

July 15, 2002

Chairman Michael Jackson called the meeting to order at 5:00 p.m.

Present:

Board: Jack Boyer, Jack Field, Robin Hirschfield, Michael Jackson, Craig Schoon, Rex Swain

Alternates: Liddy Adams, Barbara Brown, Mark Lyon

Selectman: Elaine Luckey

Press: David Lombino, Litchfield County Times

Housing/S.T.E.A.P. Grant: Jack Boyer reported the Housing Trust may be looking for a commitment on behalf of the Town towards the affordable housing project at the Montessori School building in New Preston. It was reported a letter had been sent to the Office of Policy and Management by the Selectmen in May to revise the Town's request for a Small Town Economic Assistance Program grant for \$450,000. The revised request included funds to reconstruct and repair sidewalks, a recreation area, and adjacent roads and road surfaces, once the fragile water system that serves the Church Street neighborhood has been repaired. These improvements to the general infrastructure in the neighborhood were planned to complement the affordable housing effort that is being funded by private donors through the Housing Trust. Question was raised whether this grant could have been used for other things as it was felt that housing had driven this issue. It was recognized that the grant could be used in a variety of ways, but the initial responsibility has been the Selectmen's to determine the use of grants, with approvals for use of town funds being voted on at town meetings. It was noted the Board of Finance has the complete charge of finances and the Town's fiscal integrity, while the Board of Selectmen's responsibility is to manage the Town. The original grant application had requested funds to be used toward the purchase of the building for housing and had been submitted by the previous administration. Since those funds were no longer needed, the current Board of Selectmen felt that the funds could be used to enhance this project and upgrade the infrastructure in the neighborhood.

Future Planning: The Board of Finance discussed their fiscal responsibilities and their lack of authority over the regional school budget, which governs approximately 70% of the town's expenses. Recent articles in *The Litchfield County Times* regarding the fiscal autonomy of the Region noted that this concern is not only felt in the Town of Washington, but also in the other towns of the Region, as well as across the State. The Legislative Program Review and Investigations Committee of the General Assembly has voted to undertake a study of Regional School District Governance. The Finance Board will review this survey and return their comments to the State. The Board felt strongly it is necessary to define their responsibilities and review historical town data regarding budgets as a means of continuing to educate themselves. They noted pressure is also on the Planning Commission as it continues in its work to revise the Town Plan of Conservation and Development. They are facing the task of having to put together a total plan, which includes education, open space and housing. The Finance Board recognized that they have a role in this complicated task and they need to determine how best to do this. They realized this could not be done alone since we are a part of a Region; therefore, it was agreed that Michael will contact the chairmen of the Boards of Finance of Roxbury and Bridgewater to set up a joint meeting to determine if there is common ground. The Board felt they do have some rights and have not been exercising them. It is their obligation to the tax payers to provide them with what budget increases would mean in terms of their mill rate and their taxes and Michael noted this data and its impact has been presented at each budget hearing prior to the town meeting. Jack Field suggested the Board determine statutorily what their responsibilities and options are. It was suggested both town counsel and the Attorney General's office be contacted to insure they are correctly informed about the latitude both the Town and Region have in terms of authority over budget, appropriations of capital funds, etc. They agreed they must find a way to have dialogue with the Board of Ed and to work this out together. The sense of urgency in beginning this study

was noted.

Currently, the Board was unaware where the search for a new superintendent stands. It had been implied that others would be involved besides the school board members.

Michael reported Elaine has offered to write to the Board of Education regarding the return of the capital funds to the towns that were not approved for construction of the track. He suggested she also make the Board of Education aware that the Finance Board will proceed to determine their responsibilities with regard to the school budget and that the Board of Ed's participation would be appreciated.

Historical information on the Town and Region's expenditures from 80-81, as well as 90-91 to the present, was provided. It was agreed to add the mill rate and Grand List to this document.

A copy of the Region's bond prospectus for the roof repair will be obtained and sent to members of the Board to show the information used to determine a bond rating. Michael felt it is essential for Washington to maintain a Aa rating. Jack Field also suggested discussion be held as to how big a fund balance the Town should carry. The town's auditor has reported there are several reasons to have a fund balance, not only to cover one month's anticipated expenditures, but also to cover major unexpected items or a possible deficit in tax payments. Rating agencies look at this reserve as part as the study of the Town's finance, as well as how much money the Town borrows. Michael felt the Board has always functioned as if to maintain a Aa rating and felt this should be continued and articulated.

Jack Field felt the Board needs structure and policy decision should be made. It was agreed to proceed forward with assumptions. They will be reviewed in depth in September, with more precise guidance as to the historical and future growth rate to the Board of Selectmen.

The meeting was adjourned at 6 p.m.

Respectfully submitted,
Kathy Gollow, Secretary