BOARD OF FINANCE
TOWN OF EAST WINDSOR
11 RYE STREET
BROAD BROOK, CONNECTICUT 06016

MINUTES OF REGULAR MEETING
Wednesday, March 19, 2014

DRAFT DOCUMENT *– These minutes are not official until approved at a subsequent meeting*

Members Present:	Jerilyn Corso (Secretary/Acting Chairman), Cindy Herms, Robert Little, Robert Maynard, and Sharon Tripp.
Members Absent:	Joe Pellegrini
Alternate Present:	Paulette Broder and Gilbert Hayes
Alternate Absent:	Both Alternates were present
Others:	**Town Treasurer:** Kim Lord; **First Selectman:** Denise Menard; **Selectmen:** Jim Richards, and Steve Dearborn; **East Windsor Public Schools:** Dr. Theresa Kane, Superintendent; Roger Baker, Facilities Manager; Andrew Paquette (available in the audience); **Board of Education:** Chris Mickey, Chairman; Cathy Simonelli, Secretary, and Kathy Bilodeau (available in the audience); **East Windsor Police Department:** Chief Edward DeMarco, Deputy Chief Roger Hart; **Police Commission:** Tom Strempfer, Chairman; Ray Mancuso, member.
Press:	No one was present from the Press.

I. Call to Order:

Acting Chairman Corso called the Meeting to Order at 7:30 p.m.

II. Time and Place of Meeting:

7:30 p.m. in the Town Hall Meeting Room, 11 Rye Street, Broad Brook, CT.

III. Appointment of Alternates:

Acting Chairman Corso noted the absence of Regular Member Joe Pellegrini; she called for a motion to appoint an Alternate to fill the vacancy.

MOTION: To APPOINT Alternate Member Gil Hayes as a voting member for the March 14, 2014 Regular Meeting of the Board of Finance.

Tripp moved/Herms seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

IV. Added Agenda Items:

The addition of the following items was requested:

Mr. Maynard: Last year's Final line item budget (see discussion under Miscellaneous)
2014 General obligation bonds (see discussion under Matters referred from the Board of Selectmen)

V. <u>Approval of Minutes/February 19, 2014:</u>

Page 3, VIII. Monthly Reports: Ms. Herms suggested the language in the final sentence of the first paragraph – " …..are pitching in to provide financial support" could be misconstrued to imply the employees were giving monetary support.

Page 4, VIII, Monthly Reports, Second complete paragraph: Mr. Maynard noted his comment was "…….WPCA would pay back the cost of borrowing……" rather than the "WPCA would pay back the short term funding?"

MOTION: To APPROVE the Minutes of the Regular Meeting of the Board of Finance dated February 19, 2014, as amended:
Page 3, VIII. Monthly Reports: "…….Kim Lord, Kim Scavatto, Gayle Carolus, and Mary Ann Simmons are pitching in to provide ~~financial~~ *<u>ADMINISTRATIVE</u>* support".
Page 4, VIII, Monthly Reports, Second complete paragraph: "…..the WPCA (Water Pollution Control Authority) would pay back the ~~short term funding~~? *<u>THE COST OF BORROWING."</u>*

Tripp moved/Hayes seconded/

<u>DISCUSSION:</u> **Nothing in addition to the above comments.**

VOTE: In Favor: Unanimous

VI. <u>Public Participation:</u>

<u>Kathy Pippin, Woolam Road</u>: Ms. Pippin noted that a couple of months ago the Meeting Minutes reflected discussion about the Credit Card Policy. She noted this issue was discussed extensively in the past; she questioned why it was being brought up again. Ms. Pippin hoped the Board would not go back like that.

VII. <u>Communications:</u> None.

MOTION: To MOVE the Board of Education Budget Presentation out of order to hear the presentation prior to the Monthly Reports.

Herms moved/Tripp seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

XI. New Business/b) Board of Education Budget Presentation/Message:

Dr. Kane, Mr. Mickey, and Mr. Baker came forward to join the Board.

Dr. Kane reported they are present to discuss the full Board of Education Budget, and the line item Maintenance Budget presently required under PA 13-60. She noted the BOE Budget is presented by cost centers. The BOE Budget presentation included the following items: Full Budget by cost center, Budget Guidelines for FY2015, Additional Information (hard copy of the Power Point presentation), and Line Item Maintenance Budget.

Mr. Baker began discussion by reviewing the Line Item Maintenance Budget. He began with Central Services Expenses which identifies similar costs for the various school facilities, such as utilities, and moved on to expenses specific to each school facility. Ms. Herms questioned if comparative information was available from last year? Dr. Kane noted this is the first year the maintenance expenses have been required to be identified as line items. Mr. Mickey noted that all these line item expenses are also reflected in the full BOE budget.

Discussion followed. The Board referenced various high ticket items, such as carpeting. Mr. Hayes questioned if the project would go out to bid; Mr. Baker replied affirmatively, noting they would acquire three bids. Mr. Baker also noted that mulch is required at the Broad Brook Elementary School and the Broad Brook Middle School. Dr. Kane suggested the cost appears high but there are mandatory requirements as to the depth of the mulch, and the type purchased – playground mulch – which will not cause splinters. Mr. Mickey noted the Maintenance Budget also includes a report of salaries.

Mr. Mickey began explaining the full BOE Budget. He reference his Power Point presentation, while reporting on the following: Mr. Mickey reported the BOE is presenting a level services budget; no new positions or programs have been created, and no new monies are being requested, with the exception of the BOE's half of the cost ($50,000) of the School Resource Officer. Mr. Mickey reported the BOE is submitting a budget of $21,394,571, which is a net increase of $817,754 over the FY2014 budget of $20,576,817 – a 3.97% increase. Mr. Mickey noted that 75.6% of the budget request is salaries and benefits, while the cost to run the three school buildings and the central office is 24.4%. The expenses include utilities, regular transportation, special education transportation, magnet school tuitions, special education tuitions/programs, technology, textbooks, and educational supplies. Mr. Mickey suggested increases will occur in magnet school tuitions, regular and special education transportation costs, contractual salary and health insurance, pension, and social security increases, and the cost to make the nurse's office in the Middle School ADA compliant. Mr. Mickey noted the school system has moved health insurance to an HSA insurance plan, which has reduced the health insurance overall increase. There is also a decrease at the State level for special education funding.

Mr. Hayes referenced the ADA compliance for the nurses station; he questioned if the cost of construction is included in that expense? Dr. Kane reported it is part of the Middle School Maintenance Budget. Ms. Herms questioned if that cost is different than the CIP (Capital Improvement Planning) requested funding? Dr. Kane suggested a request was made through the CIP but was not funded this year. Mr. Hayes questioned if the $69,500 was a total amount? Dr. Kane reported that is the total for FY2015; a similar amount was requested in FY2014 but was not funded under the CIP. They are paying it down under the school budget. Ms. Tripp questioned if East Windsor was able to apply for a Lighthouse/Sheff Grant? Dr. Kane reported that was not offered to East Windsor.

The Board indicated they would like to review the BOE Budget further and meet with the BOE representatives again.

Acting Chairman Corso noted the Board of Selectmen's Budget is not yet complete; it will be presented at a future meeting.

MOTION: To RETURN to the posted Agenda order.

Tripp moved/Hayes seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

VIII. Monthly Reports:

a. Treasurer:

Treasurer Lord reported she has presented the monthly General Fund budget information by Department. Mr. Maynard indicated he would like a mid-month report; Treasurer Lord noted that information is sent to Board members mid-month by the Treasurer's Office via e-mail. She reiterated she will be presenting the department budgets at the BOF's monthly meeting.

Tax Collector:

Treasurer Lord also noted she has submitted the Tax Collector's Report. The percentage of budget collected to date is 98.30%; collection of $474,644.63 is necessary to meet the budgeted revenue.

Assessor's Report:

Treasurer Lord noted the Assessor has included a list of the Top Ten Taxpayers along with her report. Walmart is now number two; she noted they have had a positive impact on the current Grand List.

Discussion followed regarding difficulty for various Board members receiving the budget information via pdf files. Mr. Maynard and Mr. Little requested a line item Excel read-only file; Mr. Little would like a line item budget report separately from other documents so he can print the pages back-to-back. Discussion followed regarding concerns with providing non-pdf files

Discussion continued regarding use of private e-mail accounts vs. town e-mail. Mr. Little requested information should be sent to his personal account; it was noted that the use of the town generated e-mail accounts was made as an FOI recommendation/law. Mr. Little understood, but still requested e-mail from the Town should be sent to his personal e-mail account.

b. <u>Budget added appropriations/transfers – 2013 - 2014:</u>

MOTION: To APPROVE Transfer #2014-02 to transfer $14,800.00 from A/c #1-01-10-1195-2-204 Town Gov't/EE Benefits-Retire Enhancement to A/c #1-01-20-5295-2-204 Conserv. of Health/EE Benefits-Retire Enhancement to fund a zero balance account for retirement payment, and to send the transfer to Town Meeting.

Tripp moved/Hayes seconded/

<u>DISCUSSION:</u> **The transfer is necessary to fund a retirement payment to a long time employee who fell under the old contract.**

VOTE: In Favor: Hayes/Herms/Maynard/Tripp
Opposed: Little
Abstained: No one

MOTION: To APPROVE Transfer 2014-03 to transfer $16,700.00 from A/c #1-01-10-1085-1-100 – Town Property-Salary F/T to A/c #1-01-25-3180-1-100 – Public Works-Salary, and to send the transfer to Town Meeting.

Tripp moved/Hayes seconded/

<u>DISCUSSION:</u> **This transfer moves the maintainer position out of the Town line item and moves it to Public Works.**

VOTE: In Favor: Hayes/Herms/Maynard/Tripp
Opposed: Little

Abstained: No one

MOTION: To APPROVE Transfer 2014-04 to transfer $200.00 from A/c #1-01-10-1085-2-205 Town Property – Shoe/Clothing to A/c #1-01-25-3180-2-205, and to send the transfer to Town Meeting.

Tripp moved/Herms seconded/

DISCUSSION: **None.**

VOTE: In Favor: Hayes/Herms/Maynard/Tripp
Opposed: Little
Abstained: No one

Budget added appropriations/transfers – Webster Analysis Fee:

Treasurer Lord reported this fee is the difference between what Webster charges for handling the Town's money and what we earn in interest. She noted the fee has been more than what the Town has earned for the past several years; she is reviewing this process. This fee is for 2014.

Mr. Maynard questioned that this is the fee Webster charges for handling the Town's money? Treasurer Lord indicated they actually charge more but the Town gets an earnings credit for the amount we keep in Webster. Mr. Maynard questioned what Webster does for that fee? Treasurer Lord suggested they handle the Town's investment accounts; the General Fund money is held at Webster. She is reviewing the process with Webster staff, and will discuss this process further in the future. This fee was approved by this Board previously.

MOTION: To APPROVE the payment of the $2,081 Analysis Fee to Webster Bank.

DISCUSSION: **Nothing further.**

VOTE: In Favor: Hayes/Herms/Little/Maynard/Tripp
(No one opposed/no abstentions)

IX. Matters referred from the Board of Selectmen:

First Selectmen Menard reported the issue of the hiring of a School Resource Office was discussed at the Board of Selectmen's Meeting last night. Appearing to discuss this added appropriation are the following individuals: **East Windsor Police Department:** Chief Edward DeMarco, Deputy Chief Roger Hart; **Police Commission:** Tom Strempfer, Chairman; Ray Mancuso, member, and **East Windsor Public Schools:** Dr. Theresa Kane, Superintendent.

Chief DeMarco reported this group is appearing before the BOF to discuss a public safety issue for the families and children of the community. He suggested children today are faced with much greater pressure from society; this group is appearing as a pro-active triage approach to deal with the problem of drugs within the schools and community. The School Resource Officer (SRO) will build a relationship of trust and communication with the students which will enable the officer to educate them of the risks of drug use. Chief DeMarco reported the position was funded under a grant previously but when the grant ran out they were no longer able to fund the officer. They have tried to acquire a grant to fund this position again but East Windsor is in competition with other large cities; the Police Department is now working in partnership with Dr. Kane and the school system to request funding for the SRO.

Deputy Chief Hart reported they are looking to start funding this officer July 1st, and going forward. The cost of the position is reflected in the budgets before the Board presently; this additional appropriation is to hire a person in April and begin training to have the SRO ready for the next school year. The $30,769.78 being requested is to fund the position from April through June 30th; the cost of the position would be shared in FY2015 budgets of the Police Department and the Board of Education.

Dr. Kane suggested it's critical to get someone in at the beginning of the school year when the kids will bond with the officer; we – as a community – need to get appropriate support in place. Chief DeMarco suggested this problem is going on in all of New England and the country; it isn't going to go away.

Discussion followed regarding the department's ability to send officers to the academy for training; positions/slots in the academy have been reduced and placement is difficult. Chief DeMarco suggested while they have three officers coming out of the academy those officers still need to go through field training. Mr. Hayes indicated he applauded everyone for what they are trying to do; he questioned if they would use a veteran officer from the force, or hire a new person? Chief DeMarco noted if they take a veteran officer then they would need to send someone else through the academy, and the SRO needs to go to SRO training.

Mr. Little noted the Town had an SRO a few years ago; what happened to him? Chief DeMarco reiterated the grant ran out to fund the position. Chief DeMarco noted the money is needed in April to establish the position and begin the training. Mr. Little felt the Board shouldn't be adding to the current budget mid-year. Chief DeMarco reiterated that in order to have the SRO in place at the beginning of the school year they need to hire that position now. Mr. Little reiterated he doesn't believe the Board should be adding to the bottom line of the budget; it's a bad practice. He felt the Board should find the money elsewhere in the budget and transfer the funds. Mr. Little felt as a policy the Board shouldn't be increasing the bottom line of the budget in the middle of the year. Mr. Maynard suggested everyone is asking to increase the budget voted on by the Town at referendum by $30,000 which will be revenue taken from a bank account or investments. Mr. Maynard felt the position was needed but he didn't like adding to the budget mid-year. Mr. Maynard referenced earlier discussion of three officers coming through training; he questioned if the department could live with one officer less on regular duty? Acting Chairman Corso felt having one less officer increases the cost of overtime to cover services; she felt that would be more than the $30,000 being requested. Ms. Herms felt that would be counterproductive; if you have one less officer that lessens the effect of the department. Ms. Herms felt we have failed our children at some levels; she noted the Town has increased budgets at other times. She felt this seems to be an extremely important thing. Discussion continued regarding the effect of reducing the core police staff by covering the SRO position from the existing force. Mr. Maynard suggested the reason everyone was considering this request was because of recent events within the school population and Newtown; he questioned what the SRO would do to lessen this problem? Dr. Kane explained again that the SRO establishes a relationship with the students and staff. Discussion continued regarding drug problems in general, prevention vs. reaction to the problem, the search for optional funding and the delay incurred by that process and its effect on funding the position, the possibility of borrowing the requested funds, and the process and timing of moving the position through the Town Meeting process relative to the anticipated hiring date.

MOTION: To MOVE that we send to Town Meeting the request for an added appropriation for the School Resources officer for $30,769.78 which would take into consideration 14 weeks of salary and benefits.

Hayes moved/Herms seconded/

<u>DISCUSSION:</u> **Mr. Little felt that we need the position but he opposes the request because we are increasing the budget when we could find that money within this current budget. Mr. Hayes noted the time issue.**

VOTE: In Favor: Hayes/Herms/Tripp
Opposed: Little
Abstained: Maynard

Acting Chairman Corso suggested taking a five minute break.

The Board RECESSED at 8:52 p.m. and RECONVENED at 8:57 p.m.

First Selectman Menard brought forth for discussion the issue of bonding vs. lease/purchase. She noted Treasurer Lord has just begun in the new position; First Selectman Menard suggested she didn’t want to add the additional task of bonding vs. lease/purchase on Treasurer Lord as well at this time. First Selectman Menard reported she has been working with a financial consultant who has recommended the Town go to a lease/purchase agreement for the replacement of the HVAC system which is estimated to cost $536,000. The cost has been reviewed by the Building Committee which includes people familiar with the type of work being considered. This estimate also includes the cost of demolishing the existing system, asbestos removal, exterior and interior work, roof work, and associated mechanical and electrical work. First Selectman Menard reported the financial consultant has recommended use of the lease/purchase process for this repair.

First Selectman Menard reported the financial consultant is suggesting the Town develop a blanket lease/purchase agreement which would be a standard form used for projects going forward; the projects would then go out to bid for the best rates.

Mr. Maynard reported what he's keen on is that the Town is considering refinancing the General Fund Bonds; he felt that's a high priority. Mr. Maynard would encourage First Selectman Menard to take the next step. First Selectman Menard noted she will continue to work with the financial consultant. Mr. Hayes questioned if there were CIP funds available for boiler replacement? First Selectman Menard replied affirmatively, noting the CIP funds have been used to pay the engineering fees.

The consensus of the Board was for First Selectman Menard to move forward with this initiative.

X. Unfinished Business:

a. Commission liaison assignment – Board of Education, Public Works:

MOTION: To APPOINT Gil Hayes as the Board of Finance liaison to the Board of Education.

Tripp moved/Herms seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

MOTION: To APPOINT Robert Maynard as the Board of Finance liaison to the Public Works contract negotiations.

Hayes moved/Tripp seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

XII. Miscellaneous:

- Mr. Little requested again that his communications should be sent to his personal e-mail account rather than the Town e-mail account assigned to him. First Selectman Menard explained that the use of the Town e-mail was strongly recommended by the Town's insurance carrier; discussion continued regarding the disadvantages of using personal e-mail accounts when communicating Town business. Mr. Little suggested he has separate e-mail accounts for his personal business and other business. When asked why he objected to using the Town's e-mail account Mr. Little reported he has problems remembering his various passwords; Mr. Little didn't want to be on the Town e-mail. Future communications will be sent by Town staff via the Town's e-mail to Mr. Little's personal e-mail address. (See additional discussion under Monthly Reports).

- (Agenda Addition/Mr. Maynard): Mr. Maynard reported he would like a copy of the final line item budget for 2012 – 2013. Discussion followed to give Treasurer Lord an idea of what material Mr. Maynard was requesting. Treasurer Lord requested clarification that what he was asking for was what he gets every month but he is requesting the same report for the period 2012 – 2013; Mr. Maynard concurred.

XII. Invoice Authorization:

Acting Chairman Corso noted receipt of an invoice for recording secretarial services.

MOTION: To ALLOW Acting Chairman Corso to sign the invoice for recording secretarial services.

Tripp moved/Hayes seconded/

DISCUSSION: **None.**

VOTE: In Favor: Unanimous

XIII. Adjournment:

MOTION: To ADJOURN this Meeting at 9:25 p.m.

Herms moved/Tripp seconded/VOTE: In Favor: Unanimous

Respectfully submitted:____
Peg Hoffman, Recording Secretary, East Windsor Board of Finance