

TOWN OF WINDSOR, CONNECTICUT
Special Meeting Notice



Dialing in by Phone Only:

1. Please call: **312 626 6799** or **646 558 8656**
2. When prompted for participant or meeting ID enter: **871 4152 9985** then press #
3. You will then enter the meeting muted. During Public Comment if you wish to speak press *9 to raise your hand.

Joining in by Computer:

Please go to the following link: <https://us02web.zoom.us/j/87141529985>

1. When prompted for participant or meeting ID enter: **871 4152 9985** then press #
2. Only if your computer has a microphone for two way communication then during Public Comment if you wish to speak press **Raise Hand** in the webinar control. If you do not have a microphone you will need to call in on a phone in order to speak.

AGENCY: Finance Committee

DATE: June 8, 2020

TIME: 5:30 PM

PLACE: Virtual meeting

AGENDA


1. Call to Order
2. Public Comment
3. *Review of possible Fixed Assessment Agreement with Amazon
4. *Review of FY 20 General Fund Year End Financials
5. *Review of Year End Purchase Orders
6. *Review of Year End Transfers
7. *Review of Enterprise Funds
8. Staff Reports
9. Approval of Minutes
 - a) *March 23, 2020
10. Adjournment

*Backup materials

Public Act 75-312 requires notice of Special Meetings to be posted in the Town Clerk's Office not less than 24 hours prior to the time of such meeting. No other business shall be considered at this meeting than that listed on this Agenda.



First in Connecticut. First for its citizens.

Date: June 5, 2020
To: Members of the Finance Committee
From: Peter Souza, Town Manager 
Subject: Amazon Fixed Assessment Agreement


Please note that the attached information is the same as what was given to you on Monday night, June 1st for the Town Council meeting.

Agenda Item Summary

Date: June 1, 2020

To: Honorable Mayor and Members of the Town Council

Prepared By: James Burke, Economic Development Director

Reviewed By: Peter Souza, Town Manager 

Subject: Application for Assessment Abatement
Amazon.com

Background

Amazon.com Services, LLC is expanding and upgrading its network of fulfillment centers. To support this growth, they have entered into an agreement with a third party (Scannell Properties) to construct and lease to it a build-to-suit center from which to deliver packages to customers across the United States, including those in Connecticut.

The project involves the construction of a multi-story, 3.7 million square foot facility. The proposed Windsor site is a 147-acre parcel located at 1201 Kennedy Road just south of the Route 20/Kennedy Road interchange. The estimated cost to construct and equip the facility exceeds \$230 million, including \$200 million for building and site features and \$30 million for machinery and equipment.

The company plans to create 1,000 new jobs at the facility within two years. The estimated annual payroll for Year 2 is \$29.52 million dollars. See the attached application and Project Information Sheet for additional employment information.

The Town has adopted an Assessment Abatement Policy to guide the use of temporary real property tax abatement as an incentive to increase the non-residential tax base. It establishes preconditions and requirements that applicants must meet to be granted an abatement. The policy provides for a range of abatement schedules based on minimum investment levels. It also provides that the Town Council has sole discretion to approve, to approve with modifications and conditions or to deny any application.

In addition, the Town has a Building Permit Fee Reduction Policy which provides that the Council may authorize a reduced permit fee for biotech firms and for projects that invest \$60 million or more in taxable personal and real property improvements. Copies of these policies are attached.

Discussion

The Amazon.com project qualifies for consideration under the town's economic incentive policies as a Significant Fiscal Impact Project. The total capital investment in taxable personal property and real property improvements planned by the company exceeds \$230 million. The threshold for a Significant Fiscal Impact Project is \$60 million.

The company's request for a seven-year, 100% abatement as contained in their application is allowed under the town's abatement policy. However, it has been the Town Council's practice not to approve either so long a term or so high an abatement. Recently approved projects have had terms of three to four

years and abatements of 50% or less. As a result, the staff and Company have discussed alternative terms for this project. The staff proposal is for a three-year term with a declining abatement schedule (70% in year 1, 50% in year 2 and 30% in year 3.) This provides an average 50% abatement over the term. In lieu of a longer abatement period, a 50% reduction of the upfront building permit fee is proposed. The building permit, with no fee reduction, is estimated to be \$2.6 million.

The project's direct municipal service demands, beyond building and site inspections during construction, relate to public safety calls for service and long-term maintenance of the Kennedy Road transportation infrastructure. In FY 2019 the three larger logistics facilities in town had a total of 224 public safety calls for service. This was 1.4% of the town-wide public safety calls for service. Kennedy Road between Route 20 and I-91 is designed for industrial type vehicles with a road base of 12" to 18" and 6" to 12" of pavement. This stretch of road was repaved within the past 6 years utilizing State grant funds. The projected life expectancy of the pavement is approximately an additional 14 to 16 years with periodic preventive maintenance. Both entrance drives to the facility will be privately owned and maintained. The new traffic signal at the southern entrance drive will be paid for by the project developer and the town will assume ownership upon the facility being completed.

Financial Impact

Attached is a spreadsheet summary of projected revenues over the fixed assessment period based on the 33.11 mill rate and the proposed 50% annual average abatement of new real property assessment. This analysis shows that over a three-year fixed assessment period, the company will receive a total tax and permit fee savings benefit of \$8.78 million. Over this same period, the Town will receive \$10.53 million in net new property tax and building permit revenues. Current annual property tax revenues from the property, which has been in an agricultural assessment program, are approximately \$11,400. In the year following the abatement, town tax revenue will be approximately \$5.40 million.

Summary of Estimated Projected Annual Tax Revenue

Year 1	Real Estate Revenue = \$1.50M	Personal Property Revenue = \$657 K
Year 2	Real Estate Revenue = \$2.49M	Personal Property Revenue = \$587 K
Year 3	Real Estate Revenue = <u>\$3.49M</u>	Personal Property Revenue = <u>\$504 K</u>
	Subtotal = \$7.48M	Subtotal = \$1.75M
Year 4 (no abate)	Real Estate Revenue = \$4.98M	Personal Property Revenue = \$420 K

Please note this forecast holds the tax rate constant at 33.11 mills and does not reflect future mandated property revaluations.

Other Board Action

The Economic Development Commission reviewed the Amazon.com project at a special meeting held on May 13th. The Commission found that the project was eligible under the town's incentive policy and that it meets the requirements and criteria for approval. The project will have a positive economic benefit in terms of investment, jobs and fiscal impact.

The Town Planning and Zoning Commission approved a special use and site plan for this development on May 26th. The Inland Wetlands and Watercourses Commission approved the site plan on April 7th.

Recommendation

It is recommended that the Town Council refer the Amazon.com economic incentive proposal to the Finance Committee for review and report in anticipation of action by the Town Council at its meeting of June 15. It is anticipated that the town staff and Company will have a final draft agreement for the proposed incentive available for the Finance Committee.

Attachments

Project Incentive Summary

Amazon.com Project Information Sheet

Amazon.com Assessment Abatement Application

Assessment Abatement Policy

Building Permit Fee Reduction Policy

Project Incentive Spreadsheet

3 year 50% Declining Rate, 50% Building Fee Reduction

Year	Real Estate Tax No abatement	%	Annual Real Estate Tax	Firm's Benefit	Personal Property Tax	Annual Revenue to town
FY 23 Year 1	\$4.98 M	70%	\$1.50 M	\$3.49 M	\$657 K	\$2.16 M
FY 24 Year 2	\$4.98 M	50%	\$2.49 M	\$2.49 M	\$587 K	\$3.08 M
FY 25 Year 3	\$4.98 M	30%	\$3.49 M	\$1.50 M	\$504 K	\$3.99 M
	<u>\$14.94 M</u>	50%	\$7.48 M building permit fees	<u>\$7.48 M</u> \$1.30 M building permit fees	\$1.75 M building permit fees	<u>\$9.23 M</u> \$1.30 M building permit fees
						<u>\$10.53 M</u>

NOTE: Projected figures are rounded

Project Information Sheet

Amazon.com Services, LLC PROJECT INFO SHEET

May 11, 2020

Type of Project

Amazon.com Services LLC (the "Applicant") is proposing the development of approximately 147 acres of land located at 1201 Kennedy Road and 1 Joseph Lane, Windsor CT (the "Site") for use as an e-commerce storage and distribution facility for consumer products (the "Project"). The Project would allow for the Applicant as the prospective future tenant to provide a significant revenue opportunity for the local economy. The Project would involve the construction of a 5-story, approximately 823,000 square foot footprint warehouse/distribution facility (the "Facility"). The Facility would be operated by the Applicant on a long-term basis.

The Project would include the development of the Facility and all appurtenant infrastructure (site work, utilities, and roadway improvements) and associated exterior improvements (parking and loading areas, sidewalks, landscaping and lighting) and ultimately would position any potential future tenant end-user for growth, including significant job creation, related operation of the Facility.

The Applicant or an affiliate thereof operates a North American fulfillment network that is comprised of multiple facilities that are responsible for fulfilling customer orders.

The Facility would receive shipments of products that would then be distributed to various Applicant operated or other third party sortation centers or last mile delivery stations throughout the United States, in order to deliver to individual customers throughout North America.

Site/Building Info

- Square footage of building: 823,000 +/- sq. ft. footprint
- Land area of site: Approximately 147 acres
- Location: 1201 Kennedy Road and 1 Joseph Lane, Windsor, CT

Planned Investment

Building	200,000,000
Manufacturing Equipment	30,000,000
Total	\$230,000,000

Employment Info

Company plans to create 1,000 new full-time jobs within 5 years. Annual estimated payroll in Year 1, which in the projected job creation schedule is 2022, is estimated at \$14.76M. Annual estimated payroll in Year 2, which in the projected job creation schedule is 2023, is estimated at \$29.52M.

Estimated Project Timing

- Complete real estate due diligence process: Q3 2020
- Start construction in: Q3 2020
- Certificate of occupancy by: Q3 or Q4 2021
- Operational by: Q4 2021

Competing Locations

Applicant is evaluating whether the Project improves the Applicant's competitiveness and provide its customers low prices, vast selection, and convenience. Applicant reserves the decision to finalize the transaction at the Site subject to:

- Evaluation of alternative business case opportunities addressing its entire network, which includes, but is not limited to: cost, economic incentives, transportation efficiency, location/infrastructure and design of building type, available workforce, allocation of corporate capital and ultimately, receive Senior Management Approval.

Applicant's operations, capacity planning, transportation, human resources, real estate and economic development teams evaluate dozens of alternate geographies for future operational locations in any given year in response to increasing customer demand. The Applicant utilizes highly complex algorithms to respond to customer demand and the global movement of product to rapidly deploy location alternative solutions. These solutions provide the business increasing flexibility and efficiencies with the manner in which the Applicant decides to deploy capital on an annual basis and minimize risk to the business.

The cost benefit analysis of selecting any one particular site is weighed against the entirety of the network that the Applicant has developed and continues to improve with each location it develops throughout the United States. This approach prevents any one particular site from dictating Applicant's network expansion strategy. The Site will be evaluated against alternative opportunities throughout the United State that best optimize the entirety of the network.

Traffic Info.

- Please see the attached traffic study.

State Assistance Requested

The proposed project would potentially pursue State level financial assistance to Project Warrior.

Local Assistance Requested

The proposed project has requested a 7-year, 100% abatement for Project Warrior.

Assessment Abatement Application

Town of Windsor, Connecticut
Fixed Assessment Application

The purpose of this application is to present the Town of Windsor a reasonably comprehensive outline of the project for which an economic development incentive is sought. The applicant shall provide all required information in sufficient detail to allow the Town to determine costs and benefits associated with the implementation of a requested tax incentive. The Town may require additional information as it reviews the application.

Each application shall be accompanied by a filing fee of five hundred (\$500.00) dollars.

SECTION A. COMPANY NAME AND CONTACT INFORMATION

1. Official Name and Address of Company **Amazon.com Services LLC / 410 Terry Ave. North**

2. Name of Contact Person **Brad Griggs**
Phone **(646) 927-6819** Fax () _____ Email **brgriggs@amazon.com**

3. Nature of Business **LLC**
SIC or NAICS Code **454110**
Type of Product or Service – **Distribution / Warehouse**

4. Federal Employer ID **#82-0544687**

5. Officers/Owners

Name	Title	% Ownership
<hr/>		
• <u>Amazon.com, Inc.</u>		<u>100%</u>

6. Is the company current with all taxes or charges due to the Town of Windsor? **Yes**

SECTION B. PROJECT INFORMATION

1. Project Location **1201 Kennedy Road and 1 Joseph Lane, Windsor CT**

2. Provide an approximate number of FULL-TIME permanent jobs to be created in the next five years. **1,000 net new full-time jobs**

Attach a table showing the five year hiring projections with annual average wage and salary estimates by position category.

Job Type	Avg. Annual Wage	2022	2023	2024	2025	2026
Management	\$60,000	25	50	50	50	50
Associates	\$31,200	450	950	950	950	950

3. Estimate of the costs of the proposed improvements.

Real property improvements (exclude land cost and soft costs) **Approximately \$200M**
Personal property **Approximately \$30M**

4. Project schedule. **Please see attached**

5. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.

Town Policy Note:

A. Local Employment. The applicant shall commit to use its best efforts to make new job opportunities created by the project available to Windsor town residents.

B. Wages. The Town expects projects that pay at or above the median wage for similar positions in Hartford County.

SECTION C. PROPOSED ASSESSMENT ABATEMENT

1. Please identify the fixed assessment schedule requested.

Percent of assessment abatement – **100%**

Term of fixed assessment – **7 years**

2. Please identify any other state or local incentives, financial or otherwise which are included in the project financing. **The proposed project would potentially pursue State level financial assistance to Project Warrior.**

3. Please provide a calculation of the taxes foregone based on the requested fixed assessment period. **Proposed real property tax increases resulting from Project Warrior would be estimated to be between \$4M up to \$5M per year upon completion of the proposed project.**

4. Please provide a statement of the benefits to the Town for granting the requested tax assessment abatement including an estimate of local taxes to be paid and purchases from local vendors and a description of any planned corporate community involvement.

Amazon.com Services LLC (the "Applicant") is proposing the development of approximately 147 acres of land located at 1201 Kennedy Road and 1 Joseph Lane, Windsor CT (the "Site") for use as an e-commerce storage and distribution facility for consumer products (the "Project"). The Project would allow for the Applicant as the prospective future tenant to provide a significant revenue opportunity for the local economy. The Project would involve the construction of a 5-story, approximately 823,000 square foot footprint warehouse/distribution facility (the "Facility"). The Facility would be operated by the Applicant on a long-term basis.

The Project would include the development of the Facility and all appurtenant infrastructure (site work, utilities, and roadway improvements) and associated exterior improvements (parking and loading areas, sidewalks, landscaping and lighting) and ultimately would position any potential future tenant end-user for growth, including significant job creation, related operation of the Facility.

The Applicant or an affiliate thereof operates a North American fulfillment network that is comprised of multiple facilities that are responsible for fulfilling customer orders.

The Facility would receive shipments of products that would then be distributed to various Applicant operated or other third party sortation centers or last mile delivery stations throughout the United States, in order to deliver to individual customers throughout North America. Applicant expects that, along with lease expenses, the Project would include a capital investment from Applicant of at least \$200M of real estate improvements, plus additional equipment purchases, soft costs and land acquisition costs.

Applicant's personal property investment would be at least \$30 million in material handling equipment and other personal property. Applicant anticipates the Project will launch between Q3 2021 to Q3 2022.

Other site selection considerations:

- Applicant is evaluating whether the Project improves the Applicant's competitiveness and provide its customers low prices, vast selection, and convenience.
- Applicant reserves the decision to finalize the transaction at the Site subject to:
 - Evaluation of alternative business case opportunities addressing its entire network, which includes, but is not limited to: cost, economic incentives, transportation efficiency, location/infrastructure and design of building type, available workforce, allocation of corporate capital and ultimately receive Senior Management Approval.
- Applicant's operations, capacity planning, transportation, human resources, real estate and economic development teams evaluate dozens of alternate geographies for future operational locations in any given year in response to increasing customer demand. The Applicant utilizes highly complex algorithms to respond to customer demand and the global movement of product to rapidly deploy location alternative solutions. These solutions provide the business increasing flexibility and efficiencies with the manner in which the Applicant decides to deploy capital on an annual basis and minimize risk to the business.
- The cost benefit analysis of selecting any one particular site is weighed against the entirety of the network that the Applicant has developed and continues to improve with each location it develops throughout the United States. This approach prevents any one particular site from dictating Applicant's network expansion strategy. The Site will be evaluated against alternative opportunities throughout the United State that best optimize the entirety of the network.

Applicant is seeking support for the Project that, if chosen, would enhance the Applicant's ability to add a combined total of 1,000 new full-time jobs (descriptions and benefits above) and bring new investment and tax base to the Town of Windsor in the State of Connecticut. Should the project move forward, the Applicant would work closely with the Town of Windsor to employ as many eligible candidates from the community as possible once the proposed facility is operational.

APPLICATION SUBMISSION

The completed fixed assessment application and filing fee should be submitted to:

Economic Development Director
Town of Windsor
275 Broad Street
Windsor, CT 06095
860-285-1877
burke@townofwindsorct.com

SCHEDULE OF WAGES

Amazon.com Services, LLC

DATE: 05.11.20

SOC	POSITION TITLE	HARTFORD LMA		COMPANY		BELOW ENTRY WAGE	BELOW MEDIAN WAGE
		ENTRY LEVEL WAGE	MEDIAN WAGE	MEDIAN STARTING WAGE	NO. OF EMPLOYEES		
53-1048	Management	20.36	29.68	30	50		
53-7062	Associates	11.69	15.68	15	950		X

CT DEPARTMENT OF LABOR EMPLOYMENT AND WAGES (OES) DATA FOR 1st QUARTER 2019.

Assessment Abatement Policy

Town of Windsor, Connecticut Assessment Abatement Policy

I. Objectives

1. Fiscal impact – to increase the non-residential tax base to preserve and enhance the town’s capacity to provide necessary infrastructure and services and to maintain the commercial and industrial development at not less than 30% of the town’s grand list.
2. Quality employment opportunities – to provide employment opportunities with good wages and benefits for town residents.
3. Stable and growing economy – to support existing business retention and expansion and attraction of new businesses in particular from targeted business clusters so as to strengthen the local economy.
4. Sustainable and quality development – to encourage the use of quality materials and design and incorporation of green technology.

To achieve these objectives, the Town may provide a temporary abatement of increased assessed value for the real property portion of a project if the project meets the criteria listed below. Economic development projects shall not have a negative financial impact on the Town at the conclusion of the abatement term. The Town reserves the right to approve the cost-benefit analysis model used to determine the financial impact.

Any and all decisions to grant and to establish terms of an incentive pursuant to this policy shall be within the sole and absolute discretion of the Windsor Town Council.

II. Precedents to Granting Incentive

The Town Council shall consider the following conditions as precedents to granting property tax incentives:

A. Existence of economic benefit. The project must add to the Windsor economy. Evaluation criteria to be used in determining benefit to the community shall include but not be limited to: the amount of capital investment, whether the project produces value-added products and services, and whether the project provides a positive fiscal impact and economic impact.

B. Types of business. The project shall be of a nature that has been identified by the Town Council as desirable to stimulate the local economy and improve the quality of life for its citizens. To meet this objective, the project must involve one of the following:

1. Manufacturing firms, as per the Manufacturing Assistance Act,
2. Class “A” office space,
3. Offices for advanced medical procedures,

4. Significant Fiscal Impact Project. A Significant Fiscal Impact Project shall mean any eligible use, as per Connecticut General Statutes Section 12-65b (b), which makes a capital investment in taxable personal property and improvements to real property equal to or greater than \$60 million dollars, and

5. Permanent multi-family residential projects located in Windsor Center Design Development Area (section II B 5 sunsets January 31, 2017, therefore applications for this eligible use must be approved prior to said sunset date).

C. Maintain existing tax base. Assistance will be given to businesses that invest in new buildings or building expansions. Property taxes on the existing land and facilities shall not be reduced for new development projects.

D. Definition of businesses. The following definitions will be used in determining the term of abatement and the level of capital investment required.

1. Existing business is a business that shall have had facilities and operations in the Town for a period of not less than one year.

2. New business is a business that is new to Town or has not had facilities and operations in Town for a period of at least one year.

E. General requirements. Applications for assessment abatement must conform to the following requirements:

1. Applicant must not be delinquent in any taxes or charges due to the Town of Windsor.
2. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.
3. An agreement entered into pursuant to this policy shall not be subject to assignment, transfer, or sale without the written consent of the Windsor Town Council.
4. After approval of an application by the Town Council and approval of a site plan by the Town Planning and Zoning Commission, construction shall commence within six months and shall be completed within twenty-four months. The Town Council must approve any extension of these deadlines.
5. In the event that the applicant, during the period of its participation in this program:
 - a. relocates its business from Windsor,
 - b. becomes delinquent in taxes or fees,
 - c. closes its operation, or
 - d. declares bankruptcy, then any tax incentive benefit enjoyed by the applicant under this program shall be forfeited and the applicant shall be required to pay back all taxes that would have been assessed had the applicant not participated. The period of participation shall extend for three years beyond the term of the abatement.

III. Abatement Criteria and Adjustments

All projects receiving an abatement shall meet the criteria detailed below.

A. Local Employment. The applicant shall commit to use its best efforts to make new job opportunities created by the project available to Windsor town residents.

B. Wages. The Town expects projects that pay at or above the median wage for similar positions in Hartford County.

C. Building Design. Projects must be in compliance with the Town of Windsor Plan of Conservation and Development and must utilize construction materials that meet or exceed the town's requirements.

IV. Abatement Schedule

A. For New Business, in setting an abatement schedule as part of a Fixed Assessment Agreement, the Town Council will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property. The percentage abatement may vary from year to year provided that the average percentage abatement shall not exceed the maximum average percentage over the entire term.

<u>Minimum Taxable Real Property Improvement (Market Value)</u>	<u>Maximum Average % Abated Over Term</u>	<u>Maximum Term</u>
<u>\$500 K -10M</u>	<u>30%</u>	<u>3 years</u>
<u>\$11-20M</u>	<u>40%</u>	<u>4 years</u>
<u>\$21-30M</u>	<u>50%</u>	<u>5 years</u>
<u>\$31-50M</u>	<u>60%</u>	<u>5 years</u>
<u>\$51-80M</u>	<u>70%</u>	<u>5 years</u>
<u>Over \$80M</u>	<u>100%</u>	<u>7 years</u>

B. For Existing Business, in setting an abatement schedule as part of a Fixed Assessment Agreement, the Town Council will use the following table as a guide. The minimum required investment shall be based upon the actual capital investment in taxable real property improvements, excluding land cost and personal property. The percentage abatement may vary from year to year provided that the average percentage abatement shall not exceed the maximum average percentage over the entire term.

<u>Minimum Taxable Real Property Improvement (Market Value)</u>	<u>Maximum Average % Abated Over Term</u>	<u>Maximum Term</u>
<u>\$350 K -3M</u>	<u>40%</u>	<u>3 years</u>
<u>\$4M- 10M</u>	<u>40%</u>	<u>4 years</u>
<u>\$11-20M</u>	<u>40%</u>	<u>4 years</u>
<u>\$21-30M</u>	<u>50%</u>	<u>5 years</u>
<u>\$31-50M</u>	<u>60%</u>	<u>5 years</u>
<u>\$51-80M</u>	<u>70%</u>	<u>5 years</u>
<u>Over \$80M</u>	<u>100%</u>	<u>7 years</u>

C. Adjustment to Abatement Schedule. The Town Council may adjust the abatement schedule as set forth in Section IV, A. by increasing the average percentage abatement by not more than 10% based on the following criteria:

1. Wages. An increase in the average percentage abatement of up to 5 % may be considered when the project includes wages that exceed the median wages for similar positions in Hartford County.
2. Targeted Industries. An increase in the average percentage abatement of up to 5% may be considered for projects that are targeted industries per the town's target industry list.
3. Building Design. An increase in the average percentage abatement of up to 5% may be considered for use of high quality materials on the building exterior and/or the use of sustainable technologies including photovoltaic power sources.

V. Application Procedure

- A. Any eligible owner and/or lessee may apply under this Policy to the Town of Windsor on application forms provided by the Economic Development Director. The applicant shall provide all required information in sufficient detail to allow the Town to determine costs and benefits associated with the implementation of a requested tax incentive. This information should include when appropriate the following:
 1. Description of the project including an estimate of the number of jobs to be created and their wages.
 2. Description of the applicant and its products or services and including a listing of its officers.
 3. An estimate of the costs of the proposed improvements.
 4. A construction schedule.
 5. Identification of the assessment abatement schedule requested and specific justification for any adjustments per Section IV, C.
 6. Identification of any other public incentives, financial or otherwise which are included in the project financing.
 7. A calculation of the taxes foregone.
 8. A statement of the benefits to the Town for granting a tax assessment abatement including an estimate of local taxes to be paid and purchases from local vendors and a description of planned corporate community involvement.
 9. Other information as requested by the Town.
- B. Each application shall be accompanied by a filing fee of five hundred (\$500.00) dollars.
- C. Upon receipt of the completed application and fee, the Economic Development Director shall refer the application to the Town Manager and Economic Development Commission for review and recommendation. Each application shall be reviewed on a case-by-case basis. The Town Manager and Economic Development Commission shall each forward recommendations in writing to the Town Council.

- D. The Town Council, in its sole discretion, shall approve, approve with modifications and conditions or deny the application.

VI. Agreement

- A. Pursuant to the Town Council decision, the applicant shall enter into a written agreement with the Town fixing the assessment of the real property in accordance with the assessment abatement schedule that was approved.
- B. Said agreement shall incorporate appropriate provisions of the Policy, in particular, the following:
1. Applicant must not be delinquent in any taxes or charges due to the Town.
 2. If the end user of the proposed facility is a lessee, then the tax benefits created by this abatement must be clearly reflected in the lease as accruing to the Applicant Company and the lease must be at least for the term of the abatement period.
 3. An agreement entered into pursuant to this policy shall not be subject to assignment, transfer, or sale without the written consent of the Windsor Town Council.
 4. After approval of an application by the Town Council and approval of a site plan by the Town Planning and Zoning Commission, construction shall commence within six months and shall be completed within twenty-four months. The Town Council must approve any extension of these deadlines.
 5. In the event that the applicant during the period of its participation in this program:
 - a. Relocates its business from Windsor,
 - b. Becomes delinquent in any taxes or fees,
 - c. Closes its operation in Windsor, or
 - d. Declares bankruptcy,then any tax incentive benefit enjoyed by the applicant under this program shall be forfeited and the applicant shall be required to pay back all taxes that would have been assessed had the applicant not participated. The period of participation shall extend for three years beyond the term of the abatement.
 6. Applicant shall provide a report annually regarding its compliance with the employment and wage provisions of this Policy. Said report shall be in writing upon such forms as are provided for this purpose by the Town.
 7. Failure to comply with any of the conditions associated with a fixed assessment project including but not limited to provisions of the fixed assessment agreement and any requirements specified by any of Windsor's land use commissions may result in the Town Council's review of, and possible modification to, said fixed assessment agreement.

Town of Windsor, Connecticut Assessment Abatement Policy

Targeted Business List February, 2004

The following businesses qualify as a targeted business under the Town of Windsor Assessment Abatement Policy. The ultimate determination as to whether a specific applicant is a targeted business shall be with the Town Council.

1. Class A office space - Class "A" office space must include the following features:
 - a. Two or more stories
 - b. Minimum of 50,000 SF of floor area
 - c. Incorporates broadband communications technology throughout
 - d. High-speed elevators
 - e. Life-safety and security programs
 - f. On-site management
 - g. Energy management system

2. Biotechnology firms – these include bioscience, biotechnology and bio-medical research companies as defined by the Connecticut Bioscience Cluster and including companies that manufacture related scientific and laboratory equipment or products.

Windsor Center Plan



Legend

 Center

0 0.05 0.1 Miles



Building Permit Fee Reduction Policy

Town of Windsor, Connecticut Building Permit Fee Reduction Policy

Purpose: The purpose of the building permit fee reduction policy is to attract investment and job creation to the Town of Windsor and to promote the expansion of existing business and industry.

Qualifying businesses: The following types of businesses, consistent with Town codes, shall be eligible for consideration of a building permit fee reduction:

1. Significant Fiscal Impact Projects – these include any eligible use, as per Connecticut General Statutes Section 12-65b (b), which makes a capital investment in taxable personal property and improvements to real property equal to or greater than \$60 million dollars.
2. Biotechnology firms – these include bioscience, biotechnology and bio-medical research companies as defined by the Connecticut Bioscience Cluster and including companies that manufacture related scientific and laboratory equipment or products.


Review and approval: The Town Council will consider, on a case by case basis, the reduction of required building permit fees for the purposes described above. The Council may establish such terms and conditions regarding this incentive as it determines appropriate. Approval of any building permit fee reduction shall be at the sole discretion of the Town Council.

Agenda Item Summary

Date: June 8, 2020

To: Members of the Finance Committee

Prepared By: Jim Bourke, Finance Director

Reviewed By: Peter Souza, Town Manager 

Subject: FY 20 General Fund Year-End Projections

Background

Attached are unaudited General Fund revenue and expenditure estimates for fiscal year-end 2020. This report is provided for the Finance Committee's review and discussion.

Discussion/Analysis

Revenues are projected to come in with a favorable variance of approximately \$1.9 million, which includes the use of opening cash as a revenue. Revenue items that show substantial positive year-end variances as compared to budget consist of property taxes, special education excess-cost funds, state aid, planning and zoning fees and conveyance fees.

Expenditures, including the Board of Education, are estimated to come in approximately \$1.2 million under budget, which is just over 1% of the FY 20 adopted budget. Of this amount, the General Government portion is approximately \$542,000 and the Board of Education is \$700,000. The Board of Education savings are primarily due to salary and transportation cost savings. General Government savings are due to vacant positions, military and disability leave and lower storm control expenses due to the mild winter.

During the course of the year, the Town Council approved appropriations from the General Fund Unassigned Fund Balance totaling \$556,000. These items consisted of \$25,000 for the Roger Wolcott School survey and materials testing, \$346,000 for Sage Park Middle School LED lighting, \$130,000 for financial support to Windsor Volunteer Ambulance and \$55,000 to the Caring Connection. If the Council approves the \$187,000 year end appropriation for Discovery Center the use of General Fund Unassigned Fund Balance will be \$743,000.

The additional revenues, expenditure savings and appropriations from the fund balance are projected to result in an increase to the General Fund budgetary fund balance of approximately \$1.5 million. This does not include the \$900,000 opening cash appropriation, which was not needed to balance the budget.

Other Board Action

None

Recommendations

This report is presented for informational purposes only.

Attachment

FY 20 unaudited year-end revenue and expenditure estimates

**TOWN OF WINDSOR
GENERAL FUND
UNAUDITED FINANCIAL STATEMENT
FY 20 PROJECTION**

BUDGETARY BASIS


Service Unit/Department	Original Adopted Budget	Amendments	Final Budget	FY 20 Projection	Variance
Revenues:					
General Property Tax	100,237,450	0	100,237,450	100,973,000	735,550
Licenses and Permits	629,410	0	629,410	692,520	63,110
Fines and Penalties	36,000	0	36,000	33,000	(3,000)
Revenues from Use of Assets	1,518,830	0	1,518,830	1,478,830	(40,000)
State School Aid	12,847,660	0	12,847,660	13,070,400	222,740
State Grants in Lieu of Taxes	1,728,240	0	1,728,240	2,217,420	489,180
Other State Grants	43,210	0	43,210	38,900	(4,310)
Revenues from Other Agencies	118,370	0	118,370	134,610	16,240
Charges for Current Services	639,370	0	639,370	1,009,400	370,030
Other Revenues	20,500	0	20,500	63,500	43,000
Opening Cash	900,000	0	900,000	900,000	0
Total Revenues	118,719,040	0	118,719,040	120,611,580	1,892,540
Expenditures:					
General Government	1,036,260	0	1,036,260	980,210	56,050
Safety Services	10,764,580	(131,000)	10,633,580	10,533,950	99,630
Recreation & Leisure Services	1,600,390	0	1,600,390	1,595,730	4,660
Human Services	898,800	0	898,800	876,980	21,820
Health Services	508,150	11,000	519,150	519,150	0
Library Services	1,717,780	0	1,717,780	1,693,430	24,350
Development Services	1,344,760	0	1,344,760	1,334,420	10,340
Community Development	103,800	0	103,800	103,800	0
Public Works	6,448,640	0	6,448,640	6,229,040	219,600
Information Services	540,080	0	540,080	537,800	2,280
Administrative Services	2,403,970	120,000	2,523,970	2,523,970	0
General Services	14,990,990	0	14,990,990	14,979,390	11,600
Board of Education	70,913,360	0	70,913,360	70,213,360	700,000
Town Support for Education	5,447,480	0	5,447,480	5,355,420	92,060
Total Expenditures	118,719,040	0	118,719,040	117,476,650	1,242,390
Surplus/(Deficit)	0	0	0	3,134,930	2,234,930
Budgetary Fund Balance, July 1, 2019				26,827,311	
Use of Fund Balance:					
FY 20 Opening Cash				(900,000)	
Roger Wolcott School A-2 survey & hazardous materials testing				(25,000)	
Sage Park School LED lighting project				(346,000)	
Windsor Volunteer Ambulance Financial Assistance				(130,000)	
Transfer to Caring Connection for FY20 Additional Estimated Operating Loss				(55,000)	
Transfer to Discovery Center Proposed 6/15/2020				(187,000)	
Total Appropriations				<u>(1,643,000)</u>	
Budgetary Fund Balance, June 30, 2020				<u>28,319,241</u>	

Agenda Item Summary

Date: June 8, 2020

To: Members of the Finance Committee

Prepared by: Jim Bourke, Finance Director

Reviewed by: Peter Souza, Town Manager 

Subject: Approval of FY 20 Year-End General Fund Encumbrances

Background

Below are FY 20 year-end encumbrances as of June 8, 2020 for the Finance Committee's review. When goods and services are received and paid for in the next fiscal year, a purchase order must be opened to encumber the funds. By encumbering the funds, the Town Council is formally extending budgetary authority into the next fiscal year for that line item.

Discussion/Analysis

There are thirteen FY 20 General Fund open purchase orders as of June 8, 2020 totaling \$485,737 that are expected to be encumbered. They are as follows:

Town of Windsor FY 20 Year-End General Fund Open Purchase Orders As of June 8, 2020				
Department	P.O. #	Vendor Name	Product / Service Description	Open Amount
Administrative Services - Financial Accounting & Reporting/Human Resources				
Other Capital Equipment	20233	Tyler Technologies, Inc.	Munis Employee Self Service Module	\$13,650
Administrative Services - Human Resources				
Recruitment & Training	20316	The Bolder Company, Inc.	Leadership and Supervisory Training	\$13,100
Administrative Services - Human Resources				
Recruitment & Training	20321	World Institute of Leadership	Employee Sexual Harassment Training	\$9,000
Administrative Services - Human Resources/TMO				
Contractual Services	20324	GP Strategies Corporation	Employee Engagement Survey	\$31,000
Administrative Services - Human Resources				
Contractual Services	20070	Unemployment Administrator	FY 20 Connecticut Unemployment	\$68,000
Public Works & Engineering - Equipment Repair				
Vehicles	20291	Gabrielli Truck Sales of CT	Volvo 6 Wheel Dump Truck	\$200,280
Public Works & Engineering - Design Services				
Contractual Services	20251	BSC Group - Connecticut, Inc.	Amazon Development Project Review (stormwater, traffic, geotechnical)	\$4,600
Safety Services - Police Department				
Vehicles	20126	MHQ Municipal Headquarters	2020 Ford Utility Police Vehicle	\$33,021
Safety Services - Police Department				
Other Capital Equipment	20317	Motorola Solutions, Inc.	PSAP Voice Recorder	\$64,000
Safety Services - Police Department				
Other Capital Equipment	20326	CDW Government, Inc.	CISCO Transceiver Module 16 GB Fibre Channel	\$5,158
Safety Services - Police Department				
Other Capital Equipment	20330	Dell Marketing, L.P.	Host Server for the Police Department	\$8,700
Safety Services - Fire and Rescue Services				
Other Capital Equipment	20280	Utility Communications, Inc.	Access Control Replacement for Fire Department Buildings	\$26,728
Safety Services - Fire and Rescue Services				
Contractual Services	20117	Fail Safe Testing, LLC	Supply Line and Attack Hose Testing	\$8,500
General Fund Total				\$485,737

Other Board Action

None

Recommendations

If the Finance Committee is in agreement, the following motion is recommended for approval:

“MOVE that the Finance Committee recommend that the FY 20 General Fund open purchase orders as of June 8, 2020 be submitted and approved by the Town Council until October 19, 2020.”

Attachment


None

Agenda Item Summary

Date: June 8, 2020

To: Members of the Finance Committee

Prepared By: Jim Bourke, Finance Director

Reviewed By: Peter Souza, Town Manager 

Subject: Approval of FY 20 Year-End Transfers

Background

The Finance Committee and Town Council have traditionally granted the Finance Director the authority to transfer up to \$5,000 between service units (offsetting those that have gone over budget with those that have come in under budget) at the end of the fiscal year. In addition, we are requesting the Town Council to approve the transfer of funds to service units that have gone over the adopted budget by more than \$5,000.

Discussion/Analysis

There are two service units, Administrative Services and Health Services that are projected to go over budget by amounts greater than \$5,000 for FY 20.

Administrative Services is projected to be over budget by \$120,000, which brings the FY 20 General Fund funding to the service unit to \$2,523,970 versus the adopted budget of \$2,403,970. This overage is due to anticipated unemployment costs for furloughed employees due to COVID-19, and technology purchases and upgrades related to improving network reliability, remote work capabilities, and data storage.

Health Services is projected to be over budget by \$11,000, which brings the FY 20 General Fund funding to the service unit to \$519,150 versus the adopted budget of \$508,150. This is due to projected expenses for contact tracing functions related to COVID-19.

It is recommended that a transfer of \$131,000 be made from the FY 20 Safety Services budget for these two items, as this budget is projected to have a \$230,000 year-end surplus.

At this time, there are no service units that are projected to need a year-end transfer by the Finance Director, however, authorization to do so is requested in the event a transfer is needed at year end.

Other Board Action

None

Recommendations

If the Finance Committee is in agreement, the following motions are recommended for approval:

A) Finance Director Year End Transfer Authority

“MOVE that the Finance Committee recommend to the Town Council that the Director of Finance be granted authority to make year-end transfers in the General Fund of not more than \$5,000 per Service Unit.”

B) Year End Transfers

“MOVE that the Finance Committee recommend to the Town Council approval of a transfer of \$131,000 from Safety Services, of which \$120,000 will be transferred to Administrative Services and \$11,000 transferred to Health Services, to fund the projected year end deficits in those service units.”

Attachments


None

Agenda Item Summary

Date: June 8, 2020

To: Members of the Finance Committee

Prepared By: Laura Casey, Child Development Manager

Reviewed By: Peter Souza, Town Manager 

Subject: Additional Child Development Funding Request FY 20

Background

The FY 20 adopted budget for the Child Development Fund anticipated a loss of \$74,150. Based on current projections and taking into consideration COVID-19, we estimate the loss to be \$260,650. Therefore we are requesting an appropriation of \$186,500 to cover the loss above what was expected for FY 20.

Discussion/Analysis

COVID-19 had a significant impact on the operations of the Child Development Enterprise Fund. Revenues which were budgeted at \$1,123,710 are now projected to be \$819,160, a loss of \$304,550. The loss is due to the closure of the facility mid-March with an anticipated opening date of June 15 for some of the programs. The expenses budgeted at \$1,197,860 are now projected to be \$1,078,810 as a result of trying to mitigate the revenue loss as much as possible. The cost containment measures of \$118,050 were achieved through the furlough of staff, utility savings, bus service savings, as well as supply savings due to the facility closure.

It is projected that the retained earnings balance will be \$141,000 as of June 30, 2020. Therefore at this time we are requesting a transfer of funding due to the COVID-19 pandemic. It is recommended that the transfer of \$187,000 be made from the General Fund Unassigned Fund Balance. This would provide a projected retained earning balance of approximately \$328,000 as of the end of FY 2020.

We are planning on re-opening on June 15, 2020 for returning children then on June 22, 2020 summer programs will commence. The summer program will be adapted to conform with newly released guidelines from the Office of Early Childhood Development and operate at 50% or less depending on parents' willingness to return. Our staffing will be contingent on the new licensing regulations due to COVID-19 and the numbers of children in attendance.

We are working on building enrollment for the 2020-2021 school year while navigating through the challenges of new OEC guidelines. Understandably, concern among parents remains high, presenting a challenge to accurately project fall enrollment numbers. However, we are confident we will still be able to provide the quality program the community has come to expect once we get back into the day to day operations.

Other Board Action

None

Recommendations

If the Finance Committee is in agreement, the following motion is recommended for approval:

“MOVE that the Finance Committee recommend to the Town Council approval of a transfer of \$187,000 from the General Fund Unassigned Fund Balance to cover the anticipated FY 20 additional operating loss due to the impact of the COVID-19 pandemic.”

Attachments


Child Development FY 20 year end projections

Child Development Enterprise Fund

**TOWN OF WINDSOR
CHILD DEVELOPMENT ENTERPRISE FUND
STATEMENT OF REVENUES AND EXPENSES**

	FY 2019 Actual	FY 2020 - Adopted Budget	FY 2020 Monthly Average ~ Adopted budget divided by 12 ~	FY 2020 Year End Projections												FY20 Projection vs FY20 Adopted Budget	
				Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Oct-19 Actual	Nov-19 Actuals	Dec-19 Actuals	Jan-20 Actuals	Feb-20 Actuals	Mar-20 Actuals	Apr-20 Actuals	May-20 Projection	Jun-20 Projection		Total FY 20 YTD
Operating Revenue:																	
Charges For Services	1,110,238	1,114,190	92,849	92,227	94,132	93,216	89,041	89,844	90,213	93,036	93,168	51,282	-	1,400	16,001	803,560	(310,630)
Other Revenues	823	5,120	427	-	-	1,471	1,400	1,400	1,894	1,705	1,150	550	-	-	-	9,570	4,450
Total Operating Revenue	1,111,061	1,119,310	93,276	92,227	94,132	94,687	90,441	91,244	92,107	94,741	94,318	51,832	-	1,400	16,001	813,130	(306,180)
Non-Operating Revenue:																	
Donations	-	-	-	-	-	-	-	-	-	-	-	1,379	-	-	1	1,380	1,380
Interest Income	8,351	4,400	367	487	450	400	297	503	494	522	515	489	312	100	81	4,650	250
Total Non-Operating Revenue	8,351	4,400	367	487	450	400	297	503	494	522	515	1,868	312	100	82	6,030	1,630
Total Revenue	1,119,411	1,123,710	93,643	92,714	94,582	95,087	90,738	91,747	92,601	95,263	94,833	53,700	312	1,500	16,083	819,160	(304,550)
Operating Expenses:																	
Personal Services	897,886	949,520	79,127	85,177	80,246	72,373	77,112	73,912	70,969	79,583	71,311	73,795	73,040	36,500	56,992	851,010	98,510
Payroll Weeks	52.0	52.4		4.6	4.4	4.2	4.6	4.2	4.4	4.6	4.0	4.4	4.4	4.2	4.4	-	
Supplies	18,907	19,600	1,633	180	1,085	2,067	1,527	59	929	1,048	859	582	75	5,600	5,589	19,600	(0)
Services	36,761	56,820	4,735	9,787	4,195	6,246	4,869	3,115	1,478	816	2,820	2,765	1,347	1,500	7,882	46,820	10,000
Marketing Expenses	7,446	8,000	667	-	125	-	2,154	-	500	(500)	-	75	131	250	1,265	4,000	4,000
Maintenance & Repairs	11,105	18,500	1,542	225	830	830	830	830	1,707	1,594	1,083	1,668	1,953	4,000	2,950	18,500	-
Capital Outlay	904	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy & Utility	16,340	22,590	1,883	111	244	1,935	578	1,408	1,810	1,554	1,792	1,626	1,315	2,300	2,327	17,000	5,590
Administrative Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	118,830	118,830	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,903	9,897	118,830	-
Other (Bad Debt)	6,905	3,000	250	-	-	-	-	48	-	-	-	-	-	-	3,002	3,050	(50)
Total Operating Expenses	1,115,084	1,196,860	99,738	105,383	96,628	93,354	96,973	89,275	87,296	93,998	87,768	90,414	87,764	60,053	89,904	1,078,810	118,050
Non-Operating Expenses:																	
Depreciation	1,000	1,000	83	83	83	83	83	83	83	83	83	83	83	83	87	1,000	-
Total Non-Operating Expenses	1,000	1,000	83	83	83	83	83	83	83	83	83	83	83	83	87	1,000	-
Total Expenses	1,116,084	1,197,860	99,822	105,466	96,711	93,437	97,056	89,358	87,379	94,081	87,851	90,497	87,847	60,136	89,991	1,079,810	118,050
Annual Income/(Loss)	3,327	(74,150)	(6,179)	(12,752)	(2,129)	1,650	(6,318)	2,389	5,222	1,182	6,982	(36,797)	(87,535)	(58,636)	(73,908)	(260,650)	(186,500)
Net Position (Deficits), Beginning of Year/Month	398,352	343,942		401,679	388,927	386,798	388,448	382,130	384,519	389,741	390,923	397,905	361,108	273,573	214,937		
Net Position (Deficits), End of Year/Month	\$ 401,679	\$ 269,792		\$ 388,927	\$ 386,798	\$ 388,448	\$ 382,130	\$ 384,519	\$ 389,741	\$ 390,923	\$ 397,905	\$ 361,108	\$ 273,573	\$ 214,937	\$ 141,029		
Subtract capital assets in Net Position	(7,000)	(6,000)							(6,000)						(6,000)		
Unrestricted Net Position (Deficits)	\$ 394,679	\$ 263,792							\$ 383,741					\$ 135,029			

Agenda Item Summary

Date: June 8, 2020
To: Members of the Finance Committee
Prepared By: Cheryl Rosenbaum, Caring Connection Manager
Reviewed By: Peter Souza, Town Manager 
Subject: FY 20 Year-End Projections

Background

The FY 20 adopted budget included \$114,770 in General Services funding for the Caring Connection. On April 6, 2020, the Town Council approved the transfer of \$55,000 from the General Fund Unassigned Fund Balance to cover a projected additional operating loss. The Caring Connection projects the FY 20 end of year loss to be approximately \$145,700.

Discussion/Analysis

The revenues at the Caring Connection are census driven and COVID-19 had a significant impact on its operations as in-person programs were closed starting March 19, 2020. Revenues for the year are projected to be \$126,980 under budget. The revenue loss due to the Caring Connection's closure was mitigated by revenue received from CCCI clients who are being serviced through wellness checks and meal delivery. Expenditures are forecast to be \$96,050 less than budget. These savings are primarily a result of furloughing part-time staff, a partial reassignment of the nursing position to the Health Department to assist in COVID-19 response and reduced transportation costs. The net effect of the revenue loss offset by the expenditure savings resulted in a projected additional loss of \$30,930 for FY 20. No additional transfers are needed at this time due to the previous transfer in April.

Looking towards FY 21, the Caring Connection is beginning to plan for a new norm to continue the privilege of serving the frail elders of Windsor and the surrounding communities. The program model will largely be dictated by State reopening guidelines and national best practices.

Other Board Action

None

Recommendations

This report is presented for informational purposes only.

Attachments


FY 20 Caring Connection Year End Projections

Caring Connection
Enterprise Fund

TOWN OF WINDSOR
CARING CONNECTION ENTERPRISE FUND
STATEMENT OF REVENUES AND EXPENSES

	FY 2019 Actual	FY 2020 - Adopted Budget	FY 2020 Monthly Average ~ Adopted budget divided by 12 ~	FY 2020 Actuals & Year End Projections (Assumption IF closed thru 6/30/20)												FY 20 Projection vs FY20 Adopted Budget	
				Jul-19 Actual	Aug-19 Actual	Sep-19 Actual	Oct-19 Actual	Nov-19 Actual	Dec-19 Actual	Jan-20 Actual	Feb-20 Actual	Mar-20 Actual	Apr-20 Actual	May-20 Projection	Jun-20 Projection		Total FY 20 YTD
Operating Revenue:																	
Charges For Services	295,352	334,000	27,833	23,035	22,592	21,905	26,182	20,259	18,688	24,261	21,999	9,720	8,183	8,830	10,066	215,720	(118,280)
Other Revenues	19,917	26,000	2,167	-	-	2,856	1,509	980	5,173	2,771	2,985	(1,869)	985	250	250	15,890	(10,110)
Total Operating Revenue	315,269	360,000	30,000	23,035	22,592	24,761	27,691	21,239	23,861	27,032	24,984	7,851	9,168	9,080	10,316	231,610	(128,390)
Non-Operating Revenue:																	
Donations	3,525	2,000	167	-	-	-	3,000	200	25	-	-	-	-	-	5	3,230	1,230
Interest Income	356	300	25	55	50	37	88	60	53	55	41	16	13	10	2	480	180
Total Non-Operating Revenue	3,881	2,300	192	55	50	37	3,088	260	78	55	41	16	13	10	7	3,710	1,410
Total Revenue	319,150	362,300	30,192	23,090	22,642	24,798	30,779	21,499	23,939	27,087	25,025	7,867	9,181	9,090	10,323	235,320	(126,980)
Operating Expenses:																	
Personal Services	249,813	263,210	21,934	22,925	17,865	16,488	20,320	18,423	19,333	19,596	17,059	17,418	17,219	15,000	15,904	217,550	45,660
<i>Payroll Weeks</i>	<i>52.0</i>	<i>52.4</i>														-	
Supplies	10,342	12,650	1,054	789	318	413	813	562	1,306	684	866	400	832	100	1,407	8,490	4,160
Services	36,037	41,700	3,475	378	759	920	3,000	3,495	1,221	2,293	1,438	3,076	8,122	2,950	1,928	29,580	12,120
Marketing Expenses	9,455	8,000	667	-	1,542	171	3,631	-	1,265	43	615	466	138	60	69	8,000	-
Energy & Utility	3,337	3,600	300	-	250	320	405	445	280	163	402	162	419	360	364	3,570	30
Administrative Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	69,090	69,090	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,758	5,752	69,090	-
Transfer Payment to GF Transportation U	71,680	76,080	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	6,340	(21,400)	-	42,000	34,080
Other (Bad Debt)	3,641	1,000	83	-	-	-	-	-	-	-	-	-	-	-	1,000	1,000	-
Total Operating Expenses	453,395	475,330	39,611	36,190	32,832	30,410	40,267	35,023	35,503	34,877	32,478	33,620	38,828	2,828	26,424	379,280	96,050
Non-Operating Expenses:																	
Depreciation	2,199	1,740	145	145	145	145	145	145	145	145	145	145	145	145	145	1,740	-
Total Non-Operating Expenses	2,199	1,740	145	145	145	145	145	145	145	145	145	145	145	145	145	1,740	-
Total Expenses	455,594	477,070	39,756	36,335	32,977	30,555	40,412	35,168	35,648	35,022	32,623	33,765	38,973	2,973	26,569	381,020	96,050
Annual Income/(Loss)	(136,443)	(114,770)	(9,564)	(13,245)	(10,335)	(5,757)	(9,633)	(13,669)	(11,709)	(7,935)	(7,598)	(25,898)	(29,792)	6,117	(16,246)	(145,700)	(30,930)
Net Position (Deficits), Beginning of Year/Month																	
	64,289	-		4,346	105,871	95,536	89,779	80,146	66,477	54,768	46,833	39,235	13,337	38,545	44,662		
Transfer In - Gen Fund General Svs Budge	76,500	114,770		114,770									55,000				
Net Position (Deficits), End of Year/Month	\$ 4,346	\$ -		\$ 105,871	\$ 95,536	\$ 89,779	\$ 80,146	\$ 66,477	\$ 54,768	\$ 46,833	\$ 39,235	\$ 13,337	\$ 38,545	\$ 44,662	\$ 28,416		
Subtract capital assets in Net Position	(1,929)	(1,740)															(1,740)
Unrestricted Net Position (Deficits)	\$ 2,417	\$ (1,740)															\$ 26,676



Date: June 8, 2020
To: Members of the Finance Committee
From: Peter Souza, Town Manager 
Subject: Projected FY20 4th Quarter Reports for the TSEF and LEF

Attached are the Quarterly Financial Projections for the Transfer Station Enterprise Fund and the Landfill Enterprise Fund which cover the 4th quarter of FY 20.

Transfer Station Enterprise Fund - FY 2020 4th Quarter Projected Results

For Total Revenue, the Transfer Station Enterprise Fund expects to receive \$295,037 for fiscal year 2020. This was primarily from permit fees, as well as fees for bulky and yard waste deliveries from residents. These and other revenues for the fiscal year are shown in the column entitled: "YTD Results."

Year-to-date Total Operating Expenses of \$238,527 are shown in the same column. The largest budgeted expenses are for the transfer and disposal of wastes delivered to the Transfer Station by residents. Construction and demolition wastes (C&D) brought to the Transfer Station by residents was disposed within the landfill until March, which reduced the costs for this line item by approximately \$51,000. Since then, these wastes have been hauled offsite like other waste materials.

Other notable variances on the attached report are explained as follows:

- C&D Revenues: Over budget by \$23,552 – Intake tonnage for C&D wastes was up during the fourth quarter; presumably due to an increase in "stay-at-home" projects related to the COVID-19 environment. It is impossible to know at this time whether or not this is a "real" increase in wastes being generated due to new "stay-at-home" projects, or simply a shift in the normal annual waste trends due to the pandemic.
- Sale of Scrap Metal and Recyclables: Under budget by \$7,906 – This deficit is due primarily to the falling value of scrap metal in the marketplace. When the current budget was created in spring of 2019, the value of scrap hovered around \$150 per ton. With the exception of a small "bump" upwards in January, the price continued to drop from \$120 down to \$60 per ton from last July until this past April. Scrap metal continues to prove itself to be a very "dynamic" commodity.
- Capital Expense: A new safety railing was installed inside the transfer station based upon the results of a recent regulatory inspection. Subsequent concerns voiced by several transfer station customers has given us reason to pause and re-evaluate the impact of the installation of a MSW compactor on our customers. Concerns relate to ease of depositing trash

materials into a rather small chute on the compactor unit as compared to the current lengthy tipping floor. Until customer impacts can be fully weighed against the potential economic benefits of such an installation, the capital funds in the FY 20 budget will remain unspent, which results in a variance of \$39,110 on this line item.

The Annual Operating Income (where revenues and expenses are considered together) earned by the Transfer Station Enterprise Fund is projected to be \$56,509 for fiscal year 2020. Adding this to the existing retained earnings creates an estimated total of \$537,594 at the end of FY 2020.

Landfill Enterprise Fund – FY 2020 4th Quarter Projected Results

For Total Revenue, the Landfill Enterprise Fund expects to receive \$686,972 for the fiscal year. This estimate is comprised of \$380,000 in interest income and \$306,972 from the State DEEP Reimbursement Grant for expenses related to landfill closure costs.

Total Expenses of \$1,402,929 were primarily related to the closure and capping of the landfill. The three major components of this expense are Personnel (\$419,730), Contractual Services (\$355,429), and Supplies (\$391,718) expenses.

As shown in the row entitled: Annual Operating Income, the Landfill Enterprise Fund expects to expend more than it receives by \$715,957 for Fiscal Year 2020. This scenario is anticipated for subsequent years, and is also reflected in the FY 21 adopted budget.

Some of the notable variances on the attached report are as follows:

- Maintenance & Repairs: under budget by \$95,540, due to the ability to extend the intervals for two major maintenance items, bulldozer undercarriage work and the purchase of a set of tires for our Volvo Loader. Both expenses are expected to occur within FY 21 and are included in the approved FY 21 budget.
- Contractual Services: under budget by \$103,041. The early snows of last Fall led to a slightly-shortened construction season in 2019. That, in addition to small delays related to the COVID environment this spring, have resulted in a reduced need for engineering capping support (“quality control”) and a related savings.
- Supplies: under budget by \$386,582 primarily due to our ability to manufacture topsoil ourselves over the mild winter and during the timeframe when staffing was staggered due to COVID-19 concerns. That, in addition to having a small stockpile of topsoil still available from FY19, negated the need to purchase this material in FY 20.

At the bottom, left side of the report is a figure of: \$24,049,020, which was the Retained Earnings of the Landfill Enterprise Fund at the end of FY 2019. With a projected \$715,957 annual operating loss for FY 2020, the balance of the Retained Earnings of the enterprise fund at the end of the year is expected to be approximately \$23,333,063, as shown at the bottom, right side of the report. This amount will continue to be used for landfill closure and capping expenses, as well as on-going post-closure expenses at the site.

Landfill
Enterprise Fund

RESIDENTIAL TRANSFER STATION QUARTERLY REPORT - 4th Quarter Projections - FY 2020

Period: April 1, 2020 to June 30, 2020

REVENUES	FY 2020 ADOPTED BUDGET	FY 2020 Data						Previous Fiscal Year - 2019	
		4th QTR Target	4th QTR Projected Results	YTD Target	YTD Projected Results	YTD vs YTD Target Variance (T & \$)	YTD vs YTD Target Variance (%)	4th QTR	YTD 4 Quarters
BULKY REVENUES									
Construction & Demolition Debris	\$ 122,410	\$ 40,803	\$ 48,379	\$ 122,410	\$ 145,962	\$ 23,552	119.2%	40,506	127,081
Oversized Wastes (couches, chairs, etc)	\$ 11,800	\$ 3,933	\$ 3,215	\$ 11,800	\$ 12,395	\$ 595	105.0%	3,435	11,625
MSW REVENUES									
Permit Fees	\$ 51,250	\$ 35,875	\$ 13,540	\$ 51,250	\$ 49,585	\$ (1,665)	96.8%	13,370	48,880
Side Window Transactions	\$ 22,870	\$ 5,718	\$ 5,767	\$ 22,870	\$ 20,035	\$ (2,835)	87.6%	4,744	18,191
SALE OF RECYCLABLES (metal, CC)	\$ 19,520	\$ 4,880	\$ 1,667	\$ 19,520	\$ 11,614	\$ (7,906)	59.5%	4,806	23,656
CURBSIDE RECYCLING REBATE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
NON-DISPOSED MATLS (tires, prop, cfcs, etc)	\$ 8,400	\$ 2,100	\$ 5,782	\$ 8,400	\$ 8,449	\$ 49	100.6%	2,055	7,290
YARD WASTES & BRUSH	\$ 15,120	\$ 5,040	\$ 14,083	\$ 15,120	\$ 27,997	\$ 12,877	185.2%	10,808	21,716
RECYCLING ADMIN PAYMENT	\$ 11,000	\$ -	\$ 0	\$ 11,000	\$ 11,000	\$ -	100.0%	\$ -	11,000
INTEREST EARNINGS	\$ 8,400	\$ 2,100	\$ 2,137	\$ 8,400	\$ 8,000	\$ (400)	95.2%	3,021	8,173
TOTAL: REVENUES	\$ 270,770	\$ 100,449	\$ 94,571	\$ 270,770	\$ 295,037	\$ 24,267	109.0%	\$ 82,745	\$ 277,612
OPERATING EXPENSES									
Personnel Services	\$ 72,790	\$ 18,198	\$ 19,641	\$ 72,790	\$ 72,790	\$ -	100.0%	19,067	70,944
Supplies	\$ 4,200	\$ 1,050	\$ 3,096	\$ 4,200	\$ 8,924	\$ (4,724)	212.5%	3,146	4,934
Services & Other Wastes	\$ 29,030	\$ 7,258	\$ 11,038	\$ 29,030	\$ 39,676	\$ (10,646)	136.7%	9,333	24,379
Services - MSW T&D	\$ 50,520	\$ 12,630	\$ 41,011	\$ 50,520	\$ 59,087	\$ (8,567)	117.0%	19,523	55,667
Services - Bulky & Oversized T&D	\$ 98,550	\$ 24,638	\$ 13,107	\$ 98,550	\$ 47,404	\$ 51,146	48.1%	7,062	12,457
Capital Outlay	\$ 39,110	\$ 39,110	\$ -	\$ 39,110	\$ -	\$ 39,110		-	-
Energy & Utility	\$ 12,740	\$ 1,274	\$ 1,300	\$ 12,740	\$ 10,647	\$ 2,093	83.6%	4,243	13,478
TOTAL: OPERATING EXPENSES	\$ 306,940	\$ 104,157	\$ 89,193	\$ 306,940	\$ 238,527	\$ 68,413	77.7%	\$ 62,375	\$ 181,859
ANNUAL OPERATING INCOME / (LOSS)	\$ (36,170)	\$ (3,707)	\$ 5,378	\$ (36,170)	\$ 56,509	\$ 92,679	-156.2%	\$ 20,370	\$ 95,753

Adopted End of Yr Retained Earnings \$ 423,471

Actual Retained Earnings (June 30, 2019) \$ 481,084

\$ 537,594 Projected Retained Earnings (6/30/20)

LANDFILL QUARTERLY REPORT - 4th Quarter Projections - FY 2020

Period: April 2020 to June 2020

	FY 2020 ADOPTED BUDGET	FY 2020 Data						Previous Fiscal Year - FY 2019	
		4th Quarter Target	4th Quarter Projected Results	YTD Target	YTD Projected Results	YTD vs YTD Target Variance (T & \$)	YTD vs YTD Target Variance (%)	4th Quarter	YTD 4 Quarters
		Operating Revenue							
Permits & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
CT DEEP Reimbursement Grant	\$ 324,000	\$ -	\$ 306,972	\$ 324,000	\$ 306,972	\$ (17,028)	94.7%	\$ 309,679	\$ 309,679
TOTAL OPERATING REVENUE	\$ 324,000	\$ -	\$ 306,972	\$ 324,000	\$ 306,972	\$ (17,028)		\$ 309,679	\$ 309,679
Non-Operating Revenue									
Interest Income	\$ 375,000	\$ 93,750	\$ 97,332	\$ 375,000	\$ 380,000	\$ 5,000	101.3%	\$ 133,184	\$ 416,004
TOTAL REVENUE	\$ 699,000	\$ 93,750	\$ 404,304	\$ 699,000	\$ 686,972	\$ (12,028)	98.3%	\$ 442,862	\$ 725,682
Operating Expenses									
Administrative Overhead	\$ 50,000	\$ 12,500	\$ 12,500	\$ 50,000	\$ 50,000	\$ -	100.0%	\$ 12,500	\$ 50,000
Personnel Services	\$ 454,560	\$ 113,640	\$ 116,803	\$ 454,560	\$ 419,730	\$ (34,830)	92.3%	\$ 107,095	\$ 396,726
Maintenance & Repairs	\$ 179,000	\$ 44,750	\$ 62,072	\$ 179,000	\$ 83,460	\$ (95,540)	46.6%	\$ 24,385	\$ 7,750
Energy & Utility	\$ 36,240	\$ 9,060	\$ 8,370	\$ 36,240	\$ 32,353	\$ (3,887)	89.3%	\$ 10,868	\$ 29,023
Contractual Services	\$ 458,470	\$ 114,618	\$ 169,958	\$ 458,470	\$ 355,429	\$ (103,041)	77.5%	\$ 147,781	\$ 710,806
Supplies	\$ 778,300	\$ 194,575	\$ 190,328	\$ 778,300	\$ 391,718	\$ (386,582)	50.3%	\$ 279,022	\$ 419,138
Grants & Contributions	\$ 3,000	\$ 750	\$ 0	\$ 3,000	\$ 3,000	\$ -	100.0%	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
Insurance Premium & Permit Fees	\$ 31,500	\$ -	\$ 0	\$ 31,500	\$ 31,500	\$ -	0.0%	\$ -	\$ 30,705
Total: Operating Expenses	\$ 1,991,070	\$ 489,893	\$ 560,032	\$ 1,991,070	\$ 1,367,189	\$ (623,881)	68.7%	\$ 581,652	\$ 1,644,147
Non-Operating Expenses (includes Depr)	\$ 26,700	\$ 6,675	\$ 35,740	\$ 26,700	\$ 35,740	\$ (9,040)	133.9%	\$ 37,053	\$ 37,053
TOTAL: EXPENSES	\$ 2,017,770	\$ 496,569	\$ 595,772	\$ 2,017,770	\$ 1,402,929	\$ (614,841)	69.5%	\$ 618,705	\$ 1,681,201
Annual Operating Income/(loss)	\$ (1,318,770)	\$ (402,819)	\$ (191,468)	\$ (1,318,770)	\$ (715,957)	\$ 602,813	54.3%	\$ (175,842)	\$ (955,519)

Adopted End of Yr Retained Earnings: (07/01/20) \$ 22,397,553

Actual Retained Earnings - start of FY 2020 (From June 30, 2019 CAFR) \$ 24,049,020

PROJECTED Net Annual Operating Income - YTD - (6/30/20) \$ (715,957)

PROJECTED Final LEF Balance - 6/30/20 23,333,063



**TOWN OF WINDSOR
FINANCE COMMITTEE
MARCH 23, 2020**

UNAPPROVED MINUTES

1. CALL TO ORDER

Deputy Mayor Joseph McAuliffe, Chair of the Finance Committee, called the meeting to order at 5:30 p.m. with Councilor Lisa Bress and Councilor Donald Jepsen present.

Staff Present: Peter Souza, Town Manager; Scott Colby, Assistant Town Manager; Jim Bourke, Finance Director; Linda Collins, Assistant Finance Director

2. PUBLIC COMMENT

None.

3. UPDATE ON FISCAL YEAR 2021 BUDGET PREPARATION

Town Manager Peter Souza reported that the pre-COVID-19 goal was to get the Town Council the full budget document by March 27. He said that the new target date is by Friday April 3, or sooner if possible.

Town Manager Peter Souza gave an overview of the item as follows:

Revenues

There is a possibility that the Grants for Municipal Projects category could be higher than the Governor's proposed amount by approximately \$390,000 as the bond package recently approved by the General Assembly includes additional funds for this municipal aid grant. At this time, the State Bond Commission has not given final approval. There is a possibility they will make that decision in April. Given the degree of uncertainty as to the timing and likelihood of Bond Commission approval, the additional dollars are not included in the General Fund revenue projections for FY 21.

Deputy Mayor McAuliffe asked when the state typically announces the bonding. Town Manager said that usually occurs approximately around the same time as when the Governor's proposed budget is announced. However, it was delayed this year due to the General Assembly discussions on the transportation bill and highway tolls.

Interest Income

We are proposing to decrease interest earnings by \$800,000 from the FY 20 adopted budget of \$1,100,000. This is due to current and potential future interest rate decreases with our primary banking relationships resulting from the recent Federal Reserve federal funds rate reduction. We are anticipating to achieve a blended interest rate of approximately 0.50% for FY 21 as compared to 2.00% in the adopted FY 20 budget.

Grand List

The October 2019 net grand list increased in value by 1.46% as compared to October 2018. This increase in assessed value is largely the result of new construction at Great Pond and the Verizon facility on Pigeon Hill Road, as well as incremental increases in Amazon and Windsor Station real estate values. Cigna, Aetna and Eversource all made significant reinvestments in personal property. After accounting for other adjustments, such as elderly exemptions, tax appeals to Board of Assessment Appeals and CT Superior Court, the net change in taxable value used to calculate the mill rate is up 1.4% as compared to FY 20.

Councilor Bress asked about the Alliance portions of the ECS sharing grant, and if the grant expenditures are reflected in the Board of Education budget. Town Manager Souza stated that they do.

Councilor Bress asked how are funds distributed in investments and are CD's effected in the same way as other investments. Finance Director Jim Bourke said that based on the town's policy the idle cash can only be invested in certain investments that are low-risk. CD's are as far as we can go with risk. The town's bank typically will decrease their rates consistent with that of the Fed guidance. We anticipate that in FY 21 our CD's will not renew at the same rate as they are earning now, based on trend and a conservative estimate.

Councilor Bress asked if some of the non-tax revenues such as recreation fees and rental of town properties are going to be affected by what is happening as a result of the COVID virus. Town Manager Souza said no. He added that most recreation program fees go into a special revenue funds versus the general fund.

Deputy Mayor McAuliffe asked if there are any anticipated revenue losses or increased expenditures resulting from the COVID virus. Town Manager Souza said that we do not anticipate any significant reductions in the short term in revenues. He also stated that recovery of households and businesses may impact future program fees. He added that he does not anticipate any significant costs based on the COVID virus and that the town is accommodating employees needs over the next 45 days.

Pension

One of the primary expenditure drivers are costs related to the Town's various retirement plans. We are projecting an overall increase of \$669,770 for these plans. Of that amount, just over \$540,000 is attributable to the Town's defined benefit plan. The defined benefit plan was originally anticipated to increase approximately \$180,000, however, we will be implementing new mortality tables for FY 21 and this increases the actuarially required contribution considerably. The implementation of the new mortality table is consistent with

actuarial standards of best practice for defined benefit retirement plans and is recommended by the town's actuary.

Councilor Bress asked how many employees are on the defined benefit plan versus the defined contribution plan. Town Manager Peter Souza said that there are more on the defined benefit plan and this plan has been closed to new employees since 2011. He stated that there are approximately 45 employees on the defined benefit plan. Mr. Bourke added that there are approximately 180 general government employees on the defined benefit plan. The Board of Education non-certified employees are on the defined benefit plan and it is closed to their new employees as well. The police and the BOE certified employees are on state plans.

Councilor Bress asked if life expectancy is really rising, because she hears differently. She referenced the younger generations, such as millennials. Town Manager Souza said that the town's actuary, Milliman, is implementing new mortality tables that are used on an industry-wide level. He also stated that most of the defined benefit participants are generally older, and this is the population that is projected to have greater longevity.

Councilor Bress asked if we found ourselves with a need to tighten the budget this upcoming year, could we phase the impact of the assumptions in more slowly over several years. Town Manager Souza did ask Milliman for a couple scenarios, none went beyond two years. Taking the full impact all at once is based on best practices with what they've seen with municipalities and private businesses.

Teachers Retirement Contribution

The Governor's proposed FY 21 budget does not call for cities and towns to pay a portion of the teacher retirement liability. However, this is still a very large expense for the State and is expected to grow annually. The town needs to continue to be cognizant of the possibility of the State shifting a portion of the liability to cities and towns in the future.

Windsor Volunteer Ambulance

At this time, the draft budget does not include an increase in the contribution to Windsor Volunteer Ambulance (WVA). It is staff's recommendation that an increase in the contribution for WVA be considered as a future supplemental appropriation from the General Fund Unassigned Fund Balance.

Deputy Mayor McAuliffe asked how the bids would work to go out for an RFP for Analytical Services related to WVA operations. Would it still be a budget line item for the town? Town Manager Souza said South Windsor has a minimal amount they contribute and Avon has the same model. He went on to say that he has started researching this but his attention had to turn towards dealing with the ramifications of the COVID virus. He added that staff would be looking at the services provided in the other towns from a citizen's stand point, and that we may want to test the waters during the first half of the fiscal year which would give time for Council and staff to evaluate the options.

Councilor Bress asked what appropriation might be needed to go beyond the minimum service level. Town Manager Souza said it could be as high as \$350,000 to staff another ambulance and bring on additional staff. Terrence Greaves, the Windsor Volunteer Ambulance's President, added that they are in the process of up staffing, 2 full time ambulance staff during the day, 3rd shift is staffed by part timers and EMTs. At night there is one scheduled. They would move resources around and the budget submitted has enough funding to do so.

Councilor Bress asked if staffing is needed quickly due to the COVID pandemic, can it be done? Town Manager Souza said it depends on what the market is for staff, and the needs of an additional ambulance. Terrence Greaves added that they are making it work right now and they are not anticipating a significant increase in calls for transports.

Asset management

With a wide variety of assets ranging from fire apparatus to buildings to roads, it is important to continue to reinvest through 'pay as you go' funding as well as in long-term financing. The FY 21 proposed budget will continue our reinvestment levels via 'pay as you go' funding.

Based on overall projected expenditures and revenues (including an assumption General Fund State Aid will be essentially level-funded with FY 20) the current mill rate of 32.38 mills would increase approximately 2.96%. The budget generally maintains the same level of services, but also includes some part time monies for unregistered vehicle disposal. Monies are also included for taking on additional utilities and maintenance costs for the new Public Safety complex. If the additional state aid is budgeted, the proposed mill rate would change by 2.6% over FY 20's mill rate.

Councilor Jepsen asked if it is a one time bond issue that will cause a larger gap in the future. Town Manager Souza said that he does not have a good sense for that yet.

Councilor Jepsen asked what Governor Lamont's executive order entails. Town Manager Souza said that it changes the ways a municipality adopts a budget, but it's still a local decision. It requires opportunity for public comment and input but no vote, and also allows for extensions on deadlines.

Deputy Mayor McAuliffe asked what the monetary impact is of keeping the taxes level and at the same time maintaining the same level of services.

Town Manager Souza said we would have to reduce the expenditures by about \$2.5M.

4. STAFF REPORTS

Town Manager Souza mentioned that the municipal bond market is somewhat unstable right now. The market place may settle down by June when the town anticipates to issue bonds.

He indicated that time is needed ahead of the bond sale to prepare the Official Statement and rating agency materials.

5. APPROVAL OF MINUTES

MOVED by Councilor Bress, seconded by Councilor Jepsen to approve the unapproved minutes of the January 27, 2020 meeting as presented.

Motion Passed 3-0-0

6. ADJOURNMENT

MOVED by Councilor Bress, seconded by Councilor Jepsen to adjourn the meeting at 6:42 p.m.

Motion Passed 3-0-0

Respectfully submitted by,

Linda Collins
Assistant Finance Director