WEST HARTFORD
FINANCE AND ADMINISTRATION COMMITTEE MEETING
JANUARY 21, 2021, 6:00 P.M.
MINUTES

1. Call to Order

A. Meeting was called to order at 6:00 p.m. by Chairman Leon Davidoff.

B. Attendees – Chairman Leon Davidoff, Councilor Mary Fay, Councilor Liam Sweeney, Mayor Shari Cantor, Councilor Lee Gold, Councilor Chris Williams, Town Manager Matt Hart, Corporation Counsel Dallas Dodge, Deputy Corporation Counsel Gina Varano, Director of Financial Services Peter Privitera, Becky Sielman, Consulting Actuary, Milliman; Matt Ritter, Bond Counsel, Shipman & Goodwin, LLP; Bill Lindsay, Financial Advisor and Chris Kachmar, Investment Advisor, DiMeo Schneider & Associates, LLC.

Chair Leon Davidoff stated that they were revising the agenda order and start with Item B under "Business Items".

2. Business Items

A. Approve or Deny Certain Tax Appeal Settlements. (Moved to end of meeting)

B. Discussion re: Pension Obligation Bonds and Pension Bond Reserve Fund – Mr. Hart mentioned the cost savings associated with this plan, more formally referred to as the Deterministic Rejections, which are significant at almost $141M net present value over the issuance of the Bond period. Under consideration are $365M in pension obligation bonds for 25-year term. The bond repayment schedule has level payment, i.e., the Town will make the same payment every year over the 25-year repayment schedule. At the end of 25 years the bonds will be fully paid. The bonds will bring the pension plan to approximately 100% funded as of July 1, 2021. If approved, the Pension Board will deposit the proceeds into the Pension Trust, gradually invest the funds in higher yielding asset classes.

Ms. Sielman went over the Pension Plan Model reflecting an expected 6.25% long-term return on the investments based on the long-term asset allocation policy. Mr. Privitera briefly went over the Reserve Fund Ordinance and its use to offset the Pension Liability or Death Service on the Pension Obligation Bonds.

3. Communications

A. Approval of October 30, 2020 meeting minutes – Minutes were approved with no objections.

B. Town Manager's Report – Mr. Hart stated there will be a number of Finance-related items, smaller appropriations, on the regular meeting agenda for next week. Mr. Hart stated there were some positive recent developments that have improved current year projections. Mr. Hart stated there will be a suspense item added to Tuesday's meeting regarding action need regarding applications for school construction grants. Four separate resolutions are needed for each of the projects; partial roof replacement at Hall High School, partial roof replacement at Sedgwick Middle School, flooring replacement at Norfeldt Elementary, and flooring replacement at Webster Hill. The grants will offset the cost of the project and the Town's share of these projects have already been budgeted in the Capital Plan.

C. Director of Finance Report – Mr. Privitera introduced several resolutions including a resolution for $60,000 awarded related to a Distracted Driving grant, a resolution for $12,333 related to a FEMA Emergency Management grant assistance to firefighters, a resolution to appropriate $1,009,407 from the Connecticut Municipal Coronavirus Relief Fund, a supplemental appropriation to appropriate $84,488 from additional funding received related to grants for the election, a CDBG resolution amending the CDBG budget by $160, a resolution for $74,652 related to a comprehensive DUI enforcement grant, and a resolution accepting a donation of $3,000 from the West Hartford Women's Soccer Club to be used for soccer field renovations. These resolutions will be placed on the calendar for next Tuesday.

   Mr. Privitera gave a brief overview of the 2021 Budget. As of the end of December, there was a slight projected surplus of $105,282. The last projection was significantly lower at a $1.6M deficit. In the interim, notification was received regarding reimbursement related to the Isaias of up to 75%, which is expected to be $468,000. As part of the deficit mitigation plan, the Town Manager asked departments to come up with a series of givebacks that could be set aside and departments came up with approximately $375,000 of givebacks. The Tax Collection Rate has been very good, projected to exceed the 99.1% rate. The projection is an extra $650,000. There were only a handful of deferments related to the Governor's deferment program. Regarding the termination pay for retirees that was set aside, not the same level of people are putting in their papers. Only one additional request has been received and the expectation is the requests will be less than previously projected.

Without objection, Leon Davidoff moved to enter Executive Session.
There was no objection. Motion Passed.

4. Executive Session

Entered Executive Session at 7:02 p.m. by Chairman Leon Davidoff.

Attendees – Chairman Leon Davidoff, Councilor Mary Fay, Councilor Liam Sweeney, Councilor Lee Gold, Mayor Shari Cantor, Councilor Chris Williams, Town Manager Matt Hart, Town Assessor Joseph Dakers, Corporation Counsel Dallas Dodge, and Deputy Corporation Counsel Gina Varano.

Executive Session discussion pursuant to Section 1-200(6)(B) of the General Statutes to discuss pending litigation, to wit: SF WH Property Owner LLC v. Town of West Hartford, Docket No. HHB-CV-19-6053399 – Regarding the tax appeal filed by the owner of property located at 1445 New Britain Avenue.

Executive Session adjourned at 7:18 p.m.

Meeting reconvened at 7:18 p.m.

2A. Tax Appeal Settlement -

Motion to ratify the settlement of the tax appeal filed by the owner of property located at 1445 New Britain Avenue as follows:

The fair market value of the property on the 2017 Grand List shall remain unchanged through April 28, 2018 at $10,739,900.
The fair market value of the property on the 2017 Grand List after April 28, 2018 is $25,500,000.
The fair market value of the property on the 2018, 2019 and 2020 Grand Lists is $38,000,000.

Vote was 3-0 to ratify. Motion passed.

5. Adjournment

A. Meeting adjourned at 7:19 p.m.

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