

**New Hartford Board of Finance
Regular Meeting
February 8, 2022 @ 7:00 pm**

Present Chairman Kerry Guilfoyle, Members: Don Charest, Lou Helt, Paul LeClair, Charles Neale, Alternates: Ryan Bingham, Allen Voghel and Recording Secretary Penny Miller.

Also, Present Chris King & Debbie Franklin from King & King CPAs, First Selectman Dan Jerram, Selectmen Alesia Kennerson & Laura Garay, Treasurer Gordon Ross, Members of the Public: Aulay Carlson, Noel Gauthier, Greg O'Brien, Kathryn Boughton (reporter Republican American).

Absent Ben Witte and Krish Dasgupta

Chairman Guilfoyle opened the meeting at 7:00 pm

Seating of Alternates Allen Voghel was seated for Ben Witte.

Adoption and/or Revision of Agenda

Chairman Guilfoyle asked for a motion to add the Approval of Audit and Treasurer's Report to the Agenda.

MOTION by Ms. Helt to approve the changes to the agenda, second by Mr. LeClair.

Unanimous

Approval of Minutes: January 11th, 2022 Regular Meeting

These were tabled to the next meeting. Chairman Guilfoyle asked if anyone recalled what Mr. Dasgupta's question was about starting a fund for Small Business Relief. She thought it related more to providing relief to townspeople and not to businesses.

Communications and Other Items Presented to Board

Chairman Guilfoyle said she received 3 communications: Audit of the recent Management Response and confirming emails relating to budget meeting schedules and 1 week in advance budget requests from the local Board of Education and Region 7.

FINAL DRAFT Audit FYE June 30, 2021 Review - Chris King and Debbie Franklin, King, King & Associates

Mr. King explained why they were there and what they do. Generally, he said they deal with the Selectmen's Office and the Board of Education Office ultimately ending with reporting their findings to the Board of Finance. During the audit they did become aware of opportunities for strengthening internal controls & operating efficiency. There will be a federal single audit for the ARPA money. In addition to the in-house financial staff an outside CPA consultant has been hired for more higher-level technical issues. Mr. King feels that you get the skills of this person without hiring a full-time CPA to the staff. The 3-year fund balance includes \$850,000 which was set aside to balance the budget, if needed, and the \$100,000 from the Board of Education Fund.

Ms. Franklin said she picked a sample of timecards from the Town and the BOE. She looked for approvals, documentation of pay rates, then following it through to the General Ledger. On some there wasn't a way to tell if the Supervisor physically saw the timecards and approved them for payment. In

the Town Hall most employees work the same number of hours each week. There are multiple reviews in the physical office but because the auditors aren't there every day, they were unable to observe them. It was recommended, especially for off-site locations that the supervisor in charge initial and approve the timecards for payment. The same recommendation was made to the Board of Education. At the schools the secretary makes a summary of all the time cards and the principal will initial the summary sheet. There is one principal who covers two schools and one school got the approval and the other one didn't.

The second comment had to do with the building permit process. In a sampling of 10 permits, it was found in 3 instances the communication wasn't made from the Building Office to the Assessor, the Assessor knew that a property or improvement was in process and went out to re-assess it. The suggestion was the implementation of an electronic on-line permitting process, this way anyone could check on the process of the permit to see if there are any lags or issues. Two software packages have been evaluated.

Motion by Ms. Helt to accept the audit for 2021 Fiscal. Second by Mr. Voghel.

Unanimous

ARPA Update- Board of Selectmen and Ryan Bingham

Mr. Bingham, as the BOF liaison to the BOS, said there has been numerous opportunities for comment, suggestions and feedback on how to use the ARPA money. Open-ended requests for funding have been received from the public, businesses, town departments & organizations. Mr. Jerram said that the money will need to be fully spent by 2026. He would like to get some things into the queue as there are long lead times in order to get them. He continued by saying that some of the money will go to groups that we already fund. The requests were broken down into 10 different categories. The requests are as follows:

1. Emergency Services – NH Ambulance Association - new ambulance \$75,000
This item is co-funded by Barkhamsted for \$25,000.
2. Governmental \$457,400
Includes NH Public Schools, Town Hall IT – GIS Mapping/MS4
Fiber, Plow Truck, Admin Expenses (Labor & Supplies)
3. Public Utilities – Sewer Line Extension - \$360,000 – **on hold – no vote**
4. Non-Profit Relief (small) \$22,000
Includes Cub Scouts, Girl Scouts, Scouts BSA, Boy Scouts,
St. John's (food gift cards), Winchester Youth Services,
West Hill Trustees (WH Pond Study)
5. Non-Profit Relief (Large) \$150,000
Beekley Library and Bakerville Library
6. Parks & Recreation \$450,000 (includes \$200,000 on-hold)
Brodie Park Facility Improvements, Brown's Corner Facility
Improvements, Rails to Trails (**On Hold – No Vote**)
7. Resident Relief \$20,000
Individual Resident Relief (Grants Admin by N2N Comm.)
8. Small Business Relief \$25,000
Business Grants (Matching up to \$5,000)
9. Senior Specific Needs \$110,000 (include \$100,000 on hold)
Senior Center (On Hold – No Vote), Senior Bus Driver (Supplement)

10. Economic Development \$10,000
Planning Fees for P&Z Recs Consult (On Hold – No Vote)

The total award over 2 years is \$1,969,847.08

Mr. Neale said he had a few thoughts:

1. Philosophical one - the CT. Conference of Municipalities - has a ARPA toolkit on how to use the money. The proposal represents a lost opportunity to make any real progress on some major town projects like the stand-alone Senior Center and Rails to Trails. Maybe we should put more money into those lines.
2. Assist in Economic Development. This isn't called the American Rescue Plan for nothing. Looking at the proposal he feels it is very light on helping those in need. The food pantry had requested \$5,000 and only \$1,500 was put in. It doesn't sound like we are doing enough to help those in need.
3. Transparency – he said that he doesn't feel comfortable in voting on the whole package. Mr. Neale recommends putting off the vote on this for one more meeting. He would like to give the townspeople the chance to see what the proposals are. Ideally, he would like to see something on the town website explaining why the spending is good for the town. Why some of the requests are being funded and others aren't. Give them the layman's explanation of the ARPA law. Explain what the eligible use requirements of the law and explain how individual requests either do comply with the law or don't.
4. He would like it all out there before the board makes a decision.

Ms. Guilfoyle said she is in support of postponing any type of vote on this. She did want to address one of Mr. Neale's comments. The entire town has been impacted by COVID not just those in need. We all use the parks and our children have been greatly impacted. She doesn't agree with the part that it should just be focused on those that might need more. We need to support everyone not just those that are financially struggling. The recovery is for all of us to recover from the effects of COVID.

Mr. Jerram said this process has been open. Letters and postcards were sent to all those living in our town and many came to the meetings. This has been an open process. There is information on the town website. Ms. Helt suggested a mailing be done informing the townspeople with a list of how this money would be spent. She also said there is a lot of need in town besides a free-standing Senior Center. She is glad that it is on this proposal and maybe it might need to become part of the regular budget. Mr. Jerram said as part of the thought process you need to ask yourself, what will a free-standing Senior Center do. What type of services could be provided? Currently we can't do congregational meals as we don't have an approved kitchen. This could be the gateway to increased participation. Currently we have a 2,400 sq. ft. senior center. What is the expense to either renovate or build new? Mr. Charest said he feels this document is a little bit broad. He would like to see some more specificity as to what are we doing at Berkshire Hall and the cabins. He said more detail would be great.

ARPA - Possible discussion and action

Nothing will be done at this time.

2022/23 Budget Timelines and Updates

March 2nd – the Selectmen and BOF chairman have been invited to discuss Region 7's proposed budget
March 12th – Budget Presentations by Schools and Town to Board of Finance

Reports:

First Selectman Jerram said the big hurdles are the successful completion of the contract. The end of January is the Grand List and it is up this year. With the pandemic you are seeing massive escalation in costs. The state sends out the estimates of value from NADA. Used car values are surging.

Town Treasurer Ross handed out the account balances.

Opportunity for Public Comment

Greg O'Brien, Burwell Road, said he had attended the informational sessions. The items on the sheet all offer positive and lasting impact on the town. As a new member on the Rec. Commission, he is very proud of what the commission is doing. Our parks are stellar. On any given weekend & weeknight you will find many people visiting our parks. Beach pass sales last summer have been exceeded. The Rails to Trails is something he believes strongly in. But the 1,800 feet trail through the gorge in Satan's Kingdom has become the biggest stumbling block. The original plan was good which brought everything behind Route 44. After other studies it looks like it will be a long section of a wide sidewalk. As far as he is concerned it will be to close to Route 44. He is in favor of the other items on the list. He hopes the Board of Finance will act on it as soon as possible.

Noel Gauthier, Tanglewood Rd, kept notes from the meetings. Everything was covered in the proposal. The only thing he didn't see was a request for a fire truck. Mr. Jerram said there wasn't a request for a fire truck but there was a vague request for HVAC but no dollar amount was given. He anticipates that another recommendation will be made from our Fire Dept. as part of our Emergency Services.

Aulay Carlson, West Hill Road, read a letter. He agreed with the comments about transparency. His letter will be included in the next meeting attachments.

First Selectman Jerram said that all the recommendations for the ARPA funds were unanimously approved by the Board of Selectmen. In support of our libraries the Selectmen, Board of Finance and the Town through the budget process have elected to support those agencies for many years.

Motion by Ms. Helt to adjourn at 9:26 pm. Second by Mr. LeClair.

Unanimous

Respectfully submitted, Penny Miller, Board Secretary

Attachments:

King & King Management Letter

Region 7 Budget Letter

ARPA Fund Recommendations