

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

BOARD OF FINANCE
SPECIAL MEETING

March 29, 2008

MINUTES

Members Present: Fran Korn, Loraine Coe, Elmer Clark, Rosemarie Naples, Rob DeSimone and Jay Berardino (arr. 8:22)

Others Present: Maryjane Malavasi, Laura Francis

1) Call to order:

The meeting was called to order by Chairman Fran Korn at 8:07 AM.

2) Budget Workshop:

a) 3010 CIP-Town Hall Vehicle Replacement – Public Works:

Fran Korn suggested that the town purchase a hybrid vehicle to replace the escort.

MOTION MADE BY COE, SECONDED BY BERARDINO, TO RESCIND THE RECOMMENDATION THAT THE SELECTMEN CALL A TOWN MEETING TO TRANSFER UP TO \$15,000 FROM UNDESIGNATED FUND BALANCE TO #6700-485 TOWN HALL VEHICLES CIP FOR THE REPLACEMENT OF THE 1993 ESCORT. UNANIMOUS AYE.

MOTION MADE BY COE, SECONDED BY DESIMONE, TO REQUEST THE SELECTMEN SEEK QUOTES FOR A HYBRID VEHICLE TO REPLACE THE 1993 ESCORT AND TO RETURN TO THE BOARD OF FINANCE WITH A RECOMMENDATION. UNANIMOUS AYE.

b) 1500 Assessor – Reserve #9740 Revaluation:

MOTION MADE BY NAPLES, SECONDED BY DESIMONE, TO APPROVE RESERVE BUDGET #9740 REVALUATION IN THE AMOUNT OF \$35,000. UNANIMOUS AYE.

c) 4013 Animal Control – Reserve #9180 Van Replacement:

MOTION MADE BY DESIMONE, SECONDED BY NAPLES, TO APPROVE RESERVE BUDGET #9180 ANIMAL CONTROL VEHICLE IN THE AMOUNT OF \$3,000. UNANIMOUS AYE.

d) 6005 Cemetery Company – Reserve #9280 Stone Repairs:

MOTION MADE BY COE, SECONDED BY DESIMONE, TO APPROVE RESERVE BUDGET #9280 CEMETERY STONE REPAIRS IN THE AMOUNT OF \$5,000. UNANIMOUS AYE.

e) 4004 Emergency Management – Reserve #9440 Engineering Study:

MOTION MADE BY DESIMONE, SECONDED BY COE, TO APPROVE RESERVE BUDGET #9440 EMERGENCY MANAGEMENT ENGINEERING STUDY IN THE AMOUNT OF \$30,000. UNANIMOUS AYE.

f) 4020 Fire Company – Reserve #9560 Scott Air Pack Replacement:

MOTION MADE BY COE, SECONDED BY DESIMONE, TO APPROVE RESERVE BUDGET #9560 SCOTT AIR PACK REPLACEMENT IN THE AMOUNT OF \$12,000. UNANIMOUS AYE.

g) 4045 Fire Ponds – Reserve #9600 Tank Installation:

MOTION MADE BY COE, SECONDED BY NAPLES, TO APPROVE RESERVE BUDGET #9460 FIRE POND TANK INSTALLATION IN THE AMOUNT OF \$15,000. KORN, NAPLES, COE, CLARK & DESIMONE – AYE; BERARDINO – NAY. MOTION CARRIED.

Jay Berardino expressed his opinion that new subdivisions should be providing a fee for this use.

h) 3010 Public Works – Reserve #9696 Equipment Replacement:

No funding was given to this budget.

i) Reserve #9200 Building Maintenance:

MOTION MADE BY DESIMONE, SECONDED BY CLARK, TO APPROVE RESERVE BUDGET #9200 BUILDING MAINTENANCE IN THE AMOUNT OF \$25,000. UNANIMOUS AYE.

Fran Korn noted that this fund could be used for projects being compiled by the Building Official.

j) 4020 Fire Company – Reserve #9580 Fire Equipment:

MOTION MADE BY NAPLES, SECONDED BY DESIMONE, TO APPROVE RESERVE BUDGET #9580 FIRE EQUIPMENT IN THE AMOUNT OF \$215,000. UNANIMOUS AYE.

Fran Korn noted that we would need to fund this account in the amount of \$275,000 for the next four years in order to have enough funding for the current request. He suggested that we try to stretch the last two vehicles out one year instead.

k) Reserve Fund Interest Re-Appropriation:

There was extensive discussion regarding the amount of interest to re-appropriate in the Reserve Fund. Elmer Clark felt we should not allocate interest not yet earned. Jay Berardino asked to see the interest rate and how the fund is invested.

MOTION MADE BY CLARK TO RE-APPROPRIATE INTEREST IN THE AMOUNT OF \$100,000 TO OFFSET THE RESERVE FUND APPROPRIATION. NO SECOND – MOTION FAILED.

MOTION MADE BY NAPLES, SECONDED BY DESIMONE, RE-APPROPRIATE INTEREST IN THE AMOUNT OF \$140,000 TO OFFSET THE RESERVE FUND APPROPRIATION. KORN, COE, NAPLES, DESIMONE & BERARDINO – AYE; CLARK – NAY. MOTION CARRIED.

l) Senior Tax Relief Offset:

Fran Korn noted that there are 4 applications for the deferral program so far. The ordinance allows the BoF to set the limit no more than ½ of 1% of the previous year's budget, which equates to \$123,407.

Laura Francis, First Selectman, joined the meeting at this time. She added that the BoF also needs to assign the interest rate associated with the deferral program. Other towns range from 0 – 6%. She suggested looking at the interest rate that the fund balance is earning as a guide for this decision. She added that firm numbers on the amount of tax relief should be available by the Annual Budget Meeting.

m) 2520 LAP Insurance:

MOTION MADE BY NAPLES, SECONDED BY CLARK, TO APPROVE BUDGET #2520 LAP INSURANCE IN THE AMOUNT OF \$107,211. UNANIMOUS AYE.

Jay Berardino asked that this item go out to bid.

n) Maple Avenue & Tri-Mountain Road Projects:

Laura Francis reported that she is working with public works to provide information regarding the costs associated with these two projects that have been carried over from previous years. It appears that both projects would be more cost effective if done in-house. She assured the board that both projects could be completed by June 30.

o) Public Works Study:

Laura Francis reported that she had asked for more time to consider how to handle the study requested for public works and/or the possibility of a Public Works Director position as suggested by the BoF. She noted that contract negotiations has led her to talk about this issue sooner rather than later. She wants to be fair to all current employees. The new position would be able to provide all of the assistance that the BoF has asked for during these budget workshops, as well as provide professional assistance on a daily basis.

p) Town Hall Vehicle

Fran Korn advised Ms. Francis that the Board has suggested the purchase of a hybrid vehicle to replace the 1993 Escort. Maryjane Malavasi advised them that grant funds are available for the difference in price. Ms. Francis agreed that it would send a good message to the townspeople. She also reported that she is working with CIRMA on a fleet safety program.

q) 1010 Office of the First Selectman

Fran Korn suggested adding \$5,000 for Culvert Consulting Services and \$15,000 for Public Works Consulting Services to budget #1010.

MOTION MADE BY NAPLES, SECONDED BY BERARDINO, TO REOPEN BUDGET #1010 OFFICE OF THE FIRST SELECTMAN. UNANIMOUS AYE.

MOTION MADE BY DESIMONE, SECONDED BY NAPLES, TO ADD A LINE FOR CULVERT CONSULTING SERVICES IN THE AMOUNT OF \$5,000; TO ADD A LINE FOR PUBLIC WORKS CONSULTING SERVICES IN THE AMOUNT OF \$15,000; AND TO APPROVE BUDGET #1010 OFFICE OF THE FIRST SELECTMAN IN THE AMOUNT OF \$59,529.

Rob DeSimone thought that a new position of Director of Public Works would be able to provide these services. Fran Korn felt that whether or not the town chose to hire a Director of Public Works, the money would be in the budget for consulting services if needed.

Jay Berardino was in favor of a consultant, specifically to weigh in on the question of contracted services vs. in-house.

VOTE ON MOTION: UNANIMOUS AYE.

r) 6020 Contingency:

MOTION MADE BY KORN, SECONDED BY DESIMONE, TO APPROVE BUDGET #6020 CONTINGENCY IN THE AMOUNT OF \$200,000. UNANIMOUS AYE.

s) Tax Deferral Offset

MOTION MADE BY COE, SECONDED BY DESIMONE, TO APPROVE A NEW REVENUE LINE TITLED TRANSFER IN FOR TAX DEFERRAL IN THE AMOUNT OF \$123,407. UNANIMOUS AYE.

t) Fund Balance Transfer

Fran Korn discussed the amount available in the Undesignated Fund Balance account. He reviewed items that have been transferred already and those that are pending. He stated that we need to be careful with the Fund Balance now that we are budgeting our revenues & expenses so tightly. He suggested leaving the transfer amount at \$100,000 and the board agreed.

3) Adjourn:

The board scheduled another meeting for Tuesday, April 1 at 7:30 PM.

MOTION MADE BY COE, SECONDED BY NAPLES, TO ADJOURN THE MEETING AT 10:12 AM. UNANIMOUS AYE.

Respectfully submitted,

Maryjane Malavasi