

SUBJECT TO MODIFICATION AND APPROVAL
Unapproved Minutes
BOARD OF FINANCE MEETING
June 12, 2023

CALL TO ORDER

Chairman Lainie McHugh called the Board of Finance meeting to order at 7:04 p.m. in the Council Chambers. The Chair asked for a moment of silence for Robin Bova who recently passed away. Our condolences go out to her husband, Kevin, a long-time employee of the Town and their sons. The Chair also extended condolences to Tim Cantafio (Board of Assessment Appeals) and Dawn Cantafio (Town Council) in the loss of Tim's father today. The Board then joined in the Pledge of Allegiance.

PUBLIC COMMENT

There was no Public Comment

ATTENDANCE

Present

Marty Isaac
Lainie McHugh
Justin Scheuble
Michael Barker
Paul Timpanelli
Scott Zimov
Vincent DeGennaro – Alternate
Christine El Eris – Alternate

Absent

Marc Mascola – Alternate

Also present:

Vicki Tesoro, First Selectman; Maria Pires, Director of Finance; James A. Cordone, Esq., Town Attorney.

SETTING THE MILL RATE

The Chair asked for a motion to set the mill rate at 34.15 for 2023-2024 fiscal year, an increase of .51 and a percent increase of 1.52%.

Mr. Zimov moved, seconded by Mr. Timpanelli, to set the mill rate at 34.15 for the 2023-2024 fiscal year.

Ms. Pires explained that the Incremental Property budgeted amount represents revenue that is prorated which then becomes part of the tax revenue once received; there is no way to separate it out. She then explained the Building Revenue was \$942,000 for 10.5 months. Looking at the average monthly, she estimated the projected to be \$987,793. She went on to add that \$800,000 Building Revenue budgeted for next year is a conservative estimate. Ms. Pires indicated that the TLC Revenue has been cut in half, since their enrollment has been down. It was suggested that we need to review their financials.

It was mentioned that using a \$1,500,000 surplus currently in the General Fund to reduce the mill rate is a good idea; we over charged the public last year and now we are giving it back. The surplus is a result of the increased interest income received that was not budgeted. It was also mentioned that a portion be held out to be used towards Supplemental Appropriations. The discussion also included the supposition that using these funds from the General Fund would create a funding cliff; however, it was pointed out that we are using funds earned due to the increase in interest income since the interest rates increased.

Mr. Isaac went on the record saying that there is a governance issue with the Pension Boards, especially the Police Pension Board, when an assumption can be made that can cost the town a significant amount of money. He added that he is not sure there is anything the Board of Finance or anyone else can do about it. The Chair indicated the Pension Boards report to the Town Council

The issue of a funding cliff was brought up again and the statement was made that funds should be used for a one-time only expense, which is not being done. In addition, it was commented that we are using the General Ledger to balance the budget. The statement was countered with we are returning to the public what we overcharged them last year, we are not using the funds to balance the budget.

It was noted that we need to keep 2 months of operating expenses in the General Fund to maintain our AAA rating and we need a 10% minimum to maintain our current Bond Rating.

Vote: 4-2-0 motion carries (opposed: Zimov; Scheuble)

First Selectman Tesoro addressed the Board of Finance indicating that it is not just the balance of the General Fund that is taken into consideration to get a AAA rating; it is also your debt that is taken into consideration. You need to look at all the factors.

Not all residents had a tax increase last year and not all residents had the same tax increase. Some had none or a decrease, whereas others had more due to the improvements made to their property. There were a lot of variables last year, so you cannot say there was a 10 percent tax increase across the board.

INTERNAL AUDITOR'S UPDATE – Rebeca Lopez

Ms. Lopez reviewed the updated proposed Audits for next year with the Board members.

TOWN TREASURER'S REPORT – Anthony Musto

Mr. Musto provided an updated report to the Board. There were no comments.

6-23-02 Fiscal Year 2022-2023 Transfer

Mr. Timpanelli moved, seconded by Mr. Zimov, to transfer \$20,419 from account number 01040000-501101 to account number 01040000-501103 \$20,000 and to account number 01040000-501105 Salaries Overtime \$419. Transfer funds due to vacant full-time Sanitarian position being filled by part time personal and paid from Seasonal/Temporary and Overtime accounts.

Vote: 6-0-0 motion carries

DISCUSSION ITEMS

- Budget to Actual expenditures FY 2023 – We continue to have issues with open positions and salaries, using part-time and seasonal funds. We will be transferring from salaries once the positions are filled. We will need a supplemental for professional services rendered in the Tax Assessor's office regarding Digital. Workers Comp will need a transfer but we have enough in medical and Fica to cover the shortfall. The overtime in the Police Department is over-budget and we may be able to cover it with salaries and other line items. The building official also will need a transfer from salaries due to using part time and seasonal to cover an opening.
- Revenue Report FY 2023 - No additional discussion.
- Town Permits, Fees and Fines FY 2023 – No additional discussion

APPROVAL OF MINUTES – May 11, 2023

Mr. Timpanelli moved, seconded by Mr. Scheuble, to approve the minutes of the May 11, 2023 meeting, as approved.

Vote: 6-0-0

ADJOURNMENT

By unanimous consent the meeting adjourned at 7:42 p.m.

Respectfully submitted,

Phyllis C. Collier

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Board of Finance Clerk