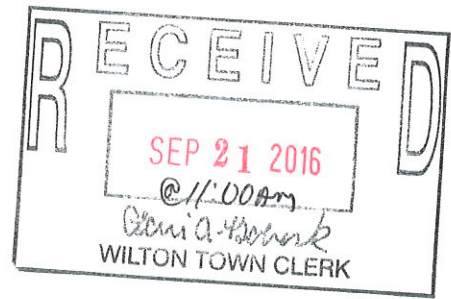


**BOARD OF FINANCE
SPECIAL MEETING – August 25, 2016
MEETING ROOM B TOWN HALL**



PRESENT: Jeff Rutishauser, Warren Serenbetz, Peter Balderston, Richard Creeth, John Kalamarides, Walter Kress

Others Present: Anne Kelly-Lenz, CFO; members of the press and public

Call to Order

Chairman Jeff Rutishauser called the meeting to order at 7:30 p.m.

Consideration of Preservation/Conservation Grant FY '17

Anne Kelly-Lenz spoke on behalf of Town Clerk Lori Kaback, who was unable to attend. Currently the Town Clerk stores minutes in the basement and this grant allows for storing them on archival paper in state-approved books. Anne stated that the Town Clerk is starting with the Board of Selectmen minutes and then will work on other Boards and Commissions minutes in this manner.

Discussion ensued about digital storage vs. this method but the state has not approved such digital type storage. Mr. Serenbetz inquired if the prior year's work on birth records was completed, to which Anne replied she would ask the Town Clerk and then get back to the Board with the answer. A motion was made by John Kalamarides to approve acceptance of the grant funds of \$4,000 with an additional contribution of \$32 of local funds. Peter Balderston seconded and the motion carried unanimously.

Discussion of Fiscal '18 Budget

Mr. Rutishauser commented that the intent of having the discussion at this meeting was to give both the Board of Selectmen and Board of Education a little more time to work on their respective targets and budgets. He said there are two key points to consider: (1) the issue with Hartford – how much State grant money (municipal and educational cost sharing) should the BOF consider bringing into the budget, given the current unpredictability at state level; and (2) guidance – should the BOF give guidance and, if so, at what rate.

The Board agreed for Jeff to work with Anne and create a mil rate model that starts with a 0% increase, which then adds and subtracts non-operating changes to determine how much funding would be available for the BOS and BOE operating budgets.

As members of the Board then spoke, important points brought up included Debt Service [as per the last meeting, it will be an increase of a little over \$1 million over FY17 budget]; educational cost sharing [expected to receive \$665,000 from the state in FY17] – how much should be taken into the budget and how much kept off budget until it actually comes in from the state; Other Revenues are flat at \$500,000; use 50 Bps to reflect a change in the Grand List; and the resultant number should be a “not to exceed” amount.

The Board agreed to view Jeff's model results during the next couple weeks via emails to firm this up soon. As a result, Jeff stated there would be no guidance decided upon tonight.

Committee Reports

Warren Serenbetz – OPEB: The quarterly meeting was not held due to lack of quorum. The meeting is scheduled for sometime in September.

Peter Balderston – Business Ops Subcommittee: Peter was not able to attend but Richard Creeth said he had attended and was introduced to Dick Huot, the school district's interim Financial Director. There was discussion about fine-tuning the long-term strategic planning model, and software between the Board and the Town. Mr. Creeth expressed concern that, with the change in Financial Directors this could delay the 3-5 year plan being produced. Jeff stated that Mr. Huot has experience with this from other jobs state-wide and felt they will see satisfactory results.

John Kalamarides – Miller Driscoll: The school will open on time, roads are paved and the renovation is looking great. The next focus is on the playground. Everything is moving ahead with one more year to go. In response to Jeff's question about change orders, John replied that there have not been too many so they are still looking at finishing up at about \$37 million net cost to the Town.

Public Participation

Alex Ruskewich of Calvin Road expressed his concerns about estimates of pensions. Warren responded that we are very conservative, and that our pension funds are very well-funded at about 95%. This percentage makes them the best in the state. The pensions are adjusted to be in line with the most recent mortality tables, number of retirees and are sensitive to the dates of those retiring, as well as to any necessary catch-up of funding. This is also done for the OPEB plan.

Walter Kress offered to Alex an explanation of the difference between public and corporate pension accounting. Jeff Rutishauser said that the BOF is keeping an eye on the teachers' pension at the state level, but right now the Town pensions are only for Town municipal employees.

Jeff further stated that the BOF would participate in any teacher negotiations and will do what is necessary to support the effort. He stressed that the BOF is not here to cut teachers' [jobs], but rather is looking at non-teaching jobs to get to the right size to support the number of teachers.

Jeff then asked for a motion to adjourn. Warren so moved. The motion was seconded and the meeting adjourned at 8:46 p.m.

Respectfully submitted,

Kris Fager
(from video recording)