

TOWN OF MIDDLEBURY

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

Special Meeting Minutes Wednesday May 7, 2014 Shepardson Auditorium

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

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

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

Michael McCormack opened the meeting at 7:00 P.M.

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

Approval of Minutes

VOTED: Unanimously on a motion by Dave Cappelletti and seconded by Vincent Cipriano to **ACCEPT** the April 7, 2014 Special meeting minutes as presented.

VOTED: Unanimously on a motion by William Stowell and seconded by Vincent Cipriano to **ACCEPT** the April 7, 2014 Public Hearing meeting minutes with the following corrections: Correct the spelling of pin striper; correct Bob Berger's name; correct spelling of Bona Road; and spelling of Ray Pietrarazio's name.

Chief Financial Officers Report

Larry Hutvagner reviewed the revenue of the town departments. He noted the Building Department was over budget, primarily due to Toll Brothers, and the Waste Removal was close to budget, and would probably get better in May and June. The Park and Recreation will also be

closer with the seasonal big ticket items.

Mr. Hutvagner then reviewed the expenditure side noting that under Communications, the \$250,000 State transition for moving dispatch to NorthWest had been approved and were awaiting the final payment. He stated there will be about \$50,000 to \$60,000 of additional items due to the fact that moving to NorthWest didn't happen until November and the town had to pay the regular town dispatchers. He also noted that Winter Snow Removal for Public Works was over budget due to the issues with the State.

Dave Cappelletti questioned the line item for State Owned Property. Mr. Hutvagner explained it to him. Mr. Cappelletti asked if there was a Receivable as well. Larry Hutvagner stated the Board of Selectman approved the 5 year Capital Plan on Monday night, and once he receives a letter from the BOS he will send it, along with the payment of the amount they applied for, which then will be reimbursed by the State for the paving of Park Road last year.

Mike McCormack asked why there wasn't anything budgeted for the Pilot Program. Larry Hutvagner stated they consistently change what they call it. They decided in May to give the State Pilot money back again.

Treasure's Report

None

Tax Collector's Report

Larry Hutvagner stated there were 2 reports included in their packages.

Budget Transfers

Mr. Hutvagner stated he didn't have any at this time, but would definitely have some for the next meeting. He said there will be transfers for the Public Works Department and Police Department. He said there will probably be more in the summer time.

Correspondence

None

Chairman Comments

Mike McCormack wanted to thank the board for dealing with him having to leave the meetings early the past few months. He noted that at one of the last meetings there was discussion over the Building Departments request for an additional \$20,000. It was agreed to grant them the request, but after the meeting and after thinking about it, he felt the numbers didn't make sense. He went over the past years budgeted amounts for temporary workers and the request this year. He said he sat down with Olli and agreed that the most they would spend would be \$8,000 a week. Mr. McCormack stated that next year he wants the board to look at how they can make structural change to get the budget in line. He reviewed the proposed budgets for the surrounding towns for this year. He stated they really needed to look at where they can get these kinds of economies. There was a discussion over the number of roads in Middlebury compared to Southbury and Mr. McCormack thought it would be a good idea to compare budgets for Public Works with Southbury. He also compared the revenue between Southbury and Middlebury, where Middlebury was higher. Mr. McCormack felt that Woodbury lined up the best with Middlebury, mainly due to the population. Mike McCormack suggested that next year they set up a task force to look at the Public Works, Police, Park and Recreation and Library and compare the departments with other towns to see if their costs are lower. If they were, he felt they need to find out why. He noted the reasons could be unique to each town. Mr. St. John asked that he compare Middlebury with towns that have Resident Trooper programs. He asked that the board members think about what departments they would like to get involved in for the

next meeting.

Mr. McCormack said he would like to look moving to a “no cash” basis as far as the town is concerned, due to the changes in the economy. Stephen Ruccio agreed with Mr. McCormack. Mr. McCormack said he would like to set up a committee to investigate going to “no cash” for the next meeting as well.

Vincent Cipriano brought up the issue from the last meeting regarding the decision with the \$20,000 difference for the Building Department, which went into a contingency fund. He said it was a unanimous decision, but that some of the comments made were they shouldn't make a decision until speaking with the members of the department or with Mike McCormack. William Stowell stated that Ollie requested that money based on the amount of work that is going on currently in the town. A discussion over the revenue this year compared to last year ensued.

Public Comments

None

Old Business

None

New Business

1. Discussion and Action on 2014-2015 Capital Plan

Mike McCormack wanted to discuss the town bond and the sewer bond. He went over the amounts before starting the discussion on borrowing. He noted the first 2 pages of the proposed plan are notes from Dan Norton which include his estimate regarding the buried oil tanks, diesel and gasoline tanks at the Police Department and Public Works which need to be removed by 2017-2018. He stated the plan is to take the tanks from the Police Department and move it to Public Works which will be above ground with a retaining wall around them. He stated the estimated cost on Edward St. John's plan was \$288,000 and Dan Norton came in with a cost somewhere between \$225,000 and \$230,000. Mr. McCormack noted this did not include the actual digging of the tanks when the State comes in to test the sand to determine how much needs to be removed. He stated that Mr. Norton added \$50,000 to that number for that and that's where the \$288,000 comes in.

He said he wanted to present them with this background, along with the roof background that was given to the board in the past.

Mike McCormack discussed the rate on annuities now, which are about 4% for 20 years. There was a discussion over the percentage rates based on the amount of years borrowing time. Dave Cappelletti discussed a 20 year rate bond where the last 5 years would be at about 3.8%. Larry Hutvanger discussed the fees associated with bonding. Mr. Cappelletti felt it would save money by having a bond for 19 years instead of 20 years. Edward St. John stated in the past he has suggested putting together a “think tank” and prioritize what projects need to be done and come up with a list. Dave Cappelletti questioned whether the town has looked at grants. Mr. St John answered yes, but there is no guarantee they will get any. Mr. McCormack stated that looking at all the projects; it appears the roofs and the oil tank removal are the most critical. He also suggested reserving funds for fire equipment, along with a fire truck. Edward St John noted that most of the buildings that are in need of new roofs are also in need of new mechanicals as well. And if they were all done at the same time they would deal with one consultant for all the roofs and one for all the mechanicals. Dave Cappelletti suggested looking into the funding to see if there are any grants that would fit into the projects. Mike McCormack asked Larry Hutvanger to send the rates he was given by Webster Bank to the members. They decided to have a workshop

in June.

At this time the board called a short recess.

2. Discussion and Approval on 2014-2015 FY Budget

The proposed budget passed, but the Region 15 Budget was voted down.

3. Set Mill Rate for 2014-2015 Budget

First Selectman's Comments

VOTED: Unanimously on a motion by William Stowell and seconded by Dave Cappelletti to **ADJOURN** the meeting at 8:27 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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