

CHAPLIN BOARD OF FINANCE
Chaplin, Connecticut
Remote Meeting Minutes
September 14, 2020

Chairperson Dick Weingart called the remote meeting to order at 7:07 PM and read the procedures. Present were Board members Link Diwan, Jean Lambert, Doug Dubitsky and Victor Boomer; Alternate Peter Haines. Unable to attend were Board members Linda Caron; Alternate Matt Foster and Alternate Bill Jenkins.

3. SEATING OF ALTERNATES: None

4. FIRST AUDIENCE FOR CITIZENS: None

5. GUESTS: None

6. ADDITIONS OR CHANGES TO AGENDA:

Change in terminology to agenda #11b – boundary study should be ROW (Rights-of-Way) Study. Add to agenda as Item #11F, Year-End Balance Sheet Adjustment.

7. REPORTS:

a. Board Member Reports:

1) Selectmen's Monthly Meeting:

One item discussed at the Selectmen's meeting that is financially significant pertains to the England Road Bridge and will be covered under Item #11b.

2) FY 2019-20 Audit:

There are no changes to the Audit Schedule. All audit items are due by Friday, September 18th and field work will begin on September 28th.

3) FY 2019-20 Annual Report:

The Annual Report Request Letter and template has not been sent out to date due to the following recommended changes by the Board of Selectmen: remove invitation to include photos (could be difficult in production process), remove inclusion of recognizing individuals for exceptional work and reporting social events not relevant to the report. The revised Annual Report Request will be sent out as soon as possible.

b. Staff Reports:

1) Accountant: Review and accept monthly Financial Statements (FY 19-20 to June 2020 amended & FY 20-21); identify questions for follow up:

Link Diwan arrived at the meeting at 7:17 PM.

FY 19/20 Financial Statements through June 30th

Minor entry adjustments were made since last month's meeting.

FY 20-21 July and August

The total budget amount with revenues and expenditures matched what was presented at the town meeting. The CIP Profit & Loss by Class has very few entries on the report. This is normally

done at the beginning of the fiscal year but was held off until the level of tax receipts (tax collection was deferred until October 1st) was determined and has now been updated.

Motion to accept Financial Statements FY 19/20 to June 2020 amended & FY 20/21, was made by Victor Boomer, seconded by Jean Lambert and carried unanimously.

2) Tax Collector: Review and accept monthly Tax Collections Report; identify questions for follow up:

The Tax Collection rate for FY 19/20 was 99.2%. The Tax Collection rate for FY 20/21 was 35.2% (significant reduction may be due to deadline for taxes deferred to October 1st with no impact to doing business).

Doug Dubitsky left the meeting at 7:33 PM.

Alternate Peter Haines was seated for Board member Doug Dubitsky.

Motion to accept the FY 19/20 and FY 20/21 Tax Collection Reports, was made by Victor Boomer, seconded by Jean Lambert and carried unanimously.

3) Assessor: None

8. APPROVAL OF MINUTES:

a. Special meeting – August 25, 2020:

Motion to approve the special meeting minutes from August 25, 2020, was made by Jean Lambert, seconded by Peter Haines and carried unanimously.

Dick Weingart reported that the request for supplemental appropriation for expenditures overbudget for the North Bear Hill Road Drainage project has not been received to date. He also asked Peter Haines to send clarification on recommended minor change to budget adjustments under procedures in the draft BOF Town Agency Budget Management Policy.

9. CORRESPONDENCE: None

10. OLD BUSINESS:

a. Review Board of Education (BOE/CES) FY 2019-20 Budget Report(s):

Reports provided by the CES BOE include: Profit & Loss for the CES General Fund Budget and Profit & Loss and Balance Sheet for the Cafeteria. As of August 25th, the overall school budget has a surplus of approximately \$108,537.25 with some adjustments still to be made. There was considerable savings with Transportation and Special Education due to Covid 19. Additional costs due to Covid 19 should be covered by funding from the state. There are Other Current Assets due from Grants (\$7,381), Preschool (\$142.63), and Cafeteria (\$24,348.06). Dick Weingart will follow up with the Business Manager and Finance Manager to resolve funds due from grants before submission of the books to the auditors. The goal for this year is to resolve the issue with the Cafeteria Fund. Students doing remote learning this year may have free lunch delivered to their home if they wish.

Motion to accept CES/BOE FY 2019-20 Budget Reports, was made by Jean Lambert, seconded by Link Diwan and carried unanimously.

b. Review Town Agency Budget Management Policy: Second Review:

Any feedback should be directed to Dick Weingart. Discussion and approval of the Town Agency Budget Management Policy is awaiting an in-person meeting.

11. NEW BUSINESS:

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

b. Review need for transfer from General Fund to CIP Fund to cover 20% cost of ROW (Rights-of-Way) Study by State for England Road Bridge replacement project:

A ROW Study is needed to determine if compensation is needed to purchase right-of-way from abutting property owners to bring the bridge up to the current standards. The state estimates the cost for the study at \$50,000. The town is responsible for 20% of the cost and the First Selectman recommends setting aside \$10,000. A transfer request will be submitted at the next meeting.

c. Review Board of Education request for transfer of funds in accordance with the BOF-BOE Non-Lapsing Carryover Account policy:

CES BOE Chair Jaclyn Chancey asked the Board to consider the following from the budget surplus:

- Transfer funds to the BOF/BOE Non-Lapsing Carryover Account (current balance is approximately \$35,000). The statutory limit is 1% (\$36,000 for current budget of 3.6 million dollars). The account is only used for capital expenditures and Dick Weingart suggested the Board consider adding unanticipated special education costs.
- Apply to the Cafeteria deficit. Dick Weingart recommended that the BOE would need to document in writing that the problem causing the deficit has been fixed. Potential reasons could be the following: not charging enough for lunch to run the program (the cost of lunch was increased this year), there should be no uncollected debt assuming students pay each week, not being closely monitored (monthly reports are now provided with the implementation of new policies and procedures). All students are receiving free lunch due to Covid 19.

Link Diwan suggested using the budget surplus for transfer of 1% of the budget, covering the entire Cafeteria deficit, and adding line item to the budget for the Cafeteria. Jean Lambert and Peter Haines agree with the same.

Dick Weingart suggested meeting with the Cafeteria Manager for her opinion and will follow up. The BOE will need to provide written assurance the fund would be operated in a sustainable financial manner before moving forward. They also will be asked for a budget for actual costs (the Profit & Loss statement shows no budget).

Victor Boomer suggested grant funding may be available. Dick Weingart reported that local revenue from grants is \$15,500 and state revenue is \$56,300.

d. Begin Review of draft BOF-BOE Non-Lapsing Carryover Account policy & procedure:

This policy needs to be changed to the new format. The Board was asked to review and send any feedback to Dick Weingart.

e. Other urgent business: None

f. Year-End Balance Sheet Adjustment:

There is a non-spendable fund balance for prepaids in the Equity Section of the Town Balance Sheet. As of June 30th, there is a balance of \$1,151 that has been carried for approximately 10 years or longer and needs to be liquidated.

Motion to liquidate #10706 Non-spendable Fund Balance for Prepaids in the amount of \$1,151, was made by Link Diwan, seconded by Peter Haines and carried unanimously.

12. CONTINUING BUSINESS:

- a. Review Board goals and policies for FY 2020-21
 - 1) Board member handbook
 - 2) Board Policies and Board Member Handbook
 - a) Revise BOF Agency Budget Management policy
 - b) General Fund: Policy on Unreserved & Unassigned percentage of budget and other factors
 - c) CIP Fund: Policy on budget amount and new projects (when they can be added and cost documentation)
 - d) BOE Non-Lapsing Carryover Account: Review procedures to reflect change of Bank and G/F accounts
 - e) Policy for dissemination of Personal Information of Board Members

13. SECOND AUDIENCE FOR CITIZENS: None

14. AGENDA SUGGESTIONS FOR NEXT REGULAR/SPECIAL MEETING:

- a. Standard regular meeting agenda
- b. Consider and act on BOF FY 2021-22 Town Agency budget request letter
- c. Continue review of draft BOF – Town Agency Budget Management policy & procedure
- d. Continue review of draft BOF – BOE Non-Lapsing Carryover Account policy and procedure
- e. Fund Transfer for ROW Study
- f. BOE request for Fund Transfer to BOF/BOE Non-Lapsing Carryover Account

15. TIME AND PLACE OF NEXT REGULAR/SPECIAL MEETINGS:

- a. Monday, October 5, 2020: Regular Meeting @ 7pm (Remote Dial In)
(Note date change due to Oct. 12 holiday)
- b. Monday, November 9, 2020: Regular Meeting @ 7pm (Remote Dial In)

Dick Weingart thanked the Board for dealing with all the detailed paperwork during the virtual meetings.

16. Adjourn:

Motion to adjourn (9:14 PM) was made by Jean Lambert, seconded by Link Diwan and carried unanimously.

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