

Town of Montville
Finance Committee Special Meeting
May 21, 2026
5:00 P.M. Room 203

1. Call to Order
Chairperson May called the meeting to order at 5:00 pm.
2. Pledge of Allegiance
3. Roll Call
Chairperson May, Councilor Baker and Councilor Southard. Others in attendance Mayor Leonard G. Bunnell Sr., Councilor Novak, Finance Director Julie Chapman, Councilor Jaskiewicz, Chief Blanchette, including some members from the BOE and Executive Assistant to the Mayor, Cindy Breton
4. Remarks from the Public pertaining to matters on the agenda with a three-minute limit – *none*
5. Approval of Special Meeting Minutes – Motion made by Councilor Baker to approve the special meeting minutes from 4/16/26, 4/20/26, 4/23/26 and 4/28/26. Councilor Southard seconded; All in favor 3-0.
6. Unfinished Business - *none*
7. Finance Director Updates
The Finance Director reviewed the budget and the revised grand list, including the St. Bernard's reduction and the Board of Assessment Appeals rulings, which resulted in a slight reduction in the grand list.

Regarding the communication from the last meeting, there was discussion about putting the supplemental revenue into the fund balance, but after further research, that is not allowed. When the grand list comes in, its usage must be reported to the state, so it needs to be applied to the budget, with reporting completed by January 1. This means the revenue cannot go unbudgeted. Therefore, the supplemental revenue from the state has been added to the revenue side of the budget.

Some budget line items were adjusted in case the Town encounters a shortfall. Contingency is now at \$750,000, preventing the need to draw from the fund balance at the end of the fiscal year. Other supplemental funds are intended to cover unpredictable expenses such as weather-related costs, electricity, and fuel.

The boiler expense will be paid from the CNRF, the Capital Non-Recurring Fund.

The police car will be funded through the Private Duty Fund. These proposed changes bring the mil rate to 31.34, which is a 2.47 mil increase.

Councilor Novak asked whether this included the increase for the BOE budget, and the Finance Director indicated that it was reflected in their revenue. Chairperson May explained that using grant money to increase the BOE budget is risky because it is a one-time funding source and may not be

available next year, while the BOE budget cannot be reduced. He stated that the grant funding is included in the revenue and will be used by the BOE, but fewer taxpayer funds will be directed toward the BOE. There has been no change to the proposed \$100,000 increase to the budget. Less tax revenue is now funding the BOE budget, with a greater share funded through grants.

The Finance Director stated that \$300,000 was cut from the Board of Education budget and \$750,000 was cut from the General Government budget.

Councilor Novak commented on how proud Montville is of its schools, noting the signs people see when they drive into town. She stated that the Town should live up to that message and that the schools do not deserve to have their budget cut. She added that the Town needs to invest in its children.

The Finance Director responded that there was not really a cut to the BOE budget, given that hundreds of thousands of dollars remain at the end of each year and the Mayor reduced the budget by only a couple hundred thousand dollars.

Chairperson May stated that the reason for the meeting was to allow the Finance Director to provide additional insight, which the Council was still considering. As of May 1, the BOE still had six million dollars remaining in overrun accounts. After speaking with BOE Finance, he said they were hoping a few hundred thousand dollars would remain at year-end. He noted that in another year, the BOE had \$800,000 left over.

Councilor Southard stated that, after working in education for more than twenty-five years, she knows what it is like to receive a pink slip. While working in the Stonington school system, she has seen opportunities available to students there that are missing in Montville. After discussing the Superintendent's budget and reviewing the Town budget, she indicated that there was nothing left to cut in the Town budget either. She stated that she would go with the 2.56 or 2.65 and she's not doing this to get reelected but doing for the students in this town.

Mayor Bunnell stated that he agrees 100% with the figures provided by the Finance Director and with her efforts to accommodate everyone. He also stated that he took it upon himself to keep the mil rate as low as possible, noting that there will be overages within this budget even with the increased revenue, as the trend has shown. He stressed that when there are overages, the Town can no longer use fund balance to cover them.

BOE member Pike clarified that the \$300,000 reduction represents three-quarters of one percent of the BOE budget. He stated that the funds must be used for capital expenditures rather than recurring costs and cannot be used to hire teachers. He also noted that the BOE saved the Town \$853,000 by not air conditioning Palmer because it is not Town-owned property. In addition, he referenced the \$368,000 for the bus garage and stated that the BOE had already made a significant impact on reducing the mil rate.

Councilor Baker discussed the long-term implications of the budget. He reiterated that only \$100,000 had been budgeted for contingency and noted that if the Town has \$600,000 in transfers and any services or personnel are significantly reduced, those same areas may require additional cuts next year. He stated that the Town needs to be run more like a business and adhere to its spending limits to avoid facing the same situation next year.

Councilor Baker also explained that, unlike many other towns, this Town's budget is not subject to a referendum and is instead decided by seven people. He believes taxpayers see and understand the Town's financial position as the result of events that have occurred over the past three to four years, beginning with the ARPA funds provided by the federal government.

Mayor Bunnell discussed the \$512,000 in state funding provided to the BOE. He stated that the funds were allocated to the BOE. Prior to receiving that funding, the \$48.3 million budget resulted in a 3-mil tax increase. The Town applied the \$512,000 toward the BOE budget to help offset costs, including benefit adjustments, which was partly responsible for reducing the increase to 2.47 mils.

Chairperson May agreed with Councilor Baker. He also reminded everyone that the Town had transitioned from one Finance Director to another and that several financial practices had not been handled properly, including failing to remove authorized expenditures from the fund balance.

The Finance Director stated that the FY 2025 audit had just begun and that the Town is waiting for its completion before finalizing the fund balance figures. She noted that the fund balance is lower due to transfers that were never completed for projects previously approved by the Council, as well as the FY 2025 operating deficit.

8. Remarks from the Public with a three-minute limit – *none*
9. Remarks from Councilors - *none*
10. Adjournment – 5:58:51pm

Detailed Special Meeting Minutes can be found in the *Meeting Recordings dated 05/21/2026*

Respectfully submitted by Cindy Breton, Executive Assistant to Mayor Leonard G. Bunnell, Sr.