

# TOWN OF WINDSOR, CONNECTICUT

## Special Meeting Notice



**AGENCY:** Finance Committee

**DATE:** February 12, 2024

**TIME:** 4:00 PM

**PLACE:** Hybrid meeting - via Zoom and In-person at Town Hall in Ludlow Room

**Dialing in by Phone Only:**

1. Please call: **312 626 6799 or 646 558 8656**
2. When prompted for participant or meeting ID enter: **862 3751 0883**
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/86237510883>

When prompted for participant or meeting ID enter: **862 3751 0883**

1. 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.

## **AGENDA**

1. Call to Order
2. Public Comment
3. \*Presentation of FY 23 Audit
4. \*Review of FY 24 Enterprise Funds Second Quarter Financials
5. \*Review of FY 24 General Fund Second Quarter Financials
6. \*Update of FY 24 Capital project funding
7. Staff Reports
8. Approval of Minutes
  - a) \*December 13, 2023
9. 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.

## Agenda Item Summary

Date: February 12, 2024

To: Members of the Finance Committee

From: Jim Bourke, Finance Director

Reviewed By: Peter Souza, Town Manager 

Subject: Presentation and Discussion of the FY 23 Annual Comprehensive Financial Report and Federal and State Compliance Report

### Background

Representatives from CliftonLarsonAllen LLP (CLA) will present the results of the town's FY 2023 audit to the Finance Committee at tonight's meeting. There were no significant deficiencies or material weaknesses identified by the audit firm for grant compliance reporting; however, there were several prior period adjustments that were identified and implemented and these are deemed material weaknesses. More information can be found on these adjustments under Note 15 in the audit report. This agenda item is for review and discussion purposes only, and no action is requested of the Finance Committee.

### Highlights

Revenues on a budgetary basis exceeded the budget by \$7.2 million, mostly due to property tax collections, building permit revenues, state grants, and interest income. Expenditures came in under budget by \$881,000 mostly due to savings from position vacancies, employees on workers compensation and disability leave, and storm control overtime cost savings. Uses of General Fund reserves included an appropriation of \$380,000 for Windsor Emergency Medical Services, \$310,000 for design of the multi-use riverfront trail, \$140,000 for the Sage Park Middle School slab moisture mitigation, \$88,000 for the Wilson Firehouse generator, \$75,000 for new building permit software and \$65,000 for Goslee Pool bath house renovations. Total FY 23 appropriations from General Fund reserves were \$2,858,000 which included \$1,800,000 in opening cash; however, the overall operating surplus was sufficient enough so that the use of opening cash was not required. The combined revenue surplus, expenditure savings resulted in a total budgetary surplus of \$5.2 million.

The General Fund Unassigned Fund balance as of June 30, 2023 was \$40,162,577, which is an increase of \$7,148,467. The town's General Fund Unassigned Fund balance policy requires an unassigned fund balance of between 15% and 20% of the following year's adopted budgeted expenditures. \$40.2 million in unassigned fund balance is 28.9% of the FY 24 adopted budgeted expenditures of \$139,205,750.

The town recognized approximately \$19.8 million in new capital asset investments in FY 23. These consisted of \$16.4 million for buildings and improvements and \$3.9 million for new machinery and equipment. Major additions during the year included the 340 Bloomfield Avenue phase of the Public Safety Complex renovation, fuel system and tank replacements at the Public Works facility, facility improvements for Social Services and the Senior Center, O'Brien Field track replacement, street light replacements and various fleet and equipment replacements.

The town's total bonded debt increased by \$2.0 million during FY 23 and stands at \$69.3 million as of June 30, 2023. Debt service payments made in FY 23 totaled \$9,066,228, which is 7.0% of FY 23 budgeted operating expenditures, and is within the town's policy guidelines of 6.0% to 8.0%.

During the FY 23 audit, material weaknesses in internal controls were identified that are addressed in Note 15 of the audit report. Representatives from CLA will discuss these items in more detail. Town staff has already initiated, with CLA's guidance, steps to strengthen existing internal controls and implement new controls where needed.

The FY 23 Annual Comprehensive Financial Report, Federal & State Compliance report and summary slide presentation are attached. Hard copies will be distributed prior to the Committee meeting.

Attachments

Overview of Audit Report – Presentation

PDF Links for Annual Comprehensive Financial Report, Federal & State Compliance report

All PDF'd attachments can be found at:

<https://www.dropbox.com/scl/fo/89airex8izjmzjfo9okfz/h?rlkey=a29epnm2la8th2hwvzb2aack9&dl=0>



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## Town of Windsor, Connecticut June 30, 2023 Audit Presentation

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## Agenda:

- Terms of the Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Management Letter
- Governance Communication
- Upcoming GASB Pronouncements



## Terms of the Engagement

Financial Statement and Single Audit



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## Terms of the Engagement:

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation” to opinion on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.
- Express an opinion on compliance related to major federal and state award programs
- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal and state award programs



## Executive Summary

Audit Results

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## Executive Summary

- Financial Statements

- Unmodified opinion on the financial statements
- Material weakness in internal control over financial reporting (restatements)

- Federal Single Audit

- Unmodified opinion on the major federal programs
- No compliance findings or significant deficiencies in internal control over compliance

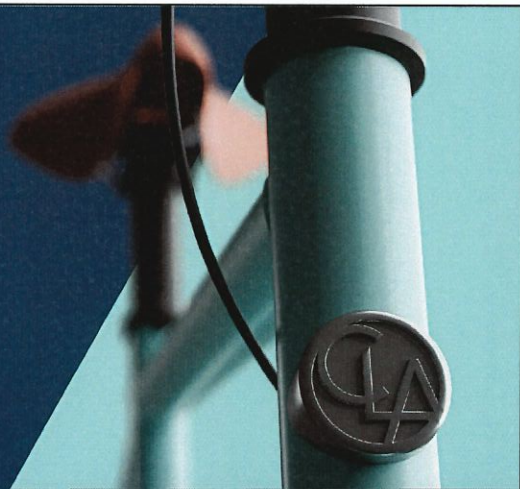
- State Single Audit

- Unmodified opinion on the major state programs
- No compliance findings or significant deficiencies in internal control over compliance



## Financial Highlights

Overview



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# Financial Highlights

## Government Wide Financial Statements

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2023	2022*	2023	2022	2023	2022	2022-23
<b>Assets:</b>							
Current and Other Assets	\$ 113,630	\$ 99,936	\$ 20,633	\$ 21,656	\$ 134,263	\$ 121,592	10.4 %
Capital Assets, Net of Accumulated Depreciation	146,954	144,624	194	77	147,148	144,701	1.7
Total Assets	260,584	244,560	20,827	21,733	281,411	266,293	5.7
Deferred Outflows of Resources	25,217	28,159	474	-	25,691	28,159	(8.8)
<b>Liabilities:</b>							
Current Liabilities	17,462	13,744	(84)	145	17,378	13,889	25.1
Long-Term Liabilities Outstanding	174,688	162,991	14,472	19,843	189,360	182,834	3.6
Total Liabilities	192,350	176,735	14,388	19,988	206,738	196,723	5.1
Deferred Inflows of Resources	33,302	42,589	619	-	33,921	42,589	(20.4)
<b>Net Position:</b>							
Net Investment in Capital Assets	79,799	82,670	194	77	79,993	82,747	(3.3)
Restricted	11,132	7,313	-	-	11,132	7,313	52.2
Unrestricted	(30,782)	(36,588)	6,100	1,668	(24,682)	(34,920)	(29.3)
Total Net Position	\$ 60,149	\$ 53,395	\$ 6,294	\$ 1,745	\$ 66,443	\$ 55,140	20.5 %

\* as restated- note 15



# Financial Highlights – Governmental Funds

	Major Funds				Other Nonmajor Governmental Funds	Total Governmental Funds
	General	Capital Projects	Educational Grant Programs	American Rescue Fund		
<b>REVENUES</b>						
Property Taxes	\$ 110,380,383	\$ -	\$ -	\$ -	\$ -	\$ 110,380,383
State and Federal Governments	27,880,798	1,491,048	4,562,470	1,312,642	3,121,990	38,558,946
Charges for Services	7,497,087	-	-	-	1,195,078	8,692,165
Investment Income	1,921,932	302,333	-	-	99,878	2,323,941
Other	636,233	79,398	527,044	-	588,369	1,824,044
Total Revenues	148,116,433	1,872,777	5,474,514	1,312,642	5,005,113	161,781,479
<b>EXPENDITURES</b>						
Current:						
Education	87,146,489	-	5,405,421	-	3,133,715	95,685,625
General Government	18,480,447	-	-	1,272,642	541,828	18,295,017
Culture and Recreation	5,311,783	-	-	-	142,283	5,454,066
Human Services	1,251,436	-	-	-	358,042	1,649,478
Public Safety	13,049,332	-	-	-	410	13,049,742
Public Works	7,824,085	-	-	-	628,552	8,452,637
Debt Service:						
Principal Retirements	-	-	-	-	7,165,000	7,165,000
Interest and Other Charges	-	-	-	-	1,967,243	1,967,243
Capital Outlay	-	10,516,062	-	-	-	10,516,062
Total Expenditures	131,103,572	10,516,062	5,405,421	1,272,642	13,937,173	162,234,870
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	17,012,861	(8,643,285)	69,093	40,000	(8,932,060)	(453,391)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	55,448	3,144,000	-	-	8,281,410	11,480,858
Transfers Out	(11,470,410)	-	-	(40,000)	(55,000)	(11,565,410)
Issuance of Bonds	-	9,225,000	-	-	-	9,225,000
Premium on Bonds Issued	-	-	-	-	650,879	650,879
Total Other Financing Sources (Uses)	(11,414,962)	12,369,000	-	(40,000)	8,877,289	9,791,327
<b>CHANGE IN FUND BALANCES</b>	5,597,899	3,725,715	69,093	-	(54,771)	9,337,936
Fund Balances, Beginning of Year - as Restated	38,326,198	12,150,323	830,233	-	10,774,922	62,081,676
<b>FUND BALANCES - END OF YEAR</b>	\$ 43,924,097	\$ 15,876,038	\$ 899,326	\$ -	\$ 10,720,151	\$ 71,419,612





## Financial Highlights – Proprietary Funds

	Business-Type Activities – Enterprise Funds			Governmental
	Landfill	Other Nonmajor Enterprise Funds	Total	Internal Service Fund
<b>OPERATING REVENUES</b>				
User Charges	\$ -	\$ 1,880,404	\$ 1,880,404	\$ 18,394,837
Total Operating Revenues	-	1,880,404	1,880,404	18,394,837
<b>OPERATING EXPENSES</b>				
Salaries and Benefits	523,593	1,368,461	1,892,154	-
Depreciation	24,719	1,486	26,205	-
Administrative Expenses	69,000	59,484	128,484	-
Supplies	335,512	6,526	342,038	-
Repairs and Maintenance	64,727	242	64,969	-
Fuel and Utilities	49,644	25,591	75,235	-
Outside Services	317,219	304,851	622,070	-
Insurance	32,395	-	32,395	-
Rent Expense	-	164,115	164,115	-
Post Closure Amortization	(5,470,000)	-	(5,470,000)	-
Claims	-	-	-	18,667,496
Total Operating Expenses	(4,072,091)	1,930,156	(2,141,935)	18,667,496
<b>OPERATING INCOME (LOSS)</b>	4,072,091	(49,752)	4,022,339	(272,659)
<b>NONOPERATING REVENUES</b>				
Interest Income	338,732	20,953	359,685	257,174
Intergovernmental	-	64,944	64,944	-
Total Nonoperating Revenues	338,732	85,897	424,629	257,174
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	4,410,823	36,145	4,446,968	(15,485)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	140,000	140,000	-
Transfers Out	-	(85,448)	(85,448)	-
Total Other Financing Sources (Uses)	-	54,552	54,552	-
<b>CHANGE IN NET POSITION</b>	4,410,823	120,697	4,531,520	(15,485)
Net Position - Beginning of Year, as Restated	2,007,568	(622,604)	1,384,964	12,351,128
<b>NET POSITION - END OF YEAR</b>	6,418,391	(501,907)	5,916,484	\$ 12,335,643
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	4,252	14,099	18,351	-
Change in Net Position of Business-Type Activities	\$ 4,415,075	\$ 134,796	\$ 4,549,871	-



## Financial Highlights

- General Fund
- Fund balance \$43.9M
  - ◇ Nonspendable \$37K (Supplies)
  - ◇ Restricted \$274K (LOSAP)
  - ◇ Committed \$2.5M (other projects)
  - ◇ Assigned - \$942K (encumbrances)
  - ◇ Unassigned - \$40.2M



## Financial Highlights

- Property Tax Collections
  - 98.64% 2023
  - 98.79% 2022
- General Fund Budget
  - Revenues \$7.2M greater than budget
  - Expenditures 880K less than budget



## Financial Highlights – Pension & OPEB Trust Funds

	Pension Trust Fund	OPEB Trust Other	
	Town Pension Fund	Postemployment Benefit Fund	Total
<b>ADDITIONS</b>			
Employer Contributions	\$ 2,498,893	\$ 3,105,306	\$ 5,604,199
Plan Members	461,968	-	461,968
Total Contributions	<u>2,960,861</u>	<u>3,105,306</u>	<u>6,066,167</u>
Investment Income:			
Net Depreciation in Fair Value of Investments	4,212,173	408,868	4,621,041
Interest and Dividends	1,848,255	172,952	2,021,207
Less Investment Expenses:			
Investment Management Fees	<u>(20,751)</u>	<u>(1,842)</u>	<u>(22,593)</u>
Net Investment Gain	<u>6,039,677</u>	<u>579,978</u>	<u>6,619,655</u>
Total Additions	9,000,538	3,685,284	12,685,822
<b>DEDUCTIONS</b>			
Benefits	<u>5,674,249</u>	<u>2,355,305</u>	<u>8,029,554</u>
<b>CHANGE IN NET POSITION</b>	3,326,289	1,329,979	4,656,268
Net Position at Beginning of Year	<u>70,312,746</u>	<u>5,239,536</u>	<u>75,552,282</u>
<b>NET POSITION AT END OF YEAR</b>	<u>\$ 73,639,035</u>	<u>\$ 6,569,515</u>	<u>\$ 80,208,550</u>



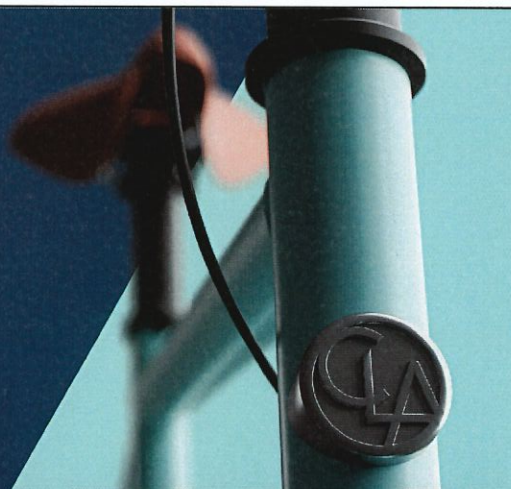
## Financial Highlights – Pension & OPEB Trust Funds

- Net Pension Liability - \$39,458,147
  - 65.11 % Funded (Difference between the liability and net position in the Pension Trust Fund)
- Net OPEB Liability - \$48,070,788
  - 12.02 % Funded (Difference between the liability and net position in the OPEB Trust Fund)



## Federal and State Single Audit

Overview



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## Federal Single Audit:


- Total federal awards expended - \$7.4M
- Major programs
  - Child Nutrition Cluster
  - COVID-19 – ARPA
  - Special Education Cluster (IDEA)
  - COVID-19 – Education Stabilization Funds
- Unmodified opinion on major program compliance
- Material weakness in internal control over financial reporting
  - Prior period adjustments



## State Single Audit:

- Total state awards expended - \$20.1M
- Major programs:
  - Alliance District
  - Town Aid Road
  - Smart Start
  - Tiered PILOT
  - MRSA – Tiered PILOT
  - Municipal Purposes & Projects
  - Municipal Revenue Sharing
- Unmodified opinion on major program compliance
- Material weakness in internal control over financial reporting
  - Prior period adjustments





# Management Letter

Summary

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## Management Letter:

- General Ledger Maintenance
  - BOE – Funds tracked in spreadsheet or Quickbooks should be brought on to MUNIS
  - BOE – Reconciliation of student activity accounts to prior year audited amounts
  - BOE – Record IBNR liability in accounting system
  - Town – Research older escrow account balances to determine proper treatment
- Fraud Tip Line
- Financial Management System Security





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**Governance Communication**  
Summary

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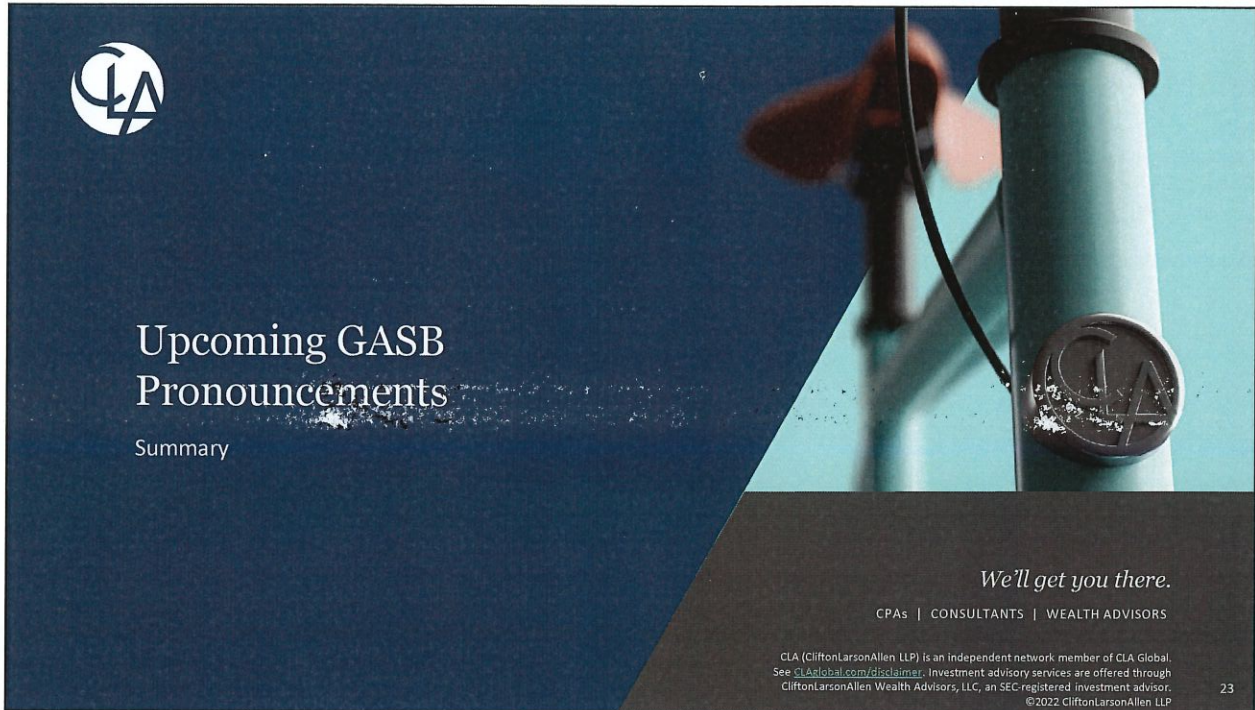
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## Governance Communication:

- New standards adopted – GASB 96 Subscription Based Information Technology Arrangements (SBITAs), no material affect
- Significant Estimates
  - Capital Assets – Useful lives
  - Net Pension Liability, LOSAP Liability, OPEB Liability
  - Landfill post closure monitoring liability
  - Allowance for Doubtful Accounts
  - Claims Incurred but not Reported
- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- Uncorrected misstatements – Cut-off
- Corrected misstatements – Journal Entries
- No independence issues









# Upcoming GASB Pronouncements

Summary

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## GASB Standards:

- **Implementation Year 2024:**
  - Statement 99 – Omnibus 2022 (various)
  - Statement 100 – Accounting Changes and Error Corrections
  
- **Implementation Year 2025:**
  - Statement 101 – Compensated Absences
  - Statement 102 – Certain Risk Disclosures






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Questions?





First in Connecticut. First for its citizens.

Date: February 12, 2024  
To: Member of the Finance Committee  
Prepared By: Mark Goossens, Solid Waste Manager  
Reviewed By: Peter Souza, Town Manager   
Subject: FY24 2<sup>nd</sup> Quarter Reports for the TSEF and LEF

Attached are the Quarterly Financial results for the Transfer Station Enterprise Fund and the Landfill Enterprise Fund which cover the 2<sup>nd</sup> quarter of FY 24.

### **Transfer Station Enterprise Fund - FY 2024 2<sup>nd</sup> Quarter Results**

For *Total Revenue*, the Transfer Station Enterprise Fund received \$204,048 during the first half of fiscal year 2024. These revenues were generated primarily from fees for bulky waste materials, yard wastes, and residential permit fees. These and other revenues for the fiscal year are shown in the column entitled: “YTD Results.”

Year-to-date *Total Expenses* of \$165,836 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.

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

- C&D Revenues and Expenses: Revenues are under target by \$13,694 – due to a tonnage intake level that was lower than budgeted, likely due to the wetter-than-normal Fall. Savings in the disposal costs for these materials were realized as well.

*The Annual Operating Income* earned by the Transfer Station Enterprise Fund was \$38,212 for the first half of fiscal year 2024. Adding this to the retained earnings at the start of the fiscal year, yields a total of \$545,499 in retained earnings at the midpoint of FY 2024.

### **Landfill Enterprise Fund – FY 2024 2<sup>nd</sup> Quarter Results**

For *Total Revenue*, the Landfill Enterprise Fund has received \$497,981 at the midpoint of the fiscal year. This revenue is comprised mostly of interest income. A portion of these revenues (\$100,000) are related to the sale of landfill equipment that was no longer utilized at the site. The Town expects to submit reimbursement request(s) to the DEEP for some of the remaining \$723,663 grant balance during the second half of this fiscal year as presented in the approved FY 24 budget.



Total Operating Expenses of \$814,811 were primarily related to closure and capping of the landfill. The major components of this expense are Supplies (\$98,764), Personnel (\$196,788), Contractual Services expenses (\$163,290), and Capital Expenses (\$268,646).

As shown in the row entitled: Annual Operating Income, the Landfill Enterprise Fund expended more than it received by \$316,830 during the first half of fiscal year 2024. This scenario has been anticipated for many years, and is reflected in the current FY 24 adopted budget.

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

- Interest Income – was over budget again for the 2<sup>nd</sup> quarter, due to continued high interest environment.
- Contractual Services – were under budget due largely to the timing of the work related to the project to improve the aesthetic issues within the wetlands. The estimated expense for this work included in the FY 24 budget is \$400,000. This work is expected to take place during the upcoming 2024 spring/summer timeframe. As such, much of the contractual expenses will be realized during the second half of FY 24.
- Supplies – were under budget due to lower than anticipated heavy equipment rental expenses, and costs for materials including topsoil, stone, and road materials.

The Retained Earnings of the Landfill Enterprise Fund at the beginning of FY 24 was \$19,376,279 as shown on the bottom, left side of the report. With an operating loss of \$316,830 during the first half of FY 24, the balance of the Retained Earnings of the enterprise fund at the end of the year becomes \$19,059,449 at the end of the 2<sup>nd</sup> quarter, 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.

**RESIDENTIAL TRANSFER STATION QUARTERLY REPORT - 2nd Quarter - FY 2024**

Period: October 31, 2023 to December 31, 2023

	FY 2024 ADOPTED BUDGET	FY 2024 Data						Previous Fiscal Year - FY 2023		
		2nd QTR Target	2nd QTR Results	YTD Target	YTD Results	YTD vs YTD Target Variance (T & \$)	YTD vs YTD Target Variance (%)	2nd QTR	YTD 2 Quarters	
<b>REVENUES</b>										
<b>BULKY REVENUES</b>										
Construction & Demolition Debris	\$ 190,000	\$ 47,500	\$ 42,654	\$ 103,382	\$ 89,688	\$ (13,694)	86.8%	\$ 39,367	\$ 90,096	
Oversized Wastes (couches, chairs, etc)	\$ 12,320	\$ 4,107	\$ 3,080	\$ 8,213	\$ 6,180	\$ (2,033)	75.2%	\$ 2,340	\$ 5,600	
<b>MSW REVENUES</b>										
Permit Fees	\$ 56,200	\$ 2,810	\$ 2,380	\$ 42,150	\$ 43,170	\$ 1,020	102.4%	\$ 1,490	\$ 44,285	
Side Window Transactions	\$ 21,190	\$ 5,298	\$ 4,160	\$ 10,595	\$ 8,360	\$ (2,235)	78.9%	\$ 4,364	\$ 9,384	
SALE OF RECYCLABLES (metal, CC)	\$ 17,990	\$ 5,997	\$ 5,460	\$ 11,993	\$ 10,785	\$ (1,208)	89.9%	\$ 4,836	\$ 11,139	
NON-DISPOSED MATLS (tires, prop, cfcs, etc)	\$ 13,290	\$ 3,323	\$ 2,987	\$ 6,645	\$ 6,781	\$ 136	102.0%	\$ 2,926	\$ 6,331	
YARD WASTES & BRUSH	\$ 28,130	\$ 8,037	\$ 6,372	\$ 17,414	\$ 17,584	\$ 170	101.0%	\$ 4,649	\$ 14,789	
RECYCLING ADMIN PAYMENT	\$ 11,000	\$ -	\$ -	\$ 11,000	\$ 11,000	\$ -	100.0%	\$ -	\$ 11,000	
INTEREST EARNINGS	\$ 16,500	\$ 4,125	\$ 6,319	\$ 8,250	\$ 10,500	\$ 2,250	127.3%	\$ 3,605	\$ 4,607	
<b>TOTAL: REVENUES</b>	<b>\$ 366,620</b>	<b>\$ 81,195</b>	<b>\$ 73,412</b>	<b>\$ 219,643</b>	<b>\$ 204,048</b>	<b>\$ (15,595)</b>	<b>92.9%</b>	<b>\$ 63,577</b>	<b>\$ 197,231</b>	
<b>OPERATING EXPENSES</b>										
Personnel Services	\$ 96,570	\$ 24,143	\$ 22,914	\$ 48,285	\$ 47,300	\$ 985	98.0%	\$ 24,319	\$ 51,505	
Supplies	\$ 7,230	\$ 1,808	\$ 894	\$ 3,615	\$ 2,193	\$ 1,422	60.7%	\$ 487	\$ 1,034	
Services & Other Wastes	\$ 23,430	\$ 5,858	\$ 5,170	\$ 11,715	\$ 9,775	\$ 1,940	83.4%	\$ 3,065	\$ 6,041	
Services - MSW T&D	\$ 56,390	\$ 14,098	\$ 15,241	\$ 28,195	\$ 24,727	\$ 3,468	87.7%	\$ 13,100	\$ 23,732	
Services - Bulky & Oversized T&D	\$ 166,510	\$ 41,628	\$ 51,582	\$ 83,255	\$ 77,817	\$ 5,438	93.5%	\$ 38,574	\$ 70,812	
Energy & Utility	\$ 13,490	\$ 5,396	\$ 1,193	\$ 6,745	\$ 1,624	\$ 5,121	24.1%	\$ 8,911	\$ 9,032	
<b>TOTAL: OPERATING EXPENSES</b>	<b>\$ 363,620</b>	<b>\$ 92,929</b>	<b>\$ 96,994</b>	<b>\$ 181,810</b>	<b>\$ 163,436</b>	<b>\$ 18,374</b>	<b>89.9%</b>	<b>\$ 88,455</b>	<b>\$ 162,156</b>	
<b>NON-OPERATING EXPENSES</b>										
Organics/Food Scrap Recycling Program	\$ 12,450	\$ 3,113	\$ 1,100	\$ 3,113	\$ 2,400	\$ 713	77.1%	\$ 1,985	\$ 1,985	
<b>TOTAL EXPENSES</b>	<b>\$ 376,070</b>	<b>\$ 96,041</b>	<b>\$ 98,094</b>	<b>\$ 184,923</b>	<b>\$ 165,836</b>	<b>\$ 19,087</b>	<b>89.7%</b>	<b>\$ 88,455</b>	<b>\$ 164,140</b>	
<b>ANNUAL OPERATING INCOME / (LOSS)</b>	<b>\$ (9,450)</b>	<b>\$ (11,733)</b>	<b>\$ (23,582)</b>	<b>\$ 37,833</b>	<b>\$ 38,212</b>	<b>\$ 379</b>	<b>101.0%</b>	<b>\$ (24,878)</b>	<b>\$ 35,076</b>	
Adopted End of FY24 Retained Earnings	\$ 495,530									
Actual Retained Earnings (June 30, 2023)	\$ 507,287					\$ 545,499	Retained Earnings (9/30/23)			

LANDFILL QUARTERLY REPORT - 2ND Quarter - FY 2024

Period: Oct 2023 to Dec 2023

Operating Revenue	FY 2024 ADOPTED BUDGET	FY 2024 Data						Previous Fiscal Year - FY 2023	
		2nd Quarter Target	2nd Quarter Results	YTD Target	YTD Results	YTD vs YTD Target Variance (T & \$)	YTD vs YTD Target Variance (%)	2nd Quarter	YTD 2 Quarters
		\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000		\$ -
Permits & Other Revenues	\$ -	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000		\$ -	\$ -
CT DEEP Reimbursement Grant	\$ 297,000	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -
<b>TOTAL OPERATING REVENUE</b>	<b>\$ 297,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>		<b>\$ -</b>	<b>\$ -</b>

Non-Operating Revenue									
Interest Income	\$ 350,000	\$ 87,500	\$ 186,449	\$ 175,000	\$ 397,981	\$ 222,981	227.4%	\$ 87,678	\$ 109,078
<b>TOTAL REVENUE</b>	<b>\$ 647,000</b>	<b>\$ 87,500</b>	<b>\$ 186,449</b>	<b>\$ 175,000</b>	<b>\$ 497,981</b>	<b>\$ 322,981</b>	<b>284.6%</b>	<b>\$ 87,678</b>	<b>\$ 109,078</b>

Operating Expenses									
Administrative Overhead	\$ 50,000	\$ 12,500	\$ 12,500	\$ 25,000	\$ 25,000	\$ -	100.0%	\$ 12,500	\$ 25,000
Personnel Services	\$ 461,240	\$ 115,310	\$ 96,109	\$ 230,620	\$ 196,788	\$ (33,832)	85.3%	\$ 109,208	\$ 229,366
Maintenance & Repairs	\$ 115,000	\$ 28,750	\$ 2,855	\$ 57,500	\$ 5,888	\$ (51,612)	10.2%	\$ 6,670	\$ 12,549
Energy & Utility	\$ 39,740	\$ 9,935	\$ 5,036	\$ 19,870	\$ 20,792	\$ 922	104.6%	\$ 13,824	\$ 17,769
Contractual Services	\$ 778,940	\$ 194,735	\$ 85,722	\$ 389,470	\$ 163,290	\$ (226,180)	41.9%	\$ 54,410	\$ 91,640
Supplies	\$ 390,090	\$ 97,523	\$ 36,355	\$ 195,045	\$ 98,764	\$ (96,281)	50.6%	\$ 122,184	\$ 220,706
Grants & Contributions	\$ 3,000	\$ 750	\$ -	\$ 1,500	\$ 2,375	\$ 875	158.3%	\$ -	\$ -
Capital Outlay	\$ 250,000	\$ -	\$ 251,763	\$ -	\$ 268,646	\$ -	0.0%	\$ -	\$ -
Insurance Premium & Permit Fees	\$ 32,250	\$ -	\$ -	\$ 32,250	\$ 33,268	\$ 1,018	0.0%	\$ -	\$ 32,395
<b>Total: Operating Expenses</b>	<b>\$ 2,120,260</b>	<b>\$ 459,503</b>	<b>\$ 490,341</b>	<b>\$ 951,255</b>	<b>\$ 814,811</b>	<b>\$ (136,444)</b>	<b>85.7%</b>	<b>\$ 318,796</b>	<b>\$ 629,425</b>

<b>Non-Operating Expenses (includes Depr)</b>	\$ 41,600	\$ 10,400	\$ 0	\$ 20,800	\$ -	\$ -	0.0%	\$ 10,725	\$ 10,725
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<b>TOTAL: EXPENSES</b>	<b>\$ 2,161,860</b>	<b>\$ 469,903</b>	<b>\$ 490,341</b>	<b>\$ 972,055</b>	<b>\$ 814,811</b>	<b>\$ (157,244)</b>	<b>83.8%</b>	<b>\$ 329,521</b>	<b>\$ 640,150</b>
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<b>Annual Operating Income/(loss)</b>	<b>\$ (1,514,860)</b>	<b>\$ (382,403)</b>	<b>\$ (303,892)</b>	<b>\$ (797,055)</b>	<b>\$ (316,830)</b>	<b>\$ 480,225</b>	<b>39.8%</b>	<b>\$ (241,843)</b>	<b>\$ (531,072)</b>
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<b>Adopted End of Yr Retained Earnings: (07/01/21)</b>	<b>\$ 18,059,816</b>
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Actual Retained Earnings - start of FY 2024 (From June 30, 2023 CAFR)	\$ 19,376,279	Net Annual Operating Income - YTD - (12/31/23)	\$ (316,830)
		Final LEF Balance - 12/31/23	\$ 19,059,449



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## INTEROFFICE MEMORANDUM

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**TO:** Peter Souza, Town Manager  
**FROM:** Cheryl Rosenbaum, Caring Connection Manager  
**SUBJECT:** FY 24 2nd Quarter Review with Fiscal Year Projections  
**DATE:** February 12, 2024

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### **Background**

The Caring Connection's average daily census has surpassed where those numbers were pre-COVID. FY 24 increases to the state Medicaid rate has impacted revenues in a positive way. Inflation that affects supply costs and engaging new staff at market value rates remain a challenge. Inquiries and referrals from outside the transportation catchment area continue to increase due to the closure of other centers.

### **2nd Quarter Revenues & Fiscal Year Projections**

The first six months of FY 24 revenues were \$184,000. Revenues are trending approximately \$63,000 higher than the same time period last year.

### **2nd Quarter Expenses & Fiscal Year Projections**

The Caring Connection expenditures for the first six months of FY 24 are \$236,430 which are increased due to the increase in census and an adjustment to salaries to market value. Current projections for overall FY 24 expenditures are expected to come in \$44,240 over budget.

The 2<sup>nd</sup> quarter census increased from an average daily census of 16 to 17. Our online presence and digital media advertising efforts continue to drive this increase.

### **Overall FY 24 Projection**

We project an end of fiscal year loss of \$101,320. That would be \$77,480 less than the \$178,800 loss projected in the FY 24 adopted budget.

### **Marketing Efforts for the 2<sup>nd</sup> Quarter**

- Attended two area senior center fall open house events.
- The Caring Connection continues with a combination of paid advertisements through Google and Facebook. These ads use location, demographics, and interests/behaviors to deploy the ads to the right people, in the right place, at the right time.
- Held an Open House - Birthday Celebration featuring an ART Show of our clients work created in our creative arts therapy weekly session
- Hosted a creative arts therapy student from Springfield college September – December.

- Partnered with the Windsor Senior Center engaging masters candidate Movement Therapist in our weekly program.
- Invited to participate in a Community Art Show entitled: Community: Under One Roof at The Mandell JCC in West Hartford

**Attachments**

FY 24 Six Month Actuals and Year End Projections

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

	FY 2023 Actual*	FY 2024 - Approved Budget	FY 2024 - Monthly Average ~ budget divided by 12 ~	FY 2024 Actual												FY 24 Projection vs FY 24 Adoped Budget	
				Jul-23 Actual	Aug-23 Actual	Sep-23 Actual	Oct-23 Actual	Nov-23 Actual	Dec-23 Actual	Jan-24 Projection	Feb-24 Projection	Mar-24 Projection	Apr-24 Projection	May-24 Projection	Jun-24 Projection		Total FY 24 YTD
<b>Operating Revenue:</b>																	
Charges For Services	269,387	268,260	22,355	23,512	30,831	31,403	32,079	27,854	28,259	35,707	35,707	35,707	35,707	35,707	35,707	388,180	119,920
Other Revenues	50,652	20,000	1,667	-	-	983	1,181	1,211	1,251	2,562	2,562	2,562	2,562	2,562	2,564	20,000	-
<b>Total Operating Revenue</b>	<b>320,039</b>	<b>288,260</b>	<b>24,022</b>	<b>23,512</b>	<b>30,831</b>	<b>32,386</b>	<b>33,260</b>	<b>29,065</b>	<b>29,510</b>	<b>38,269</b>	<b>38,269</b>	<b>38,269</b>	<b>38,269</b>	<b>38,269</b>	<b>38,271</b>	<b>408,180</b>	<b>119,920</b>
<b>Non-Operating Revenue:</b>																	
Donations	3,100	3,200	267	-	-	-	3,100	20	25	20	35	-	-	-	-	3,200	-
Interest Income	1,007	1,200	100	268	482	429	434	355	329	118	117	117	117	117	117	3,000	1,800
<b>Total Non-Operating Revenue</b>	<b>4,107</b>	<b>4,400</b>	<b>367</b>	<b>268</b>	<b>482</b>	<b>429</b>	<b>3,534</b>	<b>375</b>	<b>354</b>	<b>138</b>	<b>152</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>117</b>	<b>6,200</b>	<b>1,800</b>
<b>Total Revenue</b>	<b>324,146</b>	<b>292,660</b>	<b>24,388</b>	<b>23,780</b>	<b>31,313</b>	<b>32,815</b>	<b>36,794</b>	<b>29,440</b>	<b>29,864</b>	<b>38,407</b>	<b>38,421</b>	<b>38,386</b>	<b>38,386</b>	<b>38,386</b>	<b>38,388</b>	<b>414,380</b>	<b>121,720</b>
<b>Operating Expenses:</b>																	
Personal Services	252,098	271,110	22,593	21,313	27,317	23,686	22,610	23,247	22,361	25,756	25,756	25,756	25,756	25,756	25,756	295,070	23,960
Payroll Weeks	52.2	52.0		4.2	4.6	4.2	4.4	4.4	4.2	4.6	4.2	4.2	4.4	4.6	4.0	52.0	-
Supplies	14,372	8,380	698	430	560	-	2,362	558	676	928	928	927	927	927	927	10,150	1,770
Services	34,876	51,110	4,259	778	3,769	4,607	4,758	5,965	4,503	6,505	8,005	8,005	8,005	8,005	8,005	70,910	19,800
Marketing Expenses	5,684	8,900	742	303	2,204	542	1,196	873	303	579	580	580	580	580	580	8,900	-
Energy & Utility	4,384	4,350	363	192	192	191	192	192	192	574	573	573	573	573	573	4,590	240
Administrative Overhead	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent	65,090	65,090	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,424	5,425	65,090	-
Transfer Payment to GF Transportation Unit	55,448	61,520	5,127	4,363	4,822	4,716	4,913	4,144	4,356	5,446	5,446	5,446	5,446	5,446	5,446	59,990	(1,530)
Other (Bad Debt)	1,140	1,000	83	83	83	83	83	83	83	84	83	83	83	83	86	1,000	-
<b>Total Operating Expenses</b>	<b>433,092</b>	<b>471,460</b>	<b>39,288</b>	<b>32,886</b>	<b>44,371</b>	<b>39,250</b>	<b>41,538</b>	<b>40,486</b>	<b>37,898</b>	<b>45,296</b>	<b>46,795</b>	<b>46,794</b>	<b>46,794</b>	<b>46,794</b>	<b>46,798</b>	<b>515,700</b>	<b>44,240</b>
<b>Non-Operating Expenses:</b>																	
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non-Operating Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>433,092</b>	<b>471,460</b>	<b>39,288</b>	<b>32,886</b>	<b>44,371</b>	<b>39,250</b>	<b>41,538</b>	<b>40,486</b>	<b>37,898</b>	<b>45,296</b>	<b>46,795</b>	<b>46,794</b>	<b>46,794</b>	<b>46,794</b>	<b>46,798</b>	<b>515,700</b>	<b>44,240</b>
<b>Annual Income/(Loss)</b>	<b>(108,946)</b>	<b>(178,800)</b>	<b>(14,900)</b>	<b>(9,106)</b>	<b>(13,058)</b>	<b>(6,435)</b>	<b>(4,744)</b>	<b>(11,046)</b>	<b>(8,034)</b>	<b>(6,889)</b>	<b>(8,374)</b>	<b>(8,408)</b>	<b>(8,408)</b>	<b>(8,408)</b>	<b>(8,410)</b>	<b>(101,320)</b>	<b>77,480</b>
<b>Net Position (Deficits), Beginning of</b>																	
Transfer In - from the General Fund	100,000	100,000		100,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer In - from American Rescue Fund	40,000	60,000		60,000	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer In - DSS Covid Relief Funds	-	-		-	-	-	-	-	-	-	1,500	1,500	1,500	1,500	1,500	-	-
<b>Net Position (Deficits), End of Year/Month</b>	<b>\$ 49,734</b>	<b>\$ 23,770</b>		<b>\$ 200,628</b>	<b>\$ 187,570</b>	<b>\$ 181,135</b>	<b>\$ 176,391</b>	<b>\$ 165,345</b>	<b>\$ 157,311</b>	<b>\$ 150,422</b>	<b>\$ 143,548</b>	<b>\$ 136,640</b>	<b>\$ 129,732</b>	<b>\$ 122,824</b>	<b>\$ 115,914</b>		
Subtract capital assets in Net Position	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Unrestricted Net Position (Deficits)</b>	<b>\$ 49,734</b>	<b>\$ 23,770</b>															

**Average Daily Census**  
Note average daily census history: FY 23 = 14; FY 22 = 11; FY 21 = 10; FY 20 = 14; FY 19 = 17; FY 18 = 21; FY 17 = 20; FY 16 = 23; FY 15 = 20; FY 14 = 24; FY 13 = 27



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## INTEROFFICE MEMORANDUM

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**TO:** Peter Souza, Town Manager  
**FROM:** Laura Casey, Early Childhood Manager  
**SUBJECT:** FY 23 Unaudited Year End & FY 24 2<sup>nd</sup> Quarter Review with Fiscal Year Projections  
**DATE:** February 12, 2024

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### **2<sup>nd</sup> Quarter Revenues & Fiscal Year Projections:**

During the first six months of fiscal year 2024, total revenues equaled \$712,025. The FY 23 second-quarter revenues totaled \$595,054. Therefore revenues are trending \$116,971 higher than the same period last year. We anticipate at this point to be under our budgeted revenue projections by \$45,120. This loss is due to vacancies in the new classroom for the first half of the year. We are optimistic we will be able to reduce the vacancies from 5 to 2 before the third-quarter ends.

In regards to staffing, as you know, seasoned and highly qualified staff has always been a trademark of the Discovery Center. Attracting qualified part-time staff continues to be a challenge and will come at a higher cost due to the increase in minimum wage and competition with other centers in the region, as well as a shrinking pool of qualified applicants.

### **2<sup>nd</sup> Quarter Expenses & Fiscal Year Projections:**

The Child Enterprise Fund operating expenditures are \$664,435 for the first six months of FY 24. This is 7.7% higher than the same period last year due largely to expenses for the additional classroom.

### **Overall FY 24 Projection:**

At this time, we project an end of fiscal year loss of \$19,730 for FY 24 versus a budgeted loss of \$5,350. The projected loss would leave the Child Enterprise Fund with a positive unrestricted net position of \$334,613 at the end of FY 24. The additional loss is due to the vacancies in the added class.

### **Marketing Efforts:**

Our marketing efforts for the second quarter included:

- Every 4-6 weeks we make contact with families on the waiting list to stay connected and gauge interest.
- Conduct monthly tours for all callers to place additional children on the waiting list.
- Actively looking for additional afternoon staff to add additional full-time students.

### **Attachments**

FY 23 Year End Unaudited Actuals


FY 24 First Quarter Actuals & Year End Projections

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

	FY 2023 Actual	FY 2024 - Adopted Budget	FY 2024 - Monthly Average ~ adopted budget divided by 12 ~	FY 2024 Actual												FY 24 Projection vs FY 24 Adoped Budget	
				Jul-23 Actual	Aug-23 Actual	Sep-23 Actual	Oct-23 Actual	Nov-23 Actual	Dec-23 Actual	Jan-24 Projection	Feb-24 Projection	Mar-24 Projection	Apr-24 Projection	May-24 Projection	Jun-24 Projection		Total FY 24 YTD
<b>Operating Revenue:</b>																	
Charges For Services	1,227,786	1,466,890	122,241	111,644	109,680	121,066	115,835	112,874	115,169	121,867	121,867	121,867	121,867	121,867	121,867	1,417,470	(49,420)
Other Revenues	55,820	30,600	2,550	-	5,258	3,102	4,212	2,190	3,790	1,473	1,475	1,475	1,475	1,475	1,475	27,400	(3,200)
<b>Total Operating Revenue</b>	<b>1,283,606</b>	<b>1,497,490</b>	<b>124,791</b>	<b>111,644</b>	<b>114,938</b>	<b>124,168</b>	<b>120,047</b>	<b>115,064</b>	<b>118,959</b>	<b>123,340</b>	<b>123,342</b>	<b>123,342</b>	<b>123,342</b>	<b>123,342</b>	<b>123,342</b>	<b>1,444,870</b>	<b>(52,620)</b>
<b>Non-Operating Revenue:</b>																	
Donations	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	6,764	5,500	458	684	1,076	1,277	1,012	1,795	1,361	970	965	965	965	965	965	13,000	7,500
<b>Total Non-Operating Revenue</b>	<b>6,864</b>	<b>5,500</b>	<b>458</b>	<b>684</b>	<b>1,076</b>	<b>1,277</b>	<b>1,012</b>	<b>1,795</b>	<b>1,361</b>	<b>970</b>	<b>965</b>	<b>965</b>	<b>965</b>	<b>965</b>	<b>965</b>	<b>13,000</b>	<b>7,500</b>
<b>Total Revenue</b>	<b>1,290,470</b>	<b>1,502,990</b>	<b>125,249</b>	<b>112,328</b>	<b>116,014</b>	<b>125,445</b>	<b>121,059</b>	<b>116,859</b>	<b>120,320</b>	<b>124,310</b>	<b>124,307</b>	<b>124,307</b>	<b>124,307</b>	<b>124,307</b>	<b>124,307</b>	<b>1,457,870</b>	<b>(45,120)</b>
<b>Operating Expenses:</b>																	
Personal Services	1,032,985	1,274,460	106,205	102,447	103,270	90,948	94,411	92,698	90,211	112,655	112,656	112,656	112,656	112,656	112,656	1,249,920	(24,540)
<i>Payroll Weeks</i>	52.2	52.0		4.2	4.6	4.2	4.4	4.4	4.2	4.6	4.2	4.2	4.4	4.6	4.0	52.0	-
Supplies	18,961	33,750	2,813	113	571	4	900	1,214	264	5,109	5,105	5,105	5,105	5,105	5,105	33,700	(50)
Services	38,572	50,000	4,167	6,221	6,635	1,514	2,939	2,338	2,615	4,828	4,828	4,828	4,828	4,828	4,828	51,230	1,230
Marketing Expenses	3,706	5,000	417	-	1,800	69	-	167	56	483	485	485	485	485	485	5,000	-
Maintenance & Repairs	242	10,300	858	108	-	-	137	1,297	305	1,410	1,410	1,409	1,408	1,408	1,408	10,300	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Energy & Utility	10,223	13,000	1,083	130	130	131	131	131	131	8,381	167	167	167	167	167	10,000	(3,000)
Rent	118,830	118,830	9,903	9,903	9,902	9,903	9,902	9,903	9,902	9,902	9,902	9,903	9,903	9,903	9,902	118,830	-
Other (Bad Debt)	3,513	2,000	167	-	-	-	-	-	-	-	-	-	-	-	2,000	2,000	-
<b>Total Operating Expenses</b>	<b>1,227,032</b>	<b>1,507,340</b>	<b>125,612</b>	<b>118,922</b>	<b>122,308</b>	<b>102,569</b>	<b>108,420</b>	<b>107,748</b>	<b>103,484</b>	<b>142,768</b>	<b>134,553</b>	<b>134,553</b>	<b>134,552</b>	<b>134,552</b>	<b>136,551</b>	<b>1,480,980</b>	<b>(26,360)</b>
<b>Non-Operating Expenses:</b>																	
Depreciation	1,486	1,000	83	164	164	164	164	164	164	164	164	164	164	164	166	1,970	970
<b>Total Non-Operating Expenses</b>	<b>1,486</b>	<b>1,000</b>	<b>83</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>164</b>	<b>166</b>	<b>1,970</b>	<b>970</b>
<b>Total Expenses</b>	<b>1,228,518</b>	<b>1,508,340</b>	<b>125,695</b>	<b>119,086</b>	<b>122,472</b>	<b>102,733</b>	<b>108,584</b>	<b>107,912</b>	<b>103,648</b>	<b>142,932</b>	<b>134,717</b>	<b>134,717</b>	<b>134,716</b>	<b>134,716</b>	<b>136,717</b>	<b>1,482,950</b>	<b>(25,390)</b>
<b>Annual Income/(Loss)</b>	<b>61,952</b>	<b>(5,350)</b>	<b>(446)</b>	<b>(6,758)</b>	<b>(6,458)</b>	<b>22,712</b>	<b>12,475</b>	<b>8,947</b>	<b>16,672</b>	<b>(18,622)</b>	<b>(10,410)</b>	<b>(10,410)</b>	<b>(10,409)</b>	<b>(10,409)</b>	<b>(12,410)</b>	<b>(25,080)</b>	<b>(19,730)</b>
<b>Net Position (Deficits), Beginning of Year/Month</b>																	
Transfer In - Gen Fund Unassigned FB	215,158	195,748		337,590	354,831	348,373	371,085	383,560	392,507	409,179	390,557	380,147	369,737	359,328	348,919		
OEC Stabilization Grant Funds Us	60,480	24,560		24,000	-	-	-	-	-	-	-	-	-	-	8,370		
<b>Net Position (Deficits), End of Year/Month</b>	<b>\$ 337,590</b>	<b>\$ 214,958</b>		<b>\$354,831</b>	<b>\$348,373</b>	<b>\$371,085</b>	<b>\$383,560</b>	<b>\$392,507</b>	<b>\$409,179</b>	<b>\$390,557</b>	<b>\$380,147</b>	<b>\$369,737</b>	<b>\$359,328</b>	<b>\$348,919</b>	<b>\$344,879</b>		
Subtract capital assets in Net Position	(12,238)	(2,000)															(10,266)
<b>Unrestricted Net Position (Deficits)</b>	<b>\$ 325,352</b>	<b>\$ 212,958</b>															<b>\$ 334,613</b>



## Agenda Item Summary

Date: February 12, 2024  
To: Members of the Finance Committee  
Prepared By: Jim Bourke, Finance Director  
Reviewed By: Peter Souza, Town Manager   
Subject: FY 24 General Fund Mid-Year Budget Report

### Background

Attached is the General Fund budget report as of December 31, 2023. This report is being provided to the Finance Committee for discussion purposes.

### Discussion/Analysis

Revenues are 90% collected as compared to 90% for the same time period last year. Notable changes in revenues received between the two fiscal years are as follows:

- Licenses and Permits is 143% collected as compared to 360% for the same period last year. The main driver in this category is building permit revenue, which was higher last year mostly due to permit revenue received for the Target facility on Groton Road.
- Fines and Penalties is 52% collected as compared to 66% for the same period last year. These revenues can vary from year to year. This difference is due to less court fine collections this year.
- Revenues from Use of Assets is 92% collected as compared to 101% for the same period last year. Interest income makes up most of this category, and is currently 99% collected as compared to the budget. This is due to lower interest rate assumptions used in the FY 24 budget preparation process than are currently being realized.
- Charges for Current Services is 138% collected as compared to 59% for the same time period last year. This is mainly due to stronger conveyance and vital statistics fee revenue received in FY 24 as compared to the prior period. Land conveyance fees are higher due to several large industrial property sales including the facility on Old Iron Ore Road that Amazon leases.

Expenditures are 51% spent half way through FY 24, and were 50% expended at this same time period last year. Most of the differences relate to the timing of when purchase orders are opened in the accounting system, and when certain expenditures occur. Notable changes in expenditures between the two fiscal years are as follows:

- Community Development reflects 87% expended this year as compared to 35% for the same time period last year. This is due to an employee that was out on family / disability leave in FY



23 as well as the timing of a FY 24 budgeted expenditures / transfers related to the housing rehabilitation program and the Senior & Workforce Housing planning initiative.

- Town Support for Education reflects 47% expended this year as compared to 41% for the same time period last year. This is due to larger debt service transfers for FY 24 debt-financed school projects, as well as the timing of certain State mandated payments to private schools in town for school nursing services.
- General Services reflects 67% expended this year as compared to 63% for the same time period last year. This is mainly due to defined benefit retirement costs for retirees being reflected in this section of the budget starting in FY 24. In FY 23 and all previous years, both retiree *and* active costs were reflected in departmental budgets. As more and more active employees transitioned into retirement it became necessary to reflect only active employees in departmental budgets, in order not to overstate the cost of the defined benefit retirement plan to those budgets. Also contributing to this variance are increased General Fund capital expenditures, as well as a larger transfer payment to the Great Pond Improvement District.

There have been five appropriations from the General Fund Unassigned Fund balance as of December 31, 2023. \$150,000 for Oliver Ellsworth School HVAC improvements, \$380,000 for Welch Pool improvements, \$600,000 in additional funds for Oliver Ellsworth School HVAC improvements, \$107,500 for Board of Education costs associated with Oliver Ellsworth School humidity and air quality issues, and \$63,000 for L.P. Wilson Community Center generator repair.

Other Board Action

None

Recommendations

None

Attachment

FY 23 General Fund Mid-Year Budget Report

**Town of Windsor  
General Fund Mid-Year Report  
July 1, 2023 - December 31, 2023**


	FY 2023 - through December			FY 2024 - through December		
	Adopted Budget	FY 23 2nd Qtr Actual	Percent Received	Adopted Budget	FY 24 2nd Qtr Actual	Percent Received
<b>REVENUE</b>						
910 GENERAL PROPERTY TAX	109,827,320	107,658,840	98%	118,567,080	116,097,059	98%
915 LICENSES AND PERMITS	747,850	2,690,012	360%	823,740	1,175,643	143%
920 FINES AND PENALTIES	24,000	15,950	66%	22,000	11,380	52%
925 REVENUES FROM USE OF ASSETS	993,000	1,005,235	101%	2,637,000	2,421,781	92%
930 STATE SCHOOL AID	12,547,660	2,886,916	23%	12,847,660	2,886,916	22%
935 STATE GRANTS IN LIEU	2,926,100	1,404,635	48%	3,330,000	1,647,871	49%
940 OTHER STATE GRANTS	43,500	-	0%	70,000	-	0%
950 REVENUES FROM OTHER AGENCIES	138,370	-	0%	138,370	-	0%
955 CHARGES FOR CURRENT SERVICES	826,500	484,076	59%	749,900	1,033,686	138%
960 OTHER REVENUES	20,000	20,506	103%	20,000	21,087	105%
965 OPENING CASH	1,800,000	900,000	50%	-	-	-
<b>TOTAL REVENUES</b>	<b>129,894,300</b>	<b>117,066,170</b>	<b>90%</b>	<b>139,205,750</b>	<b>125,295,423</b>	<b>90%</b>

	FY 2023 - through December			FY 2024 - through December		
	Adopted Budget	FY 23 2nd Qtr Actual	Percent Expended	Adopted Budget	FY 24 2nd Qtr Actual	Percent Expended
<b>EXPENDITURES</b>						
10 INFORMATION SERVICES	620,440	339,999	55%	710,400	390,316	55%
11 ADMINISTRATIVE SERVICES	2,795,110	1,382,503	49%	2,899,760	1,448,355	50%
12 DEVELOPMENT SERVICES	1,502,270	735,340	49%	1,617,230	745,381	46%
13 GENERAL GOVERNMENT	1,219,070	754,384	62%	1,258,630	784,311	62%
18 COMMUNITY DEVELOPMENT	104,820	36,562	35%	490,900	428,183	87%
20 RECREATION & LEISURE SERVICES	2,297,220	1,447,200	63%	2,434,500	1,450,071	60%
25 LIBRARY SERVICES	1,849,810	896,787	48%	1,918,210	967,738	50%
35 HUMAN SERVICES	516,110	247,250	48%	556,100	266,200	48%
38 HEALTH SERVICES	581,980	297,397	51%	646,360	304,340	47%
40 PUBLIC WORKS	7,106,290	3,727,940	52%	7,457,440	3,456,572	46%
50 TOWN SUPPORT FOR EDUCATION	5,814,980	2,360,701	41%	5,561,380	2,614,377	47%
52 BOARD OF EDUCATION	76,484,440	36,496,539	48%	80,184,020	38,182,867	48%
60 SAFETY SERVICES	12,064,540	6,112,927	51%	13,437,180	6,297,839	47%
90 GENERAL SERVICES	16,937,220	10,634,112	63%	20,033,640	13,379,992	67%
<b>TOTAL EXPENDITURES</b>	<b>129,894,300</b>	<b>65,469,640</b>	<b>50%</b>	<b>139,205,750</b>	<b>70,716,539</b>	<b>51%</b>

## Agenda Item Summary

Date: February 12, 2024

To: Members of the Finance Committee

Prepared By: Peter Souza, Town Manager 

Subject: Overview of FY 24 Capital Projects Funding Plan

### Background

The Town Council approved the Capital Improvement Program (CIP) which is a multi-year plan used to coordinate the financing and timing of major public improvements for both the town government and the Board of Education. It contains a list of capital projects for the town within the next six years and reflects the recommendations of citizens, boards, commissions and town staff from throughout the organization. Projects within the CIP are funded through a variety of sources including annual General Fund budget, State and Federal grants, Capital Project Fund, General Fund Unassigned Fund Balance and long term borrowing / bonds.

The purpose of this agenda item is to provide an update on funding of the planned FY 2024 capital projects originally proposed to be financed through issuance of long-term bonds. The Town Council and Special Town Meeting has approved several project authorizations since July 1, 2024. As projects' scope, costs and schedules have been refined in the past few months, it is appropriate to review the planned program as additional funding authorizations will be presented to the Town Council between mid-February and the first of April.

Please note cost estimates on several projects are still being refined by staffing and consulting engineers while others are or will be out to bid in the near future.

### Discussion

The adopted FY 2024 CIP outlined borrowing \$15.38M this spring. This number does not include projects requiring voter approval via a referendum, for which none are planned at this time. The attached table list the projects, the original cost estimate, updated and potential funding sources as well as refined project costs as of this time.

As approved in the annual operating budget, the annual debt service obligations are funded through a General Fund appropriation as well as use of the Debt Service Fund. In line with approved budget parameters and past Town Council practice, the FY 25 General Fund appropriation for debt service has been forecasted to be \$8.57M which is \$250,000 or 3% higher than the FY 24 level.

As shown on the attached table, based on previous Town Council actions this fiscal year and recommended upcoming requests, there are multiple projects being funded with either General Fund Unassigned Fund Balance, American Rescue Funds or short-term notes in anticipation of receiving grant reimbursement. Based on current cost estimates, approximately \$15.75M in projects are outlined for FY 24. The suggested funding sources include \$6.8M in long-term borrowing, \$1.5M through a 1 year note, \$3.7M in General Fund Unassigned fund Balance, and \$3.7M in American Rescue Funds. Of the \$15.75M in projects, General Government related projects total \$6.24M and school related projects comprise \$9.51M or 60%.



Previously issued debt plus \$6.8M in new borrowing and the one year note in the amount of \$1.48M requires \$8.49M in total principal and interest payments in FY 25 (assumes a 15 year term at an average interest of 5% and the 1 year note at 4%.) This results in the FY 25 General Fund debt service appropriation being \$85,000 less than the planned 3% increase as set forth in the FY 25 approved budget parameters.

A potential option staff will be reviewing during the budget preparation process is to utilize the Debt Service Fund to provide all or a portion of the remaining balance of the planned 3% general fund increase.

By using a combination of General Fund Unassigned Fund Balance and American Rescue Funds instead of borrowing \$7.4M, approximately \$2.96M in interest costs are avoided over a 15 year period. This approach also provides flexibility and capacity for future capital borrowing plans as approximately \$8.6M in planned borrowing would not take place this spring.

#### Financial Impact

By adjusting the planned borrowing amount downward by approximately \$8.6M, it is projected that nearly \$3.5M in interest costs are avoided over a 15 year period. The planned 3% increase in the FY 25 General Fund appropriation for debt service would be \$85,000 less than forecasted.

The General Fund Unassigned Fund Balance would be reduced by \$3.7M leaving the fund balance at approximately 25% of the FY 24 adopted budget.

The Town Council and or Special Town Meeting previously approved the use of \$2.7M in American Rescue Funds for the Welch Pool Rehabilitation Project. The new financing plan incorporates the use of \$1,000,000 in ARF towards the renovation of the Clover Street School fields which is the location of the town's cricket pitch. This approach would require the Town Council to authorize funds be reassigned or shifted from the overall allocation plan previously endorsed by the Town Council in FY 22. (Please note that ARF resources need to expended in full or under formal contract by December 2024.)

#### Other Board Action

None

#### Recommendations

This item is presented for review and discussion.

#### Attachments

FY 24 Capital Projects Financing Plan – Updated 2/8/24

Project Name	CIP Bonding Amount*	GO Issue 1/30/24	BANS	GF cash	ARPA	TOTAL**	ACTION	General Gov't	BOE Related
Stormwater Management	350,000	-		350,000		350,000	TC cash on 1/16	350,000	
LPW HVAC North Phase II	2,550,000	1,550,000		1,000,000		2,550,000	TC for bonding & Cash 3/5		2,550,000
International Dr. Construction Phase II	2,290,000	1,810,000				1,810,000	TC for bonding 2/20	1,810,000	
Clover St. School Fields - Phase 1	640,000	-			1,000,000	1,000,000	TC GF cash or ARF 3/18	1,000,000	
Sage Park Roof Construction	2,900,000	1,420,000	1,480,000			2,900,000	Town Mtg 9/23		2,900,000
Clover St. School ADA Code & Restrooms	1,350,000	-		1,350,000		1,350,000	Town Mtg 3/18		1,350,000
Welch Pool Renovation	2,750,000			380,000	2,700,000	3,080,000	Town Mtg 12/23	3,080,000	
Oliver Ellsworth HVAC - Construction	2,550,000	2,050,000		660,000		2,710,000	Town Mtg bonding 3/18		2,710,000
	15,380,000	6,830,000	1,480,000	3,740,000	3,700,000	15,750,000		6,240,000	9,510,000
								40%	60%

\* Does not include bonding via voter referendum

\*\* Current estimated project cost. Authorization request may differ based on future refined estimates / actual bids

Green shading indicates action taken as of 2/12/24



**TOWN OF WINDSOR  
FINANCE COMMITTEE  
DECEMBER 13, 2023  
SPECIAL HYBRID MEETING**

**UNAPPROVED MINUTES**

**1. CALL TO ORDER**

Councilor Ojala Naeem called the meeting to order at 7:00 p.m. with Councilor Ronald Eleveld and Councilor Leroy Smith present.

Staff Present: Peter Souza, Town Manager; Jim Bourke, Finance Director

**2. PUBLIC COMMENT - None**

**3. DISCUSSION OF FY25 BUDGET ASSUMPTIONS/PARAMETERS**

Town Manager Souza stated results of property revaluation will be a primary factor to consider in preparing the proposed budget over the coming months. At this point, it is projected that with property appreciation due to State-mandated revaluation and economic development growth, the net taxable grand list will increase approximately \$926 million or 26%. Single-family homes are projected to increase over 50% on average while the commercial/industrial property category is expected to see an increase of 7% on average. Appreciation in the commercial/industrial property category is being negatively impacted due to large decreases in office building values. Please note the October 1, 2023 Grand List will not be formally completed until January 31, 2024.

Councilor Eleveld asked what constitutes personal property. Town Manager Souza stated personal property is just for non-residential tax payers. Manufacturers only pay for their office equipment, etc. but anything related to their production is exempt by state law.

Mr. Bourke stated non-property tax revenue categories comprise approximately 16% of the current budget and include such items as State aid, interest earnings, cell tower lease revenue, building permits and other various fees. As in years past, it can be a challenge to forecast non-tax revenues at this early stage in the budget process as a number of factors influence these revenue sources. One uncertainty is the level of municipal state aid we anticipate to receive. We will not know these amounts until Governor Lamont's proposed budget is introduced in February.

Building permit fees, real estate conveyance fees and land recording fees are projected to be similar to what was budgeted from these sources for FY 24. We anticipate improved interest earnings as compared to FY 24 budgeted levels in FY 24 and heading into FY 25. Please note assumptions may change as there is the possibility of downward pressure on interest rates moving forward.

On the expenditure side, our assumptions and projections related to individual expenditure categories will become more firm over the coming months as we compile new data from our

vendors, consultants and cooperative purchasing coalitions. We are currently projecting increases in health insurance costs of approximately 18%. We are forecasting utility expenses to increase by approximately 14%. Retirement costs are expected to increase approximately 3%. The budgeted unit price for gasoline and diesel fuel are projected to increase modestly. The Metropolitan District Commission (MDC) ad valorem sewer assessment is projected to increase by approximately 1%. Regarding the capital spending, we already have a decrease in there, that which reflects the community investment money that the Council adopted last year as a strategic way to be able to have that come off in the FY 25 budget to help.

Councilor Smith asked about the option of using Opening Cash. Can that be combined with phasing? Town Manager Souza stated that it could be. There's several different potential actions and options that the Council can use to help mitigate, to an extent, the impact. Town Manager Souza outlined other options.

Councilor Naeem wanted to clarify that we are presently focusing on the budget assumptions, but during the January Finance Committee meeting, we'll dive into a little bit more about the options and what they look like and what they might allow us to do. Town Manager Souza said they could create a few scenarios. We try to separate out budgetary tax impact versus revaluation impact. This is so the Council and the community understand how much the increases relate to for things that the town can control. Town Manager Souza gave an example of what the budgetary impact might look like for a median valued house in Windsor. He also spoke of revaluation and its possible impact on the budget.

Councilor Eleveld said there might have also been a shift where residents paid about 50% and businesses in total paid about 50%. That shift is probably going to be around a 4%-5% shift increase on the residential side. Town Manager Souza said if he's talking about overall, including property taxes and vehicle taxes then yes that is correct.

Councilor Eleveld stated he's guessing it will be about a 5% shift. So that's 5% increase in taxes just on the shift. Assuming all values are the same but business has reduced by 5%, then the burden would be 5% greater on residences, correct? The second question he has is regarding the AAA bond rating. If we use money from opening cash to pay for something other than capital expenditures, all of that is going to potentially risk the AAA rating. Town Manager Souza said that the Standard & Poor's will keep an eye on it but won't have an automatic switch on it. He explained if we get to that 15% or below, we're not making attempts to replenish it. He doesn't think they would put us on a 'watch.' He explained further that there are several components to the score that gets considered. Mr. Bourke also gave an explanation regarding the AAA rating and using opening cash.

Councilor Eleveld asked if there were any big buildings that came aboard this fiscal year. Town Manager Souza said so far in FY 24 nothing has come in at this point.

Councilor Eleveld asked about Founder's Square. Town Manager Souza stated the value is probably near \$20-\$25 million. So that will come on this year's roll.

Councilor Eleveld asked if interest rates are at 3.5%. He's thinking closer to 3%. Town Manager Souza said that it's a blended rate. Some of our money is not in that money market, so it's locked



in a little bit for a longer term at the blended rate. Mr. Bourke gave an update on the town bank and CD accounts and the blended rate.

Councilor Eleveld asked about the self-insured plan. Is the 18% increase because of our experience or because our actual expenses. Mr. Bourke stated the 18% is based on claims, actual claim experience going back two years. We had a period of time when our claims were high.

Councilor Eleveld said that includes the premium we pay for our insurance coverage and stop loss, correct? Mr. Bourke said that was correct. Town Manager Souza discussed the rise on the health side is the prescription drugs which have escalated dramatically and we've had a half dozen folks on specialty drugs which gets factored into it.

Councilor Eleveld asked about the defined benefit. The 3% increase is due to salary increases because we're paying a fixed percentage? Mr. Bourke answered yes.

Councilor Eleveld asked about Great Pond and if it is based on the additional properties coming up. Town Manager Souza stated that it is a Tax Increment Financing district where we share 50% of the real estate and personal property. They pay it. It pays for the infrastructure and the tax development or tax growth based upon development.

Councilor Naeem asked if there is any sort of timeframe that is in place for Great Pond? What do we have? Town Manager Souza stated that project has multiple phases, so it's whatever their term is that they are borrowing and paying it back. We retain about \$80,000 right off the top of their revenue and then we keep all motor vehicles and then personal property and real estate gets split 50/50.

Councilor Naeem asked who is overseeing the fund. Town Manager Souza stated there's a separate entity called the Great Pond Improvement District. The Town Council has an appointee on that committee which is Don Jepsen, former town council member, and then he and Jim attend all the meetings.

Councilor Eleveld asked if the money is used to pay down the debt infrastructure of putting in all the roads to sewers, etc. Town Manager Souza said if there is a shortfall for whatever reason, there is the ability for the Improvement District to assess the property. The debt is not considered Town of Windsor debt, it's considered overlapping debt and not direct debt.

Councilor Smith asked about the taxes collected, \$800,000 was left with the town. How much was given to the Great Pond Improvement District? Town Manager Souza said it's roughly an equal amount. For FY 24, it's \$623,000 that was transferred to the town. He explained further.

Councilor Eleveld asked about the split and clarified it to his understanding.

Councilor Eleveld asked about fuel consumption.

Councilor Eleveld asked why the debt service is up 3%. Are we expecting higher rates on some of the debt? Town Manager Souza answered they are following the guidance that the Council

has had to try to have a stabilized appropriation each year to debt service and that's 3%. Town Manager Souza explained further about the debt service reserve fund.

Councilor Smith stated going back to the question you were asking about the effect of the bond rating if we use this. It is what is considered an extraordinary event where your resident goes up 50% and your commercial goes up 80%. He just wants to make sure it wouldn't be held against the town. Town Manager Souza said that's right, it's how you recover. We'll commit out 3-4 years. He explained that he and Mr. Bourke are looking at strategic approaches in the next 30+ days to have that together so we can share it. Town Manager Souza gave some examples and went over an example of using opening cash.

Councilor Naeem stated that it's important to have an understanding around that little bit of a longer-term planning as we think about what we are using and the different scenarios and levers we're pulling in terms of the potential impact for the coming three years as we're evaluating the budget. All of this does not go away next year.

Councilor Eleveld said by taking \$1 million in year one you're not making a systemic change. You're going to need \$2 million in year two and \$3 million in year three and \$5 million in year five. The committee continued to discuss the impact on the budget for this scenario.

Councilor Eleveld asked what the bonding agencies are saying the town needs? Town Manager Souza stated that it is presently at 15%-20%. Town Manager Souza explained possible ways and gave scenarios in which Opening Cash can be used.

Councilor Naeem stated our commitment for support to the Windsor EMS is 3% increase on the report. She's assuming that is for their general operating expenses. Any of the funds that we committed for the plan that was put into place a couple of months ago, is that impacted or reflected relative to the capital. Town Manager Souza said this 3% does not reflect that. The major capital components are when the vehicles begin to arrive, which you know is in an 18 month outlook. Those lease payments are expected to start in FY 26 not in FY 25.

Councilor Smith asked about the surplus cash that was generated by some of the tax abatement that expired. He explained his understanding of what he believed was a part of the process and how surplus cash was created. Town Manager Souza said we are factoring that in as grand list growth. So it's not necessarily creating a surplus because that split's been budgeted. As the Council adopts the budget, that's factored in. The significant contribution from the wave of economic development has been building permit revenue, where the Town Council has purposely been conservative on the building permits side of it, because we don't know that cycle. If it hits June 30<sup>th</sup> that would be great for one year, but it doesn't help the next fiscal year. From an economic development perspective, those large projects when we get more building permits than we expected, that's what helped increase the surplus.

Councilor Eleveld stated there is an increase built into the grand list number which will be an increase of 15%. Town Manager Souza stated that is reflected in the grid. You're seeing two bumps, one from personal property that came online from the Amazon and we're seeing their tax abatement step down. That's built into all of the numbers. Then in FY 26, it will be fully valued.

Councilor Naeem asked if Town Manager Souza is expecting the same level of detail to go before the Town Council. Town Manager Souza stated that they do not generally do that. They will try to recap it and then answer questions.

MOVED by Councilor Eleveld, seconded by Councilor Smith that the Finance Committee recommend to the Town Council that the attached FY 25 budget assumptions and parameters be approved as presented.

### *Fiscal Year 2025 Budget Assumptions and Parameters*

#### Revenues

*Overall State Aid projections will be consistent with FY 24 adopted levels, and adjusted as based on the Governor's budget which will be released in early February.*

*Building permits, conveyance fees and land recordings are projected to remain level with FY 24 adopted budget amounts.*

*Interest earnings are anticipated to remain favorable for FY 25. We are estimating a rate of return for FY 25 of approximately 3.5%.*

*No opening cash will be included as part of the Town Manager's proposed budget, as per the Town Council's June 2021 direction. Alternative scenarios utilizing cash reserves will be presented for consideration.*

#### Expenditures

*Employee and retiree insurance benefit self-insured claims and premiums (health, prescriptions, dental, life and disability) are projected to increase approximately 18% (\$690,000).*

*Town contributions to defined benefit and defined contribution retirement plans are forecasted to increase approximately 3.0% (\$165,000).*

*Transfer payment to Great Pond Improvement District is expected to increase 120% due to the completion of new private developments and resulting Grand List growth (\$760,000).*

*Budgeted costs for utilities (electricity, natural gas, water) are forecasted to increase 14% (\$240,000).*

*Budgeted per gallon costs for gasoline and diesel are expected to increase 3.5% (\$14,000).*

*MDC sewer ad valorem is expected to increase 1.0% (\$47,000).*

*General Fund appropriation for debt service is a planned increase of 3% (\$250,000).*

*Capital spending is forecasted to decrease 19% (-\$680,700). This is related to the Town Council funding a Community Investment Initiative program for FY 24.*

*No increase in the appropriation for Other Post-Employment Benefits (OPEB), which is budgeted at \$800,000 in the FY 24 budget.*

*Continue contribution to the Caring Connection (FY 24 adopted budget \$100,000).*

*Provide continued financial support to Windsor EMS reflecting an estimated 3% increase (\$20,000).*

### **Service Delivery**

*In recognition of property revaluation impacts, present a budget that attempts to maintain current levels of service as well as identifies needed resources to address unmet and emerging service delivery needs (e.g., traffic enforcement, workforce development / succession planning, senior transportation, infrastructure maintenance, cyber security, affordable senior and workforce housing). Continue multi-year investment program in open space preservation as well as asset management activities including pavement management, fleet, technology, facilities, athletic fields, and park facilities.*

Motion Passed 3-0-0

## **4. DISCUSSION OF FY25 BUDGET FORMAT**

MOVED by Councilor Eleveld, seconded by Councilor Smith that the Finance Committee recommend to the Town Council that the FY 25 budget format remain the same as FY 24.

Town Manager Souza stated that the Finance staff is not proposing any changes to the budget format for FY 2025. As was done for the FY 24 budget, we will be presenting American Rescue Funds (ARF) grant revenues and expenditures in the applicable department budgets of the FY 25 budget to reflect initiatives that have been approved by the Town Council, as well as the associated information on the special revenue page for American Rescue Funds.

Town Manager Souza stated they are doing some reorganization of the Department of Public Works. For example, 6-7 years ago, we combined DPW and Engineering. Right now, we are going to be putting Engineering back under the Development Services service unit. So there will be some shifting there, but it's not a format change.

Councilor Eleveld asked for some context for comparison purposes. Town Manager Souza said there is only that one piece.

Motion Passed 3-0-0

## **5. DISCUSSION OF PROPOSED FY 25 BUDGET CALENDAR**

MOVED by Councilor Eleveld, seconded by Councilor Smith that the Finance Committee recommend to the Town Council that the FY 2025 budget format remain the same as FY 24.

Town Manager Souza said presently the calendar calls for Town Council discussion and preliminary deliberations for Monday, April 22, 2024, which is the first night of Passover. Budget adoption is proposed for Wednesday, April 24, 2024. A question exists if the Council would like



to forego the April 22<sup>nd</sup> session and meet for public comment and adoption on April 24<sup>th</sup>. An alternative would be to meet on April 23<sup>rd</sup> to hear public comment and preliminary deliberations.

As in years past, the formal setting of the referendum date is established when the Town Council adopts the budget. The recommended date for the Adjourned Town Meeting (referendum) is traditionally the second Tuesday of May, which would be Tuesday, May 14, 2024.

Councilor Naeem asked if we were to move the date during the school week, could we still keep the board event on the April 15<sup>th</sup> date but shift some of the other ones into the school week. Town Manager Souza said yes, that could be done.

Town Manager said the other question is for the April 22<sup>nd</sup> meeting which is the first night of Passover that starts at sundown. Councilor Naeem stated she would recommend moving it. She thinks they should split up the 15<sup>th</sup> and 17<sup>th</sup>. Adding another day the week before would be helpful.

Councilor Eleveld stated he would agree with Councilor Naeem however he is concerned about other councilor's schedules and if their kids will be having a vacation during the school break.

Councilor Naeem stated that we could ask those councilors and adjust the schedule accordingly.

Councilor Eleveld gave some other options for scheduling.

Discussion ensued regarding the dates to reschedule the meetings.

Motion Passed 3-0-0

#### Amendment to motion

MOVED by Councilor Naeem, seconded by Councilor Smith to propose an amendment to the original motion on the table to add a meeting on the week of April 8<sup>th</sup> and also recommend moving the meeting from April 22<sup>nd</sup> to the 23<sup>rd</sup> so we aren't meeting on the night of Passover.

Motion Passed 3-0-0

## **6. STAFF REPORTS**

Town Manager Souza said the audit is in the process of being wrapped up. Mr. Bourke stated they are still working on the financials. Town Manager Souza said by State law the audit needs to be filed with OPM by the 31<sup>st</sup> of December. Then the audit firms have asked for a 30 day extension as they have to go through peer review within their firm. Hopefully, we'll have that squared away in January. We will then schedule a Finance Committee meeting in February and have the auditors come in to provide an overview.

Councilor Naeem said we've been pushing people to go to the website for the information on revaluation. More resources have been added to the site. Some people have reached out to try to better understand this. It is not easy, it's complicated and is not a normal tax year because of revaluation. We've been talking about having a public session to just talk about what it is and how

it's broken down. We are thinking of putting that out in late January so we're ahead of the deadline for the Board of Assessment Appeals, correct? Town Manager Souza stated he'd like to be able to do it in that January time frame, but the calendar is tough especially if the Town Council is thinking about some other staff retreat and some other group discussion around priorities and goals. But yes, we'd like to do something towards the end of the month which would be an informational meeting hosted by staff.

Councilor Smith said he knows of a few people that missed the deadline for an appointment with Vison Appraisal and was wondering if Vision Appraisal would come back to help with that. Town Manager Souza said we'd have to investigate and see. He believes there are 2-3 more days next week that they can still try and schedule an appointment or they can reach out to the Town Assessor's office. His understanding is there is still some time slots available.

## **7. APPROVAL OF MINUTES**

MOVED by Councilor Eleveld, seconded by Councilor Naeem, to approve the unapproved minutes of the October 30, 2023 meeting as presented.

Motion Passed 2-0-1 (Councilor Eleveld abstained)

## **8. ADJOURNMENT**

MOVED by Councilor Eleveld, seconded by Councilor Smith, to adjourn the meeting at 8:22 p.m.

Motion Passed 3-0-0

Respectfully submitted by,

Helene Albert  
Recording Secretary