

Minutes
Town Council Finance Committee Meeting
May 9, 2016
Town Hall Conference Room B

1. The meeting was called to order at 7:00 PM by Matthew O'Brien.
Present: Matthew O'Brien, Hannah Pietrantonio, Andy Brodersen, Julie Blanchard
Also present: Beth Bauer, Finance Director; John Elsesser, Town Manager

2. **Acceptance of minutes:**
Andy Brodersen moved that the minutes of April 11, 2016 be adopted, seconded by Hannah Pietrantonio. Matthew O'Brien suggested clarifying the second paragraph of Section 3, sixth line, to state, "but wait until May or June to take actions on transfers." Under item 6, sixth line, add the word "we" before "were." With these changes the committee voted unanimously to accept the minutes of April 11, 2016.

3. **Reports:**
Committee Chair: none.
Committee Members: none.
Finance Director – Beth Bauer:
As of April 30th the Town has collected 100.44% of anticipated property tax revenue and is ahead of last year's collections. A successful tax sale has contributed to this. Our general fund revenue collections are at 99.63% of anticipated. Our anticipated revenues from the State of Connecticut have been reduced by \$64,852. Conveyance tax and Building Department revenues are on pace to exceed the budgeted amount by \$67,000 and the final ECS payment as adjusted was \$20,187 higher than expected.

COVRRRA revenue collections are now at 106.4% of anticipated revenues and are on track with collections from last year. The projected end of the year balance is now \$515,772 after accounting for the transfer station study and the allocation of one-half year of one-quarter of the DPW Assistant's salary to COVRRRA (done by the Manager in January.)

The history of salary allocations to the COVRRRA fund from 2002-2003 to the present (*attachment 2*) was reported by Beth Bauer and the John Elsesser pointed out that they have been reasonably similar over all of that time – fluctuating from a low of \$33,000 in 2002-2003 to a high of \$79,000 in 2010-2011. Projected salaries for the current year will be approximately \$68,000. John described how at the January 2016 staff budget meeting it was recommended to allocate one-quarter of the DPW Assistant to COVRRRA due to time allocation. This will result in a surplus in the salary account for DPW. It was discussed whether the Town Manager is authorized to approve such a transfer without discussion with the Council. Matthew O'Brien concluded that the Council should discuss and address this issue, particularly for such decisions in the future. The Manager stated that this was an allocation issue to a proper expense line item and decisions on where to charge expenses are common. It was not an increase in spending just where it was charged. He further stated it could be changed back if desired but he felt it was a more accurate financial presentation.

A preliminary draft of State grants for the 2016-2017 year was received and discussed. The draft showed a projected shortfall (from information at the time the budget was approved) of \$334,643. Beth and John presented some ideas on how we can consider offsetting some of that shortfall in next year's budget (*see attachment 3*). We should have updated projected State grant information for 2016-2017 and will have a more detailed discussion when the Town Council considers setting

the mil rate, perhaps at the May 16th Council meeting.

4. **Supplemental Appropriation Report:**

The Committee discussed the 2015-2016 Council Unencumbered Report and it was noted that the 3/31/16 settlement for Heart & Hypertension was settled at \$75,000 (saving \$8,000 from the appropriation) and that it is anticipated that none of the \$ 38,640 2/29/16 appropriation for the Town Hall boiler will be needed (saving \$38,640 from the appropriation). We are waiting for final numbers for the other expenses made for the Town Hall boiler from the 10/19/15 appropriation. The current total of all appropriations made is \$193,868.87. The above adjustments will reduce the total appropriation by at least \$46,640.

5. **FY 2015-15 Budget Transfers:**

Projections for budget transfers that are anticipated as of this meeting were discussed. These will need to be made by the Town Council to address shortfalls in some accounts in the 2015-2016 year. The total is currently about \$63,000. Beth presented a plan (*see attachment 1*) on what line item surpluses could be used to satisfy the projected shortfalls. She suggested and the committee agreed that she will bring updated numbers and an updated plan to address them to the June meeting and recommend the Council make transfers after that.

6. **Board of Education Request to Transfer \$50,000 of FY 2016 Funds to Non-Lapsing Account:**

The Board of Education requested that the Council transfer \$50,000 from the 2016 general fund of the Board of Education's operating budget surplus to their non-lapsing account (BOE Reserve Fund for Capital Expenditures). The committee unanimously agreed to recommend to the Town Council that we make this transfer, on a motion by Hannah Pietrantonio, seconded by Andy Brodersen and unanimously approved.

The Finance Committee requested that a joint session with the Board of Education's Fiscal Committee be scheduled for our next scheduled committee meeting, if possible.

7. **Adjournment:**

The meeting was adjourned at 8:25 PM on a motion by Andy Brodersen, seconded by Hannah Pietrantonio and unanimously approved.

Respectfully submitted,
John Elsesser, Town Manager

(Attachment 1)

Town Council Authorized Budget Transfers
Fiscal Year 2015-2016

Account From		Amount From	Amount To	Account To
110-1301-51010	Full Time	\$ 125.00	\$ 125.00	110-1201-51010 Full Time
110-1303-51010	Full Time	\$ 2,150.00	\$ 2,150.00	110-1201-52170 Advertising
110-8103-51712	Health Ins	\$ 44,000.00	\$ 65,000.00	110-1501-52030 Legal
110-1301-51010	Full Time	\$ 3,015.00		
110-1303-51010	fulltime	\$ 3,850.00		
110-1301-51100	longevity	\$ 985.00		
110-1601-52060	Indexing	\$ 4,000.00		
110-1801-55020	Electric	\$ 2,000.00		
110-3101-55020	Electric	\$ 2,000.00		
110-3102-51030	Overtime	\$ 4,190.00		
110-3102-51110	Differential	\$ 644.00		
110-3108-55020	Electric	\$ 316.00		
110-1303-51010	Full Time	\$ 11,000.00	\$ 11,000.00	110-1801-52160 Building Repair
110-3301-51010	Full Time	\$ 4,840.00	\$ 3,160.00	110-2207-51010 Full Time
			\$ 1,680.00	110-2301-51010 Full Time
110-3201-51040	temporary	\$ 3,704.00	\$ 8,000.00	110-8303-53230 claims&losses
110-1300-52280	audit	\$ 1,661.38		
110-8301-53230	transfers	\$ 2,634.62		
		\$ 91,115.00	\$ 91,115.00	\$ -

(Attachment 2)

COVRRR Salary History

	Full-time	Part-time	Overtime	Total Pd	
2002-03	33,146.96	6,980.17	424.92	40,552.05	Maintainer
2003-04	35,155.84	6,641.15	230.78	42,027.77	Maintainer
2004-05	62,587.72	-	-	62,587.72	Maintainer, Revenue Clerk
2005-06	65,763.73	-	-	65,763.73	Maintainer, Revenue Clerk
2006-07	49,332.12	-	-	49,332.12	Maintainer, Revenue Clerk (50%)
2007-08	57,218.99	-	219.11	57,438.10	Maintainer, Revenue Clerk(50%)
2008-09	56,503.19	-	138.26	56,641.45	Maintainer, Revenue Clerk(50%) hours adjusted to PT halfway through year
2009-10	55,375.57	8,192.34	185.92	63,753.83	Maintainer, PT Revenue Clerk(75%), Asst Tax Collector(25%)
2010-11	79,799.49	439.17	386.16	80,624.82	Maintainer, Revenue Clerk(75%), Asst Tax Collector(25%)
2011-12	39,916.25	16,220.30	230.40	56,366.95	Revenue Clerk(50%), Asst Tax Collector(25%), Maintainer PT
2012-13	28,249.05	17,508.38	1,026.44	46,783.87	Revenue Clerk(50%), Asst Tax Collector(25%), Maintainer PT
2013-14	36,556.15	19,720.63	856.06	57,132.84	Revenue Clerk(50%), Asst Tax Collector(25%), Maintainer PT
2014-15	59,675.83	3,342.96	253.96	63,272.75	Revenue Clerk(50%), Asst Tax Collector(25%), Maintainer(50%)
2015-16*	56,394.15	-	542.46	56,936.61	Revenue Clerk(50%), Asst Tax Collector(25%), Maintainer(50%), PW Secretary(25%)

* 10 Months

(Attachment 3)

Revenue Adjustments

Preliminary Draft

State aid comparison	FY 16 adjusted	Town 17 Governors	State 17 (pending)	difference to budget
Adult ed	\$11,833	10454	\$11,149	\$695
ECS	\$8,933,895	8933895	\$8,824,378 ✓	-\$109,517
Public school transportation	\$123,438	114543	\$0	-\$114,543
Locip	\$101,217	101217	\$101,217	\$0
casino (pequot-mohegan)	\$47,641	44477	\$44,362 ✓	-\$115
pilot	\$0	286	\$284 ✓	-\$2
Town aid for roads	\$295,186	295186	\$295,186	\$0
grants for municipal projects	\$10,533	10533	\$10,533	\$0
MRSA	\$0	364100	\$252,939 ✓	-\$111,161
Total	\$9,523,743	\$9,874,691	\$9,540,048	-\$334,643

plus 110-6060-40602 insurance profit share 20,000
 110-6060-40604 sale of property 300,000