

**BOARD OF FINANCE  
TOWN OF EAST WINDSOR  
11 RYE STREET  
EAST WINDSOR, CONNECTICUT 06088**

**MINUTES OF REGULAR MEETING**

**Wednesday, August 15, 2012 at 7:30 p.m.**

These minutes are not official until approved at a subsequent meeting.

Members Present: Jason Bowsza, Joseph Pellegrini, Marie DeSousa, Danelle E. Godeck, and Kathleen Pippin  
Members Absent: Jerilyn Corso  
Alternates Present: Paulette Broder and Sharon Tripp  
Alternate Absent: None  
Others: Denise Menard, Richard Pippin, Dale Nelson, Bill Schultz, Nichole DeSousa, and others  
Press: None

**I. Call to Order**

Chairman Jason Bowsza called the Regular Meeting to Order at 7:30 p.m., in the East Windsor Town Hall.

**II. Appointment of Alternates**

Chairman Jason Bowsza indicated that Ms. Jerilyn Corso will not be attending this evening's meeting and a motion would be in order appointing an alternate as a voting member.

It was **MOVED** (Pellegrini) and **SECONDED** (Pippin) and **PASSED** (U) that Ms. Paulette Broder be appointed as a voting member in place of Regular Member, Ms. Jerilyn Corso.

**III. Added Agenda Items**

It was **MOVED** (Pellegrini) and **SECONDED** (Pippin) and **PASSED** (U) that the Board of Finance adopts the Agenda as presented.

**IV. Approval of Minutes**

**Regular Meeting of July 18, 2012**

An error was noted in the July 18, 2012 Regular Meeting Minutes. An

amendment to the minutes in Section VIII. New Business, Subparagraph b, Paragraph 1 is noted. The following is the noted amendment:

“...stated SFSF Grant because the **grand** had already been expended...”  
to

“...stated SFSF Grant because the **grant** had already been expended...”

It was **MOVED** (DeSousa) and **SECONDED** (Broder) and **PASSED** (4-0)(D. Godeck abstained) that the Board of Selectmen approves the minutes of July 18, 2012 Regular Meeting, as amended.

#### **IV. Public Input**

Mr. Richard Pippin, Wooham Road, addressed the Board. He had a surprise for his wife, Board Member Kathleen Pippin in honor of their 48<sup>th</sup> Wedding Anniversary. He brought a cake for all to celebrate the occasion.

Board Recessed at 7:33 p.m.  
Board Reconvened at 7:43 p.m.

#### **V. Communications**

Chairman Jason Bowsza indicated that he has received communication from East Windsor Public Schools and the auditor report regarding the lunch funds of \$64,000 for the fiscal year 2010-2011 and the error of this reporting. If anyone would like to review this communication, Mr. Bowsza will supply the copies of same.

#### **VI. Monthly Reports**

##### **a. Treasurer’s Report**

Ms. Denise Menard, First Selectwoman, addressed the Board of Finance. She was in place of the Treasurer, Catherine Cabral, who is away on vacation. She gave to all the Board Members a memorandum dated August 15, 2012 for their review. Ms. Menard indicated that overall the revenues received for the month of July are at 36.6%.

A brief discussion was held.

##### **b. Tax Collector’s Report**

Ms. Menard gave a copy of the Tax Collector’s reports to the Board Members for their review; the reports were entitled “Town of East Windsor Report of Tax

Collector Monthly Collectible” and “Cumulative Report of Cash”. A brief discussion was held regarding the reports.

**c. Assessor’s Report**

Ms. Menard indicated there was not an Assessor’s Report due to the fact that the Assessor is also on vacation.

A brief discussion was held.

**d. 2011-2012 Budget Added Appropriations/ Transfers**

• **Human Services**

Ms. Menard indicated this expense was not anticipated. The transfer which is being requested is the \$1.00 differential when an employee is responsible for a substantial part of work of a position in a higher classification. It was asked if it was for a 40 hour week, and the answer was no it was only for 5 hours per week for an 8 week period. This transfer was discussed at the last meeting and there was a question of which line the transfer was coming from and that has since changed. The new line listed on their transfer request line is from the police department and is due to a retirement recently.

It was **MOVED** (Pellegrini) and **SECONDED** (Godeck) that the Board of Finance approves the transfer of \$400.00 to Human Services-Salary Account No.: 1-01-20-5235-1-100-0000-0 from Officers Salary - PD Account No.: 1-01-15-2145-1-125-0000-0, and recommend to a town meeting if necessary. (Also known as Transfer No. 48)

• **Various**

Ms. Menard indicated the next three transfers listed are two percent retroactive raises for unaffiliated employees. The transfer is coming from the 27<sup>th</sup> Payroll Lines.

It was **MOVED** (Pellegrini) and **SECONDED** (Godeck) and **PASSED** (4-1)(In Favor – Ms. DeSousa, Ms. Broder, Mr. Pellegrini, and Ms. Godeck; Opposed – Ms. Pippin) that the Board of Finance approves the following transfers and refers the matter to a Town Meeting, if necessary. (Also known as Transfer Nos. 61, 62, and 63):

- \$995.00 from 27<sup>th</sup> Payroll Account No.: 1-01-10-1194-1-114-0000-0 to Selectmen Salary Full Time Account No.: 1-01-10-1010-1-100-0000-0;

- \$1,475.00 from 27<sup>th</sup> Payroll Account No.: 1-01-10-1194-1-114-0000-0 to Treasurers Salary Full Time Account No.: 1-01-10-1025-1-100-0000-0; and,
- \$ 932.00 from 27<sup>th</sup> Payroll Account No.:1-01-10-1194-1-114-0000-0 to Planning Salary Full Time Account No.:1-01-10-1125-1-100-0000-0.

• **Selectmen**

Ms. Menard indicated the next transfer is in connection with a salary increase to her salary of 2% retroactive. This matter has not yet been approved by the Board of Selectmen.

After a brief discussion, it was decided to postpone the vote on this transfer until the Board of Selectmen has a chance to vote on same.

It was **MOVED** (Pellegrini) and **SECONDED** (Broder) and **PASSED** (U) that the Board of Finance postpones the approval of the Selectmen’s transfer request known as No. 44 in the amount of \$1,265.00 until the next Regular Meeting in September.

**VII. Matters referred from the Board of Selectmen**

Chairman Jason Bowsza inquired if anything should be discussed at this meeting that was brought up at the last Board of Selectmen’s Meeting. It was indicated there was not.

**VIII. Unfinished Business**

**a. 2011-2012 Board of Education Budget Discussion**

Mr. Bowsza indicated this agenda item will be discussed later in the meeting.

**b. EW Housing Authority Payment**

Ms. Menard indicated that the Board of Selectmen has been adamant that the Housing Authority send the PILOT payment in full for this upcoming payment rather than breaking the payment into two installments. A meeting has been requested between the Chairman of the Housing Authority, the Director of the Housing Authority and the First Selectwoman; however, that meeting has not taken place. Ms. Menard has communicated to the Housing Authority that if they would like to come before the Board of Selectmen and discuss this matter further, it can be placed on the Agenda for the next Regular Meeting. As of the present date, no communications has been received from the Housing Authority to request same.

A brief conversation was held regarding the recourse the Town would have against the Housing Authority for not complying with the contract.

It was **MOVED** (DeSousa) and **SECONDED** (Pellegrini) and **PASSED** (U) that the Board of Finance postpones the discussion regarding the Housing Authority Payment to the Regular Meeting in September.

**c. Credit Card Policy**

Ms. Menard indicated that she and Ms. Cabral worked on the policy after last month's meeting and tried to address the concerns the Board had with the policy. She did present the policy to the department heads at the recent Senior Staff Meeting and again the WPCA, Parks and Recreation, IT, and Public Works all expressed the great difficulties the departments have making purchases without having a credit card available. Most of the Board Members did their own research about the topic after last month's meeting inquiring within Town Departments and their own employers about the use of credit cards. One department had an employee spend approximately \$1700 of her own money and another \$910 for purchases towards their own department and had to wait for reimbursement from the Town. It was mentioned that there would be a zero limit, but the previous policy had a \$200 limit. The purchased would have to be pre-approved. The discussion continued regarding the limit on the credit card, the name on the card, and fraud protection.

After a brief discussion, Ms. Menard indicated that Ms. Cabral in the past week has met with another vendor regarding the credit card issues and another idea was discussed; however, Ms. Menard did not meet with Ms. Cabral before she went away and does not know the exact proposal and/or idea. It was inquired as to which departments would have access to the credit card. It was suggested that the Parks and Recreation, Senior Center, and WPCA and the stringent accounting rules that are followed to be reimbursed for expenses would be followed with the credit card receipts. There was a concern mentioned regarding having to have pre-approval for every purchase.

It was **MOVED** (Pellegrini) and **SECONDED** (Broder) and **PASSED** (U) that the Board of Finance postpones the discussion regarding the Credit Card Policy to the Regular Meeting in September.

**VIII. New Business**

**a. Discussion of Annual Report for FY 2011-2012**

Mr. Bowsza inquired with Ms. Menard if her office has sent out the requests to all departments regarding the annual report. Ms. Menard indicated it has not yet been done; all she would need is a point person so the process can begin. Ms. Menard indicated the information can be gathered in her office. Mr. Bowsza

commented that all of the information has to be to the printer by December 8, 2012 in order for it to be available for the Annual Town Meeting. It was decided that Mr. Bowsza and Mr. Pellegrini will share the responsibilities of compiling all of the information.

**IX. Invoice Authorization**

Ms. Menard gave to Mr. Bowsza an invoice from Milliman in the amount of \$830.00 for services rendered to the Town of East Windsor for other post-employment benefits program, GASB 45 for FYE June 30, 2011. There was no objection to have Mr. Bowsza sign said invoice.

**X. Executive Session (pursuant to Connecticut General Statutes Section 1-200 (6) Contract Matter**

It was **MOVED** (Pellegrini) and **SECONDED** (DeSousa) **PASSED** (U) that the Board of Finance enters into Executive Session to conduct a hearing and to preserve the confidentiality of records to include the First Selectwoman, Denise Menard.

The Board entered into Executive Session at 8:25 p.m.

It was **MOVED** (Broder) and **SECONDED** (Godeck) and **PASSED** (U) that the Board of Finance terminates Executive Session enters into Public Session at 9:36 p.m.

It was **MOVED** (Broder) and **SECONDED** (Godeck) and **PASSED** (3-2)(In Favor-Ms. Broder, Ms. Godeck, and Ms. DeSousa; Opposed-Ms. Pippin and Mr. Pellegrini) that the Board of Finance name Ms. Marie DeSousa as the representative of the Board of Finance pursuant to the Charter for the purposes of the clerical contract negotiations.

It was **MOVED** (DeSousa) and **SECONDED** (Pippin) and **PASSED** (U) that the Board of Finance refer the correspondence from Attorney Chris Chini dated August 14, 2012 regarding Board of Education Funds and prepayment of health insurance from FY12 to FY13 to the Town Counsel and the Town's auditor for their review and recommendation.

**XI. Adjournment**

It was **MOVED** (Godeck) and **SECONDED** (DeSousa) and **PASSED** (U) that the Board of Finance adjourns the August 15, 2012 Regular Meeting at 9:40 p.m.

Respectfully Submitted,

Denise M. Piotrowicz  
Recording Secretary

**EXHIBIT A****SPECIAL REVENUE FUNDS POLICY  
As of June 30, 2012**

Special Revenue Funds are monies that can only be used for certain specific purposes and define by law or administrative action. Allocation of funds may have a series of covenants and guidelines that the recipients must follow. Most special revenue funds are either grants, endowments or subsidies from the state and federal governments designed for a variety of purposes from public safety to bond monies. Each special revenue fund has its own revenue and expenditure accounts which have fund balances that are either restricted or committed and are used first. Many of these special revenue accounts work on a reimbursement basis in conjunction with the Total Town budget and are grouped as a component part of the General Fund.

The Board of Finance has the ability to establish a special revenue fund within the established guidelines set forth by GASB (Government accounting Standards Board). Actions to commit fund balance must be done prior to the end of the fiscal year. The dollar amount may be determined at a later date (once audit is complete).

The major funds of Capital and Nonrecurring and Capital Projects when they qualify will have spending from the general fund which will be reimbursed on a regular basis. The special revenue funds of the Dog Fund, Road Maintenance Fund, Police Private Duty, Senior Activity, Bonds, BOE grants, BOE Cafeteria, BOE Day Care, Miscellaneous Grants, Donations and Contributions and Client Funds all flow through the general fund cash as expenditures and revenues and are all assigned for their individual specific purposes and therefore nonspendable portions of fund balance. The sewer operating and hook ups, sewer assessment, drug forfeiture, veterans and cemetery trusts, and client funds also will reimburse the general fund for expenditures on a regular basis and are assigned for their specific purposes. The small cities and pension fund are permanent funds.

**Dog Fund Purpose** To record and report all activity related to dog licensing, care and adoptions and revenues received for such.

**Capital and Nonrecurring Fund Purpose**-To account for financial revenues used for the financing of the planning, construction, reconstruction or acquisition of any specific capital improvement or the acquisition of specific equipment and capital additions. Revenues are received from the Capital Improvement in the General Fund.

**Town Aid Road Purpose**- To provide safe and well-maintained roadways and sidewalks. Revenue comes from the State of Connecticut Town Aid Roads Grant and any funds transferred from the General fund used for the purpose of maintaining roadways.

**Sewer Assessment Purpose** To record revenues from benefit assessments and facilities connection charges and report activity related to sewer connections.

**WPCA Operating and Hook Ups** to record and report activity related to sewer operations

**EXHIBIT A CONTINUED****SPECIAL REVENUE FUNDS POLICY  
As of June 30, 2012**

Special Revenue Funds are monies that can only be used for certain specific purposes and define by law or administrative action. Allocation of funds may have a series of covenants and guidelines that the recipients must follow. Most special revenue funds are either grants, endowments or subsidies from the state and federal governments designed for a variety of purposes from public safety to bond monies. Each special revenue fund has its own revenue and expenditure accounts which have fund balances that are either restricted or committed and are used first. Many of these special revenue accounts work on a reimbursement basis in conjunction with the Total Town budget and are grouped as a component part of the General Fund.

The Board of Finance has the ability to establish a special revenue fund within the established guidelines set forth by GASB (Government Accounting Standards Board). Actions to commit fund balance must be done prior to the end of the fiscal year. The dollar amount may be determined at a later date (once audit is complete).

The major funds of Capital and Nonrecurring and Capital Projects when they qualify will have spending from the general fund which will be reimbursed on a regular basis. The special revenue funds of the Dog Fund, Road Maintenance Fund, Police Private Duty, Senior Activity, Bonds, BOE grants, BOE Cafeteria, BOE Day Care, Miscellaneous Grants, Donations and Contributions and Client Funds all flow through the general fund cash as expenditures and revenues and are all assigned for their individual specific purposes and therefore nonspendable portions of fund balance. The sewer operating and hook ups, sewer assessment, drug forfeiture, veterans and cemetery trusts, and client funds also will reimburse the general fund for expenditures on a regular basis and are assigned for their specific purposes. The small cities and pension fund are permanent funds.

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**WPCA Operating and Hook Ups** to record and report activity related to sewer operations

**EXHIBIT B****Fund Balance Policy Revised 6/30/2012**

The level of fund balance percentage the Town strives to maintain will be an adequate amount of unreserved funds as set forth in this policy. Any year end operating unassigned surplus will revert to unrestricted fund balance for use in maintaining reserve levels.

The general fund balance target at the end of the year should be in a range of five percent (5 %) to seventeen percent (17 %) in good economic times. Amounts in excess of the good economic times percentage will be assigned by the recommendation of the Board of Finance, forwarded to the Board of Selectman and to Town Meeting in accordance with the Town Charter. This includes nonspendable, restricted with unrestricted to be further defined as committed, assigned and unassigned funds, defined below and to be utilized in the same order.

Nonspendable fund balance – Amounts that are not in spendable form (such as inventory) or are required legally or contractually to be maintained intact (such as the corpus of an endowment fund).

Restricted fund balance – Constraints on the use of resources for specific purposes by their providers (such as grantors, bondholders, contributors and higher levels of government) through constitutional provisions or by enabling legislation.

Committed fund balance – Amounts constrained to specific purposes by formal action of the Board of Finance, the highest level of decision making authority of the Town, as required by Charter; to be reported as committed, amounts cannot be used for any other purpose unless the Town takes the same highest-level action to remove or change the amount. Should any portion of the fund balance be allocated to a subsequent fiscal year that amount shall be deemed **committed** fund balance. Funds must be committed prior to the end of the fiscal year. The exact dollar amount can be determined as of a later date (upon completion of the audit).

Assigned fund balance – Amounts the Town intends to use for a specific purpose but are not restricted or committed; intent can be expressed by the governing body or by an official or body to which designates authority to assign amounts by Town Charter..

Unassigned fund balance – Amounts that are available for any purpose; these amounts are reported in the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories. The general fund balance target at the end of the year should be in a range of five percent (5 %) to seventeen percent (17 %) in good economic times.. Arrangements of a gradual increase of one percent (1%) per year are required to restore the general fund unrestricted balance should it fall below the minimum level for any unforeseen circumstance. Unrestricted fund balance at the higher level is approximately equal to the amount two months operating expenditures/revenues from the general fund as recommended by the GFOA (Government Finance Officers Association).

The maintenance of unrestricted fund balance is an element of sound fiscal management required for sustaining a good credit rating and financial management flexibility.