



TOWN of THOMPSON Board of Finance

THOMPSON Board of Finance Special Meeting/Public Hearing

Thursday, May 07, 2020 (via Zoom)

MINUTES

1. The call to order by Chair Aaron McGarry was at 7:01 PM.

Attendance: Aaron McGarry, Robert Werge, Steve Herbert, Rhonda Rooney, Jim Bellavance, Robert Mann. The chair noted all members are present. Additionally: Orla McKiernan-Raftery (Finance Director), Amy St Onge (First Selectman), Ken Beausoleil and Susanne Witkowski (Selectmen), Kathleen Herbert (Chair, Board of Education), Melinda Smith (Superintendent of Schools), Shawn Brissette (BOE Vice Chair), Bill Birch (Schools Facilities Manager) Alison Bouthaugh (Director, Library/Community Center). Many school officials, Board and Commission members, and members of the public, Recording Secretary Dotti Durst

2. Correspondence: May 11, BOE agenda by email. Emailed Citizens Comments/see below

3. Citizens' comments: A. McGarry reviewed the three ways to offer a comment this evening.

An email address specifically for Public Comment during the budget process is available:

budget@thompsonct.org The First Selectman forwards input directly to BOF members.

– Julie Maliff, 277 Quaddick Town Farm Rd: Proud of unified town; high energy at the parade

– Kathleen Herbert, 122 Wilsonville Rd: Tuesday's parade was a success/teachers & fire depts

– Dick Trudeau, 192 Wagher Rd: try to find out if the State's planned funding will materialize

– Jessica Bolte, 1081 Riverside Dr: teachers are reaching out to students/families, working hard. Any savings this year will be offsetting unexpected Special Ed costs

– Brittany Charbonneau, 56 Juliette Ave: cannot afford to cut schools/ teachers

– Eric Rustic, 93 Thompson Hill Rd (by email): flat is the only course; jobs lost; need assurances

– David Ford, 200 Porter Plain Rd: many jobs lost; possible foreclosures; be cautious. Raise it too much, struggle again at future referendums. Increases of property values will add taxes.

– Sara Deslarjais, 210 Pompeo Rd: praised Administrators/schools for going over and above

– Melinda Smith: yes Reductions for fuel, etc /Increases for Distance Learning/providing food

– Danielle Carlson, 3 Rachel Dr: support town/schools/families; hold onto positivity. Reasonable and responsible is not flat.

– Christine Campbell, 861 Thompson Rd: remain as flat as possible/many unknowns.

Revaluation will result in several impacts.

– Natasha Marrie, 9 Walker Dr: need to stay flat/so many impacts and uncertainty. She thanks schools for support of families, but increasing their burden won't help families already hurting.

– Amy St Onge, 139 Riverside Dr: the BOF have a lot on your shoulders; the wave of impacts is yet to come. She praised all town departments (Library, Town Hall, DPW Staffs) for working carefully for bringing forward a flat budget proposal.

– Rhonda Rooney, 13 Main St: thanked all town departments for surrendering all pay increases

– Shawn Brissette, Whittemore Ave: remain responsible/minimum impact on the tax rate;

Fund Balance- if ever there was a time to utilize it, this must be it.



TOWN of THOMPSON Board of Finance

- Carolyn Martineau, 77 Lehtinen Rd: uncertain times but still must provide for the schools
- Jennifer Burlingame, 480 Quaddick Town Farm Rd: consider elimination of Commissions
- Jody Houghton, 93 Wagher Rd: insurance increases across both budgets should be funded

4. Budget Workshop: Chair A. McGarry asked the Finance Director if she was able to determine if State funding will materialize as planned. She cited a 05/08 CCM memo: The State expects a \$2 billion deficit/\$400 million in cuts; the impact on municipalities is not yet known.

The Finance Director: modifications made last meeting resulted in a General Government budget reduction of \$422K. Current year revenues are estimated to be \$240K less than budgeted. S. Herbert – asked current year spending: Finance Director – about \$100K will remain in the town budget, not including for overage for salt purchasing. R. Rooney- asked anticipated reduction in collected interest: about \$20K. S. Herbert- suggests review of income streams from town permits/fees. R. Mann confirmed that the BOF could propose a change in fees to the BOS, then it would be their decision.

A. McGarry- if a possible goal is to find a budget amount that results in a mil increase of not more than .5 mils, another \$1million in reductions needs to be identified.

R. Werge- Library repairs appear in 2 places. A. Boutaugh confirmed: for equipment failures, safety issues and security. R. Rooney asks for confirmation that pay increases at the Library are exclusively tied to minimum wage increases. A. Boutaugh (via Chat): no wage increases.

R. Werge- Tax Collector advised setting aside another \$105K for uncollectable taxes. S. Herbert confirmed: funds remaining do not carry forward to next year, except a \$10K base.

J. Bellavance- Capital expenses: it is essential that the leaking brickwork be handled. B. Birch confirmed the air handling project is to remove volatiles from shops that had not previously used the current materials, addressing student health. R. Rooney- no decision has been reached about moving the Schools Capital Projects to the Town budget. S. Herbert: he so advocates. -The Finance Director has asked Woodstock for details about their Salt Shed pollution issue.

R. Werge asked for review of the Tourtellotte Trust pass-through funds posting; the current may mislead. Taxpayers see a 3.5% budget increase but it is virtually flat at .2%

R. Rooney- asks where the budget stands at this time. J. Bellavance proposes that some scenarios be tested, to be able to see the percentage of change and impact on the mil rate. S. Herbert- if any reduction takes place, where in the schools budget would it come from? J. Bellavance- the BOF examines every line of the General Government budget. The BOF only examines the total budget proposed by the BOE; the BOE determines allocations.

Scenario: Starting from the BOE proposed budget increase of \$1,125,069, examine instead an increase of \$250K, as a starting point for the discussion. The Finance Director prepared a table:



TOWN of THOMPSON Board of Finance

Scenario: Increase Schools budget by \$250K over fy 19-20

- a zero mil rate increase requires \$518 from another source
- a .25 mil increase requires \$341K from another source
- a .5 mil increase requires \$164K from another source

However, if these funds are taken from the Fund Balance, caution would be needed to keep the balance at least sufficient so that Moody's/Standard & Poore's do not lower the town's Bond Rating, thus costing more for anything financed. The lowest it has ever been is 7% which is a low-end stop point.

R. Werge confirms this Scenario: At a zero mil increase, the Schools budget would increase over fy 19-20 by \$250K. The General Government budget increase would be \$268K. Another \$518K more from some source is needed.

K. Herbert- the increase in Insurances and Worker's Comp is \$478K. She requests at least this.
J. Bellavance asks to see an increase of \$478K scenario.

Scenario: Increase Schools budget by \$478 over fy 19-20

- a zero mil rate increase requires \$746,113 from another source, with 5.42% in Fund Balance.
- a .25 mil increase requires \$569,115 more, leaving 6.07%.
- a .5 mil increase requires \$392,117 more, leaving 6.73%

A. McGarry confirmed that the Bond rating agencies consider 7-7.5% to be a minimum.

-R. Rooney researched the average amount of budget increase taxpayers have authorized over 4 year period @ 1.4% asking to see that scenario.

Scenario: Increase Schools budget by \$261,709 over fy 19-20

- a zero mil rate increase requires \$529,822 from another source, with 6.27 % in Fund Balance.
- a .25 mil increase requires \$352,824 more, leaving 6.93%.
- a .5 mil increase requires \$175,826 more, leaving 7.59%

K. Herbert-asks the BOF to take time to consider options, given unprecedented health costs.

A. McGarry: a scenario falling between the others would be an increase of \$370K over fy 19-20.

Scenario: Increase Schools budget by \$370K over fy 19-20

- a 0 mil increase with \$638,113 from another source (5.84% in Fund Balance)
- a .25 mil increase requires \$461,115 more, leaving 6.50% in Fund Balance
- a .5 mil increase requires \$284,117 more, leaving 7.15% in Fund Balance

A. McGarry supports this scenario at a .5 mil rate increase. He cites unemployment numbers, projected to be as bad as in the 1930s. The BOF members discussed the impacts of the various scenarios. J. Bellavance asked to get a feel from the BOF members about a \$370K increase..



TOWN of THOMPSON Board of Finance

J. Bellavance- at .5 mil increase, this scenario is good. R. Mann- this scenario at .5 is OK, but so was the \$261K scenario. R. Rooney- prefers zero in this scenario but supports the \$261K scenario. R. Werge- likes the \$370K scenario preferring the Fund Balance remain at 7.59%. S. Herbert- not ready to decide. A. McGarry- prefers the current scenario at a .5 mil increase, but is concerned that even this increase might be too much. A McGarry: the schools budget fy 20-21 requested increase was \$1,125,069. If instead the increase is \$370,000, the schools budget proposal would be reduced by \$755,069.

Motion A. McGarry seconded by R. Mann to reduce the Schools proposed fy 20-21 budget by \$755,069 carried, 5-1. Jim Bellavance –yes Robert Mann-yes Rhonda Rooney-yes Steve Herbert- no Robert Werge-yes, Aaron McGarry- yes.

The timeline for finalizing the budget was reviewed by A. McGarry. A Zoom-based open Public Forum is scheduled for May 14 at 7 PM, for comments and input from the citizens of the town. The budget will be available for public review previous to that date. A. St Onge: reminder of budget@thomsonct.org from which all comments will be sent to the BOF members. At the public hearing, the “Chat” button takes typed comments or the Host can also “un-mute” a person for live comment. The BOF will consider the input; the BOF is required to make a decision on a finalized budget and to set the mil rate by June 1.

Because the details of the formulas for the budget need to be reviewed for accuracy, given the various scenarios tested, A. McGarry called for an amendment to the BOF schedule, with an additional meeting on Monday, May 11 at 7 PM via Zoom, for a final review. A. St Onge will provide a Zoom link and the Agenda will be posted. R. Mann reminded that a decision has not been made about increasing the set-aside for uncollected taxes. R. Werge confirmed that if new information comes to light, budget modifications can be made. R. Mann noted that discussion of the surplus should take place. R. Rooney- the time may be near to consider schools regionalization, as this financial stress on all of our townspeople may not be over soon.

5. Motion R. Werge seconded by J. Bellavance to adjourn carried unanimously.

Chair A. McGarry adjourned the meeting at 9:43 PM.

To view/listen to the meeting on Zoom, click on the link or copy/paste it to your Search bar:

https://us02web.zoom.us/rec/share/zOwqHZv37D9LH43ctmbZeYsAL5r1eaa80HQX_fRcyR4xSzubAyg1bAi-t9Pww5cZ

Password: 6l.21l\$7

Respectfully submitted by Dorothy Durst, Recording Secretary *Dorothy Durst*
These minutes have not yet been approved by the Board of Finance. Please refer to next month's meeting minutes for approval of and/or amendments to these minutes.