

Town of Plymouth

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Board of Finance

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1. Call Meeting to Order - The Regular Meeting of the Plymouth Board of Finance was called to order on Thursday, February 27, 2014 at 7:41 p.m. by Chairman Peter Cook in the Community Room, Plymouth Town Hall. Members in attendance: Vicky Carey, Peter Cook, Pattie DeHuff, Michael Drozdick, James Zalot. Also present: David Bernagel, Director of Finance; Robin Gudeczauskas, Recording Secretary; Mayor David Merchant; Council members: Bill Heering, Sue Murawski, Gary Wyszynski and Tom Zagurski. Excused absent: Dan Murray.
2. Pledge of Allegiance
3. Auditor's Report – Nikoleta McTigue, Blum Shapiro, reviewed audit highlights and overview of financial statements and recommendations stating no significant deficiency or material weaknesses. Report reviewed noting exhibits 1 & 2 from pages 14-15 are prepared using accrual basis of accounting and include activities of the whole town; town ended in net position of \$175 million (page 14-15) which was increase of \$1.3 million from previous year; fund balance; proprietary funds (BOE only); internal service fund is accrual basis of accounting; fiduciary funds. There are no new or different footnotes from last year. Review of general fund noting budgetary basis of accounting for activities for the year variance is positive of \$156,040 at year end. Expenditures of general fund with variance is positive of \$404,216. Two other reports are federal single audit report and state single audit report stating audits done and no findings, report is clean, reviewed. Audited two grants, STEAP and DEP, and had no findings and reports are clean. Overview given of letter that goes out at the beginning of the audit as well as letter issued to the state re ED001 (BOE form) which was fine. Draft management letter contains advisory comments in which (a) it is noted there were two bank reconciliations, one payroll and revenue, that were not done timely every month and should be done monthly; they were done eventually and done right; (b) several interfund balances and have been on books and recommend to clean them up with accounting entries and recommend not carrying balances in general ledger; (c) activity for some funds was not entered during year and one is BOE which is entered in different accounting system and recommend town books in their general ledger; (d) capital asset inventory has not been done in several years and recommend to consider physical inventory of the town. Questions: Councilman Zagurski, assets, increased from 2012-2013 up approx. 9-10 million and is that due to road construction; Dave Bernagel responded due to bond issuance. He also stated the asset inventory was approved to do public works but need to do entire asset on town side which just started. Pattie DeHuff (a) referenced page 4, financial highlights and second bullet point (read into record) stating she feels cash advance on credit card and still in debt; Nikoleta McTigue reviewed page 7, \$1.3 million and on accrual basis and revenues in were higher and this is management discussion and not part of audit. Dave Bernagel stated we borrow money and it comes in as cash and it is corresponding long term liability as payable. Discussion held. Nikoleta McTigue referred to page 18 stating the town started several projects, reviewed. (b) Page 8, 4th bullet point read into record and asked what idle fund is; Nikoleta McTigue stated that is management discussion analysis. (c) Page 9, governmental funds paragraph 2 read into record asking for clarification. Nikoleta McTigue stated answer is on page

18, from increase in operations and added fund balance. (d) Same page transfer between departments; Dave Bertnagel stated those are the various expenditures approved by this board throughout the year. (e) Page 11, long term debt, 4th paragraph from bottom read and asking for clarification. Nikoleta McTigue, new debt, refunding could increase/decrease debt and at same time you issued bonds; change was from roads issuance. (f) Section where town loans people money and why are taxpayers acting like a bank. Nikoleta McTigue stated that is a grant from the State to rehab properties; Dave Bertnagel stated CDBG program is the town gets a grant from the State of CT for so much money and administered for Small Cities, process reviewed.

4. Approval of Minutes

a. January 16, 2014

MOTION: To approve the minutes as written by Mike Drozdick, second Jim Zalot.

Discussion: none. Vote: unanimous with Vicky Carey abstaining.

5. Mayor's Report – Mayor Merchant stated the budget requests are in and he and Dave will be sitting down and bring his recommended budget to the Board next Thursday.

6. Finance Director's Report

a. Recommended transfers between accounts, if req'd

Overage in accounts due to snow events is about \$20,000-30,000 now with salt orders; overtime in tact; do have money in other accounts they can transfer to cover. Spent \$8,000 in tax office for part time help. Minor overages, fire dept with ladder repair that had to go out approximately \$2,000 but will transfer within budget.

7. Board of Finance Public Comment Policy

Vicky Carey stated she would like to table until the entire board is present as she feels Dan's input would be helpful.

MOTION: To table by Vicky Carey; second Jim Zalot. Vote: Motion carriers with Pattie DeHuff opposed.

8. Public Input

9. Correspondence

a. Chairman Cook distributed memo from Mike Santogatta, Plymouth Board of Education; read into record by Dave Bertnagel.

b. Promotional ceremony tomorrow at 2 p.m. all were invited to which was sent via email.

10. Board Member Comments

a. Pattie DeHuff – thanked Peter for suggested public comment policy

b. Jim Zalot – impending storm for Monday, will we push meeting until next Thursday; Chairman Cook stated the budget will be ready for next Thursday.

c. Peter Cook – looking at March 24th with budget presentation from the school and trying to layout out when we do various sections and will send email; looking to finalize budget by 4/7 with presentation on 4/14 or 4/17 which keeps in line with Charter but will work on that. Thursday will go over revenues. Sections: Vicky, Capital outlays; Dan, Public Works; Mike, Library and Parks/Rec; James, Public Safety; Pattie, General Government; Peter, Land Use and Health/Social Services; all will do debt service.

11. Adjournment

MOTION: To adjourn by Pattie DeHuff; second Vicky Carey and the vote unanimous.
Meeting adjourned at 8:40 p.m.

Respectfully submitted,

Robin Gudeczauskas
Recording Secretary