

## **Town of Colebrook Board of Finance**

### **Minutes to the Meeting of March 16, 2016**

#### **Members Present**

J. Millar, Chairman  
R. Carfiro  
T. Corvo  
D. Johnstone  
M. Klimkosky  
M. Neal

#### **Absent**

None

#### **Others Present**

T. McKeon  
C. Johnstone

The meeting was called to order at 6:55 p.m. by Chairman J. Millar.

1. T. McKeon briefed the Board about the recent remarks of Connecticut's comptroller, Kevin Lembo, who said that towns may well see cuts to state aid of at least 10%, given the state's budget woes.
2. On behalf of the Selectmen, C. Johnstone requested that the 2016-17 capital appropriation be increased by at least \$50,000, citing the need to repay about \$325,000 that will be "borrowed" from the general fund to finance the new fire truck. Such an additional appropriation would allow the fire truck to be fully paid within six years.
3. Discussed the 2016-17 proposed budgets of the Boards of Education and Selectmen and Region 7. These budgets, combined with a 1.0% decline in the grand list, will result in a shortfall of \$166,623 at the current mill rate. However, there was a consensus that the budgets were reasonable and that both boards have a track record of returning unspent funds to the town. Accordingly, R. Carfiro moved to accept the budgets of the Selectmen and Board of Education as proposed. Second, D. Johnstone. Passed unanimously.
4. Discussed options to close the 2016-17 projected deficit. Much weight was given to the fact that the grand list would have declined by 8.4% as a result of the revaluation, had it not been for the addition of the BNE wind turbines. Also noted were the risk of reduced state aid and the potential for new capital projects, such as the town garage and school renovations. It was eventually agreed, and M. Klimkosky moved, to increase the mill rate by 5.4% to 29.3 mills in 2016-17. Second, M. Neal. Passed unanimously.
5. Further discussion of the proposal to increase the 2016-17 capital appropriation was followed by a motion from D. Johnstone to approve an increase from \$400,000 to \$450,000. Second, M. Klimkosky. Passed unanimously.

6. J. Millar briefed the Board on the accounting issue raised in February: a routine yearend adjustment by King, King in June, 2013, created an account receivable for a grant payment on the Campbell Road Bridge. However, King, King did not advise the treasurer of this adjustment. As a result, the account receivable was not reversed when grant payment was received a short while later. Failure to reverse the account receivable created the appearance of more grant income in the capital fund than was actually the case. All of this has now been corrected, and the cash position is what was expected. That is, the capital fund still “owes” the general fund about \$183,000 for what it “borrowed” to complete the Sandy Brook Bridge following the defeat of the bond issue in 2012.
7. Inasmuch as nothing further is required of the Board prior to the budget hearing on April 7, next week’s meeting is cancelled, and J. Millar will circulate a draft of his presentation for comment prior to then.
8. R. Carfiro moved to accept the minutes of March 9, 2016. Second, M. Klimkosky. Passed unanimously.
9. T. Corvo moved to adjourn. Second, R. Carfiro. Passed unanimously.

The meeting adjourned at 8:05 p.m.

Respectfully submitted,

Martha F. Neal  
Secretary