

# TOWN OF MIDDLEBURY

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

## **Meeting Minutes Wednesday September 10, 2014 Shepardson Community Center Room 26**

Present: Michael McCormack, Chairman  
Stephen Ruccio, Board Member  
William Stowell, Board Member  
Vincent Cipriano, Board Member  
Dave Cappelletti, Board Member arrived at 7:06 PM  
Ken Heidkamp, Board Member Alternate

Absent: Michael Kenausis, Board Member  
Peter Trincherro, Board Member Alternate

Also Present: Edward B. St. John, First Selectman  
Larry Hutvagner, CFO  
Rachel Primus, Recording Clerk  
Ralph Barra, Selectman  
Elaine Strobel, Selectman

Michael McCormack opened the meeting at 7:02 P.M.

**VOTED:** Unanimously on a motion by Vincent Cipriano and seconded by Bill Stowell to  
**APPOINT** Ken Heidkamp a regular voting member.

### **Steve Ruccio Discussion on moving to a cashless system, with guest speaker**

Steve Ruccio opened the discussion stating the security benefits of a lock box and the managing of cash. He noted the auditors have talked about the benefits of lock boxes. He introduced Michael Kegljar from Webster Bank. Mr. Kegljar discussed the process and the benefits a lock box would be to the town. Mr. McCormack noted the Board just wanted to expose the concept and asked Mr. Kegljar here to explain the process. Mike Kegljar stated the mailed checks are received and processed sooner and this system will take the tasks off the staff. He noted this is considered best practice from the auditors. The town will have access to the funds sooner. Mr. Kegljar stated the checks get scanned, as well as the coupons, and then are transmitted to the town by either uploading or importing to the towns system. He noted that other municipalities and businesses are utilizing this system throughout the state. He said the town would be in control and can determine how the system will work. He noted it usually takes about 90 days to

set up the system. He said there are fixed costs for this program and also a cost based on the volume of payments processed. He said it could range from \$0.32 to \$0.37 per coupon. Mike McCormack said he feels this will lessen the responsibility of the employees and free them up to be able to work on other functions. Edward St John said he feels a committee should be formed to answer questions and to explore other options. Mr. McCormack noted the goal is to move to a cashless system.

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

**VOTED:** Unanimously on a motion by Bill Stowell and seconded by Steve Ruccio to **APPROVE** the August 14, 2014 meeting minutes with the following correction: Under Chairman Comments, the last sentence is to read: Mr. McCormack also brought up the discussion of the Calpine Power Plant being back in progress.

### **Chief Financial Officers Report**

Larry Hutvagner stated that at last month's meeting there were comments made about the miscalculation of the Region 15 budget for last year. He said the letter dated April 12, 2013, which gave the correct number, was never translated to the Chief Financial Officer, so he continued to use the proposed budget that went to referendum on May 8, 2013. He then sent a letter to the tax collector on May 10, 2013. The tax bills were then calculated and sent out. The final letter from Region 15 was not received until the end of June with the changed number, and that was the first time that Mr. Hutvagner had seen it. He said that was how they had the \$80,000 overcharge to the Middlebury tax payers. He handed out the letter received in April from the Region 15 School District with the adopted budget figures for 2013-14. Mr. Hutvagner also address from the last month's meeting the Tower Rental money and how it is expended. He handed out a copy of the meeting minutes in which it states the money can be used for expenditures, it doesn't say Capital. He said the money has been in the CNRF account ever since the account was created in 1999. He noted that most of that money has been spent down. There was a discussion on the meeting minutes presented. Mike McCormack said the board is asking from this time forward to correct this error, and that is all they are asking. Mr. Hutvagner said he will change it on July 1, 2015. Mr. Hutvagner also addressed the bond issue that was discussed last month. He stated they are all in CNRF accounts. He talked to the auditing firm, they said that everyone does it differently in CT, but Middlebury is recording it correctly. Dave Cappelletti asked the town attorney if the bond money has to be separated or not. The town attorney said he will look into it.

Larry Hutvagner reviewed the revenue and expenditures for August. He noted the expenditures have over budget items: for the town hall because of shredding; police department for vehicle maintenance; building repairs; telephone and dispatch; fire department could be because the ladder truck needed significant repairs.

Mike McCormack questioned the Communications Department 41, he noted the budget last year was \$260,000 for North West. He knows there was State money received. He said there is this figure of \$216,000 and then yearend it comes up to \$446, he asked how that happened. Larry Hutvagner answered there was a transition grant received from the State of CT and the town appropriated it to be spent there at a town meeting.

### **Tax Collector's Report**

### **Budget Transfers**

Mike McCormack said there were large transfers for the end of the year and he wanted to present them to the board. Larry Hutvagner noted that some have been changed to the June expenditure report, because the Police Department is still spending money out of last year's budget.

**VOTED:** Unanimously on a motion by Steve Ruccio and seconded Vincent Cipriano to **TRANSFER** \$6,644.88 from Temporary Salaries 01-55-01-6003 to Telephone 01-22-02-6112 \$4,276.17 and Natural Gas 01-22-02-6112 \$2,368.66 to cover additional telephone costs and natural gas usage all within the Public Works Budget.

**VOTED:** Unanimously on a motion by Steve Ruccio and seconded by Bill Stowell to **TRANSFER** \$13,374.3 from gasoline 01-40-03-6414, \$80,024.70 from Principal 01-73-04-6702, \$3,359.51 from Radio Maintenance 01-40-02-6120, \$2,912.10 from Salaries 01-40-01-60025, \$2,319.15 from Natural Gas 01-40-03-6413, \$1,503.19 from Wearing Apparel 01-40-02-6115 to \$30,970.04 Holiday/Vacation/Sick 01-40-01-6001, \$41,437.17 Overtime 01-40-01-6007, \$7,175.96 Reserve 01-40-01-6008, \$206.30 Professional Services 01-40-01-6011, \$7,497.46 Personnel Training 01-40-02-6122, \$520.53 Repairs 01-40-02-6125, \$841.13 Cellphones 01-40-02-6132, \$402.20 Canine Officer 01-40-02-6180, \$184.99 Dog Pound 01-40-02-6181, \$2,263.95 Computers 01-40-02-6973, \$11,134.54 Emergency Vehicle Supplies 01-40-03-6418, \$44.44 Maintenance Supplies 01-40-03-6419, and \$887.99 Janitorial 01-40-03-6422 to fund overages.

**VOTED:** Unanimously on a motion by Steve Ruccio and seconded by Ken Heidkamp to **TRANSFER** \$27,000 from Dispatch Services 01-41-02-6011, \$57,528.78 Region 15 01-70-04-6708, and \$15,023.69 FICA 01-66-06-6902 to \$4,950.76 Holiday and Sick 01-41-01-6001, \$36,753.88 Salaries 01-41-01-6002, \$36,254.10 Temporary Salaries 01-41-01-6003, \$4,088.29 Overtime 01-41-01-6007, \$16,773.99 Telephone 01-41-02-6012, \$406.48 Training 01-41-02-6122, and \$324.97 Office Supplies 01-41-03-6401 to cover overages.

**VOTED:** Unanimously on a motion by David Cappelletti and seconded by Vincent Cipriano to **TRANSFER** \$34,644.42 from FICA 01-66-06-6902 to \$2,243.46 Life Insurance 01-66-06-6905, \$4,593.96 Retirement Plan Expense 01-66-06-6907, and \$27,807.00 Unemployment Compensation 01-66-06-6906 to fund overages in Employee benefits all within employee benefit department.

**VOTED:** Unanimously on a motion by David Cappelletti and seconded by Vincent Cipriano to **TRANSFER** \$3,803.00 from Part time salaries 01-64-01-6003 and \$1,095.65 Salaries 01-64-01-6002 to \$850.00 Repairs 01-64-02-6125, \$2,514.49 Power and Control 01-64-02-6100, \$1,240.71 Books 01-64-03-6601, \$87.52 Audio Visual 01-64-03-6602, and \$205.93 Equipment/Copier 01-64-03-6437 to cover budget overage.

### **Correspondence**

None

### **Chairman Comments**

Michael McCormack said he felt the best thing to do is to get the roofs on these building repaired. He has contacted a consulting company to get estimates on the cost of the projects. He stated they still need an engineer. He said he has asked Dan Norton to get some quotes on the cost of an engineer. He noted the quote he received is a lot more than he anticipated; this is why he is asking to Dan to get additional quotes. Mr. McCormack said the initial quote received was

\$80,000 per building. He said the estimated cost for the engineer is \$30-40,000 and the rest is the contracted administration work. Edward St. John asked Bill Stowell if he could provide Mr. Norton with a list of consultants. Mr. McCormack said that by the next meeting he is hoping to have a better sense of where they will be with the roof projects. He said he will have Dan come to the meeting and give a presentation.

Ed St. John said in regards to the Capital Plan, he feels they are moving in the right direction. There was a discussion on a meeting regarding WPCA.

### **Public Comments**

None

### **New Business**

**1. Discussion on CNRF and Reserve Accounts**

Already discussed.

**2. Discussion and Action on Capital Plan.**

Already discussed.

**3. Discussion of Year End Transfers.**

Already discussed.

### **First Selectman's Comments**

**VOTED:** Unanimously on a motion by David Cappelletti and seconded by Steve Ruccio to **ADJOURN** the meeting at 8:15 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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