

**Town Of Haddam
BOARD OF FINANCE
Regular Meeting
Town Office Building Annex
Monday, April 14, 2014
Edited MINUTES
Approved as Edited at the June 9, 2014 Regular Meeting**

In attendance: Chairman David Kapitulik, Vice Chairman Harlan Fredericksen, Members: John Bosco, Joseph Centofanti, and Marjorie DeBold, and Alternates: Cheryl Haase and Joanne Nesti

Not in Attendance: Member John Tabak

Staff in Attendance: Georgia Emanuel, Financial Coordinator and Barbara Galloway, Recording Secretary

First Selectman Melissa Schlag and Selectman Robert Duval were also in attendance.

Chairman Kapitulik called the Meeting to order at 6:30 PM.

The Pledge of Allegiance was recited.

Seating of Alternates

Mr. Centofanti informed the Board Members that he had now officially been sworn in as a full Member (replacing Lucille Silvestrini, who had resigned earlier in the year). The Board Members congratulated Mr. Centofanti and welcomed him to the Board in his new capacity. First Selectman Schlag informed the Board that an Alternate candidate had been identified by the Haddam Republican Town Committee and would be interviewed and voted on at the next Board of Selectmen's meeting.

Vice Chairman Fredericksen made the Motion seconded by Mr. Centofanti to seat Ms. Haase for Mr. Tabak. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, and Ms. DeBold. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting.

1A. Public Input

The members of the public present had no comments at the beginning of the Meeting.

1. Correction/Approval of the Minutes of the March 10, 2014 Regular Meeting and April 7, 2014 Budget Review Meeting

March 10, 2014 Regular Meeting Minutes – **Vice Chairman Fredericksen made the Motion seconded by Ms. DeBold to approve the March 10, 2014 Regular Meeting Minutes as printed. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting.**

April 7, 2014 Budget Review Meeting – After a brief discussion, **Vice Chairman Fredericksen made the Motion seconded by Ms. Haase to approve the April 7, 2014 Budget Review Meeting Minutes as printed. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, and Mr. Bosco, who was not at the April 7 Meeting, abstained from voting.**

2. Review of updated 2013-2014 Expenditures Financial Statements received from the Financial Coordinator Selectmen's Requests

Ms. Emanuel distributed copies of updated financial statements entitled "Adjustments to Budgeted Expenditures – General Fund, July 2013 to June 2014" , dated 4/11/2014 and "Adjustments to Budgeted Expenditures –Capital Non-Recurring [Fund], July 2013 to June 2014", dated 4/11/2014. Ms. Emanuel noted that some lines within the current budget are overspent inclusive of Contract Service, Sand [both on page 11], Overtime, and Vehicle Fuel [on page 10 and 11 respectively] within the Public Works budgets. Ms. Emanuel noted that other lines in those budgets still have considerable balances so that the Public Works budget in total has not been overspent. The Board Members also discussed the status of other budgets including the Anthem Blue Cross line within the Insurances budget; it was noted that the Regional School District #17 had recently changed over its health insurance coverage to another company. First Selectman Schlag noted some possible options regarding health insurance coverage for Town employees.

There was a brief explanation given to the new members re: the process that has been used to balance the Budget at the end of the budget year by transferring funds from budget line to budget line or from Contingency. There was also a reminder given about ensuring that lines within budgets where funding was transferred from a still funded line to an overspent line is correctly debited and credited so that it is clear where and for what purpose the funding has actually been used. This procedure will help the Boards more accurately fund future budgets.

3. Selectmen's Requests

The Board of Selectmen presented no Selectmen's Request for the Board's consideration at this Meeting.

4. Old Business

a. *Continue Proposed 2014-2015 Budget*

- i. Continuance of deliberations for the individual Department/Agency budgets within the 2013-2014 Budget
040 Tax Collector

The Board Members carried on a discussion about the Town Elected/Appointed Salary Pay Rate Survey provided by First Selectman Schlag and the Tax Collector Salary Survey previously presented by Ms. Battistoni with her request (3/10). It appeared to the Board that the elected officials in Haddam (allowing for the annual/semi annual percentage increases reflective of any increases created in the Town's union employees' negotiations) are being paid salaries well above the average shown on the surveys for each specific position for the number of hours worked per week by the Town's union employees. First Selectman Schlag noted that the elected officials are considered salaried employees, not working a specific number of hours per week, although the surveys use an hourly formula in order to approximate a regular hourly rate for many positions in the towns.

Ms. DeBold made the Motion seconded by Mr. Bosco to approve the 040 Tax Collector budget (from the department request of \$97,408) as proposed by the Board of Selectmen with a total of \$87,251. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

305 General Maintenance – [Public Works] Revisited

Lines within the 305 General Maintenance budget were reviewed and adjusted from the requested/proposed line amounts discussed by the Board and First Selectman Schlag at the March 31, 2014 Meeting [when the budget vote was tabled until a later Meeting]. The Materials line remains at \$430,000, as requested by the department and proposed by the Board of Selectmen. The Minor Equipment and Repairs line was adjusted to \$69,000 from the \$68,000 originally requested by the department and the amount proposed by the Board of Selectmen, which was initially \$73,000 and then adjusted down to \$71,000 by First Selectman Schlag at the March 24, 2014 Meeting. The Vehicle Fuel line was adjusted to \$68,000 from the original department request of \$59,000 and the proposal by the Board of Selectmen originally \$67,000 and adjusted to \$68,000 at the March 24, 2014 Meeting. These changes by the Board reflect the removal of \$2,000 in vehicle maintenance for a proposed roll off truck that had been included in those lines. The total suggested for this budget is \$567,000.

As noted above, two of the lines in this budget were adjusted.

Vice Chairman Fredericksen made the Motion seconded by Mr. Bosco to approve the 305 General Maintenance budget (from the department request and Board of Selectmen proposal of \$570,000) with a total of \$567,000. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

335 Waste Disposal – [Public Works] Revisited

Vice Chairman Fredericksen told the Board that since the April 7 Meeting, he had met with Public Works Assistant Director Phil Goff and using figures received from Mr. Goff, he had then calculated the costs of having trash hauled from the transfer station, as has been the practice, and for the Town using its own (to be purchased) truck(s) to haul its trash from the transfer station to a closer repository in Deep River or Essex rather than hauling to Hartford as has been done in the past. Vice Chairman Fredericksen noted that a large portion of the cost savings that had been presented [as part of the plan to purchase/lease a roll off truck for hauling] and that had been discussed at prior meetings was primarily the result of demanding better pricing deals from existing or newly researched hauling contractors rather than by having town employees doing the hauling work in Town trucks. He shared his figures with the Board Members.

First Selectman Schlag distributed two handout documents for the Board's information, showing the actual number of/total tonnage of hauls of bulky waste, recycling items, and Municipal Solid Waste (MSW) from April 2013 to May 2014 Lines and Public Works Assistant Director Phil Goff's newly prepared information "Worst Case Scenario" estimated costs per each hauling trip to show the cost variations between contracted waste hauling from the transfer station and Town-transported waste removal from the transfer station.

Lines within the 335 Waste Disposal budget were reviewed and amended from the amounts approved by the Board on 3/24/2014. The Board agreed to add another line to this previously approved budget. The new line will be titled "Waste transportation Contingency" and will be funded with \$66,000 in order to allow for contracted waste transportation costs should a proposed roll off truck purchase/lease and the Town's proposed "in-house" trash transport not agreed to or desired by taxpayers after a presentation and discussion at the public hearing and approved at the town meeting.

Vice Chairman Fredericksen made the Motion seconded by Ms. Haase to add a new line to 335 Waste Disposal budget titled "Waste Disposal Contingency" and fund it with \$66,000 for a new total in the 335 Waste Disposal budget of \$542,618 [revised from the previously approved total of \$476,618 (3/24/2014)]. The Motion was approved by Chairman Kapitulik, Vice Chairman Fredericksen, Mr. Centofanti, Ms. DeBold, and Ms. Haase. Mr. Bosco opposed the Motion as he did not agree with the total amount funded within the MSW Transportation line of this budget. There were no abstentions. The Motion was approved.

It was agreed that a Resolution must be prepared for the May 21, 2014 Town Meeting regarding the proposed purchase of the roll off truck costing \$160,000 and the manner used to finance its purchase (or lease).

340 Tree Maintenance – [Public Works]

There was discussion of whether to leave this budget with the originally requested total or to increase the funding amount having heard Assistant Director of Public Works Phil Goff's comment at an earlier Meeting that often the activities funded in this budget cost well beyond the amount with which this budget is funded. It was agreed to leave this budget with the requested/proposed amount and encourage Mr. Goff to spend funding within the proper lines of his budgets (line credits and debits) in the coming year, making the department spending record more accurate for use in budget reviews in the future.

Vice Chairman Fredericksen made the Motion seconded by Ms. DeBold to approve the 340 Tree Maintenance budget as requested by the department and proposed by the Board of Selectmen with a total of \$40,000. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

515 Village Parks Society - Revisit

After reviewing additional information regarding the agency's actual annual income and expenses that was omitted from the budget backup information, but presented at the March 31, 2014 Meeting by the agency president, Scott Brookes, the Board Members felt that they understood the need for the original request of \$3,000 by the agency and proposed by the Board of Selectmen.

Mr. Fredericksen made the Motion seconded by Mr. Centofanti to amend and approve the 515 Village Parks Society at the original request by both the department and the Board of Selectmen with a total of \$3,000 [vacating the approved \$2,000 voted on at the March 24, 2014 Meeting]. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr.

Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

540 Haddam River Days

It was noted that Haddam River Days is forming a new committee and this funding is mainly to for fireworks at the end of this celebration.

Ms. DeBold made the Motion seconded by Ms. Haase to approve the 540 Haddam River Days budget as requested by the agency and proposed by the Board of Selectmen with a total of \$5,000. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

546 Haddam Historical Society

Ms. Nesti, as a board member of the Haddam Historical Society, explained the increase in that agency's request in this budget.

Vice Chairman Fredericksen made the Motion seconded by Mr. Bosco to approve the 546 Haddam Historical Society budget as requested by the agency and proposed by the Board of Selectmen with a total of \$5,135. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

550 Higganum Village Farmers' Market

This agency did not request funding from the Town.

555 Higganum Cemetery Association

Vice Chairman Fredericksen made the Motion seconded by Ms. DeBold to approve the 555 Higganum Cemetery Association budget as requested by the agency and proposed by the Board of Selectmen with a total of \$3,000. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

Road Fund 12

The Board Members agreed that due to the condition of many of the town roads, this budget is always under-funded. It has been noted that additional funding could be requested should the department find it needs to spend more than is allotted within the Road Fund during any fiscal year.

Ms. DeBold made the Motion seconded by Vice Chairman Fredericksen to approve the Road Fund 12 as requested by the department and proposed by the Board of Selectmen with a total of \$500,000. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

Capital Improvement Plan - Fund #17

First Selectman Schlag reviewed for the Board Members the Capital Improvement Plan request [distributed this evening]. Ms. Nesti explained some entries within the Capital Plan, as a member of the Capital Planning Committee.

Ms. Nesti, as a member of the Jail Renovation Committee, also told the Board about recent developments re: a lead abatement plan at the Jail building. She distributed a handout regarding the interior lead abatement work required and explained that the plan is to professionally "clean up" debris containing lead paint chips on the interior of the Jail building to make it safe, both physically and health-wise. It will also make it more pleasant for the committee to give building tours to potential developers and other possible users of the building, as well as to allow for other planned interior improvements. Ms. Nesti noted that a final important step in salvaging the building is allowing for public access. For liability and health reasons, the work cannot be completed by volunteers, who have no experience with lead abatement procedures, but who might otherwise want to lend assistance. Ms. Nesti noted that she understands that the Board of Selectmen believes that the abatement work can be done for less than the currently appropriated \$40,000 within the Capital Improvement Plan. Ms. Nesti said that the estimate figures she has been given are from October 2013 and seemed to be accurate/appropriate to address the problems in the building and were reviewed by a contractor that is familiar with the building and the type of work needed. The Jail committee is requesting an additional \$40,000 in the Capital improvement Plan to ensure the ability to complete this work.

The First Selectman told the Board that she does not believe some of the planned work has to be as detailed and extensive as is called for in the estimates obtained this past Fall. She also believes that there are grants and other funding sources that could be applied for to pay for portions of this required work. After a brief discussion, First Selectman Schlag agreed to investigate additional estimate costs and potential grants she would consider for the abatement work and present her findings to-date to the Board at the next Meeting. The Capital Improvement Plan was approved as presented with the intention of the Board to revisit this budget if First Selectman Schlag cannot obtain a more reasonable estimate for the work or find other funding methods than Ms. Nesti had presented.

Vice Chairman Fredericksen made the Motion seconded by Mr. Bosco to approve the Capital Improvement Plan #17 with the requested total of \$442,178. The Motion was approved by Vice Chairman Fredericksen, Mr. Bosco, Mr. Centofanti, Ms. DeBold, and Ms. Haase. There were no votes against. Chairman Kapitulik, as Chairman, abstained from voting. The Motion was approved.

This budget may be revisited depending on outcomes of First Selectman Schlag's research for more reasonable work related estimates for the work to be done at the Jail building (than the Jail Renovation Committee had obtained that are reflected in the handout distributed at tonight's Meeting.

800 Contingency

The Board Members agreed to add a new line entitled "Payroll Contingency", to the 800 Contingency Fund. This new line will account for all of the Board-agreed upon Town employee pay increases using the percentage reflected in the union contract for unionized Town employees. This budget will be deliberated and voted on at the end of the deliberations process.

5. New Business

a. *Discussion/Approval of the Suspense List prepared by the Tax Collector's office*

The Suspense List provided by the Tax Collector was passed around the table to allow for its review by all of the Board Members. Mr. Centofanti expressed concern about the inclusion this year of real estate entries within this Suspense List. He informed the Board that long-term unpaid taxes on real estate have always been addressed by the Town in a different manner. Mr. Centofanti agreed to contact Tax Collector Kristin Battistoni to get further information about these real estate entries.

The review and vote on the Suspense List was tabled until the April 21 Meeting to allow Mr. Centofanti to research the inclusion prior to the vote.

b. *Discussion of any new issues regarding the (current) 2013-2014 Budget (exclusive of the financial statements and Selectmen's requests discussions, noted above)*

There were no new issues/topics introduced or discussed regarding the 2013-2014 Budget.

c. *Discussion of any additional issues regarding the proposed 2014-2015 Budget*

There were no new issues/topics introduced or discussed regarding the 2014-2015 Budget.

d. *Introduction/Discussion of any other new town issues relative to/of interest to the Board of Finance*

i. Chairman Kapitulik told the Board Members that he had received an e-mail from Alan Aranow of the Haddam Bulletin with several questions for the Board's consideration. Chairman Kapitulik had e-mailed the questions to the Board Members requesting voluntary responses, which several Members gave him. He distributed to the Board Members a response he had prepared from those responses and his own thoughts and had e-mailed to Mr. Aranow. The Board Members reviewed the prepared document, discussed it briefly and thanked Chairman Kapitulik for his work on this project.

ii. Union Negotiations – Chairman Kapitulik informed First Selectman Schlag that he has been able to clear his schedule and would in fact be able to attend the union negotiations in which she had asked him last month to participate. Ms. Nesti had also been asked to participate on the negotiations committee. At this time, First Selectman Schlag informed Chairman Kapitulik and the Board Members that due to negotiation requirements for her to provide prior notice of names of participants at the negotiations sessions, Chairman Kapitulik would not be allowed to

attend the negotiations meeting scheduled for this Tuesday, April 15. First Selectman Schlag explained that at this point there can be no substitute participants for this particular negotiations meeting. The Board Members expressed their disappointment at receiving this information at the last minute. The Board Members and First Selectman Schlag discussed this issue briefly.

6. Public Comment

[Ed Munster stated that although he had attended many Board of Selectmen meetings in the past few months, he had not heard the estimates for the purchase/lease of the roll off truck and discussions of a possible change in hauling methods at any of those meetings. He noted that he was unfamiliar with the truck-related figures that he had heard being discussed by First Selectman Schlag and this Board at recent Board of Finance Meetings. First Selectman Schlag responded that the Board of Selectmen had discussed and approved the plans and specific figures at its budget review meeting(s). Ed Schwing commented on the Board of Finance's mixed reaction to the roll off truck/revised hauling plan. He also noted his disagreement with this Board's reaction to Board of Selectmen-proposed department changes in some departments.

7. Adjournment

Mr. Fredericksen made the Motion seconded by Ms. Haase to adjourn the Meeting. The Motion was approved unanimously. The Meeting was adjourned at 9:40 PM.

Respectfully submitted,
Barbara D. Galloway
Secretary