

**Simsbury Board of Finance
TOWN OF SIMSBURY
REGULAR MEETING MINUTES
Tuesday, October 15, 2019 at 5:45 P.M.
Simsbury Town Hall - Main Meeting Room
933 Hopmeadow Street, Simsbury, Connecticut**

PRESENT: Lisa Heavner, Derek Peterson, Robert Pomeroy, Linda Schofield

ALSO PRESENT: Melissa Appleby, Deputy Town Manager; Amy Meriwether, Director of Finance/Treasurer

1. Call to Order - Establish Quorum

Chairman Pomeroy called the meeting to order at 5:52 P.M.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

3. Approval of Minutes - September 17, 2019

MOTION: Mr. Peterson made a motion to approve the September 17, 2019 Regular Meeting Minutes. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

4. Draft Debt Policy

Ms. Meriwether referenced the revised debt policy as proposed by Judith Blank, Bond Counsel. She noted Ms. Blank reviewed the policy and had some concerns over possible litigation in the future. She was then asked to make revisions to the debt policy as it pertains to the BOF. The policy in the meeting packet is what she recommends for adoption. Mr. Pomeroy noted Ms. Heavner has some additional edits to go through. Under Section IV, Policy, #3. Types of Permissible Debts, she added "and /or may place qualification or limits on permissible funding mechanisms through the line item approvals during the budget process" to the last sentence of the first paragraph. Under #5. Debt Structure, the last sentence of the Bond Term paragraph should read, "Fifteen (15) to twenty (20) year bond terms may be considered *and approved in the budget process by the Board of Finance* for major projects exceeding \$20 million that benefit the community." Under Section V. Debt Affordability Measures, Ms. Heavner noted the debt position is needed during the budget process, not in preparation of the Town's Comprehensive Annual Financial Report. She changed the language to read, "The Board of Finance, in connection with the Budget Approval Process, will evaluate the Town's debt position." Ms. Heavner noted a few additional minor changes. Under Section I. Purpose, she kept the language from the old debt policy, adding to the end of the first sentence, "at the most economically advantageous rates of interest." Discussion followed about borrowing authority and then level principal. Under Section IV. Policy, #5 Debt Structure, Debt Service Pattern, the first sentence was removed and replaced with, "The preference is to use a level principal payment structure, however,..." In Section I. Purpose, under the first bullet point, the phrase, "and market conditions" was restored to the end of the sentence. Under Section V. Debt Affordability

Measures, an additional bullet point was added, "Simsbury debt in comparison to other comparable towns."

MOTION: Ms. Schofield made a motion to accept the BOF Debt Policy as amended. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

Mr. Pomeroy asked that Ms. Meriwether provide these revisions to bond counsel to confirm she is okay with them.

The agenda was amended to discuss preparing for the Tri-Board meeting to be held in early December. Mr. Pomeroy noted important information needs to be gathered in order to have a meaningful discussion at that meeting. This information includes grand list growth, CPI indicators, COLA, and other items, in addition to contractual increases in salaries and known expenditures. He noted the budget comparison should include last year's actual, last year's budget and this year's proposed budget. Mr. Pomeroy asked Board members to think about the best metric for giving guidance. Discussion followed. Mr. Pomeroy noted snow dates should be scheduled for each of the important meetings. Further discussion followed regarding the collection assumption rate.

5. Adjourn

MOTION: Mr. Peterson, Ms. Heavner second, to adjourn at 6:34 P.M.; unanimously approved

Respectfully submitted,

Karen Haberlin
Commission Clerk