



Town of Madison, CT

Board of Finance

Draft

Minutes of a regular meeting of the Board of Finance held on April 29, 2020, 7:40 p.m. via teleconference - Zoom

Present: Jean Fitzgerald, Judith Friedman, Ken Kaminsky, Fillmore McPherson, Justin Murphy and John Picard

Also present: Stacy Nobitz, Finance Director; Kristen Bartosic, Accountant; Art Sickle, Technology Director; Peggy Lyons, First Selectman; Bruce Wilson, Board of Selectmen; Lauren Rhines, Town Services Coordinator/Risk Manager

Ms. Fitzgerald called the meeting to order at 7:40 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 – March 18, 2020. On motion made by Mr. McPherson, and seconded by Mr. Picard, the Board voted unanimously to approve the minutes of the regular meeting of March 18, 2020 as submitted.
3. Chairman’s comments. There were no Chairman’s comments.
4. Citizen and Finance member comments. There were no Citizen and Finance member comments.

NEW BUSINESS

5. Update on the MUNIS software implementation project. Mr. Sickle was present to provide an update on the MUNIS software implementation project. He noted that the work is on target for July 1 for the financial pieces. The payroll and HR pieces will begin with the calendar year and an arrangement has been made for the Phoenix system to remain in place until they are ready to make the transition. Because this transition will involve employee training for some tasks this training is important and difficult to do at this time because of the need for social distancing. He is very proud of the work done so far and the Finance Office staff has played a critical role in this work.

Mr. Sickle provided an update on the Board of Education amendment to the transportation contract. He noted that a Governor Executive Order provides that a school district will continue to pay a percentage of the daily average rate for school bus transportation to allow the bus companies to keep their employees on their payroll to keep them off of unemployment and available in the event a decision is made to resume school. Madison negotiated a rate of 74% of expenses related to direct services for employees.

6. Discuss and take action to approve a Special Appropriation request in the amount of \$65,000 from the Board of Education to fund the Public Schools/External Placements for Special Education Reserve Funds. A motion was made by Mr. Kaminsky, and seconded by Mr. McPherson to approve the request of the Board of Education for a special appropriation of \$65,000 to Account #1-208-9102-9999-3300-028-00 to fund the Public Schools/External Placements for Special Education Reserve Fund.

Ms. Nobitz explained that the Board of Education had advised the Board of Selectmen and Board of Finance that they will be returning approximately \$143,000 to the Town for the 2018-19 fiscal year. It is general practice for the Board of Education to request a special appropriation to fund the Madison Public Schools/External Placements for Special Education Reserve Fund. They are requesting \$65,000 which will increase this fund to a balance of \$350,000 which will provide an adequate funding level.

In response to a question by Mr. McPherson, Ms. Nobitz noted that there is no maximum amount recommended to fund this account. In response to another question, Ms. Nobitz noted that the last time this fund was used was two years ago and the funds utilized at that time have been replenished.

In response to a question by Mr. Murphy, Ms. Nobitz noted that they review this account each year and look at projections, conduct an analysis and look at multiple variables to come up with a target balance.

After discussion, the Board voted on the motion made by Mr. Kaminsky, and seconded by Mr. McPherson to approve the request of the Board of Education for a special appropriation of \$65,000 to Account #1-208-9102-9999-3300-028-00 to fund the Public Schools/External Placements for Special Education Reserve Fund. The motion was unanimously approved.

7. Discuss and take action to approve Line Item Transfers totaling \$33,959.75. On motion made by Mr. McPherson, and seconded by Ms. Friedman the Board voted unanimously to approve line item transfers totaling \$33,959.75, including \$31,000 in the Facilities Department to cover shortage in the Maintenance Repair Accounts and \$2,959.75 in the Tax Collector for additional supplies and expanded legal notices for the end of the year.

8. Discuss and take action to approve the following Resolution.

Be it resolved, that in support of the Board of Selectmen prior action on March 9, 2020 and on April 27, 2020, the Board of Finance hereby approves the Lease Modification and Extension Agreement, as modified by the Board of Selectmen, granting Our Lady of Mercy Preparatory Academy of Madison a one year extension of the existing lease of the former Island Avenue School, at an annual rent of \$400,000, with an option to renew the lease for an additional year with Town Meeting approval; and in accordance with the Governor's Executive Order 7CC, the Board hereby finds that such action is necessary to permit the orderly operation of the Town and that there is need to act immediately during the public health and civil preparedness emergency in order to prevent significant financial loss to the town.

Mr. Kaminsky requested clarification on whether the Board of Finance was approving the lease with the reduction in rent amount or just the process since the Board of Finance has not participated in the negotiations.

Ms. Rhines clarified that the Board of Selectmen had brought this item to the Town but cannot have a Town Meeting because of the current restrictions on public meetings. Since a Town Meeting cannot move this item forward it has to come before the Board of Finance, since it is a financial matter, to move it forward. The Board of Finance is not approving the lease, only moving it forward since it cannot go to Town Meeting.

On motion made by Mr. Murphy, and seconded by Ms. Friedman, the Board voted unanimously to approve the following resolution:

Be it resolved, that in support of the Board of Selectmen prior action on March 9, 2020 and on April 27, 2020, the Board of Finance hereby approves the Lease Modification and Extension Agreement, as modified by the Board of Selectmen, granting Our Lady of Mercy Preparatory Academy of Madison a one year extension of the existing lease of the former Island Avenue School, at an annual rent of \$400,000, with an option to renew the lease for an additional year with Town Meeting approval; and in accordance with the Governor's Executive Order 7CC, the Board hereby finds that such action is necessary to permit the orderly operation of the Town and that there is need to act immediately during the public health and civil preparedness emergency in order to prevent significant financial loss to the town.

9. Discuss and take possible action on the FY 2020-21 Budget. Ms. Fitzgerald noted that the Board of Finance will discuss and take action on the FY 2020-21 budget at a meeting on May 5.

10. Review of Financials. Ms. Nobitz projected there is estimated to be a special appropriation request in the future of \$80,000 from the Town for supplies, technology, and licenses for zoom meetings in response to the Covid 19 crisis. The Board of Education is looking at additional expenditures of \$100,000 for distance learning, curriculum, education supplies and custodian supplies. A portion of this could be offset by savings in the transportation contract.

In response to a question by Mr. Murphy about possible offsets on the Town side, Ms. Nobitz noted that they will be looking at items like snow plowing savings as possible transfer options. She noted that reimbursement funds for this crisis could take a while to be received so she will not plan on receiving these funds in the current fiscal year.

Mr. McPherson suggested that the Board of Education utility accounts be reviewed to see if there will be any savings due to the schools being closed? Ms. Nobitz noted that the Board of Education has done some transfers from utilities

In response to a question by Mr. McPherson, Ms. Nobitz noted that there is a process to follow to be able to transfer savings from one Department to another Department with additional needs by transferring through the Fund Balance. Ms. Lyons noted that because of the emergency declaration, the First Selectman has additional ability for necessary financial action if necessary.

11. Citizen comments. Ms. Rhines read a letter submitted by Robert Tosiello, 296 Bartlett Drive, recommending that the proposed budget not be approved. He believes there should be savings in the Board of Education with the schools being closed. He also has concerns that the Town increase is too high and recommends that the Town renegotiate some of the salary increases, which he believes to be excessive in these extraordinary circumstances. A copy of this letter is attached to and made a part of these minutes.

Selectman Wilson provided information on the jobless claims in Madison during the past 6 weeks noting that there are a number of residents who have been financially impacted by the closing of State businesses and activities. This should be given consideration when planning the budget.

Gus Horvath, 34 Hillsboro Circle commented that he believes Our Lady of Mercy School has taken on additional responsibilities under the new Island Avenue School lease so this could have an impact on the Town's maintenance expenses related to this facility, generating some savings in this area.

12. Liaison Reports and Report from First Selectman. Ms. Lyons noted that the Board of Selectmen spend three months and held 8 executive session in negotiating the

Island Avenue School lease and she is confident in the terms. She offered to answer any Board of Finance member or public member questions regarding.

Mr. McPherson reported that the Library Board had applied for funds under the Federal Payroll Protection Plan but the first round of funds had been expended. They are in line for consideration of the second round of funding. Mr. McPherson also noted that last month he had reported the capital campaign for the Library was short \$250,000 but this shortfall is now \$221,000 due to an event held.

13. Adjourn. On motion made by Mr. Picard, and seconded by Mr. Kaminsky, the Board voted unanimously to adjourn the meeting at 8:25 p.m.

Terry Holland-Buckley
Clerk

Transcript of letter submitted by Robert Tosiello, 296 Bartlett Drive to Madison Board of Finance

If I had an opportunity to vote on the budgets I would vote no on both. My concerns are that we have never seen any savings in the Education budget despite taking a school off-line last year and a Town budget increase of 6.5% in these times of great economic uncertainty seems egregious. I know particularly the salary increases in several Departments in particular for the Board of Selectmen and for Park and Rec, impact the 6.5% increase. If these are contractual agreements you might consider breaking and renegotiating a contract. Extraordinary times call for extraordinary measures. I don't know anyone else getting a 6.5% raise this year if they are lucky enough to still have a job.

Read into the record by Lauren Rhines, Town Services Coordinator/Risk Manager at the regular meeting of the Board of Finance held on April 29, 2020.