

BOARD OF FINANCE
MAY 15, 2008

Present: Kathy McGannon, Marty Shapiro, Tom Tesoro, Bill Crooks, Ken Martin, Mark Smith and alternate Joanna Bruner

Also present: Ray Baldwin, F/S; Lynn Heim, D/F; Maria Pires, Asst. D/F; Lynn Scully, Internal Auditor; Anthony Musto, Town Treasurer; and Dan Schopick, Town Attorney

The regular monthly meeting of the Board of Finance was called to order at 7:05 p.m. by Kathy McGannon, Chairman. All those present joined in the Pledge of Allegiance and a moment of silence to remember our servicemen and women stationed around the world.

Public Comments: None

Approval of minutes of April 10, 2008...Marty Shapiro moved to approve minutes as presented; seconded by Tom Tesoro. Motion carried unanimously.

Internal Auditor's Report...Lynn Scully presented an update of the work she is doing in the area of revenues. She provided the Board with a draft of Town departments that are supported by or associated with outside organizations. She has begun meeting with department heads and representatives of some of the outside organizations. All sources of revenue will be looked at including Special Agency.

Treasurer's Report...Anthony Musto noted that in his report the projected balance is 1.9 million dollars. We all know what is going on. Interest rates are going down and we were lucky that Fairfield County kept us locked at 4.92 but that expired in April.

Motion made by Marty Shapiro; seconded by Tom Tesoro to take item 5/08/05 out of order. Motion carried unanimously.

Marty Shapiro moved item 5/08/05; seconded by Tom Tesoro. Motion carried unanimously.

Marty Shapiro moved; Tom Tesoro seconded to TRANSFER from Fire Marshal's accounts 01022800-501887 Uniform Cleaning, \$900; 01022800-522203 Ancillary, \$125; 01022800-522205 Program Expenses, \$100; 01022800-556602 Professional Dues, \$100 and 01022800-567703 Travel Reimbursement, \$300 TO accounts 01022800-501888 Uniform Allowance, \$1,425 and 01022800-556604 Publications, \$100. Fire Marshal Megan McCarthy was present.

Motion carried unanimously.

4/08/02...Marty Shapiro moved; Tom Tesoro seconded to take Item 4/08/02 off the table. Motion carried unanimously.

Marty Shapiro moved agenda item 4/08/02 "Resolution appropriating \$190,000 for the costs associated with security improvements for the Trumbull Public Schools and authorizing the issue of \$190,000 bonds of the Town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose"; seconded by Ken Martin. Ralph Iassogna and Steve Kennedy present for discussion.

Mr. Shapiro would prefer to see that if we approve this, it be modified and come out of the supplemental from the General Fund and not a bonding resolution.

Motion made by Marty Shapiro to amend agenda item 4/08/02 to read a supplemental appropriation from the General Fund Balance to Account 01060000-522205 Program Expenses in the amount of \$190,000; seconded by Tom Tesoro. Motion carried unanimously.

Bill Crooks moved to amend motion from an appropriation in the amount of \$190,000 to \$140,000; seconded by Mark Smith. Mr. Crooks feels that the \$50,000 should be part of the obligation of the \$73,000,000 renovate as new project. Motion carried 4 – 2 (Crooks, Tesoro)

Motion on agenda 4/08/02 as amended carries unanimously 6 – 0.

5/08/01...Resolution appropriating an additional \$3,500,000 for the planning, acquisition and construction of sanitary sewers Phase IV, Part B, Contract III, and authorizing the issue of an additional \$3,500,000 of bonds or notes of the town to meet said appropriation and pending the issuance thereof the making of temporary borrowings for such purpose. Joe Solomene present for discussion.

Marty Shapiro moved; Tom Tesoro seconded.

This sewer extension adds approximately three miles and serves 121 houses. Public Hearing was held. There was overwhelming support for sewers in the extension area. Mark IV construction is extending the existing contract prices from the original contract that they bid almost seventeen months ago.

Motion carries unanimously 6 - 0

5/08/02...Tax Collector...TRANSFER from 01010120-556604 Publications to 01010120-556602 Association Dues the sum of \$30.

Marty Shapiro moved; Tom Tesoro seconded to approve as presented. Motion carried unanimously.

5/08/03...Library...TRANSFER
from 01070000-589901 Annual Rental/Leases to 01070000-567703 Travel
Reimbursement the sum of \$500.

Marty Shapiro moved; Ken Martin seconded to approve as presented. Motion carried
unanimously.

5/08/04...Public Works...TRANSFER from 01030100-501101 Salaries-FT to 01030100-
501105 Overtime the sum of \$15,000.

Marty Shapiro moved; Bill Crooks seconded to approve as presented. Motion carried
unanimously.

Recess 8:10 – 8:20 p.m.

5/08/06...Setting of Mill Rate...Discussion on whether the Board agrees with the
revenues as presented to them and to make any adjustments Board wants to make to these
revenues.

Property Taxes...no change
State of CT Revenue...no change
Town Revenue Other

Interest...Mr. Crooks feels more comfortable using \$1,050,000 instead of \$1,300,000.
The \$1,050,000 is fairly close to what the Town Treasurer recommended. It's a better
number to use and basically reflects a conservative approach. Mr. Crooks recommends
that we reduce that item to \$1,050,000 as a part of our calculation of the ultimate mill rate
that is calculated with a zero fund balance assumption. The board agreed unanimously to
make this reduction.

Town Permits, Fees, Fines...no change
Education...no change
InterFund Transfers...no change

Using zero fund balance with the change that was made the mill rate would be 24 mills,
an increase of 8.014%. This would be the First Selectman's recommendation using no
fund balance.

Mr. Crooks intends to vote against this motion using no fund balance. A year ago 4
million dollars was identified in accumulated medical insurance monies under the BOE
budget and the BOE gave back about 2.5 million dollars and in June 2007, they gave
back 1 million dollars. We did not get back the full 4 million dollars but they did
acknowledge using \$500,000 to pre-purchase against this year's budget. If we were to
account for the 4 million dollars minus the \$500,000 they used, 2.5 million dollars we
used this year, there is one million dollars or a portion of it we should consider in setting
next year's formula. For this reason I cannot accept a no use of fund balance proposal as
this money should be returned to the taxpayers

Ms. McGannon stated she is in favor of using some of the fund balance. However, we cut very deeply into the budget this year and used almost \$200,000 in supplemental appropriations. She fears we are going to have to use some of our fund balance for supplementals this year because of the deep cuts we made in the budget. If the conveyance tax does sunset, that would be another \$250,000 we would have to make up. If the interest is too high or we have supplementals, that also will have to be made up. She is in favor of using some of the fund balance but not all of it.

Mr. Shapiro is hesitant about using this \$860,000 and feels we should use some of this to build up the pension fund.

Recess 8:45 – 8:50 p.m.

Finance Director was asked to calculate the mill rate using \$700,000 of the fund balance. The mill rate would be 23.86 mills, a 7.38% increase.

Marty Shapiro moved that the mill rate for the 2008-2009 year be set at 23.86 mills; seconded by Bill Crooks.

Motion carries 4 – 2 (Shapiro, Tesoro)...Mr. Shapiro and Mr. Tesoro are not opposed to giving the money back. There's quite a bit of economic uncertainty over what to cut, and they would rather have that money in the bank and if we don't use it, return it next year. Do not like using this amount of the fund balance to reduce the mill rate.

Marty Shapiro moved to adjourn; seconded by Ken Martin.

Meeting adjourned at 9:00 p.m.

Respectfully submitted,

Gail Bokine, Clerk