

WOODSTOCK BOARD OF FINANCE
REGULAR MONTHLY MEETING
WOODSTOCK TOWN HALL, MEETING ROOM 1
MONDAY NOVEMBER 13, 2018 AT 7:00 PM

MEETING MINUTES

1. **CALL TO ORDER:**

Michael Dougherty called the meeting to order at 7:00pm

2. **ROLL CALL:**

Michael Dougherty (Present)
David Fortin (Present)
Ronald Cabana (Present)
Roy Bradrick, Jr. (Present)
Glenn Lessig (Present)
Michael Bernardi, (Alternate) (Present)
Jeffery Kelleher, (Alternate) (Present)
David Richardson, (Alternate) (Present)

Others Present: First Selectman Michael Alberts, Selectman Frank Olah, Treasurer Karen Fitzpatrick, Dorothy Durst, Wayne Durst, Megan Bard Morse.

3. **SEAT ALTERNATES IF NECESSARY:** None

4. **APPROVE MINUTES FROM SEPTEMBER 11, 2018 REGULAR MEETING:**

D. Fortin **MOTIONED** to move to discussion; M. Bernardi **SECONDED**. **MOTION CARRIED UNANIMOUSLY.**

D Richardson stated in the 09/11/2018 minutes, the sentence on page 2 paragraph C which starts as "Beginning on August 1, the generation rate..." the phrase "generation rate should be "reimbursement rate"

D. Fortin **MOTIONED** that the following sentence in item 6 (New Business) the following sentence be stricken from the record:

"On June 12 action was taken by the BOF, at the BOE request, the rectify a critical issue regarding a deficit, which subsequently found to be not legal by the Town through the Town Attorney."

based on the fact that this board solicited no such opinion by the Town Attorney, nor was there part of any request for an opinion of the Town Attorney.

Board members discussed, D. Fortin said the copy of the material was received after the fact, and in his opinion there was no legal representation of the activities that took place during the June meeting. G. Lessig noted that he thought it was found problematic but no determination that it was not legal, and inaccurate as stated in the minutes. Roy Bradrick **SECONDED** the **MOTIONED** that the sentence be **STRICKEN** from the minutes because it is **INACCURATE**.

5. D. Richardson questioned Karen Fitzpatrick regarding an email from the attorney; K. Fitzpatrick noted that M. Dougherty also received a copy regarding opinion of the attorney regarding the 10-222 violation. D. Richardson noted that this was listed as item #3 in that email. The email was dated June 22, 2018 from Attorney Rich Roberts to K. Fitzpatrick and M. Alberts.

MOTION CARRIED UNANIMOUSLY.

D. Fortin **MOTIONED** to **APPROVE** the 09/11/2018 minutes as **AMENDED**. R. Cabana **SECONDED**. **MOTION CARRIED 7:0:2**; F. Chmura and G. Lessig **ABSTAINED**.

M. Dougherty and the Board members thanked Dorothy Durst for a great job.

6. PUBLIC COMMENTS: None

7. OLD BUSINESS

a. Update on State Budget

K. Fitzpatrick said when budgeting for the 2018/2019 fiscal year, \$4, 672,381.00 was budgeted for education when the budget passed. The rate that was received is \$5,151,842.00. 25% of that was received on October 30, 2018, (\$1,287,961.00) and another 25% should be received in January 2019, and the remainder in April of 2019. Also, a small payment of \$3,987.00 in lieu of taxes was received.

8. NEW BUSINESS

a. Quarterly Reports Ending September 30, 2018

D. Richardson has a question regarding the BOE budget, on the budgeted salary accounts it appears there is only one month reported. Megan Bard Morse commented that she would inquire with Janice Thurlow. The Board members briefly discussed, K. Fitzpatrick explained about the balloon payment the teachers receive in June, and explained how the teachers payments work.

D. Richardson also commented about the health insurance. It was noted that it is a self-funded insurance program but beginning in July it becomes a premium.

b. 2019 BOF Meetings Calendar

F. Chmura **MOTIONED** to **APPROVE** the 2019 BOF Meetings Calendar. G. Lessig **SECONDED**. **MOTION CARRIED UNANIMOUSLY**.

c. Update on Local Bridge Projects

First Selectman Michael Alberts talked about the recent meeting regarding the bridge projects and what the strategies and Town priorities were; 2 bridges, on Peake Brook and Hopkins Roads in total are estimated by CME at \$900,000.00 to replace. The 3rd bridge on Butts Road which is estimated at \$378,000.00, and Ford Bridge on lower County Road at \$165,000 estimated expense. The Peake Brook and Hopkins bridges have been submitted to the State's local bridge program and are eligible for 48.05% reimbursement from the State. M. Alberts said the County Road bridge may be able to get started using local resources within the town, however the rest of these bridges will require a lot of engineering services and coordination and the work will probably not be started until Spring of 2020. He added that having several bridges under repair at the same time will require a great deal of strategic planning as it will be necessary not only to accommodate the large equipment in use and the towns traffic, but for emergency apparatus as well.

M. Alberts went on to talk about the financing options of this project, such as a bond anticipation note, typical bonding; he suggested that the consensus of the group at the meeting was that it may be better to go with a higher dollar expense estimate knowing that if a variable instrument were to be chosen such as a bond anticipation note, it is possible to end up with a lower dollar amount that could be bonded.

K. Fitzpatrick talked about bond anticipation notes and explained how they work; she noted that before anything can be done the first step is to have the town commit to this project which involves a town meeting and adjourn to a referendum because the project is over \$100,000.00. K. Fitzpatrick

added that they are currently trying to work with CME to come up with a brief description along with an estimated cost of the whole project. Resolution information would be needed for a town meeting. Once passed at referendum the amount determined should not be exceeded, it will be voted on and then it will be possible to move forward finding the best financing options.

M. Alberts said the Town has been the recipient of some grants that have been awarded by the State but not yet funded; he added that steep grants typically mean being held to higher standards for qualification, higher costs, and more State involvement in the project.

D. Richardson asked about vetting engineers and bidding; M. Alberts K. Fitzpatrick, and D. Richardson discuss.

G. Lessig inquired about the project effecting the overall budget with paid debts that are coming off the books; K. Fitzpatrick said it should be similar to what it currently is.

M. Alberts and K. Fitzpatrick talked about the timing of the start of the project in relation to future interest rate changes and noted possibly bonding when the interest rates are most favorable. They also discussed timing of State reimbursement, locked in interest rates, and penalties for early repayment. The rising materials and services costs while waiting for the project to actually start was also discussed; it was noted by K. Fitzpatrick that CME suggested costs could increase approx. 30% by the project start time.

M. Dougherty said a maximum amount to spend on the project would be set but it does not mean all of that money has to be spent but the project should be set at a high enough value so that it can take place.

d. Discussion of Positions within the Assessor's Department

M. Alberts talked about Assessor's Department candidate Emily Carlone and some of her recent work history and certifications. He noted that the Board of Selectmen's meeting discussed hours, responsibilities, and also potential conflicts of interest as her husband is an owner of LineMaster Switch. M. Alberts said E. Carlone answered all questions to his and the Boards satisfaction and added that they would like to extend an offer to E. Carlone. However, moving forward with compensation for the outgoing assessor, the allocated funds are approximately \$5,000.00 short in terms of the assessor's position and also to increase the assistant assessor 3 hours per week for the remainder of the fiscal year. M. Alberts requested the Board of Finance's approval to overspend the budgeted allocation for that department by as much as \$5,000.00 to address these issues.

K. Fitzpatrick, M. Alberts, and D. Richardson discussed intergovernmental transfer between departments, noting that since E. Carlone would not be requiring the health insurance plan there would be funds available.

D. Fortin **MOTIONED** to allow the Board of Selectmen to overspend the Assessor's Department budget as necessary up to the amount of \$5,000.00 to be offset at the end of the fiscal year via intergovernmental transfers. G. Lessig **SECONDED. MOTION CARRIED UNANIMOUSLY.**

9. PUBLIC COMMENT

M. Alberts talked about the transfer station, recycling initiatives, and trash removal fees; he said 2 representatives of Willimantic Waste attended the NECCOG meeting and briefed the attendees on the closing of the Southbridge station on 11/15/18, along with other transfer stations to be closing in the near future if they haven't already. The Willimantic Waster representatives indicated there is little market for

recycled glass, paper, and other items. M. Alberts went on to say that currently the town is approximately \$20,000.00 over budget with Willimantic waste and said it was prudent to address the transfer station permit fees and suggested increasing them by \$30.00, with the senior rate increasing \$15.00.

K. Fitzpatrick and the Board Members discussed how the current and proposed rates effected the budget, and noted the lack of other options besides Willimantic Waste whose fees continue to increase.

M. Alberts also talked about the changes in the budget, the Planning Department, and Building Department, and better addressing the needs of the area, and adjusting the departments rather than creating new positions. He noted the opening bids for legal council on Thursday and hoped to be saving money in that area on a more consistent basis.

W. Durst asked what the goals of the BOF were for the TriBoard meeting on November 27, 2018.

M. Dougherty said he hoped to get everyone's concerns for the current budget year and determine what needs to be addressed moving forward, for both the Town budget and the BOE. All the Selectmen as well as Representative Pat Boyd have been invited to attend. M. Dougherty reminded everyone that the TriBoard meeting will be held on Tuesday November 27, 2018 at 7:00pm in the Woodstock Middle School Cafeteria.

10. OTHER FROM BOARD

D. Richardson commented on issues in question from the September meeting noting the Board of Education owes and explanation regarding the \$169,000.00 deficit on June 12 that became a \$64,000.00 surplus on June 13. D. Fortin suggested writing a formal letter to the BOE requesting Janice Thurlow to attend the BOF meeting.

D. Richardson asked about the balance in the DBG account for 07/01/2018; K. Fitzpatrick said she didn't have the specific amount but she was asked to transfer \$200,000.00 out of the cash account so Karen Monroe could start paying various claims for the fiscal year ending June 30th. D. Richardson said they were told on June 12th of an anticipated surplus in the health insurance account yet per the quarterly report ending June 30th shows the health insurance account to be on budget. He added that there was a \$90,000.00 check issued to DBG on June 29th which he believes is related to the deficit issue.

D. Richardson added that the Town is responsible for the claims on the self-funded health insurance, adding more money to the lock box rather than having it available in an account for use for capital projects; going forward this is something that the new business manager needs to be aware of and explained.

Mr. Richardson also questioned the business manager's 11.6% salary increase during the year on top of the 3% increase built into the budget and asked for an explanation.

D. Richardson's final question referred to the unemployment compensation account on page 3 of the quarterly report; the \$53,210.00 adjustment appears to have been used for a contingency account. He said an explanation was needed and to prevent this from happening again in the future suggested 3 columns detailed in the budget, showing actual expenses ending 06/30/18, the budget for the 2019, and proposed 2020 budget. Having these columns side by side would make it possible to compare and locate discrepancies.

Megan said she has taken notes on the issues of concern noted by D. Richardson and will look into them, and said she appreciated his concern for the Board of Education.

11. CORRESPONDENCE AND ANNOUNCEMENTS

M. Dougherty noted the TriBoard meeting on November 27, 2018 at 7:00pm which will be held in the Woodstock Middle School cafeteria. He added the next BOF Regular meeting will be held Tuesday December 11, 2018.

12. ADJOURNMENT

G. Lessig **MOTIONED** to ADJOURN; D. Fortin **SECONDED**. **MOTION CARRIED UNANIMOUSLY**
The meeting ADJOURNED at 8:22pm

Respectfully submitted by Terri Lasota, Recording Secretary

DISCLAIMER: These minutes have not yet been approved by the Board of Finance.

Please refer to next month's minutes for approval/amendments. Please note that the audio record is the legal record of the meeting.