



**TOWN OF WINDSOR  
FINANCE COMMITTEE  
VIRTUAL MEETING  
October 26, 2020**

**APPROVED MINUTES**

**1. CALL TO ORDER**

Deputy Mayor Joseph McAuliffe, Chair of the Finance Committee, called the meeting to order at 6:30 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; Kelly Barrett, Budget Analyst; Cheryl Rosenbaum, Caring Connection Manager; Laura Casey, Discovery Center & Montessori School Director; Enita Jubrey, Assistant to Town Manager, Paul Norris, Recreation Director

**2. PUBLIC COMMENT**

None.

**3. REVIEW OF FY 20 YEAR END UNAUDITED FINANCIALS**

Jim Bourke, Finance Director, stated that Revenues are favorable to budget by approximately \$2.2 million, including \$900,000 in Opening Cash.

Expenditures, including the Board of Education, saw a savings of approximately \$1.6 million or 1.4% as compared to the budget.

During the course of the year, the Town Council approved a total of \$743,000 in appropriations from the General Fund Unassigned Fund Balance.

The additional revenues, expenditure savings and use of fund balance resulted in an increase to the General Fund budgetary fund balance of approximately \$2.1 million. This figure includes the \$900,000 Opening Cash appropriation, which is not needed to balance the budget, as actual revenues exceeded actual expenditures during the year.

Councilor Jepsen asked if the rebate for the Sage School LED lighting is included in the FY 20 financials. James Bourke said that no it's not. It can be put back in the General Fund or Capital Project Fund when we get it.

Councilor Rampulla Bress asked if the Board of Education (BOE) is going to see the same type of savings in FY 21. Town Manager Souza stated that the FY 20 BOE savings was a result of a decrease in materials and supplies and utility costs and that it's hard to determine where FY 21 is headed.

#### **4. REVIEW OF FY 21 QUARTER FINANCIALS (GENERAL FUND, ADULT DAY CARE, CHILD DAY CARE)**

##### General Fund

James Bourke, Finance Director, stated the tax payment deferral program adopted by the Town Council that extended the payment deadline was taken advantage of by many taxpayers. The adopted budget for the current levy for FY 21 is \$102,182,330. This amount consists of the total of real estate, personal property and motor vehicle taxes due and payable for FY 21. As of September 30<sup>th</sup>, we collected approximately 96.0% of the current levy budgeted amount, as compared to 98.4% for the same time period last year.

- Licenses and Permits are 211.4% collected for the first quarter of this year as compared to 25.6% collected for the same period last year.
- Revenues from Use of Assets are 20.8% collected for the first quarter of this year versus 33.6% collected for the same period last year.
- Charges for Current Services is 35.0% collected this year as compared to 44.6% last year.
- State Grants in Lieu of Taxes reflect collections for the first quarter of 7.1% vs. 0.0% in the previous fiscal year.

FY 21 expenditures are comparable to the first quarter of FY 20, with a 0.9% difference between the two fiscal years (24.6% spent for FY 20 vs. 23.7% for FY 21).

- Information Services reflects 29.5% expended for the first quarter of the fiscal year versus 37.8% spent for the same time period last year.
- General Government reflects 49.2% expended in the first quarter of the fiscal year versus 46.9% for the same time period last year.
- Recreation and Leisure Services reflects 38.7% expended in the first quarter vs. 47.9% last year, and Human Services reflects 22.0% expended in the first quarter vs. 24.2% for the same time period last year.

Councilor Rampulla Bress asked if the tax deferral program had an effect on what was collected. Mr. Bourke said that as of right now, there was no negative impact.

Deputy Mayor McAuliffe asked if we saw a drop in interest income as a result of collecting revenues later. Mr. Bourke stated that it didn't really effect interest income since interest rates are so low.

Councilor Rampulla Bress asked about the late tax payment interest going back to July even though they are as late as October. Mr. Bourke said that this is based on state statutes.

Councilor Jepsen asked if businesses were eligible for the deferment. Town Manager Souza said that they are, but if they are a landlord, they had to fill out a form and attest that their impact was COVID-related.

Councilor Jepsen asked what the interest income percent is. Mr. Bourke said that it's below 0.15 percent.

### Adult Day Care

Cheryl Rosenbaum, Caring Connection Manager, stated the town budgeted for the Caring Connection to experience an \$114,770 operating loss in FY 20. The enterprise fund ended FY 20 with a \$127,140 unaudited loss which resulted in a net position of \$46,976 as of June 30, 2020. This includes the \$114,770 transfer from the General Fund General Services adopted budget and the \$55,000 transfer from the General Fund Unassigned Fund Balance that the Town Council appropriated on April 6, 2020.

- In the first three months of the FY 21 fiscal year, revenues were \$46,892. The FY 20 first quarter revenues totaled \$70,530. Therefore, revenues are trending \$23,638 lower than the same time period last year.
- The Caring Connection expenditures for FY 21 are \$19,377 less than the 1<sup>st</sup> quarter of FY 20.

### FY 2021

At this time, we anticipate \$100,065 less than budgeted revenues offset by the projected expenditure savings of \$33,590 as noted above. We project an end of fiscal year loss of \$189,325. That loss would be \$66,475 more than the \$122,850 loss projected in the FY 21 adopted budget.

Councilor Rampulla Bress said thank you for keeping committed to the community and for the marketing efforts. Based on the new clients and increased attendance, will this continue as a trend? Cheryl Rosenbaum stated that the unpopular options right now may continue to be unpopular.

Councilor Rampulla Bress asked if there were available grants to apply for. Town Manager Souza said that Ms. Rosenbaum looks for them and currently she is providing home meals. Ms. Rosenbaum added that she hasn't seen anything that they would be eligible for.

Councilor Jepsen asked how much more the Caring Connection would need from the General Fund for the annual loss anticipated. Town Manager Souza said approximately \$25,000 based on the projections as of today.

### Child Day Care

Laura Casey, Discovery Center & Montessori School Director, stated the town budgeted for the Discovery Center to experience a \$74,150 operating loss in FY 20. The enterprise fund ended FY 20 with a \$250,782 unaudited loss which resulted in a net position of \$337,897 at June 30, 2020.

The first three months of the FY 21 fiscal year revenues were \$177,507. The FY 20 first quarter revenues totaled \$282,383. Therefore revenues are trending \$104,876 lower than the same time period last year.

The Child Enterprise Fund expenditures for FY 21 are \$39,346 less than the 1<sup>st</sup> quarter of FY 20 or a 13.3% decrease. This is due primarily to decreased personnel costs and savings in contractual services as a result of field trip and bus service savings.

At this time, we project an end of fiscal year loss of \$403,210 for FY 21. The projected loss would leave the Child Enterprise Fund with a negative net position of \$65,314 at the end of the FY 21.

Deputy Mayor McAuliffe said that it's tough times. Councilor Rampulla Bress added that she commends Laura for the highbred program, for the creativity and for the partnership in making the program work and having adjusted to the new needs.

## **5. RECAP OF COVID IMPACT ON REVENUES AND EXPENSES**

Paul Norris, Recreation Director, stated the impact of the COVID-19 pandemic has impacted user fee revenues for a number of programs and increased expenses. There also are several grant initiatives that will help provide some financial relief. The purpose of this agenda item is to provide a high-level overview and context relative to revenue impacts and several grant activities that have occurred over the course of the last several months.

**Recreation Program** - at this time, the combined loss of revenue in these programs is estimated at approximately \$170,000.

**Grants Summary** - town staff has submitted a grant application to FEMA for reimbursement of expenditures related to such items as personal protective equipment, cleaning agents and sanitizers, information technology equipment, signage and barriers. The amount of the grant submission is approximately \$160,000 and a 75% FEMA reimbursement would be \$112,000 if all costs are deemed eligible by FEMA. Our application is still under review at this time.

**Unemployment Summary** - approximately 70 employees were placed in a furlough status during the spring of 2020 in response to certain programs being scaled back. Under the CARES the town is eligible to receive up to a 50% reimbursement on unemployment claims between March and December 2020. Approximately \$80,000 in unemployment claims were incurred prior to the end of FY 2020. The town has received the 50% reimbursement in the form of a credit toward future unemployment claims (COVID or non-COVID related claims).

Town Manager Souza stated that later in the Spring he would go to the Council to ask for approximately \$170,000 in lost revenues to be able to fund other programs that get funded through the lost sources. He went on to state that there are reserves available in the General Fund, but it's hard to say how FY 22 will fair.

Councilor Bress thanked the town staff for keeping the programs running at some capacity over the summer and for the virtual programs going on now.

Deputy Mayor added that he appreciates the programs going on at Northwest Park.

Councilor Jepsen asked when the athletic programs will resume. Paul Norris said that there may be a basketball program with limited players.

Town Manager Souza said that Paul is conscientious of raising revenues but safety at the same time.

Town Manager Souza added that overall we are in good shape and that he appreciates the Council's efforts to keep a reserve for times like this.

Deputy Mayor McAuliffe asked if there's any concerns with Windsor Volunteer Ambulance. Town Manager Souza said that they have somewhat stabilized and there is a meeting with them scheduled in November.

Councilor Rampulla Bress stated that the community is hurting and hopefully we can mitigate their hardships with the town's budget decisions.

## **6. STAFF REPORTS**

Town Manager Souza stated that we are in the last year of the 3 year contract with the auditors. The contract states that there is an option for two one year extensions.

Town Manager Souza also explained about the refunding process and where things are at.

He also went on to mention that In December the Finance Committee discusses the budget parameters and budget calendar.

## **7. APPROVAL OF MINUTES**

MOVED by Councilor Rampulla Bress, seconded by Councilor Jepsen, to approve the unapproved minutes of the June 8, 2020 meeting as presented.

Motion Passed 3-0-0

**8. ADJOURNMENT**

MOVED by Councilor Rampulla Bress, seconded by Councilor Jepsen, to adjourn the meeting at 8 p.m.

Motion Passed 3-0-0

Respectfully submitted by,

Linda Collins  
Assistant Finance Director