

Board of Finance  
June 3, 2024  
Veteran's Meeting Room  
Warren Memorial Town Hall

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TOWN CLERK

1. Chairman Steve Geryk called the meeting to order at 6:31 PM.
2. Present were members Blake Hatch, Tony Pellegrino and David Walsh. Upon motion of Mr. Walsh, and seconded by Mr. Pellegrino, the Board unanimously approved seating Alternate Shelley West for absent member Anthony Armelin. Also, upon motion of Mr. Walsh and seconded by Mr. Pellegrino, the Board unanimously approved seating Conrado Ulloa for the absent Matt McKenney. A quorum was established.

Also present was Director of Finance John Lund, First Selectman Bill Morrison, and Tax Collector Stephanie Irving.

3. Upon motion of Mr. Hatch and seconded by Mr. Walsh the Board unanimously approved the minutes from the May 6, 2024, meeting.
4. Stephanie Irving presented the Suspense list for FY 2023-2024. She noted that this was a required review and approval by the Board. Questions from the Board included resources and time invested in pursuing those who still owe, how this gets reported to the State, and what steps going forward are being done to attempt to try and still collect. Ms. Irving did note that interest still accrues and there is a fifteen-year timeframe in which these motor vehicles and unpaid taxes remain on the suspense list. Having no other questions, it was motioned by Mr. Hatch and seconded by Mr. Pellegrino, the Board unanimously accepted and approved the suspense list.
5. Chairman Geryk then asked CFO Lund to speak on the Police Department agenda item. Mr. Lund explained that an on-going, individual request by Mr. Hatch of the Treasurer's office to repeatedly produce the entire fiscal year's department budget, as spent, had reached it conclusion, and the entirety of every detail had been provided to Mr. Hatch, on multiple occasions. Mr. Lund also explained that despite turning those over to Mr. Hatch, this was not deemed good enough, rather, the CFO was to research and re-create a reporting format for Mr. Hatch similar to a style and version he received over a decade ago while Recreation Commissioner. Mr. Lund stated the resources of the office were limited, that changes are being made to create reporting efficiencies and the time spent satisfying a personal request was becoming unreasonable and expensive use of time. It was noted that the Board receives in detail the entire Town budget to actual report from the general ledger system for all departments, including the Police. A discussion ensued and agreement was had that transparency is extremely important, the Treasurer's office is making substantial changes for the good, and that any information request was always met, but the Board should consider resources, the business purpose, and uniformity in requests through the Chairman should be abided by. Ms. West reviewed the detailed report Mr. Lund produced that was

given to Mr. Hatch and commented that in fact all the information was there. She motioned and was seconded by Mr. Walsh to review the data provided, and table this discussion to allow time to review the reports and see how they could align, if even necessary, to the report example provided from 2013. The Board unanimously approved to table the item to a future meeting.

6. A memo from Superintendent Mocchi dated June 3, 2024, outlining year-to-date budget to actual performance through April 30, 2024, was presented to the Board for review. Members of the BOE were unable to attend and report this in person as the BOE's Board was meeting at the same date and time as the BOF. CFO Lund made some general comments regarding future reimbursements to the General Fund anticipated from the BOE at fiscal year end including funds to the Utility Fund and a final payment to the self-insurance fund as most employees reach the summer months and will not be on a bi-weekly payroll. Mr. Lund also noted that ongoing discussions are being added to further estimate what if any funds could be returned to the Town to help in bolstering the General Fund.
7. CFO Lund gave an update on the FY 2024 YTD budget to actual reporting. He noted under the direction of the First Selectman, all departments were to have purchase orders in no later than May 17<sup>th</sup>, that he had enacted and is still enforcing a spending freeze, and that all payable and related paperwork should be to the Treasurer's office no later than July 31. With that, overall, all departments appear to be on track in considering percentages expended and unexpended based on the timing of the fiscal year. Mr. Lund highlighted a few of the departments where the possibility of a surplus could be recognized and that he and the First Selectman are holding fiscal year end budget meetings with respective department managers to assess year end close out and prepare analysis for tracking the 2024-2025 budget.
8. CFO Lund presented an update on the self-insurance fund for the BOE health insurance plan. Since bringing to light the size and trend of the deficit of the BOE's self-insurance fund a project team has been assembled, including One Digital, to create an action plan and analysis. Information share has been improved and strengthened to equip the BOE to prepare for and assess strategy going forward. This includes them (the BOE) taking on more direct access to reports and billings to assess trends. Near term with the help of the benefits consultant, One Digital, draft recommended formulas are being considered to bring down the deficit, with a goal of 2-3 years. Additionally, after the deficit is paid off reserves will be built back up. No less than quarterly the project team and the self-insurance oversight group (which will now include the Town's CFO) will review progress and report on achieving milestones in meeting fund balance goals. The Treasurer's office has provided the project team with a multiyear report on the fund's history including every month for each respective year. The deficit as reported, for Fund 9, was (\$621,723) through April 30, 2024. Mr. Lund noted that draft estimates through the end of May worsened the deficit by almost another \$160,000 but the report was not yet completed. Questions and

comments surrounding the risks, repayment plans, and pressure on the General Fund were had. This report will be a standing item at all future meetings.

Mr. Lund passed out final bound copies of the FY 2023 Financial Statement audit as well as the FY 2023 Single audit. No specific questions were had on the audit and Mr. Lund noted Marcum had addressed the key findings and trends of the audit at a previous meeting. With that Mr. Pellegrino made a motion, seconded by Mr. Walsh, and the Board unanimously approved the receipt of the audits.

9. A motion at 8:45 PM was made by Ms. West and seconded by Mr. Pellegrino to adjourn and so voted unanimously.

Respectfully Submitted,

  
John T Lund  
Recording Secretary