

**BOARD OF FINANCE
TOWN OF EAST WINDOST
11 Rye Street, East Windsor, Connecticut**

MINUTES OF SPECIAL MEETING

Monday, May 13, 2013 at 7:30 p.m.

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

Members Present: Jason Bowsza, Jerilyn Corso, Danelle Godeck, Kathleen Pippin, and Sharon Tripp. Joseph Pellegrini arrived at 7:45 p.m.
Members Absent: All Members were present.
Alternate Present: Gilbert Hayes
Alternate Absent: Paulette Broder
Others: Catherine Cabral, Town Treasurer; Denise Menard, First Selectman; Selectmen: Dale Nelson; Richard Pippin; Kim Lord, Tax Collector; Robert L. Howard, Jr., Mahoney Sabol & Company, LLP, (Auditors); Xay Khamsyvoravong, Financial Advisor, Webster Bank;
Press: No one present.

I. Call to Order:

Chairman Bowsza called the Meeting to Order at 7:30 p.m. The Meeting RECESSED briefly, and RECONVENED at 7:32 p.m.

II. Time and Place of Meeting:

This Special Meeting was held in the Auditorium of the Town Hall Annex, 25 School Street, East Windsor, CT. Due to the preparation of the District 2 Polling area for the referendum tomorrow the meeting was held in an area separate from the polling district.

III. Appointment of Alternates:

Chairman Bowsza noted Regular Member Joseph Pellegrini was not present at the Call to Order but is expected to arrive later; an Alternate Member must be appointed as a voting member until Mr. Pellegrini's arrival.

MOTION: To **APPOINT** Gilbert Hayes as a voting member until Mr. Pellegrini's arrival.

Tripp moved/Godek seconded/VOTE: In Favor: Unanimous

IV. Public Participation:

No one requested to speak.

V. Communications:

- Memo dated May 3, 2013 from Brian Mahoney, Chief Financial Officer, Division of Finance and Internal Operations, State Department of Education to Superintendents of Schools regarding the 2012-13 Education Revenues Update.
- Separation Letter from Robert L. Howard, Jr., previously with Grant Thornton, LLP regarding his partnership with his new firm, Mahoney Sabol & Company, LLP.

VI. Unfinished Business:

a. Auditor Election 2013-14

Mr. Howard gave the Board a summary of his move from Grant Thornton, LLP to his new position as a partner with Mahoney Sabol & Company, LLP; he then gave the Board a brief report of Mahoney Sabol's experience and the audit process associated with his new position. Mr. Howard reported that his previous associates and support staff moved to Mahoney Sabol along with him. Essentially he will be providing East Windsor with the same management capabilities and staff.

Discussion followed regarding the timeliness of the required services. Mr. Howard assured the Board he and his staff will be able to meet the required timelines.

MOTION: To APPOINT Mahoney Sabol and Company, LLP as auditors for the 2013 – 2014 Fiscal Year.

Tripp moved/Corso seconded

DISCUSSION: Ms. Tripp questioned the appointment at the previous Board Meeting of Grant Thornton. It was noted that motion had included the specification that the appointment had been made for contractual reasons. It was further noted the Fiscal Year noted in the previous motion should have been "2011 – 2012".

MOTION: To RESCIND the previous appointment of Grant Thornton, LLC as auditors for the Fiscal Year 2013 – 2014.

Hayes moved/Corso seconded

VOTE: In Favor: Bowsza/Corso/Godek/Hayes/Pippin/Tripp
(No one opposed/No abstentions)

MOTION: To APPOINT Mahoney Mahoney Sabol and Company, LLP as auditors for the 2011 – 2012 Fiscal Year.

Tripp moved/Hayes seconded

DISCUSSION: None

VOTE: In Favor: Bowsza/Corso/Godek/Hayes/Pippin/Tripp
(No one opposed/No abstentions)

LET THE RECORD SHOW Mr. Pellegrini arrived at 7:45 p.m. Mr. Hayes stepped down from service as Mr. Pellegrini assumed his place on the Board.

Chairman Bowsza suggested taking Agenda Item VII. New Business, b) Tax Collector's requests next.

**MOTION: To GO OUT OF THE POSTED AGENDA ORDER to take Item VIII.
- New Business, b) Tax Collector's at this time.**

Godek moved/Corso seconded

**VOTE: In Favor: Bowsza/Corso/Godek/Pellegrini/Pippin/Tripp
(No one opposed/No abstentions)**

VII. New Business:

b. Tax Collector/1) Transfer to Suspense List Approval – required by State Statute:

Tax Collector Lord advised the Board she has been pursuing collection of unpaid taxes on real estate, personal property, and motor vehicles via work with an attorney, State Marshals, and collection agencies. Under her memo dated May 6, 2013 Ms. Lord has referenced uncollectible taxes in the amount of \$65,956. The list submitted to the Board this evening represents accounts which Ms. Lord is recommending the Board transfer to the Suspense List. These taxes could be collected at any time if a new owner is determined.

MOTION: To ACCEPT the Tax Collector's recommendation to transfer the accounts referenced to the Suspense List as uncollectible taxes.

**Tripp moved/Corso seconded/VOTE: In Favor: Unanimous
(No one opposed/no abstentions)**

Chairman Bowsza suggested Ms. Lord has done a great job collecting back taxes; Ms. Lord indicated nearly \$1,000,000 in delinquent taxes and interest has been collected to date.

b. Tax Collector/2) Request for funding in Fiscal Year 2013 – 2014/Legal Services

Tax Collector Lord reported she has been working on collection of delinquent taxes on several parcels for which the ownership is unknown or current owners can't be located. She is presenting to the Board this evening four parcels she is recommending be acquired via strict foreclosure at a cost of approximately \$3,000/parcel. The foreclosure process takes approximately 90 days to complete. The Town would then hold ownership of the parcels, and can then decide if they prefer to offer them for sale to abutters or other interested parties.

Discussion followed regarding location of the parcels, sale vs. retention, and specifics of the strict foreclosure process.

Ms. Lord advised the Board this recommendation has been approved by the Board of Selectmen (BOS); she is advising the Board of Finance that this process will be initiated in July during the 2013 – 2014 Fiscal Year.

MOTION: To GO BACK TO THE POSTED AGENDA ORDER.

**Godek moved/Tripp seconded/VOTE: In Favor: Unanimous
(No one opposed/no abstentions)**

VII. New Business:

a. Webster Bank Rebonding Presentation

Mr. Xaykham Khamsyvoravong, of Webster Bank, joined the Board. Xay reported he is the Financial Advisor for East Windsor. Xay advised the Board the Town has bonds issued in 2004 which could be refinanced to realize an approximate 5% savings under current market conditions; he has come before the Board to present financial restructuring options presently available.

Xay discussed the following options:

- **Public Sale:**
 - cost of public sale is higher due to involvement of several parties administering the sale
 - Needs an Official Statement which entails a significant amount of statistics and financial information to be compiled.
 - public sale must be accomplished within a specific time period (call date)
 - refinancing can occur only once within the life of the bond.
- **Direct Loan:**
 - available via Webster or other financial institutions
 - transaction cost is lower due to dealing directly with the lending institution
 - advance refinancing can occur at any time
 - allows flexibility for short term refinancing.

Discussion followed regarding projects available for refinancing, suitability of each option for long vs. short term refinancing, and potential timing of the refinancing. Ms. Cabral noted refinancing via a Direct Loan would require a bid process.

VIII. Invoice Authorization:

Ms. Cabral reported there were no invoices to present for authorization this evening.

IX.. Adjournment:

MOTION: To **ADJOURN** this Meeting at 8:40 p.m.

Corso moved/Pellegrini seconded/VOTE: In Favor: Unanimous

Respectfully submitted:_____

Peg Hoffman, Recording Secretary, East Windsor Board of Finance