

TOWN OF DURHAM
BOARD OF FINANCE
P.O. Box 428
DURHAM, CONNECTICUT 06422-0428

BOARD OF FINANCE
APRIL 16, 2007
ANNUAL BUDGET HEARING
MINUTES

The Board of Finance held the Annual Budget Hearing at the Durham Public Library on Monday, April 16, 2007. Chairman Fran Korn called the hearing to order at 8:00 PM.

Members Present: Fran Korn, Loraine Coe, Jay Berardino Elmer Clark, Robert DeSimone

Members Absent: Rosemarie Naples

Others Present: Approximately 25 townspeople, town employees, elected officials, and press

Fran Korn called the Annual Budget Hearing to order at 8:00 PM. Elmer Clark led the assembly in the pledge of allegiance to the flag. Fran reported that the Board of Finance has met 15 times since the beginning of the year to prepare the 2007-2008 budget. He explained that in response to requests from taxpayers for more budget detail, the Board of Finance has made every effort to make the budget easier to read and to make expenses more transparent by creating additional line items.

Fran explained that it was the goal of the Board of Finance and Board of Selectmen to keep the gross budget down. This year the Board did not put any money in the fund balance. As of today there is \$2,466,130 in the fund balance. There are new line items in the budget. Most of the salary accounts have been broken out. There are also new Highway numbers split out to make it easier to see where the money is going. The Resident State Trooper has been broken down into two line items. Health and Welfare has been consolidated under one account. Transportation has been put under one account. The Library has been expanded to new four digit account numbers.

Under Capital Improvement #6700 there have been salary adjustments. It is not our responsibility to determine what the salaries should be. The Board of Selectmen were asked to do a survey. There were sixteen non union positions that were given new job descriptions and classification and are looking at level of work using the fourteen points in the survey. This survey was done taking the information gathered from other towns (Chester, Deep River, East Haddam, Middlefield, Portland, etc.).

In the office of the First Selectmen there was a reduction of one administrative aide. Under Item 1565 MUNIS was deleted for the Tax Collector and the Assessor. Under #2540 Tree Warden \$28,500 was put into Contingency. The Board would like to see the bids that come in before making any decisions. In the Highway Department \$60,000 has been put aside for the Millbrook project. There are three projects for this year and the Board would like to see them put out to bid. Under the Recreation Department, the salary for the Senior Citizens has been moved as part of the recreation salary. Under Debt Services, we are paid off and are now debt free.

Capital Improvements include the Server replacement in the Town Hall, AED's that have to be replaced, Microfilming and the Library \$2,500 for a computer center.

The Fire Department has a plan for retention of members. They are raising money for this project and also wants money put aside from the Town. The Board of Finance would like to know what the plan is.

Laura Francis said she has reservations with the salary increases. The survey is a good instrument to use since as far back as 25 years ago it was an issue. This survey should have gone before the Personnel Policy Board Compensation Policy Commission before it was presented to the Board. The salaries should be deferred sixty days so the commission could be seated and do an independent analysis of this report. Laura does not feel that any analysis has been done. Fran said there was quite a bit of debate and the Board wanted to get it out to the town people

John Andrulis wanted to know who the members of the Personnel Policy Board are at the present time and if they have been asked to meet.

Jim McLaughlin said that he asked for a meeting but the PPB did not think it was necessary.

Fran said that the new salary is for non union. The general question is that since this is an election year are the new elected officials going to come in at the new rates? Ona McLaughlin thought that the tradition was that salary increases were always granted on an off year.

Fran stated that the survey was suppose to be ready for last year but was just made available in February and the Board of Finance received it on March 31, 2007. Ernie Judson wanted to know if the salary increases were retroactive. Fran stated that the Board of Selectmen anticipated that we were putting money in contingency to cover the retroactive pay and that was not what the Board intended to do. Since there are only two months left in this fiscal year the Board decided to put the money in for next year and pay it out of the new budget. Whatever the pay is it will increase by 3%. Fran said we could come back and cut everybody's pay. The Board took what the survey said and put it in the budget. The last survey was done in 2004. Ernie Judson said the last survey was a dramatic difference. Martin French said the surveys create a system to move forward. Where a Town Clerk is relevant to the Assessor the Assessor is relevant to the Recreation Director. It was necessary to have a professional prepare the survey. This survey was done by going from town to town. It was checked whether people worked 30 hours as compared to 40 hours. They looked at what work the people did and it was decided that the Durham people were not up to par with the other towns.

Jim McLaughlin said the salary study was a step and grade program. There were eight steps. Some of them reflect how long a person has been in a grade. Fran stated that the Board took the figures off the spreadsheet which the Board of Selectmen provided. Jay Berardino wanted to know when the survey was completed. Fran said five-six weeks ago in February. Jay wanted to know if it went to the Personnel Policy Board or even if they were apprised of it. Jim McLaughlin stated that they have not been apprised of this. It was discussed that the salary of elected officials make a lot of people worry. The Charter is in effect and states that this survey should have gone to the Personnel Policy Board, they are the responsible people. It seems that this Board has been overlooked.

Jane Erickson said that the survey showed that people who were not unionized would only get the 3% raise. She wanted to know if they should be addressed with the other non unionized employees in regard to the retro pay. Valerie Kilmartin did get the copies of the survey and stated that all non unionized employees were in that survey including the library.

Fran said that at our meeting with the Board of Selectmen which was held on March 31, 2007, that there were commitments made by the Board of Selectmen. Everyone was told about the survey and reviewed it at individual meetings. Dave Montgomery wanted to know if elected officials salaries are set.

Fran said the position would be reviewed and the steps are taken into consideration. We have to separate out elected officials from town employees.

Frank DeFelice said that we have a Board in place to do this work. Fran told Frank that historically that Board has been inactive. Fran asked Jim if they had been contacted and Jim said he contacted them and they are not interested. This Board has to be activated. Fran said the last time there was a survey it was not done by the Board. John Andrulis said that the Board was not invited to participate in this survey and the Board of Selectmen presented it to the Board of Finance. Jim McLaughlin said they were asked by the Board of Finance to do the survey and then report back. John Andrulis said the Board should have been surveyed and asked Jim who he asked on the Board. Jim stated he asked the Chairman. Mary Jane Parsons asked if we make the First Selectmen's Salary Retroactive, in a year from now what will the salary be. Fran told her we have not gotten that far yet.

Rick Parmelee complimented the Board of Finance for the work done on the budget. He is pleased that Millbrook Road will be put out to bid. Fran said that the Board is looking to have a lot of the contracts go out to bid. The Board wants to see if we can contract out? If we can save money? We are taking steps in the right direction. We have to create reserve accounts because we do not always have a plan and may have to reappropriate what we have. Rick Parmelee is glad the Town Garage has been put on the back burner. We may be able to make better use of the site and should hire someone to look it over.

Dave Montgomery wanted to know if the Tree Warden had a specific plan. Fran said he had a plan but the Board of Finance has not seen where the trees are located or the number of trees. This has gone out to bid and the money has been put into contingency. We want to get as many bids as possible. Dave wanted to know if it was because of dying trees and becoming site line problems. Fran said it is the site line and dead and dying trees and that we are lucky to have a Tree Warden. There have been overages for the tree removal and now it is in a separate line item for tree work, it was taken out of the highway budget and given to the Tree Warden. Jim McLaughlin said that most of the trees were safety problems and that the recent storm took down trees. Maryjane Malavasi has a list of the trees for removal in her office.

Donya Viola asked what the education cost sharing figure is and how recent is the figure. The Board of Education meeting on Tuesday would have more of a number. The Board of Finance has a list of things that need to be accomplished including a review of the Pension plan. The Board wants to know what the plan is. Donya Viola asked if the Personnel Policy Board should do that. Fran said that it was not for the Board to do. As far as the retroactive salaries Donya felt that it was cost prohibitive and wanted to know if it was normal practice to give a 3% increase and why we are giving retroactive pay. The towns surveyed were different from Durham and she would like to have this identified more closely. Also has the Resident State Trooper Contract gone up. What has the increase been. She was informed that the contract is determined by the State. Frank DeFelice said that it is a split contract and the pay for the Trooper with without services. At the last Public Hearing Fran said the people asked that these figures be split out so they can see what is actually spent for each item. Loraine Coe said that the percentages are skewed and the numbers are not reflected. Fran said it was divided out because at the last two public hearings the residents wanted it to be more transparent. By adding the 4 digit items it would break it down so it would be easier to read. Loraine said the percentages to not reflect the actual numbers. Fran said it will bet easier

once we get rid of the four digit numbers. Jim McLaughlin said that the State Trooper was paid by grants.

Fran stated that we are getting great cooperation between the Fire Department and Ambulance. The Ambulance Department will be getting their gas at the Fire Department thereby saving money.

Scott Wright said that the Fire Company, Ambulance and Fire Marshall need a centralized area for their reporting. In order to remain eligible for grants they have to send all documents to the state. There is a need to incorporate into one record data base and share the information.

John Scewczyk said we are not a bond town and wants to know where the line item is dealing with the Town Hall. Fran stated that the building funding was done through Reserve. Ernie Judson asked why the Economic Development was lowered. The Commission went before the Town meeting to get the money they needed for the study they were going to do for Economic Development.

The Board of Finance had a request for a new highway truck. We can pay the lease and at this time are working with this request.

Our bond rating is A-1. We want to keep a healthy fund balance.

Carol Kleeman asked why there was a 77% increase in Municipal Custodial Services. Fran stated that it went out to bid and out of the three bids received only two met the requirements and the one they got was the best. The Board would like it to go out to bid again. Everyone is happy with the current service. Carol Kleeman also wanted to know how many counselors were employed by the Recreation Department. Fran did not know this answer. She also said that the Recreation Department went down. It was explained to her that this figure does not include salaries.

Mike Gerima asked if Planning and Zoning Legal was increasing. Fran said that at a meeting with Geoff Colegrove and George Eames and they feel that \$30,000 is enough. Mike wanted to know in a case where we need more money, where will we get it. Fran said that Maryjane keeps an eye on things and lets us know what is available and presents a request for any line item. There is much more control when it is done this way.

Frank DeFelice said the electric is going up. Fran stated that our contract is good through 2009. At this time the Board of Finance is looking at all the accounts and trying to find a better way to consolidate these items. Because these things are so complicated they are planning on working on it this year and hoping to come up with some sort of a system to consolidate all the service contracts for next year.

Donya Viola stated that we need to have a surplus balance. It is up to the Town to have surplus funds. Said said the Board of Education does not need to have a fund balance. Fran does not know what the state requires for District 113 but that the Town needs to maintain our A-1 status.

Donya asked if there were any additional hours. Fran told her that there were additional hours at the library, and overtime of \$280.00 for the Assistant Town Clerk, one person in Town Hall was cut and also one summer position. Donya said why are we paying overtime for one person and eliminate an employee in the Town Hall, she said can't they get the job done in 40 hours. Fran told her that we are just about the only Town Hall open on Saturday in the State. Laura said that only if she could not make it the Assistant Town Clerk would come in and work the two hours on Saturday. Rick Parmalee said he likes having access to the Town Hall in Saturdays and that we are fortunate to have a forward thinking person in that position. Rick also wanted to know what the

Troopers special occasions were. Fran said that they were ball games, etc. Maryjane said the bill gets paid by the Town and then is reimbursed.

Adjournment

The Annual Budget Hearing adjourned at 9:40 PM.

Respectfully submitted,

Sharon J. Criscuolo

Sharon J. Criscuolo

Secretary to the Board of Finance