

**Preston Board of Finance
Regular Meeting
Wednesday, May 18, 2022
Cafeteria - Preston Plains Middle School**

Call to Order - John Moulson called the meeting to order at 7:30 P.M.

1. Roll Call

Members

Alternates

John Moulson - Chairman

Robert Congdon - Vice Chairman

Stacey Becker

Andy Depta

Denise Beale - excused

Zachary Maurice

Andrew Sawyer

Kayla Thompson - Clerk - seated for Denise Beale

Also Present

Sandra Allyn-Gauthier - Selectwoman

Ken Zachem - Selectman

Cindy Varricchio - Finance Director

Dr. Seitsinger - Superintendent of Schools

Jim Corley - Public Works Director

3 members of the public

2. Public Comment

Susan Strader, 463 Route 164, asked the Board of Finance to listen to the Board of Education and the Board of Selectmen after all they are the experts in their perspective areas and they have presented budgets that they have painstakingly reviewed and have judged to be necessary to function properly for the good and well-being of the Town. It's disheartening to listen to this Board's first reaction is to cut funds. She urged the Board of Finance to support the Budgets as presented and that the Board of Finance's job is to find ways to financially support those budgets.

3. Correspondence

- May 11, 2022 - CCM - email: CCM Annual Convention, October 25 and 26
- May 6, 2022 - CCM - email: Municipal Voice
- May 5, 2022 - CCM - email: Webinar: Guiding Constructive Public Discussion on Racial Equity

- April 27, 2022 - CCM - email: Webinar: 2022 Summer Enrichment Grant Program Overview
- May 5, 2022 - CCM - email: Webinar: PFAS Water Contamination Cost Recovery Program
- May 4, 2022 - CCM - email: Enroll to Become a Certified Connecticut Municipal Official
- May 5, 2022, 2022 - FNI - email: Flagship Networks Insights Newsletter

4. Approval of Minutes

a. BoF Regular Meeting of March 16, 2022

Andy Depta motioned to approve the Regular Meeting Minutes of March 16, 2022. Kayla Thompson seconded the motion. The motion was carried unanimously.

b. BoF Special Meeting April 13, 2022

Zach Maurice motioned to approve the Special Meeting Minutes of April 13, 2022. Bob Congdon seconded the motion. The motion was carried unanimously.

c. BoF Special Meeting April 14, 2022

Andy Depta motioned to approve the Special Meeting Minutes of April 14, 2022. Stacey Becker seconded the motion. John Moulson, Stacey Becker, Andy Depta, Zach Maurice, and Kayla Thompson voted in favor of the motion. Bob Congdon abstained. The motion was carried.

d. BoF Regular Meeting Minutes April 27, 2022 - They have not acted.

5. Financial Reports

a. Board of Education Report

Cindy Varricchio stated that they continue to make progress on the audit and look forward to its completion. At this point, \$10,068,672.26 has been expended, or 80.7% of the budget. The budget will be continually monitored closely. The employee contribution offset for health insurance has not yet been processed. That will be reflected in the May year-to-date report.

Clarification of the Instructional Technology line was asked for. It was explained that are a number of licenses that are paid at the end of the year.

It was also noted that the Board of Education is exploring the need to relocate the Central Office in the coming year to accommodate an increase in the student population.

b. Board of Education Liasion Report

Zach Maurice shared that the State has approved the audit extension until the end of May. And that they are discussing a number of encumbered items.

Cindy Varricchio stated that she has spoken to Sean O’Grady regarding how the firm would like to see the Town handle encumbered items moving forward, in order to adopt Best Practices on this matter.

c. Town Revenue Report

Cindy Varricchio stated that the Revenues are doing extremely well. And stated that Tax Refunds should be moved to expenses rather than revenue for the purposes of a cleaner accounting process. She also stated that the \$70,000 from the Poquetanuck Fire House will be received by the end of the year. And that even after taking out the \$660,000 that was purposed to be used to offset last year's budget, she is projecting that 100% of the Revenue Budget will be received. A conservative estimate shows that the Board of Education will return \$250,000 largely due to Special Education and Transportation savings.

Andy Depta questioned departments that have large bank accounts that have funds being received and expended; for example, Parks & Recreation. It was stated that they are taking steps to have all accounts on Infinite Vision in the 2022 Audit so that Parks & Rec and other accounts are tracked according to Best Practices.

Bob Congdon stated that he felt the bigger issue is the tracking and monitoring of the federal monies that are coming in. He questioned how that was being spent and on what. He was told that the funds’ spending has to be approved by the state before the money is dispensed. Roy Seitsinger added that all the federal money is completely driven by approved plans and that every penny must be accounted for and complied data and reports must be submitted with each expenditure. According to the approved plans, the Town and the Board of Education receive funds as they need to be spent. It was also stated by Sandra Allyn-Gauthier that the purposed expenditures of those funds will be presented at the next Town Meeting in order to move forward with ARPA funds spending.

d. Town Expenditure Report

Sandra Allyn-Gauthier stated that 30% of the budget remains. The bill for the Resident State Trooper will come in June and that will take a large portion of the remaining budget. There are no major changes and Gas & Diesel expense continues to be monitored closely. At present, a conservative rough estimate is that \$40,000 will be returned to the Town.

6. Old Business

a. 2021 Audit Status

Cindy Varricchio stated that the state has approved the extension until the end of May. OPEB conducted its review on May 13th and so that piece is done. They are also to come in July to complete the 2021 review so as to not hold up our next audit. After talking to Sean O’Grady, a conservative estimate is that there is \$500,000 to the good, and hopefully, we’ll have a finalized number by tomorrow’s meeting. She reiterated that they continue to position themselves so that the 2021 audit moves forward with no issues in a timely manner.

b. 2020 Annual Report

Cindy Varricchio stated that the finishing touches are being put on the 2020 Annual Report and that a shortened 2021 Report will be prepared once the audit is completed. Then we should be on track to move ahead cleanly and efficiently with the 2022 Annual Report.

c. 2022-2023 Proposed Budgets - Education and Town

● Revenue

It was decided in preparation for tomorrow's meeting to review the Revenue Budget. Cindy Varricchio share the information she had compiled to assist with the process. There was a lengthy discussion on what the actual numbers are without a completed audit. Ms. Varricchio explained how the numbers were derived and the reasonings for the various amounts.

Stacey Becker shared that without solid numbers to go by their decision-making process is greatly hindered. She was told that while it would be difficult it's not impossible that the Board members need to remember Town Revenues are coming in strong and that the Grand List also increased.

Cindy Varricchio stated that moving forward in order to follow Best Practices that Tax Refunds need to be listed as expenditures rather than revenue and that LoCIP also needs to be listed elsewhere because it's a reimbursable grant, not revenue. As far as LoCIP, it should be placed in a separate fund so it can be tracked more closely because it is a grant that is spent yearly. Each year it should be maxed out therefore not affecting the operating budget.

It was pointed out that the proposed Revenue Budget is a very conservative estimate totaling \$14,437,691, an increase of 10.9%.

It was also shared by Sandra Allyn-Gauthier that the Town will be receiving from the Municipal Sharing \$90,000 in 2022 and \$100,000 in 2023. This is reliant on the sales tax and the state has warned towns not to use the funds for budgetary purposes.

Cindy Varricchio then shared a mil rate spreadsheet with the average increase for each household with a home assessed at \$250,000. The chart figures 98% of the tax collected versus 98.5% which is used by many and suggested by the auditors. It shows that the average household would see an increase of \$250, an average of \$0.50 a day.

- Expenditures - not discussed**
- Potential Vote on Budget for Public Hearing - not discussed**

7. New Business -

Stacey Becker motioned to waive onto the agenda a discussion concerning Star Computers' proposal. Bob Congdon seconded the motion. The motion was carried unanimously.

Stacey Becker shared a copy of the Star Computers' proposal for upgrading the Board of Finances laptop. She shared that it is really expensive and that she would recommend the Board not purchase a laptop through them. It was suggested that perhaps there's a town-owned

recycled laptop that the Board of Finance could use and then just purchase the needed programs and security the Board requires.

8. Public Comment -

It was also shared by Sandra Allyn-Gauthier that the town will receive \$300,000 from the State thanks to Senator Cathy Osten who introduced the funds as part of the State Budget. Each of Preston's two firehouses, Poquetanuck Firehouse and Preston City Firehouse, will each receive \$150,000 to make necessary upgrades to serve the community better. She also shared that it's hoped that the Town will receive another grant from the Courtney Community Projects. She stated that the Town continues to look for others ways to meet the needs of the Town and to offset the expenses of those needs.

9. Adjournment -

Andy Depta motioned to adjourn at 9:05 P.M. Kayla Thompson seconded the motion. The motion was carried unanimously.

Respectfully Submitted,

Kimberly Lang

Recording Secretary