

**Board of Finance  
TOWN OF SIMSBURY, CONNECTICUT  
REGULAR MEETING  
Tuesday, July 18, 2023, at 5:45 P.M.  
In Person Meeting /Simsbury Community Media Live Stream**

**PRESENT:**

Lisa Heavner, Robert Helfand, Linda Schofield, Mike Doyle, Derek Peterson and Arthur House

**ALSO PRESENT:**

Amy Meriwether, Director of Finance; Lee Erdmann, Interim Town Manager; Wendy Mackstutis, First Selectman

**1. Call to Order - Establish Quorum**

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

**2. Pledge of Allegiance**

All present stood for the Pledge of Allegiance.

Ms. Heavner thanked Ms. Schofield for her service on the Board of Finance and presented her with a gift of appreciation.

**3. Finance Director's Report**

Ms. Meriwether provided an overview of the Finance Director's report. She reported no change to the Supplemental Appropriations since her last reporting and one update to the Grants listing.

She noted the Assessor's Performance Audit Request for Proposal has gone out.

Ms. Meriwether reviewed the monthly financial summary noting they are still finalizing the FY23 year-end which takes several weeks. The board asked questions on the personal property revenue and other items in the report which were addressed and clarified by Ms. Meriwether. An in-depth discussion followed on the use of the non-lapsing fund or a supplemental appropriation from the general fund for the Board of Education as they will be ending the year in a deficit position. Ms. Meriwether made a recommendation to utilize the non-lapsing fund with a stipulation to transfer savings back at year end if they so choose, and the board agreed they would be comfortable with that.

**MOTION:** Mr. House made a motion, effective July 18, 2023, to authorize the use of the Board of Education non-lapsing fund up to \$651,308 for the fiscal year 2023 budget. Mr. Helfand seconded the motion. All were in favor and the motion passed unanimously.

Ms. Meriwether summarized revenues and indicated the town is anticipating about \$1.2M to \$1.3M in excess of revenues, despite Excess Cost coming in lower than anticipated.

On the expenditure side, Ms. Meriwether indicated there was about \$17,500,000 more expenditures than the last report, primarily from the Board of Education, which includes \$6M in balloon payments that teachers receive before summer break. There were \$2M in expenditures related to the debt service payments in June.

Ms. Heavner noted a few overages including for the town manager vacation payout, which is a mandatory contractual payment. There were also overages in legal costs and a minor overage in the Economic Development Commission, both of which the Board was advised of previously.

Ms. Heavner also noted that because of the CSEA contract settlement some department budgets look like they went over budget, but did not as salary contingencies were budgeted in two separate line items to cover the settlement. Ms. Meriwether confirmed they have two contingencies, one for \$189K and one of \$750K, and she confirmed these are adequate to cover the transfers. Ms. Heavner pointed out two overages, one in the Legal Department, and she said they were advised this would happen, and EDC went over budget. She asked Ms. Meriwether if she can see the more detailed line items for revenue and expenditures at the year-end close out in September. She also asked to see the projects that are carrying over to the following year.

#### **4. Financial Planning Discussion**

Ms. Heavner talked about the budget timeline and thanked everyone for their efforts working on this. Ms. Heavner stated the Board of Finance has long been advocating for many of the Government Finance Officers Association best practices and are happy to see them included as well as the other additional suggestions being incorporated into future budgets. She added that she believes they promote transparency and helps citizens better understand what they are getting for the taxes they pay.

Ms. Meriwether walked through the year over year year-end savings analysis and the budget modeling documents. Ms. Heavner added further details around the expenditure savings and asked about budgeting the vacancy rate to get a truer number. She talked about budgeting contingency and asked Ms. Meriwether what they do in the event of excess savings. Ms. Meriwether explained their first recommendation is to put it into general fund reserves if they are not at their target percentage. After that they recommend it gets included in their capital reserve fund for future capital maintenance, because they have more capital needs and maintenance than what they currently fund.

Ms. Meriwether continued with her report and the board asked questions which were addressed. Ms. Heavner asked to include Farmington as one of the comparison towns for budget benchmarking.

Ms. Schofield added to include the probable impact on taxes on budget communications for the public to help get them engaged.

Mr. Helfand spoke about informing the public of their property tax change based on their property value, and commended the chart that was used this past year.

The Board felt it was important to provide the public with a mailing on the final budget.

Ms. Meriwether reviewed the budget modeling and asked the board to review later and provide her feedback. She went through all the updates, explained how everything interlocks, and added that she made notes on the side which explains her thought process.

Initial feedback from the board was the tool is a great improvement and they will review and get back with more input.

Mr. House asked Ms. Schofield what her thoughts are on the process for budgeting, and Ms. Schofield said in her experience giving stronger guidance up front has worked better in the past.

Ms. Heavner also spoke about having the harder conversations around priority budgeting and zero-based budgeting and about articulating it to the public better, so they understand the thinking and the analysis.

Ms. Heavner mentioned that she did submit Ms. Meriwether's budget modeling for an award and thanked her again for all the work she did and said it clarifies it for the board, the policymakers, and the public what they are doing and will help them make better decisions.

#### **5. Approval of Minutes – May 16, 2023, and June 20, 2023**

**MOTION:** Mr. Doyle made a motion, effective July 18, 2023, to approve the minutes as presented from May 16, 2023, and June 20, 2023. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

#### **6. Communication - Moody's Profile Report for Simsbury**

Ms. Meriwether reviewed the highlights within the Moody's report for the Town of Simsbury. She specifically noted that Simsbury is in line or better than the medians for other Aaa rated communities with the exception of the available fund balance. Simsbury's available fund balance is at 29%, which is lower than other medians which come in at 62%. She noted that Simsbury is pretty standard for Connecticut and the national recommended percentage is a lot higher than most towns in the State of Connecticut, including Aaa rated communities.

#### **7. Executive Session - Pursuant to General Statutes section 1-200(6)(B) and (E), pending claim: 442 Hopmeadow Street**

**MOTION:** Mr. Doyle made a motion, effective July 18, 2023, to go into executive session with Finance Director, Amy Meriwether. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

The Board went into an Executive Session.

#### **8. Adjourn**

**MOTION:** Mr. House made a motion, effective July 18, 2023, to adjourn at 7:28 P.M. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,  
Marion Lynott  
Commission Clerk