



DOUGLAS B. HARDING
Chairman

STATE OF CONNECTICUT – COUNTY OF TOLLAND
INCORPORATED 1786

TOWN OF ELLINGTON

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DANIEL KEUNE
Vice Chairmen

BOARD OF FINANCE REGULAR MEETING AMENDED January 7, 2025 Minutes

MAURICE BLANCHETTE
LOGAN JOHNSON
ELIZABETH NORD
BARRY C. PINTO

Members Present: Douglas Harding, Daniel Keune, Barry Pinto, Maurice Blanchette, Logan Johnson – via zoom.

Members Absent: Liz Nord.

Others Present: Matt Reid – Town Administrator, John Rainaldi – Town Assessor, Lori Spielman – First Selectmen, Tiffany Pignataro – Finance Officer/Treasurer, Tom Palshaw – Resident, Brandon Cathcart – Auditor via zoom, Jessica Aniskoff – Auditor via zoom, Mary Blanchette – Library Board via zoom, Alisha Carpino - BOE Director of Finance & Operations.

Call to Order

The Chairman called the meeting to order at 6:03 pm.

Pledge of Allegiance

Public Comment

None came forward.

Approval of Minutes

Regular Meeting – December 3, 2024

A motion to approve the December 3, 2024 Regular Meeting minutes.

MOVED (KEUNE) SECONDED (BLANCHETTE) AND PASSED (AYE: KEUNE, BLANCHETTE, HARDING, JOHNSON; ABSTAIN: PINTO) TO APPROVE THE DECEMBER 3, 2024 REGULAR MEETING MINUTES.

Presentation

CliftonLarsonAllen – FY2024 Audit Presentation

Jessica Aniskoff from CliftonLarsonAllen presented the Town of Ellington's June 30, 2024, audit to the Board. The audit included an executive summary of the financial statements, which

received an unmodified opinion. There were no findings reported regarding internal control compliance. The Federal Single Audit also resulted in an unmodified opinion on the major federal program, with no compliance issues or significant deficiencies in internal control over compliance. Similarly, the State Single Audit received an unmodified opinion on the major state programs, with no compliance findings or significant deficiencies in internal control over compliance. For more detailed information, please refer to the attached presentation.

Financial Report

Mrs. Pignataro reviewed the financial highlights for the year ending November 30, 2024. To provide an accurate financial picture for the Board, the following tasks were completed: reconciling all Town bank accounts, recording Town deposits and payments, and reconciling investment and inter-fund accounts, including those with the Board of Education.

As of November 30, 57.0% of property tax revenue has been collected, a slight decrease from 57.5% at the same time last year. The Town has also received a \$2,585,412 Education Cost Sharing Grant and a \$170,492 Road Aid Grant. Year-to-date investment earnings total \$753,189 YTD, compared to a budgeted amount of \$520,000.

Mrs. Pignataro reported that the Building Department has received 68.2% of its budgeted revenue, while the Land Use Department has received 56.0% of its projected revenue. The Center Fire Department is currently experiencing higher-than-expected spending due to unanticipated costs for motor vehicle parts and repairs. Additionally, Recreation Town wide Maintenance has exceeded its budget, with further maintenance purchases anticipated in August and September. However, any slight overage is expected to be covered by Recreation Department revenue.

New Business

FY2025-26 Budget Guidelines

Mr. Johnson expressed a preference for department heads to visually represent budget information. Mr. Reed added that throughout the deliberation process, his goal is to provide taxpayers with a clear understanding of how their dollars are being allocated.

Motion to move to approve the budget guidelines for fiscal year 2025-2026 as presented.

MOVED (KEUNE) SECONDED (PINTO) AND PASSED UNANIMOUSLY TO MOVE TO APPROVE THE BUDGET GUIDELINES FOR FISCAL YEAR 2025-2026 AS PRESENTED.

Unfinished Business

Board of Education CIP

Mr. Keune noted that during the last meeting, there was a discussion regarding the Board of Education using funds for an item not originally specified. He expressed his gratitude to the departments for their thorough efforts in reviewing the minutes to verify the details. After clarification, it was determined that the funds were not specifically intended for the Crystal Lake gym floor.

Committee/Liaison Updated

a. American Rescue Plan Act (ARPA)

No update.

a. Shared Services

No update.

b. Deferred Compensation

No update.

c. Ad Hoc Emergency Services

No update.

d. Permanent Building

No update.

e. Board of Education Liaison

Mr. Keune stated they are in full budget mode. There is a meeting the 15th at 6pm and a Capital Improvement presentation on January 27th.

f. Hall Memorial Library Liaison

No update.

Adjournment

MOVED (BLANCHETTE) SECONDED (PINTO) AND PASSED UNANIMOUSLY TO ADJURN THE MEETING AT 6:58 PM.

Respectfully submitted:

Elizabeth Phelps, Recording Secretary



We'll get you there.

Town of Ellington, Connecticut June 30, 2024 Audit Presentation

January XX, 2024

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Agenda:

- Terms of the Engagement
- Executive Summary
- Financial Highlights
- Federal and State Single Audit
- Governance Communication
- Upcoming GASB Pronouncements



Terms of the Engagement:

- Express opinions on whether the basic financial statements are presented in accordance with GAAP
- Express an “in relation” to opinion on the schedule of expenditures of federal awards and schedule of expenditures of state financial assistance.
- Express an opinion on compliance related to major federal and state award programs
- Provide a report on internal control over financial reporting and compliance with laws, regulations, contracts and grants
- Provide a report on internal control over compliance related to major federal and state award programs



Executive Summary

- Financial Statements
 - Unmodified opinion on the financial statements
- ● No findings reported in report on internal control and compliance

Federal Single Audit

- Unmodified opinion on the major federal program
- No compliance findings or significant deficiencies in internal control over compliance

State Single Audit

- Unmodified opinion on the major state programs
- No compliance findings or significant deficiencies in internal control over compliance





Financial Statements

Overview

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Financial Highlights

Government Wide Financial Statements

	Governmental Activities		Business-Type Activities	
	2024	2023	2024	2023
Assets:				
Current Assets	\$ 56,461,803	\$ 32,744,687	\$ 11,920,151	\$ 11,746,894
Capital Assets, Net of Accumulated Depreciation	87,469,085	74,218,851	8,923,688	8,704,677
Total Assets	143,930,888	106,963,538	20,843,839	20,451,571
Deferred Outflows of Resources	4,734,964	4,782,338	-	-
Liabilities:				
Current Liabilities	31,531,279	10,251,090	860,460	781,661
Long-Term Liabilities Outstanding	25,126,137	26,528,775	305,824	402,128
Total Liabilities	56,657,416	36,779,865	1,166,284	1,183,789
Deferred Inflows of Resources	2,103,955	2,588,733	-	-
Net Position:				
Net Investments in Capital Assets	75,742,986	61,724,901	8,532,699	8,202,985
Restricted	7,239,458	6,208,857	-	-
Unrestricted	6,922,037	4,443,520	11,144,856	11,064,797
Total Net Position	\$ 89,904,481	\$ 72,377,278	\$ 19,677,555	\$ 19,267,782



Financial Highlights –Governmental Funds

	General Fund	ARPA Fund	Education Grants Fund	Windermere School Addition/ Renovation Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes, Interest, and Lien Fees	\$ 53,879,684	\$ -	\$ -	\$ -	\$ -	\$ 53,879,684
Intergovernmental Revenues	20,385,923	1,387,123	1,235,055	7,574,330	4,505,417	35,087,848
Charges for Services	1,813,858	-	-	-	4,356,885	6,170,743
Investment Earnings	1,675,312	222,933	-	334,330	261,238	2,493,813
Other Revenues	114,379	-	-	-	161,689	276,068
Total Revenues	77,869,156	1,610,056	1,235,055	7,908,660	9,285,229	97,908,156
EXPENDITURES						
Current:						
General Government	2,157,902	143,840	-	-	146,549	2,448,291
Boards and Agencies	120,821	-	-	-	-	120,821
Public Safety	3,559,589	766,352	-	-	44,060	4,370,001
Public Works	5,234,387	45,206	-	-	-	5,279,593
Recreation	720,414	-	-	-	-	720,414
Library	769,781	-	-	-	35,320	805,101
Human Services	842,858	-	-	-	131,658	974,516
Town Properties	683,927	-	-	-	-	683,927
Education	53,550,441	431,725	1,235,055	-	5,272,914	60,490,135
Other	3,476,223	-	-	-	-	3,476,223
Debt Service:						
Principal Payments	1,719,465	-	-	-	-	1,719,465
Interest and Fiscal Charges	397,773	-	-	-	-	397,773
Capital Outlay	1,607,914	-	-	10,259,936	3,981,518	15,849,368
Total Expenditures	74,841,495	1,387,123	1,235,055	10,259,936	9,612,019	97,335,628
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,027,661	222,933	-	(2,351,276)	(326,790)	572,528
OTHER FINANCING SOURCES (USES)						
Transfers In from Other Funds	624,362	-	-	-	150,649	775,011
Transfers Out to Other Funds	(150,649)	-	-	-	(624,362)	(775,011)
Total Other Financing Sources (Uses)	473,713	-	-	-	(473,713)	-
NET CHANGE IN FUND BALANCES	3,501,374	222,933	-	(2,351,276)	(800,503)	572,528
Fund Balances - Beginning of Year	16,056,637	185,251	-	(1,875,441)	9,343,247	23,709,694
FUND BALANCES - END OF YEAR	<u>\$ 19,558,011</u>	<u>\$ 408,184</u>	<u>\$ -</u>	<u>\$ (4,226,717)</u>	<u>\$ 8,542,744</u>	<u>\$ 24,282,222</u>



Financial Highlights –Proprietary Funds

	Business-Type Activities - Enterprise Funds				Governmental
	Sewer Authority Fund	Crystal Lake Sewers Fund	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES					
User Charges	\$ 2,581,010	\$ 215,920	\$ -	\$ 2,796,930	\$ -
Assessments	17,827	-	-	17,827	-
Permits and Fees	2,400	-	-	2,400	-
Solid Waste Fees	-	-	525	525	-
Charges For Services	-	-	-	-	7,069,618
Other	52,500	24,171	-	76,671	-
Total Operating Revenues	2,653,737	240,091	525	2,894,353	7,069,618
OPERATING EXPENSES					
Town of Vernon Fees	1,885,431	-	-	1,885,431	-
Town of Stafford Fees	-	109,225	-	109,225	-
Depreciation and Amortization	293,689	140,271	-	433,960	-
Salaries and Benefits	200,244	54,571	-	254,815	-
Utilities	32,915	14,458	-	47,373	-
Equipment	14,787	10,377	-	25,164	-
Administration	32,191	3,577	-	35,768	-
Engineering	66,177	5,380	-	71,557	-
Repairs and Maintenance	65,883	12,000	-	77,883	-
Claims	-	-	-	-	6,229,358
Other	15,443	2,322	-	17,765	-
Total Operating Expenses	2,606,760	352,181	-	2,958,941	6,229,358
OPERATING INCOME (LOSS)	46,977	(112,090)	525	(64,588)	840,260
NONOPERATING REVENUES (EXPENSES)					
Income on Investments	409,449	70,763	-	480,212	-
Interest Expense and premium amortization	(5,851)	-	-	(5,851)	-
Total Nonoperating Revenues (Expenses)	403,598	70,763	-	474,361	-
CHANGE IN NET POSITION	450,575	(41,327)	525	409,773	840,260
Net Position - Beginning of Year	14,642,690	4,485,438	139,654	19,267,782	743,092
NET POSITION - END OF YEAR	<u>\$ 15,093,265</u>	<u>\$ 4,444,111</u>	<u>\$ 140,179</u>	<u>\$ 19,677,555</u>	<u>\$ 1,583,352</u>



Financial Highlights

- General Fund

- Fund balance \$19.6M

- ◇ Committed-\$10.4M
 - ◇ Capital \$7.2M
 - ◇ OPEB \$1.9M
 - ◇ Mill Rate Stabilization \$1.2M
- ◇ Assigned -\$745k
 - \$592K Subsequent Year's Budget
 - \$153K Encumbrances
- ◇ Unassigned -\$8.4M



Financial Highlights

- General Fund

- Budgetary Revenues -\$1.4M more than budgeted
- Budgetary Expenditures -\$987k less than budgeted
- Property tax collections 99.2% of current year levy as compared to 99.5% in 2023

- Net Pension Liability

- LOSAP increased \$128K to \$846K
- MERS decreased \$73K to \$9.7M

- Net OPEB Liability

- Decreased \$89K to \$4.9M





Federal and State Single Audit

Overview

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Federal Single Audit:

- Total federal awards expended -\$5.1M
- Major programs
 - ARPA
 - Highway Planning & Construction
- Unmodified opinion on major program compliance
- No compliance or internal control findings



State Single Audit:

- Total state awards expended -\$17.3M
 - Exempt Programs -\$14.9M
- Major programs:
 - ☐ Open Choice
 - ☐ Community Conservation and Development
- Unmodified opinion on major program compliance
- No compliance or internal control findings





Governance Communication

Summary

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Governance Communication:

- New standards adopted in the current year.

Significant Estimates

- IBNR (incurred but not reported)
- Net Pension (LOSAP), OPEB Liability

- No disagreements with management

Management did not consult with other accountants

No difficulties encountered in performing the audit

- Uncorrected misstatements ~ immaterial effect of GASB 96

No independence issues





Upcoming GASB Pronouncements

Summary

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GASB Standards:

- Implementation Year 2025:
 - Statement 101 –Compensated Absences
 - Statement 102 –Certain Risk Disclosures
- Implementation Year 2026:
 - Statement 103 –Financial Reporting Model Improvements





Questions?

