

**Minutes**  
**Town Council Finance Committee Meeting**  
**March 8, 2021**  
**Town Hall Conference Room B and Via ZOOM**

1. The meeting was called to order at 6:30 PM.  
**Present:** Matthew O'Brien, Sr., Lisa Thomas, Richard Williams, Julie Blanchard  
**Also Present:** John Elsesser, Town Manager; Amanda Backhaus, Finance Director
  
2. **Acceptance of Minutes, February 8, 2021:**  
Lisa Thomas moved to accept the minutes of February 8, 2021, seconded by Richard Williams.  
The following corrections were requested:
  - Page 3: second paragraph three lines up from bottom: change "our town" to "the town she lives in."
  - Page 4, second paragraph, 10th line: change "take some time away from" to "give some time to."
  - Page 5, Grand List paragraph: change: "\$12,900" to \$12,900.00."The motion to approve the minutes as corrected carried on unanimous vote.
  
3. **Reports:**
  - A. **Committee Chair – Matthew O'Brien, Sr.:** Matt attended the last Girls' Softball Field Study Committee meeting. We are still waiting for some updates from Todd Penney and some other information. They are closer to making a decision, but there is no update for the Finance Committee tonight.  
  
Matt also wanted to mention the ESSER 11 funds, which he had mentioned at the Council meeting. If the ESSER 11 funds are available to use this year, that should be the first money that the Board of Ed uses before coming to the Council to use our fund balance to pay for COVID expenses. He looked at their management report and thinks they're going to end up with a surplus for this year, but he doesn't know that for sure. We should ask questions of the Board just to clarify.
  
  - B. **Committee members:** none.
  
  - C. **Finance Director: Amanda Backhaus:**
    - Tax revenues are at 99.31%, which is up almost a full percent from the prior year. She thinks this is due to us adjusting our collection rate for the year. The higher level of collection this year makes her feel very comfortable in the Town Manager's budget, in which we reverted back to the historical method of making collection rate. It's .2% lower, which ends up being a little bit of a difference.
    - Overall collections are good at 88.15%, vs. 88.13% in the prior year.
    - Expenditures and encumbrances were at 71.67%, which is up from the prior year when we were at 61.39%. At this point, she thinks we are still going to be seeing an overage in Police Overtime of approximately \$20,000-\$25,000 given historical trends.
    - Matt pointed out an error in the first paragraph, which says, "total expenditures of 65.82% and encumbrances of 7.62%, so that should total out to 73.44%. Amanda said that is correct, and she will update the report. She thinks we're going to be in line with the budget, with issues for Police Overtime and some additional IT expenses that we will have to discuss. Other than that, the expenditure side of the budget looks great for the year.

- The Board of Education is slightly below historical trends at 58.67% vs. 61.67% from the prior year.
- COVRRRA is at 93.87%, which is up slightly both in percentage and dollars from last year. We are projecting we will end the year with a balance of about \$140,000, which is a decrease from the prior year. The Town Manager's proposed budget has an increase again, which she thinks will be necessary. Matthew O'Brien noted we still have \$78,000 to collect. Amanda said she is concerned about incidentals through the rest of the year. She could possibly go as high as \$150,000-\$160,000 for a projected balance with what we're going to collect, but we still see a few additional expenditures through the remainder of the year. Matthew asked to clarify if it will then be \$70,000 with what we plan to use for the landfill. Amanda said correct. Matthew noted it is a bigger problem, then.
- Our sewer balance is currently \$523,000. She is expecting that to go up a little bit. She has included their capital projects in the expenditure and encumbrance line. They haven't started those yet, but they were included in the '20-21 budget, so she thinks that needs to be reflected accurately. They are not looking for a rate increase this year. She thinks they are doing very well.
- Recreation is looking at a projected deficit for the end of the year of approximately \$95,000. It might be slightly higher than that. We are starting to ramp up. It's looking like summer camp will actually happen this year, which will hopefully bring in revenue, but there are up-front costs associated with that which will be incurred in fiscal year '21, even though the majority of the revenue will be received in fiscal year '22. Matthew asked to clarify that it has increased \$20,000 since the last time we talked with them. Amanda said that is correct. Richard Williams asked about the increase of \$20,000. We projected a certain balance going forward. Why did it increase by \$20,000? Amanda replied that the balance she originally projected had no programming, because we didn't know if we were going to be able to do programming. We believe we'll be able to do summer camp. We have upfront costs to get summer camp rolling, and she thinks we'll need to spend that money now. We'll get the revenue in July and August when camp happens, but we will not be seeing that in this fiscal year. Richard asked what kind of expenditures they would have to open up an outdoor camp. Amanda replied there are a lot of supplies they need to purchase to get ready. Our Rec Supervisor is getting ready for maternity leave, so she is trying to line most of that up now so things are in place to roll out, since she will not be here when camp starts in June. John Elsesser noted we also have to train our lifeguards to get re-certified, because most of their certifications lapsed last year. They have to be ready for June.
- The Tax Department has been busy working on back tax statements and the newsletter.
- The Assessor has five Board of Assessment Appeals applications, which will be happening this week. Letters were sent home for Elderly and Disabled Homeowners. There were no changes in the crumbling foundations list from the prior month.
- The Finance Office has been busy doing budget, negotiations, and had a second meeting with FEMA for reimbursement on the storm that we had. We have gotten the credit card reader up at public works. It is being utilized and we'd like to start publicizing that a bit more, so that people are aware that they can do electronic payments at the transfer station.
- Richard Williams asked a question about the February monthly expenditure report. Under the Town Council line 52180, there was a printing expenditure that he assumes was for the newsletter. Amanda said that is correct. Richard said that line 1501, Legal, seemed incredibly high. Amanda replied that we had Public Works arbitration in the past month and we're paying down the bills for that. In addition, the bills from our General Counsel are significantly higher than prior years due to FOI requests. She has been updating the

legal tracking spreadsheet, and the amount of FOI requests still coming in relation to the police department are huge. John Elsesser noted that we had a FOI request that generated 8,000 documents that all had to be vetted by our attorneys. Each of those have to be read by an attorney. Lisa Thomas asked if we know how many unique individuals those are coming from. John replied one person. Halloran & Sage is screening them, because there are many duplicates. They have special software they can run these files through to make sure we're not doing duplication. Each one of those has to be read by Chief Palmer and himself. Amanda said the hard thing is we can't bill for that. We can bill for printing and material, but all this time spent getting the background information, reading through the material, and sending it to the attorneys, we have no ability to bill that to anybody.

**D. Board of Education Reports:**

Matthew O'Brien said he has submitted a few questions to Amanda, but he didn't think we'd have time to get to those tonight.

Julie Blanchard said she also has a few questions. In the management report, the line that says postage: they budgeted \$21,000 and the account year-to-date is \$9.60. They've encumbered \$21,000, and the budget balance is -\$9.60. It doesn't look right to her, but she doesn't know what she's missing. Amanda said her only thought is that they put an expenditure directly to the account line, but didn't put the encumbrance the way they should have. Normally you encumber it, and slowly reduce the encumbrance as you spend. It looks like they spent and didn't reduce their encumbrance properly.

Matthew noted for the record that he did question whether the \$321,000 in COVID expenditures has been reduced by the amounts of the CRF funds that they received or not, and whether or not the management report is accurately reflecting just those expenses that are non CRF, and ESSER paid for. That's what he would hope for. Amanda said she did send those questions along to the Board today.

**4. Adjournment:**

Richard Williams moved to adjourn the meeting at 6:47 PM. The motion was seconded by Lisa Thomas and carried on unanimous vote.

Respectfully submitted,

Laura Stone  
Council Clerk