Minutes  
Town Council Finance Committee Meeting  
May 13, 2019  
Town Hall Conference Room B

1. The meeting was called to order at 7:00 PM.  
Present: Joan Lewis, Carolyn Arabolos, Mike Sobol, Lisa Conant  
Also present: John Elsesser, Town Manager; Amanda Backhaus, Finance Director

2. Acceptance of Minutes:  
Lisa Conant moved to accept the minutes of the Finance Committee meeting on April 8, 2019. The following corrections were requested:  
a. Page 2, 6th paragraph, 5th line: change “went up 8%” to “went up to 8%.”  
The motion to accept the minutes as corrected carried on unanimous vote.

3. Reports.  
Committee Chair – Carolyn Arabolos: Carolyn is pleased that the Town budget passed. She reiterated that the process was very collaborative and everybody came together to get where we needed to be. She asked if there is any sense for when the State will make determinations so we can set the mil rate. John Elsesser replied we anticipate it will be early June. If we wait until the second Council meeting in June to set the mil rate, the tax bills will not get out on time. Mike Sobol said given that State revenues are the biggest variable in our budget, why do we have to have our referendum before we have that information? John replied it doesn’t work with the school system. Towns have pressed the State do their budget by early April but they want to wait until they see how tax bill revenues come in. Joan Lewis said we might have to have a special meeting on the last day of the legislative session.

Committee Members:  
Mike Sobol said he is also happy with what we’ve done as a Council and Board of Education on the budget. It is considerate of local issues and people’s pain when it comes to taxes. He is hoping we can adjust the mil rate downward if the State numbers are favorable. John said we think a share of teacher pension costs will come to us but not this next year. There is a strong possibility we can go with a zero mil increase while stabilizing fund balance, covering the lake treatment, as well as handling future reductions in State aid. Mike said he thinks the voting results speak volumes about where people want to spend their money. People said they would support infrastructure improvements and they did it. He gave kudos to John Elsesser and David Petrone for their work on the budget. Carolyn also gave credit to Amanda Backhaus and Bob Carroll for their work.

Finance Director – Amanda Backhaus:  
Amanda gave highlights of the monthly Finance Director’s report. As of the end of April we just surpassed the 100% mark for property tax collections. General fund revenue collections are at 99.90%. We received the final ECS payment from the State which was more than anticipated because they did a true-up. Expenditures are at 84.60%. We are monitoring for potential overages and have a few proposed transfers for tonight’s agenda. We are looking to be in a good position as we wrap up the year.

The Board of Education expenditures are at 75.14%. Their March report showed a surplus of $142,000 which is a decrease of $115,523. They did provide transfer information.

The current COVRRA balance is 94.3% for collections. Last year’s collection number was
skewed. We are in line with where we should be. The regular monthly bills have gone up $30,000 due to the recycling fee and clean-up of the Stewart property. John Elsesser noted that he has a meeting set for Wednesday with Willimantic Waste regarding recycling.

The Sewer fund is up a little from the prior month. Collections are at 108%, which is on track.

The Recreation fund went down a little. They are fixing up the community center and a few other facility maintenance projects. We will start seeing camp revenue toward year end.

The Tax collector filed 300 real estate and 78 sewer liens. There are currently five properties remaining for the tax sale. The Tax Collector is anticipating that the sale will not take place before the end of FY19. Carolyn Arabolos asked if the delay will be a problem for revenue. Amanda replied no - just doing the notification process has resulted in some payments.

The Assessor is doing crumbling concrete foundation applications, corrections to the 2018 grand list and is still working on revaluation. Carolyn noted that the grand list included nothing for new construction or supplemental motor vehicle. Amanda said that motor vehicle is done in the fall. New construction is done throughout the year.

The Finance Office has a draft done for the bank cash management RFP. We have decided to hold off on releasing that because year-end is an inconvenient time to make a switch. The dependent eligibility audit is almost wrapped up. We are still working with South Windsor to get a new IT person. Amanda and Mark Palmer will be involved in the interview process.

Mike Sobol said he was happy to see that the Board of Education summary is included with the reports. Carolyn thanked Amanda for compiling that. Mike also wanted to note that in the Board minutes it was discussed that a Special Education volatility is currently resulting in an anticipated savings of $100,000 next year. John asked Amanda to check excess cost with Bob Carroll in connection to this matter.

4. **Consideration/Possible Action: Year-End Transfers FY 2018/19:**

Amanda Backhaus reviewed a list of requested transfers in the amount of $35,000. Budget savings exist in various Workers Comp and pension lines and needs exist in tree service contracts, police technology and modifications to the vestibule at Mill Brook Place. Adding to these services will get us to $20,000 and still may not cover us until the end of year. Police technology was removed during budget discussions. We would like to construct an enclosed vestibule for Mill Brook Place to handle snow and ice sheeting off the roof above the front entrance. We evaluated the cost difference between an enclosed vestibule and an overhang. A vestibule will provide some energy savings. We are also seeking prices to fix a leak in the roof at Mill Brook Place. We are also hoping to squeeze in some bathroom renovations at town hall, and would also like to improve some A/V technology in the Annex. We are getting prices for the June meeting. Mike Sobol said he is ok with all of the current requests, but he would rather put money toward fixing the Mill Brook roof first and do the vestibule later. Amanda said we can hold off on that until June. Mike Sobol moved to recommend year-end transfers to the Town Council as modified, removing the Mill Brook vestibule. The motion was seconded by Lisa Conant and carried on unanimous vote.

5. **Proposal for potential investments:**

Amanda Backhaus said there are certain Town investments that just sit in money market funds. We never touch them. A firm approached her wanting to look at doing some staggered CDs. Every six months a group of those would mature which would help with liquidity. The earning is
almost 3 times our current amount and she likes the liquidity. She is not quite ready to act on it; we would need to decide how much to move. There are no fees. Carolyn Arabolos said it seems safe to say we can leverage some of these funds. It was requested to have the firm come to an upcoming meeting to make a presentation.

6. **Adjournment:**
   The meeting was adjourned at 8:29 PM on a motion by Lisa Conant, seconded by Mike Sobol and unanimously approved.

Respectfully submitted,

Laura Stone
Town Council Clerk