

**Simsbury Board of Finance
TOWN OF SIMSBURY
REGULAR MEETING MINUTES
Tuesday, March 12, 2019 at 5:45 P.M.
Simsbury Town Hall - BOE Conference Room
933 Hopmeadow Street, Simsbury, Connecticut**

PRESENT: Lisa Heavner, Derek Peterson, Robert Pomeroy, Kevin Prell, Linda Schofield, Moira Wertheimer

ALSO PRESENT: Melissa Appleby, Deputy Town Manager; Sean Askham, BOS; Todd Burrick, BOE; Maria Capriola, Town Manager; Cheryl Cook, BOS, Matthew Curtis, Schools Superintendent; Thomas Frank, BOE; Burke LaClair, Schools Business Manager; Susan Homrok-Lemke, Assistant Superintendent of Pupil Services; Amy Meriwether, Director of Finance/Treasurer; Neil Sullivan, Schools Director of Personnel; Jeffrey Tindall, BOE; Eric Wellman, First Selectman; Tara Willerup, BOE Chair; and other interested parties.

1. Call to Order - Establish Quorum

Chairman Pomeroy called the meeting to order at 5:47 P.M.

2. Pledge of Allegiance

All present stood for the Pledge of Allegiance.

3. Approval of Minutes - February 19, 2019

MOTION: Mr. Prell made a motion to approve the February 19, 2019 Regular Meeting Minutes. Ms. Schofield seconded the motion. All were in favor and the motion passed unanimously.

4. FY 19/20 Budget Development

• Board of Education 2019/2020 Budget Presentation

Mr. Curtis gave a slide presentation entitled Board of Education 2019-20 Approved Budget. He noted balancing fiscal reality and a vision for continuous improvement. The Superintendent's Budget is \$70,877,377, an increase of \$1,727,825, or 2.50%. Next, he provided enrollment projections, noting five-year enrollment is projected to be flat and ten-year enrollment is projected to increase roughly 7%. He noted a decline of 11.89 FTE over the last two budgets. He reported per pupil expenditure for 2017-2018 is \$17,147 and compared this to peer communities. He spoke about creating and maintaining personalized opportunities for students. He reported on contractual obligations, program improvements, and insurance and pension costs, noting cost savings measures and operational efficiencies. He also provided other additions and reductions to the budget, including ten certified staff retirements, with total reductions at \$250,000 and the impact of personnel costs at \$1,208,958. He noted academic enhancements, safety and student support, and responsible reductions. Next, he noted a preliminary projected 2019-20 increase in insurance and pension of \$500,244, or .72% of the total budget. Mr. Curtis provided new information since the BOE Budget approval on February 26, 2019 and lastly, spoke about potential use of the Non-Lapsing Account. Mr. LaClair reported on the Henry

James Project Status, the BOE Facilities Master Plan and Reconfiguration Study Status, and potential legislation on regionalization of schools. Questions and discussion followed. Mr. Pomeroy thanked Mr. Curtis and Mr. LaClair for their efforts.

- Health Insurance Fund (Internal Service Fund) Update

Ms. Meriwether noted a thorough analysis of the Health Insurance Fund was performed recently. The analysis identified that the Town's Health Insurance Fund has not been solvent since at least FY13/14. She provided a Fund History sheet for reference. She noted Staff has been working with the consulting firm, Lockton, to rectify the situation. She provided four scenarios developed for possible resolve. Ms. Capriola explained the four scenarios, noting they were presented to the BOS last night. Questions and discussion followed. It was noted best practices and industry standards should be looked at, as well as, speaking with Bob Lindberg. Ms. Capriola noted a new employee benefits firm was selected and began work in October 2018. A monthly claims analysis will now be available. Further, she spoke about cost containment measures, including marketing stop loss insurance and looking at RX claims.

MOTION: Mr. Pomeroy made a motion to request that the BOS presentation include prioritizing capital. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

- Debt Service and Capital Update

Ms. Capriola referenced the following provided documents: Health Insurance Fund Statement of Revenues, Expenditures and Changes in Fund Balance - Fund History and Fund Projections, Capital Budget Planning FY20 - FY25 - With Sewer Debt, Without Sewer Debt and With Baseline Needs - Without Sewer Debt. She noted a very rough projection of baseline capital needs set at \$2.5M without sewer debt. She added major categories for baseline capital needs include paving, sidewalks, bike trails, town buildings, school buildings, parks/open space and fleet. Discussion followed. Mr. Pomeroy requested Mr. Curtis and Mr. LaClair look at the BOE budget in light of the discussion around the insurance fund using Scenario 4. It was agreed the topic of regionalization should be further discussed.

5. Adjourn

MOTION: Ms. Wertheimer, Ms. Schofield second, to adjourn at 7:50 P.M.; unanimously approved

Respectfully submitted,

Karen Haberlin
Commission Clerk