



# TOWN OF MIDDLEBURY

*Board of Finance  
1212 Whittemore Road  
Middlebury, CT 06762*

**Meeting Minutes  
Wednesday August 12, 2015  
Shepardson Community Center Room 26  
1172 Whittemore Road**

Present: Michael McCormack, Chairman  
Dave Cappelletti, Board Member  
William Stowell, Board Member  
Stephen Ruccio, Board Member  
Michael Kenausis, Board Member  
Vincent Cipriano, Board Member  
Peter Trincherro, Alternate  
Ken Heidkamp, Alternate

Absent: Joseph Drauss, Alternate

Also Present: Edward B. St. John, First Selectman  
Larry Hutvagner, CFO  
Rachel Primus, Recording Clerk  
Elaine Strobel, Selectman  
Ralph Bara, Selectman  
Robert Smith, Town Attorney

Michael McCormack opened the meeting at 7:03 P.M.

## Routine Matters

### **1. Approval of Minutes from prior Meeting**

**VOTED:** Unanimously on a motion by Stephen Ruccio and seconded by William Stowell to **APPROVE** the June 10, 2015 meeting minutes as presented.  
Vincent Cipriano abstained.

### **2. Chief Financial Officers Report**

Larry Hutvagner noted there were 4 sets of financials included in the packets. He stated that June 30<sup>th</sup> had positive and negatives number, which they will address when they get to the budget transfers. He stated that once the transfers are done, June will come out as a net. The items that are over budget for June are the same departments and accounts they have been discussing for months. Mr. Hutvagner stated the Public Works overage for snow removal is the portion that was not covered under the \$95,000.00 from FEMA for

the blizzard. Michael McCormack stated the accounts that are over budget were brought up at past meetings. There are currently 15 departments that are over budget. He asked why the proper steps weren't taken during the year to correct this and why there was a disregard to the budget. Larry Hutvagner stated everybody needs to follow the policies, but not everyone does. Mr. McCormack noted it is up to the First Selectman to make sure the budget is followed. Edward St John said that every item is spelled out and the net amount is in the black by \$48,000.00. He noted they are not requesting money to come from any other funds; there was enough to cover expenses in the operating budget. Larry Hutvagner stated the expenditures are lower than the total budget. David Cappelletti questioned the reimbursement from FEMA. Mr. Hutvagner stated the expense was \$95,433.97 and they will receive a check for \$71,575.48. Mr. Cappelletti asked if this was in the original budget, and if an adjustment of \$95,000.00 was made without coming before the BOF. Mr. St John said it was voted on at the town meeting. A discussion ensued regarding the budget and the reimbursement from FEMA. Mike McCormack noted there are 12 to 13 departments mentioned that were over budget by the end of May and that it is up to the First Selectman to move money from other departments to make it right. Edward St John stated they made the budget work without having to bring other money in. Mr. McCormack noted that transfers should be made during the BOF meetings. Mr. St John agreed.

### **3. Tax Collectors Report**

Included in packets.

### **4. Budget transfers**

### **5. Correspondence**

Michael McCormack stated he received the normal bill from NorthWest for \$833.00, which has been paid.

Mr. McCormack noted there has been correspondence back and forth with some board members since the last meeting on June 10<sup>th</sup>. Last month's meeting got a bit out of control until William Stowell suggested they stop the meeting. The next day, he called Mike Kenausis and discussed his actions, and asked him to send a letter of apology, which he did. Mr. McCormack wrote Ed St John a letter as well. Mr. McCormack read the letter into the record. The letter was sent on June 10<sup>th</sup> and on June 16<sup>th</sup> he received an email from Barbara, notifying him that Mr. St John received it and that he felt the issue needed to be put to bed and she would follow up with him. At this time, Mr. McCormack noted there has not been a letter from either Bob Smith or Larry Hutvagner. He did receive a letter from Dana D'Angelo, town attorney, and read that letter into the record. On July 18<sup>th</sup> he wrote to Barbara and received a reply on July 20<sup>th</sup>. Mike McCormack read Mike Kenausis's letter into the record. He noted the June meeting was not a meeting they could be proud of, but as far as he is concerned, they are done with it. He questioned why a copy of the town attorney's letter was sent to the paper.

### **6. Chairman Comments**

Michael McCormack noted the BOF is made up of 6 regular members and 3 alternates, and they do not play politics. He said the board is made up of people with different degrees of financial sophistication. He feels, for the most part, the board has done a good job and noted the budget hasn't really gone up at all over the past few years because of this board. He feels they have kept the budgets in line and have managed to reduce some budget items. Mr. McCormack said they have a budget put in place which is voted on by

town members, then to have it disregarded upsets him greatly and he would like this not to happen.

## **7. Public Comment**

Ned Love noted everyone here tonight are friends and neighbors and asked that everyone be civil to one another.

## **Old Business**

None

## **New Business**

### **1. Discussion by the Chief Financial Officer of the \$95,433.97 approved at the 8/3 Town Meeting, how the number was arrived at, where the money came from, and where it will go?**

Larry Hutvagner explained the journal entry that was included in the packets for the board members. He stated the \$95,433.97 was in the debit column and the spreadsheet shows where the money came from and where the money was spent. He noted this is the money that was procreated at the town meeting on August 3<sup>rd</sup>. A discussion ensued over this. Dave Cappelletti asked if the town attorney could provide a comment that this was done properly and it was a legal way of doing it with a written statement that this method was legal. Robert Smith, town attorney stated he would submit a request to the Board of Selectman for a legal opinion and if they direct him to provide a legal opinion he will do so. Mike McCormack stated they will put this off until the next meeting to review figures and receive legal opinion from town attorney. Larry Hutvagner noted this will put the audit off by a month which was prescheduled for September.

**VOTED:** Unanimously with a motion by David Cappelletti and seconded by Vincent Cipriano to **WAIT** for requested legal opinion on the method used for procreation of \$95,000.00 was a legal method.

## **First Selectman's Comments**

Edward St. John stated there were points raised about the budget tonight, and a lot had changed in the past few weeks regarding it. He noted that his political opponent, Michael McCormack, said the board of finance does not act politically. Mr. St John said he takes great pride in what the board does and hopes the tone for the next few months doesn't change that and that Mr. McCormack will not act politically toward him. Michael McCormack said he would like the same.

**VOTED:** Unanimously on a motion by David Cappelletti and seconded by Vincent Cipriano to **ADJOURN** the meeting at 7:40 p.m.

Respectfully Submitted,

Rachel Primus

Recording Clerk

Cc: Board of Selectmen

Board of Finance and Alternates

Larry Hutvagner, Chief Financial Officer

John Calabrese, Town Treasurer

Rachel Primus, Recording Clerk

Email Notification for Website

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