

TOWN OF MIDDLEBURY

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

Meeting Minutes Thursday August 14, 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

Absent: Michael Kenausis, Board Member
Ken Heidkamp, Board Member Alternate
Thomas Proulx, Board Member Alternate
Peter Trincherro, Board Member Alternate

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

Michael McCormack opened the meeting at 7:06 P.M.

Approval of Minutes from prior Meeting

VOTED: Unanimously on a motion by Dave Cappelletti to **APPROVE** the June 11, 2014 meeting minutes as presented and seconded by Stephen Ruccio.

Chief Financial Officers Report

Larry Hutvagner stated that June's report will be continually be updated. He noted that departments 10 through 35 have already been adjusted from transfer requests that were approved by the chairman as agreed upon at the last meeting. Mr. Hutvagner said that departments 35 through the end of the budget have not been adjusted yet because most of those departments have not yet made their final payments. He noted that June will not be over budget and will have a surplus, plus revenue will be over budget.

Larry said that July numbers are in and included in their packets for tonight. He stated there is already a request for a transfer for the library.

Mike McCormack had a question regarding the financials. He noted that last year 2013-2014 was budgeted for \$19,752,524 for the town. Region 15 was \$57,000 less than they actually budgeted for. He stated the budget was approved the same night. He questioned why this year the final budget for Region 15 was approved one month after the town budget was approved and we had come up with a proper number. He noted the mill rate was set at 29.57 and when you actually took the lower amount, it should've been set at 29.34. He stated that in a 2 week period they were able to get the correct mill rate, but in a 1 month period we couldn't get the correct mill rate. Larry Hutvagner stated that he had to get the break down between Southbury and Middlebury of the total budget amount and it wasn't received until after the mill rate was set. He noted that Region 15 use to include the revenue and the two towns made the difference based on the percentage. Mr. McCormack stated they had the numbers the same night that the town did. Mr. Hutvagner said the budget package is received after the fact from Region 15. Mr. McCormack felt they charged the tax payers for \$57,000 more than they should have. Dave Cappelletti suggested giving the money back to the tax payers, or crediting it to next year's budget. He stated they will just have to check the numbers better for the next budget.

Tax Collector's Report

None

Budget Transfers

Vincent Cipriano stated there were unforeseen repairs needed to the Library that was not budgeted for. They are asking to transfer \$1,135.00 out of the contingency fund and put into the Repairs fund. Mr. Hutvagner stated there is no money in the budget as of today in the repair account to cover this cost because of contractual accounts. Mr. Cappelletti stated there are other accounts within the department that the money can be transferred from instead of the contingency account. Mr. Cipriano suggested taking the money out of the repairs line item, and if in the future the account is depleted then they can look into taking it from the contingency account. Dave Cappelletti stated the board is trying to get the departments to work within their budgets first. There is a possibility at having a savings in another account. Vincent Cipriano noted the Board did cut from this account when they were making cuts to the budget.

VOTED: Unanimously on a motion by Vincent Cirpriano and seconded by Steve Ruccio to take \$1,135 to pay the repair bill from power and control line item 01-64-02-6100.

Correspondence

None

Chairman Comments

Michael McCormack questioned the performance bond issue that was discussed at the last meeting and whether they were put into non-town accounts. Mr. Hutvanger replied they needed to go before the Board of Selectman as a request from the Board of Finance. He would report back to the BOF at the next meeting. Dave Cappelletti said there might be a State Statue that references bond accounts and suggested asking the Town Attorney to look into it. Mr. McCormack commented on the recent article in the paper regarding the dog park that a town resident offered a portion of their land if the town forgave a portion of their tax bill. He questioned how someone could owe that much in back taxes and the town hasn't taken any action. David Cappelletti said that starting last year they have an informal policy. He noted they collected a substantial amount of back taxes last year because of this new policy. Mike

McCormack felt if there was a policy in place, then everyone should be treated equal.

Mike McCormack said that Peter Trincherro, who was absent tonight, did work comparing the fire departments with Middlebury, Woodbury and Southbury. His number of \$256,000 for the fire department includes the Fire Marshall for Middlebury. Woodbury spends \$305,000 and Southbury spends \$466,000. He noted that he would forward Mr. Trincherro's email to the rest of the board members. He also stated that Woodbury's number includes their fire hydrants in the budget, where Middlebury does not. He stated that if Middlebury included their fire hydrants, it would make their figures higher than the other 2 towns.

Michael McCormack said he went through newspapers from the past few weeks and found an article where Edward St. John was quoted on the issue of having cisterns installed in the past, but the funding was prioritized in other departments. Mr. St. John said that happened well before this Board and the discussions were from many years ago. He noted that now new subdivisions are required to have fire hydrants installed. He said they need to develop a policy between the town and private home owners to get a better water supply for the older subdivisions and expand the water system. Mr. McCormack noted that Middlebury has a lot more fire hydrants than Woodbury, almost double.

Mr. McCormack also brought up the discussion of re-upping Calpine.

Public Comments

None

New Business

1. Discussion on CNRF and Reserve Accounts

Mike McCormack questioned the figure of \$1,737.10 that keeps reappearing every month for ProCon Fleet. Mr. Hutvagner stated that is for the GPS units. Mr. McCormack stated he was not aware there was a monthly charge for the units and questioned why it was coming out of the Capital Budget because it is a reoccurring bill. Larry Hutvagner said it was the maintenance for the GPS units and that there was no line item in the budget for it. Dave Cappelletti noted this is an operating expense not a Capital Expense. Mr. St. John stated the units were never bought; they are rented because the town couldn't afford to purchase them. Mr. Hutvagner noted when Capital money is appropriated for repair and maintenance on safety vehicles this is correct and audited. A discussion ensued over what accounts this money should be paid from.

2. Discussion and Action on Capital Plan.

Michael McCormack stated they should take the needed money from the reserve account, excess over reserves and self-fund, not bond the expenses for the roofs for the Town Hall, Shepardson School, A/C units for the Police Department and moving the fuel and oil tanks to their new location at Public Works. The cost is estimated at 1 Million dollars. He noted that at the last meeting Edward St. John said he wanted to talk with the engineer regarding the roofs. Mr. St. John said he asked Danny to talk with Mike. He noted there are no formal designs yet. There was a discussion regarding the types of roofs, slate versus asphalt. Mr. McCormack also asked that they contact someone regarding installing solar panels on the roof and how the deal is done. He felt Shepardson could be big enough. Edward St. John asked if the undesignated fund money could be used to pay for the engineer. Mr. McCormack answered yes.

3. Discussion of Year End Transfers.

Mike McCormack noted the following transfers:

There was a transfer of \$21,000 to fire department from the Region 15 surplus. He questioned why there was a surplus on Region 15 already.

There was a transfer of \$7,200 to the finance department from the postage account, which is still within the finance department budget.

There was a transfer of \$2,367 to the Selectman Office from Youth and Family Services to pay for temporary help when the Secretary was out on medical leave.

Mr. McCormack questioned the overage in the Finance Department. Larry Hutvagner said that was because of the part time people that did extra work because of all the excess issue's the department had to deal with. He noted the Finance Department did not go over budget.

First Selectman's Comments

VOTED: Unanimously on a motion by David Cappelletti and seconded by Vincent Cipriano to **ADJOURN** the meeting at 8:23 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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