### **BOARD OF FINANCE**

Minutes of the Special Meeting held on September 27th, 2018

	Regular Members	Others
Present	Y John LaPorta (CHM)	Y Gordon M. Ridgway, First Selectman
	Y Lisa Lansing	Y Barbara Herbst, BoF Clerk
	N David Hubbard	Y John Green, Treasurer
	N William Hurlburt	Alternate Members
	N Janet Sanders	Y K.C. Baird
	N Joseph Pryor	Y Darilyn Woods

Call to Order

7:30 p.m.

Alternate

Chairman, John LaPorta elevated K.C. Baird to sit for William Hurlburt, and Darilyn Woods to sit for Janet Sanders.

#1 - Report

### **Board of Selectmen**

First Selectman Ridgway gave brief updates of the following items.

- a) Bridge Projects: The Covered Bridge has been reopened and the work being performed by the state is complete. The bridge replacements at the gravel bank and Smith Place are underway and expected to be completed in a timely manner.
- b) Planning and Zoning is starting the statutorily required work on the *Plan of Conservation and Development*. A series of workshops will be held and completion is expected sometime in 2020.
- c) *The Bend* project at 36 Lower River Road is continuing forward. HVA will be installing a parking lot and a boat access ramp.
- d) West Cornwall Wastewater: Site visits have been made to other municipalities to gather information and ideas on how other towns address the same issue.

#2-Report

### **Finance Director**

Finance Director, Barbara Herbst reported on the following items

- a) Final year end Budget Transfers have been prepared and provided to the Board of Selectmen for action at their October 2nd meeting. There are five transfers that move unexpended funds within the Board of Selectmen's budget to cover departmental lines that exceeded their budgeted appropriations. A summary budget vs Actual report was distributed for discussion purposes and is appended to these minutes. Action by the Board of Finance on said Budget Transfers will be undertaken at the Regular scheduled meeting 10/18/18.
- b) A final report of the Capital Fund was provided and reviewed. Said report has been appended to these minutes. It was noted that the West Cornwall Wastewater Study ended the year with a balance of \$43,199 however First Selectman Ridgway reported that the majority of those funds will most likely be returned to the General Fund. Support for creation / installation of a WPCA (Sanitary Sewage) in West Cornwall varies widely between the residents and the commercial enterprises.
- c) The Audit final field work has been completed and a draft has been received for review. One item of note is that the amount expended by the State on behalf of the Town to meet the State's funding requirements regarding Teacher Pensions, will be delayed until October. Annually, this information is provided by the Office of Policy and Management and is required to be included in our final Financial Statements. To facilitate completion of our audit in a timely manner, our Auditor has provided an estimate as well as a draft footnote to address this issue. Said information is appended to these minutes. Subsequent to a brief discussion it is the consensus of the Board to utilize the estimate and proceed with finalizing the Financial Statements.
- d) The annual Schedule of Meetings will be prepared for action at the next meeting.

2

Adjournment

Lisa Lansing

Made a motion to adjourn the meeting.

K.C. Baird

Seconded the motion

Motion passed unanimously

Barbara E. Kerbst, Board Clerk

Note:

Minutes remain "Draft" until accepted at the next regular scheduled meeting, please see subsequent meeting minutes for any corrections to these minutes.

8:15 PM

## **Town of Cornwall** Actual vs. Budget FY 2018

<b>)</b>	Y 2018			
1	. 2010	Jul '17 - Jun 18	Budget	\$ Over Budget
Income		COMPANY AND PROPERTY AND PROPER	kan periode gang pang di pendah kan pendah pend Pendah pendah	
Fees For Services		84,827.08	62,101.00	22,726.08
Other Revenues		39,089.50	24,000.00	15,089.50
Property Taxes		6,275,110.81	6,191,797.00	83,313.81
State Education Grants		2,399.00		
State General Grants		245,102.02	273,700.00	-28,597.98
Transfers/Non-Revenue Receipts		45,143.10	282,500.00	-237,356.90
Tuition for After School Progra		110.00		
Total Income		6,691,781.51	6,834,098.00	-142,316.49
Expense				
01 · Board of Selectmen Budget				
Assessor		38,036.87	39,870.00	-1,833.13
Board of Assessment Appeals		0.00	500.00	-500.00
Board of Selectmen		100,826.64	101,678.00	-851.36
Finance Department		61,729.61	61,776.00	-46.39
Hammond Beach		36,172.84	39,797.00	-3,624.16
Highway Administration / Suppli		432,744.06	437,715.00	-4,970.94
Highway Vehicle Maintenance		48,302.54	40,000.00	8,302.54
Insurance and Benefits		344,413.05	352,511.00	-8,097.95
Land Use		31,974.84	35,893.00	-3,918.16
Organizational Support		132,563.15	135,216.00	-2,652.85
Park & Recreation		52,459.47	48,394.00	4,065.47
Payroll Expenses		52,764.04	53,114.00	-349.96
Probate Court		3,057.86	3,100.00	-42.14
Public Health & Welfare		56,004.17	51,379.00	4,625.17
Public Safety		158,733.37	167,662.00	-8,928.63
Registrars of Voters		8,662.21	10,372.00	-1,709.79
Sanitation & Recycling		154,842.78	145,135.00	9,707.78
Tax Collector		35,679.96	37,789.00	-2,109.04
Town Clerk		60,839.04	64,692.00	-3,852.96
Town Office Administration		44,117.84	45,900.00	-1,782.16
Contingency		28,133.93	30,000.00	-1,866.07
Total 01 · Board of Selectmen Budget		1,882,058.27	1,902,493.00	-20,434.73
02 · Board of Education		3,929,504.46	3,976,708.00	-47,203.54
03 · Capital Expenditures		515,000.00	515,000.00	0.00
04 · Debt Service		365,381.25	364,897.00	484.25
Total Expense		6,691,943.98		-67,154.02
Net Ordinary Income		-162.47	75,000.00	-75,162.47
Transfer OUT		75,000.00	75,000.00	0.00
Net Income		-75,162.47	0.00	-75,162.47
		,		

# Capital Project Balances

# Town of Cornwall 2018 CP Detail Activity

CORD Bigg         SATURAL NO.00         SATURAL NO.00         COR CARDINA Projects         COR CARDINA Projects         COR CARDINA Projects         COR CARDINA Projects         COR CARDINA CA	Capital Project	FYE 2017 Balance Fwd	Appropriations	Grants	Income	Donations	Expenditures	projects	in FY 2017-2018	Balance	
1,586.54   1,586.54   1,580.00		21,170.11	40,000,00				24,083.69			37,086.42	CCS Capital Projects
1,386.45   1,386.45		7,012.34								1	CCS Playfields
1,586,54   1,586,54											
1,589,23   1,589,23   1,590,000   1,590,24		1,395.54					584,35			811.19	CVFD Bldg
1,5289,54		18,992.38					:			18,992.38	CVFD Equipment
1,580.54   1,580.54   1,580.50   1,580.54		1	80,000,00							80,000.00	CVFD Trucks
1,12,12   1,15,12   1,15,10   1,15,10   1,15,10   1,10			35,000.00				52,124.12			(417.50)	H Beach Docks
Column   C		1,589.54					1,121.72			467.82	HWY Truck Ford F250
1478.09   551.60   115.000.00   155.2012   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.09   1470.00   1		6.32								6.32	HWY Buildings
1,477,4506 67   15,520,12   422,538.50   1,001,588.13   HWY Bridges-COB	Ok for grader)	651.86	115,000.00				35,000.00			80,651.86	
1474,506 67 1474,506 67 14520.12 462,558.60 1407,688.49 HWV Bridges-GOR 14778.70 17582.21 HWV RoadHydrants 1822.22 300,000.00 1708.0	s	358.72					1,410.69			(1,051.97)	
1,1,198.70   1,1,198.70   1,1,198.70   1,1,198.70   1,1,198.72   1   1,1,198.70   1,1,198.72   1   1,1,198.70   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,198.72   1   1,1,1,198.72   1   1,1,1,198.72   1   1,1,1,198.72   1   1,1,1,198.72   1   1,1,1,1,198.72   1   1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1,1		1,474,606.67			15,520,12		482,538.60			1,007,588.19	HWY Bridges - GOB
200,000.00         1,4,786.70         1,4,786.70         1,595.24           708.00         276,541.95         32,787.25           708.00         1,091.00         1,091.00           708.00         50.00         2,000.00         1,091.00           20,000.00         5,616.27         2,636.27         1,523.80           20,000.00         5,616.27         2,636.23         2,636.23           20,000.00         2,616.27         2,495.83         6,634.28           20,000.00         2,136.39         2,636.12         2,495.83           20,000.00         2,136.39         2,404.91.03           20,000.00         2,136.39         2,1404.91.03		1								6	
200,000,00         276,541.95         32,787.25           708.00         1,020.00         1,020.00         1,021.00           20,000,00         2,000,00         1,323.80         1,323.80           20,000,00         5,437.50         1,323.80         22,892.79           20,000,00         5,437.50         1,323.80         22,892.79           20,000,00         5,616.27         2,308.12         2,082.20         2,356.30           20,000,00         2,616.27         2,483.83         30,631.01         2,550.03           20,000,00         2,21,186.39         2,483.83         2,483.83         1,404,310.33           20,000,00         21,136.39         50,00         531.888.33         -         1,404,310.33		32,751.94					14,798.70			17,953.24	HWY Road - Hydrants
708.00         1,020.00         1,020.00         1,020.00           20,000.00         50.00         2,000.00         1,323.80           20,000.00         5,437.50         8,892.79         8,892.79           20,000.00         5,616.27         9,366.30         725.00           20,000.00         2,493.83         80,634.28         80,631.44           2890,708.00         21,136.39         50.00         931,888.33         -         1,404,910.39           2890,708.00         21,136.39         50.00         931,888.33         -         1,404,910.39		9.329.20	300.000.00				276.541.95				HWY Road - Improvements
708.00         1,020.00         1,020.00         1,023.00         1,023.00         1,023.00         1,023.00         1,323.30         1,404,910.39											
1,020.00   1,020.00		383.00	708.00								LoCIP
1,022,000   1,02		3, 333					10000			42	Descriptor
20,000,00         50,00         2,000,00         1,323.80           20,000,00         5,437.50         800.66           5,616.27         3,069.12         9,356.30           6,616.27         (9,694.28)         556.33           6,616.27         2,493.83         2,493.83           6,50,708.00         21,136.39         50.00         931,888.33           6,50,708.00         21,136.39         1,404,910.39           1,404,910.39         1,404,910.39		1,660.43					00.020,1			24.000	Nevaluadoli
20,000.00         5,437,50         6,5,802.79         52,892.79           20,000.00         3,069.12         3,069.12         9,356.30           20,000.00         5,616.27         (3,694.28)         550.39           20,000.00         2,493.83         (3,694.28)         550.30           20,000.00         1,642.62         2,493.83         30,631.01           20,000.00         21,136.39         50.00         931,888.33         -         1,404,910.39           20,000.00         21,136.39         50.00         931,888.33         -         1,404,910.39		3,273.80				50.00	2,000.00			1,323.80	_
Section		38,330,29	20,000.00				5,437.50			52,892.79	Tn Buildings
5,616.27         (9,694.28)         5,616.27           2,493.83         (9,694.28)         550.39           2,493.83         2,493.83         30,631.01           2,2493.83         30,631.01           2,800,708.00         21,136.39         50.00         931,888.33         -         1,404,910.39           2,800,708.00         21,136.39         50.00         931,888.33         -         1,404,910.39           3,000,708.00         3,000,708.00         3,000,708.00         3,000,708.00         -         1,404,910.39		800.66								800.66	Town Plan
S, G16.27		12,425.42					3,069.12			9,356.30	Transfer Station Buildings
5,616.27         (9,694.28)         550.39           -         -         -           -         -         -           -         2,493.83         -         575.00           -         2,493.83         30,631.01           -         1,642.62         -         43,199.25           590,708.00         -         21,136.39         50.00         931,888.33         -         -         1,404,910.39           -         -         21,136.39         50.00         931,888.33         -         -         1,404,910.39		725.00								725.00	Transf Sta Equip
590,708.00       500,708.00       501,136.39       50.00       931,888.33       6       7404,910.39         DETAIL WILL BE EMAILED UPON REQUEST       675,00       7404,910.39       7404,910.39		4,628.40			5,616.27			(9,694,28)		550.39	
590,708.00       2,493.83       30,631.01         590,708.00       2,493.83       30,631.01         6       1,642.62       43,199.25         28,021.44       43,199.25         590,708.00       931,888.33       -       1,404,910.39         6       DETAIL WILL BE EMAILED UPON REQUEST										•	
590,708.00       2,493.83       30,631.01         590,708.00       -       21,136.39       50.00       931,888.33       -       -       1,404,910.39         DETAIL WILL BE EMAILED UPON REQUEST       2,493.83       -       -       1,404,910.39		575.00								575.00	
1,642.62 143,199.25 28,021.44 (28,021.44) 590,708.00 - 21,136.39 50.00 931,888,33 1,404,910.39		33,124.84					2,493.83			30,631.01	Sidewalk Grant
590,708.00     -     21,136.39     \$0.00     931,888.33     -     -     1,404,910.39       590,708.00     -     21,136.39     \$0.00     931,888.33     -     -     1,404,910.39       DETAIL WILL BE EMAILED UPON REQUEST											
590,708.00     -     21,136.39     \$0.00     931,888.33     -     -     1,404,910.39       DETAIL WILL BE EMAILED UPON REQUEST     43,199.25		16,251,00		_						16,251.00	Open Space Fund
590,708.00 - 21,136.39 50.00 931,888.33 - 1,14  DETAIL WILL BE EMAILED UPON REQUEST		44,841.87					1,642.62			43,199.25	WC Wastwater Study
590,708.00 - 21,136.39 50.00 931,888.33 - 1,4  DETAIL WILL BE EMAILED UPON REQUEST							28,021.44			(28,021.44)	
		1,724,904.33	590,708.00		21,136.39		931,888.33		ſ	1,404,910.39	
							C I INAL HATTIC		Form		
							טבואור אוורך ני	שב בווואורבת טרע	NA NEGOES!		

#### CORNWALL DRAFT 08/31/2018

### Discount Rate

The discount rate used to measure the total pension liability was 8.00 percent. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability of the System, calculated using the discount rate of 8.00 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.00 percent) or 1-percentage-point higher (9.00 percent) than the current rate.

			Current	
	19	% Decrease	Discount Rate	1% Increase
		(7.00%)	(8.00%)	(9.00%)
Sensitivity of the system's proportionate			•	
share of the net pension liability related				
to the Town	\$	4,535,701	\$ 3,623,618	\$ 2,852,508

### Pension Liabilities, Pension Expense, and Deferred Inflows/Outflows of Resources

The State makes all contributions to the System on behalf of employees of the participating districts. Therefore, participating employers are considered to be in a special funding situation as defined by Governmental Accounting Standards Board No. 68 and the State is treated as a non-employer contributing entity in the System. Since the districts do not contribute directly to the System, there is no net pension liability or deferred inflows or outflows to report in the financial statements of the Town. The portion of the net pension liability that was associated with the Town was \$3,623,618 and 100% of the collective net pension liability is allocated to the State.

June 30, 2016, is the actuarial valuation date upon which the total pension liability is based. The total pension liability is determined as of June 30, 2017, using standard roll forward techniques. The roll forward calculation adds the annual normal cost (also called the service cost), subtracts the actual benefit payments and refunds for the plan year and then applies the expected investment rate of return for the year. The procedure was used to determine the System's total pension liability as of June 30, 2017, which is the measurement date.

The Town recognized the total pension expense associated with the Town as well as revenue in an amount equal to the non-employer contributing entities' total proportionate share of the collective pension expense associated with the Town. For the fiscal year ended June 30, 2018, the Town recognized \$448,063 as the amount expended by the State on behalf of the Town to meet the State's funding requirements. The amount recognized has been estimated using the latest available information provided by the State.

FY '11 amound was \$416,906.00