



# Town of Madison, CT

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## Board of Finance

Subject to Approval

Minutes of a regular meeting of the Board of Finance held on May 18, 2022, 8:30 a.m. at the Town Campus and via Zoom Online Platform

Present: John Picard, Cindy Breckheimer, Jean Fitzgerald, Filmore McPherson, Justin Murphy, and Katie Stein

Also present: First Selectwoman Peggy Lyons; Stacy Nobitz, Finance Director; Kristen Bartosic, Manager of Budgets and Planning; John Ienacco, Director of Public Works; Colleen Kiesewetter, Tax Collector, Lauren Rhines, Town Services Coordinator/Risk Manager

Mr. Picard called the meeting to order at 8:39 a.m.

### REGULAR SESSION

1. Pledge of Allegiance. The Board of Finance stood and recited the Pledge of Allegiance.
2. Approval of minutes – Regular meeting of April 25, 2022.

On motion made by Ms. Fitzgerald, and seconded by Mr. McPherson, the Board voted unanimously to approve the minutes of the regular meeting of April 25, 2022 as submitted.

3. Chairman's comments.

There were no Chairman's comments.

4. Finance member comments/liaison reports.

Mr. McPherson reported that the Pension Committee is having their meeting this morning so he is unable to attend.

Mr. McPherson reported that the Library budget is on track. He also noted that they are holding a fundraiser on June 3rd to raise funds re-do the Scranton shelves. Tickets for the event are available. He also noted that, at the last Library Committee meeting they

agreed to move forward with rehabilitation work and repaint the white building on Wall Street.

Ms. Stein noted that the Building Committee for the elementary school has met and are currently interviewing architects for this project.

5. Report from First Selectman

First Selectwoman Lyons reported that the Town budget had been approved yesterday and she thanked the voters for their support of the budget. First Selectwoman Lyons acknowledged that Colleen Kiesewetter, Tax Collector, is retiring after 25 years of service and the Town wishes her the best in her retirement.

6. Citizen Comments

There were no citizen comments.

**NEW BUSINESS**

7. Discuss and take action to set the final Mill Rate for the 2022-2023 fiscal year.

Ms. Nobitz reviewed options for setting the mill rate which includes a State Revenue amount of \$447,678 and a tax collection rate of 98.75. She noted that if \$750,000 is used from Fund Balance, as has been done in the recent past, this would result in a Mill Rate of 29.32. She noted that using an amount of \$500,000 from the Fund Balance would result in a 29.41 Mill Rate, which is an increase of .56 mills and a 1.94% increase.

Mr. Murphy cautioned that continuing to rely on the excess fund balance year after year could some day create a need to reconcile this practice in the future especially if the grand list slows down and creates an impact.

Ms. Fitzgerald commented that she agrees with Mr. Murphy but noted that right now the Town is in a good place to utilize an amount of \$500,000 from the fund balance. It is important, however, to be cognizant that this is not guaranteed money long term and the Town should not build a budget around non-guaranteed funds. Looking long term, she believes the Town needs to count on depending less on State funds and on fund balance.

First Selectwoman Lyons commented that the trend has been to underestimate our tax collections so a fund balance has been created. She believes that utilizing a portion of these funds is like returning taxes to the public when appropriate.

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to allocate \$500,000 of the Fund Balance to reduce the amount to be raised by taxes and to set the Mill Rate at 29.41.

The Board members were in agreement that action also starts a trend to begin to reduce the amount used from the Fund Balance to reduce taxes needed to support the operating budget.

8. Discuss and take action to approve the transfer of property taxes to suspense based on recommendation from the Tax Collector.

Ms. Kiesewetter noted that a detailed examination had been made to a list of uncollectible uncollected taxes and the auditors and she are recommending these be transferred to the suspense tax book. The list includes a total of \$53,133.70 in real estate, personal property, motor vehicles and supplemental motor vehicles taxes. She noted that this action just removes these items from the tax rolls, however, the Town can still pursue collecting them using different options available including liens. She noted that at some point the Town needs to weigh the expense incurred in the collection effort against the amount to be collected for individual cases.

In response to a question by Mr. Murphy, Ms. Kiesewetter noted that if a real estate property goes into foreclosure, any outstanding taxes are collected at the closing.

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to accept the recommendation of the Tax Collector and approve the transfer of \$53,133.70 in property taxes to suspense.

9. Discuss and take action to approve Round 5 ARP funding requests in the amount of \$69,000 as recommended by the ARP Funding Committee and approved by the Board of Selectmen.

Ms. Stein noted that the recommended request had been discussed extensively at the ARP Funding Committee meetings.

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to approve Round 5 of ARP funding requests in the amount of \$69,000 as recommended by the ARP Funding Committee and approved by the Board of Selectmen.

10. Discuss and take action to approve routine Line Item Transfers totaling \$619,567.02 as approved by the Board of Selectmen.

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to approve Line Item Transfers totaling \$619,567.02 as approved by the Board of Selectmen.

11. Discuss and take action to approve a Special Appropriation request from the Department of Public Works in the amount of \$75,000 to fund increase in fuel costs; pending Town Meeting Approval:

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to approve the request of the Public Works Department for a Special Appropriation of \$75,000 from Undesignated Fund Balance to Account #PW60000A/56208, to provided funds needed to cover the increase in fuel costs

12. Review of Financials.

In response to a question by Mr. McPherson about whether LoCIP funds have been received, Ms. Nobitz noted that they just recently completed the application and will be receiving the funds by the end of the year, so this revenue has been included in the revenue projections in the financial reports provided.

13. Citizen comments.

There were no citizen comments.

14. Adjourn.

On motion made by Mr. McPherson, and seconded by Ms. Stein, the Board voted unanimously to adjourn the meeting at 9:05 p.m.

Respectfully submitted

Terry Holland-Buckley