

DECEMBER 21, 2011

REGULAR MEETING, BOARD OF FINANCE

Minutes of the Regular Meeting of the Board of Finance held on Wednesday, December 21, 2011 at the Westbrook Mulvey Municipal Center.

Present: Chairman Paul Connelly, Gary Gavigan, George Pytlik, Keith Maynard and Rick Westbrook.

Also Present: First Selectman Noel Bishop, Director of Finance Andrew Urban and Treasurer Jane Butterworth.

CALL TO ORDER

The meeting was called to order at 7:31 p.m. by Chairman Paul Connelly with a salute to the flag.

APPROVAL OF MINUTES – NOVEMBER 16, 2011

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously to approve the minutes of the Regular Meeting of November 16, 2011, as amended.

BOARD OF SELECTMEN REPORT

- The train station is moving forward on schedule.
- The Town Garage Building Committee has made changes to the proposed dog pound in Westbrook and it will now be in Clinton. The \$100,000.00 grant from the State will have to be reworded in order for this to happen. Jim Crawford and Eileen Daly on working on this.
- The garage project is on schedule.
- Westbrook Youth and Family Services have requested to become a Town Agency. This will not be any additional cost to the Town. Attorney Wells is working on an Ordinance to be effective 7/1/12. Andrew Urban will go through their budget line by line to see what can be absorbed into the budget such as insurance, accounting fees, etc. They will run like the nurses do. There are still a lot of things that need to be looked at. Other towns will be contacted to see how they run their Youth and Family Services.
- Vision Appraisal finished their preliminary appeals yesterday.
- The Middlesex Clinic will be relocating to Westbrook. They currently have an application before the Zoning Commission and hope to break ground this summer. They are hoping to be in by October of 2012.
- The Town has received favorable reviews from the Town Residents regarding the Moody's Rating and the information regarding the Re-val.
- Chairman Paul Connelly congratulated the Board of Selectmen and the Board of Finance for a great job of bringing the Town to where they are.

TREASURER'S REPORT

Pat Charles and Treasurer Jane Butterworth will be the only people signing Board of Education checks and the check requests will be submitted every 2 weeks. An update was given on the refunding of bonds. The Town will save \$537,000.00 over the next several years. The Town received a rate of 3.39% and the life of the bonds are shorter. Our final rating is Aa2. Chairman Connelly thanked Treasurer Butterworth for a great job.

Upon a motion by Rick Westbrook, seconded George Pytlik, it was:

RESOLVED: Unanimously to approve the Treasurer's Report as submitted.

DIRECTOR OF FINANCE REPORT

Director of Finance Andrew Urban stated that we are ahead for Revenues and only at 36% on the expenditure side. Most of the proposed budgets have been received. We will have the Audit Report the first week of January. Mr. Urban went over the audited financial results.

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously to approve the Director of Finance Report.

PUBLIC COMMENT

None.

REQUEST FOR TRANSFER – PAYROLL/SOCIAL SECURITY

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously to approve the transfer of \$57,690.00 from Account #010-9990-9991-3000, General Fund Contingency, to the following Accounts:

\$1,159.00 to Account #010-0111-1110-0101-5, First Selectman, Regular Payroll
\$634.00 to Account #010-0113-1131-0101-5, Elections, Regular Payroll
\$1,000.00 to Account #010-0115-1150-0101-5, Assessor, Regular Payroll
\$460.00 to Account #010-0115-1150-0102-5, Assessor, Part Time Payroll
\$1,566.00 to Account #010-0116-1160-0101-5, Tax Collector, Regular Payroll
\$764.00 to Account #010-0117-1170-0101-5, Finance, Regular Payroll
\$1,940.00 to Account #010-0119-1190-0101-5, Town Clerk, Regular Payroll
\$457 to Account #010-0119-1190-0102-5, Town Clerk, Part Time Payroll
\$175.00 to Account #010-0121-1210-0103-5, Board of Finance, Part Time Payroll
\$370.00 to Account #010-0210-2101-0101-5, Police, Regular Payroll
\$150.00 to Account #010-0210-2103-0102-5, Harbor Patrol, Part Time Payroll
\$4,500.00 to Account #010-0210-2105-0102-5, Constables, Part Time Payroll
\$467.00 to Account #010-0211-2115-0101-5, Fire Marshall, Regular Payroll
\$105.00 to Account #010-0212-2120-0102-5, Emergency Management, Part Time Payroll
\$9,528.00 to Account #010-0311-3110-0101-5, Public Works, Regular Payroll
\$645.00 to Account #010-0311-3110-0102-5, Public Works, Part Time Payroll
\$810.00 to Account #010-0311-3110-0104-5, Public Works, Overtime
\$758.00 to Account #010-0311-3113-0102-5, Landfill, Part Time Payroll
\$904.00 to Account #010-0312-3120-0101-5, WPCC, Regular Payroll
\$851.00 to Account #010-0314-3145-0101-5, Town Buildings, Regular Payroll
\$1,065.00 to Account #010-0314-3145-0102-5, Town Buildings, Part Time Payroll
\$1,426.00 to Account #010-0410-4101-0101-5, Planning, Regular Payroll
\$1,170.00 to Account #010-0410-4102-0101-5, Zoning, Regular Payroll
\$120.00 to Account #010-0410-4103-0102-5, ZBA, Part Time Payroll
\$1,161.00 to Account #010-0412-4120-0101-5, Land Use, Regular Payroll
\$831.00 to Account #010-0416-4160-0101-5, Inland Wetlands, Regular Payroll
\$150.00 to Account #010-0416-4160-0102-5, Inland Wetlands, Part Time Payroll
\$1,314.00 to Account #010-0417-4170-0101-5, Building Official, Regular Payroll
\$289.00 to Account #010-0417-4170-0102-5, Building Official, Temporary Payroll
\$198.00 to Account #010-0510-5100-0101-5, Director of Health, Regular Payroll
\$6,342.00 to Account #010-0510-5101-0101-5, Nurses, Regular Payroll
\$185.00 to Account #010-0515-5150-0103-5, Nurses, Temporary Payroll
\$337.00 to Account #010-0515-5151-0102-5, Social Services, Part Time Payroll
\$358.00 to Account #010-0515-5152-0101-5, Senior Center, Regular Payroll
\$5,592.00 to Account #010-0810-8101-0101-5, Library, Regular Payroll
\$915.00 to Account #010-0810-8101-0102-5, Library, Part Time Payroll
\$1,835.00 to Account #010-0912-9120-0101-5, Recreation, Regular Payroll
\$136.00 to Account #010-0912-9120-0102-5, Administration, Part Time Payroll
\$1,971.00 to Account #010-0912-9121-0102-5, Activities, Part Time Payroll
\$394.00 to Account #010-0912-9122-0102-5, Swimming, Part Time Payroll
\$555.00 to Account #010-0912-9123-0102-5, After School Program, Part Time Payroll
\$4,100.00 to Account #010-9900-9901-0121-5, Social Security

2012 MEETING DATES

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously to hold the Regular Meetings of the Board of Finance on the third Wednesday of each month for Calendar Year 2012.

2012/2013 PROPOSED BOARD OF FINANCE BUDGET

Upon a motion by Gary Gavigan, seconded by Keith Maynard, it was:

RESOLVED: Unanimously to submit a proposed budget of \$38,955.00 to the Board of Selectmen for Fiscal Year 2012/2013 for the Board of Finance.

OLD BUSINESS

None.

NEW BUSINESS

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously to add “General Fund Balance Policy” to the agenda under New Business.

GENERAL FUND BALANCE POLICY

Upon a motion by George Pytlik, seconded by Gary Gavigan, it was:

RESOLVED: Unanimously that being that the General Fund should be maintained in a range of an amount between 12 and 15 percent of the annual General Fund Revenue Budget, the range should periodically be reviewed by the Board of Finance to determine compliance with bond rating agencies recommendations.

The Town of Westbrook has a constant flow of revenue from which it is able to fund local government operations. Property tax levies and state aid comprise the majority of Town revenue. The Town receives the first half of property taxes in late July and the second half in January. Given this flow of revenue, the Town’s General Fund balance is the primary source of working capital available for operating expenses during the first five months of the year. An adequate fund balance provides the cash flow required to finance general fund expenditures throughout the course of the year.

In recognition of these factors the Town of Westbrook adopts this Fund Balance Policy. This Policy states that the Town will strive to maintain an unreserved General Fund Balance at each fiscal year-end equivalent to a minimum of 12% of the total annual operating budget of the following year. However, under limited circumstance the fund balance may be allowed to drop below 10%. A fund balance of less than 10% will create a risk of a credit downgrade by the credit rating agencies. It is important that if the fund balance drops below the minimum 12% in the current fiscal year, an appropriation will be made in the next year’s budget to bring it back to the 12%.

Fund Balance will only be used:

- In the case of significant financial or other emergency as determined by the Board of Finance.
- To provide a cushion against unexpected revenue interruptions.
- To provide working capital by ensuring sufficient cash flow to meet the Town’s needs throughout the year.
- The Board of Finance may allocate a portion of fund balance in excess of the upper limit of 15 percent to offset the subsequent year’s appropriations or may transfer it to the Town’s Capital and Non-recurring Expenditure Fund.

APPROVAL OF BILLS

None.

CORRESPONDENCE

None.

ADJOURNMENT

Upon a motion by Gary Gavigan, seconded by Rick Westbrook, it was:

RESOLVED: Unanimously to adjourn at 9:52 p.m.

Respectfully submitted:

Kathleen H. Kelemen, Secretary

