating Budget and Capital:

Lynne Vanderslice recommended increasing the Board of Finance budget by \$10,000 based on additional work, such as the Fraud Risk Assessment. Jeff Rutishauer agreed, saying the increase would prevent having to go to Charter Authority. Ms. Vanderslice made a motion to increase the BoF budget by \$10,000 and that it be considered separate from how the Board of Selectmen's budget is handled. Richard Creeth seconded this and the motion passed 6-0. Further discussion ensued about the increase of 2.09% (including this \$10,000) and it was agreed it is a very good budget. Ms. Vanderslice then made the motion that the Board of Selectmen's Operating Budget (including the increase in the Board of Finance budget) be \$31,078,978 and the BoS Capital Budget be \$1,353,217 for a total of \$32,432,195. Al Alper seconded and the motion carried 6-0.

Revenues:

Ms. Vanderslice commented she had spoken with the Town's Tax Collector and that supplemental auto tax is lower than the current year. John Kalamarides asked why education grants went down. Sandra Dennies replied that the number was taken directly from the state's website estimates for next year, but that final estimates would probably be available in August.

Operation Transfers:

Lynne Vanderslice made a motion to approve this as presented, John Kalamarides seconded and the motion passed 6-0.

Debt Service:

Ms. Vanderslice recommended the premium from the March 2015 bond be amortized over the next 8 years beginning with 2016 as the premium was generated from those years. The resulting amortization will be approximately \$106,000. John Kalamarides seconded and the motion passed 6-0.

Ending Fund Balance:

Discussion focused on the possible 2016 mil rate increase and the larger rate increases forecasted for FY2017 and 2018 due in part to higher debt service. Regarding the Debt Service increase, Sandra Dennies said by using the possible upcoming refunding as an offset, we have the ability to smooth out some of the 2017 and 2018 increases. Warren Serenbetz was satisfied with a Fund Balance at 10.8%. Lynne Vanderslice moved to set the Ending Fund Balance at \$13,423,464, or 10.8% of the FY16 Total Operating Funds Required. John Kalamarides seconded and the motion passed 6-0.

The meeting adjourned at 8:34 p.m. The Board will meet the evening of April 1st to review and vote on these resolutions as drafted above.

Respectfully submitted,

Kris Fager
(from video recording)