

BOARD OF FINANCE
APRIL 23, 2009
SPECIAL MEETING
MINUTES

Present: Kathy McGannon, Marty Shapiro, Tom Tesoro, William Crooks, Ken Martin and alternate Lisa Valenti (who will be voting in place of Mark Smith)

Also: Lynn Heim, D/F; Ray Baldwin, F/S; Dan Schopick, T/A

The Special Meeting of the Board of Finance was called to order at 7:00 p.m. by Chairman Kathy McGannon. All those present joined in the Pledge of Allegiance.

The Chair asked the approval of the Board to change the order of the Agenda.

Bill Crooks moved to amend the order of agenda items as follows: 4/09/01; Treasurer's Report; 4/09/02, 4/09/02.1; 4/09/03; 3/09/02; 4/09/04; 4/09/05; 4/09/06; Internal Audit Report; Approval of Minutes; seconded by Tom Tesoro. Motion carried unanimously.

Suspense List...Present: Brenden McDonough, Tax Collector. This is the certification to the Board for the transfer of uncollected property taxes to the Suspense List. The Town is required to do this annually. The significance of this is that it now adds a collection agency to the effort to collect these unpaid taxes. Prior to that all efforts have been done internally through the Tax Collector's office through the normal channels. Eighteen percent of what is collected goes to the collection agency as their fee.

Motion made by Marty Shapiro; seconded by Bill Crooks to accept Suspense List as presented. Motion carries unanimously 6 – 0

Treasurer's Report...Present: Robert Wright, Treasurer. Mr. Wright tried to keep the report as simple as possible giving all the basic information. If there is anything someone wants, let him know. Mr. Crooks wants to be sure that the Treasurer gives this Board the up-to-date year-to-date income for the May report when we set the mill rate. Mr. Crooks speculated that we are running about \$170,000 behind the budgeted amount. It looks like we will be short about \$150,000-\$200,000. Mr. Wright agrees that there is a significant drop off in the interest rate structure due to the economy, but not much can be done about that.

Treasurer's Report accepted as presented by the Board.

4/09/02...RESOLUTION APPROPRIATING \$610,000 FOR THE PLANNING, ACQUISITION AND CONSTRUCTION OF SANITARY SEWERS, PHASE IV, PART B, CONTRACT IV, AND AUTHORIZING THE ISSUE OF AN ADDITIONAL \$610,000 BONDS OR NOTES OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE.

It was moved by Mr. Shapiro; seconded by Mr. Tesoro.

Present: Joseph Solemene, Asst. Sewer Administrator...This is an increase to the Huntington Road piece that was approved previously for \$850,000. We are preparing to go out to bid. Before we can begin construction, we need to obtain 33 easements. We are more than half way there; however, there are costs associated with obtaining these easements, i.e., maps, design, bid packages, appraisals, easement acquisition payments.

Once the easements are secured and we get a bid number, Mr. Solemene will be back to ask for a significant amount to begin the No. Nichols job. With that bond request a map of the entire project will be enclosed.

This bond will be enough money for the easements and the appraisals.

Motion carries unanimously 6 – 0

4-09-02.1...RESOLUTION APPROPRIATING \$1,360,000 FOR THE REPLACEMENT OF THE ROOF AT JANE RYAN SCHOOL, AND AUTHORIZING THE ISSUE OF \$1,360,000 BONDS OF THE TOWN TO MEET SAID APPROPRIATION AND PENDING THE ISSUANCE THEREOF THE MAKING OF TEMPORARY BORROWINGS FOR SUCH PURPOSE.

It was moved by Mr. Shapiro; seconded by Mr. Tesoro.

Present: Al Barbarotta, Roof Project Bldg. Committee...Mr. Barbarotta explained that at this time we have secured the services of Silver Petrucelli as architect. We are now in the process of preparing the ED049. The state says we have to have a commitment from the Town for the full cost of the construction project before submitting the ED049. Roof projects are Category 1 projects and can be submitted any time during the year. However, our intent is to get this design approved by the building committee and the Town Council and get it out to bid so that we can construct and have the majority of this roof project completed this summer prior to the students and staff getting back in September. The roof project is reimbursed about 31% on 1.2 million dollars.

It was noted that Mr. Barbarotta's has volunteered his corporation to act as Clerk of the Works.

Chair received a letter from the Mr. Iassogna that the \$87,000 originally appropriated for this will be returned to the General Fund.

Motion carries unanimously 6 – 0

4/09/03...Town Hall...Appropriate from Unreserved Fund Balance the sum of \$20,000 to Account 01013800-578802 Maintenance Rep/Bldg to cover unforeseen mold remediation in the Town Hall.

It was moved by Mr. Shapiro; seconded by Mr. Tesoro.

This repair account is \$11,000 in deficit. We are hoping to cover this deficit plus an additional \$9,000 to get through the end of the fiscal year.

Mr. Crooks stated that Ms. Heim gave them a draft of a memo which indicated what the three or four items were. There was a transformer, mold remediation and a compressor.

This item to be set aside and acted on when Ms. Heim returns.

3/09/02...Recreation...Mr. Shapiro moved to remove from the table Item 3/09/02 Appropriate from the Unreserved Fund Balance \$8,448 to Account 01080400-501101 Salaries/FT to pay for unused comp time. Motion carried unanimously 6 – 0

Mr. Shapiro moved; seconded by Mr. Tesoro.

The Chair stated that no one disputes the hours worked by the Recreation Director. This is the only department that has this kind of over time potential that does not have an overtime account in the budget. This department runs 7 days a week from 5 a.m. to 11 p.m. It is a very different department with so many programs.

Mr. Tesoro thinks that the accumulation of over ten years is a bad idea. We should make sure that this is a situation that does not take place again. If the department head was aware of this, it should have been put in the budget so that we, the Board, would be aware of it.

Chair stated it was her understanding that this had been put in her budget but was turned down on two occasions. It had previously been paid out in the past under two administrations.

The labor attorney has given us an opinion which states we have to pay her and not only do we have to pay her but we have to pay at her current hourly rate.

Mr. Crooks commented that this item was cost out with the hope that the amount could be reduced to \$7,064 but later during the day a legal opinion had been received from the legal firm that handles our negotiations saying that we are obliged to pay out any and all time on the basis of the current rate. Mr. Crooks also has concerns with the budget process. He stated that he cannot excuse this department head in not coming before this Board before to put this item before us.

Mr. Crooks is so disturbed by this that he is going to abstain. He finds it difficult to vote against the attorney's opinion so he will not vote no. Mr. Martin concurs with Mr. Crooks and he too will abstain from voting.

Mr. Shapiro moved to amend amount to \$9,819, an increase of \$1,471 which reflects the hours at the current rate of pay.

Amendment carries 4 – 0 - 2 (Crooks, Martin)

Motion as amended carries 4 – 0 – 2 (Crooks, Martin)

4/09/03 continued...It was requested of Ms. Heim to provide a list of the items purchased to show the additional monies spent to bring this account in deficit.

Motion carried unanimously 6 – 0

4/09/04...Social Services...Appropriate from Unreserved Fund Balance....

It was moved by Mr. Shapiro; seconded by Mr. Tesoro.

Mr. Shapiro moved to amend as follows: Transfer from Account 01050000-534401 Materials & Supplies the sum of \$150 to Account 01050000-567703 Travel Reimbursement; seconded by Mr. Martin.

Motion on amendment carried unanimously 6 – 0

Vote on motion as amended carried unanimously 6 – 0

4/09/05...Approval of Transfers made by Lynn Heim, Director of Finance...Motion to approve made by Mr. Shapiro; seconded by Mr. Tesoro. Motion carried unanimously 6 – 0

Recess: 8:15 p.m. - 8:30 p.m.

4/09/06...Discussion: Use of 50% of Current Year's Surplus Deposited Into Pension Fund

Present: First Selectman Ray Baldwin...Mr. Baldwin explained that he has been exploring a lot of different possibilities to help offset a portion of the pension deficit. He suggests using 50% of the current fiscal year's excess revenue deposited into the pension fund or 25% of any Grand List growth. He is also exploring the possibility of how long it would take to get to the level we should be if we were to put in two million dollars a year for the next ten years or if we were to consider pension bonding. We have gone through contract negotiations and have gotten the unions to make larger contributions.

Internal Audit Report...Present: Lynn Heim and John DelVecchio to answer any questions.

Mr. Tesoro believes there is no wrong doing. It is more along the lines of how does this practice come about, how is it accounted for, and do we have the proper controls in place

Mr. DelVecchio was questioned about the barter system being used on the Spring Hill property. The barter system was started under Wilson/Halaby. At that time, John was the Deputy Director of Public Works and was not involved in it. The Town had entered into the barter system with Infante & Sons where they provided to the town materials or services in lieu of payment for parking their equipment on the Spring Hill property. At that time insufficient reporting as to if these services were received by the town. Also there was no contractual agreement, no inventory of what vehicles belonged to this company and no proof of registration and insurance found in the files. Another company, A&A Paving had not been adequately billed and they too owed the town money. Once John was made aware of this, he contacted both companies and put a stop to it. Both companies have since paid the past-due and current rent and the bartering stopped. Both of these companies have relatives currently working in Public Works.

Mr. DelVecchio has spent a lifetime building his reputation. Whatever the dollar amount, he would not compromise his position. Whatever he does is for the good of the town. The practices have been cleaned up, the bartering has stopped and documentation for everyone who uses Spring Hill has been turned in.

Amended changes to Minutes of March 12, 2009 Voting Session:

Page 4...Total Assessor...\$321,276
Tax Collector...556601 Seminars reduced by \$275 to \$275.

Page 5...Total Town Clerk...\$211,545, an increase of \$3,380
01014200...Planning & Zoning...Smith moved; Crooks seconded to increase 501102 by \$3,030.
Total Planning & Zoning...\$172,336, an increase of \$3,030

Page 8...Public Works-Hgwy...Reduce 556601 by \$200 to \$200

Motion made to approve amended minutes of March 12, 2009 by Mr. Shapiro; seconded by Mr. Tesoro. Motion carried 5 – 0 – 1 (Valenti)

Motion made to approve minutes of March 18, 2009 made by Mr. Shapiro; seconded by Mr. Tesoro. Motion carried 5 – 0 – 1 (Shapiro)

Motion made to adjourn made by Mr. Tesoro; seconded by Mr. Shapiro.

Meeting adjourned at 9:28 p.m.

Respectfully submitted,

Gail Bokine, Clerk