

Attest: Bianca V. Lassit

Barbi J. Gardiner, Town Clerk

**TOWN OF PLAINFIELD
BOARD OF FINANCE
AMENDED MINUTES**

The Board of Finance for the Town of Plainfield held a Regular Meeting on Wednesday, July 21, 2021 at 6:30 p.m. at the Plainfield Town Hall. The meeting was called to order by Chairman Tom Sinkewicz.

Members present: Tom Sinkewicz, Matt Radant, Dean Gorman, Don Kivela, Ted Dumaine
Keith Sheeley, and Virginia Sampietro

Also present: First Selectman – Kevin Cunningham, Selectman – Art Gagne, Finance
Director – Kelly Vachon, School Superintendent – Paul Brenton, School
Business Manager – Ron Lussier, BOE Chair - Christi Haskell

1. Acceptance of minutes from June 16, 2021 Meeting

Don Kivela motioned to approve the minutes of June 16, 2021. Matt Radant seconded. All in favor, motion carried.

2. New Business:

A. To discuss and act on Board of Education 2 Percent Savings Policy

Chairman Sinkewicz noted that the policy was tabled in May to allow Board of Education recommendations and legal opinion for Town Attorney. He recognized Christi Haskell and the new Superintendent, Paul Brenton.

Superintendent Brenton noted his experience with the 2 percent Set Aside and minimum budget requirement (MBR). He provided a summary of the MBR and how to utilize the 2 percent. He stated that some districts have full policies, some have verbal and some do not use a policy. Mr. Brenton reviewed the advantages of the 2% Set-aside. (Summary attached)

Virginian Sampietro asked if we already have an account. Matt Radant noted that the board voted on it a year ago. Mr. Dumaine asked if the board would ask the town for \$50,000. Mr. Brenton said it is in the non-lapsing fund. If they ask for \$50,000 and it becomes an appropriation, it would be part of the MBR. Use of the 2% protects the town. Mr. Dumaine asked if it is any different than using fund balance. Mr. Brenton said if it is from fund balance, it is an appropriation and would raise the MBR. Ron Lussier said the budget was built prior to Covid. With Covid we did not need transportation, children were not in school. Mr. Dumaine added that he did not mean to imply that it was an improper budget. He said why deny the right to vote on the purpose.

Mr. Lussier said we cannot forget the MBR. He added that if over \$50,000 it adds to the appropriation. He stated that the request for Infinite Vision from the 2 % was so it did not

impact the MBR. Mr. Radant stated that overall MBR does need to be acknowledged. He said appropriation is one part of the overall formula.

Mr. Brenton reviewed the elements that calculate MBR. Mr. Radant inquired about Alliance District formula. Mr. Brenton stated that it is not a formula, the state labeled Alliance Districts, which have not changed in several years. Ms. Haskell stated that the students have improved test scores, but she did not see us becoming an Alliance District.

Mr. Radant said he understands that absent of 2% account the school would have to request from fund balance and could potentially increase MBR but not mean a number of elements. Mr. Brenton said there are additional elements, not a lot of variants. Mr. Radant noted there are 2 point, enrollment and efficiency. Ms. Haskell said it has to be a large scale efficiency. He stated that an appropriation does not guarantee and increase in budget.

Mr. Sinkewicz asked how we got through so many years in the past. Ms. Haskell gave example of band uniforms. Mr. Radant said we should have consent from taxpayers. He asked what average year end surplus was in previous years. Mr. Lussier replied, \$3,000 - \$10,000. Mr. Radant said it seems specific with Covid event and once it passes he did not anticipate to have \$100's - \$1,000's as underruns in the school budgets. Mr. Brenton did not anticipate it being huge. Mr. Lussier said it is currently over \$500,000. Mr. Brenton said it would be \$1.2 % cost overruns or projects in the Capital Improvement Plan. Ms. Sampietro suggested if money is in the 2%, does it eliminate people's voice. Ms. Haskell said every year we have a Capital Improvement Plan. It is for one-time, non-recurring cost. Mr. Lussier noted that anything spent would go through BOE, then BOF. The BOF could allow or deny future set aside. Mr. Brenton stated that the intent is to provide money to stay for education purposes. He said it is about trust relations. Mr. Radant did not feel it is an issue of trust. He noted the rigorous budget process and the notion to have money taxed from people and not for the intended use. He said the duty is to do the best to present, if not work come back. He was opposed to the 2% set aside. He did not feel it is necessary and does not foresee many circumstances to have it. Keith Sheeley stated that we elect people most fit to make decisions. He said if funds are allocated to 2%, why not allow BOE to make the decision.

Dean Gorman asked if the current set-aside is \$500,000. Ms. Vachon said it is \$674,000. Mr. Gorman added that if we take the unexpended funds this year (maximum \$700,000) we will have \$1.4 million. He said based on the capital, the MBR could be static. Mr. Brenton noted his understanding is that student enrollment is being considered. Mr. Gorman said if they requested \$50,000 it could be added to next year budget, the following year is not included so the budget could be reduced. He noted efficiencies such as unutilized building could be closed completely. Mr. Brenton added that if the BOF wants he can explore the improved efficiencies. Mr. Gorman asked if the set aside would still have to go to BOF, not referendum. Mr. Lussier said the BOE would approve and as courtesy send to BOF to inform them to plan for the funds. He added that the BOF can stop contributing. Mr. Sinkewicz said we could consider reducing the set aside to 1 %. Mr. Radant noted that the point is that an account exists, a policy does

not. He said the town has not adopted a policy. Mr. Sinkewicz stated that once concluded, we need to adopt a policy. He said we need time for BOF, with BOE feedback. Mr. Kivela asked if money was put aside. Mr. Lussier explained that the school underran the budget and put it in 2 % set-aside. He anticipated another underrun this year. Mr. Kivela said we could not put money in the account. Mr. Radant stated that there is an account that needs a policy.

Mr. Lussier said state statute dictates to allow 2% set-aside for educational purposes. Ms. Vachon said we need a policy to use the fund. Mr. Radant stated that he is not in favor of future contributions to the account. He said the BOE can spend and should have BOF approve as well. He said there should be BOF oversight. Mr. Lussier said state statutes say the BOF does not have the power, the BOE can use the funds and give BOF the courtesy. Mr. Radant said that would bolster his opinion to not contribute to such account.

Mr. Brenton said BOE have previously gone to BOF as part of a mutual agreement. He said a policy defines how it is spent. Mr. Dumaine asked if BOE decides to spend, there is nothing BOF can do except not give more money. Mr. Lussier stated that people approved the appropriation for educational purposes, if not needed the monies can be set aside for future educational purpose. Mr. Radant disagreed, adding that it is an annual budget process, if it was not required BOE or BOF is significant for monies being spent. He said the decision should be to the public at large. Mr. Lussier said the town did approve the Capital Improvement Plan and we can use unexpended dollars to do those. Mr. Radant said it is in the account and we should stick to the process.

Mr. Sugarman noted that high cost of special education. He said a family could move into town with special education cost of \$300,000. He said the excess cost could be on the town side. Mr. Vachon stated that it is part of the budget now. Mr. Sugarman said it is fiscally responsible. Mr. Radant stated that we have survived as a district without it. He said the town has not had a set-aside previous and it seems with extra infrastructure we will be able to manage. He did not agree with managing tax dollars this way. Mr. Dumaine inquired about the fund balance. Ms. Vachon said it is unrestricted \$6-8 million. Mr. Dumaine asked why we are overtaxing people and asking to put more in. He was opposed. Mr. Sinkewicz noted that this is for education.

Mr. Brenton said Plainfield has fiscal responsibility to protect the MBR and replicate best practice to tackle the Capital Improvement Plan which would require a bond. He said this is a unique opportunity to look at the Capital Improvement Plan. He said it is an opportunity to do great things for the students. Mr. Sinkewicz asked if there is an opinion from the auditor. Ms. Vachon stated that they do not want to keep growing it and would want a threshold.

Matt Radant motioned to recess. Virginia Sampietro seconded. All in favor, motion carried.

Ted Dumaine motioned to reconvene the meeting. Matt Radant seconded. All in favor, motion carried.

Mr. Sinkewicz entertained a motioned to not make a decision about contributions. He said we have no policy and it needs to be done. He said he was fine with bringing it up in August.

Matt Radant motioned to make a request for the Town Finance Director to draft a policy to specifically outline, not limited to the expenditures of Board of Education reserve account being encompassing Board of Education's authorizations with no restrictions on their requests to be submitted to Board of Finance for final approval with a sunset clause to close the account when balance of the account is zero. Mr. Sinkewicz added this is if the BOF does not contribute anymore.

Mr. Radant said the policy would be submitted for legal review by the town attorney. Mr. Lussier asked if it was approval of the policy or expenditure request. Mr. Radant said for the policy, possibly including BOE authorization of expenditures they deem worthy. Mr. Brenton asked if it would include BOE legal review. Mr. Radant said asked if BOE legal was necessary. Mr. Sinkewicz asked if BOE is saying the want legal review. Ms. Haskell stated that any policies are automatically reviewed. Mr. Radant said once reviewed by the town. He said BOE feedback would be welcome. He noted the account is on the town side. Authorization of funds is from BOF. Mr. Sinkewicz said the BOE would receive a copy for review. Ms. Haskell said there is a Policy Committee to undertake it. Mr. Radant was open to it and added that it does not have to be at a special meeting. He suggested September. Ms. Sampietro concurred.

Mr. Radant noted the motion on the floor for Finance Director to draft policy with BOE authorized expense brought to BOF for approval with a sunset clause to close the account upon zero balance, for review at August meeting. Ted Dumaine seconded. All in favor, motion carried.

B. Approval to use 2% Set Aside for Board of Education's invoice from BciCapital (Infinite Visions Financial Software) \$49,840.23

Mr. Radant motioned in absence of a policy, to approve the expenditure of \$49,840.23 to BciCapital. Mr. Kivela asked what if we pay it off. Mr. Lussier said another \$40,000 and it was not budgeted that way. Virginia Sampietro seconded. Motion passed. Ted Dumaine opposed.

C. Review current FY 2020/21 Budget Statement

Ms. Vachon reviewed the revenues. She noted ECS is short \$37,000 and Out-of-town tuition is short. Ms. Sampietro inquired about fund balance for school pension \$800,000. Ms. Vachon said it will come from fund balance at end of year. Mr. Radant asked if it is line item transfer. Ms. Vachon replied, no. Mr. Dumaine asked if it is a non-recurring expense. Ms. Vachon said no and noted Highway supplies credit from FEMA reimbursement. Ms. Sampietro questioned Police gas. Ms. Vachon said it is a gas generator, the bid came in too high. She noted a miss post of \$10,000 to general insurance. It will be corrected. Mr. Radant inquired about Unemployment credit. Ms. Vachon said there is a new statement. She expects it to hold steady.

Mr. Gorman inquired about School Disbursement refunds. Ms. Vachon stated that the budget is \$35 million, expenditures were \$34.7 million and reimbursements were \$1.5 million which reduces the expenditures to \$33,176. The remaining is \$2.7 million and she anticipates more invoices.

Mr. Radant asked about closing date. Ms. Vachon noted 60 days for tax collection so perhaps September.

Citizens Participation

Art Gagne asked why the 2% comes to the Town when it was already budgeted. Mr. Radant stated that the Capital Improvement Plan is to maintain eligibility for state grants. Some are budgeted, some are not. Mr. Gagne said if underrun year after year why not make the MBR lower. He said the special education is the only thing the 2% could be for. Mr. Radant said the special education is from the Special Ed Excess fund, which is recalculated at different points. Mr. Sinkewicz said it is a contribution that can change every year. Mr. Radant said the motion was "not limited to".

Sean Peterson inquired about the Capital Budget. Ms. Vachon said if the town has an item, such as the trail, it is on the Capital Improvement Plan in case there are grants available. She noted that the school puts some projects in the operating budget. Mr. Peterson asked why the Chrome books did not raise the MBR. Mr. Radant stated there was reimbursement from FEMA.

Adjournment

Virginia Sampietro motioned to adjourn the meeting at 8:21 p.m. Matt Radant seconded. All in favor, motion carried.

Respectfully submitted,

Dodie Mineau
Recording Secretary