

Board of Finance Special Meeting
Agenda January 14, 2021 at 6:00 pm (via remote conference)

To join via internet:

<https://us02web.zoom.us/j/89435060149?pwd=UTFjQ29YTIRqa0ZURHlvYms3MHQvZz09>

Meeting ID: 894 3506 0149

Passcode: 038075

Dial by phone: 646 558 8656

- 1- Discussion/decision regarding the appointment of Chairperson and Vice Chairperson of the Board of Finance
- 2- Discussion/decision regarding the adoption of the 2021 meeting schedule of the Board of Finance.
- 3- Discussion regarding the fiscal year 2019-20 financial audit. Leslie Zoll, Partner – Blum Shapiro (recently merged with CliftonLarsonAllen LLP)
- 4- Discussion regarding an update on Police overtime expenditures. Chief Ed Henion, Captain Matt Brodacki.
- 5- Discussion regarding an update on current year tax collections. Rick Darling, Finance Director.
- 6- Discussion/decision on the close out of prior year capital projects, and the transfer of available balances. Rick Darling, Finance Director.
- 7- Discussion/decision regarding approval of the December 10, 2020 minutes.

Item 2

Board of Finance Calendar of Meetings 2021

January 14	Regular
February 11	Regular
March 8	Budget Review BOE
March 9	Budget Review BOE (if necessary)
March 10	Budget Review Town
March 11	Budget Review Town (if necessary)/ Regular Meeting
March 30	Public Hearing
March 31	Public Hearing (if necessary)
April 6	Budget Deliberation
April 8	Regular
May 6	Budget – mill rate
May 13	Regular
June 10	Regular
July 8	Regular
August 12	Regular
September 9	Regular
October 14	Regular
November 11	<i>Regular (Veterans Day)</i>
December 9	Regular

Item 3

Town of Weston, Connecticut

2020 Audit Exit Conference

January 14, 2021

WEALTH ADVISORY | OUTSOURCING | AUDIT, TAX, AND CONSULTING

Investment advisory services are offered through CliftonCarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.



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Agenda

- Terms of Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Governance Communication
- Upcoming GASB Pronouncements
- CLA

Terms of Engagement

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation” to opinion on the schedule of expenditures of federal awards and schedule of expenditures of State financial assistance.
- Express an opinion on compliance related to major federal and state award programs

Terms of Engagement

- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal and state award programs

Executive Summary

- Financial Statements
 - Unmodified opinion issued on the financial statements
 - No findings reported in report on internal control and compliance

Executive Summary

- Federal Single Audit
 - Unmodified opinion on major federal program (Special Education Cluster)
 - No compliance findings or significant deficiencies in internal control over compliance reported

Executive Summary

- State Single Audit
 - Unmodified opinion on major state program (Town Aid Road)
 - No compliance findings or significant deficiencies in internal control over compliance reported

Financial Highlights

• Governmental activities

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current assets	\$ 29,050	\$ 27,926	\$ 114	\$ 212	\$ 29,164	\$ 28,138
Capital assets, net of accumulated depreciation	74,369	77,020	157	116	74,526	77,136
Other assets	333				333	
Total assets	<u>103,752</u>	<u>104,946</u>	<u>271</u>	<u>328</u>	<u>104,023</u>	<u>105,274</u>
Deferred outflows of resources	11,611	12,989			11,611	12,989
Current liabilities	9,571	9,027	(170)	(17)	9,401	9,010
Long-term liabilities outstanding	36,198	43,316			36,198	43,316
Total liabilities	<u>45,770</u>	<u>52,343</u>	<u>(170)</u>	<u>(17)</u>	<u>45,599</u>	<u>52,326</u>
Deferred inflows of resources	6,603	2,323			6,603	2,323
Net Position:						
Invested in capital assets	53,285	51,323	157	116	53,442	51,439
Restricted	101	99			101	99
Unrestricted	9,604	11,847	284	229	9,889	12,076
Total Net Position	<u>\$ 62,990</u>	<u>\$ 63,269</u>	<u>\$ 441</u>	<u>\$ 345</u>	<u>\$ 63,431</u>	<u>\$ 63,614</u>

Financial Highlights

TOWN OF WESTON, CONNECTICUT		EXHIBIT V	
STATEMENT OF NET POSITION - PROPRIETARY FUNDS			
JUNE 30, 2020			
	Business-Type Activities	Governmental Activities	
	Nonmajor Enterprise Funds	Internal Service Fund	
Assets:			
Current assets:			
Cash and cash equivalents	\$ 78,090	\$	
Accounts receivable, net	35,703		
Due from other funds	329,140	1,174,384	
Total current assets	442,933	1,174,384	
Noncurrent assets:			
Capital assets, net of accumulated depreciation	156,972		
Total assets	599,905	1,174,384	
Liabilities:			
Current liabilities:			
Accounts payable and accrued items		16,879	
Due to other funds	158,765		
Total current liabilities	158,765	16,879	
Net Position:			
Invested in capital assets	156,972		
Unrestricted	284,168	1,157,505	
Total Net Position	\$ 441,140	\$ 1,157,505	

Financial Highlights

TOWN OF WESTON, CONNECTICUT				EXHIBIT VIII
STATEMENT OF FIDUCIARY NET POSITION - FIDUCIARY FUNDS				
JUNE 30, 2020				
	Other Post- Employment Benefit Trust Fund	Greystone Private Purpose Trust Fund	Agency Funds	
Assets:				
Cash and cash equivalents	\$ 17,494	\$	\$	402,628
Investments, at fair value:				
Mutual funds	10,167,994			
Due from other funds		82,148		
Total assets	10,185,488	82,148		402,628
Liabilities:				
Due to other funds	127,398			
Fiduciary deposits				402,628
Total liabilities	127,398	-		402,628
Net Position:				
Restricted for OPEB	10,058,090			
Restricted for Trust		82,148		
Total Net Position	\$ 10,058,090	\$ 82,148	\$	-

Financial Highlights

- Property Tax Collections – 98.94% compared to 98.75% in the prior year
- General Fund Unassigned Fund Balance - \$14,462,717 - 17% of GAAP expenditures
- MERS Pension Liability - \$19,467,553 from \$19,593,204 in the prior year and 72.69% funded as of 6/30/19
- Net OPEB Asset - \$333,232

Federal Single Audit

- Total federal awards expended - \$778K
- Major program – Special Education Cluster
- Unmodified opinion on major program compliance
- No compliance or internal control finding

State Single Audit

- Total state awards expended - \$1.4M
- Major program – Town Aid Road
- Unmodified opinion on major program compliance
- No compliance or internal control finding

Auditors' Communication

- New standards adopted – none
- Significant Estimates
 - Capital Assets – Useful lives
 - Net Pension Liability
 - Net OPEB Liability (Asset)

Auditors' Communication

- No disagreements with management
- Management did not consult with other accountants
- No difficulties encountered in performing the audit
- No uncorrected misstatements
- No independence issues

GASB Standards

- Implementation Year 2021
 - Statement 84 – Fiduciary Activities
 - Statement 90 – Majority Equity Interests
 - Statement 92 – Omnibus 2020 (various)

GASB Standards

- Implementation Year 2022
 - Statement 87 – Leases
 - Statement 89 – Accounting for Interest Cost before the End of a Construction Period
 - Statement 92 – Omnibus 2020 (various)
 - Statement 93 – Replacement of Interbank Offered Rates
 - Statement 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans

GASB Standards

- Implementation Year 2023
 - Statement 91 – Conduit Debt Obligations
 - Statement 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements
 - Statement 96 – Subscription-Based Information Technology Arrangements

Blumshapiro >>> CLA

- Effective 1/1/2021
- Same Values/Culture
- Teams still intact
- CLA Currently serves ~3,500 government clients
- More resources

Contact Information

Leslie A. Zoll

Principal

CLA

Leslie.Zoll@claconnect.com

860-570-6376



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Questions?



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Item 4

1/11/2021 TOWN OF WESTON
 16:34:44 HISTORICAL ACTUALS COMPARISON REPORT

	2017-18	2018-19	2019-20	2020-21	2020-21	2020-21	2020-21
	PRIOR YR3	PRIOR YR2	LAST YR	CURRENT YR	CURRENT YR	CURRENT YR	PERCENT
	ACTUALS	ACTUALS	ACTUALS	ACTUALS	ACTUALS	BUDGET	EXPENDED
GENERAL FUND							
POLICE SERVICES							
0120210							
0120210 50102	151,936.44	163,238.80	178,441.35	155,766.15	194,995.00		79.9%
OVERTIME							

Item 5

TAX COLLECTIONS 2020-21

FIRST HALF ANALYSIS

Total Net Budget Approved by BOF (amount to be raised by taxes)	70,870,537	
Budgeted Tax Levy at 98% assumed collection	72,316,874	
Less: Budgeted abatement and deferment programs	<u>(528,500)</u>	
Expected initial tax levy based on budgeted relief and abatement programs	71,788,374	
Actual initial tax levy	<u>71,956,607</u>	
	Variance	168,233 Favorable due to abatement program actuals \$42,363 less than budget, and budgeted grand list \$4M less than filed
Estimated budget 1st half installment	38,015,950	
98% of first half levy (target 1st half collections)	37,255,631	
Actual Collections through 12/31	45,294,744	
Less: collections toward 2nd half installment	<u>(8,059,904)</u>	
Adjusted actual collections	37,234,840	
98% of first half levy (target 1st half collections)	37,255,631	
Variance	<u>(20,791)</u>	

3 month deferment accounts that remain outstanding total \$77,005 (13 accounts).

Comparison of FY 2021 vs. 2020 as of 1/12/21

	<u>2020</u>	<u>2021</u>
Original Levy	71,784,975	71,956,607
Collected as of January 12	49,839,013	48,342,160
% of Levy	69.4%	67.2%

Item 6

CAPITAL PROJECT CLOSE OUTS

DECEMBER, 2020

Project Year	Project Name	Original Budget	Available Balance	Comments
2013-14	Fire Dept SCBA Equipment	90,000	13,217.00	Close out and transfer to FY '21 budget appopriation.
2016-17	BOE Security Initiatives	35,700	573.00	Close out.
2016-17	Vehicle Sinking Fund	375,000	2,674.00	Close out and transfer to FY '21 budget appopriation.
2017-18	P&Z/Conservation Plan of Development	35,000	(1,546.00)	Close out.
2017-18	BOE Enhanced 911 System	30,000	30,000.00	Close out. This was used to offset a 2018-19 BOE project, but never closed.
2017-18 - 2019-20	Town Building Repairs	170,000	(8,287.00)	Close out three separate project accounts.
2018-19	P&Z/Conservation Plan of Development	10,000	1,356.00	Close out.
2018-19	Public Safety Complex Architectural Services	108,000	(800.00)	Close out.
2018-19	Turf Field Replacement and Goal posts	15,556	15,556.00	Close out and transfer to Turf Replacement fund.
2019-20	Police Law Enforcement Drone	10,300	10,300.00	Close out. Drone will be shared with another town(s).
2019-20	BOE PLC and SACDA Equipment (Zenon)	100,000	4,784.00	Close out.
2019-20	BOE Replace Chiller & Ventilatt. Hurlbutt	180,000	(15,109.00)	Close out.
2019-20	BOE South House Boiler Repacement	115,000	(5,110.00)	Close out.
2019-20	BOE Roof Leaks & Concrete Repair WIS, WHS	65,000	3,710.00	Close out.
2019-20	BOE Fire Alarm Replacement & Code Update	75,000	27,679.00	Close out.
2019-20	Transfer Station Weight Scale	33,000	(3,347.00)	Close out.
2019-20	DPW Asphalt Hot Box	35,000	640.00	Close out.
2019-20	DPW Fuel Management System	30,000	869.00	Close out.
2019-20	Valley Forge Road Repairs	228,000	60,756.00	Close out.
Total Project Close Outs			137,915.00	
	Transfer to Fiscal Year 2020-21 Project		15,891.00	
	Transfer to Turf Replacement Fund		15,556.00	
	Remain in Capital fund		106,468.00	

Item 7

**Board of Finance
Special Meeting Minutes
December 10, 2020 at 6:00 pm
(via remote conference)**

- 1- Call to order:** Board of Finance Chair Steve Ezzes called the meeting to order at 6 pm. He was joined by fellow Board members Rone Baldwin, Dick Bochinski, Amy Gare, Jeff Farr, Allan Grauberd, and Greg Murphy, as well as Town Administrator Jonathan Luiz, Finance Director Rick Darling, Sean Laudati and Steve Fraysier from BL Companies, and Mark Burns from the Connecticut Department of Transportation (ConnDOT).
- 2- Discussion about bridge projects: Cavalry Road, Michael's Way, River Road and Davis Hill Road. Jonathan Luiz, Town Administrator.** The Board listened to a presentation from Mark Burns from the Connecticut Department of Transportation, and Sean Laudati and Steve Fraysier of BL Companies. Mr. Luiz reiterated that the Town of Weston has been working with the State and BL companies for four years on the bridge projects and explained that the Towns of Weston and Westport will be sharing the costs of replacing the bridge at Calvary Road with an approximate 30% / 70% split. Mr. Laudati and Mr. Fraysier then provided details on the work needed, projected costs, timelines associated with each bridge for example, and answered questions from Board members. The Board of Finance members spoke at length about budgeting timelines, fund balances and amortization, as well as when these funds would need to be made available at each stage. Mr. Luiz and Mr. Darling will provide a financial update concerning available bridge funds to the Board of Finance at a future meeting.
- 3- Discussion regarding the Town road paving program and potential funding sources.** Mr. Ezzes opened the discussion up with an overview of expectations for the conversation, determining whether or not to accelerate the paving schedule, if yes, timing and costs associated with the timing and a plan on how to finance this. He asked Mr. Farr to lead the discussion as he had spent time with the paving consultant and Mr. Farr discussed the model and reforecast the scenarios previously presented. Mr. Grauberd gave his opinion on the poor state of the roads and that paving them should be a priority. Extensive discussion ensued between the Board of Finance members over potential bonding, the utilization of the general fund and other larger expenditures like the radio project and a significant ask for education capital expenditure. Mr. Ezzes asked Mr. Luiz to go back to Board of Selectmen and ask what they want to do. Mr. Luiz said that the goal of the Board of Selectmen is to get the town roads up to a 70 RSR rating. They will come back to the Board of Finance with a road funding proposal in their proposed Capital Budget along with a recommendation on how to fund it.
- 4- Discussion regarding the November tax collector report and comparison to budget. Rick Darling, Finance Director.** Mr. Darling provided updates to the Board of Finance on current tax collections, noting that the first half installment payments are about \$141 thousand short of the 98% budgeted collection amount. He mentioned the three month deferral account was at six

with an outstanding total at \$50K, and December collections will further reduce this variance. Mr. Darling said that the first half will be ready to discuss in the Board meeting in January, he will also have a look into the second half and will be able to compare to last year.

- 5- **Discussion/Decision regarding fiscal year ending 2019-20 line item transfers (Decision postponed from November meeting). Rick Darling, Finance Director.** Formally adopting what was presented last month. Mr. Murphy moved to approve the 2019-20 line item transfers. Mr. Bochinski seconded this. The motion carried unanimously.
- 6- **Discussion/Decision regarding approval of the October 8, 2020 meeting minutes.**
- 7- **Discussion/Decision regarding approval of the October 27, 2020 meeting minutes**
- 8- **Discussion/Decision regarding approval of the November 10, 2020 Tri-Board meeting minutes**
- 9- **Discussion/Decision regarding approval of the November 12, 2020 meeting minutes.** Mr. Bochinski moved to approve the minutes from October 8, October 27, November 10 Tri-Board meeting and the November 12 minutes as corrected. Mr. Farr seconded this. Motion carried unanimously. Comments were heard from Mr. Murphy on whether more content should be noted in the minutes, Mr. Luiz explained the abbreviated format and that the meetings are recorded via video.

10- Adjournment: Mr. Ezzes adjourned the meeting at 8.15pm

Minutes submitted by: Sara Beer, Executive Administrative Assistant