

**Board of Finance
TOWN OF SIMSBURY, CONNECTICUT
SPECIAL MEETING MINUTES
Tuesday, May 19, 2020 at 5:45 P.M.
Zoom Meeting/Simsbury Community Television Live Stream**

PRESENT: Lisa Heavner, Arthur House, Derek Peterson, Robert Pomeroy, Kevin Prell, Linda Schofield

ALSO PRESENT: Sean Askham, BOS; Maria Capriola, Town Manager; Tom Fitzgerald, Management Specialist; Wendy Mackstutis, BOS; Amy Meriwether, Director of Finance/Treasurer; Lydia Tedone, BOE; Tom Tyburski, Culture, Parks & Recreation Director; Eric Wellman, First Selectman

1. Call to Order - Establish Quorum

Mr. 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 - May 5, 2020

Mr. Pomeroy moved to adopt the minutes of the May 5, 2020 Special Meeting. The motion was seconded by Mr. House. All were in favor and the motion passed unanimously.

4. Simsbury Farms Fund - Summer 2020 Pool Season

Ms. Capriola provided an overview of financials if the pool is permitted to open, noting a potential deficit and a revised fee schedule. Mr. Tyburski noted there will be guidance from the Governor issued tomorrow on a date for opening and on capacity. He added the Farmington Valley Health District (FVHD) is reviewing a plan. Discussion about the fee schedule and season passes followed. There was general agreement among Board of Finance members that fees should remain the same. Further discussion followed.

5. Board of Education Budget Status Report

Ms. Meriwether noted highlights from the Quarterly Financial Report as of March 31, 2020. She noted one of the Town's more restrictive state Choice grants for after-school programs may result in a turn back of funds between \$20,000-30,000. This does not impact the Board of Education budget as it is part of their grants funding. On the revenue side, Ms. Meriwether indicated building use revenue will have a projected deficit and tuition revenue will have some savings for a zero-net impact.

Under expenditures, she noted the percent spent to date of the Total Public Budget is 70.83%, in line with the same time last year. Under the General Control section, she noted additional staffing coverage in the Central Business Office due to medical leave, but with COVID-19 savings, they should be able to cover that increased expense. Under Transportation, she noted the contract was renegotiated, resulting in substantial savings. Under Insurance and Pension, she noted the Non-lapsing Fund will not need to be used due to COVID-19 savings. She indicated

Out-of-district tuition will have a deficit this year, noting a significant increase in special education services. Questions and discussion followed.

6. School Facilities Long Range Planning Update (Oral Report)

Mr. Peterson noted he had no update as there is a meeting on May 20. Ms. Meriwether added that at the last Board of Education meeting, the committee reported they were down to two options. She noted that the committee will be meeting on May 20 and the Board of Education plans to make a decision at their next meeting. She will then bring that information to the Board of Finance. Discussion followed and it was requested that the architects present to the Board of Finance. Ms. Schofield noted this will be an iterative process with Board of Finance involvement. Mr. Pomeroy indicated that was the intent of Superintendent Curtis and added that the Board of Finance will be working with the Board of Education on how to pay for this and if the Town can pay for this. There was further discussion about the effects of COVID-19 on schools.

7. Finance Director's Report

Ms. Meriwether noted her updated list of grants and donations. She gave a brief update on the Defined Contribution and Deferred Compensation Plans RFQ process, noting they have narrowed down the decision to two preferred vendors. Once a selection is made, they will present to the Retirement Plan Subcommittee on June 9.

Next, Ms. Meriwether referenced a COVID-19 Impact Update for the Town. She reported there are 25 approved applications for the tax deferment program as of May 18, which is a deferment of about \$170,000 in taxes. She then referenced COVID-19 expenditures and anticipated savings, noting the Town General Fund impact of about \$35,000 in costs to date and a year-end estimate of about \$48,108.15 in costs. She further noted additional savings in the areas of staffing, cancelled conference and education, the cancelled referendum, and a large increase in Town Clerk revenue related to refinancing. The net year-end savings from COVID-19 for the Town is estimated at \$49,391.85. She indicated anticipated FEMA reimbursement as well.

Ms. Meriwether noted that the total year-end results will see an anticipated surplus of about \$290,000 on the Town side. She noted that this surplus does not include the budgeted use of reserves of \$850,000 or unbudgeted bond premium revenue of \$1,021,000. Questions and discussion regarding Health Insurance Fund operating transfers and stop-loss insurance followed. Ms. Heavner noted that the initial estimate for stop-loss insurance seemed high and asked for an update when those numbers are firm.

Next, Ms. Meriwether provided a Board of Education COVID-19 Impact summary, noting a major reduction in revenue from pay-to-play fees, expenditures in the Food Service Fund, transportation savings, substitute teacher savings, instructional supply savings, conference and education savings and utility savings, resulting in a net impact of about \$696,000 in savings. Additional expenditures in insurance, out-of-district tuition, retirements, and business office staffing will result in the Board of Education seeing an estimated net year-end savings of about \$330,000 as of June 30, 2020. Ms. Schofield asked for an update on Board of Education planned use of the previously paid for extra food purchases.

Under Health Insurance Fund, Ms. Meriwether reported an expected decrease in insurance claims for the months of April, May and June due to COVID-19 and no dental insurance claims to date during that time. Under Social Services Fund, she referenced an updated statement of revenues, expenditures and changes in fund balance. She further noted an increase in need for social service assistance.

8. Adopt the Budget and Set the Mill Rate for FY20/21

Mr. Pomeroy read the following questions to be voted on by the Board of Finance:

1. Shall the appropriation recommended and approved by the Board of Finance for the purposes of paying the expenses of the Board of Selectmen annual budget for the fiscal year ending June 30, 2021, be approved and implemented in the amount of \$24,104,638? All were in favor and the question passed unanimously.

2. Shall the appropriation recommended and approved by the Board of Finance for the purposes of paying the expenses of the Board of Education annual budget for the fiscal year ending June 30, 2021, be approved and implemented in the amount of \$72,309,061? All were in favor and the question passed unanimously.

3. Shall the appropriation recommended and approved by the Board of Finance for the purposes of paying the expenses of Sewer Use Fund (Sewer Treatment Plant), Residential Rental Properties, Simsbury Farms/Special Programs, Non-Public Schools, Debt Retirement / Capital and Capital Non-Recurring annual budgets for the fiscal year ending June 30, 2021, be approved and implemented in the amount of \$12,429,922? All were in favor and the question passed unanimously.

MOTION: Mr. Pomeroy made a motion, effective May 19, 2020 to set the Mill Rate for the Fiscal Year 2020/2021 at 37.09 mills. The Motion was seconded by Ms. Schofield.

Ms. Heavner pointed out that the Mill Rate in the motion does not include the Fire District Mill Rate of 1.19. Ms. Capriola noted the Board of Finance is responsible for setting the Town Mill Rate only. Ms. Heavner clarified that the total Mill Rate, including the Fire District, is 38.28.

All were in favor and the motion passed unanimously.

Ms. Schofield asked that a response be sent to Mr. Rinaldi, who contacted her regarding response to his questions about the Board of Education. Mr. Pomeroy noted he will ask Mr. Curtis to respond.

9. Communications

• CCM Fee Correspondence

Ms. Meriwether referenced a letter from the Connecticut Conference of Municipalities (CCM) regarding issuing a check for half of Simsbury's dues and fees, an estimated \$12,000.

10. Discussion on Special Revenue Funds

Mr. Pomeroy noted further discussion on this topic will take place at the June meeting.

11. Adjourn

MOTION: Ms. Schofield made a motion to adjourn at 7:05 P.M. Mr. House seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,

Karen Haberlin
Commission Clerk