

TOWN OF ORONO
COUNCIL FINANCE & OPERATIONS COMMITTEE VIRTUAL MEETING
THURSDAY, NOVEMBER 5, 2020 AT 5:00 PM

WATCH ONLINE AT

<https://zoom.us/j/95809464121>

For Dial in Only call 1-312-626-6799 Webinar ID: 958 0946 4121
(LINK AVAILABLE AT ORONO.ORG)

*Comments can be submitted via email prior to the meeting start time
at info@orono.org and during the meeting by using Zoom comment features.*

MINUTES

1. Roll Call

Present: Tom Perry (Finance Chair), Cindy Mehnert, Cheryl Robertson, Meghan Gardner, Laurie Osher and Town Manager Sophie Wilson.

2. Review of Preliminary FY20 Audited Financials

Ms. Wilson noted the audit has not been finalized, but presented a high level overview of the preliminary FY20 audited financials. *(See the attached Powerpoint.)* She noted that a more detailed presentation will occur after the audit has been finalized and Councilors have been able to review the document.

3. Overview of Final Bond Sale and the Budgetary Impact

Ms. Wilson reviewed the 2020 Bond Issue and what the bonds sold for (Series A \$4.1M and Series B \$11.2M) with a total savings of \$414,759.03. She also reviewed the budgetary impact (FY21 Budget Adjustments).

4. Proposed FY21 Budget Adjustments

This item was discussed with item #3.

5. Personnel Policy Revision Needed to Comply with Law Changes Effective 01/01/2021

Ms. Wilson reviewed the Personnel Policy revisions that need to be considered to comply with State law changes, effective January 1, 2021. The revisions related to accrued benefit time to: 1) limit the period that an employee can accrue but not take vacation time from six months to 120 days; and 2) require that employees earn a minimum of 1 hour of paid time off for every 40 hours worked. Ms. Wilson also reviewed minor grammatical changes.

Ms. Wilson stated the next step is to obtain legal review of the Personnel Policy changes. If the changes are minor it will go to Council, if there are major changes it will come back to Committee.

6. Review of Monthly Financial Reports

Ms. Wilson reviewed the monthly financial reports with the Committee.

7. Brief Town Manager Update

Ms. Wilson updated the Committee on the following items:

- Community Development staff working with businesses regarding their licenses and use of outdoor seating areas.
- The University of Maine and Town of Orono's unified message regarding Covid-19.

8. Schedule Next Meeting - December 10, 2020 at 5:00 PM

9. Adjourn

The meeting adjourned at 6:25pm. Minutes are summary only. An audio recording of the meeting is available on the Town's website at www.orono.org under Agendas and Minutes.

Respectfully submitted,

Nancy W. Ward
Executive Assistant

Town of Orono

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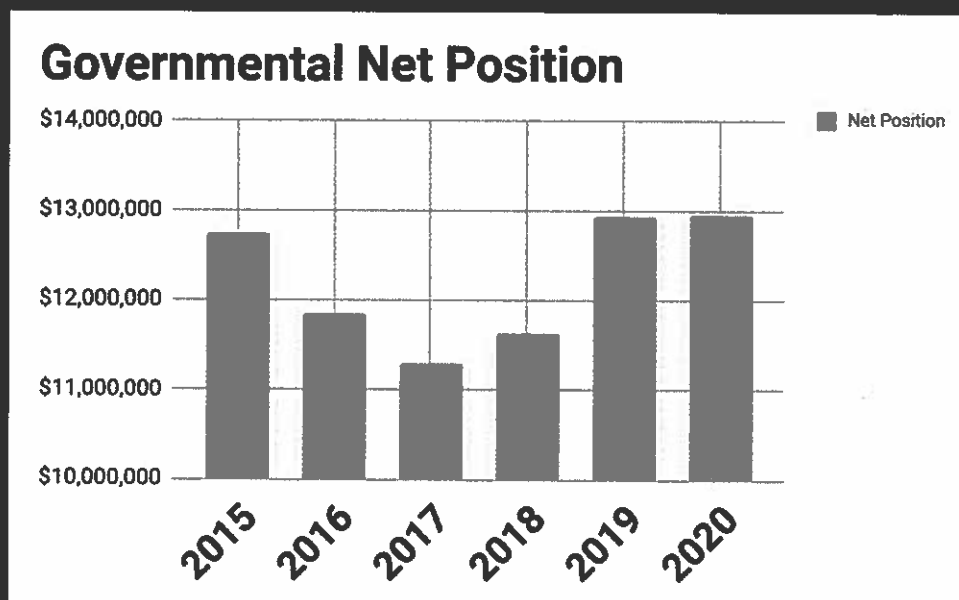
**FY20 Preliminary (Draft) Audited
Financial Statement Highlights**

Statement of Net Position

Presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between them reported as *net position*.

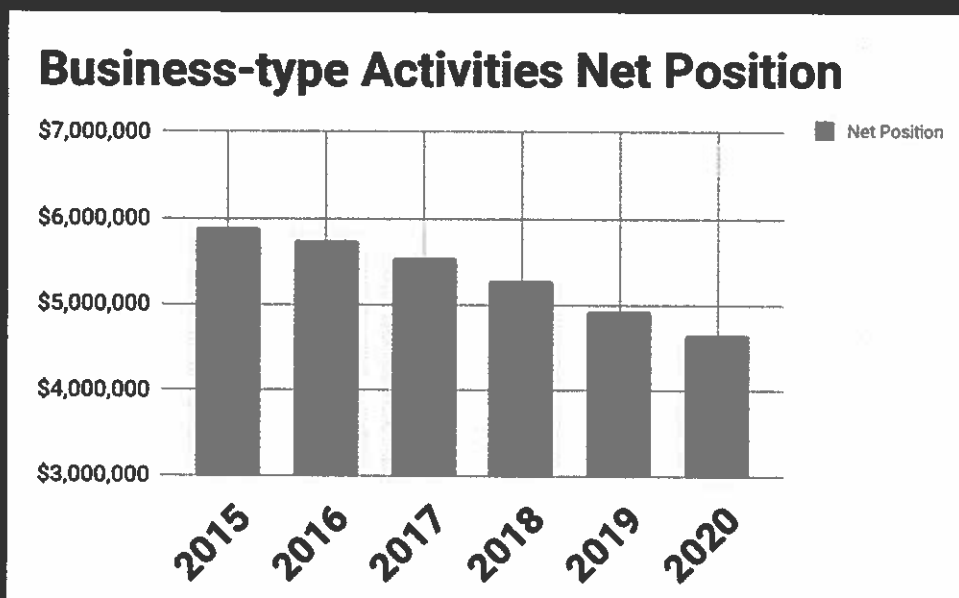
Net Position

Governmental Net Position Increased by \$16,750
\$12,935,598 to \$12,952,348 (+0.13% from FY19)



Net Position

Business-type Activities Net Position Decreased by \$268,076 to \$4,654,115 (-5.4% from FY19)



Net Position

Total Change in Net Position

(\$251,326) or (1.4%)

30.7% of Town's Net Position is available to be used to meet the Town's ongoing obligations to its citizens and creditors.

General Fund Activities (Budgetary Basis)

	Budget	Actual	Variance
Revenues	\$ 17,573,949	\$ 17,413,963	\$ (159,986)
Expenditures	\$ 18,053,861	\$ 16,904,831	\$ 1,149,030
	\$ (479,912)	\$ 509,132	\$ 989,044

General Fund Activities (Budgetary Basis)

Budgeted Use of Fund Balance = \$1,243,608

Actual Decrease of Fund Balance = \$614,990

Out performed budgeted expectations by approximately 50%

Fund Balance

● Non-Spendable	\$ 15,568
● Restricted	\$ 911,029
● Assigned	\$3,851,273
● Unassigned	<u>\$1,848,282</u>
TOTAL	\$6,626,152

Fund Balance Comparison FY19 v FY20

● Non-Spendable	\$ 1,273
● Restricted	(\$ 88,142)
● Assigned	(\$ 668,956)
● Unassigned	<u>(\$ 180,189)</u>
TOTAL	(\$ 936,014)

WPCF (Business-type Activity)

- Operating Revenue \$1,509,605
- Operating Expenses \$1,428,609
- Nonoperating Revenue (Expense) (\$209,707)
- Transfer Out (\$138,825)

Property Tax Collection

- Total Property Tax Assessed in FY20 \$13,076,901
- Total Uncollected \$ 239,286
- Collection Rate 98.15%

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Overview of 2020 Bond Issue

2020 Bond Issue

- To Market 10/15/2020
- Bonds Sold
 - \$ 4,120,000 Non-Taxable Bonds (Series A)
 - \$1,870,200 Callable Refunding
 - \$2,250,000 New Infrastructure Funds
 - \$11,215,000 Federally Taxable Bonds (Series B)
- Total Savings = \$414,759.03

2020 Bond Issue

DEBT NAME	FY21 Adopted Budget	Total Owed in FY21	Budget Change
Fiber	\$0.00	\$1,277.78	\$1,277.78
PW Infrastructure	\$0.00	\$10,222.22	\$10,222.22
USDA (UCU Project)	\$105,885.00	\$114,707.85	\$8,822.85
Streetlights	\$29,800.00	\$30,611.99	\$811.99
Garage	\$413,615.00	\$356,638.93	-\$56,976.07
Parking	\$23,515.00	\$20,488.00	-\$3,027.00
Town	\$141,675.00	\$123,315.58	-\$18,359.42
WPCF	\$581,170.00	\$504,115.00	-\$77,055.00
Total	\$1,295,660.00	\$1,161,377.35	-\$134,282.65