



Town of Hartland

22 South Road
EAST HARTLAND, CT 06027
860-653-6800
www.hartlandct.org

Re: Regular Meeting Minutes for the Hartland Board of Finance

Date: February 21, 2024

Time: 7:30 PM

Place: HYBRID MEETING

Attendance: Chair Tom Kean, Vice Chair Nicole Bernabo, Tim Irwin, Philip Groth, Fletcher Smith, and Laura Irwin.

Not in attendance: Heather Gust, Frank Monchun (alternate), John Ferro (alternate)

Others in Attendance: Magi Winslow – First Selectman, Karen Eseppe - Treasurer, Greg Sottile - Selectman, and Christopher King (for the Town audit presentation)

1. The Regular Meeting was called to order at 7:30 pm by Chair Tom Kean. Mr. Groth made a motion to seat Fletcher Smith. Seconded by Chair Kean. Motion carried.
2. Mr. Groth made a motion to amend the agenda to move the Auditors Report to item 2. Seconded by Ms. Bernabo. Motion carried.
3. Mr. King presented a review of the Town Audits for the year ending June 30, 2023. A copy of Mr. King's presentation is included as an attachment to these minutes. There was a discussion regarding the different ledger "companies" and the various internal controls. Ms. Eseppe confirmed that all Town Departments are included in the audit, including but not limited to the Fire Department and Library.
4. First Selectman Winslow gave the Board of Education report on behalf of Superintendent Canelli who was not in attendance. The Board of Education expenses are 50.6 % through January 2024 and there have been some unforeseen expenses due to an increase in special education costs. These costs will have a significant impact on this year's budget moving forward as well as the anticipated budget for the 24-25 school year.
5. First Selectman Winslow reported that the Selectman's budget is 53.5% expended. Planning and Zoning, and Communications/Civil Defense lines are slightly overbudget, as discussed previously in the year. The Board of Selectman FY2024/2025 budget is being prepared and anticipated to be completed after the Selectman's March 4, 2024 meeting.
6. Treasurer Eseppe reported that tax collections are on track, as budgeted, and additional program fees are incoming. The second installment of ECS grant was received and is higher than budgeted, and the Town also received the second installment of the Town Aid Roads Grant. Other grants are anticipated to be received at the end of April through June. The closeout of the Peck Orchard Bridge grant remains open at this time, Treasurer Eseppe is actively pursuing unresolved reimbursement. Ms. Eseppe also shared some information on grants related to what may be anticipated for next budget year. Capital projects were discussed, including the West Hartland Fire Department needs. Ms. Bernabo made a motion to approve the Treasurer's Report. Seconded by Mr. Groth. Motion carried.
7. The minutes from the January 17, 2024 meeting were reviewed. Ms. Bernabo made a motion to amend the minutes by replacing Pequot grant in place of FIFA in the Treasurer report section. Seconded by Mr. Groth. Motion carried. Mr. Groth made a motion to approve the amended minutes. Seconded by Mr. Irwin. Motion carried.
8. Old Business:
 - First Selectman Winslow gave an update on the Transfer Station in the earlier report.
 - First Selectman Winslow indicated she will follow up with the FOI training. Due to multiple priorities she has not had a chance to complete.
9. New Business

Mr. Kean reported that a second meeting in March due to budget review will need to be scheduled.



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10. Ms. Bernabo made a motion to adjourn the meeting at 8:55 pm. Mr. Groth seconded the motion. Motion carried.

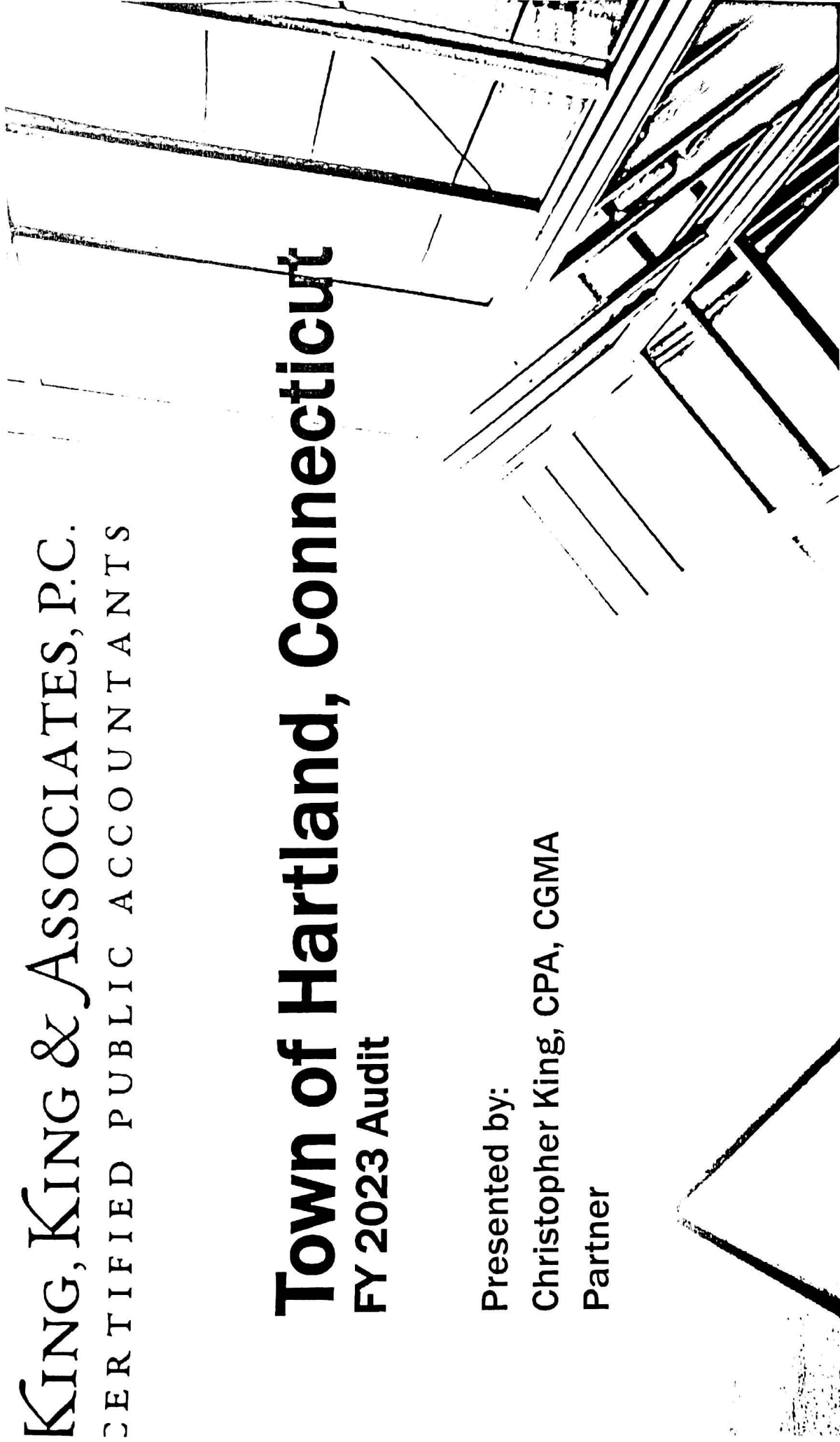
Nicole A. Bernabo
Vice Chair, Board of Finance

KING, KING & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

Town of Hartland, Connecticut

FY 2023 Audit

Presented by:
Christopher King, CPA, CGMA
Partner



Audit Sections

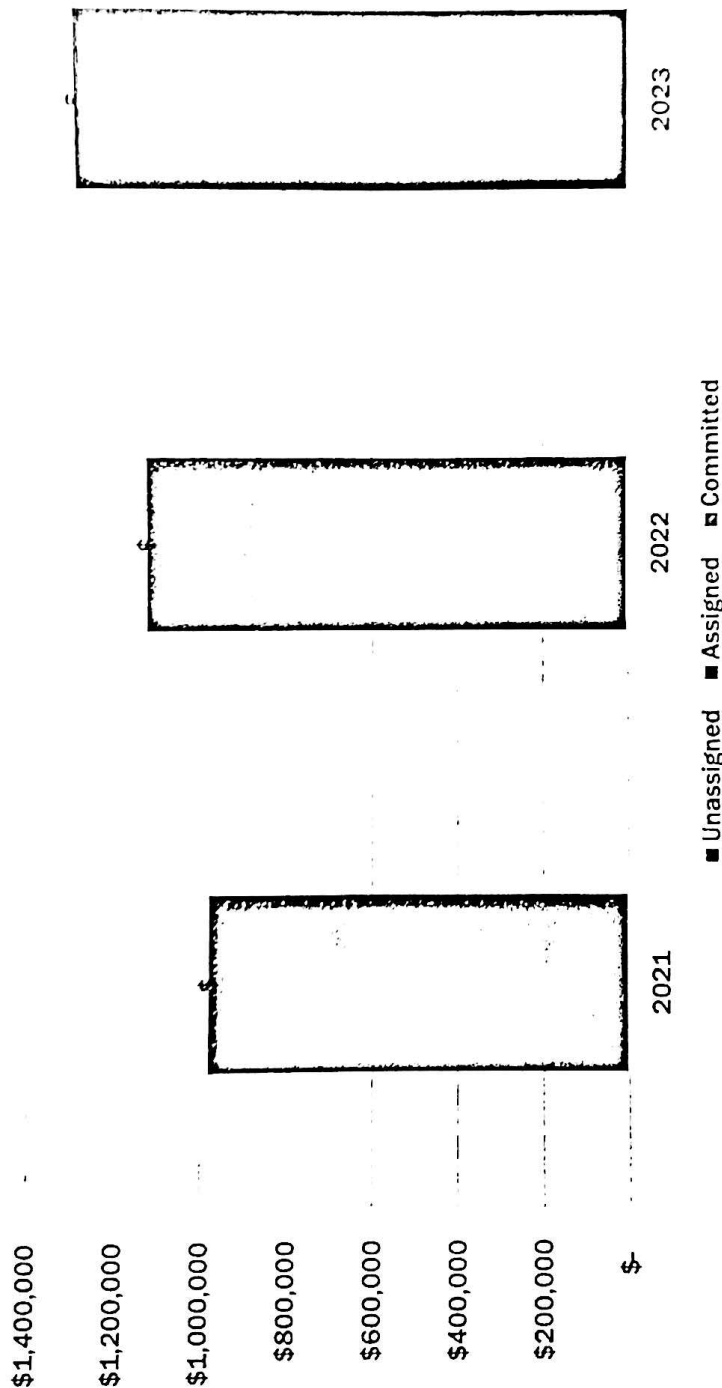
- Management Discussion and Analysis (high-level summary) on pages 4-10 precedes the first set of financial statements
- Financial Statement Audit: the core of the audit – financial statements, note disclosures, supplemental financial statements and schedules
- CT Single Audit: grant compliance audit – reports and schedules
- BOE EFS procedures: list of testing procedures specified by the CT State Department of Education. Results in its own separate report to the CT SDE.

Annual Financial Report - Highlights

- P.11-12: Government-Wide statements include all funds of the Town other than pension and trust funds. Also includes depreciation of capital assets and long-term liabilities.
- P.13 – GF Fund Balance of \$1,287,448 (increase of \$155K over prior year). Includes \$486K designated for balancing the 23/24 budget. GFOA fund balance benchmark is two months (17%) of revenues . Hartland's fund balance is 17% of revenues.
- P.15 – Capital Nonrecurring Fund
 - \$243K in Capital Projects represents portion of the fire truck purchase utilizing lease
 - Transfer out for BOE roof project

3 Year Fund Balance Trend

General Fund



Annual Financial Report – Highlights (Continued)

- P.17: \$157K budget surplus, in contrast to the \$549K expected to be needed to balance the budget.
 - Towns are experiencing significant investment income (\$70K) for the first time in a while
- P.18-19: Employee pension account
- P.32 – Fire truck lease schedule (\$131K for next two years)
- P. 45-49 – Detailed budgetary comparison – Some smaller State grants also higher than expected. Expenses consistently under budget across most departments
- P.50-55: detail of the nonmajor funds, includes Education Grant Fund with \$253K expended.
- P.65 – Outstanding Taxes Receivable balance at 6/30/22 is \$71,225. This is roughly 1.2% of the Current Levy. Benchmark typically around 2% to 8%. CT state ranking for collection rate as of 2021 is #43, at 99.3%.

Federal and State Single Audits

Federal Single Audit

- N/A for 2023 - Required when more than \$750,000 of federal funds expended. Not expecting to cross that threshold unless a bridge project has significant construction activity.

State Single Audit

- P. 6 – FY2022 expenditures of State Assistance: \$1,523,492 total assistance, of which \$1,071,722 is ECS. Next largest grant is \$141,197 for Town Aid Road.
- No findings to report

Management Letter

- No Management Letter
- Verbal Comments
 - No control deficiencies
 - Have raised topic of combining the different ledger “companies”. Hasn’t been a problem thus far, but a change in personnel and/or responsibilities might precipitate a change in the current structure.

King, King & Associates, CPAs

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