

9/25/2024

RUTLAND TOWN SELECT BOARD COMMITTEE MEETING

FINANCE COMMITTEE

WEDNESDAY SEPTEMBER 25th, 2024

The Finance Committee of the Rutland Town Select Board met at 3:30 PM on Wednesday September 25th, 2024, at the Municipal Town Hall. Present was Select Board Chair Mary Ashcroft, Select Board Member Matt Getty, Town Fire Chief Chris Clark, Town Deputy Police Chief Ted Washburn, Public Safety Building Clerk John Paul Fagnant, Town Treasurer Kari Clark, Assistant Town Treasurer Susan McGee, Assistant Town Treasurer Deb Hall, and Town Auditor Andrew Simonds.

The Committee discussed the capital improvement balances and calculations, the Cortina Inn balances and calculations and the need for a single audit.

A compliance audit will be needed in FY24, not a single audit. Mr. Simonds will give the town an engagement letter soon.

The committee discussed the capital improvement balance with the Town Auditor.

1. The current calculations come from NEMRC, with the payments which have come out. It does not capture the FY24 surplus, due to the audit being in progress.
2. A surplus from FY24, somewhere between \$700,000 and \$800,000, is expected. This is an unaudited number.
3. Without this surplus, based on the VMS contract payments due, the current remaining capital improvement fund balance would be depleted.
4. Anything earmarked but not spent would not be part of the calculation yet.
5. Expenditures through June 30th, 2024, are part of the audit. Expenses after July 1st are not.
6. Reviewed the items earmarked, but not spent. This includes bond interest payments, the FD washer, and the security system. The meeting last night approved another \$1800.
7. Discussed the expected costs for additional site improvements. We have not been billed for these yet.
8. There is a \$22,791 shortfall at the moment. There is an additional \$269,388 of expected contractor expenses to be paid for by carry over funds. There should be approximately \$430,612 left after these expected expenses.
9. There is approximately \$31,200 in additional items needed for inside the building.
10. Approximately \$373,000 on additional costs have been paid above the VMS contract.
11. The additional cost for the extra parking lot area is \$78,735, including a guardrail.

12. A summary of what was discussed so far was done.
 - a. The Capital Improvement fund was analyzed using the figure from the 2023 audit and estimates the surplus ending FY24 would be between \$700,000 and \$800,000.
 - b. The Capital Improvement fund was overspent by \$12,791.
 - c. Items which have been earmarked from this fund, but not paid, need to be accounted for.
 - d. There is an additional \$9984.07 owed to VMS.
 - e. \$75,862 has been authorized for bond interest payments this year.
 - f. Approximately \$25,000 for the Fire department gear washer.
 - g. Approximately \$85,000 for the security system contract.
 - h. Additional site improvements are \$78,735.
 - i. Approximately \$33,000 in remaining costs for outfitting the interior.
 - j. There will be an estimated additional \$200,000 in soft costs.
 - k. Using an assumed surplus number of \$700,000 and subtracting these planned expenses, it would leave \$179,612 available.
 - l. There are 2 expenses, the PD fingerprint reader and the FD cascade system, not included in planned expenditures.

The committee discussed the Cortina Inn balance with the Town Auditor.

1. The approximate balance is \$125,000. This accounts for the two checks received recently, and payments for directed patrols.
2. There may be more based upon what happened with unspent balance in the last fiscal year.
3. Some further review is needed to determine what it actually is.
4. This will be verified with the audit report.
5. Funds were included in the current budget, to be offset by Cortina Inn funds, for the hire of a new officer. The new officer starts tomorrow.
6. Discussed what methodology is being used to handle these funds. If the same is used as before, FY24 would have a \$67,000 surplus to be carried over, plus the 2 checks received in this fiscal year. The balance is approximately \$105,000.
7. Discussed separating these funds out into their own account. This was brought up at a Board meeting. The funds will be tracked but will not be in a separate account.

The meeting adjourned at 4:31PM.

Respectfully submitted, Bill Sweet