

**Board of Finance  
TOWN OF SIMSBURY, CONNECTICUT  
REGULAR MEETING MINUTES  
Tuesday, September 15, 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:** Jackie Battos, BOS; Nick Boulter, Police Chief; Maria Capriola, Town Manager; Matt Christian, Police Sergeant; Tom Fitzgerald, Management Specialist; Mike Glidden, Planning Director; Chris Kachmar, FIA; Honor Lawler, Trust for Public Land; Wendy Mackstutis, BOS; Amy Meriwether, Director of Finance/Treasurer; Chris Peterson, BOS; Tyler Polk, FIA; Jeff Shea, Town Engineer; Tom Tyburski, Culture, Parks & Recreation Director; Eric Wellman, First Selectman

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

Mr. Pomeroy called the meeting to order at 5:46 P.M.

**2. Pledge of Allegiance**

All present stood for the Pledge of Allegiance.

**MOTION:** Ms. Schofield made a motion to move agenda items 5, 7 and 8 to the beginning of the meeting. Mr. Prell seconded the motion. All were in favor and the motion passed unanimously.

**3. Fund Balance Policy**

Mr. Pomeroy noted the language has been reviewed and the target fund balance percentage was to be determined. The range discussed was 15-17%.

Ms. Meriwether concurred with that.

Ms. Schofield noted a few changes that should be made to the language, including:

- In Section II, the second sentence should read, “The *Board of Finance* reserves the right to amend this policy as necessary.”
- In Section IV, the last sentence should read, “The Board of Finance shall take action necessary to restore the unreserved, undesignated fund balance to acceptable levels within *three* years...”
- In Section 6, the first line should have a comma after the word “allow.”

There was agreement on amending the language as noted by Ms. Schofield.

**MOTION:** Ms. Schofield made a motion to adopt the Fund Balance Policy with those changes. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

Mr. Pomeroy asked board members to comment on the range.

Ms. Schofield expressed concern about this being a big jump to 15-17% and proposed a 14-16% range.

Mr. Prell, Mr. Peterson, Ms. Heavner and Mr. House all noted support for the 15-17% range.

Ms. Schofield cautioned against having too much money in the fund balance.

Mr. Pomeroy noted the ability to adjust the fund balance range over time and noted his support of the 15-17% range.

**MOTION:** Ms. Heavner made a motion to adopt the Fund Balance Policy with the three changes made. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

#### **4. Proposed General Fund and Capital Transfers**

Ms. Meriwether gave a brief summary of year-end financial results, noting excess revenues of about \$1.4M and expenditure savings of about \$1.5M. Almost \$3M will be added to fund balance before any transfer requests. She noted the unassigned fund balance with this \$3M contribution increases to 19%. She further noted general fund transfers being requested to come out of the fund as listed in the meeting packet. Questions and discussion followed regarding the golf surcharge, how estimating is being done, and the authority needed to make transfers. Ms. Meriwether then noted year-end transfers from the General Fund Unassigned Fund balance to the General Fund Assigned Fund balance being requested. Next, she noted Capital transfers as listed in the meeting packet.

Ms. Heavner inquired about making designations to the Capital Reserve Fund, and would a breakdown of what is included in the reserve be available for the public to see.

Ms. Meriwether indicated she can include that in her quarterly reports.

Ms. Heavner also requested the requested transfer from the General Fund to the Capital Reserve fund be brought back at a future meeting. Legal counsel has been consulted on the flexibility of the Board of Finance to use the Capital Reserve Fund at their discretion during the budget process.

Ms. Schofield noted concern about having close to an extra \$3M at the end of the year to transfer, adding that the Parks and Recreation position was not funded and now that money is available. She suggested using some of that surplus to fund the position.

It was noted that that position would be an ongoing operating expense, not a one-time expense, and that it should be a request for an appropriation for a position as part of the upcoming budget.

**MOTION:** Ms. Heavner made a motion to approve the general fund and capital transfers request with the exception of the transfer to the Capital Reserve Fund. Questions and discussion followed about the reserve amount with these transfers and the fund balance range. Mr. Prell seconded the motion. All were in favor and the motion passed unanimously.

## **5. Proposed Police Private Duty Fund Transfers**

Ms. Meriwether gave background on this item as summarized in the Agenda Item Submission Form. Questions and discussion followed on the authorization to make transfers and the Admin vehicle specifications.

**MOTION:** Ms. Scofield made a motion to approve spending part of the Police Private Duty Fund on car and body worn cameras in the amount of \$114,580. Mr. House seconded the motion. All were in favor and the motion passed unanimously.

**MOTION:** Mr. Prell made a motion to use the Police Private Duty Fund to purchase Police Admin vehicles in the amount of \$138,000. Ms. Heavner seconded the motion. All were in favor and the motion passed unanimously.

There was discussion about the excess balance. Ms. Meriwether noted the previous discussion regarding transferring the remaining balance to the Capital Reserve Fund to be earmarked for police use or a Board of Selectmen priority list.

Mr. Wellman spoke about the Board of Selectmen's concern that the transfer could be used for anything in any department as opposed to "for police use."

Mr. Pomeroy noted that in the future he would like these funds to go in the Capital Reserve as "unassigned" and the Board of Selectmen will decide how to spend the money.

The Town attorney is currently being consulted as to whether the action to transfer funds from the Police Private Duty Fund to the Capital Reserve requires the action of both the Board of Selectmen and the Board of Finance or just the Board of Finance. This transfer request will be brought back at a future meeting.

## **6. Presentation: Meadowood Property**

Ms. Lawler shared a slide presentation, entitled "Meadowood Conservation Purchase," which was included in the meeting packet. She gave background on the Trust for Public Land and noted project history with the Town of Simsbury. She noted attributes of the property and a phased conservation outcome as detailed in the presentation. She referenced a preliminary map which shows features such as trails, athletic fields and the historic tobacco barns. She provided a tentative capital funding model. Questions and discussion followed regarding the assessed value, classification of the property and TPL's appraisal. There was further discussion about fiduciary responsibility and having a third party appraisal done. Ms. Lawler next spoke about the benefits of conserved lands and conservation economics. Questions and discussion followed about what percentage of town is open space, the fair market value of the property, opportunity costs, the timeline of the project, its impact on the grand list, the value this adds to the Town, and current economic conditions due to the pandemic.

Mr. Pomeroy thanked Ms. Lawler for her presentation.

## **7. Presentation: Fiduciary Investment Advisors**

Mr. Polk shared a slide presentation entitled, “Town of Simsbury Retirement Plans.” He provided a vendor transition analysis and showed a previous MassMutual Fund menu and a proposed ICMA Fund menu for the Board to consider. He further noted plan mapping and an estimated current fee review for the 457 Plan.

Mr. Prell thanked Mr. Polk, Ms. Capriola and Ms. Meriwether for all their work on this.

**MOTION:** Mr. Prell made a motion to approve FIA’s recommendation as presented. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

Mr. Kachmar spoke about the Investment Policy Statement considerations and their recommended modest changes.

**MOTION:** Mr. Prell made a motion to approve the revised recommendation. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

Mr. Kachmar next spoke about pension plan allocations, the Templeton Global Fund investment approach, portfolio characteristics and positioning entering Q3.

**MOTION:** Mr. Prell made a motion to accept FIA’s recommendations. Mr. House seconded the motion. All were in favor and the motion passed unanimously.

Mr. Prell noted one of the recommendations of the Retirement Plan Subcommittee was to make sure that the participants were automatically enrolled.

Ms. Capriola noted that staff is looking into that and will get back to the Board on it.

## **8. FY19/20 Year End Financial Results**

In the interest of time, Ms. Meriwether asked for questions on her agenda summary.

Ms. Heavner inquired about the \$1.4M in personnel cost savings, noting it is large.

Ms. Meriwether responded that it is a conglomerate of events, including retirements, lags in hiring, the referendum cancellation, highway overtime savings from the mild winter, and unsettled union contacts.

Ms. Heavner asked about health insurance.

Ms. Meriwether noted a significant decrease in claims compared to what was budgeted and noted this is due to deferred medical care stemming from COVID. She added that Simsbury had the least amount of COVID claim impact compared to its peers, the State of Connecticut, and other towns represented by the Town’s benefits consultant.

Ms. Heavner asked how estimating is being done in reference to completed projects and in order to be more accurate if possible. She then asked for an update on a few ongoing, long-term projects, including the Town Hall site and safety improvements.

Ms. Capriola noted that project will include paving and reconfiguring entryways and crosswalks to be more safe, with the first phase of construction hopefully starting this fiscal year.

**MOTION:** Ms. Heavner made a motion to approve the schedule of year-end budget transfers as presented. Mr. Prell seconded the motion. All were in favor and the motion passed unanimously.

#### **9. Finance Director's Report**

Ms. Meriwether noted her updated listing of grants and donations.

Under COVID-19 Related Items Update, she referenced the CARES funding from the State of Connecticut for school districts, the amount of which has been revised and is estimated at \$292K. She also noted there will be grant funding for assistance with the upcoming election in the amount of \$13K.

Under the Town COVID-10 Impact update, she noted things have slowed down, while on the Board of Education side, expenditures keep going up. She referenced technology, ventilation and other needs.

Ms. Heavner asked for a breakdown of revenue offsets for the next update.

#### **10. Approval of Minutes - August 18, 2020**

**MOTION:** Mr. Prell made a motion to approve the minutes of the August 18, 2020 Regular Meeting as written. The motion was seconded by Mr. House. All were in favor and the motion passed unanimously.

#### **11. Communications**

- July and August Building Reports
- Letters from the Simsbury Soccer Club and Simsbury Youth Lacrosse

Mr. Pomeroy confirmed that the above reports and letters were included and read.

#### **12. Adjourn**

**MOTION:** Mr. Prell made a motion to adjourn at 8:11 P.M. Mr. Peterson seconded the motion. All were in favor and the motion passed unanimously.

Respectfully submitted,

Karen Haberlin  
Commission Clerk