

**Board of Finance
TOWN OF SIMSBURY, CONNECTICUT
REGULAR MEETING MINUTES
Tuesday, November 16, 2021 at 5:45 P.M.
Zoom Meeting/Simsbury Community Television Live Stream**

PRESENT:

Lisa Heavner, Arthur House, Robert Pomeroy, Kevin Prell, and Linda Schofield.

ALSO PRESENT:

Maria Capriola, Town Manager; Amy Meriwether, Director of Finance; Kelsey Chamberlain, Deputy Finance Director; Mike Doyle, Incoming BOF; Robert Helfand, Incoming BOF; and Eric Wellman, First Selectman.

1. Call to Order - Establish Quorum

Mr. Pomeroy called the meeting to order at 5:48 P.M.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

Mr. Pomeroy opened the meeting by introducing the incoming members of the Board of Finance, Mr. Doyle and Mr. Helfand, who will begin their 6-year term on December 6th.

Ms. Meriwether introduced and welcomed the new Deputy Finance Director, Ms. Chamberlain.

3. Town Budget Status Report

Ms. Meriwether provided an overview of the Town Budget Status Report.

General Fund revenues, as of September 30, 2021, totaled \$52,916,101 or 50% of budget; insurance refund revenue totaled \$57,471, exceeding budgetary estimates by \$29,971. Expenditures totaled \$22,802,186 or 21% of budget. Expenditures are currently proceeding in accordance with budget.

Ms. Schofield inquired about Legal Services and Ms. Capriola provided a summary of open and closed arbitration and termination cases. Ms. Meriwether addressed additional questions from the Board.

Ms. Meriwether went on to review the Parks and Recreation fund. Revenues exceeded expenditures by \$7,542 as of September 30, 2021, and the fund balance increased from \$207,183 to \$214,726. Ms. Meriwether further highlighted specific line items. Ms. Schofield commended the Parks and Rec department for having an increase in revenue and a decrease in expenditures during the period.

Ms. Meriwether reported that the Health Insurance Fund revenues exceeded expenditures by \$1,165,069 as of September 30, 2021. Fund balance increased from \$4,408,901 to \$5,573,970. Reserves as of September 30, 2021, totaled \$6,506,870, or 44% of expected claims. The Town's health insurance consultants recommend reserves at 20-25% of expected claims.

Ms. Schofield asked questions on the Special Revenue Funds which were addressed by Ms. Meriwether. There was discussion on the possibility of any of the Special Revenue Funds being able to be closed out. It was agreed to add this to the next meeting agenda.

Mr. Prell addressed the pension investments and stated that these funds have been performing in line with expectations and overperforming from a historical average.

4. Board of Education Budget Status Report

Ms. Meriwether provided an overview of the BOE Budget Status Report. She spoke about the recurring grant awards that had been finalized to date. Then went on to speak to new grants that had been awarded in the current year.

Ms. Meriwether stated the variances in expenditures were mainly due to the timing of when payments are made in the current year compared to the prior year and then highlighted the categories of spending where this was not the case and provided explanation for those variances.

Ms. Schofield inquired about enrollment numbers and Ms. Meriwether confirmed a presentation on this topic has been prepared for the upcoming Tri-Board meeting.

5. Supplemental Appropriation Request – Emergency Repairs to Owens Brook Open Space Parcel

Ms. Capriola gave a brief description of the emergency repairs made to Town owned open space Owen's Brook parcel. She explained there was a collapsed slope causing a large soil backup that was blocking the culvert inhibiting the flow of brook.

MOTION: Mr. Prell made a motion, effective November 16, 2021, to approve a supplemental appropriation for the Owen's Brook open space parcel emergency repairs in the amount of \$60,000 utilizing the Capital Reserve Fund. Mr. House seconded the motion. All were in favor and the motion passed unanimously.

6. Tri – Board Prep Discussion

Mr. Pomeroy spoke about preparing for the Tri-Board meeting and thanked all who have been involved. He stated that this year they want to start by listening to the other Boards in terms of initiatives, fixed costs, programs, etc. The Board of Finance will then present their priorities which includes the pension interest rate assumption, targeted reserves, tax collection rate, etc.

Mr. Pomeroy reviewed the status of the pension interest rate assumption. It is currently at 6.625% but the goal was to get to 6.5%. Updated guidance states the interest rate assumption should further decrease to 6.25%.

Ms. Heavner spoke about targeted budget goals including General Fund reserves at no less than 15.5%, Health Insurance reserves at 20 – 25% of expected claims, target Debt Service at 7% but not to exceed 8%, Pension Interest Rate Assumption targeted at 6.25%, and the Tax Collection rate at 98.5%.

Ms. Heavner added there is good news on the Health Insurance Fund reserves and Ms. Meriwether stated they are currently talking with their benefits consultants about utilization of these reserves and a potential policy for future utilization of reserves.

7. Approval of Minutes

The minutes from the October 19, 2021, Regular Board of Finance Meeting were minorly edited and approved.

8. Adjourn

Mr. Prell made closing comments about his time on the Board and thanked everyone for a great experience.

MOTION: Mr. Prell made a motion to adjourn the meeting at 7:02P.M. Ms. Schofield seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,
Marion Lynott
Commission Clerk