



**BOARD OF FINANCE  
REGULAR MEETING – June 21, 2016  
MEETING ROOM B TOWN HALL**

**PRESENT:** Jeff Rutishauser, Richard Creeth, Peter Balderston, John Kalamarides, Walter Kress

**ABSENT:** Warren Serenbetz

**Others Present:** Anne Kelly-Lenz, CFO; member of the press

**Call to Order**

Chairman Jeff Rutishauser called the meeting to order at 7:30 p.m.

**Approval of May 17, 2016 Minutes:**

After clarification from Anne Kelly-Lenz about the numbers reported for Tax Appeals and use of the wording budgeted, Walter Kress had no proposed amendments to the minutes. Peter Balderston moved to approve the minutes as written and the motion carried 4-0-1, with Jeff Rutishauser abstaining since he was absent from last month's meeting.

**FY16 Status Report**

Anne stated there was not a lot of movement from last month, but there may be some changes in the final nine days of the fiscal year including the two month look-back. There may be some potential savings on the BOE side. Last year's unassigned balance was about \$15 million while the current year may come in at about \$18.1 - \$18.3 million. She stressed, however, that the mil rate model should not be affected by any fluctuation between the two numbers.

In response to Jeff's question about what was being watched during these next two weeks, Anne listed conveyance tax (under budget but not as much as expected), salaries (due to two pay periods), back taxes being paid in July and August, and additional entries for checks to be deposited to the Advanced Life Support account. There was brief discussion about what could be on the monthly Status Report going forward, although the Board was happy with the progress in the new reporting style.

**Discussion of Debt Service Fund**

Anne referenced John Kalamarides' question of last month if the debt service number was putting us over budget. She explained the method currently used for paying bonding coupons, saying she had asked the auditors how to handle going forward. As a result, a Debt Service Fund solely for the premium will be set up. Each year a portion of the amortized premium will be transferred to keep books clean on an annual basis. Prior assets will be transferred from the Fund Balance to this Debt Service Fund. The auditors informed Anne that this is the correct method to use.

**Committee Reports**

John Kalamarides – Miller Driscoll: After the last day of school, everything was moved out for work to continue, and the entire campus is now shut off, with no access to playing fields. Work is at full steam, on schedule and on budget.

Richard Creeth – Comstock: The final Building Committee meeting will be next Monday.

Richard Creeth – Business Operations Sub-Committee: Met this morning with considerable discussion about a 3-5 year model. They don't yet have a concrete way to move forward but are looking at it. Peter Balderston added that a fair amount of work is needed to develop something to use at budget discussion time. Discussion

then ensued about possibly hiring an analyst to put together a model, or to consider using a consulting firm to advise how to develop a model beneficial to both the BOF and BOE. Jeff then asked what the school is doing to find a successor for Ken Post. Peter replied they are looking at it as an interim role and sorting through candidates from a group of semi-retired executives from various school districts who help out in this type situation. All agreed there's a genuine effort to get efficiencies in place at this time. John Kalamarides asked about any other initiatives, besides the Financial Business department, to which Richard Creeth replied IT. A unified phone system is being put in across the town and BOE, with John Savarese heading the project. Anne brought up a recent CCM article about regionalization, saying that by FY20 the State is looking to see what towns can be combined with their BOE's for better efficiencies.

#### **Other Business**

The Economic Development Commission's presentation at the BOS meeting: All BOF members agreed it was good and the information in it could have an impact on future BOF budget guidance.

Jeff had heard there might be another \$22 million reduction from Hartford, but Anne had no update.

Blum Shapiro: Richard informed all that a couple BOF members will meet Friday morning with Blum to get a better understanding of the scope of the audits, as it relates to the BOE, and to better understand how much testing – and specifically compliance testing – goes on. This will help get the maximum benefit from the audit, and build on that if necessary.

John talked about attending a town meeting in Maine. He found similarities, such as the percentage of the school budget in the overall town budget, concerns about transparency with the BOE, Special Ed costs, etc. Other Board members agreed that school budgets elsewhere seem to comprise a similar percentage of their respective towns' budgets.

Jeff brought up a preview for next month's meeting – starting to put together the FY18 mil rate model. Discussion followed regarding what could be built into it, what type guidance could be extended and getting early visibility on projects that might change the model. Further, there will be a revaluation in calendar year 2017 that could affect the model.

#### **Public Participation**

None.

Having no further business, the meeting adjourned at 8:30 p.m.

Respectfully submitted,

Kris Fager  
(from video recording)