

**CHAPLIN BOARD OF FINANCE**

**Chaplin, Connecticut**

**Meeting Minutes**

**February 11, 2019**

Chairperson Dick Weingart called the meeting to order at 7:02 PM. Present were Board members Link Diwan, Cesar Beltran, Doug Dubitsky, Jean Lambert and Alternate Linda Caron. Unable to attend was Board members Marc Johnson, Alternate Matt Foster and Alternate Bill Jenkins. Others present were First Selectman Bill Rose, Selectman Joe Pinto and Auditor Darin Offerdahl.

**3. SEATING OF ALTERNATES:**

Alternate Linda Caron was seated for Board member Marc Johnson who could not attend tonight's meeting.

**4. FIRST AUDIENCE FOR CITIZENS: None**

**5. GUESTS: Mr. Darin Offerdahl of MAWC, LLC; Presentation of the FY 2017-18 Chaplin Audit**

Auditor Darin Offerdahl of MAWC, LLC presented the Chaplin Audit for FY 2017-18 with an unmodified opinion on the Financial Statements. The state and federal audits were clean. The federal audit was for the North Bear Hill Bridge (federal audit required for expenditures over \$750,000). The OPEB adjustment was due to a change in standards. Report on internal control over financial reporting (set of policies and procedures) indicates a material weakness.

**a. Consider and act on BOF approval of Chaplin FY 2017-18 Audit:**

***Motion to approve the FY 2017-18 Chaplin Audit as presented by Darin Offerdahl, MAWC, LLC, was made by Link Diwan, seconded by Jean Lambert and carried unanimously.***

**b. Review audit exception for prior years: Corrective Action Plan for MW-08-01 – Entity Level Controls:**

Material weakness for Budgetary Monitoring cited previously has been resolved. A corrective Action Plan for Entity Level Controls will be sent to OPM. A Financial Procedures Working Group was established to develop a policies and procedures manual with a goal of completing by June 30, 2018.

**6. ADDITONS OR CHANGES TO AGENDA:**

Add to agenda Employee Longevity Policy as Item #7a2). Add to agenda Motion Numbering Scheme as Item #11f and move Consider Other Urgent Current Business to Item #11g.

**7. REPORTS:**

**a. First Selectman monthly report:**

**1) Review Chaplin/Hampton Ambulance Corps status and future plans:**

A meeting was held with the Chaplin/Hampton Ambulance Corps that faces many challenges due to increased costs, change in insurance and staffing. Proposals to address these challenges include the following: disband and contract with an ambulance service (most expensive), hire staff for daytime coverage, expand the service by offering to surrounding towns, purchase new ambulance and keep the old ambulance as backup.

**2) Employee Longevity Policy:**

The Board was presented with Employee Longevity Policy approved by the Board of Selectmen. The Longevity bonus is 1% for 5-10 years of continuous service, 5% for 10-15 years of continuous service and 10% for 15 plus years of continuous service. This policy does not apply to elected officials, union, part-time or seasonal workers and the employee must have a positive review on

their annual review. The bonus could be funded this year with surplus funds from Employee Benefits.

Link Diwan suggested removing the amount of hours and include a cap of \$5,000. He also expressed concerns with the percentage amounts and suggested 2%, 4% and 8% in addition to clarification on the annual review. Doug Dubitsky is opposed to a longevity bonus and suggested a raise based on productivity to retain good employees. Dick Weingart does not support levels in the Board of Selectmen's proposal for longevity bonus.

***Motion to table discussion of Employee Longevity Policy, was made by Link Diwan, seconded by Jean Lambert and carried with the following vote:***

***YES: D. Weingart, J. Lambert, L. Diwan.***

***NO: D. Dubitsky, L. Caron.***

**b. Board Member Reports:**

- **Selectmen's monthly meeting:** Covered already
- **Annual Report for FY 2017-18:**  
The Board was presented with the Board of Finance FY 2017-18 Annual Report for review.
- **Financial Audit RFP 0 Set Subcommittee Special Meeting Date:**  
The Audit Subcommittee will meet on Tuesday, March 5<sup>th</sup> at 5:30pm in the Library to review Audit RFPs that are due March 4<sup>th</sup>.
- **Salary Study Committee:** Covered already
- **Financial Procedures Working Group:**  
The January meeting was devoted to review of the draft audit document. There are draft procedures for the town and Board of Education. The next meeting will be held on February 26<sup>th</sup> at 8:30am.

**c. Staff Reports:**

- **Accountant: Review and accept monthly Financial Statements; identify questions for follow up:**  
The Board was presented with the Financial Statements. Any questions should be directed to Dick Weingart.
- **Tax Collector: Review and accept monthly Tax Collections Report; identify questions for follow up:** No Report
- **Assessor & Treasurer: Review October 2018 Grand List and potential impact on FY 2019-20 revenue/mill rate:**  
The Board was presented with the October 2018 Grand List with an overall increase of \$28,482,910 in assessment (15%) from the 2017 Grand List. The increase is mainly due to the improvements that Algonquin has been making at the gas transmission station and pipeline. The additional

revenue could be used towards capital improvement projects (boilers for the elementary school, parking lot paving, HVAC at Library/Senior Center) or consider returning to taxpayers.

**8. APPROVAL OF MINUTES - Regular Mtg – 01/14/19:**

***Motion to approve the regular meeting minutes of 01/14/19, was made by Cesar Beltran with the following correction:*** Item # 7a should read – An email was received from OPM Policy Development Coordinator regarding municipal spending cap with potential penalties in 2021 for exceeding expenditure cap. ***The motion was seconded by Linda Caron and carried with one abstention by Jean Lambert.***  
***\*Dick Weingart will follow up on obtaining copy of email from OPM Policy Development Coordinator regarding municipal spending cap.***

**9. CORRESPONDENCE:** as presented on the agenda

**10. OLD BUSINESS:**

**a. Review draft BOF Annual Activity Calendar:**

The Board was presented with a draft yearly project list that combined the BOF Annual Activity Calendar with the town.

**b. Review Board of Education (BOE/CES) FY 2018-19 Budget Status:**

The Board reviewed an email from Superintendent Henrici regarding BOE/CES budget status for FY 2018-19. Unanticipated outplacement Special Education costs for Tuition and Transportation is approximately \$171,906.

**c. Review BOF Budget Development Calendar for FY 2019-20:**

Dick Weingart reviewed the Board of Finance Budget Development Calendar. A special meeting for a Budget Workshop will be held on March 4<sup>th</sup>.

**11. NEW BUSINESS:**

**a. Consider and act on funds transfers and budget line additions/adjustments as requested:** None

**b. Review draft Revenue Projections for FY 2019-20 (if available):** None available

**c. Review Revised FY 2019-20 CIP Plan per CIP Comm. Meeting of 02/06/19; Review CIP target funding level:**

The Board was presented with revised CIP Plan for review with a total of \$510,500. Board consensus for CIP funding from the last meeting was a target level at \$400,000. Town Hall Parking Lot Paving and Senior Center Parking Lot Paving will be spread over three years. Replacement of boilers for Chaplin Board of Education was moved to FY 2020-21.

**d. Establish dates for Board of Finance special budget meetings (first meeting Feb. 25/March4):**

The first budget workshop will be held on March 4<sup>th</sup>.

**e. Review draft of BOF-Board of Education budget reporting policy:** None

**f. Motion Numbering Scheme:**

Link Diwan suggested a numbering scheme (date – month/year and item#) for motions for ease of organizing attachments to the minutes. Doug Dubitsky suggested drafting a written proposal for the next meeting.

**g. Consider other urgent current business: None**

**12. CONTINUING BUSINESS:**

**a. Review Board goals and policies for FY 2018-19**

**1) Board Bylaws**

**2) Board Policies**

- a) General Fund: Policy on Unreserved & Unassigned percentage of budget and other factors**
- b) CIP Fund: Policy on budget amount and new projects (when they can be added and cost documentation)**
- c) Revise BOF Agency Budget Management policy**
- d) BOE Non-Lapsing Carryover Account: Revise procedures to reflect change of Bank and G/F accounts**

**3) Board Member Handbook**

**b. Review Chaplin/Hampton Ambulance Corps contract and future cost projections; NECCOG Paramedic Study Committee**

**13. SECOND AUDIENCE FOR CITIZENS:**

Jim Randall commented on the Chaplin/Hampton Ambulance Corps contract discussion and asked that the \$1,057 in the CIP Plan for Emergency Preparedness be transferred to Public Works to equip the new truck and new tractor with a radio. Dick Weingart suggested a written proposal for the transfer be presented to the Board of Finance.

**14. AGENDA SUGGESTIONS FOR NEXT REGULAR/SPECIAL MEETING:**

- a. Special Meeting – Budget Workshop – March 4<sup>th</sup>**

**15. Time and place of next Regular/Special Meeting:**

- a. March 4, 2019 – Special Meeting for FY 2018-19 budget workshop**
- b. Monday, March 11, 2019 – Regular Meeting @ 7pm (Town Hall)**
- c. Monday, March 18, 2019 – Special Meeting for Board of Education FY 2019-20 budget @ 7pm (Town Hall)**

**16. Adjourn:**

***Motion to adjourn (10:05 PM) was made by Jean Lambert, seconded by Link Diwan and carried unanimously.***

Minutes will be approved at the next regular meeting.

***Respectfully submitted by Kathleen Scott  
Recording Clerk***