

North Stonington Board of Finance Meeting

Meeting Minutes, Wednesday, Sept. 16, 2020

North Stonington Media Center "Old" M/H School/Zoom Meeting @7:00pm

North Stonington, CT

1. **Call to Order:** 7:04pm, Members present: Chairman Dan Spring, Vice Chair Paul Simonds, Dan Smith, Anne Akin, Carolyn Howell, Alternate Sarah Nelson filling in for Michael Anderson, Alternate Brett Mastroianni
2. **Public Comments:** none
3. **BoS/BoE Closeout FY2019/2020, Project Closeouts, Project Updates:**
 - a) BoS/BoE Closeout FY 2019/2020:
 - 1) General Government: Has a surplus of \$416,486 (pg. 12 total expenses of \$528,472.46 less pg.10 BoE total expenses of \$111,986.27 gives 416,486.19). This number does not include additional revenue taken in, additional appropriation from LOCIP, and expected Covid expenses (approx. \$50K) that will be reimbursed by FEMA and the state. Number will be confirmed by audit in November. General Gov. give back will cover most of money taken from undesignated fund during budget preparation.
 - 2) Expect BoE surplus of 128,565 will go into their RISA account. The bulk of the \$498K BoE surplus reported in June2020 Profit/Loss report was spent on purchasing 500 chromebooks needed for distance learning. Chromebooks should be delivered in Oct.
 - b) Project Closeouts: EMC- proposed for not more than \$6.3M. Financed 4,798,768 through the USDA for a 20yr term at 2.75%. Total financed was 6,272,815.50, spent 6,249,005.73, the unspent 23,809.77 will be sent to the USDA to pay down the principle. The USDA will audit the project expenses as will the town audit in November.
 - c) Project Updates:
 - 1) Closeout for school building project should happen soon.
 - 2) Boombridge Rd. Bridge- moving along, expect completion of project in Nov.
 - 3) John Dean Gallup House- 4 applicants for \$20K feasibility and conditions assessment study. Received a grant from the State Historic Preservation Office to cover this.
 - 4) School Building Rental- BoF will not see lease before it is signed and does not have funds for an attorney and therefore cannot do feasibility study as is done in other towns. Don't know what monthly operating costs of building are, therefore will not be able to determine if lease will cover the costs.
 - 5) School Modernization Project- Committee has one more meeting before sunsetting. Haven't completed third tranche of financing with USDA. Hope the state moves along quickly with review, trying to get it done so we can close out the short term financing which is still in place until we get third tranche.
4. **Reports: Profit/Loss BoS/BoE, Tax Report:**
 - a) Profit/Loss BoS July-Aug2020- no discussion

- b) Still waiting on June-July and July-Aug Profit/Loss statements from BoE
 - c) July2020 Tax Report- Tax collection is at 51.34%, next big collection due in Jan 2021. Only 11 accounts took advantage of the Governor's Executive Order allowing for deferral of payment of taxes due to Covid-19. There are a number of accounts in the hands of the attorney, being set up with payment plans or liens. The low 2019/2020 collection rate of 31.98% is due to the fact that taxes were not due until Sept 2019. 2004-present, there is \$93,453.18 past due from 15 accounts that will probably not be recovered until estates are settled and maybe not even then.
5. **ReVal 2020 Update:** Batch 5 has been completed, and as of this week all data has been submitted. Market prices on specific types of property are up 6-8%. Discussion on enforcing rules for properties requesting the Farm Tax break. Tax Assessor has begun to inspect properties to make sure they are eligible for the tax break.
6. **BoF Policies Review:** Discussion on BoF policies continued. Division of labor decided on as follows:
- a) Policy 2016-01, Appropriation Requests and Transfers- Anne Akin
 - b) Policy 2016-02, End of FY Budget Reconciliation- Paul Simonds and Sarah Nelson
 - c) Policy 2016-03, Town Auditor Interface- Motion by Chairman Dan Spring to rescind policy 2016-03, Town Auditor Interface. 2nd Paul Simonds. Discussion. Vote: 6/0/0 Motion passes
 - d) Policy 2017-01, Loss of Outside Revenue- Carolyn Howell and Dan Smith
 - e) Undesignated Fund Balance Policy- Anne Akin, Dan Smith, Brett Mastroianni.
7. **Previous Minutes:**
- a) Minutes from 15July2020 Special Meeting-Motion from Chairman Dan Spring to accept as presented. 2nd Dan Smith Vote-4/0/2 Motion Passes
 - b) Minutes from 15July2020 Regular meeting:
 - i. Item 6, BoF Policies Review- replace verbiage with specific policies we discussed and that they were being reviewed.
 - ii. Item 4b, Need the specific transfer number to complete this. Christine Dias to provide.
 Motion from Chairman Dan Spring to accept as amended. 2nd Dan Smith Vote-4/0/2 Motion Passes
 - c) Minutes from 19Aug2020-
 - i. Item 7d- replace meats with meets
 - ii. Item 6-BoF Policies Review- replace verbiage with "were discussed". Motion from Chairman Dan Spring to accept as amended. 2nd Dan Smith Vote-5/0/1 Motion Passes
8. **Future Strategies, Fiscal Year 2020-2021 Closeout, BoF Protocol, Audit:**
- a) We are in auditing phase. There will be no field work this year, everything will be done remotely.
 - b) Annual Report:
 - c) Audit- auditors have sent COVID questionnaire. Audit is being done remotely meaning it is more involved than previously. Files must be scanned and sent rather than viewed in person. Susan is doing most of this work. Also FEMA reimbursement means we will need a federal audit as well. There will be

additional cost for this work, but don't think it will be as much as estimated by the auditors.

- d) Position for part time secretary and per diem grant writer is actually for two people. Have grant writer but not secretary. Grant writer meets with 1st Selectman, Christine, and Juliette for details needed to write grants and then writes them. Also looks for potential grants they may not be aware of. 6 grants currently out for approval.
 - e) Suggestion by Chairman Dan Spring that any requests for information should be brought to the board and discussed. If board agrees that information is needed it will be requested.
 - f) Ordinance change to add a third alternate position to the BoF has been brought to the attention of the Town Clerk. From a cost perspective, try to do ordinance changes only once a year.
9. **Public Comment:** None
10. **Adjournment:** Motion to adjourn at 8:35pm by Paul Simonds, 2nd by Dan Smith.
Approved 6/0/0.

Respectfully submitted,

Anne Akin
BoF Secretary