

**Preston Board of Finance**  
**Regular Meeting**  
**Wednesday, March 17, 2021 at 7:30 P.M.**  
**Teleconference Call**

**Call to Order** – John Moulson called the meeting to order at 7:33 P.M.

**1. Roll Call**

**Members**

John Moulson – Chairman  
Bob Congdon - Vice Chairman  
Stacey Becker - Clerk  
Andy Depta  
Denise Beale  
Zachary Maurice

**Alternates**

Matthew Davis - excused  
Vacancy

**Also Present**

Sandra Allyn-Gauthier – First Selectwoman  
Ken Zachem – Selectman  
Jerry Grabarek - Selectman  
John Spang – Financial Director

**2. Correspondence**

- February 24, 2021 – John Spangs – email: update on audit progress
- February 24, 2021 – King, King, and Associates, CPA – letter: requesting documents to complete the audit
- March 1, 2021 – John Spangs – email: stated that the engagement letter has been received
- February 24, 2021 – King, King, and Associates, CPA – letter: engagement letter
- March 9, 2021 – Matthew Spoerndle – email: announcing their one-year anniversary working in Connecticut

**3. Approval of Minutes**

**a. Board of Finance Regular Meeting of February 17, 2021**

***Andy Depta motioned to approve the February 17, 2021 Minutes as presented. Bob Congdon seconded the motion. The motion carried unanimously.***

**b. Board of Finance Special Meeting February 17, 2021**

***Bob Congdon motioned to approve the February 17, 2021 Minutes as presented. Stacey Becker seconded the motion. The motion carried unanimously.***

**4. Candidate for Alternate Interview**

John Molson stated that he received a letter of resignation from Matthew Davis, which now leaves two vacancies. He asked member to reach out to possible interested people in order to fill the vacancies.

## **5. Town Revenue Report**

There was none due to the ongoing audit activity. Stacey Becker brought up concerns about the status of both the BoE and the BoF audit line items regarding future payments to King, King, and Associates.

John Moulson stated that it would be discussed when they actually receive an invoice requesting payment.

## **6. Board of Education Financial Report**

John Spang reported that the March 8, 2021 report he prepared was obsolete due to the fact that all students are now back to in person learning 5 days a week. He also explained that NFA's new billing system of quarterly payments rather than their traditional twice a year payment has skewed the comparisons a bit. Also, the expected revenue from the Pre-school Program will be lower due to the difficulty of the younger students to make progress on their virtual learning days. Because of this the Board of Education went to daily pricing, which means this item will show a loss of revenue for the year. The loss can easily be covered by the savings found in the transportation area.

Technology continues to be an area of expenditures. The IT contract with East Conn covers a certain number of days and because of higher than expected use we will exhaust those days by the middle of May. So, there will need to be a transfer of funds to cover that expense. Even with less revenue from the Pre-school Program and the shortfall in the IT area it still looks like \$100,000 will be returned to the Town. I don't see that increasing as it has been now that students are back to in person learning 5 days a week.

Stacey Becker asked about \$400,000 additional state funds because of covid.

John Spang that is part of the Governor's Budget and that is still being debated. I believe it comes from the Rescue Act.

Bob Congdon asked if we can expect the State Aid this year and next year as we have in the past.

John Spang said that we've heard that we will receive the State Aid that's expected.

Sandra Allyn-Gauthier stated that \$421,000 was part the the Distressed Municipalities and that the American Relief Act is different and that it can't be used to pay down taxes or pensions.

Joh Spang added that the reason they are still discussing how best to distribute the funds to the different towns that there is a cap as to how much Federal monies can be received and they are trying to make sure the caps are not reached.

### **a. BoE Liaison Report**

Andy Depta shared that there are still distant learners and some continue to home school. Sports are back this spring. The BoE is looking at ventilation and the repaving the parking lot as Capital

Projects. Technology will see an increase next year and they are looking to add a full time Social Worker.

## **7. Board of Selectmen Financial Report**

Sandra Allyn-Gauthier stated that at this point there is 42% of the budget remaining. Most areas are on track. Fire & Ambulance Property and Liability are a little more than \$1400 overbudget. Highway and Gasoline are two buckets with the same label and once they are consolidated the one area won't show a negative. SCARA and Recycle are hot topics due to trying to find a market for the recycle. Sandra Allyn-Gauthier pointed out a few other areas that might be tight, but over all we should be okay. She also added that there are some revenues that still need to be plugged into the budget.

Bob Congdon asked if the Town Aid Road funds had been received.

Sandra Allyn-Gauthier stated that she believed so and that she would like to see it recorded as revenue rather than an offset of expenses.

Sue Nysten stated that she was sure that both payments have been received and that the entries need to be made.

Bob Congdon clarified that if those have been received the budget would be showing \$200,000 more than it is.

Andy Depta asked if Steve Maslin still on contract as a consultant.

Sandra Allyn-Gauthier stated that he is and may be needed in the future.

Andy Depta asked how did the chemical used on the roads performed in the recent snowstorms.

Sandra Allyn-Gauthier said that it performed well and that it is more cost effective, environmentally friendly, and in the spring won't clog catch basins and drainage like sand does.

## **8. PRA Update – No update**

Sandra Allyn-Gauthier stated they are still working through the process and that there have been no major changes.

## **9. Old Business**

### **a. Approval of Engagement Letter**

Andy Depta stated that he had looked over the letter and felt that the only thing lacking was a termination clause.

Bob Congdon would like to see a time frame clearly stated.

John Spang said that it's a good idea to ask that that be added.

Stacey Becker shared that during the presentation that King, King, and Associates said that they would have the audit completed by the end of April.

***Andy Depta motioned to approve Chairman John Moulson to sign the Letter of Engagement with King, King, and Associates and to request an end date of April 30, 2021. Bob Congdon seconded the motion. The motion carried unanimously.***

**b. Board of Finance Budget Submission (2021-22)**

***Bob Congdon motioned that the BoF submit the same budget as last year with additional funds to cover the King, King, and Associates audit. Denise Beale seconded the motion. Never voted on.***

John Moulson requested that Stacey Becker find the proposed budget from a previous meeting to work off of. After finding the document there was a brief discussion as to what the cost of the Town's portion of the audit was to be in order to enter in the appropriate amount. The discussion led to the following budget proposal.

10.5.71.4800.4190.5171 - Part-Time Staff	\$2,000
10.5.71.4800.4190.5301 - Board of Finance: Professional & Technical	500
10.5.71.4800.4190.5330 - Board of Finance: Property and Liability Insurance	0
10.5.71.4800.4190.5332 - Board of Finance: External Audit	19,500
10.5.71.4800.4190.5355 - Board of Finance: Legal Services	2,000
10.5.71.4800.4190.5660 - Board of Finance: Software	275
10.5.71.4800.4190.5835 - Board of Finance: Travel and Meeting Reimb	<u>500</u>
<b>Total</b>	<b>\$24,775</b>

***Bob Congdon motioned to accept the proposed Board of Finance budget for FY2021-2022 totaling \$24,775. Andy Depta seconded the motion. The motion carried unanimously.***

**c. Proposed Budget Calendar New Business**

Bob Congdon stated that the Board of Finance needs to tell the Board of Selectmen and the Board of Education when we need their budgets by so that we can begin to prepare them to present to the Town. We need them by April 15<sup>th</sup>.

John Moulson asked if that was possible.

Andy Depta felt that the Board of Education should have theirs prepared by then.

Sandra Allyn-Gauthier stated that they hoped to have the Board of Selectmen budget completed by April 6<sup>th</sup>.

**d. FY19-20 Annual Report**

Denise Beale stated that she has received 7 of the 27 reports so far and that they are due by this Friday.

Bob Congdon suggested letting Sandra Allyn-Gauthier know who hasn't turned in a report and see if she could prod them along.

Stacey Becker suggested extending the due date until the end of April because some reports are based off of the audit.

Denise Beale and Stacey Becker will connect in order to update the list of received reports and upload them into Drop Box.

## **10. New Business**

Andy Depta opened the discussion of Sandra Welwood's termination letter. He pointed out that the letter states that Ms. Welwood would no longer be our accountant. Mr. Depta stated that she isn't our accountant she is in fact our auditor. He went on to further stated that no one has actually terminated the contract. He suggested legal advice on the matter. And suggested that the Board of Finance terminate the contract due to lack of performance.

Stacey Becker asked if the Board has received all the emails between the Town Hall and Sandra Welwood.

Bob Congdon asked if any have been received as he had requested previously.

John Moulson stated that the prudent thing to do was to contact an attorney for advice as to how to best proceed.

Bob Congdon stated that he felt it was a breach of contract because she was to communicate with the Board of Finance and she didn't; and we're not even sure of the frequency she communicated with the people at the Town Hall. John Spang needs to complete the task of compiling the emails between Sandra Welwood and anyone at the Town Hall.

John Spang pointed out that he could forward all of his emails, but he is not privy to anyone else's communications.

Bob Congdon asked that Sue Nylen, who was in attendance, forward all her emails as well.

## **11. Public Comment – There was none.**

## **12. Adjournment**

**Andy Depta motioned to adjourn at 8:30 P.M... Stacey Becker seconded the motion. The motion carried unanimously.**

Respectfully Submitted,

Kimberly Lang

Recording Secretary