



**TOWN OF WINDSOR  
FINANCE COMMITTEE  
JUNE 12, 2023  
HYBRID MEETING**

**APPROVED MINUTES**

**1. CALL TO ORDER**

Councilor Ojala Naeem called the meeting to order at 6:01 p.m. with Councilor Ken Smith and Deputy Mayor Lisa Rampulla-Bress present.

Staff Present: Peter Souza, Town Manager; Scott Colby, Assistant Town Manager; Linda Collins, Assistant Finance Director; James Bourke, Finance Director; Enita Jubrey, Assistant to the Town Manager; Mark Goossens, Solid Waste Manager; Cheryl Rosenbaum, Caring Connection Manager; and Laura Casey, Discovery Center & Montessori School Director

**2. PUBLIC COMMENT - None**

**3. REVIEW OF FY 23 ENTERPRISE FUNDS' YEAR END FINANCIALS**

**Transfer Station Enterprise Fund**

Mr. Goossens stated for Total Revenues, the Transfer Station Enterprise Fund expects to receive \$341,210 for fiscal year 2023. This is primarily from fees for annual permits and disposal of bulky and yard waste deliveries from residents. These and other revenues for the fiscal year are shown in the column entitled: "YTD Projected Results."

Year-to-date Total Operating Expenses of \$352,755 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. With the exception of yard wastes and brush, all wastes must be hauled offsite to other facilities for processing.

The most notable variances on the attached report are explained as follows:

- Bulky Waste Revenues and Disposal Expense: Revenues are projected to come in approximately \$53,206 under budget and disposal expenses are projected to come in approximately \$47,433 under budget. These variances are both driven primarily by a significant decrease in the receipt of construction and demolition materials to pre-pandemic levels. With the decrease in intake tonnage revenues, comes a proportional decrease in the expense to dispose of those same tons.

The Annual Operating Income: With revenues projected to be \$341,210 and operating expenses expected to come in at \$352,755, the result is an \$11,545 projected operating loss

for FY23. When the \$4,981 expense related to our continued Organics Recycling Pilot Program is taken into consideration, the final result is a projected annual loss of \$16,526 to the Transfer Station Enterprise Fund for FY 23. These results are \$9,885 better-than-budgeted. Subtracting this projected result from the Retained Earnings at the beginning of the fiscal year yields a projected total of \$503,105 in retained earnings at the conclusion of FY 2023.

### **Landfill Enterprise Fund**

Mr. Goossens stated for Total Revenue, the Landfill Enterprise Fund expects to receive \$410,000 for the fiscal year. This estimate is comprised of \$310,000 in interest income and \$100,000 for the sale of a landfill trash compactor.

Total Expenses of \$1,495,685 are related to closure and capping of the landfill. The three major components of this expense are Personnel (\$486,786), Contractual Services (\$281,410), and Supplies (\$342,587) expenses.

As shown in the row entitled: Annual Operating Income, the Landfill Enterprise Fund expects to expend more than it receives by \$1,085,685 for fiscal year 2023. This scenario is reflected in the FY 24 adopted budget.

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

- Total Revenues: Expected to be under budget by \$321,540. This shortage is related to DEEP Reimbursement revenues, which were budgeted to be higher due to the reimbursement of wetlands-related expenses from a previously agreed-upon approach to address long-standing aesthetic concerns. This project has been delayed. Partially offsetting the shortfall was \$215,000 in additional interest earnings due to the higher-than-budgeted interest rates. The sale of an inactive landfill compactor for \$100,000 accounts for the remainder of the projected revenues for FY23.
- Contractual Services: Projected to be under budget by \$1,030,430. The FY23 approved budget included a \$900,000 expense for the installation of a horizontal, subsurface pipe within the wetlands. These costs will come in significantly under budget due to a subsequent change to the approach to our wetlands aesthetic-improvement project. Within the last year the CT DEEP has agreed to a revision in our plans toward a simpler, less intrusive, but equally effective method to address the aesthetic concerns within the wetlands that will result in significantly lower costs as well. Staff continues to work with the CT DEEP regarding the scope of this new approach at the time of this report.
- Supplies: Are projected to come in under budget by approximately \$108,413 because it was not necessary to purchase additional topsoil in FY23. Previously-stockpiled topsoil materials were sufficient to cover the portions of the landfill that were fully capped in FY23.



At the bottom, left side of the report is a figure of \$20,507,737, which was the Retained Earnings of the Landfill Enterprise Fund at the end of FY 2022. With a projected \$1,085,685 annual operating loss for FY 2023, the balance of the Retained Earnings of the enterprise fund at the end of the year is expected to be approximately \$19,422,052, 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.

Councilor Naeem asked if we have a timeline for the DEEP wetlands project. Mr. Goossens stated that CT DEEP and the EPA have mapped out a timeline to get the permitting done this fall. We envision that the work will take place over the course of the next three seasons to remove invasive species, some trenching, and mowing. There will also be less maintenance with this approach.

Deputy Mayor Bress asked if we residents can receive compost from the organic recycling. Mr. Goossens stated that we cannot at the moment as it is hauled off site. So we have no access to the byproduct as well. To date approximately fifty visitors each week utilize the organics recycling drop off.

**Milo Peck – Discovery Center**

Ms. Casey stated we had a successful year with full enrollment in all programs, except the afterschool elementary program. The afterschool program is slowly returning back to pre-COVID enrollment. We anticipate the afterschool elementary program will be at full capacity for the 2023-2024 academic year.

At this time, the Montessori program is close to being fully enrolled for the 2023-2024 school year with the newly added Primary classroom. The new classroom for 3-5 year olds is budgeted for 16 students. Currently there are 9 confirmed students enrolled, 3 students working on potty training and there are 4 available spaces. At this time we are contacting families from the waiting list to complete the admission process.

Our goal is to have full enrollment in all programs by July 31, 2023 for the 2023-2024 academic year. One of our challenges is finding qualified staff to work within our pay scale. Quality staff comes at a significantly higher cost.

The below table shows a recap of capacity versus enrollment:

Program	'22-'23 Capacity	Enrolled 1 <sup>st</sup> Quarter	Enrolled 2 <sup>nd</sup> Quarter	Enrolled 3 <sup>rd</sup> Quarter	Enrolled 4 <sup>th</sup> Quarter	'23-'24 Enrolled
Infants	8	8	8	8	8	8
Toddlers	16	16	16	16	16	16
Primary	60	58	60	60	60	69
Elementary	20	8	10	13	13	15

FY 23 revenues, which were budgeted at \$1,156,700, are now projected to be \$1,272,780, an increase of \$116,080. The FY 23 expenses, budgeted at \$1,333,340, are now projected to be



\$1,252,478. The savings is primarily due to personnel costs for the retirement of a longtime employee, a teacher assistant vacancy and a reduction in services, (field trips, buses had less kids enrolled for summer of 2022) specifically for summer of 2022. June spending is higher than previous months due to staffing, training and supply costs for the summer program, as well as maintenance and repairs.

The budgeted loss for FY 23 was \$176,640 and is now forecasted to be a gain of \$20,301. When OEC Ready, Set, Rebuild grant funds are factored in (used towards personnel costs and rent) the Unrestricted Net Position is projected to be \$301,263 on June 30, 2023 which is an increase of approximately \$90,000 over June 30, 2022.

Our current efforts are focused on the expansion of the Montessori Primary program with the additional classroom, building the waiting list with active interested families, hiring additional qualified staff and updating the website.

Councilor Naeem asked if we wanted to increase our capacity do we have enough space. Ms. Casey stated that there is some space for possibly an additional classroom but the ratio requirements would be a challenge.

### **Caring Connection**

Ms. Rosenbaum stated while program operations and revenues continued to be significantly impacted by the COVID-19 pandemic, fourth quarter activity has been encouraging. We continue to take various actions (remaining a “masked” facility) to ensure client and employee safety as well as continued provision of high quality services.

Census driven revenues at the Caring Connection began increasing in January with steady momentum through May. Monthly revenues from January through May have exceeded our projected revenues by approximately \$23,000. June is targeted to follow, as we expect to exceed projected revenues by approximately \$5,600.

Overall, our fourth quarter report is encouraging. FY 23 revenues were budgeted to be \$282,770 and by year end, we anticipate revenues to be \$319,545. Expenditures were budgeted to be \$419,780 and are projected to come in at \$428,286.

The forecasted net loss for FY 23 is (\$108,740), which is \$45,280 better than our original budgeted net loss of (\$137,010). The estimated retained earnings for June 30, 2023 is \$49,940.

The Caring Connection was recently awarded an additional \$20,000 NCAAA grant for Nurses’ Aides caring for clients diagnosed with dementia to be distributed by the end of FY 23. In the attached projections note that in June \$15,000 of that award is included in personal services and \$5,000 is included in supplies.

As noted during our April budget hearing, Adult Day Centers, certified by the Connecticut Association of Adult Day Services, are on target to receive State ARPA funds to help with the



losses suffered as a result of the COVID-19 pandemic. Hopefully more details will be available in coming month or so.

Marketing efforts continue to include a comprehensive marketing plan helping to broaden our customer base and spread the word about the Caring Connection. The second annual “Longest Day Concert” on the town green has been planned once again together with the Windsor Senior Center for Thursday, June 22<sup>nd</sup>.

One highlight of the program this year has been the inclusion of a Master’s candidate creative arts therapist shared with the Senior Center. I am happy to report that for FY 24, another similar arrangement is in place.

Deputy Mayor Bress inquired as to the plans for the grants. Ms. Rosenbaum stated that she spoken with other directors and they are planning to allocate this for transportation.

Councilor Smith inquired as to how many residents from Windsor participate and other communities are clients coming from. Ms. Rosenbaum stated that 58% of her clients are from Windsor. Her clients come from Bloomfield, Broad Brook, East Hartford, East Granby, Avery Heights, Suffield, and Enfield.

#### **4. REVIEW OF FY 23 GENERAL FUND YEAR END FINANCIALS**

Mr. Bourke stated revenues are projected to come in with a favorable variance of approximately \$6.8 million, which includes opening cash revenue of \$1.8 million. Positive revenue variances in excess of budget are building permits by \$3.5 million, interest income by \$1.1 million, general property tax collections by \$637,000, State aid by \$635,000, State grants in lieu of taxes by \$554,000 and conveyance fees by \$275,000.

Expenditures (including the Board of Education) are estimated to be approximately \$453,000 under budget, which is less than 1% of the FY 23 adopted budget. These savings are mainly due to vacant positions and employees on workers compensation or disability leave. Three service units are projected to be over budget and will require transfers. General Government is expected to be over budget by \$11,210 due to legal fees for workers compensation cases, Development Services by \$26,390 mostly due to personnel costs, and Town Support for Education by \$14,930 due to increase costs related to aid to private education. A transfer from the Safety Services budget is recommended to meet the overages in these service units.

During the course of the year, the Town Council approved appropriations from the General Fund unassigned fund balance totaling approximately \$1.1 million. These items consisted of \$380,000 to Windsor EMS for financial assistance, \$310,000 for design of the multi-use trail from Town Center to East Barber Street, \$140,000 for slab moisture mitigation at Sage Park Middle School, \$88,000 for an emergency generator at Wilson Firehouse, \$75,000 for on-line building permitting software and \$65,000 towards renovations for the Goslee Pool bathhouse.

Overall additional revenues, expenditure savings and appropriations from the fund balance are anticipated to result in an increase to the General Fund budgetary fund balance of approximately \$4.4 million. This does not include the \$1.8 million opening cash appropriation, which was not needed to balance the budget.

Deputy Mayor Bress inquired about where we are currently with American Rescue Funds. Mr. Bourke walked through some of the items that have been approved by the Town Council. Town Manager Souza also mentioned that approximately \$4M has been set aside for capital projects. This could likely go towards the Wilson Park if the town does not receive a Community Investment Fund grant.

Councilor Naeem asked if we anticipate any additional funds that be needed for the Goslee Pool project. Town Manager Souza stated that we are in good shape for that project.

## **5. REVIEW OF YEAR END TRANSFERS**

MOVED by Deputy Mayor Bress, seconded by Councilor Naeem 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.

Motion Passed 3-0-0

MOVED by Deputy Mayor Bress, seconded by Councilor Smith to recommend to the Town Council the approval of the following transfers to cover projected year-end deficits:

- \$11,210 from Safety Services to General Government
- \$26,390 from Safety Services to Development Services
- \$13,930 from Safety Services to Town Support for Education

Mr. Bourke stated the General Government service unit is projected to be over budget by \$11,210, which brings the FY 23 General Fund funding to the service unit to \$1,230,280 as opposed to the adopted budget of \$1,219,070. The main driver for this are additional costs associated with legal fees for workers compensation cases. It is recommended that a transfer of \$11,210 be made from the FY 23 Safety Services budget.

The Development Services service unit is projected to be over budget by \$26,390, which brings the FY 23 General Fund funding to the service unit to \$1,528,660 as opposed to the adopted budget of \$1,502,270. The main drivers for this are additional costs associated with wage adjustments related to market conditions, additional part-time coverage, vehicle repairs and vacation payout related to a retirement. It is recommended that a transfer of \$26,390 be made from the FY 23 Safety Services budget.

The Town Support for Education service unit is projected to be over budget by \$14,930, which brings the FY 23 General Fund funding to the service unit to \$5,829,910 as opposed to the



adopted budget of \$5,814,980. The main driver for this are higher costs associated with nursing services for Aid to Private Education. It is recommended that a transfer of \$14,930 be made from the FY 23 Safety Services budget.

At this time, there are no service units that are projected to need a year-end transfer by the Finance Director. However, we respectfully request that the Finance Committee recommend to the Town Council that the Finance Director be granted authorization to make year-end transfers of up to \$5,000 in the event a service unit exceeds the original budget authorization.

Councilor Smith commented on the repairs within building safety services.

Motion Passed 3-0-0

## **6. REVIEW OF YEAR END PURCHASE ORDERS**

MOVED by Deputy Mayor Bress, seconded by Councilor Smith that the Finance Committee recommend to the Town Council that the FY 23 General Fund year-end open purchase orders as presented on "Attachment A" be extended until October 16, 2023.

Mr. Bourke stated attached are FY 23 year-end purchase orders as of June 12, 2023 for the Finance Committee's review. When goods and services are not able to be received and paid for in the current fiscal year, purchase orders encumbering the funds for those goods or services must be extended into the upcoming fiscal year. By extending the purchase orders into the new fiscal year, the Town Council is formally extending budgetary authority for that item or service.

There are fourteen FY 23 General Fund open purchase orders totaling \$209,832 that are expected to be continued into FY 24. The list of these purchase orders is attached.

Councilor Smith asked if the extensions for public works were recent. Town manager Souza state that for one of them they wanted to see where the department's year end expenses were going to come in at while the other they were working on researching the specific needed for that piece of equipment.

Deputy Mayor Bress asked if the Holdsworth group has more work to do on the EMS Study. Town Manager Souza stated that they are currently working on this and are about 40% complete. It is anticipated to be completed by mid-summer.

Motion Passed 3-0-0

## **7. STAFF REPORTS**

Town Manager Souza provided information on the recent bond issuance for the Town of Windsor.



**8. APPROVAL OF MINUTES**

MOVED by Deputy Mayor Bress, seconded by Councilor Smith, to approve the unapproved minutes of the March 29, 2023 meeting as presented.

Motion Passed 3-0-0

**9. ADJOURNMENT**

MOVED by Deputy Mayor Bress, seconded by Councilor Smith, to adjourn the meeting at 6:49 p.m.

Motion Passed 3-0-0

Respectfully submitted by,

Scott Colby  
Recording Secretary