



TOWN OF MIDDLEBURY

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

**Meeting Minutes
Wednesday June 10, 2015
Shepardson Community Center Room 26
1172 Whittemore Road**

Present: Michael McCormack, Chairman
Dave Cappelletti, Board Member- arrived at 7:04 PM
William Stowell, Board Member
Stephen Ruccio, Board Member
Michael Kenausis, Board Member
Ken Heidkamp, Alternate

Absent: Peter Trincherro, Board Member Alternate
Vincent Cipriano, Board Member
Joseph Drauss, Alternate

Also Present: Edward B. St. John, First Selectman
Larry Hutvagner, CFO
Rachel Primus, Recording Clerk
Elaine Strobel, Selectman-arrived at 7:10 PM
Ralph Bara, Selectman

Michael McCormack opened the meeting at 7:03 P.M.

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

Routine Matters

1. Approval of Minutes from prior Meeting

VOTED: Unanimously on a motion by William Stowell and seconded by Stephen Ruccio to **APPROVE** the May 13, 2015 meeting minutes as presented.
Michael Kenausis and Ken Heidkamp abstained.

2. Chief Financial Officers Report

Included in the member's packets.

3. Tax Collectors Report

Michael McCormack stated the tax sales and other methods the town is using are working properly and taxes are getting paid.

4. Budget transfers

Larry Hutvagner explained the transfer of funds for the contractual raises for the new Clerical Contract. These are for the salaries of the 5 clerical positions in town. Stephen Ruccio noted there was money put in a reserve for the contract negotiations.

VOTED: Unanimously on a motion by David Cappelletti and seconded by Stephen Ruccio to **APPROVE** the transfer of \$600.00 from salaries (01-11-01-6002), \$600.00 from salaries (01-14-01-6002), \$600.00 from salaries (01-15-01-6002), \$600.00 from salaries (01-40-01-6002) and \$600.00 from salaries (01-60-01-6002) to Reserve for Contract negotiations (01-76-00-9851) totaling \$3,000.00.

Larry Hutvagner explained the next transfer was for the overfunding of the Heating Oil for the library for Budget FY14.

VOTED: Unanimously on a motion by William Stowell and seconded by David Cappelletti to **APPROVE** the transfer of \$1,895.00 from Heating Oil (01-64-03-66413) to Autocirculating system (01-64-03-6604).

David Cappelletti explained they decided to combine these transfers all in one. Larry Hutvagner noted they are all done within the budget of the finance department.

VOTED: Unanimously on a motion by Stephen Ruccio and seconded by David Cappelletti to **APPROVE** the transfer \$1,757.00 from Postage (01-11-03-6402), \$125.56 from Equipment (01-11-02-6139), \$1,072.92 from Copy machine/Maintenance (01-11-02-6138), \$660.00 from Professional development/Training, and \$150.00 from Legal Notices/Advertising (01-11-02-6105) to Salaries (01-11-01-6002) totaling \$3,765.48.

5. Correspondence

None

6. Chairman Comments

Michael McCormack noted that change is hard. The town had a tough time with moving dispatch to North West, but things are working well now. He wanted to thank Elaine Strobel, David Cappelletti and the First Selectman. Mr. McCormack noted some of the changes they want to work on over the summer are merging departments within the town, to come up with some suggestions and ideas and then present them to the Selectman. The board is looking for new ways and new things to help the town run smoothly.

7. Public Comment

None

Old Business

1. Continued discussion and explanation of the metal and solar roof system for the

Town Hall and Shepardson.

Michael McCormack noted there has been past discussion on using solar throughout the town. He introduced Jim Moran, President of Advanced Energy Group based out of Ann Arbor, MI. Mr. McCormack stated he asked him to come to tonight's meeting to explain the installation of metal roofs with solar panels built into them.

Jim Moran handed the board packets he put together and noted that he brought along a sample of a solar panel. He reviewed the basic concept of the tin roof and solar panels. He stated that he works with clients who want the highest quality and noted their product was a long term stable product that will last over 100 years. Mr. Moran said the payback for their customers will only be a few years. He noted that LUMA Resources is a 3rd generation roofing family who invented the aluminum roof. He stated their roofs use very low voltage and need very little power to start compared to standard solar panels, and the entire roof can be done, unlike standard solar panels. The benefit to their roofs are the roof and panels can be done at the same time. Mr. Moran reviewed the estimated cost and benefit for the Town Hall roof and the roof for Shepardson. He stated that in the winter, the snow will stay on for a while, but with the heat from the panels will eventually melt. Jim said the roofs just need to be hosed off a couple times a year and stated all roofs come with a service contract. Mr. Moran discussed that all solar degrades overtime. After 20 years it decreases to 85% but noted that replacing panels is always an option.

New Business

1. Appointment of auditors for Fiscal Year 2014-2015, 2015-2016 and 2016-2017 and Appointment of Auditors for Fraud Assessment for Fiscal Year 2014-2015.

David Cappelletti stated the town put out two separate bids and he has reviewed the cost and the companies that put in bids. He noted the two lowest bids are auditors the town has used in the past. Mr. Cappelletti stated he usually picks the auditor the town will use, but this year he wanted to bring it before the board to get their input. Michael McCormack stated he does not have a good understanding of what to expect from an audit, but he is looking to get a little more than what the board had received in the past. A discussion ensued over past auditors used and choosing a new one. It was decided that David Cappelletti and Stephen Ruccio would choose which company would be used to perform the audit process. It was noted at this time there is no line item in the budget to fund the Fraud Assessment.

2. Explanation by the First Selectman of the transfers he will request to bring spending for the 2014-2015 fiscal year back within the perimeters of the taxpayer approved 2014-2015 budget.

Edward St John stated on the expenditures there are three departments that are over budget; Police Department, Public Works and Fire Department. He noted he was made aware last month that the town would be receiving help from FEMA due to the past winter storms which they are hoping to receive in the next three weeks which will bring down a large part of the Public Works overage, but this does not cover the vehicle maintenance. He noted they do not know the exact figure they will be receiving so he can't say what the final numbers for Public Works will be. Mr. St John said the spike in heating, electric and overtime cost due to the past winter as well as maintenance was exceptionally high and it was unpredictable what the town would've spent. He noted the last time they received FEMA aid the town had to wait 2 years to receive it. Mr. St John said there are areas in the budget where they can move the numbers. The budget is short

about \$300,000.

Michael McCormack stated he sent an email in November noting he had met with the Police Department and Ken Heidkamp. At that time their budget was over by \$35,000 to \$45,000 due to the change in personnel. It was at this time he asked Edward St John to identify where the money would come from to make up for the short fall. He asked again in April and was told he wanted to wait until the winter was over. David Cappelletti recommended setting up a committee because of the overage and other costs not affiliated with the past winter and how to address and fix this issue going forward. Mr. McCormack stated he wants the departments to take the budget seriously and feels they should cut each department by 2% for this fiscal year to eliminate this happening again. At this time a discussion ensued over the Police Department staffing. Mr. Cappelletti suggested they look into what the real problems are and try to correct them. Edward St John asked the board to give them the opportunity to find the money in last year's budget to correct these overages. He noted the revenues coming in is not meeting the expectations and feels the board is over projecting the revenues. Michael McCormack stated they will wait until July 1st when they receive the numbers for FEMA.

3. Explanation of the procedure the Town uses in selling of Town assets.

Michael McCormack asked if there was a written procedure the town follows on how to dispose of equipment or other town assets. Edward St John stated they follow what is written in the town Charter. A discussion ensued over the sale of equipment and of real property. Mr. McCormack noted there is no actual procedure written in the Charter for selling land.

First Selectman's Comments

None

VOTED: Unanimously on a motion by David Cappelletti and seconded by William Stowell to **ADJOURN** the meeting at 8:29 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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