

**TOWN OF PLAINFIELD  
BOARD OF FINANCE  
SPECIAL MEETING  
MINUTES**

Received For Record At Plainfield CT

On Jan 20, 2021 @ 3:35 pm

Attest: Barbi J. Gardiner

Barbi J. Gardiner, Town Clerk

The Board of Finance for the Town of Plainfield held a Special Meeting on Thursday, January 14, 2021 at 6:30 p.m. via Zoom. The meeting was called to order by Chairman Tom Sinkewicz.

Members present: Tom Sinkewicz, Matt Radant, Don Kivela, Gary Stalaboin, Travis Irons, and Ted Dumaine

Members absent: Keith Sheeley

Also present: First Selectman – Kevin Cunningham, Finance Director – Kelly Vachon, Selectmen – Art Gagne and Kyle Connors, Director - Marcum

Tom Sinkewicz noted that Kim Medlin has resigned and appointed Matt Radant for voting.

Minutes of November 18, 2020 Meeting

*Don Kivela motioned to accept the minutes of November 18, 2020. Gary Stalaboin seconded. Ted Dumaine abstained. Motion passed.*

New Business

**A. To discuss and accept the FY 2020 Audit Report**

Chairman Sinkewicz thanked Kelly Vachon, Kyle Connors and Ron Lussier for their time and effort to complete the audit before 12/31/20.

Kyle Connors, Director – Marcum LLP noted the unique circumstances to complete the audit which required a lot of coordination with Kelly and Ron who did a great job. He reviewed financial statement audit and financial results.

Mr. Connors noted the Fund Balance increased by \$365,000. The increase is partly due to reduced education expenditures. 2 percent of the school budget can be carried forward. \$658,000 is assigned for future education expenditures. The unassigned Fund Balance is 18.1 percent of the Operating Budget. 8-16 percent is healthy.

Revenues were under budget by \$266,000. Property taxes \$340,000 above anticipated at 97.5 percent collection. \$558,000 of State aid did not come in due to Covid expense.

Mr. Connors stated that the WPCA operating revenues were \$1.78 million. Operating expense were also down. The fund has a net position of \$8.1 million, \$749,000 could be used for operating cost.

### Pension Plan

The town's pension plan is funded 84.33 percent. Total liability of \$28.5 million with fiduciary assets of \$24.1 million. Mr. Connors noted that it has been funded 75 percent since 2014.

### OPEB

Mr. Connors stated that the OPEB plan is funded at 7 percent with a low contribution in 2020. 45 percent in 2019 and 1 percent in 2020.

### Findings

Mr. Connors stated that there will be a finding in the complete report after OPM. He said we would see findings in internal controls similar to the prior year. He noted the timeliness of reconciliation of cash. There were no issues this year, it appears to be corrected. The financial reporting system still used excel in 2020, but have since transitioned. All adjustments will be cleared up in the new system. The school lunch program had no compliance issues. He said there will be a full report by the end of the month.

Matt Radant questioned if there are state or federal guidelines/penalties if the fund balance is too high. Mr. Connors said he is not aware of any, it would be in the bylaws.

Mr. Sinkewicz noted the increase of the fund balance policy. Ms. Vachon noted that it was 8 percent and not 10 percent. Mr. Kivela asked about most towns. Mr. Connors noted that we are on the higher end, some towns are 21 or 22. Mr. Dumaine suggested looking at it.

Mr. Radant asked what the impact of the finding is on state level. Mr. Connors said it lowers your ability to be low risk. He said it is not a significant impact on the town, more of a financial reporting issue.

Mr. Sinkewicz thanked Mr. Connors. Kevin Cunningham said the audit was good for the Town of Plainfield and noted copies of the department's reports. He stated that the Board of Selectmen will set the date for the Annual Town Meeting at their meeting which follows. Ms. Vachon is preparing for print and it will be on the website. The notice of meeting will be in Turnpike Buyer and on Plainfield Facebook page.

Mr. Sinkewicz asked if there are any objections to move forward. There were none.

*Gary Stalaboin motioned to approve the FY 2020 Audit Report. Don Kivela seconded. All in favor, motion carried.*

**Citizens Participation**

None.

**Adjournment**

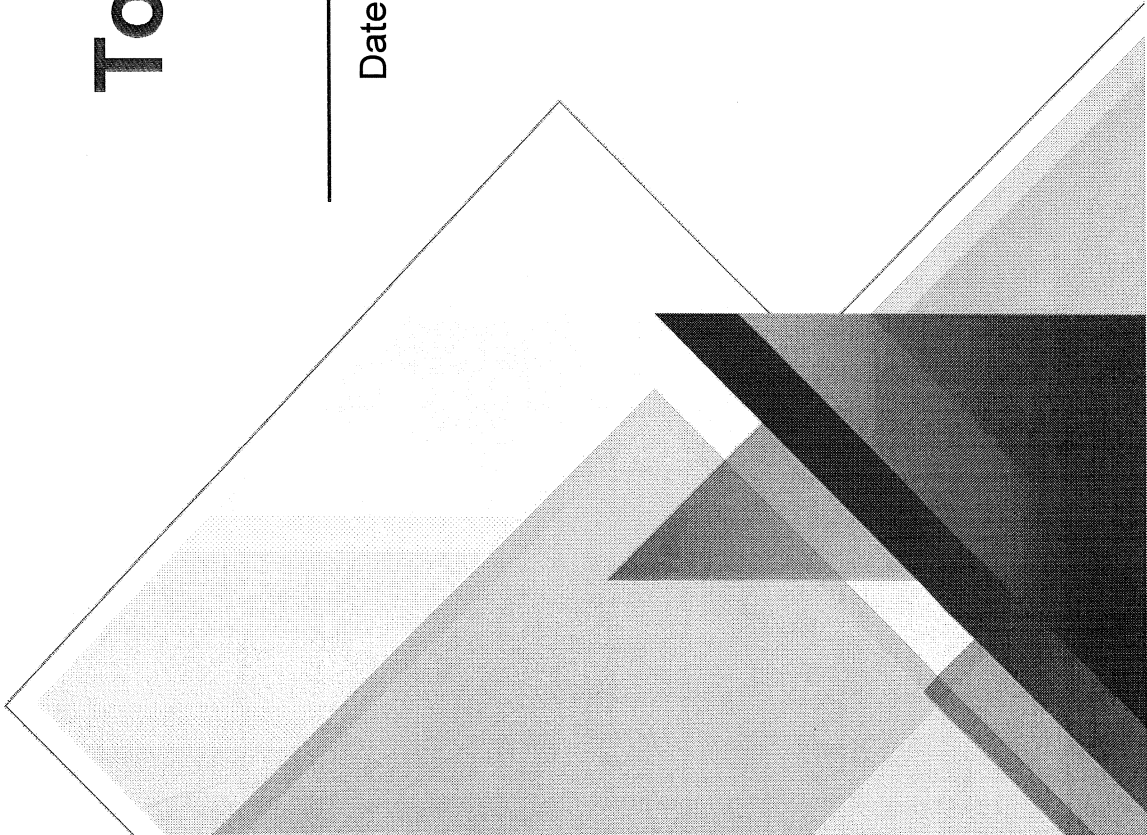
Ted Dumaine motioned to adjourn the meeting at 7:04 p.m. Don Kivela seconded. All in favor, motion carried.

Respectfully submitted,

A handwritten signature in cursive script, reading "Dodie Mineau".

Dodie Mineau

Recording Secretary



# Town of Plainfield 2020 Financial Statements

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Date, January 14, 2021 | Presented by: Kyle J. Connors, CPA  
Director

**MARCUM**  
ACCOUNTANTS ▲ ADVISORS

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# Agenda

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Presentation will review the Town's 2020 financial statement audit and financial results

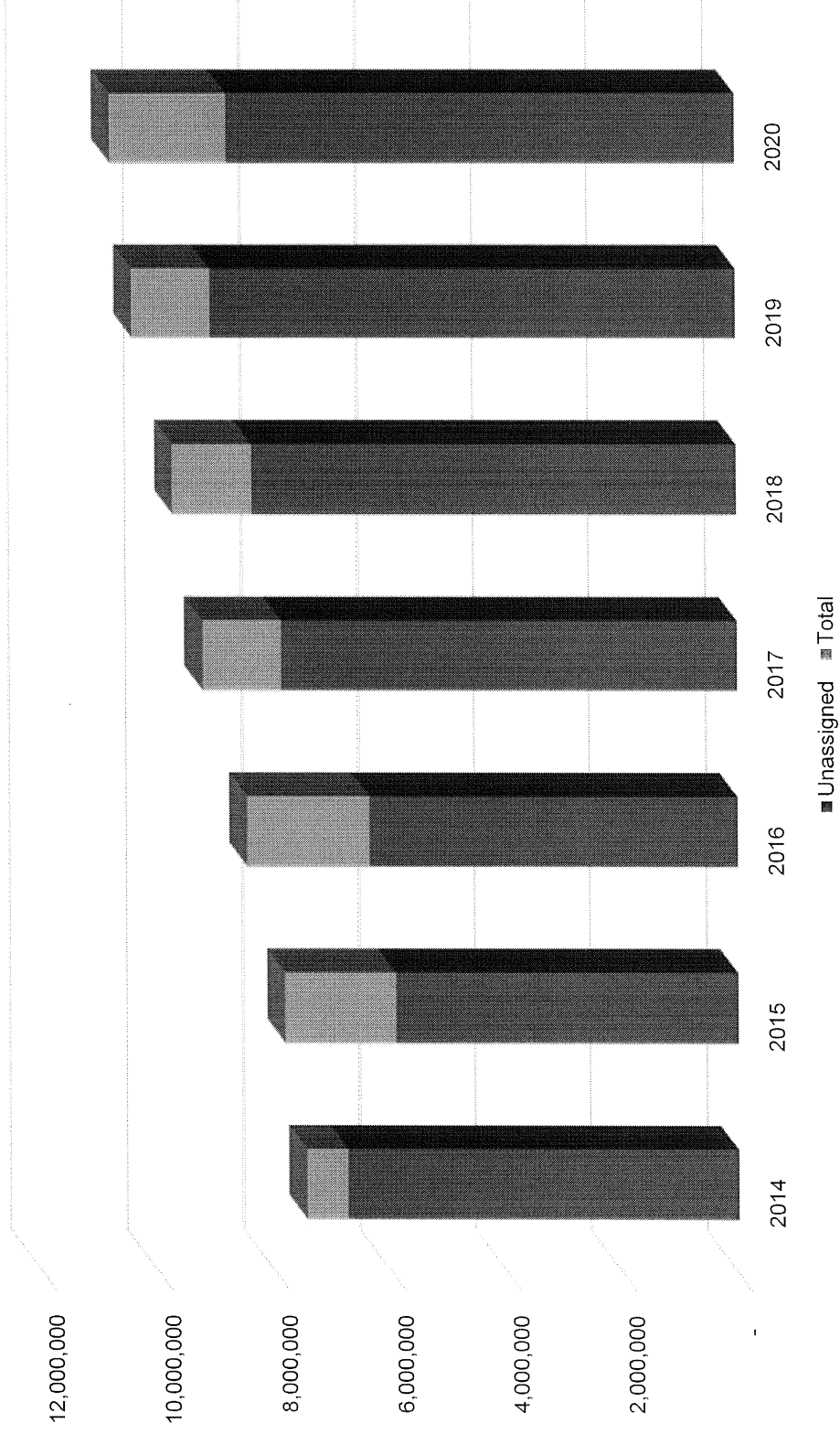
Feel free to ask questions at any time

## Town General Fund

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- ▶ Total Fund Balance increased by \$365 thousand
- ▶ Unassigned Fund Balance = \$8.8 million
- ▶ Unassigned Fund Balance represents 18.1% of Operating Budget
- ▶ Healthy target is typically 8-16% of budgeted expenditures, Town is above that
- ▶ \$658 thousand assigned for future education expenditures

# Fund Balance: Last Seven Years



## Results of Operations

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- Revenues were under budget by \$266 thousand
- Property taxes \$340 thousand above what was anticipated
- Tax collection percentages:
  - *97.5% collection of current year assessment*
- State aid was \$558 thousand lower than anticipated
  - Combination of Equalization, Adult Education and Special education



## **Results of Operations (Continued)**

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- Expenditures were \$1.15 million below appropriated amounts
- Favorable results in these areas:
  - Employee Benefits of \$112 thousand
  - Capital Outlays of \$160 thousand
  - Education of \$659 thousand

## Water Pollution Control Activity

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- Operating revenues amounted to \$1.78 million, decrease from prior year revenue of \$1.84 million
- Operating expenses were \$1.98 million, down from prior year amount of \$2.12 million
- Operating loss of \$205 thousand in 2020 compared to \$281 thousand in 2019
- Fund has net position of \$8.1 million – \$749 thousand of which is unrestricted for operational use

# Town Pension Plan

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- Town's private pension plan funded at 84.33%
- The Town has made contributions to this plan, however, has not met the actuarially determined contribution dating back to 2014
  - Funded percentage in 2014 was 82.56%
- Total liability of \$28.5 million with fiduciary assets of \$24.1 million
- Assumptions look reasonable, mortality tables adjusted up to 2017, investment rate of return of 6.63%

## Other Post-Employment Benefits

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- Town plan funded at 6.93% with a total net OPEB liability of \$8.9 million
- Funded 1% of the actuarial determined contribution in fiscal year 2020 and 45% in fiscal year 2019

## **Findings, Recommendations and Other**

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- BOE should maintain their Federal and State general ledger within a financial reporting system – still used excel in 2020, though they have transitioned in 2021
- Opening fund balance, the Schedule of Expenditures of Federal Awards, and the Schedule of Expenditures of State Financial Assistance were not properly reconciled and required adjustments.



## Uniform Guidance

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- ▶ In accordance with Uniform Guidance we selected one Federal programs for compliance testing
  - ▶ Child Nutrition Cluster
- ▶ The Uniform Guidance audit is still ongoing, however as of today no noncompliance was noted during our testing.
  - ▶ Expect to have the Uniform Guidance audit complete within the next month

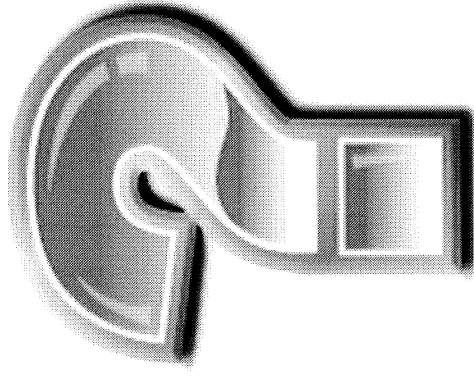
## State Single Audit

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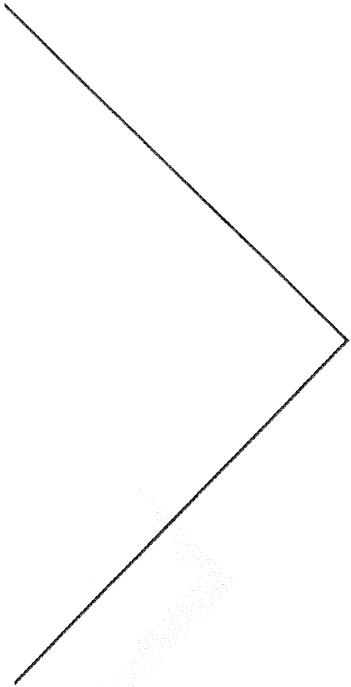
- In accordance with Connecticut State Single Audit requirements we selected three State programs for compliance testing
  - School Readiness
  - Municipal Grants-In-Aid
  - Town Aid Road Grants
- Audit is still ongoing, however no noncompliance was noted during our testing
  - Expect to have the Single Audit complete within the next month

# Questions

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# Thank You!

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