

BOARD OF FINANCE  
MAY 19, 2010

Present: Kenneth Martin; William Crooks; Mark Smith; Andrew Palo  
Thomas Tesoro; Steve Lupien; and alternate Perry Molinoff

Also Present: Maria Pires, Director of Finance; John Ponzio, Town Treasurer; James Henderson, Internal Auditor

The meeting was called to order at 7:00 p.m. by Chairman Kenneth Martin. All those present joined in the Pledge of Allegiance.

Approval of minutes of April 8, 2010 and Special Meeting of April 12, 2010...Lupien moved to approve the minutes as presented; seconded by Tom Tesoro.

Minutes of April 8, 2010...Crooks amended page 2, top of page, line 3, delete “**should it me**”. Page 6, paragraph 3, line 2, change adversed to “**adverse**”; seconded by Lupien. Motion on amendments carried unanimously.

Motion on minutes of April 8, 2010 as amended carried unanimously.

Minutes of April 12, 2010...Crooks amended page 2, last paragraph should read “**Mr. Crooks**” moved to amend motion **as follows**”; seconded by Tesoro. Motion on amendment carried unanimously.

Motion on minutes of April 12, 2010 as amended carried unanimously.

Treasurer’s Report...John Ponzio, Town Treasurer...Merrill Lynch – cash has come down significantly. It will be used where we can get the best rates or for cash flow purposes. Investments at Merrill Lynch are mortgage bank securities.

Three million dollars of the Merrill Lynch money went into the STIF account. It is very accessible and can be gotten over the internet.

TD Bank is our depository bank. All of our tax receipts from the Tax Collector’s office go into TD Bank. The reason the amount is so large is because we just received approximately 9 million dollars of Bond Anticipation Notes proceeds.

Infinex Investments is the investment arm of Fairfield County Bank. We purchased some CD’s on a lateral for some 18 months with an average rate of .37%. It is totally secure and insured.

We have two proposals in house – one from TD North. We are still handling up to \$50,000 in checks in the Tax Collector’s office. TD North’s proposal provides us with scanners to be able to scan the checks; the checks would never have to go to the bank and the amount of money would immediately be deposited in the bank. We are analyzing

those deposits. There is a cost to doing that. They would like us to keep about ten million dollars on deposit. If we have the balance, there will be no cost. We got the proposal from TD end of March, early April. We should be able to make a decision by the June, beginning of fiscal year.

People's Bank charges us fees in the amount of twenty – twenty-two thousand dollars. Keeping in mind that we run thousands of checks, thousands of deposits, reconciliations, analysis, wire transfers. First thing we are trying to do is get off the wire transfers. Once we are comfortable with that, we are going to look at whether People's should be our operating bank going forward.

Newtown Savings Bank came back with a proposal that we would have investments in CD's that would earn a lot more than we are making now, as much as 1%. However, the method of insurance would be different. Instead of it being insured, they want to provide us with a letter of credit. Mr. Ponzio wants the Town Attorney to tell us that that is the same type of insured investment we have with the mortgage bank securities, with the CD's, with our cash funds.

Internal Auditor...James Henderson. Mr. Henderson reviewed his audit plan with the Board as well as the Pool Audit he did at the request of Mr. Tesoro. One of the things Mr. Henderson has done was to send out self-assessment questionnaires to various departments asking them how cash was being handled, what procedures were being used and what weaknesses they found.

Regarding the pool audit, Mr. Henderson was waiting for some bills to come in. Looking at the total cost broken out in detail, we actually spent around \$71,000 because unfortunately the Board of Ed really wasn't keeping track of their straight time on the job but basically estimated it.

Mr. Tesoro stated that when we deal with any kind of project, it should be done with the proper architectural input. Use of overtime is a lot of overtime for a project that did not have to be an emergency project. We, as a Board of Finance, are charged to make sure that every dollar is spent correctly. This type of thing of thing should not reoccur. This was not an emergency; this was not the proper way to be handled.

Mr. Lupien's problem had to do with the interpretation of the \$10,000 rule.

Mr. Smith stated to the Board that he has changed his party affiliation to "unaffiliated" for personnel reasons. He also stated that although he is now unaffiliated, he will continue to advocate for the taxpayers in town and will to the best of his ability serve them throughout his term in office.

5-10-01...WPCA...Appropriate from Account 20-315100 Retained Earnings the sum of \$50,000 to Account 20100000-522202 Professional Services for forensic auditor and attorneys' fees relating to the audit and copying fees and a small contingency.

It was moved by Smith; seconded by Lupien.

Motion made by Smith to table due to lack of documentation; seconded by Lupien.  
Motion carried unanimously. Will be brought up at June meeting.

5-10-02...WPCA...Appropriate from Account 20-315100 Retained Earnings the sum of \$65,150 to Account 20100000-581888 Capital Outlay for pump upgrade of Old Town Road.

Motion made by Smith to table due to lack of documentation; seconded by Lupien.  
Motion carried unanimously. Will be brought up at June meeting.

5-10-03...Public Works...Transfer from Account 01013800-50116 Contingency the sum of \$20,000 to Account 01013800-522203 Professional Services to obtain a Current Five year Capital Improvement Plan for all the Town Facilities.

It was moved by Smith; seconded by Lupien.

Motion made by Lupien to table until we receive additional information; seconded by Smith. Motion carried unanimously.

5-10-04...Public Works...Transfer from Account 01020100-522203 Services/Ancillary the sum of \$4,255 to Account 01030100-581888 Capital Outlay in order to acquire four computers for Highway and Parks to utilize software for better efficiency in record keeping and resident service calls.

It was moved by Smith; seconded by Tesoro.

Motion carried 5 – 0 – 1 (Crooks)

5-10-05...Snow Removal...Transfer from Account 01030101-501105 Salaries-OT the sum of \$31,000 to Account 01030101-581888 Capital Outlay in order to acquire apparatus to begin a pilot program of snow removal using liquid pre-treatment.

It was moved by Smith; seconded by Tesoro.

Motion fails 2 – 4 (Crooks, Palo, Martin, Smith)

5-10-06...Charter Revision...Appropriate from Available General Fund the sum of \$1,000 to Accounts 01010300-522201 Service & Fees-Clerical, \$360; 01010300-545501 Comm-Legal Notices, \$500; 01010300-545502 Comm-Public Reports, \$90 to be used for the startup of the Charter Revision Commission.

It was moved by Smith; seconded by Palo.

Palo moved to amend 545502 by increasing amount from \$90 to \$140; seconded by Smith. Motion on amendment carried unanimously.

Motion on amended motion carried unanimously.

5-10-07...Discussion: Funds set aside for attorney fees for fuel cell tower. Board requested Director of Finance to provide them with an updated detail in June on how much has been spent.

5-10-08...Setting of Mill Rate...Smith moved to accept mill rate of 24.59 as stated; seconded by Lupien. Discussion of Revenues

R-1...no change

R-2...Motion made to increase Special Education by \$200,000 to \$800,000(Crooks); seconded by (Martin). Motion fails 1 – 5 (Martin, Palo, Smith, Tesoro, Lupien)

R-3...Motion made to increase ECS Grant by \$200,000 to \$2,800,000 (Crooks); seconded by (Smith). Motion carries 4 – 2 (Tesoro – Lupien)

R-4...no change

R-5...no change

R-6... 0

R-7...Motion made to increase Building by \$50,000 (Crooks); seconded (Smith). Motion fails 3 – 3 (Tesoro, Lupien, Palo)

Motion made to increase Tuition by \$100,000 to \$1,100,000 (Crooks); seconded by (Smith). Motion fails 2 – 4 (Martin, Tesoro, Lupien, Palo)

Motion made to increase EMS by \$50,000 to \$1,050,000 (Crooks); seconded (Palo). Motion carries unanimously 6 - 0

Motion made by (Smith); seconded by (Palo) to accept mill rate of 24.54, an increase of 1.95%. Motion carries unanimously 6 – 0.

The Board agreed that any agenda item that comes before this Board will not be acted on unless there is sufficient backup and somebody from the department to be present at the meeting for questions.

Motion made to adjourn by Palo; seconded by Tesoro.

Meeting adjourned at 9:50 p.m.

Respectfully submitted,

Gail Bokine, Clerk

