

TOWN OF COLCHESTER, CT
BUDGET DEVELOPMENT PROCESS

The Town of Colchester's fiscal year begins on July 1 and ends on June 30.

The annual Town budget is developed and analyzed throughout the fiscal year. In many cases, three fiscal-year budgets are being worked on in one fiscal year: closing out the previous year's budget, analyzing and working through the current year's budget, and developing the next year's budget. The process below explains how new budgets are created:

November - February

Department budgets are created by supervisors and department heads. Needs are assessed and previous years running averages and trends, as opposed to abnormal fluctuations from year-to-year, are reviewed. The First Selectman will receive each of the department's requests, where they will be evaluated and examined. The same is occurring with the Board of Education as the Superintendent prepares the school budget for presentation to the elected Board of Education.

January - February

A series of Public Budget Forums are held before the regular Board of Finance meetings to obtain input from the Public to provide guidance to the Boards in preparing a budget to be proposed to the taxpayer. The Superintendent of Schools presents the school budget to the Board of Education in February. The Grand List is provided by the Town Assessor which is used by the Finance Department and First Selectman to calculate estimated tax revenue numbers for the upcoming year and can begin working on finalizing the Town expenditure budget as well as projected revenues from all other sources.

March

The First Selectman and the Board of Education work towards finalizing their proposed budgets.

April

A Public Budget Hearing is held on the first Tuesday where the First Selectman and Superintendent present their budgets to the public and the Board of Finance. Workshops are held by Board of Finance to examine the proposed budgets. The public is encourage to attend the Public Hearing and workshops and provide input on the budget's progress at the beginning and end of these meetings. The Board of Finance may change any line item for the Town budget and can adjust only the bottom line total of the Board of Education budget. On the third Wednesday, the Board of Finance will vote on the budgets to present at Public Hearing.

May

A Public Budget Hearing is held to explain the proposed budgets to the public and accept feedback. At another meeting, the Board of Finance, based on feedback from the Public Hearing will then vote on the budget to be presented at a special Town Meeting (the Annual Budget Meeting) called by the Board of Selectmen to officially present the proposed budgets to the public and is recessed to a Budget Referendum for vote.

The process of budget adoption is outlined, by Town Charter, below:

Annual Budget Meeting

§ C-1105a. Annual Budget Meeting.

- A. The Board of Selectmen shall convene a special Town Meeting (the "Annual Budget Meeting") for the purpose of considering the annual Combined Budget at such hour and at such place as the Board of Selectmen may determine or as the General Statutes may require. The Town's Chief Financial Officer, or his or her designee, as well as at least two representatives from each of the Boards of Education, Selectmen (one being the First Selectman, or his or her designee in extenuating circumstances) and Finance, shall be present at the Annual Budget Meeting and shall be available to respond to questions of the Town Voters.
- B. At the Annual Budget Meeting, the members of the Boards of Selectmen and Education shall, with respect to their respective budgets:
 - (1) provide their proposed budget to the Town Voters;
 - (2) have available for review by the Town Voters a summary of each department's proposed budget with a comparison to the amount budgeted in the current fiscal year;
 - (3) if feasible, have available for review by the Town Voters a summary of each department's proposed budget and the amount estimated to be actually expended in the current fiscal year.
- C. At the Annual Budget Meeting, the Town Voters in attendance may reduce, but not increase, the Board of Selectmen Budget and/or the Board of Education Budget upon the passage of a proper motion(s) (as hereafter defined). A proper motion shall:
 - (1) stipulate a specific dollar amount for reduction;
 - (2) stipulate the budget to which such reduction shall be charged (either the Board of Selectmen or the Board of Education budget);
 - (3) in the case of the Board of Selectmen Budget, the specific department's budget to be reduced must be stipulated. Reductions may not be made to the capital expenditures or debt service line items of the budget.
 - (4) in the case of the Board of Education Budget, only the bottom line may be reduced.
- D. If the Board of Selectmen's Budget excluding capital expenditures and debt service, or the Board of Education Budget differs from that first presented by an amount equal to or in excess of one percent (1.0%), the Annual Budget Meeting shall be continued to a second meeting held no less than two business days following the first meeting. At this second meeting, the proper motion(s) shall again be introduced to and acted upon by the Town Voters in attendance. Should the proper motion(s) pass at this second meeting, the proper motion(s) shall become effective and shall be incorporated into the proposed Combined Budget.
- E. The Annual Budget Meeting shall be automatically continued to the Annual Budget Referendum, at which the budgets of the Board of Selectmen and the Board of Education as recommended by the Annual Budget Meeting, shall be presented to the Town Voters for final approval or disapproval.

The Annual Budget Referendum

§ C-1106a. The Annual Budget Referendum.

The Annual Budget Referendum shall be held on such date as determined by the Annual Budget Meeting. A minimum of two questions shall appear on the ballot for the Annual Budget Referendum. The first question shall require a vote of "Yes" or "No" on whether to approve the Board of Selectmen Budget (Including debt service and capital expenditure budgets) as recommended by the Annual Budget Meeting. The second question shall require a vote of "Yes" or "No" on whether to approve the Board of Education Budget as recommended by the Annual Budget Meeting. The Board of Finance may, at its discretion, also direct that an advisory question appear on the ballot for either or both budgets. Such advisory question(s) shall require a response of either "Too High" or "Too Low" to describe the proposed level of spending.

Any action taken at the Annual Budget Meeting that is approved at the Annual Budget Referendum shall be considered conclusively approved, and no further Town Meetings or referenda regarding the specific action may be called.

§ C-1106b. Recount of Annual Budget Referendum

Recounts of the votes cast at the Annual Budget Referendum shall be pursuant to any applicable provisions in the General Statutes.