

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

- 1- **Call to Order:** Chairman Steve Ezzes 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 were 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 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 abstaining.
- 9- **Adjourn:** Mr. Grauberd moved to adjourn, Ms. Gare seconded. Motion passed unanimously.

Minutes submitted by:

Randi Derene, Administrative Assistant

Minutes approved: September 10, 2020