

**Simsbury Board of Finance
TOWN OF SIMSBURY
REGULAR MEETING MINUTES
Tuesday, November 19, 2019 at 5:45 P.M.
Simsbury Town Hall - Main Meeting Room
933 Hopmeadow Street, Simsbury, Connecticut**

PRESENT: Lisa Heavner, Derek Peterson, Robert Pomeroy (by phone), Kevin Prell, Linda Schofield, Moira Wertheimer

ALSO PRESENT: Maria Capriola, Town Manager; Amy Meriwether, Director of Finance/Treasurer; and other interested parties

1. Call to Order - Establish Quorum

Ms. Schofield called the meeting to order at 5:45 P.M.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

3. Presentation: Member Recognition

Ms. Schofield noted this is Ms. Wertheimer's last meeting and thanked her for her many years as a public servant. Mr. Pomeroy also thanked her and expressed gratitude for her great work.

4. Approval of Minutes - October 15, 2019

MOTION: Mr. Peterson made a motion to approve the October 15, 2019 Regular Meeting Minutes. Ms. Wertheimer seconded the motion. All were in favor and the motion passed unanimously.

5. Finance Director's Report

Ms. Meriwether referenced her report, noting the listing of grants/donations approved by the BOS in September and October. Under the Defined Contribution and Deferred Compensation Pension Plans RFQ Update she noted the contract was signed last week and FIA has already provided a draft of the RFQ, a copy of which was given to each Board member for review. She added this will be discussed at the December BOF meeting. Regarding the FY20 Bond Issuance, she noted funding will start for one half of the HJMS project beginning in December with final settlement in late January 2020.

6. School Business Manager's Report

Ms. Meriwether gave the report for Mr. LaClair. For revenues there is no budgetary impact at this point. Under expenditures, she reported the FY19-20 Percent Spent is about 21%, which is consistent with the same time last year. She reported a slight increase in enrollment of 7 students, noting this is the first increase in 10 years. The staffing comparison went up by a few FTEs. Regarding insurance, she noted only \$150,000 of non-lapsing dollars will be needed to address the projected budget deficit of \$300,000 for this cost category. There were questions, comments and discussion on enrollments and FTEs. Further discussion on the non-lapsing fund

followed. Mr. Pomeroy noted there is a long-range planning public forum tomorrow night at 7:00 P.M. at HJMS and encouraged BOF members to attend. Mr. Peterson noted he is a part of this group of about 20 people and serves as a BOF liaison on that group. He reported the group is looking at aging plant and equipment across Simsbury and the firm Tecton provided an overall view of all facilities and a recommendation of what needs to be done and when. There was discussion about the costs to build versus rebuild and enrollment projections. Mr. Peterson was asked to update the BOF after each meeting of the group.

7. Draft Debt Policy and Workgroup Request

Ms. Schofield noted a debt policy was adopted at the last BOF meeting with the caveat that a few items be looked at by bond counsel. Ms. Meriwether referenced her agenda submission form which notes bond counsel had issue with one item. It was noted the BOS would like to form a workgroup with members of the BOF to work on drafting one debt policy for the Town. This workgroup would include 2 members from the BOS and 2 members from the BOF. Ms. Heavner and Mr. Pomeroy volunteered to be a part of the workgroup. Discussion followed about authority and whether both boards should have policies.

MOTION: Mr. Peterson made a motion, effective, November 19, 2019, to appoint board members Rob Pomeroy and Lisa Heavner to the debt policy workgroup to create one debt policy for the Town. Mr. Prell seconded the motion. All were in favor and the motion passed unanimously.

8. Budget Status Report

Ms. Meriwether referenced her Budget Status Report as of September 30, 2019, noting for the General Fund revenues were at about 50% of budget, consistent with the prior year. Expenditures are at 25% of budget. As of September 30, 2019 Simsbury Farms fund revenues had a net increase of \$268,000 in comparison to last year's deficit of \$205,000, due to the deferred revenue with the accounting change. She reported the Health Insurance Fund revenues exceeded expenditures by \$1.2M, most of which is due to the \$850,000 transfer into the fund. She added as of now, total reserves are at \$3.5M, noting they are fully funded and healthy. On the Sewer Use Fund she reported at the end of the first quarter the net increase in fund balance is about \$2.5M due to 75% of revenues being received while only 25% of expenditures have been incurred. Questions and discussion on the Police Duty Fund and the Capital Projects Fund followed.

9. Tri-Board Meeting Discussion

Mr. Pomeroy began the discussion by noting the Tri-Board meeting with the BOF, BOS and the BOE will be on December 3. As requested Ms. Meriwether provided various data sets and a listing of historical tax collection rates for this discussion. Ms. Schofield asked that the Board start off with an end point in mind and Ms. Meriwether took the Board through worksheets overhead. Discussion ensued. There was general consensus that BOF guidance for the BOE and BOS will be to target operating budgets at a 2.5% increase, (which would result in a 2.16% mill rate increase), based on current factors. Ms. Heavner added there was consensus that reserves stay at a minimum of 15%, 6.5% pension assumption rate, tax collection rate the same, and debt service capped at 6.7%.

10. Proposed 2020 Meeting Dates

MOTION: Ms. Wertheimer made a motion to adopt the 2020 meeting dates. Mr. Prell seconded the motion. Discussion followed. All were in favor and the motion passed unanimously.

11. Retirement Plan Subcommittee Report

Mr. Prell reported he was nominated and voted in as Chair and Derek Peterson will be Vice-Chair of the Retirement Plan Subcommittee. Their meetings will be scheduled ahead of BOF meetings so that updates can be given in a timely manner. He noted FIA is providing banking recommendations as Simsbury Bank is now Liberty Bank. Costs associated with that change will be made available in February.

12. Adjourn

MOTION: Ms. Wertheimer, Ms. Heavner second, to adjourn at 7:28 P.M.; unanimously approved

Respectfully submitted,

Karen Haberlin
Commission Clerk