

2021 JAN 21 PM 1:53

Patrick D. O'Sullivan
TOWN CLERK



Board of Finance Special Meeting

Zoom Meeting
Monday, January 4, 2021 7:00 p.m.

(Unapproved)

Attendance

Board Members Present: Chairman Kevin Houlihan, Vice Chairman James Leahy, Kevin Moffett, Patricia Romano, P. J. Shanley, and Joseph Nuzzo

Staff: John Cifarelli, Finance Director; Deborah Satonick, Recording Secretary

1. Call to Order & Introductions

- Chairman Houlihan called the meeting to order at 7:02 p.m. and made introductions of all present. He reviewed Governor Lamont's Executive Order 7B regarding the COVID-19 pandemic. The meeting will be remote and will be broadcast live on OGAT and Frontier and streamed on YouTube.

2. Amity Budget Discussion for Fiscal Year 2021-2020

- Chairman Houlihan reported that all three First Selectmen are in agreement that the Amity 2021-2022 budget, as presented, is unacceptable. He added that the Woodbridge Board of Finance is also in agreement that Amity's proposed increase is unacceptable. He has not heard from the Bethany Board of Finance at the time of this meeting.
- Vice Chairman Leahy gave a thorough presentation of the history of the Amity budget over the last ten years. He noted that in the past 10 years, the Amity budget surplus has been greater than the budget increase amount for each budget year. He also pointed out that some of their end-of-year surplus is often times used for purchases that are unplanned and have not been budgeted for. In many cases, the surplus has been used on items that were cut out of their previous budget.
- Mr. Leahy further illustrated that Amity's historic rate of Actual to Budget annual increase is

5.54%. Mr. Moffett inquired as to the current unemployment rate and Ms. Romano noted that it is 5.5% for the Town of Orange and 7.7% for the state of Connecticut. Ms. Romano added that many people are underemployed or have simply dropped out of the workforce due to the bad economy. Mr. Cifarelli noted that the Town of Orange has given a three-month extension to residents on their payment of taxes, so a tax increase at this time would be unfavorable.

- Chairman Houlihan noted that the proposed increase in the Amity budget is more than contractual agreements, as they are also adding programs. Student enrollment is down and Ms. Romano suggested some savings due to remote learning. It was also noted that their Medical Fund Balance is 30%, much higher than the Town of Orange. While Mr. Shanley is concerned that Amity could have some COVID related expenses, Mr. Nuzzo stated that Amity's budgeting process is flawed, as seen by the large surpluses every year.
- Mr. Nuzzo pointed out that if Amity does in fact need more money than what has been allocated in their new budget, there can be a referendum for them to make their request at that time. However, Mr. Leahy suggested that good budgeting, plus their sizable surpluses every year, would make this unlikely. It was pointed out that the Town of Orange froze salaries and took furlough days in order to reduce their budget and Amity might consider a similar approach in budget reduction. Mr. Leahy further suggested that a new roof is not required simply because a warranty has expired, but rather, the useful life of the asset should be considered.

3. Possible Vote to Recommend to Amity Administration Budget Increase Percentage of July 1, 2020 Budget

- Chairman Houlihan is not confident that Amity will return any surplus to the town, and pointed to the example of the Black Box Theater. Mr. Shanley suggested that any motion entertained should include the requirement that Amity return any and all surplus to the respective towns. After a lengthy discussion, an agreement was made and a motion followed.

Mr. Leahy made a motion that the Amity 2021-2022 proposed budget was not to exceed 0.47%, and that any and all surplus, (as defined as money that has not been budgeted for) be returned to the respective towns, according to the Superintendent Chip Dumas Project. Ms. Romano seconded the motion and all were in favor. The motion PASSED unanimously.

4. Discussion and Approval of December 21, 2020 Minutes

- The Board members reviewed the December 21, 2020 Board of Finance minutes and made edits as necessary.

Ms. Romano made a motion to approve the amended December twenty-first, 2020 Board of Finance minutes, seconded by Mr. Moffett. All were in favor and the motion PASSED.

5. Adjournment

- Mr. Shanley would like to see the ECS by each municipality. Also, Mr. Leahy requested that the future Agendas include a review of the “Next Steps” to be taken. Mr. Cifarelli reassured Mr. Leahy that all future Agendas will include, under Old Business, follow up on previous discussions, to include “Review of the Storm Account” and scheduling a meeting with the Pension Board.

Mr. Shanley made a motion to adjourn the meeting at 8:45 p.m., seconded by Mr. Moffett. All were in favor and the motion PASSED.

Respectfully Submitted,

Deborah Satonick
Recording Secretary