

**BOARD OF FINANCE  
TOWN OF EAST WINDSOR  
11 RYE STREET  
BROAD BROOK, CONNECTICUT 06016**

**NOTES OF REGULAR MEETING  
Wednesday, October 15, 2014, 7:30 p.m.**

*DRAFT DOCUMENT – These notes are not official until approved at a subsequent meeting*

**Members Present:** Jerilyn Corso (Chairman), Cindy Herms, Robert Little, Robert Maynard, Pippin, and Sharon Tripp.  
**Members Absent:** Robert Little, and Sharon Tripp.  
**Alternate Present:** Paulette Broder and Gilbert Hayes  
**Alternate Absent:** Both Alternate members were present  
**Others:** **Town Treasurer:** Kim Lord; **First Selectman:** Denise Menard;  
**Press:** No one from the press was present.

**I. Call to Order:**

Chairman Corso advised the Commission the Meeting had not been properly noticed; discussion can occur but no votes can be taken. Chairman Corso opened discussion at 7:30 p.m.

**II. Time and Place:**

Town Hall Meeting Room, 11 Rye Street, Broad Brook, CT.

**III. Attendance/Appointment of Alternates:**

Chairman Corso noted Alternates will not be appointed this evening as voting can not occur. See attendance noted above.

**IV. Approval of Minutes/September 17, 2014:**

Although approval of the September 17<sup>th</sup> Minutes is postponed until the next regularly scheduled meeting Mr. Maynard insisted on discussing the following revision. To illustrate his contention of incorrect transcription comments he played his tape recording of the September 17<sup>th</sup> meeting, Agenda Item: **New Business/a. Discussion – Lease Purchase Resolution approved by BOS:** Minutes transcription – page 5, 3<sup>rd</sup> full paragraph.

Mr. Maynard contended the final sentence, Treasurer Lord's response, was incorrectly transcribed; Mr. Maynard questioned where the reference to "option A" came from as it was not part of his e-mail? The transcription, and the revision (shown in italicized bold

underlined highlighted caps) which will be reflected in the Minutes approval in October, follows:

“Mr. Maynard reviewed the questions raised in his e-mail. He questioned the effect of taking all, or a part, of the cost of the HVAC and truck replacement from the Fund Balance, taking into consideration the possibility of three referendum failures and imposition of the default 2% budget increase? “Treasurer Lord indicated the result would be Mr. Maynard’s option A based on the July 1<sup>st</sup> approved budget THE ANSWER IS IT WOULD BE THE FIRST – A- BASED ON THE JULY 1<sup>ST</sup>, THE APPROVED BUDGET””

See Attachment A to reference a copy of Mr. Maynard’s e-mail; a similar copy will be attached to the approved September 17<sup>th</sup> Minutes when action is taken. Please note yellow highlighted excerpts in the e-mail are Mr. Maynard’s.

**V. Public Participation:**

No one requested to speak.

**VI. Communications:**

- Invitation from the Warehouse Point Public Library to dedication of new signage.
- Correspondence from Mrs. Herms regarding actions taken as a Board of Finance Member related to ownership of condominium.
- Correspondence from Mr. Maynard regarding discussion of the General Fund and the CNR (Capital Non-Recurring) Fund.

**VII. Monthly Reports:**

**a. Treasurer:**

Treasurer Lord presented the Board with the standard reports:

- Cumulative Report of Cash, effective September 2014 – See Attachment B.
- Cash Flow Report – Webster Bank General Fund Cash Account – See Attachment C.

**Tax Collector:**

Treasurer Lord presented the Board with the Report of the Tax Collector – See Attachment D.

**Assessor’s Report:**

Treasurer Lord presented the Board with the Report of the Assessor – See Attachment E.

**b. Line-Item Transfer Requests:**

No transfers can be approved this evening due to the lack of posting of the Notice of the Meeting.

**VIII. Unfinished Business:**

**a. Annual Report:**

Treasurer Lord submitted copies of annual reports received from various departments for the Commission's review. Discussion continued regarding outstanding reports.

**IX. New Business:**

**a. BOE Update:**

Treasurer Lord reported staffing changes have occurred within TMS (Total Management Solutions), the firm who handles financial management for the Board of Education (BOE). Discussion followed. Treasurer Lord reported the bids for the modular project have come in too high; a rebid will be held on November 11<sup>th</sup>. Discussion followed regarding the impact of the status of the modular project on the project bonding. The Board is considering holding a meeting with the BOE regarding this project.

**b. Auditor Contract:**

Treasurer Lord discussed options regarding extending the contract with the current auditor vs. going out to bid on a new auditor.

**X. Board Member Comments:**

- Correspondence from Mrs. Herms regarding actions taken as a Board of Finance Member related to ownership of condominium:

Mrs. Hermes reported that a week ago the Board of Selectmen (BOS) met with the East Windsor Condominium Association (EWCA) regarding funding requests for reimbursement of some annual fees associated with condominium ownership. Mrs. Hermes also noted the EWCA will be paying for fees associated with the review of a legal document outlining reimbursement of those fees between the Town and the condominium owners. Mrs. Hermes wished to disclose to the Board that she is a condominium owner; she cited concerns that she may have a conflict of interest with regard to this budget request as a condominium owner and her actions as a BOF member.

Chairman Corso read an excerpt from the ordinance establishing the East Windsor Code of Ethics, Section 3.1 – Conflict of Interest. Discussion followed regarding interpretation of the code language. Mr. Maynard acknowledged he,

too, is a condominium owner; he felt that he would not personally receive any money as reimbursements would be going to the condominium association. It was determined it would be Mrs. Hermes, and Mr. Maynard's, personal choice to decide if they have a conflict of interest regarding this issue; it would also be their choice as to what personal actions they should take as a BOF member as a result of their decisions regarding conflict of interest.

- Correspondence from Mr. Maynard regarding discussion of the General Fund and the CNR (Capital Non-Recurring) Fund.

See Mr. Maynard's e-mails - Attachment F, two pages. Discussion of the General Fund will occur at the Board's next regularly scheduled meeting.

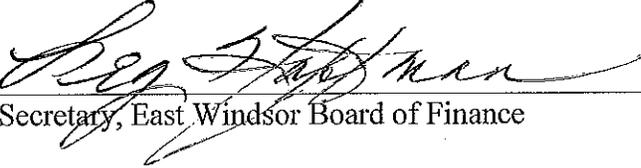
**XI. Invoice Authorization:**

No Invoice presented this evening due to the lack of posting of the Notice of the Meeting.

**XII. Adjournment:**

Chairman Corso **ADJOURNED** this Meeting at 9:10 p.m.

Respectfully submitted:

  
\_\_\_\_\_  
Peg Hoffman, Recording Secretary, East Windsor Board of Finance

BOF 10.15.2014  
Attachment A

Mr. Maynard reviewed the questions raised in his e-mail. He questioned the effect of taking all, or a part, of the cost of the HVAC and truck replacement from the Fund Balance, taking into consideration the possibility of three referendum failures and imposition of the default 2% budget increase?

Mr. Maynard's specific question was:

"The current annual budget (F14-15) approved by referendum is \$35,643,871.00.

If \$467,762.00 was taken from the fund balance in November 2014 to pay for two Kenworth trucks and if the FY15-16 proposed budget fails at the Third Referendum in June 2015 and thus by charter the FY15-16 budget reverts to last year's approved budget, plus 2%.

Will the FY15-16 budget be  $1.02 \times \$35,643,871.00 = \$36,356,748.42$

or  $1.02 \times (\$35,643,871.00 + \$467,762.00) = \$36,833,865.66$ ?"

Treasurer Lord indicated the result would be Mr. Maynard's option A based on the July 1st

approved budget (that is the FY15-16 budget will be  $1.02 \times \$35,643,871.00 = \$36,356,748.42$ ).

Discussion continued regarding funding options.

BOF 10.15.2014  
Attachment B

CUMULATIVE REPORT OF CASH

End of Month Report of	Sep-14	NET CASH COLLECTION	BUDGETED REVENUE	DIFFERENCE BETWEEN BUDGET AND ACTUAL
Current Taxes	\$170,312.61	\$15,428,335.56	\$27,789,172.00	(12,360,836.44)
MV Supplemental	\$0.00	\$0.00	\$250,000.00	(250,000.00)
Interest and Fees	\$21,052.47	\$83,963.95	\$225,000.00	(141,036.05)
Prior Year Taxes	\$46,922.60	\$214,536.42	\$300,000.00	(85,463.58)
<b>Total Tax Collector Report</b>	<b>\$238,287.68</b>	<b>\$15,726,835.93</b>	<b>\$28,564,172.00</b>	<b>(12,837,336.07)</b>
Sewer Benefit Assessment	\$4,561.01	\$5,932.45		\$5,932.45
Sewer Facility Connection Charge	\$48,767.84	\$82,028.83		\$82,028.83
Aircraft Registration	\$1,170.00	\$1,170.00	\$4,800.00	(\$3,630.00)
<b>Total Deposit</b>	<b>\$292,786.53</b>	<b>\$15,815,967.21</b>	<b>\$28,568,972.00</b>	<b>\$84,331.28</b>

% OF BUDGET COLLECTED 55.06%

*BOF 10.15.2014  
Attachment C*

**CASH FLOW REPORT- WEBSTER BANK GENERAL FUND CASH ACCOUNT**

BEGINNING BALANCE		OUTFLOWS					ENDING BALANCE
September 1, 2014		PAYROLL	TRANSFER TO BOE	ACCOUNTS PAYABLE	TRANSFER TO INVESTMENT ACCOUNT	DEBT SERVICE PAYMENT	TRANSFER TO OTHER/BOUNCE
\$3,336,551		(\$431,615)	(\$1,581,000)	(\$756,122)	\$0	(\$283,033)	

LOCAL REVENUE		TAX COLLECTIONS	TRANSFERS IN	FED/ WPCA IN	ENDING BALANCE
\$93,348	\$123,156	\$199,896	\$2,400,000	\$114,005	September 30, 2014
					\$3,215,186





*BoF 10.15.2014  
Attachment B*

## **TOWN OF EAST WINDSOR**

Caroline G. Madore, CCMA II - Assessor  
11 Rye St. - Broad Brook, CT 06016-9553  
cmadore@eastwindsorct.com  
860-623-8878 / (Fax) 860-623-4798

TO: Board of Finance / Board of Selectmen  
FROM: Caroline G. Madore, CCMA II - Assessor *Caroline*  
DATE: October 7, 2014  
RE: Assessor's Status Report

### **MEMORANDUM**

#### **Grand List of October 1, 2012 --**

We have three (3) Court appeals which remain open. Two (2) are at the Appellate Court stage. I have reviewed and sent my input relative to the Plaintiff's Briefs as we have only until November 3<sup>rd</sup> to file the Town's Reply Briefs. Our Attorneys are preparing the arguments to support and validate the Superior Court Judge's decision to dismiss the appeals in favor of the Town. I have also been informed that there will most likely be a Pre-Argument Conference scheduled.

The third which remains open is very close to final settlement with a pre-trial scheduled for October 16, 2014 -- the end result will have a negligible impact on the Town Taxes.

#### **Grand List of October 1, 2013 --**

##### **Board of Assessment Appeals:**

The Board held their Motor Vehicle session on September 9, 2014 @ 6 p.m. to hear Motor Vehicle valuation issues. 6 appeals were heard, 5 were granted and 1 denied resulting in a total tax loss of \$321.67.

#### **Grand List of October 1, 2014 --**

##### **Real Estate:**

The lack of a connection to the Building Department's database continues to be an issue -- totally beyond my control so real estate work such as field work and record reviews have been challenging. My field work continues relating to completed permits only with special attention to the requirements of proration for Certificates of Occupancy.

##### **Personal Property:**

Approximately 1325 personal property packets were recently sent to personal property owners.

##### **Motor Vehicles:**

We expect to get the Regular Motor Vehicle list from the Department of Motor Vehicles, via our Vendor, by mid-December.

Thank you.

*BOF 10.15.2014  
Attachment F - page 1*

Robert Maynard

To:

Jerilyn Corso

Cc:

Kim Lord

Wednesday, October 08, 2014 12:34 PM

Hi Jerilyn,

FYI

Two topics I would like to discuss at the next BOF meeting are:

1) Two funds East Windsor has are: 01 the General Fund and 08 the CNR Fund. What other funds does East Windsor have?

2) What is the Current Fund Balance and what part of the Current Fund Balance is unassigned?

In last year's audit report on page 3, Mahoney and Sabol said:

"At the end of the current fiscal year, unassigned fund balance of the General Fund was \$5,853,623 while total fund balance was \$6,272,482. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 16.5% of total General Fund expenditures. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover 1.98 months of General Fund operating expenditures. It is the Town's policy to maintain a fund balance in the General Fund between 5% and 17% of operating expenditures."

Thanks,

Bob M 860-292-6793

*BOF 10.15.2014  
Attachment F - page 2*

Kim Lord

Wednesday, October 08, 2014 1:00 PM

Hello,

I've listed all of the town's funds below:

01	GENERAL FUND
03	DOG FUND
07	PENSION FUND
08	CAPITAL & NON-RECURRING
09	TOWN AID ROADS
10	SEWER ASSESSMENT FUND
11	SEWER USER FUND
12	WPCA - INSPECTION & REVIEW
14	POLICE PRIVATE DUTY
15	DRUG FORFEITURE FUND
17	CEMETERY TRUST FUND
18	VETERANS TRUST FUND
19	SENIOR CTR ACTIVITY FUND
20	STORM EMERGENCY FUND
26	SMALL CITIES
42	CAPITAL PROJECTS
43	CONTRACTOR BONDS
63	FRC/DAYCARE
64	BOE-HOT LUNCH PROGRAMS
65	EDUCATIONAL GRANTS
66	GRANTS - MISCELLANEOUS
67	DONATIONS & CONTRIBUTIONS
80	CLIENT FUNDS

The General Fund fund balance is determined once the audit is complete, and the revenues and expenditures for FY 14 are closed out.

Right now, I show the 6/30/14 General Fund fund balance as \$6,968,478 which is 20% of FY 14 expenditures, but those numbers are completely preliminary- we won't have the actual numbers until the audit is complete.

Assigned fund balance is money that's kept in the General Fund ledger but due to other funds. For example, the general fund owes the Storm Emergency Fund \$36,028.32, which is the amount the BOF transferred into that fund at the end of the year. That money has already been assigned for a specific purpose.

Kim