

Town of Plymouth

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Board of Finance

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1. Call Meeting to Order: Chairman Ralph Zovich called the scheduled October 20, 2016, Board of Finance Regular Meeting to order at 7:00 p.m. in the Assembly Room at Plymouth Town Hall. Members in attendance: Jay Dorso, Chairman Ralph Zovich, James Zalot and Pattie DeHuff. Also present: Ann Marie Rheault, Director of Finance; Councilwoman Sue Murawski, Joe Kildruff, Tax Collector and Linda Schnaars, Recording Secretary.

Absent: Daniel Murray, III and Victoria Carey

2. Pledge of Allegiance: Chairman Ralph Zovich led the group in the Pledge of Allegiance.

3. Notice of Fire Exits: Chairman Ralph Zovich noted the fire exits.

4. Acceptance of Minutes – Regular meeting 09-15-16:

A motion was made by Pattie DeHuff, seconded by Jay Dorso to approve the September 15, 2016 Minutes. This motion was approved unanimously.

5. Tax Collector's Report:

Joe Kildruff distributed the Tax Collections for Fiscal Year 2016/2017 as of September 30, 2016. Mr. Kildruff stated they are ahead 8/10 percentage from last year. Chairman Zovich stated for the record - as of Sept 30 – end of first quarter – against the budget of \$24,017,695 a total of \$12,188,028.12 was collected. \$2,467,173.75 was collected from Motor Vehicles. Delinquent Taxes \$158,392.67 against the \$600,000 budget. \$57,388.61 against the interest and lien fees.

Joe distributed a document that listed different towns showing how many staff, tax Collector - elected or appointed, type of government, budget, liens filed and percent rate. Chairman Zovich asked Joe if he needs any help in the tax office. Joe replied no, not at this time. Pattie DeHuff asked Joe if the font could be bigger and if possible, emailed ahead of time. She would also like to see a narrative/summary about what is going on in the tax department. Joe will email it Chairman Zovich and Chairman Zovich will forward the information to the Board.

Joe attended a class about Local Government Ethics. He stated that there were other towns that have had improprieties (Winsted and the Tax Collector Association's Treasurer). The document is 29 pages. Chairman Zovich will email it to Pattie DeHuff.

PLYMOUTH, CT
TOWN CLERK'S OFFICE
RECEIVED FOR RECORD
16 OCT 25 AM 8:57
TOWN CLERK
Barbara P. Pothmann

Pattie DeHuff asked about the status of 3 North Main Street. Joe stated that there is a lien on the property – interest accrues at 18%.

6. Finance Director's Report:

Ann Marie Rheault discussed the letter dated October 5, 2016 from the State of Connecticut – Office of Policy Management. The letter is a summary of the meeting on September 17, 2015. The Commission is made up of municipal officers from other towns i.e. Glastonbury, Norwalk and are composed of finance directors, bond council, actuaries and others with financial backgrounds. They are very concerned about the staffing in the finance department as Plymouth is understaffed. The Commission compared the finance department with other similar towns. The Commission stated that Plymouth is at the lowest end of the spectrum in terms of staffing levels. Ann Marie needs help to get the department where she would like it to be. With the part-time help, the finance department will be implementing a new general ledger system, getting the audits done in a timely fashion and streamlining all processes within the finance department.

Ann Marie discussed the additional appropriation of \$48,720 that was approved by the Town Council.

Nicole Johnson, the part-time staff accountant. Nicole works 22 hours per week from October 17, 2016 – March 31, 2017 at \$65 per hour through Robert Half staffing agency. Total \$34,320

Ann Marie will hire an accounting associate to work 20 hours per week from November 1, 2016 – March 3, 2017 at \$40 per hour. Total \$14,400

Ann Marie wants to consolidate the Town bank accounts as there are close to 50 accounts.

Chairman Zovich will schedule a “Special Meeting” in December and invite Nicoletta to go over the audit.

Ann Marie stated that the goal to get the 2015 Audit done is November 30, 2016.

Pattie DeHuff confirmed what Nicole is working on – 2014-2015 -getting those accounts balanced and the temporary accountant will be working on the reconciliation of the 2015-2016.

Pattie asked about the money in the grant administrator account and wanted to know if the \$7500 was spent. Ann Marie would like to leave that line item for now.

Pattie DeHuff would like to know where the money is coming from. Chairman Zovich explained that Ann Marie went before the Town Council and got approval.

Ann Marie stated the goal is to reduce the months of the filings as 2013-2014 was filed 14 months late. 2014-2015 was filed 12 months late and 2015-2016 will be a few months late and then future filings will be current.

Jim Zalot asked why can't the town hire Nicole permanently? Ann Marie stated that due to Nicole's family life and where she lives, she would not be able to work for the Town permanently. However, Ann Marie will look to hire additional staffing permanently in the next budget.

7. Discuss & Take Action to approve a Special Appropriation request in the amount of \$48,720 for temporary accounting services as recommended by the Town Council on October 4, 2016.

A motion was made by Pattie DeHuff, seconded by Jay Dorso to approve a Special Appropriation request in the amount of \$48,720 for temporary accounting services as recommended by the Town Council on October 4, 2016. This motion was approved unanimously.

Discussion:

Pattie DeHuff asked where the appropriation money will be taken from?

Chairman Zovich stated that under amendment Chapter 7- Section 3c, the Board of Finance is amending the budget in the amount of \$48,720.

Pattie DeHuff stated that she feels the \$30,000 should come from the Board of Finance contingency fund, first.

Chairman Zovich stated he doesn't want to complete the contingency fund. If it is not spent, it will help offset at the end of the year.

8. Update on progress of independent audit by Blum Shapiro for FY2014-15

Ann Marie stated that her and Nicole are working on reconciling the accounts. Kim is working on the payroll accounts. Will review and move forward to get it completed. Working on cash accounts. Chairman Zovich asked Ann Marie if the 940 payments were made to the IRS? Ann Marie stated yes. Ann Marie stated that Jen – HR is working on insurance retirees and Kim helps her with this. A discussion took place regarding timeline for an RFP for Fraud Risk Assessment. Payroll accounts can be viewed by Ann Marie, Kim in payroll and the Mayor. Procedures have been changed. All departments can view their accounts.

Chairman Zovich stated that Blum Shapiro recommended the Town set up a whistleblower policy tip line be set up.

9. Closing & Reconciliation of all Town Funds for FY2015-16:

a. Report on preliminary trial balances for Major Governmental Funds.

Ann Marie reported nothing changed.

b. Review & take action on final draft of BOF narrative for “Citizens Annual Report”

Chairman Zovich went over the Summary. The tentative unaudited results as of June 30, 2016 exceeded total revenue by \$1,128,905. This was caused by the short fall in revenues and the over expenditures of Employee Benefits, Legal and Police Department. Tax receipts collected \$27,158,339 which is 98.5% collection rate. The current tax levy fell short by \$292,000, which is 98.9% attainment to budget. Collection of tax liens \$1,512,145. The town received intergovernmental revenue of \$11,000,926. Employee Benefits was over-expended in the amount of \$209,219. The police department was over budget by \$97,500 and legal expenses in the amount of \$141,850. The snow removal account had a surplus of \$84,535. The town received \$798,000 - which was received through court ordered liquidations and insurance payments. Total bonded debt is \$23,900,000 which includes interest payments as of June 30, 2016. This does not include any recent bond.

A motion was made by Pattie DeHuff, seconded by Jay Dorso to approve the final draft of the Board of Finance narrative for “Citizen’s Annual Report”. This motion was approved unanimously.

10. Implementation of amended General Fund budget for FY2016-17:

a. Review Financial Summary report for period ending 09/30/16, budget vs actual.

Ann Marie distributed the General Fund Revenue/Expenditures Summary. Every department should have about 75% left. Ann Marie sated that the insurance broker - HD Segur will be reviewing the cases (free of charge) and working with CIRMA. All unions are on the Health Savings Account for insurance which began on August 1st. Tom Barnes will be evaluating the pension investments.

b. Discuss & Take action on any internal transfer requests, if req’d.

NONE

11. Public Comment:

Jim Mozelak – 18 Carriage Drive – Mr. Mozelak asked what is the update on the police contract. What was their raise?

Ann Marie stated the contract was settled as of June 30th and was not sure of the amount. She explained there are two (2) portions of the contract.

Mr. Mozelak asked about the money that gets charged for being transported by an ambulance?

Ann Marie stated they have a separate account for that.

Mr. Mozelak asked about the Public Works secretary getting a raise of \$8,000.

Chairman Zovich stated it was a pay upgrade.

Mr. Mozalak asked if there was a payout of \$150,000 for a public works employee to get rid of him?

Chairman Zovich was not sure about that and will look into it.

Melanie Church - 328 Main St – Ms. Church asked what type of fine was given by OSHA?

Ann Marie stated she is not sure as she has not seen the letter.

Ms. Church stated there is still an uncertified mechanic. Said we need to bring down our costs. The Supervisor is the only equipment operator.

Chairman Zovich stated it should be brought to the Public Works Advisory Committee as the Board of Finance does not manage the Public Works Department.

Ms. Church asked how many people does the one in the Finance Department that got the \$10,000 raise supervise?

Ann Marie explained that Kim has an accounting degree and does more than payroll.

Ms. Church asked what are you looking at for cost savings? – spoke with Fitch about the bond rating. They will not lower the bond rating unless costs go down.

12. Correspondence:

Chairman Zovich stated he received an email from Mr. Penn that as of September 30, 2016, the surplus for 2015-2016 Board of Ed is \$78,099 and it may go up.

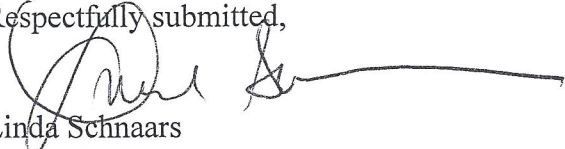
13. Board Members' Comments:

None

14. Adjournment:

There being no further business of the Board of Finance, a motion was made by Jay Dorso, seconded by Jim Zalot to adjourn. This motion was approved unanimously. The meeting ended at 8:40 p.m.

Respectfully submitted,


Linda Schnaars
Recording Secretary