

Lebanon Board of Finance
Regular Meeting January 16, 2024, at 7:00 pm
Town Hall Conference Room (in-person) and via Zoom

A recording of this meeting is posted on the town website.

Members Present: Mike Nintean (Chair), Gregg Lafontaine, Harold Nelson, John Noblet (alternate).

Members Virtual Present: Philip Johnson (Vice-Chair), Diane Malozzi (Secretary), Justine Spielman, Gisele Russo, (alternate); Haley Messier, (alternate)

Also present: Kevin Cwikla, First Selectman; Hayley Wagner, Finance Director; Andrew Gonzalez, Superintendent.

Recording begins.

MINUTES

1.0 Call to order

A quorum being established, M. Nintean called the meeting to order at 7:00 p.m.

2.0 Correspondence

2.1 BOE December 31, 2023, Financial Reports

2.2 FY23 Audit Governance Communication Planning Letter from auditors

3.0 Approval of Minutes

3.1 December 19, 2023 regular meeting.

H. Nelson MOVED to accept the minutes of the December 19, 2023 regular BOF meeting. G. Lafontaine SECONDED.

MOTION CARRIES: 6:0

4.0 Public Comments

None

5.0 Town-wide Updates

5.1 BOE update with Superintendent Gonzalez

Superintendent Gonzalez reports that the budget is following the five-year average. The budget process for the next fiscal year has started with an initial increase of 6.1%. First round of changes has brought it down currently to a 4.8% increase. The expectation is to have a firmer percentage by early to mid-February. He said a business manager has been hired and they are still searching for a bookkeeper. Superintendent Gonzalez addressed a prior question regarding Chrome book cost in the Technology fund. He explained the refreshing process; how they are replaced and updated along with licensing for each device.

H. Nelson asked for an explanation under line item 323, Pupil Services. Superintendent Gonzalez said that is for tuition and transportation.

P. Johnson asked how many chrome books were replacement. Superintendent Gonzalez said he does not have the exact total in front of him but that the replacements are typical and will be about the same each year.

J. Spielman asked about the line item regarding BOE legal services. Superintendent Gonzalez said the same figure is used each year. Some years more funds are used than other years. This year more legal advice was needed.

5.2 Town update with First Selectman Cwikla

Renovations at the Community Center are ongoing. The Town is dealing with drainage issues due to the recent storms, made worse from many woodlands being cleared. Areas most affected by this are Pigeon Swamp Rd, Valinsky Road and Barker Road. Unimproved roads are also requiring attention.

M. Nintean asked if these issues will impact town funds in terms of cost. K. Cwikla said not as much as similar storms from 2018.

P. Johnson asked if Route 207 is a town road. No, it is a state road.

6.0 Fiscal Year 2023-2024 - Financial Reports:

6.1 Expenditures

H. Nelson asked why the Lebanon Volunteer Fire Dept., line item 422 is at 0% funds remaining. H. Wagner responded this is paid semiannually.

6.2 Revenues

Finance Director H. Wagner said interest income has been very good.

J. Spielman asked what prior year revenue means. H. Wagner said back taxes.

G. Russo asked what in lieu of taxes mean. H. Wagner explained there are 2 or 3 businesses who pay the town directly, not through taxes.

G. Lafontaine asked if the rates for cd investment have changed. H. Wagner said the investment returns are down slightly.

6.3 TIP

H. Nelson asked what is the date the balance is through on the TIP report. H. Wagner said the incorrect date is on the report. It should be 12/31/2023.

G. Russo asked why some lines do not have cost brought forward for request. H. Wagner explained the process of project requests and whether they go through TIP or Capital.

6.4 SIP

None

6.5 BOE Non-Lapsing

G. Lafontaine asked if BOE will need to tap into the fund to cover shortages in special education.

A. Gonzales said it is always a possibility but that would not happen until the end of the year.

The BOE tries to keep funds intact. A. Gonzalez said by April or May they will have a better idea of funds remaining in other line items that could be used to offset special education before using the non-lapsing fund.

6.6 Capital Fund – Quarterly Summary

H. Wagner updated the BOF with detail on Quarterly Summary. Bottom balances ongoing as approved through the budget process.

6.7 ARPA Projects

K. Cwikla provided a list of ARPA projects indicating the approved amounts, adjusted amounts, amounts expended and the balance of any or each project, as well as the total amount of ARPA funds received and expended.

J. Spielman asked if there is a time period for expending funds. H. Wagner said yes. All ARPA funds need to be committed by December 31, 2024 and all funds expended by December 31, 2026. Any unspent funds would have to be returned.

J. Noblet asked how are the ARPA funds allocated. K. Cwikla said allocations are made based on infrastructure needs.

P. Johnson asked if funds can be used for raw materials. K. Cwikla said maybe but he does not have the exact requirements in front of him. H. Wagner added that they can be if they are a onetime expenditure and are not used for scheduled or routine maintenance.

J. Spielman asked if ARPA funds are upfront or are they dispersed on a project basis. H. Wagner said funds are given upfront.

7.0 New Business

7.1 Discuss process for Alternate designations

M. Ninteau said that all alternate designations have been received.

NO ACTION TAKEN

7.2 Discuss and act on Consent Agenda

M. Ninteau and D. Malozzi explained what a consent agenda is and the benefits of having one on the agenda, as well as the proper procedures when using a consent agenda.

NO ACTION TAKEN

7.3 Fiscal Year 2024-2025 - Board of Finance Department 405 budget request

The budget request for Department 405, Board of Finance is proposed at \$1500.00.

P. Johnson MOVED to reduce the FY 2024-25 budget request to one thousand three hundred dollars and no cents, (\$1,300.00) for Department 405, Board of Finance. G. Lafontaine SECONDED.

MOTION CARRIES 6:0

7.4 Fiscal Year 2024-2025 - Auditor Department 411 budget request

The budget request for Department 411, Auditor is proposed at \$57,750.00.

P. Johnson MOVED to accept the FY 2024-25 budget request of fifty-seven thousand seven hundred fifty dollars and no cents, (\$57,750.00) for Department 411 Auditor. H. Nelson SECONDED.

P. Johnson said the amount requested is the amount that is in the contractual agreement with the current auditing firm.

MOTION CARRIES: 6:0

7.5 Audit Extended through February 29, 2024

H. Wagner said this is the second extension that has been submitted and approved by Office of Policy and Management (OPM). Auditors will be out end of January and are expecting to have the audit completed by end of March.

J. Spielman asked if another extension will need to be filed. H. Wagner said that another extension will most likely need to be submitted at the end of February.

NO ACTION TAKEN

8.0 Subcommittee Updates and Actions, Consider and act on assignments to subcommittees:

8.1 Policies & Procedures - D. Malozzi, G. Lafontaine, J. Noblet

8.2 Long Term Planning - H. Nelson, M. Ninteau, J. Spielman

8.3 Audit - P. Johnson, J. Spielman, G. Russo

Hearing no objection, the subcommittee members are as assigned.

8.4 School Study – No longer a Board of Finance subcommittee

9.0 Other

10.0 Adjournment

Hearing no further business, M. Ninteau adjourned the meeting at 8:04 p.m.

Respectfully submitted,

Diane Malozzi

BOF Secretary

Laurie J. Bergeron

Recording Secretary

January 19, 2024

Please see the minutes of subsequent meetings for the approval of these minutes and any corrections hereto.