

## **August 25, 2021 BOS meeting**

### **June 2021 Financials-UNAUDITED**

- General Fund remained open until August 23 to allow for all June invoices to be processed, but we believe all bills have now been received and paid. Bank statements and tax revenues have been reconciled. Most other funds are complete and the Quickbooks files have been sent to the auditors (including Town Aid Roads). The only open fund is the Declared Emergency Fund (needs to be set up in Quickbooks and all activity recorded). We have an open question for the auditors about how cash proceeds will be treated (Revenue vs. Deferred Revenue) and how to book the “lost revenue” component allowed under ARPA.
- FY21 revenues include the return of previous surpluses from RD11, but not the return of the Tech Park funds (the agreement wasn't signed by all parties until early July).
- The BOE/SES reconciliation is ongoing as they are in the process of finalizing their books in time for the September 1 filings due to the State. We do have a difference in Q4 of ~\$15k (previous quarters all balanced), which could change our numbers (decrease to total expenditures) - likely this is due to shifting expenses from General Fund to grants which haven't been recorded on our side.
- General Government expenditures totaled \$1,447k and all year-end entries, with the exception of the BOE/SES reconciliation are complete. We do need to do one more budgetary transfer at this month's meeting (next agenda topic).
- Overall, our P&L currently reflects a surplus in the range of \$161k, vs. a budgeted deficit of \$106k (and an estimate from last month's report of \$150-170k). The positive variance vs. budget is driven by the RD11 surplus return, BOE/SES surplus and savings throughout departments in the General Government.
- Once the Board has acted on the proposed budgetary transfers and the BOE/SES reconciliation is complete, I will distribute unaudited reporting to the Board via email and post to the Finance page on the Town's website.
- The auditors will book entries to “true-up” the balance sheet accounts related to Tax Revenues, which will likely change our P&L. On a pre-audited basis, our year end fund balance currently stands at \$953k, of which \$432k is reserved to balance the FY22 budget and another \$18k reserved for various town clerk and town recording fees. The undesignated fund balance is \$502k.
- **CAPITAL:** No June spend from CNR funds, current balance \$113.5k. Final invoicing was received and posted this week for spring paving projects, TAR fund finished with \$130.3k in expenses vs. revenues of \$153k with a total balance available for future projects of \$87.2k. No spend from the BOE CNR account this year, balance stands at \$96.6k. The Board will need to make a decision about the BOE CNR funding based on the school's final surplus later this fall (which will get booked back into FY21 financials).

### **FY2021 Audit**

- Auditors have provided their list of materials needed for fieldwork and we have begun uploading materials to their secure portal.
- Field work for the audit will happen in the weeks of September 6 and 13th

### **July 2021 financials**

- July's financials are incomplete as focus has been on finalizing June for the auditors. I anticipate that we will review both July and August at next month's meeting.

**Other Key activities**

- Tropical Storm Isaias expenses - FEMA has denied the claim for debris removal due to lack of burn permit at the Transfer Station, but we anticipate receiving funds for emergency protective measures in the amount of approximately \$8k.
- P-card program is well underway, especially by Public Works Department, with cards being used in place of many items that previously required paper invoices and checks to be cut

**Upcoming due dates and activities**

- State UCOA reporting for the year ended June 30, 2020 has been extended again (until August/September) due to implementation of new FHMS system at the state
- Final correcting entry to clean-up BOE balance sheet in Accufund
- Attempts to resolve ongoing “account ownership” issues with Intuit have been unsuccessful, and introduces risk in the payroll process. Will be exploring other options for payroll processing as a result.
- Update to Financial Processes document has been postponed, but hope to use UCONN intern to help with this document over the coming year. The plan is to include detailed information about each of the Town’s Funds as well.