



Town of Madison, CT

Board of Finance

Draft

Minutes of a regular meeting of the Board of Finance held on March 18, 2021, 7:00 p.m. via teleconference - Zoom

Present: Jean Fitzgerald, Judith Friedman, Filmore McPherson, Justin Murphy and John Picard

Also present: Peggy Lyons, First Selectwoman; Stacy Nobitz, Finance Director; Scott Erskine, Director, Beach and Recreation Department; Deb Milardo, Director of Human Resources; Bill Lindsey, Munistat

Ms. Fitzgerald called the meeting to order at 7:10 p.m.

REGULAR SESSION

1. Pledge of Allegiance. The Board of Finance and members of the audience stood and recited the Pledge of Allegiance.
2. Approval of minutes – February 17, 2021. On motion made by Mr. Picard, and seconded by Mr. Murphy, the Board voted unanimously to approve the minutes of the regular meeting of February 17, 2021 as submitted.
3. Chairman's comments. There were no Chairman's comments.
4. Citizen and Finance member comments. Joan Walker 39 Stepping Stone Lane, noted that she had watched the budget workshop and she is in favor of the Board of Selectmen and Board of Education budgets as submitted. She believes the proposed 2.34% increase is reasonable and conservative. Discussion in the workshop made it clear that if the \$59,372,037 Board of Education budget does not move forward, this would actually result in a cut to their budget.

Ms. Walker noted that over a number of years the Board of Education has given back \$2.5 million to the Town when, for various reasons, they did not need to expend their full budget. This fiscally responsible approach, which the Board of Education should be commended for, has helped with building the current substantial fund balance enjoyed by the Town. The amount over the 10% of the budget required by regulation to have in the unassigned reserve for a rainy-day fund has grown over the past few years and she

recommended that a portion of these funds be utilized if needed to keep the mill rate to an acceptable level, without reducing the Board of Education budget.

Maureen Lewis recommended that the Board of Education budget, with its 1.4% increase, be approved without any changes. The loss to and needs for the schools and students due to the pandemic, are not totally known and the proposed budget will provide the administration with the funds needed to assess and address these needs. If the Board of Education ends up with excess funds due to receipt of Covid relief funds, they will be able to return some excess funds back to the Town.

Mr. Horvath noted that it is important that the Board of Finance determine the final number that needs to be raised by taxes. This involves a look at additional revenue from an increase in the grand list. Ms. Nobitz will be able to provide a tax increase for each \$100,000 of value of a residence so taxpayers can have a fair idea of the impact of the budget on their property tax.

NEW BUSINESS

5. Discuss and take action to approve a donation from Madison Little League of sideline fencing at Jaycee Field valued at \$6,664.00. On motion made by Mr. Murphy, and seconded by Mr. McPherson, the Board voted unanimously to approve a donation from Madison Little League for sideline fencing at Jaycee Field valued at \$6,664.00.
6. Discuss and take action to approve a donation from Neighbor 2 Neighbor in the amount of \$10000 for the COVID Relief Fund. On motion made by Mr. Murphy, and seconded by Mr. McPherson, the Board voted unanimously to approve a donation from Neighbor 2 Neighbor in the amount of \$10,000 for the COVID Relief Fund.
7. Discuss and take action to approve a donation from Neighbor 2 Neighbor in the amount of \$10,000 for the MY&FS Discretionary Fund. On motion made by Mr. McPherson, and seconded by Mr. Murphy, the Board voted unanimously to approve a donation from Neighbor 2 Neighbor in the amount of \$10,000 for the Madison Youth and Family Services Discretionary Fund.
8. Discuss and take action to approve a Resolution to recommend the authorization of bonds to refund in whole or in part various of the Town's outstanding bond issues. Mr. Lindsey noted that the Town is proposing to refinance \$38 million in prior bonds from 2012. This includes the refinancing of the Griswold Airport property for the second time. While there are other outstanding bonds, they are not yet at their call date so cannot be refinanced at this time. The bonds will be refinanced at 1% a savings of \$200,000 total which would amount to a \$21,000 - \$22,000 savings until 2030. This makes the net saving in five years 2%, which is within the best practice guide. The Board of Selectmen

approved the resolution for the authorization of the bonds on March 9th and they are looking for Board of Finance to acknowledge agreement. The Resolution does not have to go to Town Meeting. They are looking at a May issuance. The refinancing will not increase the terms or extend the borrowing amount.

Ms. Nobitz noted that a \$20,000 reduction in debt service is included in the 2021-22 proposed budget.

On motion made by Ms. Friedman, and seconded by Mr. Murphy, the Board voted unanimously to approve the following Resolution regarding the authorization of bonds to refund in whole or in part various of the Town's outstanding bond issues:

RESOLVED, That the Board of Finance recommends that the Town of Madison authorize the issue of its refunding bonds, in an amount not to exceed \$4,000,000, the proceeds of which shall be appropriated: (1) to fund one or more escrows, and to apply the balance held in such escrows, together with the investment earnings thereon, to the payment in whole or in part, as to be determined by the First Selectwoman and the Director of Finance of the Town, of the outstanding principal of and interest and any call premium on all or a portion of any issue of the Town's General Obligation bonds, including, but not limited to, the Town's \$9,200,000 General Obligation Refunding Bonds, Issue of 2012, including the payment of interest accrued on said bonds to the date of payment, and (2) to pay costs of issuance of the refunding bonds, including legal fees, consultants' fees, trustee or escrow agent fees, underwriters' fees, bond insurance premiums, net interest and other financing costs and other costs related to the payment of the outstanding bonds described above.

9. Discuss and take action to approve a Line Item Transfer request in the amount of \$180,608.28 for Salary Reconciliations into Town Departments. On motion made by Mr. McPherson, and seconded by Ms. Friedman, the Board voted unanimously to approve a Line Item transfer request in the amount of \$180,608.28 for salary reconciliations into Town departments.

10. Discuss and take action to approve a Special Appropriation Request in the amount of \$42,000 to purchase electronic message boards for the Emergency Management Department to display public safety announcements; determined during the Budget Workshop cycle of the Board of Selectmen. Pending final Board of Selectmen Approval and Approval at the Annual Budget Reconciliation Town Meeting. On motion made by Mr. Picard, and seconded by Ms. Friedman, the Board voted unanimously to approve the request of the Selectmen's Office for a special appropriation of \$42,000 to purchase electronic message boards for the Emergency Management Department to display public

safety announcements pending final Board of Selectmen approval and approval at the Annual Budget Reconciliation Town Meeting.

Mr. McPherson questioned if FEMA funds would be available to cover this investment? First Selectwoman Lyons noted that they want to move forward with this purchase right away to have the message boards in place for the start of the beach season so would like to move forward with the special appropriation. If FEMA funds are received the account can be reimbursed.

11. Review of Financials. There were no questions or comments regarding the Financial reports.

12. Liaison Reports and Report from First Selectman. Mr. McPherson noted that the Library remains on target for its fund-raising goal. Mr. McPherson noted that the Pension Committee had approved a disability pension for a Police Officer. The Officer will receive \$3,000 per month for 20 years and then switch to the regular Police Department pension. He suggested that this information should be discussed with the actuary to determine if this award could have an impact on the Police Pension.

First Selectwoman Lyons noted that, at the Monday Board of Selectmen's meeting, she will be reporting on a meeting with the State regarding Hammonasset State Park and the issues that have grown with the use of this facility by the public over the past years. The Town will be looking for some reimbursement for the public safety provided by the Town as a result of the increasing use of this State facility. The State understands the problem that has been created.

First Selectwoman Lyons noted that the Town will be benefiting from the American Rescue Plan and she will be working with the Board of Education on a proposal for use of the funds through 2024. They will be receiving guidance on how the funds can be utilized which could also include assistance for community support, education and community growth. They will be looking for ways to benefit the entire community.

First Selectwoman Lyons noted that vaccination efforts will be continuing on Thursdays at the Town Campus. Currently school staff, child care workers and residents 75+ are substantially complete and a major portion of the 65+ population has also received vaccines.

13. Citizen comments. There were no citizen comments.

14. Adjourn. On motion made by Mr. Picard, and seconded by Mr. Murphy, the Board voted unanimously to adjourn the meeting at 7:45 p.m.

Terry Holland-Buckley
Clerk