

**BOARD of FINANCE
SPECIAL MEETING MINUTES
May 9, 2019, 7:30 PM
TOWN HALL COMMISSION ROOM**

Chairman Ezzes called the meeting to order at 7:30 PM. Mr. Ezzes was joined by fellow board members Rone Baldwin, Dick Bochinski, Allan Grauberd, Melissa Koller, Greg Murphy and Jeff Farr. Finance Director Rick Darling was present for the start of this meeting. BOE Finance Director Rich Rudl, Superintendent William McKersie, Town Administrator Jonathan Luiz, First Selectman Chris Spaulding and Lachat Farm representative Ellen McCormick joined at later times during the meeting.

Discussion/decision regarding setting the mill rate for fiscal year 2019-20.

There was a brief discussion on the backup materials provided, including the calculation of the estimated mill rate without the impact of property revaluation. Ms. Koller made a motion to set the mill rate at 32.37 for the fiscal year 2019-20, and Mr. Bochinski seconded. Approved unanimously.

Discussion regarding appointment of the Town's financial auditor for fiscal year 2018-19.

Mr. Darling pointed out that our current auditors, Blum Shapiro have completed their previously approved three year term. They have provided two separate renewal letters to the Town – one being a two year proposal, and the other a three year proposal. It was agreed that the Board has been pleased with their work thus far, with no issues or concerns. After discussion about the length of term for renewal, Mr. Baldwin made a motion to approved Blum Shapiro as the town's auditors for a two year renewal, with the option for a third year provided that fees over the three year period would equate to Blum Shapiro's full three year renewal fee proposal. Mr. Grauberd seconded. Approved unanimously.

Discussion regarding the Board of Education financial update – Rich Rudl, Director of Finance and Operations, Dr. William McKersie, Superintendent.

Mr. Rudl presented the operating budget update, mentioning that he is forecasting almost no variance between projected actual expenditures and the revised budget, the latter of which would include supplemental appropriations throughout the year. They have been able to offset special education deficits through other areas in the budget. The internal services fund is estimated to end with a \$1.5 million fund balance.

Discussion/decision regarding a supplemental appropriation request in the amount of \$470,834 for Zenon Plant sewage and septic repairs and remediation:

Dr. McKersie provided an overview of what transpired with the Zenon septic system. Mr. Bochinski commented on how it was troubling that nobody noticed the situation before it became severe. Mr. Grauberd inquired as to whether or not legal recourse is possible, and requested that Town counsel review this. There was further discussion on the issues encountered during the entire remediation. The Town Engineer has been assisting during this process. It was also noted that insurance did not cover this incident, as only a relatively small amount would be eligible but was less than our deductible.

Mr. Bochinski moved to authorize a supplemental appropriation to the Board of Education in the amount of \$470,834 for Zenon Plant sewage and septic repairs and remediation. Mr. Murphy seconded. Approved unanimously.

Discussion regarding the Town financial update.

Mr. Darling reviewed the current year financial forecast. Revenue is up by over \$1.1 million due mainly to last year's tax sale, investment income and additional state aid. Several areas under expenditures were pointed out where there were projected variances from the revised budget. The general fund balance is expected to be about the same as the prior year, about 17.6% of estimated revenues.

Discussion/Decision regarding approval of the minutes from the March 26th public hearing and April 2nd meeting.

Mr. Bochinski moved to approve both sets of minutes, and Mr. Murphy seconded. Approved unanimously.

Executive Session to discuss a possible purchase of real estate.

At 8:50, Mr. Grauberd made a motion to enter into executive session, and Mr. Bochinski seconded.

At 9:15, Mr. Bochinski made a motion to come out of executive session and Mr. Baldwin seconded.

Discussion/decision regarding a supplemental appropriation request in the amount of \$43,667 for school campus wetlands mitigation

Mr. Luiz explained that there is one outstanding violation regarding wetlands mitigation compliance on the school campus. The supplemental request represents a final resolution with the Army Corps of Engineers to satisfy corrective measures at this wetland site. Mr. Luiz pointed out that this agreement would release the Town from any further obligations.

Mr. Grauberd made a motion to authorize a supplemental appropriation in the amount of \$43,667 to the Board of Selectmen's operating budget General Administration;

Community Grants line #0110110-59809 for a \$43,667 payment to Audubon Connecticut. Mr. Murphy seconded. Approved unanimously.

Discussion/decision regarding a supplemental appropriation request in the amount of \$21,500 from Lachat Farm for driveway and drainage improvements.

Mr. Luiz explained the request which is desired in order to continue the organization's programs. He explained that the building maintenance endowment fund has been exhausted. Some discussion took place regarding the endowment fund and the process of transferring funds to building maintenance.

Mr. Grauberd made a motion to establish a new Capital Account number 5019667-55001, entitled Lachat Town Farm Drainage and Driveway Improvements and to fund said capital account with a supplemental appropriation in the amount of \$21,500, and Mr. Bochinski seconded. The motion passed 6 to 1 with Mr. Farr voting against.

There being no other business, Mr. Bochinski moved to adjourn the meeting at 9:35, and Ms. Koller seconded. Approved unanimously.