



## **TOWN OF MIDDLEBURY**

*Board of Finance  
1212 Whittemore Road  
Middlebury, CT 06762*

### **Meeting Minutes Wednesday June 9, 2021 – 7:00 PM Shepardson Community Center, Auditorium**

Present: William Stowell, Chairman  
Rita H Smith, Board Member  
Joseph Drauss, Board Member  
Stephen Ruccio, Board Member  
Dawn Albizu-Calabrese, Board Member  
John Jenusaitis, Alternate  
Natrajan Kuppuraj, Alternate  
John Moriarty, Alternate

Absent: Vincent Cipriano, Board Member

Also Present: Ed St John, First Selectman  
Elaine Strobel, Selectman  
Robin Stanziale, CFO  
Ralph Barra, Selectman  
Rachel Primus, Recording Clerk

William Stowell opened the meeting at 7:01 PM with the pledge of allegiance. He appointed Natrajan Kuppuraj a regular voting member in place of Vincent Cipriano.

#### **Approval of May 12, 2021 Meeting Minutes**

**VOTED:** Unanimously on a motion by Joseph Drauss and seconded by Rita Smith to **APPROVE** the May 12, 2021 meeting minutes.

#### **Reports**

##### **• Chief Financial Officer Reports**

Robin noted they are at the end of the year and some numbers are not showing up at the moment, but she will let the board know where they will be falling. Robin reported on the revenue side the town has received 3 grants from the State for election reimbursement which will be allocated to the Registrar's Office and the Town Clerk Office. She said they received a grant from Mark Zuckerberg for \$5,000, reimbursed \$14,904 from Region 15 and reimbursed \$6,866 from Verizon. Property taxes are ahead of budget and the Building Department and Town Clerk are above budget.

On the expenditure side Robin said that Department 16 and 17 have some items over budget, but

they are offset by the grant revenue. She said that the Board of Finance is over budget for the cost of the audit. Robin said there are some big items that need to be looked at. The Building and Grounds in total is over budget, but will have FEMA adjustments and overtime salary adjustments. Department 52 Snow and Overtime Reserve is over budget, but have the money to cover the overage. She said that Waste Removal is also over budget, but can be reduced from the reserve account. She said she will wait to see the month of June's numbers. Department 72 Computer Equipment and Technology is over budget because there was an update to the phone system and the broad ban. Robin feels that once all the adjustments are made they should be ok. She noted that Debt Services is also over budget. Robin noted that the town just went live with a new town website and asked everyone to have a look at it and to let her know if they notice anything that needs to be updated. She said that there will be year-end entries made and that the State needs to transfer funds to the towns still. Robin said there is a FEMA call scheduled for tomorrow regarding their claim. She said the regular year end entries need to be made but there will still be a surplus for the year.

- **Tax Collectors Report**

Bill said the report was included in the member's folders. Brenda reported that right now they are on target, the same as last year. She noted that personal property is down because small businesses closed or are having difficulty paying their bills. She said that bills will be mailed out on Friday, which will include a letter with the break down and payment options as well as reevaluation information. She said there are 3 possible tax sales. Brenda noted the updates to the new website and stated that she is very happy with it.

- **Special Duty**

Amy said that special duty has been busy, and will only get busier. Frontier has secured the State contract and Straits Turnpike has hired for 9 hours a day. She noted that the January Frontier invoice has been paid and that now she is directly sending the invoices to Enfield. She has been told to write off the Heather Lewis invoice, but would like to have that in writing.

### **Old Business**

None

### **New Business**

- **FY 19-20 Auditor Report**

Robin introduced Jessica and Vanessa from CLA. Vanessa explained they would be presenting a power point presentation to highlight the audit as well as give an overview. She reviewed the Terms of Engagement, gave the results of the Executive Summary, and reviewed the Government wide activities. She noted that the assets didn't change from last year to this year and that the debt increased because of the \$5 million dollar bond. Vanessa reviewed the town funds, which has an increase of \$400,000 from last year. She reviewed the General Fund Budgeting Basis which the revenue was greater than budgeted by \$238,510 and the expenditures were under budget by \$331,143.

Jessica went over the material weaknesses and the general ledger weakness. She stated she met with management a few weeks ago and all points have been addressed. She then went over the Management Letter, noting a lot of the items have been addressed with management. Jessica then reviewed the Investment Management. She thought it would benefit the town to have a manual in place on all accounts, Capital assets cleaned up, and a purchasing policy to have specific language for Federal Single Audit. She said there should be a policy in line.

Vanessa next reviewed the Governance Communication, noting the town had requested an

extension for the audit, which started in January. She feels that this year will run much smoother. She reviewed the GASB standards and updated the board on what would be implemented in 2021, 2022, and 2023.

John Moriarty felt they did a thorough job for their first year, but he was curious about if their recommendation to hire a person for outside controls would be cost effective. Vanessa said she wasn't recommending that the town should higher in the management letter, but that they use best practice. Robin explained that the current accounting software doesn't show changes that were made, for example with payroll. She said that the higher end accounting software will document the time and the name of who's making entries. They are looking into it, but it is a significant cost. Stephen Ruccio asked if the town has looked into an outside payroll company. Robin answered yes, she has talked with Bill and they are looking at having an accounting system which includes payroll.

Bill thanked the women for a doing a great job and in such a short amount of time and dealing with Covid-19. He felt both sides co-operated and that moving forward Robin has the opportunity to call and get feedback if needed.

- **Budget Transfers**

Bill read Section 703 from the Town Charter into the record. It discusses transfers done within departments and transfers that the BOF needs to make. It states any transfers with an aggregate total over \$109,347.26 would need to be approved by the BOF and go to a town meeting. Robin sent an email to Bob for a legal opinion, but she has not gotten a response yet. Bob said his recommendation is to transfer from the account or fund for contract negotiations. He said past practice covers all offices with employees covered by a contract. A discussion ensued regarding transfers.

Bill said that Robin put together a packet with a list of all the transfers that need to be done. He reviewed all the items. He said he ran this by the auditors and they said the transfers needed to be done, but they have no opinion on the Charter or town meeting. It was recommended the transfers be done before June 30<sup>th</sup> and that is why they are doing them tonight.

Robin explained the first transfer is to cover the budget shortfall due to the updated contract on July 1, 2020.

**VOTED:** Unanimously on a motion by Stephen Ruccio and seconded by Rita Smith to **APPROVE** the transfer from the Reserve for Contract Negotiation account (01-76-00-9851) of \$20,000.00 to the Police Salaries account (01-40-01-6002).

Robin explained the next transfer was to cover the budget shortfall due to the updated contract on July 1, 2020.

**VOTED:** Unanimously on a motion by Joseph Drauss and seconded by Rita Smith to **APPROVE** the transfer

From Reserve Rev: Reserve for Contract Negotiations account (30-20-02-4220) (\$56,887.01)

From Reserve Exp: Reserve for Contract Negotiations account (30-20-02-6092) 56,887.01

To Revenue: Transfer in from Reserve Funds (01-81-81-3705) (\$56,887.01)

To Expense: Police Salaries (01-40-01-6002) \$56,887.01

Robin explained this transfer was to cover the budget shortfall from additional storms.

**VOTED:** Unanimously on a motion by Rita Smith and seconded by Joseph Drauss to **APPROVE** the transfer

From Reserve Rev: Reserve for Snow Plow Labor (30-72-40-4220) (\$41,429.33)

From Reserve Exp: Reserve for Snow Plow Labor (30-72-40-6092) \$41,429.33

To Revenue: Transfer in from Reserve Funds (01-81-81-3705) (\$41,429.33)

To Expense: Snow & Emergency Overtime/Reserve (01-52-01-6012) \$41,429.33

Robin explained this transfer was to cover the budget shortfall due to a change of auditor and increase in engagement fees.

**VOTED:** Unanimously on a motion by Stephen Ruccio and seconded by Joseph Drauss to **APPROVE** the transfer from Contingency account (01-71-00-6974) of \$20,937.00 to Recording Clerk account (01-18-01-6003) of \$200.00 and Audit Town Accounts (01-18-01-6003) of \$20,937.00.

Robin explained this transfer was to cover the budget shortfall from the refinance of BAN August 2020.

**VOTED:** Unanimously on a motion by Joseph Drauss and seconded by Dawn Calabrese to **APPROVE** the transfer and that the transfer should go to a town meeting which will be ultimately determined when the attorney gives his response on the issue.

From Reserve Rev: Reserve for Debt Reduction (30-71-10-4220) (\$82,039.32)

From Reserve Exp: Reserve for Debt Reduction (30-71-10-6092) \$82,039.32

To Revenue: Transfer in from Reserve Funds (01-81-81-3705) (\$82,039.32)

To Expense: Interest on Debt/Reserve (01-73-04-6701) \$82,039.32

From Reserve Rev: Reserve for Debt Reduction (30-71-10-4220) (\$53,520.00)

From Reserve Exp: Reserve for Debt Reduction (30-71-10-6092) \$53,520.00

To Revenue: Transfer in from Reserve Funds (01-81-81-3705) (\$52,520.00)

To Expense: Principal (Redemption)/Reserve (01-73-04-6702) \$52,520.00

#### **Public Comment**

None

#### **Adjournment**

**VOTED:** Unanimously on a motion by Joseph Drauss and seconded by Rita Smith to **ADJOURN** the meeting at 8:22 PM.

Respectfully Submitted,

Rachel Primus, Recording Clerk

Cc: Board of Selectmen  
Board of Finance and Alternates  
Janine Bowler, Town Treasurer  
Email Notification for Website  
File