

TOWN OF MIDDLEBURY

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

Special Meeting Minutes Monday April 7, 2014 Firehouse 65 Tucker Hill Rd

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

Absent: Peter Trincherro, Board Member Alternate
Thomas Proulx, Board Member Alternate
Michael McCormack, Chairman

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

Vincent Cipriano opened the meeting at 7:02 P.M.

Approval of Minutes

VOTED: Unanimously on a motion by Michael Kenausis and seconded by Stephen Ruccio to **ACCEPT** the March 12, 2014 meeting minutes as presented.

VOTED: Unanimously on a motion by Stephen Ruccio and seconded by Ken Heidkamp to **ACCEPT** the March 18, 2014 meeting minutes as presented.
Mike Kenausis abstained.

VOTED: Unanimously on a motion by Mike Kenausis and seconded by Dave Cappelletti to **ACCEPT** the March 26, 2014 minutes with the correction of adding Ralph Barra, Selectman as present.

Chief Financial Officers Report

Larry Hutvagner stated that all State grant revenues are on budget and the money they applied for would come in on time. He noted the Treasurer's revenue was down because of the low percentage rates in the economy. He said the Tax Collector, as of today is 100% on budget. He

said the Town Clerk's revenues are close, but again it is has to do with sales of houses and people refinancing, so again it's economy driven. The Building Department is over budget by \$52,000 which is primarily due to Toll Brothers development. He said that Donations were on budget, but the money from Westover was a little below because this year they decided to cut checks directly to the Police, Fire and Library. He said that Police Fund was on budget and the Police Special Duty is up through March 2014 for revenue. He stated it was a very bad winter, so there was not a lot of outdoor construction through the winter months. Mr. Hutvagner said the Infrastructure Trust Fund Revenues under Telecommunications, which is primarily telephone, will come in April 2014. He stated the Mashantucket Pequot Fund was actually found money that was not budgeted, the State never said they were going to give it to us and now have started. He said the Waste Removal is primarily on the economy, low home renovations and throwing things away, is why the Scrap Metal and Transfer Stations are down. The Park and Recreation Self Sustaining Accounts are close to budget, which is a continuing program and the revenues are primarily seasonal which happen in May and June. He stated that under Elderly Services it wasn't budgeted to get a bus, but did receive \$40,000 from the State of CT towards the new Senior Center Bus that the Board approved payments for. He noted the Elderly would probably not be meeting their budget this year. Bilbomation did not make it because the facility has not been rented yet. Mr. Hutvagner said that Sewer and Fees and Assessment are on budget, half has already been collected.

Larry Hutvagner went over expenditures next. He stated that Legal and Labor (Department 20) would be over budget due to grievances and arbitration for dispatch and police. Town Hall (Department 22) will be over due to repairs. Fire Department (Department 35) Physical Exams would be over because of State mandates, as well as Routine Maintenance and Heating. Police Department (Department 40) Overtime salaries are over budget and will continue to be over budget because of routine police activity and school security. Vincent Cipriano mentioned there was discussion over breaking down this line item into 3 different items and wanted to be sure this was in the new budget. Mr. Hutvagner continued, in the same department the Motor vehicle Maintenance is over budget due to the age of the fleet. The Janitorial is the actual budget amount for the building. Larry Hutvagner stated the entire Communications Center is over budget, but will be resolved as the transition grant has been fully approved by the State of CT and he should be able to figure that out completely in April and get that information for the next meeting. There was discussion over the police vehicle that had 176,000 miles that is currently active in the fleet, and on the newly leased police vehicles and add on equipment.

Mr. Hutvagner continued with Public Works (Department 52) Snow & Emergency Overtime is over budget as well. Dave Cappelletti asked how they were going to fund these overages and if Mr. Hutvagner had any suggestions. Larry Hutvagner stated most departments are within budget. Mr. Cappelletti asked how the healthcare looked and if that was within the budget as well. Mr. Hutvagner stated it is impossible for him to tell. William Stowell stated there is still the Youth and Family Services account which has \$25,000. Mr. Cappelletti asked that for May they get a rough estimate of the Attorney, Police Department, and the Chief of Police and what the overages might be.

Treasure's Report

None

Tax Collector's Report

None

Budget Transfers

None

Correspondence

None

Vice Chairman Comments

Vincent Cipriano, stated that he just wanted to get through the budget process, and he was curious to see where Region 15 would come in at with their budget. He said it was a concern, because it is a lot of money. Ken Heidkamp commented on the vehicle issue in regards to the older cars. He said that you have to keep in mind that 120,000 miles is a lot of usage, and you have to remember the engine hours are more because they are sitting idle for long periods of time. He said it is nice if they can be passed on, but not if they are beyond their useful life. Mr. Cipriano said he doesn't want to put a car that is not fit for the road and put someone in harm's way. He stated they ask these questions because they don't know the facts, which is why they look to the department heads for guidance.

Public Comments

A resident asked if any members from the Board of Finance have gone to the Board of Education and expressed their concerns in their budget. Dave Cappelletti said that Mike McCormack was the liaison and has been attending the meetings. He said that 2 or 3 years ago they voted in a letter noting their concerns, and since then Mike McCormack has been active in that. He said that it was unfortunate that Mr. McCormack had to leave sick because he would have been best to explain it. Mike Kenausis said that the town has no say or input in the region budget. They are a separate taxing authority. He said unless there is an impact at the State level, the State Board of Ed, and State representatives and the budget office at the State of CT, unless there is an impact there, it can't be done at this level. First Selectman St. John stated that in regards to their own budget, it is what it is and he supports it. He has not heard any complaints. He said that residents want to know when someone is going to speak up. He said in his opinion, the town budget shouldn't be held hostage by the Region 15 budget, they were locked into the budget process and they have a same day vote as the school budget. A resident said he has seen articles in the paper the past couple of weeks regarding the Chairman of the BOF stating his concern over where Southbury is going to get the money this year. The town has to cut their budget but there are not changes to the BOE budget, and they wanted to know where they were going get the money. Ed St. John said he has no issue with the town. He said he is concerned about the school budget, and they take it out on the town, and then the process has to start all over again. Vincent Cipriano commented that there was only 3 or 4 residents at the Public Hearing, and there are other meeting they could attend to voice their opinions. Paul Perrotti, Fire Chief, said the BOF is powerless over the BOE, and that the surplus should be divided between the districts, but the money just goes back into their budget. Mike Kenausis said they are a separate tax authority. They can opt to return a budget expense side surplus or opt to use the money moving forward to offset future expenditures. William Stowell stated it's more than that. He said they can opt to spend the money, but any money at the end of the year can either go not to just future expenses, but go to capital improvement. He stated he has done school budgets for 20 something years and they are putting in extra money for special educations students that may come into the region, extra money for transportation for those students, and extra money for emergency repairs. Mr. Perrotti asked if the region could be asked to return the surplus to the towns. Mr. Kenausis said any tax payer could do that. A discussion ensued over the BOE budget.

Old Business

None

New Business

Discussion and Approval on 2014-2015 FY Budget

Mike Kenausis stated there was a need for a budget adjustment. Under the Building Department, Temporary Salaries, it will be reduced from \$20,000 to \$12,500 netting a cost savings of \$7,500 and the Communication Center will be reduced by \$11,667.

VOTED: On a motion by Michael Kenausis and seconded by Stephen Ruccio to reduce the Building Department Temporary Salaries from \$20,000 to \$12,500 and to reduce the Communication Center by \$11,667.

William Stowell stated at the last meeting they voted on \$20,000 for the Building Department Temporary Salary and he asked what has changed. Stephen Ruccio said that Mike McCormack had had a conversation with Ollie, they did the math and it didn't add up to \$20,000. Mr. Stowell said he talked to Ollie, and he said he still needed that amount. Mr. Ruccio said that based on the salary of the temporary help, they did the math and Ollie was in agreement, based on the amount per hour and the amount of hours needed. Larry Hutvagner said he had a discussion with Ollie and he had said he needed \$25,000 and it was reduced to \$20,000. Then he had a discussion with Mr. McCormack and was told it would be reduced by \$5,000 and now its \$7,500. David Cappelletti said this amount will not change the mill rate, so there was no need to take care of it this evening. Mr. Hutvagner reminded him of the referendum on May 7, 2014 and that they would need to have a total figure. Mr. Ruccio agreed they should table it. Larry Hutvagner recommended they leave the \$20,000, stating the money will not get spent if it is not needed. Mike Kenausis recommended putting the money into contingency, not taking it out of the budget completely. Mr. Kenausis pulled the motion from the table.

VOTED: Unanimously on a motion by Stephen Ruccio and seconded by David Cappelletti to put \$7,500 into General Contingency Fund and if necessary that money could be moved to the Building Department Temporary Salary, reducing the Building Department Temporary Salary to \$12,500 and reducing Communication Center by \$11,667.

VOTED: Unanimously on a motion by David Cappelletti and seconded by Stephen Ruccio to send \$9,969,887 to the May 7, 2014 Referendum.

First Selectman's Comments

Public Comments

None

VOTED: Unanimously on a motion by David Cappelletti and seconded by Mike Kenausis to **ADJOURN** the meeting at 7:51p.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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