Minutes
Town Council Special Finance Committee Meeting
August 8, 2016
Town Hall Conference Room B

1. The meeting was called to order at 5:30 PM.
   Present: Julie Blanchard, Andy Brodersen, Hannah Pietrantonio, Matthew O'Brien
   Also present: John Elsesser, Town Manager; Beth Bauer, Finance Director

2. **Acceptance of Minutes, July 11, 2016:**
   Andy Brodersen moved to accept the minutes of the Finance Committee meeting on July 11, 2016. The motion was seconded by Hannah Pietrantonio and carried with Hannah Pietrantonio abstaining and all other members in favor.

3. **Reports:**
   A. Chairman: None.

   B. Committee members: None.

   C. Finance Director – Beth Bauer: The big thing that happens during the month of July is we get our first round of tax payments. We didn't have many lines of people waiting at the office this year. Mondays were the big days in general, and the last Friday was heavier. Collections went smoothly – we are not aware of any issues. The lockbox setup generated some returns but not a significant amount. John Elsesser said we saw one Facebook chat about why a person's check didn't clear - we checked and it had cleared. Beth couldn't find the comment when she went to follow up so perhaps the person removed it.

   There is not a lot to say about the current year yet. There is nothing we are aware of that is an exception or unusual. Matthew O'Brien asked if there was anything unanticipated that came in at year end. Beth replied nothing out of the ordinary. We are still processing things. We got a payment from OPM that is the MRSA payment but it wasn't really clear whether it was for last year or this year. They told us we were getting $364,000 – the payment came in at $211,000. The description had the words "2015" on it but that doesn't mean it gets applied to last year. We are getting clarification. Matthew asked what we were expecting last year. Beth replied nothing. It has been applied to current year revenues. For projected balances on special revenue funds we are using budget numbers until much later in the year unless something obvious comes up to alter those.

   The Tax Assessor has gotten additional information from CT DMV for motor vehicle leasing with further reductions in our collectibles. There was a leasing company we always have a bill for but this time it was significant – it was a couple million which was far higher than we thought was reasonable. The Assessor is working with DMV to try and determine where the bill should properly be sent. It was in our grand list but hadn't been deposited at the time this report was run. It will be included in our numbers for the next report unless they issue a refund. John said we are suspicious - it doesn't look right, although it was a big year for car sales.

   Matthew asked if there is any new information about the additional $22 million reduction in the State budget. John no – we don't think we will see anything until after the election.

D. Board of Education reports: Matthew said he took the liberty of talking with Richard Williams, who had requested additional information from the Board of Education. Richard's first question was what other reports does the Board of Education create and do we have a copy of them. Beth replied we have received nothing additional. (School Business Manager) Bob Carroll gave her the disbursement detail report. The Board of Education had not seen it. She asked Bob if there was anything else that doesn't go on the Board of Education agenda - he said there is maybe one other report but he did not provide it. Now the Board of Education has requested all communication go through (Board Chair) Bill Oros. Staff has been told they are under direction not to give us anything else. John said the report the Board has does not have electronic transfers. Beth said if the Council is truly interested in seeing all the things on Richard's list this disbursement detail report covers it. Matthew said that Richard seems to agree this report will address his questions. If we go with this can we get it in Excel format? John said we don't know. We can check. Matthew said Richard would like to get this report for the previous 12 months and then monthly going forward. Andy noted that the report leads to other questions - will we get answers to those? Julie said perhaps we could invite the Board of Education Fiscal Committee to sit with us. Andy asked if we use supplier numbers. Beth replied we have vendor numbers. Andy asked if we could run a report on how much is spent with each vendor. John said that information is available on OpenGov. Andy asked if it is available for the Board of Education. John said that could be problematic - we don't use the same software. Julie asked if the Chart of Accounts are the same. Beth said no. The numbers are different - their structure is different. Matthew asked Beth to clarify what the disbursement detail report shows. Beth replied it has fields for date, vendor, account number, description, amount and invoice. Matthew said he will recommend to the Council that this looks like a good report and to make a formal request to receive it. Hannah would like to request a joint meeting with the Board Fiscal Committee. She thinks if we approach them now to come and explain the report that would be helpful. Julie said historically our two boards meet three times per year but we have only met once this past year for the audit presentation.

F. Supplemental appropriation report: Beth said the document provided with the agenda is the new report for this fiscal year. John noted it tells you available balance – which is a percentage of the taxable levy. Julie asked if motor vehicle comes out whether the supplemental appropriation will be adjusted downward. John replied no – it is tied to the budgeted taxable levy. It is an authorization not a blank check. Beth said the Town Charter says the Council can spend the money, but you have to ask whether there are available funds. If the taxable levy should shrink due to CT DMV issues it would make sense not to use the full $441,000. Matthew said we never should use it all anyway – it comes out of fund balance. John said the Town Manager has to certify that funds are available. The broader question would be when we really have a June 30th number and how that compares to our goal. If we have not increased our percentage which is a goal, then we should evaluate what other goals have been met. We are nervous about the lake gate project. We are heading into non-peak time to get it completed. That would be one project we would have to come to the Council to request funds for, or delay the project a year and wait for the next budget year. The project is grant funded, we could wait but if we have too many projects outstanding we might not get the next one. We have two STEAP projects outstanding. The sidewalk project is the other one.

4. **Development of Policy Governing Authority to Make Inter-Fund Allocations:** Matthew said there are a couple things he thinks might be helpful for the Steering Committee to consider in the development of a policy: personnel changes or anything

that is going to affect a future budget, and maybe changes in excess of a certain dollar amount threshold. These are just suggestions. His concern is primarily the first one. He wants it to be useful but not too bothersome to administrate. Julie asked if we have an official policy. John said no. Andy said he thinks John is very good at getting us the information when such matters arise. Matthew asked that his recommendations be shared with the Steering Committee.

5. **Pension Committee Minutes, July 27, 2016:**
   Provided for informational purposes. No discussion.

6. **Adjournment:**
   The meeting was adjourned at 6:05 PM on a motion by Andy Brodersen, seconded by Hannah Pietrantonio and unanimously approved.

Respectfully submitted,

Laura Stone
Town Council Clerk