

TOWN OF DURHAM

BOARD OF FINANCE

P.O. Box 428

DURHAM, CONNECTICUT 06422-0428

BOARD OF FINANCE

SEPTEMBER 27, 2006

MINUTES

The Board of Finance met at the Durham Public Library on Wednesday, September 27, 2006. Chairman Fran Korn called the meeting to order at 7:05 p.m.

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

Others Present: Jim McLaughlin, Jane Eriksen, David Turley, Charles Corley (*Town Times*), Maryjane Malavasi (arrived at 7:30)

Fran Korn expressed his appreciation to everyone for all of the work they have done while he was out of town on business.

1. Minutes

MOTION BY ELMER CLARK, SECONDED BY LORAIN COE TO APPROVE THE MINUTES OF JULY 19, 2006 AS PRESENTED. AYES: ELMER CLARK, LORAIN COE, ROSEMARIE NAPLES; JAY BERARDINO; ABSTAIN: FRAN KORN, ROB DESIMONE. MOTION PASSED.

2. Correspondence

The following correspondence was received:

- Fee Collection Report from the Town Clerk's Office for the first month of fiscal year 2006-2007
- Request from Registrars of Voters to carry over \$4,022.87 from 05-06 budget to 06-07 budget
- Letter dated August 4, 2006 from the Department of Public Health to Fran Korn regarding \$5,000 bioterrorism grant provided to the Town of Durham during fiscal year 2005-2006
- Letter dated September 18, 2006 from Susan Viccaro, Superintendent of Schools, to Fran Korn regarding the contract negotiation schedule for school administrators
- Final budget reports for fiscal year 2005-2006 with line item detail
- Year-to-date budget reports for 2006-2007
- Detailed budget report for the Charter Revision Commission (Account 2040)

Discussion followed the review of correspondence. Rob DeSimone offered to represent the Board of Finance at the Board of Education contract negotiation meetings.

3. Invoices

MOTION BY ROSEMARIE NAPLES, SECONDED BY LORAIN COE TO APPROVE INVOICE DATED SEPTEMBER 20, 2006 FROM ALICE TUCKER IN THE AMOUNT OF \$1,000 FOR SECRETARIAL SERVICES PROVIDED TO THE BOARD OF FINANCE FROM JULY 1ST THROUGH SEPTEMBER 30TH, 2006. MOTION PASSED UNANIMOUSLY.

MOTION BY LORAIN COE, SECONDED BY ROB DESIMONE TO APPROVE INVOICE DATED SEPTEMBER 11, 2006 FROM WM. CORVO CONSULTANTS, INC. IN THE AMOUNT OF \$5,180 FOR PRINTING AND BINDING 750 COPIES OF THE 2005 ANNUAL TOWN REPORT. MOTION PASSED UNANIMOUSLY.

4. Water Company Project

Jim McLaughlin reported that a meeting on the Water Company project was held earlier today. There were two change orders to the original plans for upgrading the system: one for the redesign and rerouting of the system, and one for modification of the design of the booster station. The first change order reduced the bottom line of the base bid from \$663,000 to \$580,481 which is the approximate amount left in the HUD grant of \$750,000. The second change order resulted in a cost reduction of \$26,500 bringing the cost of modifying the booster station to \$514,950 which is approximately \$15,000 more than the STEAP grant. The total cost of the Water Company project has been brought down to \$1,095,431.25 which reflects a reduction in the shortfall of grant monies from the original estimate of approximately \$81,000 to approximately \$15,000.

Jim introduced Maryjane Malavasi, the Town's new Finance Director, to members of the B/F.

5. Purchase of New Map Machine

There was a brief discussion about the Town Clerk's request to purchase a new map copying machine to replace the old machine that broke last year. The request for this item was originally discussed during the budget review process earlier this year.

MOTION BY ROSEMARIE NAPLES, SECONDED BY LORAIN COE TO APPROVE THE EXPENDITURE OF \$12,000 FOR THE PURCHASE OF A RICOH 240W MAP MACHINE; SAID FUNDS TO COME FROM UNDESIGNATED RESERVE FUNDS.

Discussion followed. In response to a question, Fran Korn explained that there were three sources of funds available for the purchase of this unbudgeted item: undesignated reserves, contingency funds, and building maintenance reserves. Jay Berardino suggested using funds in the Town Hall furniture account to pay for the map machine. Jim McLaughlin and Fran Korn agreed that although it appears that money is still available in the furniture account, it is quite probable that not all of the furniture invoices have been received and/or paid to date, and the remaining money will be needed to cover items already purchased but not yet billed.

MOTION PASSED UNANIMOUSLY.

6. Alarm System for the Library

There was a brief discussion about the new alarm system for the Library as a follow-up to the detailed discussion that took place at the July 19th B/F meeting. Jane Eriksen and David Turley offered to answer any questions that the B/F might have.

MOTION BY ELMER CLARK, SECONDED BY LORAIN COE TO APPROVE THE EXPENDITURE OF \$13,295 FOR THE PURPOSE OF INSTALLING A FIRE ALARM SYSTEM AT THE DURHAM PUBLIC LIBRARY BY AMERICA'S ALARM COMPANY, LLC; SAID FUNDS TO COME FROM TOWN BUILDING MAINTENANCE RESERVE FUNDS.

Discussion followed. Jay Berardino asked if this item was put out to public bid, i.e. was a notice posted in the newspaper. Jane and Dave explained that three quotes were solicited; however it was not put out to public bid. Jay expressed concern about the bid process and asked if the Town Charter requires the solicitation of three bids before this type of item is purchased. Fran

responded that although that is the recommended procedure, the Town Charter does not require it. Jane remarked that the Library Board of Trustees considered the expense of putting this item out to bid when making its decision to obtain three quotes for the new alarm system. Elmer Clark moved the question.

MOTION PASSED UNANIMOUSLY.

Discussion continued. Jay asked if quasi Town departments such as the Fire Company and the Ambulance Corps are required to obtain multiple bids prior to making major purchases. Fran responded that they are required to obtain bids for purchases made with funds provided by the Town. Further discussion ensued regarding the possibility of using the Town website to publicize projects and purchases that are put out to bid. Jane Eriksen and David Turley thanked the Board of Finance and left the meeting at this point.

7. Location of Future Board of Finance Meetings

Fran Korn suggested that future B/F meetings be held at the Town Hall now that conference space is available there. Elmer Clark suggested that this year's remaining meetings be held at the Library as originally planned, and then starting in 2007 have meetings in the Town Hall. Fran commented that it would be more convenient to have meetings in the Town Hall for a number of reasons, including the elimination of time constraints that exist when meetings are held at the Library. Jim McLaughlin explained that a key to the side door of the Town Hall will be provided to the Chairmen of all Boards and Commissions that plan to meet in the Town Hall after normal business hours. Boards and Commissions will be responsible for locking the door after meetings have adjourned.

MOTION BY ROSEMARIE NAPLES, SECONDED BY LORAIN COE TO HOLD FUTURE REGULAR MEETINGS OF THE BOARD OF FINANCE IN THE SECOND FLOOR CONFERENCE ROOM AT THE TOWN HALL BEGINNING WITH THE OCTOBER 18, 2006 MEETING. MOTION PASSED UNANIMOUSLY.

[A REVISED BOARD OF FINANCE MEETING SCHEDULE FOR 2006 SHOWING THE CHANGE IN LOCATION OF THE OCTOBER, NOVEMBER, AND DECEMBER MEETINGS IS ATTACHED TO THESE MINUTES.]

8. Meeting Schedule for 2007

Following a discussion regarding which night of the week members would prefer to meet beginning in January 2007, there was unanimous agreement to schedule one regular Board of Finance meeting per month on the third Tuesday of each month from January through December, 2007. Regular meetings will be held in the second floor conference room at the Town Hall.

9. Effective Date of Grand List for Annual Reports

There was discussion about the effective date of Grand List data included in the Town Annual Reports. Historically, Annual Reports have included the most recent grand list data available even though the effective date of the data does not fall within the dates of the fiscal year being reported. Also discussed were alternative ways to provide Grand List data to the public without including it in the Annual Report. Maryjane Malavasi confirmed that it is not a legal requirement to include Grand List information in the Town's Annual Report.

MOTION BY JAY BERARDINO, SECONDED BY ELMER CLARK TO EXCLUDE GRAND LIST DATA FROM FUTURE ANNUAL TOWN REPORTS AND TO PROVIDE GRAND LIST INFORMATION ON THE TOWN WEBSITE IN THE SAME FORMAT USED IN PREVIOUS TOWN REPORTS. MOTION PASSED UNANIMOUSLY.

10. Budget Discussion

There was general discussion about a number of budgets including: the final construction costs for the Town Hall renovation project, final costs for the move from the temporary Town Hall back to the Town Hall, final costs for new furniture for the Town Hall, pension plan expenses, the cost of removal and replacement of the oil tank at the Library, legal expenses and other expenses associated with the charter revision, and several other budget items.

Fran Korn noted that several new accounts that the Board of Finance asked Rett Mancinelli to establish in MUNIS have not yet been added to the system. It appears that monies and expenses for the Town Hall move and Town Hall furniture which should have been placed in new, separate four-digit accounts in the 2560 number series are in account 2560-Town Hall Expenses. Maryjane reported that she is aware of these discrepancies and went on to say that addressing the issues associated with the 2006-2007 budget will be a priority for her office as soon as work is completed on closing out the 2005-2006 fiscal year.

Two follow-up items resulted from the budget discussion. The Board secretary was asked to invite John Corona and Mary Jane Parsons to attend the next Board of Finance meeting (October 18th) to review the final costs for the Town Hall Renovation project. Rosemarie Naples was asked to follow up with the Library Board of Trustees on the status of the removal and replacement of the underground oil tank for which \$25,000 has been set aside in reserves.

11. Other Business

Ambulance Service Billing Budget for 2006-2007.

In response to a question about the Ambulance Service Billing budget for 2006-2007, Fran Korn offered to provide B/F members with his notes regarding this account (4031) which support the \$34,140 budget request for 2006-2007. Fran explained that Scott Wright provided him with detailed financial information at a meeting that was held in March. The information includes an accounting of payments made to DVAC members who have received stipends for their volunteer service—an issue that was discussed at the last (July 19th) B/F meeting. Fran went on to say that he believes Scott would be willing to meet with the B/F to discuss the financial information if members felt it would be helpful.

Budget Review Schedule for 2007-2008.

Fran reported that he would like to see budget requests for 2007-2008 provided to the First Selectman's Office by December 1, 2006 rather than January 1, 2007 to keep the budget review process manageable and on schedule. Jim McLaughlin offered to work with the Board of Finance on a schedule that allows both the B/S and the B/F to complete their work. Elmer Clark suggested that Maryjane Malavasi prepare a budget schedule for 2007-2008 that could be reviewed and discussed at the November 15th Board of Finance meeting. Other B/F members, Jim McLaughlin, and Maryjane agreed.

Welcome to the New Finance Director.

Jay Berardino welcomed Maryjane Malavasi as Durham's new Finance Director and remarked that he was looking forward to working with her. The other B/F members joined Jay in welcoming Maryjane. Jay provided Maryjane with information about several financial workshops that are being offered in October by the CT Conference of Municipalities (CCM).

Annual Town Meeting.

Rosemarie Naples offered to represent the Board of Finance at the Annual Town Meeting on Tuesday, October 3rd.

Historic District Commission.

Jim McLaughlin reported that the Historic District Commission is hoping to apply for a grant to cover the cost of hiring an architectural firm to evaluate the structural integrity of several historic Town properties on Main Street. Jim offered to keep the Board of Finance apprised of the status.

12. Adjournment

The meeting adjourned at 8:37 p.m.

Respectfully submitted,
Alice Tucker
Alice Tucker
Secretary to the Board of Finance

Attachment: Revised Board of Finance Meeting Schedule for 2006 showing the change in location of the October, November, and December meetings from the Durham Public Library to the Town Hall

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

Board of Finance
 Meeting Schedule for 2006

**REVISED 9/27/06 TO CHANGE LOCATION OF MEETINGS IN
 OCTOBER, NOVEMBER, AND DECEMBER**

During the months of **January, February, March, April and May** the Board of Finance will hold its regular meetings twice a month on the first and third Wednesdays of the month. During the months of **June, July, August, September, October, and November** the Board of Finance will hold one regular meeting per month on the third Wednesday of the month. During the month of **December** the Board of Finance will hold one regular meeting on the first Wednesday of the month. All regular meetings will be held at 7:30 PM at the Durham Public Library except as noted.

January	4		May	3
January	18		May	17
February	1		* June	21
February	15		July	19
March	1		August	16
March	15		September	20
April	5		** October	18
April	19		** November	15
			** December	6

* June meeting will be held at the Durham Fair Association House.

** October, November and December meetings will be held at the Town Hall, second floor

Budget hearings and budget workshops will be held as follows with meetings beginning at times as shown. All budget hearings and budget workshops will be held at the Durham Public Library.

Wednesday, February 8 th – 7:00 PM	Saturday, March 11 th – 10:00 AM
Wednesday, February 15 th – 7:00 PM	Wednesday, March 15 th – 7:00 PM
Wednesday, February 22 nd – 7:00 PM	Saturday, March 18 th – 10:00 AM
Wednesday, March 1 st – 7:00 PM	Wednesday, March 22 nd – 7:30 PM
Saturday, March 4 th – 10:00 AM	Saturday, March 25 th – 10:00 AM
Wednesday, March 8 th – 7:30 PM	Wednesday, March 29 th – 7:00 PM

Annual Budget Hearing – Monday, April 3, 2006, 8:00 PM, Durham Public Library

Annual Budget Meeting – Monday, May 8, 2006, Coginchaug Regional High School