

TOWN OF CANTERBURY
BOARD OF FINANCE

1 MUNICIPAL DRIVE
CANTERBURY, CT 06331

Board of Finance Regular Meeting Draft Minutes

Date/Time: May 23, 2023 at 8:15 PM

Location: Municipal Building and Zoom (Hybrid), 1 Municipal Drive, Canterbury, CT

Call to order at 8:15 PM

Members Present: Mike (Regular), Matt (Regular), Jason (Regular), Joy (Regular),
Jeanette (Seated as Regular)

- I. Call to Order
- II. Establishment of Quorum
- III. New Business
 - a. Set Mill Rate and Bill Dates

MOTION: To set the Mill Rate at 23.00 and to set the Bill Dates as July 1, 2023
and January 1, 2024.

1st: Mike

2nd: Jeanette

Yes: Jason, Jeanette, Joy, Matt, Mike

Passed 5-0

IV. Adjournment

MOTION: To adjourn

1st: Jeanette

2nd: Matt

Yes: Jeanette, Jason, Joy, Matt, Mike

Passed 5-0

Adjourned at 8:16 PM

Respectfully Submitted,
Michael Lee, Board of Finance Chair

DRAFT

**BOARD OF FINANCE
Meeting Minutes
Wednesday, May 3, 2023, 7:00 p.m.
Municipal Building and Zoom (Hybrid)**

- I. Call to Order** – Meeting called to order at 7:01 p.m. by Chairman M. Lee
Members present: Matt Bruneaux, Joy Cave, Michael Lee, J. Levine (@ 7:08 p.m.),
H. Tuttle (@ 7:22 p.m.)
Members absent: Pat Tracey

Alternates absent: R. Barrett, B. Farland
- II. Establishment of Quorum** – Chairman M. Lee asked that J. Kildea sit in as a voting member.
- III. Pledge of allegiance**
- IV. Approval of Minutes**

J. Kildea made a motion to approve minutes from April 26, 2023 as submitted.
Second by M. Bruneaux.
Vote: 3-0-1. Passed
Vote: M. Bruneaux / J. Cave / M. Lee / J. Kildea
Yes Abstain Yes Yes
- J. Kildea made a motion to approve minutes from May 2, 2023 as submitted. Second by M. Lee.
Vote: 2-0-2. Passed
Vote: M. Bruneaux / J. Cave / M. Lee / J. Kildea
Yes Abstain Yes Yes
- V. Correspondence** – None.
- VI. Old/Unfinished Business**
a. Discussion/Possible action related to Public Comment on General Town Budget, Capital Improvement Budget, and the Education Budget at Public Hearing held on May 4, 2022.
J. Kildea reiterated her opinion that a \$500,000 increase in the BOE budget is too much and is concerned about the effect on the MBR. M. Lee agreed it is a big jump, but the increases have been minimal for awhile.

J. Levine arrived at 7:08 p.m. and assumed his position as a full voting member.

J. Kildea pointed out that the Fire Department did not come to substantiate their budget items, as the BOF has asked each department to do. M. Lee stated that the CIP budget amount for the fire department was reduced from \$150,000 to \$100,000. There was further discussion concerning the CIP budget and purchases versus leases. M. Lee said that CIP is normally for future needs, but leases have to be paid when due. C. Lippke indicated that the CIP budget is historically underfunded, and the amounts often are spent on repairs, rather than purchases of new equipment.

b. Adjust Revenue Sheet based on changes to Grand List, intergovernmental or other revenue changes. –

H. Tuttle arrived at 7:22 p.m. and assumed his position as a full voting member.

C. Lippke indicated there are no changes that he is aware of. M. Lee reviewed the figures briefly and queried each member if they felt the worksheet was good as is, which they were.

c. Discussion/Possible action to approve the General Town Budget, Capital Improvement Budget, and the Education Budget and send them to Town Meeting to be scheduled by the Board of Selectmen.

There was further discussion on the MBR and how it is calculated for each year.

M. Lee made a motion to send to the Board of Selectmen for Town Meeting, the following budgets: Town Budget - \$3,287,536; CIP Budget - \$451,502; and Education Budget - \$12,542,574, totaling \$16,281,612, using \$1,042,360 from Unassigned Fund Balance to reduce the mill rate, with an assumed Mill Rate of 23.00, and a projected Collection Rate of 99%. Second by H. Tuttle.

Vote: 6-0-0. Passed

Vote: M. Bruneaux / J. Cave / M. Lee / J. Levine / H. Tuttle / J. Kildea

Yes Yes Yes Yes Yes Yes

VII. New Business – None

VIII. Public Comment/Zoom Chat - None

IX. Adjournment

J. Kildea made a motion to adjourn @ 7:35 p.m. Second by M. Bruneaux.

Vote: 6-0-0. Passed.

Vote: M. Bruneaux / J. Cave / M. Lee / J. Levine / H. Tuttle / J. Kildea

Yes

Yes

Yes

Yes

Yes

Yes

Respectfully submitted,

Joy A. Bissonnette


Recording Secretary



Adopted FY 24 State Budget

Municipal Aid for: Canterbury

	Est. FY 23	Adopt. FY 24	\$ Change	% Change
Adult Education	13,778	13,915	137	1.0%
ECS	4,004,835	4,004,835	0	0.0%
LoCIP	53,869	53,869	0	0.0%
Pequot-Mohegan	15,208	15,208	0	0.0%
PILOT	7,970	8,713	743	9.3%
Town Aid Road	224,792	224,792	0	0.0%
Municipal Grants-in-Aid	2,022	2,022	0	0.0%
Motor Vehicle Reimbursement	0	0	0	
Municipal Revenue Sharing	0	0	0	
Municipal Stabilization	94,624	0	(94,624)	-100.0%
Supplemental Revenue Sharing	0	94,624	94,624	
TOTAL	4,417,098	4,417,977	880	0.0%

From: firstselectman firstselectman firstselectman@canterburyct.org 
Subject: FW: ARPA and Debt Ceiling
Date: June 8, 2023 at 11:58 AM
To: Mike Lee m [REDACTED] Joy Bissonnette jbissonnette@canterburyct.org



The BOF members might be interested in this.

Chris Lippke
First Selectman
Town of Canterbury

From: CCM Public Policy and Advocacy
Sent: Friday, May 26, 2023 2:01 PM
Subject: ARPA and Debt Ceiling

Dear Municipal Official:

Based on information provided by the National League of Cities (NLC), claw back of State and Local Fiscal Recovery Funds (SLFRF) through ARPA is not being considered in the debt ceiling negotiations.

The definition of obligation, as defined by the Government Accountability Office, has been made, and when Treasury distributed the money for SLFRF from the agency to the grantees, it created that obligation. Therefore, it is not able to be rescinded.

There is approximately \$56 billion of other, unobligated money from the six other COVID relief bills that is sitting with agencies that may be clawed back. Some have argued that the amount may be closer to \$80 million. Those unallocated funds, not the SLFRF funds, may be rescinded in the debt ceiling deal.

We are providing this information to keep you apprised of the latest information from Washington, as well to ensure that members do not haphazardly begin spending ARPA money in fear that it may be rescinded.

Update on Debt Ceiling Negotiations:

White House negotiators and House Republican negotiators broke a four-hour meeting yesterday without talking to the press. No comments can be seen as a positive that both sides are making progress and don't want to undermine the progress by making statements in public that could be used against them.

However, time is really running out to get a deal done before the June 1 deadline that Treasury Secretary Janet Yellen said on Sunday is a "hard deadline." Yellen added that the chances of making it to June 15, when the Treasury expects the next influx of cash from quarterly estimated payments, is quite low.

Wednesday, most conservative members of the House Democratic Caucus signed a discharge petition, bringing the total number of signatures to 213. A discharge petition in this case would allow for a vote on the House floor on a bill to raise the debt limit without conditions if 218 House members sign the petition. Five GOP members would need to sign on to the petition to get to the magic 218. Having five GOP members sign on at this point is unlikely to happen.

Two Ways To Fix The Deficit And Debt:

There are two ways to fix a deficit and debt problem.

1. Cut spending. The House GOP has held firm that this must be done in these negotiations. President Biden did not want to engage on these terms but has relented.
2. Raise revenue. There are two sides of a ledger-the outlays and the revenue. Biden put forth his budget that would have included revenue raisers that would be used to lower the deficit by \$3 trillion over the next decade. The House GOP has been unwilling to engage on any discussions of revenue raisers. What this means for cities-despite your politics and thoughts on increasing revenue-is that absent revenue being on the table, cities will be hit with sharp reductions in federal investment dollars.

Other factors:

Since the beginning of the month, Yellen has warned congressional leaders that the Treasury would not be able to pay its obligations without raising the debt ceiling and has been consistent that June 1 is a date by which a default could happen. However, there is a sizable minority of the House GOP Conference that do not believe Yellen and her analysis, demanding that she show her work. Yellen has been clear over and over, and on Monday gave her starkest warning yet that June 1 is the date. But not having a portion of the members of Congress agree about when this will happen is a problem. Congress only takes action on big items when facing a deadline and if the deadline is not believed, then it is hard to galvanize members to action.

Additionally, House Majority Leader Steve Scalise announced that after votes today he will be sending the House home for Memorial Day Weekend. Members will have 24 hours to return if a deal is struck and will have 72-hours to review the text, Scalise said. Additionally, it could take five to seven days to get a bill through the Senate if all senators do not agree. It is rare that all 100 senators agree, so building in a week of time to move a bill through the upper chamber is a good bet.

Also, leaders on both sides are going to face challenges getting the votes to get the needed 218 votes in the House to get this across the finish line. GOP Rep. Chip Roy issued a four-page memo yesterday outlining that Republicans passed their bill to raise the debt ceiling and all the items in it are of consequence and should not be negotiated away. Additionally, the House Freedom Caucus made clear that the House acted, and are unwilling to negotiate. The House Freedom Caucus is more than 20 percent of the House Republican Conference. Meaning if McCarthy loses them, he starting with a big vote hole to make up to get to 218.

Meantime, Democrats are facing tough challenges inside their own ranks, especially among progressives. Progressives are upset at the possibility of work requirements being added to social safety net programs as well as cuts to domestic discretionary spending programs-for example the Community Development Block Grant program (CDBG). On Tuesday, House Speaker McCarthy took spending cuts for the military off the table. This means that discretionary non-defense will take deeper cuts than originally thought-possibly somewhere in the neighborhood of 30 percent in fiscal year 2024.

Finally, the White House and McCarthy's team are working towards a deal, but there is nothing to say that the rank-and-file of either party will accept the deal. If one or both party's rank-and-file members reject the deal that is negotiated, it could sink a deal in the House and mean that leaders start at square one, which could add weeks to the process.

Additional Resources

Here are a couple of blogs and a recent statement issued by NLC around the debt ceiling.

1. [What Happens to Municipalities if the U.S. Defaults on the National Debt?](#)
2. [What You Need to Know About the Latest Debt Ceiling Negotiations](#)
3. [National League of Cities Calls for Bipartisan Solution to Debt Limit](#)

Any questions can be directed to NLC staff or [Mike Muszynski](#).

Mike Muszynski | Chief Strategy Officer

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C: 203-500-7556



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