

ARTICLE X. FINANCE AND TAXATION

Section 10-1. Board of Finance; Organization and Procedure.

Members of the Board of Finance shall be elected in accordance with Article V of this Charter.

The board shall establish a schedule of regular meetings to be not less than ten (10) in any calendar year, and cause such schedule to be posted in the office of the Town Clerk.

Meetings of the board shall be open to the public. When meetings other than those regular meetings scheduled above are to be held, notice of such special meetings shall be posted in the Town Hall and notification shall be as required in the General Statutes, and shall also be given to those town agencies specifically affected by such meetings. Decisions of the board shall be made by a majority of those present. No less than three (3) members shall constitute a quorum.

The Board of Finance shall have its own budget which shall include a clerk of the Board of Finance who shall keep a record of all notes and minutes and shall be custodian of all appropriate documents of the board and shall include an appropriation for the purpose of retaining a certified public accountant or a firm of certified public accountants to audit the town books as required by the General Statutes, and for the publication of the annual town report.

After the annual audit by an independent public accountant as provided by the General Statutes, the certification of such public accountant as to the scope of the audit shall be included in the town's annual report. Copies of the auditor's comments and recommendations shall be made available to the public at Town Hall and the town library. (4) (7) (12)

Section 10-2. General Powers and Duties of the Board of Finance.

The Board of Finance shall have all powers and duties provided by this Charter and by the General Statutes. It shall be the chief financial and budget-making authority of the town with a primary responsibility of establishing and maintaining the town in a sound overall financial condition. It shall do this by considering financial aspects of municipal government as a whole rather than from the limited viewpoint of any particular agency, and to insure, as far as feasible, the payment of the municipality's current debts out of current income. (7)

Section 10-3. Powers and duties of the Board of Finance in Connection with the Preparation of the Budget for the Coming Fiscal Year, and Levying of Taxes.

The Board of Finance shall receive from the Board of Selectmen and the Board of Education their respective proposed budgets in sufficient time for publication at least ten (10) days prior to a public hearing on the last Monday in March. The Board of Education shall also submit to the Board of Selectmen its budget in sufficient time for review and non-binding recommendation by the Board of Selectmen to the Board of Finance. The Board of Selectmen's recommendation shall only be as to the total amount of the proposed Board of Education budget. The budgets shall be prepared in such manner as the Board of Finance shall prescribe. The individual budget requests of each department, board or commission shall be signed by the chair or department head and submitted to the Board of Selectmen and/or Board of Education for submission to the Board of Finance.

The Board of Finance shall hold a public hearing on the proposed budget on the last Monday in March. Printed copies of the proposed budget shall be available at the office of the Town Clerk and at such other locations as the Board may prescribe, forty-eight (48) hours in advance of said hearing, and shall be published in a newspaper having a general circulation in

the town at least seven (7) days prior to the hearing. Those wishing changes to the budget as proposed by the Board of Selectmen and the Board of Education shall communicate their views at the public hearing.

After the public hearing, the Board of Finance shall meet to consider budget requests against projected revenues and the overall financial condition of the town. The Board's objective in these considerations is prudent management of the overall fiscal situation and not how or where specific amounts are budgeted. Therefore, any changes made to the operating budget requests of the town by the Board of Finance shall be limited to the budget as a whole rather than from the limited viewpoint of any one department and shall not address specific items.

The final budget as proposed by the Board of Finance shall be presented for adoption at the annual town and budget meeting held on the first Monday of May. Copies of the final proposed budget shall be available ten (10) days before such meeting at the office of the Town Clerk and elsewhere as the Board of Finance may prescribe, and shall be published in a newspaper having general circulation in the town at least seven (7) days prior to the meeting. The meeting shall have the power to decrease or delete any line item, but it may not increase or add to any line item or establish any additional line item. (13)

In the event that the Town Meeting shall fail to pass the budget, the Board of Finance shall meet and, upon due deliberation, publish a recommended budget to be considered at the next Town Meeting called for that purpose within three (3) weeks after the annual Town Budget Meeting. Subsequent Town Meetings shall be called until budget is passed, and should a budget not be passed by July 1, the town shall operate under the budget authorization of the previous fiscal year until a new budget is passed.

The annual capital and operating budgets of the Board of Education and the Board of Selectmen as recommended by the Board of Finance shall be brought to the annual Town Meeting for discussion and then sent to referendum. However, the Board of Selectmen may decide to present certain or all capital items of under \$100,000 per item to the Town Meeting for a vote. Said vote shall be binding with reference to those items. All other items on the capital budget shall go to referendum.

If the budget is upheld at the referendum, the Town Meeting shall reconvene to set the mill rate, but in no event shall a vote be allowed to supersede the results of the referendum. If the total budget is rejected, the Board of Finance shall meet and upon due deliberation publish a recommended budget to be considered at the next Town Meeting called for that purpose within three (3) weeks after said referendum. Subsequent Town Meetings shall be called until a budget is passed, and should a budget not be passed by July 1, the town shall operate under the budget authorization of the previous fiscal year until a new budget is passed. If individual line items are rejected at the referendum, the Board of Finance may meet and upon due deliberation request an additional appropriation for some or all of the line items so rejected which will be considered at a Town Meeting called for that purpose within three (3) weeks of the referendum.

When the budget is approved, the Board of Finance shall make it available to town agencies and the public through the office of the Town Clerk.

Section 10-4. Powers and Duties of the Board of Finance with Respect to the Management and Monitoring of the Budget for the Current Fiscal Year.

The Board of Finance shall receive monthly financial statements from the controller and from the superintendent of schools. The Board of Finance shall conduct a quarterly review for the purpose of determining that the budget is proceeding according to plan.

In the event that a town agency determines that it requires an additional appropriation, the agency shall seek the endorsement of the Board of Selectmen in writing of the sum needed. Within fifteen (15) days thereafter, any endorsed request shall be forwarded by the Board of Selectmen to the Board of Finance for final action. (11)

In the event that the Board of Education determines that it requires an additional appropriation, it shall request of the Board of Finance in writing the sum needed and the reasons therefor.

The Board of Finance shall consider and act upon such requests not more than fifteen (15) days after it is in receipt thereof, and shall inform the requesting agency and the Board of Selectmen in writing of the action taken and the reason therefor.

The Board of Finance may, in any fiscal year, without vote of Town Meeting, provide any single requesting agency with a special appropriation from general fund unreserved-undesignated fund balance a sum not to exceed fifty thousand dollars (\$50,000) cumulative. The Board of Finance may not, without vote of a Town Meeting, provide any additional appropriations from general fund unreserved-undesignated fund balance that will cause the total of additional appropriations to exceed the sum of two hundred fifty thousand dollars (\$250,000) in aggregate to all requesting agencies in any fiscal year.

All other special appropriations less than three million dollars (\$3,000,000), in accordance with this charter, shall be made by a vote of the Town Meeting on positive referral from both the Board of Finance and the Board of Selectmen. In the event of a negative referral by the Board of Finance, said matter shall go back to the Board of Selectmen who shall vote whether to send it to the Town Meeting or remove it from the Town Meeting and submit it to a referendum. All special appropriations of three million dollars (\$3,000,000) or more shall, after public hearing, be submitted to referendum without call to Town Meeting.

An appropriation or transfer of unexpended capital project balances and payment into an appropriation from the capital reserve fund for capital and non recurring expenditures, requiring a Town Meeting approval in accordance with this Charter, may be decreased by a Town Meeting, but may not be increased. A Town Meeting may make no special appropriation or transfer of funds not recommended by the Board of Finance. The Board of Finance to act within five (5) days of receipt of request from the Board of Selectmen for recommendation.

The town maintains a capital reserve fund for capital projects and nonrecurring expenditures in accordance with the General Statutes, any payment into or appropriation from the capital reserve fund shall be made only upon the recommendation of the Board of Finance and approval of the Town Meeting.

The provisions of this section shall not be a limitation on the power of the town to issue bonds or other obligations for appropriations or indebtedness in accordance with the General Statutes and this Charter. (6)

Transfers between town departments (except the Board of Education) may only be approved by the Board of Finance upon the request of the Board of Selectmen. Transfers within a department's budget (except the Board of Education) requires approval from the Board of Selectmen only. (11)(13)

Section 10-5. Expenditures and Accounting.

The fiscal year of the town shall begin on July 1 and end on June 30 of the following calendar year.

The system of accounts used by town agencies shall be that prescribed by the General Statutes, as supplemented by regulations of the Board of Finance.

The regulations of the Board of Finance shall also approve the form and procedures for orders to be drawn on the treasurer by the Board of Selectmen.

All officers, boards, commissions and committees shall comply with the regulations of the Board of Finance required by this section. Such regulations shall be adopted and may be amended by vote of the Board of Finance and shall not be inconsistent with this Charter and the General Statutes.

All budget agencies shall submit within ninety (90) days after the end of the fiscal year a summary report of their activities and accomplishments. The Board of Finance shall incorporate this information in the published annual town report. Said report shall be made available prior to the annual town budget meeting.

No purchase shall be made by any office or agency of the town, other than the Board of Education, except through the First Selectman, and such purchases shall be made under such rules and regulations as may be established by the Board of Selectmen with the approval of the Board of Finance. The Board of Education shall establish appropriate rules and regulations for such purchases.

The several offices or agencies of the town shall not involve the town in obligations to spend money for any purpose in excess of the amount appropriated therefor.

The Board of Finance may have access at all reasonable times to the records and books of account of the town agencies.

Every appropriation, except an appropriation for the capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned; the purpose of any such appropriation shall be deemed abandoned if, at the end of the third succeeding fiscal year, there has been no disbursement from or encumbrance of the appropriation. (7)

Section 10-6. Bonds and Notes.

Issuance of bonds and notes shall require approval by a Town Meeting, except notes in anticipation of taxes or other short-term notes, which notes are to be paid within the fiscal year in which issued.

Section 10-7. Powers and Duties of the Board of Finance in Connection with the Development of Long-Range Financial Planning.

The Board of Finance may initiate joint meetings with the Board of Selectmen and the Board of Education for the purpose of discussions on long-range financial planning.

The Board of Finance may require all town agencies and boards dependent on the town budget for any portion of their income to submit estimates for future spending. Such estimates shall be for the fiscal years three (3) years ahead of the current fiscal year and shall be the best

estimates of the present town agency. Said estimates shall be submitted as the Board of Finance shall dictate as a part of the preliminary budget. Any requests for budgetary information shall be made through the Office of the First Selectman or the Superintendent of Schools.