

**Finance and Budget Committee Minutes**  
**June 11, 2008 8:15 A.M. Room 312**

**Councilors in attendance: Cantor, Slifka (by speaker phone), Visconti**

**Tax Appeal Settlement**

Pat Alair briefed the Committee on the Catucci case and informed them that he advised her to file an appeal to her FY08 assessment.

The Committee then went into executive session so that Pat Alair, Deputy Corporation Counsel could report on two tax appeals –a residential home on Balfour and the Walgreen’s property on South Quaker Lane. The Committee came out of executive session and reported that no votes were taken.

**Dexter Avenue Lease Resolution**

This item was referred to the Committee at the June 10<sup>th</sup> Council meeting. It is a long standing issue regarding ownership of the property on Dexter Avenue, which was formerly the Angora Ballroom. For the last twelve years the Town has had an agreement with the owner to use part of the property for public works purposes. In exchange, the Town agreed to a rental fee of \$35,000 a year which was intended to equate to the taxes on the property. The legal issues on ownership have now been settled and both parties are seeking to execute the contract.

**FY08 Projected Operating Results**

Projected operating results for FY08 were projected (attached) to be a surplus of \$1,425,198. This includes the \$500,000 of projected savings from the Board of Education. This number is down approximately \$190,000 since last month’s report. Significant changes are:

- Tax collection has slowed and we now expect a tax collection rate of 99.0% for the year. This is down from a 99.1% projection earlier. A chart of tax collection rates was distributed (attached) and discussed.
- Building permits have remained high and we expect \$125,000 more than budgeted. However, this is still about \$500,000 less than FY07.
- Conveyance taxes remain strong mainly because the BBS condo sales are being processed. We expect to exceed budgeted amount by \$50,000. Again, this will be approximately \$54,000 less than in FY07.
- Interest income is down about \$200,000 due to falling interest rates.
- Expenses are up primarily due to the cost of gas for town vehicles and the cost of the referendum.

The surplus was tentatively scheduled to be used (1) \$781,185 for tax reduction, (2) \$400,000 to CNRE for equipment purchases, and (3) \$244,013 to increase the unreserved, undesignated fund balance.

This will leave the fund balance at 7.76% of expenditures, down from 7.87% as of June 30, 2007. It was noted that Windsor was recently upgraded to AAA by Standard & Poor's due to their strong fund balance of 14.8%.

### **Revaluation Legislation**

At this point in time it appears that the new revaluation legislation will not be useful because you would have to fully implement the revaluation instead of phasing it in. Changes to the legislation are still being worked on in order to amend it next legislative session.

### **BBS Financial Update**

The financial report on Blue Back Square (attached) was distributed and discussed. The overall performance of the financial model is \$541,136 ahead of the original projections at this point in time.

Total net parking revenue is below projections as a result of an actual seven month operating period compared to an expected 15 month operating period in the model. However, the actual performance has exceeded what was anticipated for the first 7 months of operation by \$105,816.

### **Preliminary FY09 Budget Reductions**

The Town Manager reported that he was working on developing budget reduction options for Council consideration if the budget is defeated in the referendum. Reductions of \$615,000 will have to be made because of the lack of action by the legislature regarding PILOT payments. This will simply get the budget back to where the adopted budget was. Budget reduction increments of \$500,000 are being prepared. They include such items as closing programs and facilities for certain days, or eliminating certain programs. It is assumed that the Board of Education will be given 60% of the total reductions.