

Minutes
Town Council Finance Committee Meeting
February 8, 2021
Via ZOOM

1. The meeting was called to order at 7:00 PM.
Present: Matthew O'Brien, Sr., Richard Williams, Lisa Thomas, Julie Blanchard
Also present: John Elsesser, Town Manager; Amanda Backhaus, Finance Director

2. **Acceptance of Minutes, December 14, 2020:**
Richard Williams moved to accept the minutes of December 14, 2020, seconded by Lisa Thomas.
The following corrections were requested:
 - Page 1, 4th paragraph starting with Jennifer Rodgers, second sentence, second line: change "24" to \$2400." Five lines down from that, change "They way" to "The way."
 - Page 3, big paragraph that starts with John Elsesser, 12th line down, change "these process" to "these processes."
 - Page 4, third line down from top, change "removal plant" to "removal plan."
 - Page 4, 2nd paragraph, 7th line: change "Jennifer ready" to "Jennifer read."
 - Page 6, 3rd paragraph, 7th line: change "yet to decide for you" to "yet to decide."
 - Page 6, second line: change "maybe their needs" to "maybe there needs."
 - Page 7, second line up from the bottom: take out "We always have to think."
 - Page 8, third line: change "Bonnie said that you" to "Bonnie said thank you."
 - Page 13, number 6, 10th and 11th line: change "Board of Education capital request was over \$1 million" to "Board of Education capital request for this year was over \$1 million, and we cut almost all of their request last year."
 - Page 15, paragraph beginning John Elsesser, 4th line: change "our operating budget" to "their operating budget."The motion to accept the minutes as amended carried on unanimous vote.

3. **Acceptance of Minutes, January 11, 2021:**
Richard Williams moved to accept the minutes of January 11, 2021, seconded by Lisa Thomas.
The following corrections were requested:
 - Page 1, Item B, 4th paragraph, change "if we were able to move" to "if we might be able to move."
 - Page two, end of second paragraph, add: "We will see if there are any surpluses from other departments that can be transferred, or the Council will provide additional funding if needed."
 - Page two, item B, second paragraph, first line: change "year-of-year encumbrances" to "end-of-year encumbrances."
 - Page 4, last paragraph, three lines from bottom: change "call fall" to "will fall."
 - Page 7, last paragraph, end of paragraph: indicate that Coventry will not be paying.
 - Page 9, D/E. Board of Education, six lines down: change "connected out into the community" to "they are contracting the virus out in the community or through family." Same paragraph, nine lines from the bottom: add "opt out of school" after 33 to 38%.
 - Page 12, second line from bottom: change "create" to "creative."
 - Page 13, middle of the page, change "thrift grade" to "third grade", and take out the word "the" before acclimated.
 - Page 16, third paragraph, first line: change "COVRRRA balance" to "COVRRRA revenues." Amanda Backhaus was asked to verify the numbers of \$1.37 million, and \$1.39 million. Same paragraph, eight lines down, change "aspect" to "balance."
 - Page 18, second paragraph, sixth line: change "general projection" to "generate a projection."
 - Page 19, last paragraph, sixth line, change "it come" to "it could come."

The motion to accept the minutes as amended carried on unanimous vote.

4. Reports:

Committee Chair - Matthew O'Brien, Sr.: Matthew said that he, Lisa Thomas, and Jon Hand attended the Softball Committee meeting. He thought the meeting was informative. There is more information we are waiting to get. We settled on the fact that we need to get a real comparison between the two without any variables, and John since then has asked for more accounting from the engineers. He thinks we should get it pretty soon. John Elsesser replied that they are telling us that it's coming on Friday. Matthew said he thinks we are making progress. He hopes that the committee has a good understanding of what's going on, where our thoughts are, and what we'd like to see in order to move forward. He thinks we tried very hard to reassure them that we want to move forward - it's just a matter of getting things done the right way and coming to the correct decision. Lisa Thomas agreed, saying she thinks it will be helpful to have that side-by-side comparison.

B. Committee members: No reports.

C. Finance Director - Amanda Backhaus: Amanda provided highlights from her monthly report. The first page talks about our tax collection through January 31. Looking at the numbers that were included in your agenda packet, we were very much in line with where we were in prior years. She had expected it to be a little higher, since we had dropped our collection rate. It turns out that one of our banks had forgotten to send over one of our escrow files, in the amount of \$423,000. It's now a February payment, and the bank had to pay interest on all of those accounts. That has been collected, which increased all of these collection rates by almost 1.5%. So we did end up with really good collections for our second billing. Amanda will follow up with an email outlining the correct numbers. Julie Blanchard asked if interest is calculated and shown separately. Amanda replied that the numbers shown here are for collections. Interest and penalties are shown on a separate line. She can provide a breakout of this information to share how things are looking for this year. Overall, revenues are around 86%.

For expenditures and encumbrances, we're at 65.64%, which is right in line with the prior year. We are still monitoring police overtime, and we are not thrilled about the recent and anticipated weekend snowstorms, which result in double overtime. Matthew asked if adjustments were made when we did the CRF. Amanda replied yes - overtime was credited. The Board of Education is at 49.83%, which is a little less than last year. Lisa asked if we know why they've triggered a spending freeze. Amanda does not. Matthew asked when this was done. Lisa said she doesn't know, but she was told by the Chair that they've implemented a spending freeze because they are concerned about their expenses. Matthew said they were showing a small amount of shortfall for the year based on their COVID expenses, but they got \$521,000, which changes everything. Lisa said in theory. Amanda said she does not have answers on that. If our committee decides we have questions, we'll have to send them along through the usual channels of communication.

For COVRRRA, collections went up slightly. We're at 92.4%. We have released the reservation for capital, so our current balance is \$134,000 for that fund. She still expects to collect some additional revenue in that fund throughout the year, and bring up that expected impact to fund balance. Matthew said he is confused about what projected balance means. In some months it seems to mean you have already included the expected revenue, and this month it doesn't look like you did, because you are expecting additional revenue from the \$94,000. Amanda said she is, and she would agree, it does not look like she included that. It should be higher. Matthew said if you add the \$90,000, that makes it \$230,000 and then we were going to take \$80,000, which makes it \$150,000. That's where we were thinking we were going to be. Amanda said that sounds

right.

For sewer, we're at 94.76% of collections, which dollar-wise is a little less than the prior year, but we are still expecting additional collections. We do expect the balance to be significantly lower - we have capital projects that were approved and encumbered that have not been started.

Recreation is the same position as before. The expenditure and encumbrance number hasn't changed too much. We're still inching up in revenues. They've been doing some online programming, but it is not generating much money. They are about breaking even for those programs, so it's not helping but at least they are still providing services for the town. Lisa said we all get the Parks & Recreation brochure, and they are offering some pretty interesting virtual things. Other than that mailing and their website, do you know if they are partnering with the schools to get the information out? Amanda does not know the answer to that. She knows they do a Facebook page, newsletter, and website. She can follow up to see what they're doing with the schools. Lisa said it's kind of a captive audience. John said it's not that easy. Everything that goes in the backpacks has to be approved personally by the Superintendent. Lisa said she assumes it's a digital backpack now. John said we don't even get notifications when they have a late opening. Amanda said she thinks they should be able to do something. In her town she gets recreation updates. Lisa said kids and families need things to do. Matthew asked if they have an electronic bulletin board where things could be posted. Amanda said she will ask Cat to check.

The Tax Office section has not been updated since last month. Linda was not able to complete her report in time. They sent out 148 courtesy real estate tax bills for new owners who have purchased properties since the July billing. They mailed out 25 back tax statements. Overall, the COVID safety guidelines were followed by most taxpayers. There were minimal lines, and a lot of people used the dropbox or made online payments. We were thankful the taxpayers helped us out with additional safety procedures this month. John said there was one person who refused to check in, but we appreciate everyone else's cooperation.

The Assessor's office has the grand list. We saw an increase of 1.6%. We are waiting to see how Board of Assessment Appeals looks, but he's had minimal contacts thus far, so we're hoping to not have a lot of activity. Matthew asked to clarify if the 2019 grand list is for this year, or next year. Amanda replied that the 2019 grand list is for fiscal year 2020/2021 - the year we're in. Matthew asked when the supplemental motor vehicle revenues are calculated. Amanda said December. Matthew said it wasn't in the report for 2020 yet. Amanda said the 2020 grand list won't be out until next December. Matthew asked so when we set our mil rate, it doesn't include the supplemental motor vehicle for the year? Amanda said we put that on a separate line in the budget. It's a flat estimate based on historical activity. The mil rate is based on three categories - real estate, personal property, and regular motor vehicles. Richard said that should be an interesting number this year. Amanda said it has been going up. It has been increasing each year since she's been here. Richard said with car sales the way they've been trending, and people flipping out of vehicles, it should really pop. Amanda said she would agree. Lisa wondered why. John Elssesser said the government checks that were issued to people might have been enough for a down payment. Interest rates are also low. Car dealerships are doing zero percent because it's not that much different than reality. Richard said loans with zero percent interest for 84 months are available.

Matthew said he would like to put in the record that we're losing \$177,747 due to crumbling foundations. Amanda said on the next page of her report, we also had three more come back onto the grand list, so that was a good thing. Matthew said it actually went down from the year before, although the number went down as well.

Amanda's office was busy with year-end wrap-up. Budgets have been out and returned, and she is meeting with each department to go through that. She was on the interview panel for both the school roof and the HVAC project design work. We have also spent a lot of time on union issues and the microgrid project.

1) **COVRRRA disposal analysis:**

Amanda said she wanted to put this together as we're starting to look at the budget. It is important to look at some of the trends. We know how much the trend and the change in recycling fees hurt us. It was interesting to see when she went through it, the increase in usage. We saw a big spike in March of 2020 of disposal tonnage. She thinks that needs to be taken into consideration as we're looking at the budget. John said it's all the people working at home, and doing take-out. They're throwing out a lot more, and we never budgeted for that. Matthew asked when they do little construction projects, if some of that gets into the regular waste stream. John said not usually. It doesn't go into tipper barrels. That would be at the transfer station. Hauling (bulky waste, etc.) has also gone up. John said the real issue is that more is going into the tipper barrels than we ever budgeted for. Matthew said the recycling didn't increase much, which is kind of weird. Richard asked if we added households. John said 20 a year or so - not much. Richard said he was surprised by the big increase. John said people are working at home because of COVID. It's a huge lifestyle change. Matthew said they are getting everything delivered to their homes, too. Amanda said the number of households is reflected in the per-tonnage number. The hauling amounts on the chart at the bottom have remained at \$12.17 per household. We did do a review of that and found we were not being billed correctly, so we added some households to the hauling, but the per-tonnage for residential throw-outs reflects all of the families. John said on bulky waste, from the transfer station there was a big change for stump removal. Historically we had been able to get rid of stumps as brush. They stopped that, and it became very expensive, partly because we got rid of five years of stumps from our gravel pit at brush fees, and they caught onto us. Matthew said the next page that shows COVRRRA tonnage shows it pretty clearly. Amanda said it is the time of year to look at this. She keeps it updated on an annual basis. Matthew asked what our projection is for people who are going back to work. Amanda said she wishes she knew that.

2) **Inland Wetlands Staffing Analysis:**

Amanda said we were recently reviewing our contract. We had decided to contract out for Inland Wetlands hours last year. We are getting 10 hours a week, and we had this staff person help out a bit when we were transitioning staff in Land Use, and realized that her hourly rate was very high. We understand - North Central Conservation is charging us for her rate and some overhead, but when we looked into it, we actually have a position in our Town Hall Union where we could be getting almost double the amount of hours from a staff person for the same amount we're paying North Central. We wanted to bring this up as a precursor to budget to look at different options. John said the need is critical. We cannot keep up with the grants that we have. This was supposed to take some time away from Todd Penney. Todd can't keep up. He is stressed and we are falling behind. There are six or seven projects worth over \$10 million. John needs to have his Town Engineer freed up from all wetlands duties. Lisa asked if we are suggesting not having the contract with North Central and hiring somebody on our own. John said we would hire this person in particular. Amanda said we would love it if the person from North Central would apply to work as our staff. Lisa asked if this would be an additional position in the budget. John said no - we would be substituting the North Central contract

for a real employee that works for us. We already have this job description in the Union contract. Matt asked what “staff vs. North Central” means on the report. Amanda replied our current budget for fiscal year 21 does not have 12 months of North Central service in it. We were able to encumber some of that last year. Matt asked why we were given two hourly rates. Amanda replied that Union has a step increase after six months of probation. If we were to hire that person, six months in they would get a step. Richard asked how many hours per week the individual is proposed to work. Amanda replied that she gave different options. If she worked 20 hours a week that would be double what she is doing now and we would still save \$100 in the budget. Matt asked at what point benefits would kick in. Amanda replied 19 hours. John said benefits are pro-rated to 25. Matt said he is happy to add the staff - he doesn't know if there's too much difference in the budget between \$14,000 and \$10,000, but somewhere in that range is probably where we would be. John said we run the risk of having some projects fail unless we hire an outside engineer to do the job at \$150/hour. Todd cannot do these jobs. We are at a crisis. Matt said he supports the position, and doesn't see much difference between \$14,000 and \$10,000, so he would lean toward \$14,000. John said that Todd Penney also has an intern that he is willing to cash in for \$5,000 a year, and then this person could do jobs that Todd is supposed to be doing, such as locating our wetlands discharge points, as we're getting ready for MS4 drainage issues. Right now we don't know where these discharge points are, or have anyone doing inspections, or know what shape they're in. So we'd like to try to get as many hours as possible, without exceeding the existing resources within our operating budget. Amanda said at 30 hours a week, overall it's going to be \$14,000 more than the current budget. However, to keep North Central we would have to increase it \$6,000 no matter what. We're only looking at an additional \$8,500, and Todd has the additional \$5,000 that John mentioned, which brings it down to \$3,500. Lisa said we need staff, so don't throw away that intern. We need help. Don't throw away anything. John said we're trying to recognize where we are, too. Matt said let's look at the budget before you make the decision about the \$5,000 for the intern. Amanda said we'll leave it for now, and the Council can decide. John said what we wanted to do was see if there is enough support for this position, so that we can have a conversation with the North Central Conservation District, to see what their position is on our contract. We don't want to do that without having a sense of where we are. Matt asked if anyone is opposed, including Julie. Julie said she is not opposed. Richard said why not just make it a 40-hour work week. Matt said the work week is 37 hours. Richard said have the person work 37 hours - can they do multiple jobs? John said yes. Amanda said we have enough work for this person to do 37 hours, easily. John said Todd would actually finally back off, and only be the engineer for the wetlands commission. He would review from an engineering perspective, like he does for Planning & Zoning, but wouldn't have to do the agendas, and all the copying and other stuff. Todd doesn't have a secretary either, so he does a lot of that administrative work himself. Lisa said we are convinced. John said we will have a conversation with them and get back to you.

3) **10/1/20 Grand List:**

Amanda summarized that based on the 1.6% increase in the grand list, we are looking at an additional \$498,000 in revenue, with no increase to the mil rate. This past year we had chosen to reduce the collection rate to 98%, and if we look to change back to the historical weighted average that we used in the past, that would also increase another \$245,000. This is good news. Matt asked if the motor vehicle assumption of \$12,900 was close to the estimate that was built into the budget. Amanda said yes. It was a little higher, actually.

4) **Monthly Financial Reports:**

Matt asked if anyone had any questions on CNREF or Council Encumbered. Right now there's \$259,154 left in CNREF, and the balance in the Board's 1% fund is \$182,220. He assumes that any projected projects are already eliminated from both numbers. Amanda replied that is correct.

Richard asked about Civic & Cultural, which is up to 74%. He was wondering why that category is so high. Amanda said that Civic & Cultural includes the Library, and the grant money to the Library is paid in quarterly installments. They have received three of their four payments, which is approximately 75%.

Richard said when he went through the monthly reporting, on page two of expenditures, the treasurer expenditure is \$2,000. What is that? Amanda replied it is part of her salary. Richard said right below that, under Information Technologies, it seemed like a lot was expended in that particular month. Amanda said the 52040 account for licenses varies month to month based on when our software licenses renew. She would have to look into what we renewed that month, but they fluctuate. Other Professional Services is our monthly fee to South Windsor and that remains constant every month.

Matt asked regarding grants, if they are awarded, whether we can take out anything for the preparation expenses from the grant itself. John replied it depends on the grant. For the LOTCIP grants, the answer is no. All the pre-construction costs are on us. Some of the other projects we have going, like the bonding, we could use some bonding money. We put bonding money in for technical support so we can go out and hire people to help that way. We tried that, and it hasn't worked well. We've had two different people in on a temporary basis, and the time and stress of doing that has not been well received. It doesn't mean it's not another option, and if we hired an engineering firm, which he said was an option, it would probably be \$150/hour. There's an option that we could take some of whatever shortfall there is for that, because it frees up some of Todd's time, so it's a diversion and it would be appropriate to charge that to some of those capital projects.

Richard asked about Police Operations, 2102. When he looked at the yearly to date, the overtime has a negative number. Is that because we've charged off COVID? Amanda said yes. Richard said underneath that, in Police Support Services, the overtime for this month seemed high. Amanda said that's our dispatch line. We had two full time dispatchers out on COVID leave. They used sick leave to cover their own pay, but we had to bring people in on overtime to cover the shifts they normally work. Matt asked if that is a COVID expense that we can expense out eventually. John said if we have the funds that we can expense out of. Amanda said that towns don't get credit for giving out extra sick time to people. That was a credit everybody gets to claim on their 941's. But municipalities are exempt from that. We just get to give out sick time. John pointed out the need for State and municipal COVID support. Lisa asked to clarify that it was the federal legislation that left out municipalities. John said yes. Lisa said hopefully it will stay in the next round.

Richard asked about Joint Fire Department, \$81,360 mileage. Amanda replied that is the once-a-year payment to the Fire Department for stipend. It should be \$81,000 flat, but we had an ambulance person sneak in after the fact.

Richard asked about a \$23,000 expenditure under Roads and Drainage, Other

Professional Services. Amanda said she will have to look and see what they purchased - it was probably some sort of material. She will check into it. It could be road striping, or materials for roads or drainage, or a service contract. She will have to look at it. John said it could be guardrail. Richard asked if materials would go under Other Professional Services. John said it could if it is an outside contract. Richard also said under the Public Works Building there is a service contract for \$10,500. Amanda said she will have to look at that one, too. Richard said it just seems to be high for a particular month. Amanda said some of those contracts are renewed annually, they are not monthly. She will just have to double-check what contract that was.

Matt also noted that the 2207 Joint Fire budget is at 88.87%. Is that because some of it is a grant? Amanda said a big chunk of that is the \$80,000 amount to the Fire Department, and that was paid in January. John said you will hear about it at budget time.

Richard asked about Public Works, \$20,746. Is that for regular and full time? Amanda replied that line has two or three people in it, and she believes the recent retirement payout was in it.

5) **Board of Education Reports:**

Matthew asked about the Management Report Cumulative Summary. Is this a new report? It looks different from what he has seen before. Amanda said she thinks he is talking about the report she does, that shows the month-to-month comparisons. Matthew said when you get to their Management Report, he wants to combine it with the next item. The next item talks about the COVID relief that they are going to receive. Going into budget, he thought it would be important to have an idea of where we actually stand. This is a December number, and they were projecting a shortfall of \$161,044. In this report, they still carry \$329,000 of COVID expenses. His understanding is that the CRF money has not been removed. Amanda said part of it has. In January we classed \$31,102 into the grant funds because that's what had been awarded at that time. The rest of it got moved in the following month. Matt asked to clarify that there is \$67,000-\$68,000 remaining. Amanda said that is correct. Matt said so if you reduce that total forecast of unexpended funds, then they are down under \$100,000.

5. **Impact Of CRF Funds and New ESSER II Award - Potential Impacts on Board of Education Projects and 2021-2022 Budget:**

Matt said now the Board of Education is receiving \$521,000 in ESSER II funds for COVID. So right off the bat it would wipe out their \$329,000 total expenses. Matt said the \$329,000 number has not changed from month to month. Amanda said she is not sure if they had additional costs. She can see the \$31,102. She doesn't know what costs he moved, and if there were additional costs. Matt said let's just say it's around \$300,000 for argument's sake, minus the \$68,000, so it's down to \$230,000. From the \$512,000 they are going to have almost \$280,000 additional beyond their COVID expenses in the grant fund side of this equation. That's going to remove the \$200,000 from their management report, so now they have an operating surplus as of December 31st. So their operating budget is in surplus, plus they have another almost \$300,000 in COVID funds to allocate. He is hoping and expecting that some of next year's budget had to do with COVID expenditures. You have to assume they are still going to be needing those, and he doesn't know why they can't be purchased out of this year with that money, and reduce next year's budget projections that they gave us. That is just one idea out of many. He is hoping that the Board will not just spend that money, but will look at a picture of what the town is going through with COVID, because we always knew it was a multi-year effort for us to get back to normal. He would hope that now that they have this additional funding that they are going to look at it in a

positive way to try and reduce next year's budget as well as meet their needs in this semester.

Lisa said she was actually having that exact conversation with the Chair of the Board of Education. They are going to have a conversation and make a decision at their Board of Ed meeting on Thursday night, but she thinks their feeling is to use some of that toward next year's budget, and they have, if we are understanding correctly, until 2023 to spend that grant, so it doesn't all have to be used immediately. John said that is correct. Lisa said hopefully we'll all be on the same page in thinking about that. John said he is glad she raised that, because the timeframe is longer - it doesn't have to disappear by June 30. But it does have to supplement, and not supplant, so if as Matt said, it's a COVID expense that was not a normal operational expense that will also occur next year because of COVID, that would be an appropriate supplement, vs. a supplant. Matt said one other thing he hopes they are looking at is the air handling issue. It looks like this money is specifically earmarked to help people improve the air filtration in the schools. He asked if John knows what the shortfall was when they changed the codes from when originally did that plan. John said we don't really know right now. We've hired an engineering firm, so we don't have a really good estimate of what the alternative plan will be. We are probably a couple of months away from that. They've just been hired and we are just starting. Matt said if you could communicate to the Board from the Finance Committee along the lines of what Lisa just said, he thinks that would be great - that we're hoping, and that we're here to talk with them and cooperate in any way possible, but we'd like the Town to benefit from some of that as far as next year's budget goes, especially with the requests they have been contemplating. Lisa asked a question about the air handlers. She wants to make sure she has it all straight. The air handlers at the high school and middle school do not currently meet the CDC COVID guidelines, correct? Matt said they changed them. They just came out with new guidelines. Lisa asked when that happened. John said unfortunately, he is not sure they are in code yet. Common sense tells people what they are going to do. The unit ventilators are always in non-compliance with ANSI noise standards, but they do a bad job at filtration, too. Lisa asked if we are ok at the other two schools. John said they also have unit ventilators. Amanda said we have problems everywhere. The funding that was approved in the bonding only covers the first two schools. Matt said that's all that was requested. John said yes. The Board of Ed and the building committee wanted to do the high school/middle school because they want to try it out and come up with a solution. Plus we can't really do all the buildings at once. They wanted to make sure it worked well before they put it out into the other schools. Amanda said the committee had two phases of their project. They have a second request in the wings for whenever we finish the first one. John said it's in the Capital Improvement Plan. Lisa asked what is the justification, or what are we saying, if our ventilation systems are not appropriate to meet the safeguards for COVID. How are we explaining that with kids in the building? Amanda said that they haven't changed any guidelines because of COVID yet. There's been no formal guidelines from anybody in terms of COVID requirements. John said that the CDC doesn't control building codes. What they have done is changed the operation of the existing system. They are on full speed, and they are running them at night too, so the energy use in the buildings is going to be really bad this year. They have also upgraded the filter changes in the rest of the building. They've made significant changes, which are COVID expenses, for which they have used and continue to use ESSER funds. Right now there is not a clear standard for what the approach is to remedy this. We are certainly not unique. This is statewide, at any school that is less than 10 years old. It's a huge issue, but they have modified, per CDC guidelines, the operation of the existing systems. Matt said we will expect to get more information from the State sometime in the future.

6. Consideration/possible action: Municipal Advisory Services:

John Elsesser said we had a great surprise one day, and we think our financial advisor had the same surprise a day or two earlier. Years ago, we had our bond advisory services from banks, but

banks got out of the business, so people went to independent financial advisors. We went with IBIC, which was owned by Mike McKinnon. Mike had two daughters who married men who got into the business and got all the regulatory requirements, and we've been using them. About four years ago, they sold their business because the insurance costs when you're dealing with millions and millions of borrowings, the liability of something going wrong was a lot of insurance to buy. They merged with another company and we stayed with them. That company has decided they don't really want a Connecticut office anymore. In January they said they were leaving, and fired all of their Connecticut staff. We have a choice to make. We need to have this type of service, and we need to have it fairly fast, because we're talking about doing a bond sale in July. We would start working on that fairly soon, but we actually need to start working on it now to put numbers into the budget for the projected sale. We can't go back to the people we were working with, because they don't work for that company anymore. We'd have to go the Rhode Island side. It sounds like that firm wants to sell bonds and not be advisors. Amanda said they had a change in ownership. At that time they thought their interests were aligned, but that person retired and the people who took over have swung the direction to the bond issuance side. Matt said this group seems very experienced. They must be well regarded or you wouldn't be recommending them. John said when Mike McKinnon set up IBIC, he had a friend who was setting up the same type of thing, and they actually created the national independent advisors group. Mike took Connecticut, and Munistat took over New York and New Jersey. They are basically merging back together into one firm. Bill Lindsey and his brother-in-law would run the Connecticut office of Munistat. So it becomes a much bigger firm that would be as big or bigger than the other Connecticut firm that does this work, which is Phoenix Advisory. He does not know anything about Phoenix Advisory. We would feel most comfortable with this firm. We believe that this is relationship building. We feel very comfortable with their ethics and their knowledge. They helped us get upgraded for our bond rating. Our preference would be that we just move right forward and keep the same people under a different firm.

Richard Williams moved to make a recommendation to the Town Council that the Town enter into an agreement with Munistat for municipal advisory services. Lisa Thomas seconded the motion, which carried on unanimous vote.

7. Fund Establishment Form - Library Donation Fund:

Lisa Thomas moved to recommend the establishment of a Library Donation Fund, especially in light of the amazing \$75,000 donation that Sondra Stave wishes to make. Matt asked if this is a Council responsibility, or the Library Board's. John said if it's going to be the building committee, the Council runs the building committee. That way we control the funds, and the building committee would implement it. He thinks that was Sondra's intention, that it would be part of the building, and not part of the discretion of the Library Board. Matt said he thought the purpose would be for the construction, regardless of who would be the authority. John said if we control it, then we can sign purchase orders. If it has to go through the Library Board, it could hold up the process. Richard Williams seconded Lisa's motion, which carried on unanimous vote.

8. Adjournment:

Lisa Thomas moved to adjourn the meeting at 8:33 PM, seconded by Richard Williams and unanimously approved.

Respectfully submitted,

Laura Stone
Council Clerk