

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

BOARD OF FINANCE

March 15, 2008

MINUTES

The Board of Finance met at the Durham Town Hall, 30 Town House Road, on Saturday, March 15, 2008.

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

Others Present: Maryjane Malavasi, Ellen Mauro, Dominic DelVecchio, Kurt Bober

1) Call to order:

The meeting was called to order by Chairman Fran Korn at 8:11 a.m.

2) Budget Workshop:

a) 1520 Building and Health:

Ellen Mauro reviewed each budget line request.

Ms. Mauro indicated that single family housing starts are down, but permits for remodeling, additions and commercial are up. Fran Korn requested a comparison of permits this year versus last year.

b) 7500 DMIAAB:

Ellen Mauro distributed a copy of DMIAAB's approved budget for fiscal year 2008-2009. Dominic DelVecchio reviewed each line of the budget. He noted that although the projected budget is up \$12,415, they have maintained the same costs for Durham and Middlefield. They are able to do so because of other revenue that they are able to generate.

There was discussion regarding CRRA and tipping fees. CRRA said that they would increase fees by 20%, but towns have filed suit against the increase. Ms. Mauro stated that this should not be an issue in this fiscal year, but that the courts could change that. She also stated that CRRA is trying to force us to give them our paper which would lower our income.

MOTION MADE BY ROSEMARIE NAPLES, SECONDED BY ROB DESIMONE, TO APPROVE BUDGET #7500 DMIAAB IN THE AMOUNT OF \$346,608. UNANIMOUS AYE.

c) 1520 Building and Health:

MOTION MADE BY ROB DESIMONE, SECONDED BY LORAIN COE, TO APPROVE BUDGET #1520 BUILDING AND HEALTH IN THE AMOUNT OF \$52,250.

There was discussion regarding the flu clinic and whether or not we would use the visiting nurses again next year. The expense history of the State Training Fee line was reviewed.

After discussion, the motion and second were withdrawn.

MOTION MADE BY ELMER CLARK, SECONDED BY LORAIN COE, TO APPROVE BUDGET #1520 BUILDING AND HEALTH IN THE AMOUNT OF \$49,300 AS DETAILED BELOW. UNANIMOUS AYE.

124	Engineer	43,000
152	Dues & Meetings	1,300
154	Printing	500
156	Subscriptions	500
204	Consultants	1,250
212	Hepatitis B	1,000
237	State Training Fees	1,550
305	Hand Tools	100
351	Mileage	100

d) 3005 Capital Equipment:

Kurt Bober explained that this was the last lease payment on a loader. His capital request includes \$180,000 for a tandem truck to replace a 1995 dump truck. The Selectmen reduced the request to \$150,000, recommending a regular dump truck.

Mr. Bober explained his rationale behind the request for a tandem truck. In winter it would eliminate extra trips back to the depot for sand for the grid furthest away. Maryjane Malavasi asked if the grids could be changed to eliminate this need. Mr. Bober replied that our roads have increased and everyone is maxed out with road mileage.

Mr. Bober stated that a tandem truck would be an advantage during skid paving and chip sealing, allowing for larger loads to be transported at one time. Fran Korn asked what it would cost to contract out for hauling. Mr. Bober thought the cost would be about \$65/hour, but that the jobs would take longer if done that way.

Elmer Clark asked about renting a tandem truck for specific uses. Mr. Bober felt that the additional \$30,000 over the life of the truck would be minimal in comparison to renting or contracting this service.

Fran Korn asked for a comparison between contracted services and the town's total cost including the driver, maintenance and fuel.

Maryjane Malavasi asked if a tandem truck would fit in our garage. Mr. Bober replied that they would need to move things around to accommodate this truck, which is 6' longer than a standard dump truck.

Jay Berardino suggested bringing in an expert to analyze the entire department.

Elmer Clark asked if other towns use contractors to which Mr. Bober replied yes.

e) 3011 Snow Removal:

There was discussion regarding the new process of pre-treating roads, at what point Durham may move to that process, and costs associated with the conversion. Mr. Bober noted that the cost to outfit each truck with a tank would be approximately \$4,000, and that salt neutralizers were needed to clean the trucks after use.

Mr. Bober reported that this year we used more sand due to the number of ice storms.

f) Capital:

Mr. Bober reviewed his list of capital requests for trucks and equipment. He noted that the small trucks can be replaced with used ones. The Selectmen recommended a new truck be purchased for the building inspector instead of a used one in order to add to the useful life of the vehicle. Fran Korn felt that it might be prudent to buy a one-year old truck instead.

g) 3011 Catch Basin Cleaning:

Maryjane Malavasi stated that the estimated cost is based on bid pricing. Elmer Clark noted that the budget included labor and fuel which are in other budgets. Those costs can be removed.

h) 3013 Vehicle Fuel:

Kurt Bober reported that this budget is based at this time on \$3.50/gallon. Jay Berardino asked what savings are realized by buying in bulk. Mr. Bober stated that the companies bid based on the size of the tank and how many deliveries might be necessary. He noted that the only other cost associated with the tank is electricity to run the pump.

i) 3014 Chip Sealing:

Fran Korn asked how many miles of road are chip sealed each year. Mr. Bober relied that approximately 10 miles are planned. He discusses the roads with the First Selectman, and factors in usage when determining the roads to chip seal.

Jay Berardino roughly figured that it costs the town \$3.31 per mile and asked if that was a standard cost. Mr. Bober stated that he would expect the cost to be somewhere between \$2.50 and \$3.50 based on State pricing.

The increase in this budget is based on cost estimates from the supplier.

j) 3016 Highway Sweeping:

Mr. Bober reported that this item goes out to bid each year. Budget based on current bid pricing.

k) 3500 Local Highway Projects:

Mr. Bober reported that several culverts have been identified as critical and there is also a list of small projects that need attention.

Fran Korn suggested hiring an engineering firm to review all culverts, to provide the town with a priority list that includes cost estimates, and to set up a replacement schedule. Maryjane Malavasi was asked to contact our engineering firm and discuss this request with them.

Kurt Bober suggested starting a reserve fund that would be used for small projects as they occur.

l) 3007 Highway Department Summer Wages:

Mr. Bober requested 2 additional summer workers during May – August to assist with mowing, weed whacking, chip sealing, and other small jobs. In response to Mr. Berardino, Mr. Bober replied that there are currently 6 full time employees and 5 or 6 part time employees. He also confirmed that the part time employees were drug tested before hired.

Maryjane Malavasi stated that the title of this department is misleading since the part time employees are used throughout the year. A change in the title will be made.

m) 3008 Highway Vehicle Maintenance:

Mr. Bober noted that this budget is for maintenance of all town-owned vehicles. We do routine maintenance and send vehicles out for steering, suspension, and brake issues.

n) 3009 Town Garage Maintenance:

It was noted that the telephone line includes all town cell phones and the garage land line.

o) 3010 Public Works:

Mr. Bober stated that he plans to replace damaged guardrails and to replace the type of guardrail in some areas. The town stripes 12-14 miles of road each year. Equipment rental is necessary to meet the needs of specific projects.

Jay Berardino asked if tires were also in the vehicle maintenance budget. Upon review, they were not.

3) General Discussion:

1. Mr. Bober stated that he was upset with a report in the *Town Times* regarding the installation of the fire department driveway. He stated that the work was done by public works with the approval of the Selectmen, and that a representative of the fire company trustees, the fire department, and Selectmen met to discuss this project before it was done.

Fran Korn noted that it had been the Board of Finance's understanding that the work was to be contracted out, and that they had not been informed otherwise.

2. Mr. Bober stated that public works needs a new facility, and spoke about an opportunity to buy property on Mountain Road which would free up the current property for another use. He asked that money be put aside for a feasibility study.
3. Maryjane Malavasi asked the Board to reconsider its decision to add 4-digit department numbers for various utility accounts. She explained that the chart of accounts is set up using GASB reporting standards and this change would diffuse its integrity. She noted that she could produce reports for the Board that would provide them with the information they are looking for, and could also include this information in the budget presentation at the public hearing.

The Board chose to rescind its decision to request the changes to the budget lines. Ms. Malavasi was asked to provide the reports she spoke of as well as a list of who uses each cell phone budgeted in department 3010.

4. Maryjane Malavasi asked the Board to review salaries soon after the Compensation Review Board makes its recommendation in order to allow for enough time to compute other budgets that are based on salaries.
5. Rob DeSimone discussed the Town's fund balance and suggested the Board use a portion of it to reduce the budget. More discussion will continue later on in the budget process.

4) Adjourn:

MOTION MADE BY ROB DESIMONE, SECONDED BY LORAIN COE, TO ADJOURN THE MEETING AT 12:00 NOON. UNANIMOUS AYE.

Respectfully submitted,

Maryjane Malavasi