

SPECIAL MEETING MINUTES
TRI-BOARD MEETING OF THE COLUMBIA BOARD OF SELECTMEN (BOS),
COLUMBIA BOARD OF EDUCATION (BOE) and COLUMBIA FINANCIAL
PLANNING AND ALLOCATION COMMISSION (FiPAC)

Wednesday, December 12, 2018 - 7 pm
Adella G. Urban Administrative Offices Conference Room
323 Route 87, Columbia, CT. 06237

BOS Members present: First Selectmen, Steven M. Everett; Deputy Selectman, Robert Hellstrom; Selectman, Robert Bogue; Selectman, Lisa Napolitano.

BOE Members present: Chairperson, Christopher Lent; Vice Chairman and Secretary, Kathleen Tolsdorf.

FiPAC Members present: Chairperson, Earnest Sharpe; Vice Chairperson, Jeff Viens; Judy Ortiz; Kelly Peck; Todd Shepard, Richard Szegda; Dean Toepfer.

Also Present: Town Administrator, Mark Walter; Finance Director, Beverly Ciurylo; Superintendent Maria Geryk.

CALL TO ORDER: S. Everett called the meeting to order at 7:00 pm.

1. **PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was recited.
2. **APPROVAL OF AGENDA:** S. Everett MOVED to Approve the December 12, 2018 Tri-Board Agenda. MOTION CARRIED.
3. **PURPOSE OF THE MEETING:** S. Everett stated that the purpose of the meeting is for the three boards to meet and discuss information as the town enters into the budget season.
4. **Presentation from Financial Advisors' Recommendations on Retirement Plans; 401(a), 457(b) and 403(b).** Bill Dicristofaro, Financial Advisor at Integrity Benefit Partners explained that he conducted a market analysis of the town's 401a, 457 and 403b retirement plans. He stated that there were three objectives to the analysis: improve investment options, cost savings, and ease in administering the retirement plans. A Request for Proposals (RFP) was requested from several plan providers to provide plan options as well as determine better record keeping platforms. Presently, the town is with AXA Equitable. He explained that the results from the RFP showed a considerable savings to administer the plan of over \$40,000 each year. He added that in addition to the lower cost, the plans offer better options which includes technology enhancements that make it easier for the participants. He stated that the analysis was only on administering a plan and that there will be no changes to the plans themselves. Based on the RFP, he his recommendation is Empower Retirement as the plan provider. He has discussed this with Mark Walter, Town Administrator, Beverly Ciurylo, Finance Director and Maria Geryk, Superintendent. He added that the State of Massachusetts and the City of New York currently use Empower Retirement. B. Dicristofaro explained that he is presenting this information to the Tri-Board meeting tonight and that he would specifically be involved in the implementation

process. R. Szegda asked if this involves the teachers' pension. B. Dicristofaro explained that it does not apply to the teachers' pension. B. Ciurylo explained all the school staff can participate in the 403b plan, even the teachers. However, since the teachers participate in the State's Teacher Retirement plan, they do not receive the match in the 403b plan. R. Szegda asked who makes the decision to go with this plan. M. Walter explained that several employees came to him regarding their retirement investments and they felt their investments were not performing at what they thought they should be. He stated that as the Town Administrator, it is his fiduciary responsibility to the employees to research strategies for their retirement and its management rights to make a final decision. However, he wants employees to have a say in how they want their plans administered. M. Walter explained that there is one union through the school that must authorize going forward. B. Ciurylo noted that the Board of Selectman and the Board of Education would make the final approval after the staff have been informed. T. Shepard stated that he has known Bill Dicristofaro for over 25 years and he is the well-known in the business.

5. REVIEW OF FY 17-18 REVENUES & EXPENDITURES:

a. Municipal: B. Ciurylo explained that the Town did very well last year and that the town ended with a revenue surplus of approximately \$138,000. The collection rate percentage was at 99%, (budgeted 97.5%) and resulted in approximately \$647,000 additional property tax revenue above budget. A major factor in the high collection rate was due to a tax sale in the spring 2018. Besides the property tax collections, B. Ciurylo discussed other contributors to the revenue surplus including real estate conveyance (\$19,000), transfer station fees and stickers (\$12,000), and the interest on investments (\$80,000). There was also an additional \$20,400 in School Construction Grant funds due to the state closing out that grant. So instead of receiving it in the next few years, the Town will not be collecting the approximately \$7,000 in revenue starting in 2018-2019. B. Ciurylo noted several key highlights in the 17/18 budget that included a reduction in the Education Equalization Grant by approximately \$325,000; the loss of the Circuit Breaker Elderly Grant of \$30,000 and the Municipal Revenue Sharing Grant of \$160,000. However, the loss of municipal aid was made up by the property tax collections in 17/18. B. Ciurylo also noted that the LoCIP Reimbursement fund at \$150,000 was set aside for the new salt shed to offset that cost. However, the salt shed was not purchased in 17/18 so the funds were not requested from the state. The LoCIP funds will be carried forward until requested.

B. Ciurylo also reviewed the expenditures and noted several factors that contributed to the under-spending in the town expenditures of approximately \$269,000. Items that were notably under budget included health insurance (\$23,000) teachers' pensions (\$50,000 – budget line proposed by state but not implemented), information technology and copier services (\$7,000), registration and election salaries (\$10,600 – due to no referendums), senior van services (\$5,800 – not in service full year), police protection (\$18,000 – budgeted 100% but state billed at 85%), less repairs to DPW equipment in 17/18 (\$9,500), less in waste disposal fees (\$9,500), planning and zoning professional tech (4,100). Overall, all departments returned funds in various budget lines. Also, \$20,500 in contingency funds were unused at year end and were returned to the general fund.

D. Toepfer stated that we did very well last year but asked is there anything we need to look out for in the coming budget year. B. Ciurylo said that we need to keep in mind that last year we had the property tax sale and may not have another one for awhile. If the state cuts municipal aid, the Town may need to look at the General Fund to cover any possible budget shortfall.

B. Ciurylo explained that the capital for 17/18 reflects numerous projects that have been completed or in progress including, the paving of the town hall parking lot, milling of several roads, completion of the beach renovation project, new Ford F-150 for Public Works as well as first payment for the replacement of a dump truck, funding for the renovation of the old firehouse, town hall siding was completed and the completion of the Moors Indian Schools lead abatement and painting. The fire department also carried forward funding for breathing equipment. The purchase of a new salt shed was carried forward and should be installed in 18/19.

B. Ciurylo noted that the draft audit report was received and that there were no audit points. The audit will be filed on time with the state this year.

- b. Education:** B. Ciurylo stated that the Board of Education received and paid out grant funds of approximately \$255,000 and that no grant funds were returned to the state. B. Ciurylo explained that approximately \$50,000 spent from the REAP grant for technology. It is anticipated the Title grants will be decreasing next year. B. Ciurylo explained that the Board of Education expenditure budget had a surplus of \$279,000. Of this surplus, \$40,000 was transferred to the BOE Non-Lapsing account and the balance was returned to the Town's General Fund. Due to the state's Minimum Budget Requirement (MBR), there is a possibility that the BOE may need some of those surplus funds in 18/19. B. Ciurylo stated that overall the school did well in the budget.

6. STATUS OF FY 18-19 REVENUES & EXPENDITURES:

a. Municipal:

- 1) **State Budget:** M. Walter explained that the Connecticut Conference of Municipalities (CCM) Board of Directors met with Governor elect Ned Lamont last week and that CCM position as the voice for towns and cities is being taken more seriously by having a seat at the table in solutions going forward. M. Walter noted that at the meeting they were told that the governor's budget will have predictable numbers by February. Governor elect Lamont asked what the towns would be looking for and CCM asked that any legislation passed should be vetted through the towns first.
- 2) **Status of 18-19 Revenues & Expenditures:** B. Ciurylo stated that the approximately \$5.9 million has been collected and posted for property tax revenues. State municipal aid has started to be paid. It is anticipated that the Education Cost Share (ECS) Grant will be collected in full. The first payment to the Town was approximately \$602,000. The Town has also received the Municipal Stabilization Grant of \$28,393 and the PILOT grant of \$3,666. The interest State of CT short term investments (STIF) has been collected at \$39,000 which is already over \$9,000 more than budgeted. The Preschool

tuition collection is also going well and it is anticipated that there may be surplus funds this.

B. Ciurylo stated that YTD spending has been on track with only minor transfers in the operating budget and that currently, there is no anticipation of anything out of the ordinary in the Town's operating budget.

- 3) **Capital Projects:** B. Ciurylo presented the 18/19 Capital budget and where it currently stands. She explained that there are some transfers pending approval at a Town Meeting on December 18th. The two transfers are \$5,000 for engineering fees on upcoming bridge projects and other potential capital projects plus \$21,500 for the salt shed. Bids came in higher than anticipated for the replacement of the salt shed. There was also a \$50,000 transfer approved at a Town Meeting for tree trimming for insect infested and damaged trees. The Village Hill Bridge is showing as being over budget. The Town of Lebanon will be paying 60% and an invoice is pending. Overall, it is anticipated that this project will come under budget. B. Ciurylo also mentioned that that the BOE Bleacher/Storage project is almost complete plus there is \$30,000 budgeted for a new Generator which will be carried forward to 19/20.

b. Education:

- 1) **Status of 18-19 Revenues & Expenditures:** B. Ciurylo briefly reviewed the BOE grants and that it is anticipated that the budget grant funds will be spent. She also explained overall that the BOE has been able to remain in budget despite a few unanticipated changes due to staff hirings and maintenance/facility repairs. By looking at the Healthcare line, there may be a surplus but it is still too early to predict.
- 2) **Capital Projects:** B. Ciurylo covered this when she discussed the Town's Capital Projects.

7. KEY ISSUES IMPACTING THE FY 19-20 BUDGET:

a. Municipal

- 1) **Tax Base /Grand List:** M. Walter explained that there is no update at the moment.
- 2) **Tax Collection Rate:** M. Walter explained that the tax collection rate is at 56.76% to date compared to 56.68% last year. Per the Tax Collector, she noted that the trending is showing that the online services are being used more.
- 3) **Debt Payments:** M. Walter stated that there are two debt payments after 18/19 with \$159,500 being paid in 19/20 and \$152,250 in 20/21. In the year 2021, the \$2,950,000 bond will be paid in full.
- 4) **Undesignated Fund Balance:** B. Ciurylo stated that based on the 17/18 audit report, the Undesignated Fund Balance was \$3.9 million and that the net available was \$3.4 million. The Fund Balance has basically remained steady from last year and is slightly higher this year. After the upcoming FiPAC meeting and Town Meeting, B. Ciurylo stated that the Contingency fund will be is at approximately \$36,000 after the approval of transfers from Contingency.
- 5) **Revenues from the State of Connecticut:** B. Ciurylo shared the Municipal Aid Analysis that had been requested by Steven Everett, First Selectman. The analysis includes several

grants that the town has received over the past years and was for informational purposes only.

b. Education M. Geryk stated the BOE is on track with the appropriated budget. She noted several key issues that impacted the budget, but that these issues were covered in this current budget. This included septic system, air quality issues on lower floor, and valve replacement in heating room and corroded pipes, and one teacher was hired for Grade 2 and two para-professionals were added.

- 1) **Projected Student Counts:** M. Geryk discussed projection counts and explained the current enrollment is 434 students in Prek to Grade 8 this year. In 2016, it was projected that that student count would be 403 students. For next year, it is projected 425 Pre-k to Grade 8. There are 256 high school tuition this year with a projection of 253 students next year.
- 2) **Special Education Costs:** M. Geryk stated that there is stable outplacement and in-service and do not anticipate any increases at this point.
- 3) **Staffing:** M. Geryk stated that there is an additional 3rd grade teacher needed, but that they will adjust internally and will not be asking for an additional teacher for next year.
- 4) **Minimum Budget Requirement:** M. Geryk stated that there is no updated information at this time. They have requested information from the state but have not heard back from them yet.

M. Geryk explained that in the 18/19 BOE Capital budget. During the budget process last year, funds had been transferred to the operating budget for painting and windows. The bleacher storage project was completed and the cabling for the phone system was updated.

8. LONG RANGE PLANNING

- 1) **Municipal:** M. Walter explained that for this year, the Town and BOE capital appropriations was \$893,000 and for next year, the anticipated capital appropriation is approximately \$1 million, consisting of \$888,000 from the town and \$182,000 from the BOE. M. Walter highlighted some of the new projects that need to be factored into 19/20 capital project plan. This includes \$365,000 for the Hop River Bridge project with Coventry. Because STEAP grants are no longer available, Coventry is taking lead in submitting for a Federal Bridge Grant which should cover 80% of the bridge cost. Columbia is responsible for \$152,000 or 30% of the 2.5-million-dollar projected cost and Coventry is responsible for 70%. Additional bridge project work consists of the Hunt Bridge Rd Culvert with an anticipated cost of \$165,000 for FY19/20 and FY 20/21 budget. Macht Bridge Rd Culvert project anticipated cost is \$75,000 for FY 19/20. The Town/BOE Maintenance Facility at the Old CVFD has an anticipated project cost is \$60,000 to complete interior work in the building.
- 2) **Education:** M. Geryk stated that the BOE will be requesting \$40,000 to complete the funding for the Generator replacement in the summer of 2019. She also stated that HVAC cleaning for \$37,000 to address air quality issues will be added to the 19/20 capital plan. She mentioned that with the completion of the Bleacher/storage project, there are some remaining funds that will be used to offset the cost of the HVAC project. M. Geryk stated that the Columbia Fire Chief recommended that the Fire Alarm System

be replaced sooner and that the projected cost is \$30,000. The school applied for a \$125,000 Security Grant that includes upgrading cameras, phone system, and visitor monitoring. She is anticipating that she will find out in January/February if the grant will be awarded. In the meantime, the full project needs to be budgeted. If the grant is not awarded, the BOE will review the whole project and prioritize each item submitted to the grant.

9. DISCUSSION GENERAL FUND RESERVES AND MILL RATE: R. Szegda stated that there is no need to discuss the General Fund Reserves or the Mill rate until we have a better understanding of the budget.

10. ADJOURNMENT: S. Everett MOVED to Adjourn the meeting at 8:39 pm. MOTION CARRIED UNANIMOUSLY

Respectfully Submitted by Jennifer C. LaVoie