

Board of Finance Special Meeting

Agenda

September 10, 2020 at 6:00 pm (via remote conference)

To join by internet: meet.google.com/ztb-tmmg-ngv

Join by phone

(US) +1 216-930-8206 PIN: 292 104 427#

- 1- Discussion/Decision regarding the Board of Education's request to have the Board of Finance establish a non-lapsing account for the Board of Education, and authorize the transfer of \$177,568 into said account from available remaining funds in the Board of Education's 2019-20 Operating budget. Board of Education Chairman Anthony Pesco, Finance Director Phil Cross and Superintendent Dr. William McKersie.
- 2- Discussion regarding the August 31st report on first installment tax collections for FY 2020-21. Rick Darling, Finance Director.
- 3- Discussion regarding the reviewing the five year budget forecast.
- 4- Discussion/decision regarding approval of minutes from the July 9th and August 20th regular and special meetings.

ITEM 1

Weston Public Schools FY21 Covid- 19 Financial Impact

8/20/2020 Updated

FY21 Budget	\$ 54,161,443
-------------	---------------

DESCRIPTION	AMOUNT	% of Budget
<u>Unanticipated Expenditures</u>		
1) Health & Safety	72,850	
2) Technology Cost	152,358	
3) Classroom staff (Grades 1 & 3)	190,081	
4) Curriculum Summer Planning & Professional Development	14,532	
5) Staff for additional cleaning requirements	256,700	
6) Food Service Program supplemental	68,000	
7) Daily cleaning of buses	19,001	
Total Unanticipated Expenditures	\$ 773,522	
<u>Potential Revenue Loss</u>		
8) Gate Receipts, Athletics	14,500	
9) Facility/Athletic Rental Fee	17,500	
10) Theater Receipts	30,125	
11) Reduced Parking Fees	22,500	
Total Potential Revenue Loss	84,625	
Total Unanticipated	\$ 858,147	1.58%
<u>Potential Mitigating Funds</u>		
12) Cares Act/Education Stabilization Grant	(51,548)	
13) FY21 carryover funds (Pending BoF Approval)	(177,568)	
14) FEMA Reimbursement (Pending FEMA's Review & Approval)	(70,562)	
15) Open Choice grant	(80,000)	
16) State Corona Virus Relief Fund	(305,000)	
	(684,678)	
Projected Budget Deficit	\$ 173,469	0.32%

Other cost to be determined

Legal

Bus monitors if the need arise (not adhering to policy...face mask)

Replenish PPE

DRAFT MOTION:

Pursuant to the provisions of Connecticut General Statutes Section 10-248a, I move that the Board of Finance create a non-lapsing account for the Board of Education, and that the Board of Finance authorize the transfer of \$177,568 into said non-lapsing account from unexpended available funds in the Board of Education's fiscal year 2019-20 operating budget with two caveats. First, that said funds shall be spent only on unbudgeted school re-opening expenses. Second, that the non-lapsing account shall be under the control of the Town Finance Director.

Item 2

Tax Collections week of 2019:

Original Levy = 71,784,975
1st Half Install. 37,737,360

Tax Collections week of 2020:

Original Levy = 71,967,265
1st Half Install. 37,820,893

Week ending	Cumulative		Week ending	Cumulative		3 Month Tax Deferment	Cumulative		Applications
	% of levy	half install		% of levy	half install		% of levy	half install	
5-Jul	3,824,099	5.3%	10-Jul	3,777,821	5.2%	318,762	0.4%	29	
12-Jul	4,770,754	12.0%	17-Jul	2,749,840	9.1%	25,898	0.5%	5	
19-Jul	3,368,252	16.7%	24-Jul	3,515,531	14.0%	169,854	0.7%	36	
26-Jul	2,267,089	19.8%	31-Jul	4,639,089	20.4%	78,384	0.8%	13	
6-Aug	8,589,572	31.8%	11-Aug	7,312,713	30.6%	16,222	0.8%	6	
31-Aug	287,838	32.2%	31-Aug	572,131	31.4%	(51,317)	0.8%	-6	
Total Escrow pmt	14,207,437	52.0%	Total Escrow pmt.	14,235,671	51.1%				
	37,315,041	52.0%	Totals	36,802,796	51.1%	557,803	0.8%	83	

Note: Escrow amounts reflect only those amounts received from the larger service providers; for purposes of the analysis, escrow payments from smaller banks are included as non-escrow.

Item 3

**Board of Finance Regular Meeting
July 9, 2020 at 6:00pm
Meeting held virtually due to COVID-19**

- 1- Call to order:** Chairman Ezzes called the meeting to order at 6:00pm. Also in attendance were members Alan Grauberd, Dick Bochinski, Amy Gare, Jeff Farr, Greg Murphy, and Rone Baldwin, State Senator Will Haskell, Superintendent Dr. William McKersie, Town Finance Director Rick Darling, Town Administrator Jonathan Luiz, Board of Education Chairman Tony Pesco, BOE Finance Director Phil Cross, Tax Collector Cathy Neblett, and Weston Residents.
- 2- Discussion with State Senator Will Haskell regarding state aid, local issues and pending legislation.** Senator Haskell provided an update to the Board of Finance on state and federal aid, local issues such as teacher pensions and reopening schools, diversity as well as pending legislation such as the CARES and HEROES Acts.
- 3- Discussion regarding presentation of the July 1, 2019 OPEB actuarial valuation study.** Bill Woolacott, Hooker and Holcombe Actuaries. Mr. Darling introduced Mr. Woolacott who presented the July 1st 2019 OPEB actuarial valuation study to the Board of Finance. The report includes the assumed discount rate of 5.5% as previously adopted by the Board. Liabilities reduced primarily due to lower than expected medical premiums. Mr. Woolacott also discussed assumptions, contributions and amortization.
- 4- Discussion regarding plans on reopening schools and Town facilities.** Tony Pesco, Chairman, Board of Education; Jonathan Luiz, Town Administrator. Chairman Pesco provided an update on the BOE reopening task force covering 3 options of opening schools with details for each model, including transportation, public health and state guidelines. He said they need to submit a plan for review to the State by July 24th. Superintendent McKersie provided more insight on process including topics such as transportation, cohorts, optional full distance learning, budget. Mr. Cross provided financial insight. Collaboration between districts regarding PPE purchasing was also discussed.
Mr. Luiz was asked about reopening costs for Town Hall. He stated he is not prepared to give an accurate estimate of PPE and cleaning costs. Chairman Ezzes added we should have a conversation with the PD Dept. about managing traffic to and from school.
- 5- Discussion regarding the Town's tax collection process including accounting procedures and delinquent tax collections.** Rick Darling, Finance Director; Cathy Neblett, Tax Collector. Ms. Neblett reviewed collection methods in the office and how taxes are deemed uncollectable. She explained how they collaborate with the DMV and bank escrow payments. Deferrals and tax

sales were also discussed.

- 6- **Discussion regarding initial tax collection and cash flow projections, subsequent reporting of actual results, and discussion of possible contingencies in case of unanticipated revenue shortfalls.** Rick Darling, Finance Director. Mr. Darling reviewed the General Fund and Unassigned Fund Balance with the Board of Finance in regards to potential unanticipated revenue shortfalls. Deferrals, non-escrow portions of tax payments and options to consider in case of decreased revenue were discussed. Mr. Darling was asked to continue presenting different scenarios for the next 12 months along with an update on tax collections and deferrals.
- 7- **Discussion/decision regarding approval of minutes from the June 4th Special Meeting.** Mr. Farr requested a change in the minutes. Mr. Farr moved to approve the minutes. He added he would like to request an edit to his comment about the budget, he meant a decrease in sales price of homes. Mr. Darling said he would make note of that. Mr. Bochinski seconded. Motion approved unanimously.
- 8- **Adjourn:** Mr. Farr moved to adjourn the meeting. Mr. Bochinski seconded. Motion passed unanimously.

Minutes submitted by:

Randi Derene, Administrative Assistant

Board of Finance
Special Meeting Minutes
August 20, 2020 at 6:00 pm (via remote conference)

- 1- **Call to Order:** Rone Baldwin called the meeting to order at 6:00pm. Also in attendance were Board of Finance members Alan Grauberd, Dick Bochinski, Jeff Farr, Amy Gare, & Rone Baldwin, Superintendent Dr. William McKersie, BOE Finance Director Phil Cross, Town Administrator Jonathan Luiz, and Finance Director Rick Darling. BOF member Greg Murphy was not present.

- 2- **Discussion regarding the Board of Education final financial estimates for FY 2019-20, and school reopening plans and estimated costs.** Finance Director Phil Cross and Superintendent Dr. William McKersie. Mr. Cross presented a recap of the 19/20 fiscal year. It showed that the School District ended the year with more unexpended funds than previously projected. Mr. Pesco explained the savings was due mostly to a favorable settlement with our bus company and savings with special education. Mr. Cross is recommending that a portion of the FY 19-20 unexpended funds to be rolled over into a non-lapsing account that would be used towards the School District's COVID-19 expenses in FY 20-21. Mr. Ezzes said the BOF would hold a Special meeting to vote on the rolling over of funds once the Town Administrator gets answers to the following questions: A) Does the Board of Finance alone approve this request? B) What entity will control the money in the fund? C) Will the establishment of the fund count towards the Town Charter cap on supplemental appropriations that can be approved in a given year by the Board of Selectmen and Board of Finance?

Mr. Cross went on to present financial projections for FY 20-21 based on increased student enrollment and Covid-19 impacts to expenses and revenues. Mr. Cross also gave an update on the CARES Act. Mr. Darling spoke about their requests for reimbursements from FEMA and possible State programs.

- 3- **Discussion regarding an update on the reopening of Town facilities and estimated costs.** Jonathan Luiz, Town Administrator. Mr. Luiz provided an update on the construction project on Town Hall, Police Station and Fire Dept. He reviewed a spreadsheet prepared by Randi Derene to budget the upcoming PPE costs for the current fiscal year. Mr. Luiz stated that the Town is able to fund these expenses through savings found from reductions in our insurance premium costs. Mr. Luiz added there may be additional unforeseeable costs related to COVID-19, which have not been factored in to his expenditure projection.

- 4- **Discussion regarding an initial report on approved state police reform legislation including potential costs and liability for the Town.** Jonathan Luiz, Town Administrator.
Mr. Luiz explained that the new law will undoubtedly result in greater liability and budgetary costs to the Town. He asked the Board of Finance members to keep this new legislation in mind in anticipation of future budget requests from the Police Department. Chairman Ezzes added

that there will be an increase in capital costs such as a result of having to purchase body cameras and store the data.

- 5- **Discussion regarding a report on first installment tax collections for FY 2020-21.** Rick Darling, Finance Director. Mr. Darling presented a report showing collections received for the first half installments. It indicated that the Town collected \$36.2 million of first installment of tax collection. He also said there were 89 deferment applications received and approved totaling \$609,000. Mr. Bochinski agreed with Mr. Darling's earlier comment that we should be cautiously optimistic.
- 6- **Discussion regarding the FY 2019-20 financial report and estimated fund balance.** Rick Darling, Finance Director. Mr. Darling presented the financial report showing improvements on property tax collection, investment income. On the expenditure side, Mr. Darling stated there were savings in areas such as insurance, legal and public safety. Comparisons were made to the May forecast. Board of Education also reported savings better than expected.
- 7- **Discussion of Five Year Forecast.** Mr. Farr presented a 5 year forecast he created. He presented different scenarios with anticipated costs and capital projects with a calculated mill rate. Mr. Farr also spoke about housing market, sales have increased, however housing prices have not increased. He said we will see more conveyance tax income, however the market value of the properties have actually decreased since that last evaluation. The process of assessment appeals was discussed. Mr. Ezzes warned the board that just because we are seeing a high turnover of houses, we need to take in consideration cost to educate the new students that come in, without an increase in house value. Mr. Baldwin added that this will not have an impact on the town Grand List until we have the next assessment.
- 8- **Discussion/decision regarding approval of minutes from the June 11th regular meeting.** Mr. Bochinski moved to approve the June 11th minutes, Ms. Gare seconded. Motion passed with Mr. Grauberd and Mr. Murphy abstaining.
- 9- **Adjourn:** Mr. Grauberd moved to adjourn, Ms. Gare seconded. Motion passed unanimously.

Minutes submitted by:

Randi Derene, Administrative Assistant