



Town of Burlington

BURLINGTON BOARD OF FINANCE SPECIAL MEETING October 23, 2019

A special meeting of the Burlington Board of Finance was held on Wednesday, October 23, 2019, at the Town Hall. Board members present were: John Achilli, Sue Brault, Donald Desiderato, Andrew Klimkoski and Gerald Mullen. Also in attendance were First Selectman Theodore Shafer, Finance Director Eleanor Parente, BVFD Fire Chief John Haviland, Assistant Fire Chief Todd Jensen, Parks & Recreation Director Tricia Twomey, members of the Commission on Senior Citizens: Laura Chandler, Arthur Murelli, Diane Royko, Maryelen Wielock, Donald Provost and James Millerick.

Vice Chairman Mullen called the meeting to order at 7:30 p.m.

Minutes

Minutes from the regular meeting held on September 18th were reviewed. Following the review and discussion, on a motion made and seconded by Achilli/Desiderato, it was unanimously VOTED TO:

Approve the September 18, 2019 minutes as presented.

Citizens Comments

None.

Correspondence

A memo from the Town Clerk was received on setting the 2020 regular monthly meeting calendar which needs to be sent into the Secretary of the State. Following discussion, on a motion made and seconded by Kirschner/Desiderato, it was unanimously VOTED TO:

Meetings to be 3rd Wednesday at 6:30 p.m.

BVFD

Mr. Shafer noted that the BVFD made a similar presentation to the Board of Selectmen. He reported that the Board of Selectmen approve of the tanker truck purchase and referred the BVFD to the Board of Finance for consideration of its funding. Chief Haviland and Assistant Chief Jensen presented information on a new tanker truck and response to their Request For Proposal. Current tanker is 27 years old. Public Works will take old tanker for odd jobs. Only one company, Firevac, responded to the RFP. Total cost for chassis, tanker body and equipment is \$375,000. It is estimated to take 9-12 months to be built. It was noted that the reserve account established by the Board will be short approximately \$35,000 to cover the full cost of the truck. Messrs. Haviland and Jensen agreed to ensure that delivery and final payment will occur in the 2020-21 fiscal year. Following the discussion, on a motion made and seconded by Kirschner/Klimkoski, it was unanimously VOTED TO:

Authorize up to \$375,000 for purchase of a tanker truck.



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At 8:06 p.m. Messrs. Haviland and Jensen left the meeting. At this time, Parks & Recreation Director Twomey and members of the Commission on Senior Citizens joined the meeting.

Senior Citizens – Tax Abatement

Ms. Twomey and the Commission presented information on three tax abatement options for consideration that would provide additional tax relief for seniors. She noted that Burlington currently offers a tax abatement based upon based on a homeowner's income. It is not restricted to individuals aged 65 or older. The options discussed were: (i) freezing taxes; (ii) creating a tax pool in annual budgets for abatements; and, (iii) adding income tiers to the existing abatement schedule. The first option was the costliest and offers the broadest tax relief. The third option would cost the least but have lowest impactful to the least costly with smallest tax relief impact. Commission members expressed a preference that qualification be based on age and years of home ownership even though some options also include income and primary residency criteria. Board members noted that the financial impacts of the second and third options can easily be measured and managed. The financial impact of the tax freeze option is unknown. The group discussed the need for a methodology to model the financial impact of this option based on qualification criteria under different scenarios. The Commission was asked to research means to quantify the financial impact and report back on its findings. The Board members expressed support for Commission's mission and thanked them for their work.

At 8:47 p.m. Ms. Twomey and the Commission members left the meeting.

CERC

Mr. Shafer reported the Board of Selectmen at a meeting on May 28th approved the hiring of CT Economic Resource Council (CERC). CERC will assist the Town with economic development efforts for one year. CERC met with the Board of Finance after the Town Budget Hearing and was not in the 2019-20 budget. The first quarterly payment was made, and the second payment is due. Cost would be \$33,000 for the year. Following the discussion, on a motion made and seconded by Kirschner/Achilli, it was unanimously VOTED TO:

Transfer \$33,000 from Contingency to EDC to cover CERC costs.

Financial Report

Mrs. Parente presented and reviewed with the Board key financial reports for September and through October 22, 2019. Discussion covered fiscal year-to-date results and budget line item variances. The Board also reviewed non-budget account revenue and expenses. Bank/investment/reserve account balance reports prepared by Treasurer Savino were then reviewed and discussed. Discussion was held on having all reports be as of month-end so they can be disseminated to the Board prior to the meeting. Following these discussions, on a motion made and seconded by Klimkoski/Achilli, it was unanimously VOTED TO:

Accept the October 22, 2019 Financial Report as presented.



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Policy Review

Mrs. Parente presented updated drafts of new accounting policies: Debt Management and Fund Balance. Proposed changes to the Town's existing Accounting Policies were also presented. The Board had previously discussed these policy changes prior to the budget session. She noted that Treasurer Savino has reviewed all three policies and the Town's lead auditor has reviewed the Debt Management and Fund Balance policies prior to this meeting. The policy will establish a guideline to maintain an adequate General Fund Unassigned Fund balance of 12-15% of budgeted revenue at fiscal year-end. The Board discussed the 12-15% target based upon only Unassigned Fund balances. Discussion included lowering the target; including Assigned Fund balances; and, means to forecast year-end results during the fiscal year. Following the review and discussion, on a motion made and seconded by Kirschner/Brault, it was unanimously VOTED TO:

Adopt Fund Balance Policy, as amended, to set target at 12% and include Assigned Fund Balances.

Following the review and discussion of the Debt Management Policy, on a motion made and seconded by Kirschner/Brault, it was unanimously VOTED TO:

Adopt Debt Management Policy as presented.

Following the review and discussion of proposed changes to the Accounting Policies changes, on a motion made and seconded by Desiderato/Klimkoski, it was VOTED TO:

Approve Accounting Policy changes as presented.

Tax Collector's Report

The Board reviewed and discussed the September 30, 2019, Tax Collector's Report. Key reports included fiscal year-to-date tax collections and sewer use collections. Following the review, on a motion made and seconded by Achilli/Brault, it was unanimously VOTED TO:

Accept the September 30, 2019 Tax Collector's Report as presented.

First Selectman's Report

Mr. Shafer reported that a joint meeting between this Board and the Board of Selectmen has been set for October 29th. The tentative agenda is to discuss procurement authority, process and oversight. He distributed information from the State's Department of Emergency Services and Public Protection which calculates the actual fringe benefit rate for resident troopers for all FY 2019-2020 invoices at 84.07%. He then reported the Board of Selectmen approved funding for the Evergreens Senior Housing Feasibility Study not to exceed \$13,800. This cost was not in the Town's budget. The Board agreed the study should be done. Following discussion, on a motion made and seconded by Achilli/Klimkoski, it was unanimously VOTED TO:

Transfer \$13,800 from Contingency to Engineering for Evergreens Study.

Executive Session

None.



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Adjournment

Vice Chairman Mullen asked if there was any further business to come before the Board. There being no further business, on a motion made and seconded by Klimkoski/Brault, at 10:39 p.m. it was unanimously VOTED TO:

Adjourn the meeting.

Respectfully submitted,

Andrew Klimkoski, Secretary