

TOWN OF MIDDLEBURY

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

Special Meeting Minutes Tuesday, March 18, 2014 Shepardson Community Center

Present: Michael McCormack, Chairman
Stephen Ruccio, Board Member
William Stowell, Board Member
Vincent Cipriano, Board Member
Ken Heidkamp, Board Member Alternate
Dave Cappelletti, Board Member (arrived at 7:25 p.m.)

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

Also Present: Edward B. St. John, First Selectman
Elaine Strobel, Selectman
Larry Hutvagner, CFO
Betty Proulx, Recreation Director
Olli Leduc, Buidling Official
Rachel Primus, Recording Clerk

Mr. McCormack opened the meeting at 7:18 p.m.

VOTED: Unanimously with a motion by Steve Ruccio and seconded by Vincent Cipriano to **APPOINT** Ken Heidkamp a regular voting member.

Chairman's Comments

Mike McCormack started the meeting by bringing up the recent article in the paper which stated the budget called for a 3% increase. He explained his reasoning for the suggestion of an increase which was based on the proposed budget compared to last years approved budget which consisted of one shot deals. First Selectman St. John disputed the math that Mr. McCormack came up with and noted that he had only presented the Board with one budget proposal which consisted of the figures that were given to him by each department. Mr. McCormack stated they needed to make up for the surplus that was present on the last budget.

New Business

Discussion with Park and Recreation Director on Park and Recreation budget for 2014-15.

Betty Proulx, Recreation Director handed each member of the board an outline of what the Park and Recreation Department responsibilities and activities calculations were for fiscal year 2012-2013. She stated that her main concern regarding the budget is the necessary increase of \$3,000 for the temporary salary, which is due to the mandated increase in minimum wage, which will be going up to \$9.00. This affects the MRA staff which makes up $\frac{3}{4}$ of the temporary salary budget. She noted that they have the lowest paid lifeguards on the lake. Stephen Ruccio asked if they could make it neutral by raising the rates. Ms. Proulx said last year there were rate increases to the lake use for residents and this year there is an increase for seniors. Mr. Ruccio asked how much they could raise the fees to cover the \$3,000 increase. Ms. Proulx stated they are bringing in approximately \$42,000 in sales from MRA passes, gate passes and the boat racks. Mr. McCormack said that he never received a breakdown for temporary salaries from the Park and Recreation Department. He asked how much was spent on part time help. Betty Proulx answered \$6,000. Mike McCormack asked why the numbers were never available for the board to look over. Ms. Proulx stated she provided the board with a breakdown last year and has never refused to provide that information to them.

At this time Dave Cappelletti arrived at the meeting at 7:25 P.M.

Mr. McCormack felt the overtime salary was always buried in the budget and never had a separate line item, and now that Ms. Proulx has made a line item for it he feels they need to reduce the temporary salaries. Betty Proulx stated she had taken over the budget from the previous director and it was never brought to her attention that the overtime needed a separate line item. There was a discussion regarding last year's budget agreement which allowed for on-line registration for softball in return for the elimination of one part time employee.

Discussion with Building Official on Building Department budget for 2014-15.

Ollie Leduc, Building Official stated the two important items are the temporary salary and the vehicle. He stated the temporary salary was put in at \$6,000 at the beginning of the summer and since that time the work load has almost doubled. He said that the allotted amount will not come close to covering the cost of the part time help due to the increase from Toll Brothers.

Mr. Leduc stated the current vehicle he is driving is a 2000 and was the old police chief's car which has over 124,000 miles and is in need of a new exhaust. Mr. McCormack noted there are cars available in the town, but they just need someone to say where they will go. He suggested they take F250 and make it the dog car and give the Tahoe to Ollie. He also said there was a red Hyundai that is used by town hall personnel to run errands and suggested paying them for mileage instead if Mr. Leduc would prefer that vehicle. He also stated the Park and Recreation department has a truck they use infrequently, mostly on the weekends, and suggested that Betty become the part time driver of it.

Mr. Leduc questioned the plan review fee under revenue. He said that due to the lack of commercial development coming into town it reflects the reduction in plan review fees. He also noted that the actual revenue for building permits might break 200 at the end of the fiscal year. Stephen Ruccio asked if the additional revenue would cover the cost of the temporary salary.

Mr. Leduc stated they will need more than \$6,000 because of the increase of the Toll Brother permits alone. Mike McCormack said he raised the building permit revenue by \$25,000. Ollie Leduc stated the temporary salary would be a per diem status.

There was a discussion on the Quassapaug Lake Association.

First Selectman's Comments

First Selectman St. John commented on Mike McCormack's suggestion on moving vehicles

around town and the Police Department fleet of vehicles. He noted they are in the process of interviewing for a Police Chief who when hired will have the decision on what cars stay and which ones go. Mr. St. John noted there are a lot of junk vehicles in the town and he feels instead of spending money on the maintenance of them, it would be better to lease a vehicle instead. He feels the building department deserves a car they can depend on. Chairman McCormack brought up the Police Departments motorcycle which is not used and suggested putting it up for sale because it is worth between \$10,000 and \$12,000. Mr. St. John said they could use that money to lease another vehicle.

Chairman McCormack stated that library fees were not included on the revenue side and should amount to \$2,500. Mike McCormack noted the elderly tax relief of \$25,000 was paid before by the reserve item. He suggested they take it out of the budget and offered an alternative idea of giving a tax credit which then would be reimbursed to the town by putting a lien for that amount on the property, so once the house sells or goes into estate they would be reimbursed. He also noted that the Town Treasurer is paid \$4,600 and he suggested they reduce it by \$4,000. Another item he feels should be eliminated is Open Spaces with a cost of \$3,600. Larry Hutvanger said that item is not to purchase open space, it is to maintain Finn Farm. There was a discussion on the bond line item which Larry Hutvanger explained was to cover the fee for consultation on the Capital Plan. Mr. McCormack suggested the Capital Plan be postponed until the next calendar year. Mr. Cappelletti suggested removing the \$5,000 for the bond and if needed they could find the money somewhere else. There was a discussion on the request of having an updated working copy of the budget that would include Mike McCormack's suggestions. Mr. Hutvanger explained that he doesn't like to make changes until the board votes on them. He went on to explain that some of Mr. McCormack's suggestions won't be possible to make. He stated that the \$10,000 cut in the insurance isn't possible because they are fixed prices from the current insurance carrier which the Board of Selectman signed a 3 year contract. He said in regards to the NorthWest CMeds he finally got the final letter from them and their number is going up to \$241,000 which is a \$41,000 increase. With this, they worked out a better deal so it now includes law enforcement dispatch, fire dispatch, EMS dispatch, EMD, and CMed all in one price.

First Selectman St. John noted the elderly tax relief item was included in the submitted budget. He said the revenue was a one shot deal where they would match the money against the people who are on the circuit breaker only. Those people needed to meet the specific financial guidelines in order to be eligible. Mr. McCormack said other towns give a break in the form of an interest free loan, which then is placed as a lien on the property and they should too. Mike McCormack said the credit on taxes is a cash flow problem not a net worth problem. Mr. St. John discussed the small cities program in which they loan, interest free, money to elderly homeowners for necessary improvements to their home which increases the property value and the program gets the initial money back when the property changes ownership that is re-loaned again. Mr. McCormack stated they have \$25,000 for this year to be used toward the elderly tax break, but next year they will not.

There was a discussion over the sale of the fire truck and how much money was received. Larry Hutvanger said he would have the figures for the next regular meeting.

Betty Proulx handed the board a list of last year's seasonal salaries which was broke down by employee and what was paid from self-sustaining. She noted that the 2011-2012 fiscal year included the summer in which there was a lot of rain. The original amount given for temporary salaries was \$91,000 and only \$87,000 was used due to the rain and the shortened MRA hours.

Public Comments

Paul Perrotti, fire chief, asked what the purpose of this meeting was tonight and noted a productive meeting is one where the department heads come and explain the reason for their

budget request. He asked what the procedure was in deciding what cuts are made and how he could explain to the Chairman why the cuts that were made were wrong. He feels they need to be put back because they are safety items. Mike McCormack answered that they wanted to give Betty and Ollie a chance to speak, and their main goal was to come up with a number that the tax payers will pass. He stated the reality is they have to make cuts and they need to spread it out so there are no head cuts but they also don't want any safety issues either. Mr. Perrotti said he felt it was unrealistic to think the public wouldn't vote to pass the budget presented. Steve Ruccio said there is a misconception of the cuts. He noted they wished they had more ideas on where to make them but are making the cuts to take money back so they could get to a starting point. He also said he didn't feel the public would pass the original budget either, with an 8% increase. Chairman McCormack said he would put his suggestions into a form that Vinny Cipriano requested and get it to the members by Thursday. He said they will wrap things up at the next scheduled meeting. Vinny Cipriano noted it would be a good idea to sit with the departments again and get any suggestions. Mr. McCormack said he would like to sit down with Paul as well.

VOTED: Unanimously on a motion by Vincent Cirpriano and seconded by Stephen Ruccio to **ADJOURN** the meeting at 8:20p.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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