

Ashford, Connecticut
ASHFORD BOARD OF FINANCE
REGULAR MEETING MINUTES
Thursday March 23, 2023

Hybrid Meeting / In-Person - Ashford Town Hall, and Zoom

1. Call to Order was at 7:06 p.m. by Chairman Judith Austin. Members present were: Garth Bean, Jesse Burnham, Christina Davis, Angie DeSanto, John Kopec, Hugh McKenzie, Paul Varga.
Guests: Selectmen, Mr. William Falletti and Ms. Cathryn Silver-Smith, Treasurer, Sherri Soucy; Cynthia Ford, Ashford School Superintendent, and others via Zoom

2. Roll Call and Seating of Alternates: The roll call was taken.

3. Communications: none

4. Public Comments (3 minute time limit per speaker): none

5. Approve Minutes of the Meeting Thursday, March 9, 2023

Ms. Desanto moved to accept the Minutes, but The Chair decided that its approval would be postponed until the next meeting.

6. New Business:

a. Selectman's Update: Mr. Falletti noted that extra revenues have come in resulting in a new figure of \$3,859,250.00, a .46% increase in the General Government Budget figures. Revenue came from various "use" services, Recreation, Library, Dog Fund, Fire Dept., and salary adjustments for Soc. Serv. Dir., Website and library insurance per Ms. Soucy.

Because the Undesignated Fund balance should be between 10-15% of the town's general fund operating budget, the BOS is recommending that some funds be transferred to the CNR where they can be protected and can be withdrawn for use if necessary. Currently the CNR unexpended funds are \$275,000, and the Undesignated Fund Balance (UFB) is between 13.6% and 14.3% of the town's total operating budget. If the UFB were reduced to 12% then \$289,956 could be moved to the CNR; if the UFB were to be 11%, \$246,773. could be moved to the CNR. The BOS asks for a decision on this issue.

One other item mentioned was that the BOE has requested that of \$85,000 in their 1% fund, \$60,000 be used for the school fire alarm system and an upgrade of their generator. Hartford Steam Boiler has already sent a check for \$75,000 to cover losses. Ms. Ford added also reimbursements for installation costs, rental fees and other improvements at the School.

b. Budget Requests Requiring Additional Clarifications: Questions about our credit rating were asked; it would not be affected per Mr. Falletti. Ms. Soucy stated that figures in the Gen. Govt. Budget needed changing as new revenues were received; the figures have been adjusted. The proposed new program for after school child care is not included as it will be self-funding if it goes forward.

Ms. Austin was concerned about expenses needed for next year and the year after that. If funds are added to the Gen. Govt. Budget (\$200,000, debt, plus \$43,000 left over from last year), things adding now are taking away money for next year (?). Debt service next year was less by approximately \$205,000; Mr. Falletti said that for FY 2025-6 there would probably be an increased debt cost. An increased mil rate might be expected considering R19 and other budgets next year per Ms. Austin.

Mr. Varga asked about revenues; Ms. Soucy noted state and local coming from deeds, permits, with DCS money going to the school.

Ms. Davis asked how firm are the revenue numbers? The reply was that the state figures depend upon the Governor's proposals - not known exactly as yet; first numbers have been released. The R19 budget proposal (p.1) figures might go down a bit per Ms. Soucy. Are their final numbers for the grand list? About \$98,000 per Mr. Falletti.

Mr. Kopec noted school budget totals of \$300,981.00 over, but a decrease from DCS of \$126,480. Is this decrease to be made up by Ashford? This amount is not part of the appropriation by the town for the school per Ms. Ford.

Ms. Davis asked about added revenues? Interest in investments has increased, extra taxes from the grand list have been collected, state municipal revenue sharing and state municipal grants-in aid were mentioned, one providing \$44,498 and the other \$84,237.

Mr. Kopec asked what would the mil rate be "at this point." in dollars? Last year \$359,182.36 and this year \$361,249.32 or now a mil rate of 1.1 or 33.37 (32.275 last year). He also asked about bonding for repairs at the School after the roof project? Nothing has been decided yet.

The revaluations (done last year) are reflected this year (1st year) carry through for 2nd, 3rd, and 4th years until year 5 when there will be a new revaluation. Mr. Falletti concurred.

Ms. Silver-Smith, Selectman, noted that the state supplies their share of roof funds when the project is finished. We will be receiving 55% of the cost from the state. Repairing is more cost effective than building a new School. per Mr. Falletti. Revaluations have had an impact on taxes; another revaluation will be in four years. This combined with bond payments means tax increases, over "normal" increases in next few years.

Mr. Kopec noted that it is the mil rate that matters. He is looking forward to where are we going? We need to get an idea so that our budget is not out of control in the future.

Ms. Silver-Smith reminded the members that the R19 budget is out of our control; we are obligated to pay. Ms. Ford noted that home schooled students are not counted in our school population. Currently Ashford has 41 students in 7th grade now. There is a waiting list for entry to our preschool program.

It was noted that homes with reconstructed foundations have affected the home valuations and thus taxes too. Costs of Tree Warden, School Certified staff, special education, medical insurance and new job proposed for Transfer Station were all questioned.

The Chairman was concerned about voting and the close deadlines for newspaper announcements of public hearings, etc. She read the required timeline data. The BOF needs to be completed with decisions by March 27, 2023.

Mr. Burnham asked about the cost of [school] legal fees charged for different union contracts; costs will be the same for next year.

8. Old Business: FY 2023-24 Budget Discussion

It was noted that town and school do work together, are not working against each other and that many expenses are shared by both budgets. The public is probably not aware of this. Things are out of our control such as medical insurance, bonding costs, building repairs, etc. Town departments do have the tax implications in mind and are very careful to keep their requests in line. The ARPA funding has been "a blessing" per Mr. Falletti. Future uses of ARPA funds not yet expended include funds for debt service. The BOE does have outside grants and other funds as noted in their budget, pages 2 and 3.

Ms. DeSanto noted that good schools require a good town.

Ms. Austin cautioned that with added personnel come increased salaries, benefit and insurance costs.

Ms. Davis asked about voting on budgets as initially proposed. Mr. Varga thought take a vote on the proposed and see what happens. Mr. Bean thought voting on proposed an idea. Mr. Kopec said that the "impoverished" will be affected. A 1.1 mil rate is not that terrible. He further noted that it is unclear if we are at a tipping point, as 92% of tax support for the town comes from citizen property owners now. He feels regionalization may result.

Mr. Burnham agrees with all that something should be cut, a threshold possibly on both.

Ms. Austin suggested cutting equally across the board to make up what would have been saved on debt service of \$200,000. Further discussion ensued regarding if what cuts then what would the mil rate be, etc. The impending deadlines for public hearing(s) complicated the deliberations.

MR. BEAN MOVED AND MS. DESANTO SECONDED A MOTION TO ACCEPT THE INITIALLY PROPOSED BUDGETS FROM THE BOE AND THE BOS.

Ms. Davis noted the risk but that no one wants the budget to fail. Ms. Austin felt it was unfair to vote since not all information is available.

TWO YES (BEAN, DESANTO) AND FOUR NO VOTES (AUSTIN, BURNHAM, KOPEC, VARGA) DEFEATED THE MOTION.

MR. KOPEC MOVED AND MS. DESANTO SECONDED A MOTION TO CUT \$60,000 FROM THE BOE BUDGET AND \$20,000 FROM THE BOS' GENERAL GOVERNMENT BUDGET.

A brief note of the possible impact on the two budgets was mentioned.

MOTION PASSED UNANIMOUSLY (AUSTIN, BEAN, BURNHAM, DESANTO, KOPEC, VARGA).

MR. VARGA MOVED AND MR. BURNHAM SECONDED A MOTION TO ADD VOTING ON THE BOE AND GENERAL GOVERNMENT BUDGETS TO THE AGENDA. MOTION PASSED UNANIMOUSLY (AUSTIN, BEAN, BURNHAM, DESANTO, KOPEC, VARGA).

MR. KOPEC MOVED AND MS. AUSTIN SECONDED A MOTION TO RESCIND THE VOTE TAKEN TO ACCEPT THE INITIALY PROPOSED BOE AND BOS BUDGETS. MOTION PASSED UNANIMOUSLY (AUSTIN, BEAN, BURNHAM, DESANTO, KOKOPEC, VARGA).

MR. KOPEC MOVED AND MS. DESANTO SECONDED A MOTION TO CUT THE \$60,000 FROM THE BOE BUDGET AND \$20,000 FROM THE GENERAL GOVERNMENT BUDGET. MOTION PASSED UNANIMOUSLY (AUSTIN, BEAN, BURNHAM, DESANTO, KOPEC, VARGA).

MR. VARGA MOVED AND MS. AUSTIN SECONDED A MOTION TO SET THE DATE FOR PUBLIC HEARING ON THE ASHFORD TOWN BUDGET FOR APRIL 4, 2023. MOTION PASSED UNANIMOUSLY. (AUSTIN, BEAN, BURNHAM, DESANTO, KOPEC, VARGA).

Ms. DeSanto left the meeting.

9. Agenda Items for Next Meeting, MARCH 30, 2023

Approve Minutes for Meeting March 9, 2023
Transferring funds from the UFB to the CNR, Nonlapsing Fund use
CNR \$361,000 needed per BOS
Capital Improvement Projects

10. Remarks for the Good of the Board :nothing specific noted

11. Adjournment:

MR. VARGA MOVED AND MR. BURNHAM SECONDED A MOTION TO ADJOURN. MOTION PASSED UNANIMOUSLY (AUSTIN, BEAN, BURNHAM, KOPEC, VARGA) AT 10:12 P.M.

*Respectfully submitted by,
Valerie B. Oliver, Recording Secretary
3/24/23*