

BOARD OF FINANCE
SPECIAL MEETING

October 21, 2008

MINUTES

Members Present: Fran Korn, Loraine Coe, Elmer Clark, Rosemarie Naples, Rob DeSimone and Jay Berardino

Others Present: Laura Francis, Maryjane Malavasi, Kurt Bober, Mary Jane Parson, Harry Hall, Jennifer Sprague
The Middletown Press.

1) Call to order:

The meeting was called to order by Chairman Fran Korn at 7:30 PM in the 2nd floor conference room of Town Hall.

2) Minutes:

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY JAY BERARDINO, TO APPROVE THE MINUTES OF THE AUGUST 12, 2008 SPECIAL MEETING. UNANIMOUS AYE.

MOTION MADE BY ROB DESIMONE, SECONDED BY ELMER CLARK, TO APPROVE THE MINUTES OF THE SEPTEMBER 2, 2008 SPECIAL MEETING. UNANIMOUS AYE.

3) Invoices:

MOTION MADE BY LORAIN COE, SECONDED BY ROB DESIMONE, TO APPROVE PAYMENT IN THE AMOUNT OF \$7,000 TO JAMES A. GEORGE, P.C. FOR PROGRESS PAYMENT ON THE JUNE 30, 2008 AUDIT. UNANIMOUS AYE.

4) Reserve Fun Transfer Request – Fire and Ambulance:

Harry Hall requested that reserve funds be used to purchase a combo unit for the gator. He noted that the gator was donated to the town through the VFW. The combo unit has a fire pump with water tank and a medical bed on top.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY JAY BERARDINO, TO RECOMMEND THE SELECTMEN CALL A TOWN MEETING TO TRANSFER \$1,800 FROM #9140 RESERVE FOR AMBULANCE AND \$1,800 FROM #9580 RESERVE FOR FIRE EQUIPMENT TO #6700-494 CIP FIRE DEPARTMENT FOR THE PURCHASE OF A KIMTEK FIRE/EMS COMBO SLIDE-IN UNIT.

Fran Korn asked how soon a town meeting could be called. Laura Francis replied that one could be called at the next Selectmen's meeting on Monday night.

Jay Berardino asked what the unit will be used for and if we recently had a situation where it could have been needed. Harry Hall reiterated that it will be used as a small fire truck since it has a fire pump on it and it can also transport victims from a scene. This unit could have been used a few times at Miller's Pond and at a fire like the recent one at Dead Hill.

VOTE: UNANIMOUS AYE.

5) Reserve Fund Transfer Request – Town Green Repair:

Fran Korn noted that there is money originally given by the Durham Fair Association set aside in the reserve fund to repair the town green. Rob DeSimone questioned if the money was being used for the electrical work. Laura Francis replied that the funds will only be used for aerating, re-grading and hydro seeding after the fair's electrical project is completed.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY ROB DESIMONE, TO RECOMMEND THE SELECTMEN CALL A TOWN MEETING TO TRANSFER \$4,500 FROM #9840 RESERVE FOR TOWN GREEN REPAIR TO #6700-482 CIP-TOWN GREEN FOR REPAIRS. UNANIMOUS AYE.

6) Additional Appropriation – Employee Retirement Consulting Services

Fran Korn noted that the Board has asked that the retirement plan be reviewed for a number of years. Replying to questions from Jay Berardino, Laura stated that the review will include all town and district employees except the teachers. She explained the bid process and reasons for the review.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY JAY BERARDINO, TO TRANSFER \$10,800 FROM #6020 CONTINGENCY TO #2515 EMPLOYEE RETIREMENT PLAN FOR VALUATION AND CONSULTING SERVICES. UNANIMOUS AYE.

Elmer Clark asked if the labor contract was signed yet. Laura Francis replied that it was not and that wages and pension were still on the table.

7) Additional Appropriation – Water Expenses for the Durham Fair

Laura Francis reported that a contingency plan is necessary to ensure that the fair has an adequate water supply, and that the same plan was in place last year. Although it was thought that it would only be necessary the first year, it will in fact need to be in place every year. Strict DPH regulations were needed to be met, making it even more important to have this plan in place. She reported on additional work that will need to be done, a portion of which will be at the Town's expense.

This item was tabled until figures can be presented for the additional expense. Maryjane Malavasi was given permission to process the open invoices totaling \$5,365 in the meantime.

8) Grant Carryover – OPM Library Grant

Maryjane Malavasi requested an additional carryover from fiscal year 2007-2008 for the balance left from a grant received by the Library from the Office of Policy and Management. The original grant amount was \$3,000; of which \$459 was expended last fiscal year. The grant is titled "DURHAM PUBLIC LIBRARY AID IN HISTORICAL RESEARCH" and is expected to be completed in this fiscal year.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY JAY BERARDINO, TO TRANSFER \$2,541 FROM UNDESIGNATED FUND BALANCE TO #5005-345 LIBRARY STATE GRANT, TO CARRY OVER THE BALANCE IN THE GRANT FROM FISCAL YEAR 2007-2008. UNANIMOUS AYE.

9) Additional Appropriation – Tree Removal

Maryjane Malavasi reported that the Tree Warden had made a request for tree removal funding during the budget season and was asked to return after the bid for the new year was complete.

Fran Korn stated that in view of our anticipated budget deficit he would like the Tree Warden to present an updated request outlining work that really needs to be done this year. This item was tabled until such time as the Tree Warden is able to make this presentation.

10) Emergency Housing Update

Laura Francis reported that the total amount spent on the displaced occupant was \$4,025 and a lien for that amount has been placed on the property. Maryjane Malavasi stated that at this time additional funding is not being requested since the budget may be able to absorb the additional expense.

11) Highway Department Inventory

Kurt Bober presented the following 3 inventory documents as the first phase to the completion of a complete highway department inventory: Public Works Capital Equipment, Metal Road Signs, and Yard Materials. He asked for guidance from the Board of Finance as to what they will be looking for.

Jay Berardino requested adding mileage and warranty information to the capital equipment list.

Fran Korn asked if a computerized database will be developed. Kurt Bober responded that he and Laura are looking into public works software. Fran also asked that tires and power tools be included in the inventory.

Kurt Bober distributed a sample maintenance spreadsheet that is kept for each vehicle. He did so in response to a comment made at the last town meeting that public works was not taking proper care of its vehicles.

Jay Berardino stated that it would benefit this group to meet at the garage to see for themselves the inventory on hand. He asked at what point in time it would warrant hiring a full time mechanic. Kurt replied that although 3 crew members help with maintenance, that it is not yet a full 40 hour a week job.

12) Water Commission Budget Deficit

Laura Francis reported that the Selectmen and Water Commission went to town meeting for approval to charge a one time assessment to the 106 water customers to make up a \$26,500 deficit. She noted that the water commission is in better budgetary shape than it has been in the past, and once this deficit is satisfied should be able to be as self-sufficient as possible.

Fran Korn stated that it was his suggestion to review the possibility of the town participating in this budget deficit. Laura explained 3 options for consideration, but asked that the Board not take any action tonight as she may have another possible funding option.

Jay Berardino recommended the town join an association that could help us with the issues regarding the water company. He asked if a buyer could be found, and Laura Francis replied that it is possible.

Laura Francis noted that the town is still pursuing the option of connecting to Middletown, and Jay Berardino suggested looking into connecting to Miller's Pond.

This item was tabled until the next meeting.

13) Energy Conservation Programs/Alternate Energy Sources

Laura Francis reported that the state bid for the hybrid vehicle came in at about \$26,000 of which approximately \$8,000 would be reimbursed through the grant. In view of the anticipated budget deficit, a cost benefit analysis will be prepared to help us decide if we should go ahead with this purchase. We have until December 31, 2009 to use the grant funds.

Fran Korn asked if any proposals will be made for the next budget. Laura Francis replied that she will be recommending an RFP be submitted for a company to come in and evaluate all of our buildings for energy efficiency.

Jay Berardino expressed his opinion on the importance of looking into ways to make ourselves more energy efficient.

14) 2008 Annual Report – Cover, Dedication and Pictures

Elmer Clark suggested the annual report be dedicated to George Zeeb.

Fran Korn stated that George Zeeb was a good suggestion, but that he would like to recommend the report be dedicated to Durham's WWII veterans and that their pictures also be included in the report. He stated that the State recently honored WWII veterans and that this would be a timely dedication to make.

MOTION MADE BY FRAN KORN, SECONDED BY JAY BERARDINO, TO DEDICATE THE 2008 ANNUAL TOWN REPORT TO DURHAM'S WWII VETERANS AND TO INCLUDE THEIR PICTURES INSIDE THE REPORT. UNANIMOUS AYE.

Laura Francis agreed to organize this effort.

15) Audit Update

Maryjane Malavasi reported that the transition to the new auditing firm has gone very well. We are waiting for some final pieces of information and estimate that the draft will be completed by November 15. She suggested a special meeting to review the draft with the auditor. She noted that the only issue that has come up this year is within human resources and payroll related to records management. This issue is already being reviewed.

16) Board Secretarial Services:

Maryjane Malavasi submitted Beth Moncata for consideration as the Board's recording secretary. She stated that Laura has been consulted since Beth is her full time Administrative Assistant, but that no conflict of interest has been noted. Rosemarie Naples and Loraine Coe both felt this was an excellent choice. Jay Berardino was concerned that we were not going through our normal process of interviewing candidates. Fran Korn stated that for this particular position it was not unusual to forego that process.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY ROB DESIMONE, TO HIRE BETH MONCATA TO BE THE BOARD OF FINANCE RECORDING SECRETARY. UNANIMOUS AYE.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY LORAIN COE, TO SET THE SALARY FOR THE RECORDING SECRETARY AT \$15.00 PER HOUR. UNANIMOUS AYE.

17) Any other business that comes before the board

a) Middlefield Board of Finance Requests

Fran Korn reported that he has been contacted by the Chairwoman of the Middlefield Board of Finance regarding the school bond package that has not been properly posted. Middlefield has chosen to hold back their portion of the bond payment and has requested that Durham take similar action. Fran Korn stated that it is not his intention to suggest taking any action at this time.

Laura Francis has requested information from the district that might make a case for an economic hardship. She noted that we do not know how long it would take for the legislature to vote on this issue.

Mary Jane Parsons stated that the board anticipates it may be acted on by early March if the issue makes the January State Legislative agenda.

Fran Korn reported that Middlefield also requested a joint meeting between the two boards of finance to pursue ways of saving money.

Jay Berardino said that we should look at any way to save money and would agree to meet with Middlefield for that reason, but not for the bond issue. He also suggested holding a joint meeting with the BOE.

Rob DeSimone stated that if we meet with Middlefield we should suggest an agenda to them in order to keep the meeting on track.

Laura Francis agreed to put a meeting together with Middlefield.

b) 2009 Anticipated Budget Deficit

Laura Francis distributed a spreadsheet detailing anticipated gains and losses in various revenue and expenditure lines which make up an anticipated deficit of approximately \$100,000. She will be working with all departments to prepare a deficit reduction plan that will be available for the next Board of Finance meeting.

Rob DeSimone noted that there is a \$200,000 contingency that could be used to offset some of the deficit. Laura stated that it is her intention to find other ways to lessen the deficit in order to preserve the contingency fund for real contingencies during the fiscal year.

c) Haddam Quarter Road Highway Project

Kurt Bober reported that a head wall is failing on Haddam Quarter Road, a project that currently is not funded. He plans to bid out the project in order to compare that cost to the cost of doing the project in-house. He asked that this item be placed on next month's agenda for consideration.

18) Adjournment:

MOTION MADE BY ELMER CLARK, SECONDED BY ROB DESIMONE, TO ADJOURN THE MEETING AT 9:53 PM. UNANIMOUS AYE.

Respectfully submitted,

Maryjane Malavasi

RECV'D: Office of the Town Clerk
November 19, 2008 at 9:15am