

Scott Chapman

From: James McNair <jdmac3ct@gmail.com>
Sent: Monday, April 22, 2024 1:34 PM
To: Scott Chapman
Subject: Possible reform to budget question

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Scott,

Good day to you. In my efforts to educate voters I share town audits and year end munis reports on file. Anecdotally, people comments offered surprises. They didn't realize the full authority of the Boards when it comes to budgets approved by the voter.

I was curious if the referendum ballots could add two footnotes at the bottom. That way voter expectations are more realistic.

Thanks for your time and consideration.
James D. McNair III

Ex BOE
Ex BOF

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**OFFICIAL BALLOT
REFERENDUM
Colchester, Connecticut
May 24, 2022**

BUDGET QUESTION

1. **“SHALL THE TOWN OF COLCHESTER APPROVE THE PROPOSED FISCAL YEAR 2022-2023 BUDGET OF THE BOARD OF SELECTMEN IN THE AMOUNT OF \$16,038,444 AS RECOMMENDED BY THE BOARD OF FINANCE?”**

YES

NO

2. **“SHALL THE TOWN OF COLCHESTER APPROVE THE PROPOSED FISCAL YEAR 2022-2023 BUDGET OF THE BOARD OF EDUCATION IN THE AMOUNT OF \$42,025,701 AS RECOMMENDED BY THE BOARD OF FINANCE?”**

YES

NO

**The Boards have full authority to revise budget by line item.
The Boards have full authority to spend less than amount approved**

Sent from my iPhone

Scott Chapman

From: Michael Dubreuil <dubreuil@gmail.com>
Sent: Thursday, April 25, 2024 8:10 AM
To: Scott Chapman; Mike Egan; Mike Hayes; Karen Belding; John Thomas; Tim Vaillancourt
Cc: Bernard Dennler
Subject: Correspondence on Town Finance Department

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Dear BOF members,

I think the fundamental question the BOF needs to ask the First Selectman is: when will we have a fiscal year where the town finance department completes all their activities (budget book, audit, etc.) on time and without the additional costs of outside consultants?

From a citizens perspective, that hasn't been able to happen since the bifurcation of the town and education finance departments- and it doesn't appear it will happen for the future 2024/2025 budget year.

I think this question wades into the Board of Selectmen's purview, but ultimately is squarely within the Board of Finance's managerial responsibilities which are not often recognized. See "[Handbook for Connecticut Boards of Finance](#)".

Since bifurcation (2022) we have had two Finance Directors who have been unsuccessful in their positions. At this point, we need to examine if this is a them problem or an us problem; we need to take an introspective look at what is happening. Are we putting town finance in a position to be successful? I would submit to you that this BOF would be derelict of their duties if this board doesn't take this task on now.

We never did get a public report on what happened with Debbie Kratochvil. From what has been told to me, she took a vacation and never returned. Maybe that's true, maybe it's not; nonetheless she resigned apparently frustrated. I also understand she had several experienced employees leave for the BOE Finance Department. She was dealing with a tough situation, and perhaps didn't get the support she needed to be successful.

With Mary Williamson we did receive a report on what was happening. While I have publicly expressed skepticism on certain aspects of the report, I think broader conclusions can be made.

For example, Ms. Williamson apparently paid herself out for unused vacation. Whether or not that was allowable is a different question than I think what is important here: why did such a large balance accrue and why wasn't Ms. Williamson using her vacation? I think that points to a lack of staffing, she couldn't take a vacation because the work needed to be done.

Then you have aspects of the report where the work completed wasn't up to expectations: the IRS Payroll Tax Issue, "employee portion of the health insurance contribution", "balance payroll cash accounts".

These issues appear to be “behind the scenes” issues where the BOF wouldn’t typically receive a report on, and sometimes it was unclear who exactly was responsible. It sort of defies typical convention that the HR director wouldn’t be responsible for managing an employee's benefits- but that is apparently the responsibility for the Finance Director. From a news report Ms. Williamson claims to have never seen the IRS notices and “that was being handled by the board of education”.

From a high level it would appear that the Finance Director is so overworked she can’t take a vacation, that the work the department is completing isn’t up to expectations, and there appears to be a problem with the town and BOE finance departments working together. I think we need to look at this holistically and ask ourselves if we are putting the entire town finance department into a position of being successful. To do that, I think you need to look at bifurcation and how we got here.

At a BOS meeting on March 17, 2022 Maggie Cosgrove, then CFO, states: “*Ultimately there will be two Finance Directors, one of the town side and the other for the Board of Education.*” Once the plan is implemented, Ms. Cosgrove can retire, and hopefully everything goes well.

At a BOS meeting on May 18, 2022 the town hired Debbie Kratochvil as the next Finance Director. In February of 2023 she was replaced by Mary Williamson.

On July 1, 2022 Superintendent of Schools Dr. McDowell offered the position of Business Director to Rachel Linkkila. This position is the board of education finance director position Ms. Cosgrove was referring to March 17, 2022.

The Board of Education Finance department is managed by a Business Director with three employees reporting to her. She has one Accountant and two Finance Associates. So we have 4 people in that office, and apparently things are going smoothly.

Prior to First Selectman Dennler taking office, the town finance department was managed by a Finance Director with two employees reporting to her. She had an Accountant and a Payroll and Accounts Payable Assistant. So we have 3 people in that office, and apparently things are not going smoothly.

I’m going to make a claim here that I believe to be true. The BOE’s Business Director is paid more and has less responsibility and accountability than the town’s finance director. I’m not saying the Business Director should be paid less, I’m saying the town has done a terrible job with bifurcation, and it’s continuing.

At the BOF workshop on April 24th, the First Selectman explained how he believes it’s important for the town finance department to be staffed by 4 people. He made this request without any evidence. I’m telling you, the office needs at least 5 people, and I’m not in a position to provide evidence.

The evidence that is critically needed is a roles and responsibilities breakdown for all financial transactions in the town of Colchester and under the BOF’s purview split between the town and BOE finance departments. I believe this will show the town finance department needs to accomplish more work than the BOE finance department, and necessitates a larger staff. (For example, BOE doesn’t deal with revenue.)

In conclusion, this BOF needs to take immediate corrective action now. Without addressing this now,

you're kicking the can down the road, and who knows when the town finance department will ever function in a manner that meets the needs and expectations of the town's citizens.

Sincerely,
Michael Dubreuil

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