

**Preston Board of Finance  
Regular Meeting  
Wednesday, August 21, 2019 at 7:00 p.m.  
Preston Town Hall Conference Room**

**1. Call to Order** - Jerry Grabarek called the meeting to order at 7:00 P.M.

**2. Roll Call**

*Members*

Jerry Grabarek – Chair  
Stacey Becker – Clerk  
Sandra Allyn-Gauthier  
Ian Stammel - excused  
Keith Wucik  
Ken Zachem

*Alternates*

Denise Beale – seated for Ian Stammel  
Lennie Spencer -excused

*Also Present*

John Spang – Finance Director  
Andy Depta  
Jack Smallwood  
Gary Piszczek  
Vicki Rabovsky  
3 other members of the public

**3. Public Comment –**

Andy Depta pointed out that the Board of Education has completed the locker project and that the cost is \$4782 over budget. Capital Projects can't go over budget so where will the additional funds come from?

**4. Approve Meeting Minutes**

**A. July 9, 2019 Special Meeting Minutes**

**Ken Zachem motioned approve the July 9<sup>th</sup> Special Meeting Minutes. Stacey Becker seconded the motion. Jerry Grabarek, Stacey Becker, Ken Zachem, and Sandra Allyn-Gauthier voted in favor of the motion; while Denise Beale and Keith Wucik abstained. The motion carried.**

**B. July 11, 2019 Special Meeting Minutes**

**Ken Zachem motioned approve the July 11<sup>th</sup> Special Meeting Minutes. Stacey Becker seconded the motion. Jerry Grabarek, Stacey Becker, Ken Zachem, Sandra Allyn-Gauthier, and Keith Wucik voted in favor of the motion; while Denise Beale abstained. The motion carried.**

**C. July 17, 2019 Regular Meeting Minutes**

**Ken Zachem motioned approve the July 17<sup>th</sup> Regular Meeting Minutes. Stacey Becker seconded the motion. The motion carried unanimously.**

#### **D. July 17, 2019 Special Meeting Minutes**

**Ken Zachem motioned approve the July 17<sup>th</sup> Special Meeting Minutes. Stacey Becker seconded the motion. Jerry Grabarek, Stacey Becker, Ken Zachem, Sandra Allyn-Gauthier, and Keith Wucik voted in favor of the motion; while Denise Beale abstained. The motion carried.**

#### **E. July 30, 2019 Special Meeting Minutes**

**Ken Zachem motioned approve the July 30<sup>th</sup> Special Meeting Minutes. Stacey Becker seconded the motion. The motion carried unanimously.**

### **5. Correspondence –**

July 19, 2019 – John Spang – Re: email answering questions that were asked at the July 17<sup>th</sup> Meeting regarding delinquent taxes and the State’s 2018 MBR formula.

July 31, 2019 – Jerry Grabarek – Re: letter to Hattie Wucik stating that the Board of Finance had set the mill rate at 26.43.

August 15, 2019 – Bekah Little – Re: email request that Land Use & Planning be placed on the agenda. Attached memo from the Conservation & Agricultural Commission concerning appropriation of funds.

July 24, 2019 – Jill Keith – Re: email – Jerry Grabarek asked John Spang for a follow up on whether the Board of Education has responded to the email sent last month. Jerry told John that he felt it was important and proper for the Board of Education to respond to the email in some manner.

### **6. Town Revenue and Status Report – John Spang**

John Spang explained that the town traditionally budgets for 98% of tax collection. Fortunately, Preston has consistently collected more than what is budgeted. The Town has collected \$142,000 more in taxes which is over half of the excess funds to be returned to the General Budget. This year building permits are \$69,350 over the anticipated intake. Investment revenues are also higher because of higher than expected interest rates, which added \$38,900 to the surplus. Over all it looks like \$279,000 will go into the Surplus.

Ken Zachem questioned the Elderly Tax Grant. Stacey Becker pointed out that last year Bob Congdon thought it was still an activate Grant; however, it wasn’t listed anywhere on the State’s website so, it was not placed in the budget this year.

John shared that the Waterbury firm Quality Data will be sending out tax bills August 30, 2019, and that taxes are due Sept. 1<sup>st</sup>, but taxes won’t be considered late until Oct. 1<sup>st</sup>. Allowing tax payers 30 days before they are considered late. The lateness of the budget shouldn’t affect tax collection negatively.

**Ken Zachem motioned to waive the order of business to hear the Preston Conservation & Agricultural Commission’s request. Stacey Becker seconded the motion. The motion carried unanimously.**

Stacey Becker mentioned that she has asked Sue Nysten for the balance of the Open Space Fund. She did not get back to her. When John Spang was asked the balance; he did not know either. Gary Piszczek told the Board it was over \$100,000.

Gary Piszczek explained that Avalonia Land Trust, a nationally accredited trust firm, has acquired 409 acres of which 32.9 acres lies within Preston. The other towns involved are North Stonington and Griswold. Gary stressed that The Trust owns the land is asking each town to contribute \$5,000 to help preserve and protect this property from any future development and to remain open space to be enjoyed by all citizen of the contributing towns.

Stacey Becker asked if this is what the Open Space Fund is designed to be used for.

Jerry Grabarek answered, yes, it is.

Ken Zachem answered yes and no, technically it's for the Town to purchase property; this is giving money to a third party to purchase land.

Gary explained that Avalonia paid over a million dollars and asking the Town to contribute \$5,000; we feel this is reasonable.

Ken Zachem felt that because the money is going to a third party that the Board of Selectmen need to call a Town Meeting to approve this.

Jerry Grabarek felt that the Board of Finance should request that the Board of Selectmen ask the Town Attorney if the funds could be given to a private trust. Further discussion brought up issues such as the balance of the Open Space Fund and whether this needs to go to a Town Meeting.

Gary Piszczek mentioned that he has asked those questions to the BoS and they told him to speak to the BoF.

Vicki Rabovsky asked why \$5,000 of tax dollars being given away.

Jerry Grabarek explained the Open Space Fund isn't tax dollars, but funds that the town collects from developments to help secure the purchase of land for Open Space so, citizen can enjoy nature and to ensure that over development doesn't occur.

It was added that years ago developer gave land to the Town, but now there is a 10% fee that developers paid so that the Town has control over which properties will be preserved.

Gary added that Avalonia has a trail committee, that they would maintain the area and it takes that burden off the Town. They are nationally accredited and that makes us feel confident that this is best for the Town. Also, what forms will the Town need from Avalonia? W-9?

Keith Wucik asked if the request is time sensitive.

Gary Piszczek answered that they have a bridge loan that's not due for another year; another month or two wouldn't delay things there is still time to act.

**Sandra Allyn Gauthier motioned that the Board of Finance get legal opinion on the following points:**

- **to find out if a Town Meeting is required for the expenditure of \$5,000 from the Open Space Fund to Avalonia Land Trust**
- **based on the availability of monies in the Open Space Fund**
- **and a list of all required documentation for the Avalonia Trust as far as if W-9 or other forms are necessary**

**Denise Beale seconded the motion. The motion carried unanimously.**

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

John Spang first spoke of the expected surplus to be returned to the town needed to be adjusted since his report of August 8<sup>th</sup>. He pointed out that the Unencumbered balances as of 8/8/2019 were now at \$108,000 rather than the reported \$80,125. That the pump house repair – Capital Non-recurring stayed at \$28,600 making the total expected return to the Town surplus to be \$136,600.

John then explained the break down of the expected 2019-2020 School Operating Budget. He pointed out that there would be a savings of \$35,000 with the 4 teacher retirements.

Jerry Grabarek questioned why there wasn't a larger savings with 4 retirements?

John explained that the math teacher that was hired was experienced with a masters so there was no real savings there. He felt that further explanations needed to come from the Board of Education.

John also explained that the 4<sup>th</sup> grade enrollment was being watched rather closely because of numbers. He then went on to explain that with changes in pick up and drop off needs that they are eliminating a bus; that there will be 9 regular buses rather than 10; creating a \$22,000 savings.

Jack Smallwood asked if there would be a larger savings than just the \$22,000 salary? Was the health insurance and other costs factored in?

John said it was not at this time.

Vicki Rabovsky asked if the small bus that she has seen pick up a child in her neighborhood is paid for by the town?

Keith Wucik told her the Board of Education could tell her that.

John went on to explain other areas of savings. \$120,000 was budgeted for 4 students to attend the NFA Special Education Program for 18-21-year-old however only 3 will be attending. Two of the 8<sup>th</sup> grade students that will be attending high school in the fall had initially planned to attend schools that need to be paid this year, however they will now be attending NFA which will be paid next year.

John then addressed the progress of the Capital Projects. He pointed out that the Repaving of the PPMS Parking lot has been moved up in the plan to be dealt with June-July 2020 due to the deterioration of the area is more than what was expected. He then reiterated that the PPMS Science Labs are still being researched before that project moves forward. Then he discussed the PPMS Locker project. It was pointed out that the bid came in over budget and was granted by the Board of Education. John said that he would speak to Sue Nylen to see how best to proceed with paying the invoice.

Ken Zachem pointed out that Sue has no authority over a Capital Project.

Keith Wucik pointed out that the overage is more than 10%.

It was also pointed out that the bid came in over budget and the overage should have been addressed in March when the bid was awarded. The Board of Finance felt that the Board of Selectmen would need to take the issue to a Town Meeting and that they should have been made aware that the bid had come in over budget so that there wasn't a delay in payment.

John said that an invoice of the work hasn't been presented as of yet and that were touch ups that needed to be complete before they'll sign off that the job is totally complete.

#### **A. Response to Jill Keith**

Jerry Grabarek asked John if the Board of Education has responded to the email, he had forwarded to them after the last BoF Regular Meeting on July 17<sup>th</sup>.

John answered that he didn't believe they had answered her email. He explained that she is looking for a Maintenance of Effort report that the State requires the Special Education Departments of each town to submit. The report is done to ensure that towns are doing their part to provide services for students with developmental issues. Jill Keith is looking into 10 years of the Special Education budgets.

Jerry Grabarek once again stressed the importance that Jill receive some kind of communication from the Board of Education out of common courtesy.

Stacey Becker asked John for an explanation of CIRMA funds.

It was explained that the amount isn't a consistent amount and that the monies received from CIRMA always go back into the General Fund.

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

No one was in attendance to report to the Board.

#### **9. Public Comment –**

Keith Wucik felt that many of the questions this evening needed to be directed at the Board of Education because the BoF can't answer to their specific operation.

Jerry Grabarek pointed out that Parks & Rec didn't attend and that they needed funds. After a brief review of their previous request at the July meeting it was decided that Jerry would request, they attend the next meeting with information regarding where they stand and with numbers showing cost of repairs/replacement versus new.

#### **10. Adjournment**

**Keith Wucik motioned to adjourn at 8:01 P.M. Ken Zachem seconded the motion. The motion carried unanimously.**

Respectfully Submitted,

*Kimberly Lang*

Kimberly Lang  
Recording Secretary