

Town of Simsbury – **BOARD OF FINANCE – Tuesday, February 19, 2019**

Regular Meeting Minutes – Subject to Vote of Approval – 2 pages

Present: Rob Pomeroy, Chairman; Lisa Heavner; Derek Peterson; Linda Schofield; Moira Wertheimer and Kevin Prell. *Also Present:* Maria Capriola, Town Manager; Burke LaClair, Simsbury Schools Business Manager; Amy Meriwether, Director of Finance/Treasurer.

1. Call to Order

The meeting was called to order at 5:47 p.m. by Mr. Pomeroy, Chairman, in the Main Meeting Room of Simsbury Town Hall, 933 Hopmeadow Street.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

3. Approval of Minutes

Mr. Prell made a motion to approve the January 15, 2019 Regular Meeting Minutes. Mr. Peterson seconded the motion. All were in favor. The motion passed. The minutes will be put on record.

4. Finance Director's Report

Ms. Meriwether referenced her distributed report to update the board about grants and donations, including the education cost sharing grant. She also spoke about holding a Simsbury Tax Sale on May 18, 2019, to help recover outstanding property taxes. To date \$300K has already been collected.

5. School Business Manager's Report

Mr. LaClair referenced his distributed report titled, "Financial Report / Quarterly Budget Analysis," to update the board about BoE revenues and expenditures. Revenues: There was an increase in 2018-19 awards by a little more than \$900. The department is still awaiting final numbers for state and federal grants. Expenditures: Bottom line spending has been very close to last year in the second quarter. Enrollment and staff numbers have not changed since the first quarter. Utility costs have been higher, especially for electricity. As information on state and federal grant figures come in, Ms. Heavner requested that the BoF be notified in case a meeting may need to be called earlier. Per Mr. Pomeroy's request, Mr. LaClair agreed to send the results of the annual kindergarten class size survey to board members.

6. Proposed CNR Structure Discussion

In preparing for an upcoming audit, Ms. Meriwether discovered that several funds were earmarked for Capital Non-Recurring, including the "CNR – Assessor" Fund, which was reserve money to keep the CNR solvent for revaluation costs. She also discovered that new CNR funds were being created for each budget year. To simplify, she is recommending the establishment of a CNR Fund that would unify all current CNR-related monies into one fund with line items. Ms. Schofield made a motion, effective February 19, 2019, to approve the creation of a "CNR Fund," to transfer \$1.9M from the "CNR – Assessor" Fund into the CNR Fund, and to utilize the newly created CNR Fund for all future CNR project appropriations. Ms. Wertheimer seconded the motion. All were in favor. The motion passed.

7. Proposed Revised Capital and CNR Policy

Ms. Meriwether discussed the most current edits made to the "Capital and CNR Policy," through the presentation of a 4-page report titled, "Town of Simsbury: Capital Planning and Financing Policy Statement." Ms. Schofield made two more small changes to the document. After further discussion, Mr. Peterson made a motion, effective February 19, 2019, to adopt the revisions made to the proposed "Capital and CNR Fund Policy," thereby replacing the existing version of the "Capital and CNR Fund Policy." Ms. Schofield seconded the motion. All were in favor. The motion passed.

After carefully reviewing the “Capital and CNR Fund Policy,” Ms. Heavner and Mr. Pomeroy discovered that its language was inconsistent with the current “Capital Asset Policy.” Ms. Meriwether recommended that the Capital Asset Policy be updated to agree with the “Capital and CNR Policy,” which has a \$10,000 capital asset threshold for equipment. An edited and revised 3-page “Capital Asset Policy” report was distributed. Ms. Schofield made a motion, effective February 19, 2019, to adopt the revisions made to the proposed “Capital Asset Policy” as presented. Ms. Wertheimer seconded the motion. All were in favor. The motion passed.

8. Retirement Plan Subcommittee

A three-page draft copy titled “Memorandum of Understanding between the Town of Simsbury Board of Selectman, Board of Education and Board of Finance: Regarding the Retirement Plan Subcommittee” was distributed. Ms. Heavner made several corrections to the document—highlighted in yellow or written in red text—to make it consistent with the town charter. After much discussion, further changes were recommended. Mr. Prell made a motion to approve the proposed “Memorandum of Understanding” as presented, pending approval by the town’s lawyer and review by the Boards of Selectmen and Education with these suggested edits: 1. At the end of the first sentence of the first paragraphs in items 2a, b and c, to add the phrase “or their designees, if they are unable to attend a particular meeting;” 2. Rewriting the first sentence in section 2d to read, “Two community members at-large, who are electors of the town, recommended by the Board of Selectmen and approved by the Board of Finance,” and 3. Deleting section 4f. Ms. Schofield seconded the motion. Ms. Wertheimer abstained because she was not present at the time of the vote. However, a quorum was met. The motion passed. Ms. Heaver requested that all BoF members be given information and materials about a week before each Retirement Plan Subcommittee meeting. This would allow the BoF time to review and have questions asked and answered ahead of its own meeting.

Quarterly Oral Report. Mr. Prell reported that while the market in the fourth quarter was challenging, there was a rebound in January. Mr. Prell made a motion to ratify the recommendation from the Retirement Plan Subcommittee to remove Aberdeen Investments and replace it with Vanguard Investments in the town’s international fund portfolio. Mr. Peterson seconded the motion. All were in favor. The motion passed.

9. Communications

Proposed Revised Debt Policy. A 10-page draft report dated February 6, 2019 and titled, “Town of Simsbury Debt Management Policy” was distributed to the board for review. Ms. Meriwether will continue to research. She is asking board members to email her any further changes or suggestions.

Tax Abatement for Volunteer Firefighters and Ambulance Personnel Communication from Kevin Kowalski. Ms. Meriwether reported that during the last revision to the “Tax Abatement for Volunteer Firefighters and Ambulance Personnel Ordinance,” the critical fourth paragraph was unintentionally deleted. Mr. Kowalski, Chief Administrator for the Simsbury Fire District is requesting that the fourth paragraph be added back to the ordinance; that an amendment be added to Section D, and that a clarification be made to section 141-21. No action was required by the board.

10. Adjourn

Ms. Schofield made a motion to adjourn the meeting. Mr. Peterson seconded the motion. All were in favor. The meeting adjourned at 7:04 p.m.

Respectfully submitted,

Lorrie McElligott
Commission Clerk