

FINANCIAL PLANNING and ALLOCATION COMMISSION
REGULAR MEETING AGENDA
Via Zoom Virtual Meeting
Wednesday, September 16, 2020 – 7 pm
Yeomans Hall
323 Route 87, Columbia, CT

Members Present: Ernie Sharpe, Chairman; Richard Szegda, Co-Vice Chairman; Kelly Peck, Co-Vice Chairman, Judith Jordan; Brian Pedersen, Jeff Viens.

Members Absent: Mike Patel.

Also Present: Mark Walter, Town Administrator; Bev Ciurylo, Finance Director; Maria Geryk, Superintendent; Christopher Lent, BOE Chairman.

CALL TO ORDER: E. Sharpe called the meeting order at 7:00 pm.

1. **RULES OF CONDUCT FOR VIRTUAL MEETING:** M. Walter reviewed the rules of conduct for virtual meetings.
2. **AUDIENCE OF CITIZENS:** None.
3. **APPROVAL OF MINUTES:**
 - 3.1 **FiPAC Public Hearing Meeting Minutes for 8/19/20.** E. Sharpe MOVED to Approve the FiPAC Regular Meeting Minutes for 8/19/20 with the minor correction. Judith Jordan SECONDED the MOTION and the MOTION CARRIED 6.0.
4. **CORRESPONDENCE:**
 - 4.1 **BOS Regular Meeting Minutes for 8/18/20.**
5. **OLD BUSINESS:** None
6. **NEW BUSINESS:**
 - 6.1 **Preliminary 19/20 Year End numbers:** B. Ciurylo reviewed the preliminary 19/20-year end numbers. B. Ciurylo stated that there are still some year end adjustments to be made:
 - \$420,000 preliminary surplus for FY 19/20 revenue This includes \$383,000 surplus in Property Tax collections and \$100,000 received in additional funds for the ECS Grant that was not anticipated. There was \$12,000 in additional interest above budget but there should be an expectation that the Town may not see this again in the new year. Special Education grant came in short by \$59,0000 due to changes in Special Education costs. Plus, the Preschool Tuition was lower than expected due to refunds given due to the COVID closure of school. B. Ciurylo noted that overall, the town did well last year in revenue.
 - Town of Columbia operating FY 19/20 budget has a \$291,000 surplus. This is due to salary lines not fully spent and other budgeted items not spent. Every department gave money back. Plus, over \$5,000 adjustment has been posted for expected reimbursement for COVID expenses from OPM and FEMA.

- \$1.6 million in Capital projects funding has been forwarded to the next year and includes the additional funds appropriated to the Columbia Volunteer Fire Department (CVFD) for the rescue truck.
- \$643,000 is the year end available funds for the Board of Education. This includes approximately \$70,000 anticipated to be received for COVID expenses from the ESSER/Cares Act (Dept. of Education) and the estimate from FEMA and OPM reimbursements.
- The school grants totaled over \$200,000 and it was spent in 19/20 as budgeted.

B. Ciurylo noted that the Town and Board of Education have done very well this year with their budgets.

B. Pedersen asked if the CVFD purchased the rescue truck yet. M. Walter explained that they are putting specs together and will go out to bid this year and once the bid is out, the Town will complete the funding for the rescue truck.

E. Sharpe asked about the estimate of end last year's fund balance. B. Ciurylo said that with preliminary numbers, the fund balance will be at least \$3.6 million to \$3.8 million. She will have more information at the next meeting.

Discussion ensued regarding the end of the year fund balance. E. Sharpe stated that at the end of this year, the Town could around \$4.0 million. B. Ciurylo agreed after some calculations were made with E. Sharpe.

6.2 BOE Non-lapsing account request: E. Sharpe stated that the Board of Education (BOE) request is for \$125,000 for the Non-lapsing account.

R. Szegda asked to review what the non-lapsing account was used for, a good understanding of the amount of money that the Town should have in the Non-lapsing account, the purposes it can be used for, and how it impacts the min budget requirement and effects on the budget. It was noted that excess money at year end from the BOE budget can be requested to be put in a Non-lapsing account up to the statutory max of 2%. Any funds spent from this account for unanticipated or emergency expenses will not count towards the Minimum Budget requirement.

K. Peck stated that her concern is the Non-lapsing is extremely limited in its purposes. She noted that every time FiPAC has suggested that the BOE use the money for unanticipated expenses, the BOE have told FiPAC that this fund is only for special education. She felt that it is not a good idea to build this fund up every year if we never use it except in extraordinary circumstances.

M. Geryk explained that the Non-lapsing account is for any unanticipated expenses and explained that one placement of a student could be approximately \$300,000. She said that in other school systems, \$250,00 to \$300,000 for special education is normal for a new Special Ed placement. M. Geryk explained that there are unanticipated costs associated with COVID; such as if the school opens up fully and has to adhere to social distancing guidelines. This may result in additional staffing (3 to 4 teachers) at a cost of approximately \$75,000. In addition, M. Geryk noted that for this school year, there is an unanticipated expense of an additional 16 students moving into elementary school and another additional 16 students into the high

schools. At the high school, that equates to \$13,000 per student, resulting in about \$220,000. When the invoices come in next month, she will be able to reconcile how many students will be at the high school.

B. Ciurylo also noted that the Non-lapsing account is not just for unanticipated Special Education costs. The account was set up for any unanticipated BOE costs; tuition, building needs, etc.

Discussion ensued about the general fund, special education funding and unanticipated and unbudgeted items for the school.

C. Lent explained that at the latest Board of Education (BOE) meeting, the main focus was on the Non-lapsing account and what the board felt comfortable asking from FiPAC. He said that the board could have asked up to 2% based on the MOU which was updated for the increase statutory rate. However, the BOE decided that a reasonable request would be up to 1%.

E. Sharpe asked M. Walter if he had any idea what is going on at the State and how COVID might affect the money that is available to towns. M. Walter stated that the focus has been on issues related to police departments and creating better diversity in equal housing state-wide. M. Walter said on the town side, over two-thousand residents have not paid their taxes due to the executive order that extended the due date to October 1, 2020. He said that the Town will be starting a campaign to notify residents via Facebook, email blasts and the Town's website to get those revenues in. M. Walter said that most of the taxes owed are automobile and real estate that was not escrowed.

B. Ciurylo stated that the Town will have to watch the ECS grant which could decrease this year. The Town has been fortunate that the grants that the BOE gets have not been impacted. At this time, the BOE could receive another \$80,000 to cover COVID expenses through the Department of Education. However, it should be noted that after December that COVID funding will probably disappear or be reduced from all avenues that are currently available.

Discussion ensued about what appropriate levels and the safety margins that we may need in the next 2 years into the non-lapsing and general fund budget.

R. Szegda MOVED to put \$85,000 into the Non-lapsing account. B. Pedersen SECONDED the MOTION. MOTION CARRIED 6.0.

M. Walter stated there were no additional audience of citizens comments. E. Sharpe asked M. Walter to let FiPAC know about upcoming meetings with commissions and departments about the budget.

7. TRANSFERS: None.

8. NEXT MEETING: October 21, 2020.

9. ADJOURNMENT: E. Sharpe Adjourned the meeting at 7:44 PM. MOTION CARRIED 6.0.