

MINUTES

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BOARD OF FINANCE

SPECIAL MEETING

CITY HALL AUDITORIUM/ZOOM

JUNE 8, 2023

A **SPECIAL MEETING** of the Board of Finance was held on Thursday, June 8, 2023. Present at the City Hall Auditorium were Mayor Carbone and Board of Finance Members Deborah Iannacito, Laurene Pesce, Mark Bushka, Christopher Beyus, and James Wright. Corporation Counsel Victor Muschell and Board of Finance Member Christopher Anderson participated via Zoom. Also present at City Hall were City Comptroller Robin Stanziale, Deputy Comptroller Kim Alves, Torrington Public Schools (TPS) Assistant Superintendent Susan Ferguson, Public Works Director Ray Drew, Fire Chief Eric Borden, and Board of Education members Fiona Cappabianca, Edward Corey, Ellen Hoehne, Susan Depretis, and John Kissko. City Councilor Keri Hoehne and Board of Public Safety Commissioner Molly Spino were also in attendance.

Mayor Carbone called the meeting to order at 5:00 p.m. beginning with the Pledge of Allegiance.

PRESENTATION & DISCUSSION REGARDING FY 2023-2024 BUDGETS

Mayor Carbone provided a review of the FY 23-24 budget that was proposed. She gave an overview of what is looked at to come up with the budget figures. Mayor Carbone provided updated figures on the City's grand list growth. She provided updated ECS/Alliance District funding figures and presented her recommendations for the FY 23-24 Board of Education (BOE) budgets. Mayor Carbone gave the Board a list of non-recurring revenue sources available to offset the impact on the taxpayers. Mayor Carbone detailed for the Board what to consider in this budget adoption, including:

- CITY
 - Segregate the proportional share of debt service for school construction to show the actual cost of city projects and operating expenses. (\$1,119,608.00).
- BOE
 - Reduce request by \$478,666 to offset the revenue loss (CGS 10-262k)
 - Consider the impact of the increase of \$1,259,895 in Alliance funding. (With this increase, there is now \$6,261,895 of expenses that will be rolled into the operating budget as the district is graduated from Alliance District Status.)
 - Consider the impact of a 3-year trend showing annual surpluses of \$1.6+ million in Line 5500 – "Other Purchases Services" (most of the surpluses have been reallocated to other accounts and used to purchase capital items which skew the MBR).
 - Transfer East School sales proceeds (\$500,000) into BOE Capital Reserves.
 - Encourage BOE to transfer the 2023 surplus to a non-lapsing capital reserve fund.

Mayor Carbone's recommendations for the BOE and City Budgets to accomplish a .8194 mill rate increase include:

- BOE: Reduce operating (\$2,838,561)
 - BOE to move Budget Items from Operating into CGS 10-262k Fund (\$478,666)
 - BOE to move Budget Items from Operating into Alliance Fund (\$1,259,895)
 - BOE to reduce expenses by \$1,100,000
- Reduce BOE Capital Request (\$1,839,053)
 - Recommend BOE send a letter to the Board of Finance requesting **all surplus funds** from FY23 be rolled into a non-lapsing capital reserve account to offset capital projects itemized in Capital Budget. (Currently projected to be \$200,000)
 - BOE authorizes the transfer of \$500,000 in East School sale proceeds in BOE Capital Reserve and requests BOE to submit a spending plan for the funds.

Mr. Anderson wanted clarification on why a vehicle would be purchased out of the BOE's Operating account and not transferred into Capital. Mayor Carbone said in FY 22 a plow truck was purchased, along with smart boards and computers, without going through the proper process to seek authorization from the Board of Finance to transfer the funds into the BOE Capital Reserve, to make the purchase. Mr. Bushka asked where the estimated \$800,000 surplus on the City side was from, Ms. Stanziale told her that \$300,000 was from expenses, and \$500,000 was from revenue. Mr. Bushka also asked Fiona Cappabianca if the Alliance funds were included in the BOE's Budget Request, she said it was not because they are only allowed to spend the Alliance funds on certain items. Mrs. Pesce asked for an explanation on segregating the debt service for the school construction, Mayor Carbone explained that to get to the number that the City Departments are seeking, recognizing that all debt service is the responsibility of the City, but that portion of

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the debt service is directly related to the school construction. She wanted the Board to recognize the debt service that the City is responsible for and that \$1,119,608 is related to the school construction and not part of the City Department's controls. Mr. Bushka is not comfortable with the BOE getting a \$1.3 million Budget increase while the City gets a \$5.2 million increase, he doesn't feel that it is equitable, especially with asking the BOE to cut \$2.8 million from their Operating Budget. Mayor Carbone reiterated that the BOE is at 54% of their budget, the City is at 46% of theirs, and BOE is also receiving \$500,000 to their Capital Reserve from the sale of East School.

ROLL CALL VOTE: ADOPTION OF 2023 – 2024 BOARD OF EDUCATION OPERATING BUDGET

On a motion by Mr. Wright, seconded by Mr. Beyus, the Board voted 4/2 by roll call vote with Mr. Bushka and Mrs. Pesce opposed to adopting the 2023-2024 Board of Education Operating Budgets in the sum of \$78,722,698.

ROLL CALL VOTE: ADOPTION OF 2023 – 2024 BOARD OF EDUCATION CAPITAL BUDGET

On a motion by Mr. Wright, seconded by Mr. Bushka, the Board voted 4/2 by roll call vote, with Mr. Bushka and Mrs. Pesce opposed to adopting the 2023-2024 Board of Education Capital Budget in the sum of \$750,000.

ROLL CALL VOTE: ADOPTION OF 2023-2024 CITY BUDGET

On a motion by Mr. Beyus, seconded by Mr. Wright, the Board voted 4/2 by roll call vote, with Mr. Bushka and Mrs. Pesce opposed to adopting the 2023-2024 City Budget in the sum of \$67,018,105.

ROLL CALL VOTE: MILL RATE (REAL ESTATE & PERSONAL PROPERTY)

On a motion by Mr. Wright, seconded by Mr. Beyus, the Board voted 4/2 by roll call vote, with Mr. Bushka and Mrs. Pesce being opposed to setting the mill rate for 2023-2024 at 47.9636 mills and authorizing the Mayor to execute the Tax Warrant.

ROLL CALL VOTE: MILL RATE (MOTOR VEHICLES)

On a motion by Mr. Beyus, seconded by Mr. Wright, the Board voted unanimously by roll call vote, to set the motor vehicle mill rate for 2023-2024 at 32.46 mills and authorize the Mayor to execute the Tax Warrant.

ADJOURNMENT

On a motion by Mr. Wright, seconded by Mr. Anderson, the Board voted unanimously to adjourn at 5:54 p.m.

Respectfully submitted by
Heather Abraham, Asst. City Clerk

ATTEST:



CAROL L. ANDERSON, CITY CLERK