

Board of Finance & Board of Selectmen

Special Meeting

April 14, 2022 6:00 PM

The Meeting will be held remotely.

To join via internet:

<https://us02web.zoom.us/j/88186938040?pwd=S3VJY2RPRTRGRUJLQ095dmhjM1JWdz>

09

Webinar ID: 881 8693 8040

Passcode: 540436

Join by phone: 646 558 8656

- 1) Call to Order
- 2) Discussion/decision regarding the American Rescue Plan Act (ARPA), and utilization of the Revenue Loss category in developing an ARPA projects spending plan.
- 3) Adjournment of the Board of Selectmen
- 4) Discussion/decision regarding the appointment of the Town auditor for fiscal year 2021-22.
Richard Darling, Finance Director.
- 5) Discussion/decision regarding approval of the February 10 and March 17 2022 meeting minutes.
- 6) Adjournment of the Board of Finance



Introduction

The Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, delivers \$350 billion to state, local, and Tribal governments across the country to support their response to and recovery from the COVID-19 public health emergency. The program ensures that governments have the resources needed to:

- Fight the pandemic and support families and businesses struggling with its public health and economic impacts,
- Maintain vital public services, even amid declines in revenue, and
- Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity.

EARLY PROGRAM IMPLEMENTATION

In May 2021, Treasury published the Interim final rule (IFR) describing eligible and ineligible uses of funds (as well as other program provisions), sought feedback from the public on these program rules, and began to distribute funds. The IFR went immediately into effect in May, and since then, governments have used SLFRF funds to meet their immediate pandemic response needs and begin building a strong and equitable recovery, such as through providing vaccine incentives, development of affordable housing, and construction of infrastructure to deliver safe and reliable water.

As governments began to deploy this funding in their communities, Treasury carefully considered the feedback provided through its public comment process and other forums. Treasury received over 1,500 comments, participated in hundreds of meetings, and received correspondence from a wide range of governments and other stakeholders.

KEY CHANGES AND CLARIFICATIONS IN THE FINAL RULE

The final rule delivers broader flexibility and greater simplicity in the program, responsive to feedback in the comment process. Among other clarifications and changes, the final rule provides the features below.

Replacing Lost Public Sector Revenue

The final rule offers a standard allowance for revenue loss of up to \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation.

Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.

Public Health and Economic Impacts

In addition to programs and services, the final rule clarifies that recipients can use funds for capital expenditures that support an eligible COVID-19 public health or economic response. For example, recipients may build certain affordable housing, childcare facilities, schools, hospitals, and other projects consistent with final rule requirements.



In addition, the final rule provides an expanded set of households and communities that are presumed to be “impacted” and “disproportionately impacted” by the pandemic, thereby allowing recipients to provide responses to a broad set of households and entities without requiring additional analysis. Further, the final rule provides a broader set of uses available for these communities as part of COVID-19 public health and economic response, including making affordable housing, childcare, early learning, and services to address learning loss during the pandemic eligible in all impacted communities and making certain community development and neighborhood revitalization activities eligible for disproportionately impacted communities.

Further, the final rule allows for a broader set of uses to restore and support government employment, including hiring above a recipient’s pre-pandemic baseline, providing funds to employees that experienced pay cuts or furloughs, avoiding layoffs, and providing retention incentives.

Premium Pay

The final rule delivers more streamlined options to provide premium pay, by broadening the share of eligible workers who can receive premium pay without a written justification while maintaining a focus on lower-income and frontline workers performing essential work.

Water, Sewer & Broadband Infrastructure

The final rule significantly broadens eligible broadband infrastructure investments to address challenges with broadband access, affordability, and reliability, and adds additional eligible water and sewer infrastructure investments, including a broader range of lead remediation and stormwater management projects.

FINAL RULE EFFECTIVE DATE

The final rule takes effect on April 1, 2022. Until that time, the interim final rule remains in effect; funds used consistently with the IFR while it is in effect are in compliance with the SLFRF program.

However, recipients can choose to take advantage of the final rule’s flexibilities and simplifications now, even ahead of the effective date. Treasury will not take action to enforce the interim final rule to the extent that a use of funds is consistent with the terms of the final rule, regardless of when the SLFRF funds were used. Recipients may consult the *Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule*, which can be found on Treasury’s website, for more information on compliance with the interim final rule and the final rule.



SPENDING ON GOVERNMENT SERVICES

Recipients can use SLFRF funds on government services up to the revenue loss amount, whether that be the standard allowance amount or the amount calculated using the above approach. **Government services generally include *any service traditionally provided by a government***, unless Treasury has stated otherwise. Here are some common examples, although this list is not exhaustive:

- ✓ Construction of schools and hospitals
- ✓ Road building and maintenance, and other infrastructure
- ✓ Health services
- ✓ General government administration, staff, and administrative facilities
- ✓ Environmental remediation
- ✓ Provision of police, fire, and other public safety services (including purchase of fire trucks and police vehicles)

Government services is the most flexible eligible use category under the SLFRF program, and funds are subject to streamlined reporting and compliance requirements. Recipients should be mindful that certain restrictions, which are detailed further in the Restrictions on Use section and apply to all uses of funds, apply to government services as well.



Restrictions on Use

While recipients have considerable flexibility to use Coronavirus State and Local Fiscal Recovery Funds to address the diverse needs of their communities, some restrictions on use of funds apply.

OFFSET A REDUCTION IN NET TAX REVENUE

- **States and territories may not use this funding to directly or indirectly offset a reduction in net tax revenue resulting from a change in law, regulation, or administrative interpretation beginning on March 3, 2021, through the last day of the fiscal year in which the funds provided have been spent.** If a state or territory cuts taxes during this period, it must demonstrate how it paid for the tax cuts from sources other than SLFRF, such as by enacting policies to raise other sources of revenue, by cutting spending, or through higher revenue due to economic growth. If the funds provided have been used to offset tax cuts, the amount used for this purpose must be repaid to the Treasury.

DEPOSITS INTO PENSION FUNDS

- **No recipients except Tribal governments may use this funding to make a deposit to a pension fund.** Treasury defines a “deposit” as an extraordinary contribution to a pension fund for the purpose of reducing an accrued, unfunded liability. While pension deposits are prohibited, recipients may use funds for routine payroll contributions connected to an eligible use of funds (e.g., for public health and safety staff). Examples of extraordinary payments include ones that:
 - ✗ Reduce a liability incurred prior to the start of the COVID-19 public health emergency and occur outside the recipient's regular timing for making the payment
 - ✗ Occur at the regular time for pension contributions but is larger than a regular payment would have been

ADDITIONAL RESTRICTIONS AND REQUIREMENTS

Additional restrictions and requirements that apply across all eligible use categories include:

- **No debt service or replenishing financial reserves.** Since SLFRF funds are intended to be used prospectively, recipients may not use SLFRF funds for debt service or replenishing financial reserves (e.g., rainy day funds).
- **No satisfaction of settlements and judgments.** Satisfaction of any obligation arising under or pursuant to a settlement agreement, judgment, consent decree, or judicially confirmed debt restructuring in a judicial, administrative, or regulatory proceeding is itself not an eligible use. However, if a settlement requires the recipient to provide services or incur other costs that are an eligible use of SLFRF funds, SLFRF may be used for those costs.
- **Additional general restrictions.** SLFRF funds may not be used for a project that conflicts with or contravenes the purpose of the American Rescue Plan Act statute (e.g., uses of funds that

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule



U.S. DEPARTMENT OF THE TREASURY

undermine COVID-19 mitigation practices in line with CDC guidance and recommendations) and may not be used in violation of the Award Terms and Conditions or conflict of interest requirements under the Uniform Guidance. Other applicable laws and regulations, outside of SLFRF program requirements, may also apply (e.g., laws around procurement, contracting, conflicts-of-interest, environmental standards, or civil rights).



Program Administration

The Coronavirus State and Local Fiscal Recovery Funds final rule details a number of administrative processes and requirements, including on distribution of funds, timeline for use of funds, transfer of funds, treatment of loans, use of funds to meet non-federal match or cost-share requirements, administrative expenses, reporting on use of funds, and remediation and recoupment of funds used for ineligible purposes. This section provides a summary for the most frequently asked questions.

TIMELINE FOR USE OF FUNDS

Under the SLFRF, funds must be used for costs incurred on or after March 3, 2021. Further, costs must be obligated by December 31, 2024, and expended by December 31, 2026.

TRANSFERS

Recipients may undertake projects on their own or through subrecipients, which carry out eligible uses on behalf of a recipient, including pooling funds with other recipients or blending and braiding SLFRF funds with other sources of funds. Localities may also transfer their funds to the state through section 603(c)(4), which will decrease the locality's award and increase the state award amounts.

LOANS

Recipients may generally use SLFRF funds to provide loans for uses that are otherwise eligible, although there are special rules about how recipients should track program income depending on the length of the loan. Recipients should consult the final rule if they seek to utilize these provisions.

NON-FEDERAL MATCH OR COST-SHARE REQUIREMENTS

Funds available under the "revenue loss" eligible use category (sections 602(c)(1)(C) and 603(c)(1)(C) of the Social Security Act) generally may be used to meet the non-federal cost-share or matching requirements of other federal programs. However, note that SLFRF funds may not be used as the non-federal share for purposes of a state's Medicaid and CHIP programs because the Office of Management and Budget has approved a waiver as requested by the Centers for Medicare & Medicaid Services pursuant to 2 CFR 200.102 of the Uniform Guidance and related regulations.

SLFRF funds beyond those that are available under the revenue loss eligible use category may not be used to meet the non-federal match or cost-share requirements of other federal programs, other than as specifically provided for by statute. As an example, the Infrastructure Investment and Jobs Act provides that SLFRF funds may be used to meet the non-federal match requirements of authorized Bureau of Reclamation projects and certain broadband deployment projects. Recipients should consult the final rule for further details if they seek to utilize SLFRF funds as a match for these projects.

ADMINISTRATIVE EXPENSES

SLFRF funds may be used for direct and indirect administrative expenses involved in administering the program. For details on permissible direct and indirect administrative costs, recipients should refer to Treasury's [Compliance and Reporting Guidance](#). Costs incurred for the same purpose in like circumstances must be treated consistently as either direct or indirect costs.

Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule

Two Paths to Submitting a P&E Report

As an NEU, there are two ways to available to complete your Project and Expenditure Report.

FAST AND SIMPLE

OPTION 1

Submitting ONLY Project(s)
under Expenditure Category
6: Revenue Replacement

STANDARD

OPTION 2

Submitting a Project(s)
under other Expenditure
Categories

Requirements (For April 2022):

- Limited Project level reporting
- No Subrecipient level reporting (for April)
- No Subaward/Expenditure reporting (for April)
- **Must still complete Recipient Specific module**

Requirements:

- Detailed Project level reporting
- Subrecipient level reporting may be required
- Subaward/Expenditure reporting may be required
- **Must complete Recipient Specific module**

Note: If your SLFRF allocation is over \$10M you will need to pursue a mix of Option 1 and 2.



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West Hartford, CT 06107

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April 8, 2022

Rick Darling
Finance Director
Town of Weston, Connecticut
56 Norfield Road
Weston, Connecticut 06883

Dear Rick:

The purpose of this letter is to provide a quote to continue providing the following services to the Town of Weston, Connecticut for the next two fiscal years:

1. Audit of the financial statements (ACFR), (presented as of June 30)
2. Single audits (state and federal grants)
3. Connecticut State Department of Education Agreed-upon Procedures

	Fees for FY ending June 30, 2022		Fees for FY ending June 30, 2023
\$	55,100	\$	56,700

If you are in agreement with the contents of this letter, please sign in the space provided on the following page and forward to me Leslie Zoll (Leslie.Zoll@claconnect.com) at your earliest convenience.

Thank you.

Sincerely,

CliftonLarsonAllen LLP

Leslie Zoll
Principal
860-570-6376
Leslie.Zoll@CLAconnect.com

This letter correctly sets forth the understanding of the Town of Weston, Connecticut.

Authorized signature: _____

Title: _____

Date: _____



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April 8, 2022

Rick Darling
Finance Director
Town of Weston, Connecticut
56 Norfield Road
Weston, Connecticut 06883

Dear Rick:

The purpose of this letter is to provide a quote to continue providing the following services to the Town of Weston, Connecticut for the next three fiscal years:

1. Audit of the financial statements (ACFR), (presented as of June 30)
2. Single audits (state and federal grants)
3. Connecticut State Department of Education Agreed-upon Procedures

	Fees for FY ending June 30, 2022		Fees for FY ending June 30, 2023		Fees for FY ending June 30, 2024
\$	55,000	\$	56,000	\$	57,000

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Board of Finance Regular Meeting
February 10, 2022 06:00 PM
Meeting held remotely due to COVID

Board of Finance Chair Rone Baldwin called the meeting to order at 6.02pm. Also in attendance were Board of Finance members Dick Bochinski, Amy Gare, Michael Imber, Jamie Zeppernick, Steve Ezzes and Jeff Farr, Town Administrator Jonathan Luiz, Finance Director Rick Darling, First Selectwoman Samantha Nestor, WPS Finance Director Phil Cross, WPS Superintendent Lisa Wolak and Karen Paulson from Fiducient Advisors.

1. **Executive session regarding an update on collective bargaining with Town unions.** Mr. Bochinski moved to go into executive session at 6.03pm for an update on collective bargaining with Town Unions at 6.03pm. Ms Gare seconded this. The motion carried unanimously. Town Administrator Jonathan Luiz and Finance Director Rick Darling were invited to attend. The executive session ended at 6.30pm.
2. **Discussion/decision regarding a presentation of the OPEB trust fund, and any proposed change in investments or allocation strategy. Karen Paulson, Fiducient Advisors.** Mr. Baldwin introduced Karen Paulson from Fiducient Advisors to provide and update on the OPEB Trust Fund. Mr. Imber asked what the duration of the fixed income funds was and Ms. Paulson went into detail on each of the funds. The Board of Finance asked a number of questions regarding the allocations with Ms. Paulson answering all questions. She also said that this was a fully funded plan and the committee was comfortable going back to fixed income for a more conservative stance. Mr. Darling mentioned that the plan was over funded. There was a discussion around the portfolio and potential changes that could be made. The Board of Finance agreed to further discussions on this topic.
3. **Discussion regarding the Board of Education Financial update. Phil Cross, Director of Finance and Operations.** WPS Finance Director Phil Cross provided a financial update for the Board of Education. He explained that there will be a slight surplus of \$61k. One of the main drivers of change was in benefits, we budgeted more than needed and anticipating being \$ 117K less than what was budgeted. Mr. Farr asked about price increases. Mr. Cross said that they had seen some, but in general they have not been very significant.
4. **Discussion/decision regarding a request to expand the scope of the fiscal year 2021-22 capital project entitled Replace VCT Cafeteria Floor South House. Phil Cross, Director of Finance and Operations.** Mr. Cross explained that the repairs needed were not as extensive as anticipated. They are requesting to change the use of these remaining funds and expand this to some needed tiling work. Mr. Imber moved to expand the scope of the fiscal year 2021-22 capital project entitled Replace VCT Cafeteria Floor South House. Mr. Bochinski seconded this. The motion carried unanimously.
5. **Discussion/decision regarding an application for the Connecticut Communities Challenge Grant. Jonathan Luiz, Town Administrator; Samantha Nestor, First Selectman.** First Selectwoman Samantha Nestor gave a PowerPoint presentation on the application for the Connecticut Communities Challenge Grant. She went into details on Town matching and funding from the grant. Mr. Bochinski expressed his support for this grant and to use the ARPA money for the Town contribution as did Mr. Imber and Ms. Gare. Mr. Baldwin asked if they intended on connecting Hurlbutt to the Zenon Plant. First Selectwoman Nestor provided details on what this project would entail, and highlighted that the majority of this grant would be spent on the expansion of the Zenon plant which is currently at capacity.

6. **Discussion regarding an update on the American Recovery Plan Act (ARPA) and the working group for the Town. Samantha Nestor, First Selectman.** First Selectwoman Nestor provided an update via PowerPoint Presentation on the ARPA funds. She went over the strategy and a timeline on how to spend the funding highlighting the fact that ARPA funding cannot be used to offset mill rate, pay down debt or pay off pensions etc. First Selectwoman Nestor said that she is open to the possibilities of what this can be used for and that the decisions, plan and timeline would be around June or July 2022. Special Town Meetings would be held to approve expenditures that exceed 2% of the total Town budget. There was a discussion about the potential uses for these funds.
7. **Discussion regarding the Town financial update. Rick Darling, Finance Director.** Mr. Darling provided an update mentioning that tax Revenues are forecasted to be close to a \$1m higher than budgeted. He also mentioned a pending tax sale in the spring. The supplemental auto levy is much higher than budgeted due to additional vehicles being registered as well as the increase in car values. The Town Clerk's fees will exceed \$800k. Investment Income is expected to fall short of budget due to our fixed income portfolios. Mr. Darling also mentioned a FEMA reimbursement for the 2020 storm Isaias. He mentioned a deficit in legal expenses and at the Library. He mentioned that there had been four capital project supplemental appropriations this year totaling \$735k, a hit against our fund balance. He said they are forecasting a fund balance of \$15.5m or 19.5% of proposed 22-23 budget. There was a discussion on a couple of items that will need to go for supplemental appropriations and the 2% total budget cap.
8. **Discussion/decision regarding approval of the January 13, 2022 meeting minutes.** Mr. Bochinski moved to approve the minutes from the meeting on January 13, 2022 as submitted. Ms. Gare seconded this. The motion carried unanimously.
9. **Adjourn.** Mr. Bochinski moved to adjourn at 7.55pm. Mr. Ezzes seconded this. The motion carried unanimously.

Minutes submitted by: Sara Beer, Executive Administrative Assistant.

Board of Selectmen and Board of Finance
Special Meeting Agenda
March 17, 2022 at 7:00 PM
Meeting held remotely due to Covid 19

1. **Call to order:** First Selectwoman Nestor called the meeting to order at 7pm, also in attendance were Selectwoman Amy Jenner, Selectman Martin Mohabeer, Board of Finance Chair Rone Baldwin and Board of Finance members Steve Ezzes, Michael Imber, Jamie Zeppernick, Dick Bochinski, Jeff Farr, Amy Gare, Town Administrator Jonathan Luiz, Mr. Ron Black
2. **Pledge of Allegiance:** Mr. Baldwin lead in the recitation of the Pledge of Allegiance
3. **Discussion/decision concerning the Town submitting an application to the State of CT Department of Public Health regarding drinking water revolving fund:** First Selectwoman Nestor and Mr. Baldwin provided an overview of the grant to the State, the grant is in the form of a loan made to the town, 50% of which is forgiven. Selectwoman Jenner asked if this would impact this years' budget. Mr. Baldwin said that no, it would not. Luiz went into detail on the project details and scope. Selectman Mohabeer asked questions about the Ravenwood water system. Mr. Luiz answered saying that the Ravenwood water system would also be examined. Mr. Imber asked for clarification on the grant reimbursement. Mr. Luiz said that it was unclear as to how much would be reimbursed. Mr. Imber asked for details on funding and interests rates. Mr. Luiz went into further detail. Mr. Ron Black went into further detail on the design and treatment process. Ms. Jenner asked if this loan was fully comprehensive for all the water systems in town including the Village District. Mr. Luiz explained only responsible for the two water systems discussed.
4. **Motion to adjourn the Board of Finance Meeting:** Mr. Bochinski moved to adjourn the Board of Finance. Mr. Imber seconded this. The motion carried unanimously.
5. **Proclamation honoring Harriet Tubman and announcing Harriet Tubman Day:** First Selectwoman Nestor read the Proclamation honoring Harriet Tubman.
6. **Update on Memorial Day Parade by Peter Stack:** Peter Stack provided an update on the Memorial Day Parade, saying that they had notified about 40 organizations as well as the National Guard for a fly over, the Scouts to raise the flag and the Girl Scouts to lay the wreath, a Grand Marshall speech at the Gazebo and hotdogs at the Firehouse, floats have been encouraged. They are hoping for the high school and middle school bands to provide the musical accompaniment.
7. **Acceptance of the resignation of Nancy Theil from the Beautification Commission:** Selectwoman Jenner moved to accept the resignation of Nancy Theil from the Beautification Commission effective immediately. Selectman Mohabeer seconded. The motion is carried unanimously.
8. **Acceptance of the resignation of Patricia Perez-Goodrich from the Commission for the Arts:** Selectman Mohabeer moved to accept the resignation of Patricia Perez-Goodrich from the Commission for the Arts. Selectwoman Jenner seconded this. The motion carried unanimously.
9. **Interview of Debbie Sollinger for a position on the Commission for Children and Youth:** The Board of Selectmen interviewed Debbie Sollinger for a position on the Commission for Children and Youth.
10. **Interview of Susan Hershey for a position on the Commission for Children and Youth:** This item was tabled

- 11. Appointment of Pat Glass to the Beautification Committee for a term to end June 30, 2025:** Selectwoman Jenner moved to appoint Pat Glass to the Beautification Committee for a term to end June 30, 2025. Selectman Mohabeer seconded this. The motion carried unanimously.
- 12. First Selectwoman's update about the collection box for Ukraine:** First Selectwoman Nestor said that the collection box is still in Town Hall, and we will be collecting items during Town Hall hours 9 – 4.30pm: Flashlights, batteries, walkie talkies, yoga mats, over the counter pain medications etc. She said that we will keep updating the community as those needs change.
- 13. First Selectwoman's reminder/ update of the Fiscal Year 2022-23 budget process:** First Selectwoman Nestor provided a reminder for the upcoming budget meetings.
- 14. Approval of Minutes from the Board of Selectmen Special Meetings of February 15, 2022 and February 22, 2022, as well as the Board of Selectmen Regular meetings on February 24, 2022 and March 3, 2022:** Selectwoman Jenner move approve the unapproved minutes of the Board of Selectmen meetings held February 15, 2022, amending the minutes from February 22, 2022 to reflect the vote on the Operating budget to (2-1) in favor with Selectwoman Jenner voting not in favor, and approving the minutes from February 24, 2022, and March 3, 2022, as presented. Selectman Mohabeer seconded this. The motion carried unanimously.
- 15. Motion to adjourn the Board of Selectmen Meeting:** Selectman Mohabeer moved to adjourn the meeting of the Board of Selectmen at 7.55pm. Selectwoman Jenner seconded. The motion carried unanimously.

Minutes submitted by: Sara Beer, Executive Administrative Assistant.